



In-Year Report

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

“An improved quality of life for all residents”

Monthly Budget Statement December 2016

**JOE GQABI
DISTRICT
MUNICIPALITY**

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Joe Gqabi District Municipality.

Budget related policy – Policy of the municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as a non-current asset on the Municipality's balance sheet.

Cash flow statement – A statement including only actual receipts and expenditure by the Municipality. Cash payments and receipts do not always coincide with budgeted timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period. The same principle applies with the cash receipts. The Municipality recognise the revenue on date of billing whilst payment may not appear in the same period; the receipt is recognised at date of receipt.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – A general grant paid to Municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between Municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting; this Municipality will need to fully comply by the end of June 2012.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

MTREF – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years financial position.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages and general expenses.

Rates – Local Government tax levied in terms of the Local Government: Municipal Property Rates Act; Act 6 of 2004. The tax is based on the assessed market value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

Strategic objectives – The main priorities of the Joe Gqabi District Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Unauthorised expenditure – Generally, is spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

MIG . Municipal Infrastructure Grant

MWIG – Municipal Water Infrastructure Grant

WSIG – Water Services Infrastructure Grant

RBIG - Regional Bulk Infrastructure Grant

Vote – One of the main segments into which a budget. In Joe Gqabi District Municipality this means at directorate level. The votes for Joe Gqabi therefore are:

- Management Services;
- Financial Services;
- Corporate Services;
- Technical Services; and
- Community Services.

PART 1 – IN-YEAR REPORT

Section 1 –Mayor’s Report

1.1 PURPOSE

The purpose of this report is to comply with the section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009.

1.2 BACKGROUND

In terms of section 71(1) of the Municipal Finance Management Act (MFMA) the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the municipality’s budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;
- (b) Actual borrowings;
- (c) Actual expenditure, per vote;
- (d) Actual capital expenditure, per vote;
- (e) The amount of any allocations received;
- (f) Actual expenditure on those allocations, excluding expenditure on:
 - (i) its share of the local government equitable share; and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of:
 - (i) Any material variances from the municipality have projected revenue by source, and from the municipality’s expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality’s approved budget.

2.1 In-Year Report - Monthly Budget Statement

2.1.1 The progress in implementation of budget in terms of SDBIP can be seen from the tables below.

Table 1: Operating Revenue per category

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	YTD Actual	YTD Budget
Revenue by Source								
Government grants and subsidies	-112 091 745	-23 156 360	-15 888 392	-28 938 189	-40 460 916	-105 780 582	-326 316 184	-353 592 000
Public Contributions and Donations	0	0	0	0	0	0	0	-
Government Services	0	0	0	0	0	0	0	-
Interest earned - external investments	-177 358	-469 724	-349 918	-270 925	-177 641	0	-1 445 566	-1 964 878
Other income	-195 760	-332 532	-41 624	-7 953 752	-1 764 757	-1 934 663	-12 223 089	-1 159 000
Service Charges: Water & Sanitation	-1 296 023	-1 854 670	-2 466 649	-20 867 325	-17 731 255	-8 149 854	-52 365 776	-28 681 682
TOTAL	-113 760 887	-25 813 286	-18 746 584	-58 030 191	-60 134 569	-115 865 099	-392 350 616	-385 397 560

As at 31 December 2016 the municipality recorded actual revenue of an amount of R 115,865 million, resulting in the revenue to date of R 392,350 million which represents 102% of the year to date budgeted revenue and 57% of the total budget forecast.

A majority of the municipality revenue is a result of government grants and subsidies. They represent 91% of the total revenue for the month of December.

During the month of December, revenue relating to service charges recorded amounts to R 8,150 million.

Table 2: Operating Expenditure per category

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	YTD Actual	YTD Budget
Expenditure by Nature (GFS Function)								
Employee related costs	14 093 215	13 467 645	13 675 068	13 614 816	22 201 164	14 888 343	91 940 250	80 210 537
Remuneration of Councillors	441 702	187 485	461 263	453 514	453 303	453 314	2 450 582	3 206 093
Debt Impairment	0	0	0	0	0	0	0	799 500
Depreciation and Amortisation	0	72 048	12 626 642	4 208 881	0	0	16 907 570	119 435 429
Finance charges	0	0	229 851	0	0	0	229 851	372 815
Bulk Purchases	0	0	0	29 600	441 038	4 033	474 671	331 242
Contracted services	0	0	0	0	0	0	0	-
Grants and Subsidies paid	0	0	0	0	0	0	0	1 101 380
General expenses	10 218 541	15 525 057	9 341 878	13 811 457	13 220 091	22 760 568	84 877 592	165 048 694
TOTAL	24 753 458	29 252 234	36 334 702	32 118 267	36 315 596	38 106 259	196 880 515	370 505 690

The municipality incurred operating expenditure amounting to R 38,106 million during the month of December 2016.

Operating Expenditure by Nature

The figures in this section should represent the accrued amounts; in other words when goods have been ordered, received or invoice issued and completed (reconciled with goods received and prices quoted), only then should it be captured as an expense. The financial system currently, does not account for the expenses in a manner as mentioned above. Shadow figures are reflected on the financial system once an order is issued. This action serves as a budgetary control mechanism and no actual financial entries are passed. These figures cannot be used for reporting purposes. The amounts included as expenditure are currently only those for which a payment run has been completed.

- **Depreciation**

Depreciation was not recorded during December. However, going forward, depreciation will be done on a monthly basis in order to ensure the reliability of monthly reporting.

- **Employee related costs**

The year-to-date employee related costs spent amount to R 91,940 million, which represents 115% of the year-to-date budget amount (R 80,211 million) and 48% of the total budget forecast (R 193,059 million).

- **Remuneration of councillors**

The year-to-date actual remuneration of councillors spent amount to R 2,451 million which represents 76% of the year-to-date budget amount (R 3,206 million) and 37% of the total budget forecast (R 6,649 million).

More detail with regard to the employee related cost and remuneration of councillors is provided in table SC8 on Page 25

Table 3: Capital Expenditure by Municipal Vote**Capital Expenditure**

The detail of this section can be found in Section 4 of this report Table C5 and also in Supporting table SC12; SC13a and SC13b.

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	YTD Actual	YTD Budget
Capital Expenditure by GFS								
Executive & Council	-	-	-	-	-	-	-	-
Budget & Treasury	-	-	-	-	-	-	-	95 196
Corporate Services	-	-	-	-	146 485	-	146 485	3 016 500
Planning & Development	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Community & Social Services	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	3 000 940
Environmental Protection	-	-	-	-	-	-	-	-
Road Transport	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Waste Management	8 345 166	3 829 326	4 500 312	5 418 273	9 401 214	9 352 448	40 846 738	26 565 243
Water	-	11 709 501	7 781 556	15 985 131	28 983 507	11 880 969	76 340 663	122 130 675
TOTAL	8 345 166	15 538 827	12 281 868	21 403 403	38 531 206	21 233 417	117 333 887	154 808 554

Capital Expenditure by Vote

The capital expenditure recognised during December 2016 amounts to R 21,233 million. This represents the actual money spent on the provision of service delivery relating to water and sanitation.

The Municipal Infrastructure Grant is the main contributor of JGDMP's capital budget.

2.1.2 Other information

Additional clarity on the contents of this report or answers to any questions posed will be given at the Finance Committee by the Acting Chief Financial Officer.

Section 2 - Resolutions

Recommended resolution to Council relating to the December 2016 in-year report are:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for December 2016 as set out in the schedules contained in Section 4:
- a. Table C1 . Monthly Budget Statement Summary;
 - b. Table C2 . Monthly Budget Statement . Financial Performance (Standard classification);
 - c. Table C3 . Monthly Budget Statement . Financial Performance Standard classification (Revenue and expenditure by Municipal Vote)
 - d. Table C4 . Monthly Budget Statement . Financial Performance (Revenue by Source and Expenditure by Type)
 - e. Table C5 . Monthly Budget Statement . Capital Expenditure;
 - f. Table C6 . Monthly Budget statement . Financial Position; and
 - g. Table C7 . Monthly Budget statement . Cash Flows.
- (b) That the Council take note that the report was submitted to the Executive Mayor on 16 January 2017.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

This Budget statement report for December 2016 of Joe Gqabi District Municipality was prepared via the SAMRAS financial system to comply with the Budget and Reporting Regulations and guidelines as issued by National Treasury.

3.2 Financial Performance; Position and Cash flow

Section 4 of this report includes the tables with the detail figures.

3.2.1 Financial Performance

The detail of this section can be found in Section 4 of this report Table C2 (Summary per GFS); Table C3 (Summary per Municipal Vote) and Table C4 (Summary by Revenue Source and Expenditure Type). The latter is used to provide the executive summary.

3.2.1.1 Revenue by Source

It must be pointed out that in this section the figures represent the accrued amount and not actual cash receipts in other words the amounts billed. The transfers recognised represents only that portion of the grants and subsidies of which the conditions has been met, in other words only reflect the expenditure and not the receipts.

The other sources of revenue that have material variances in rand value are:

- **Interest Earned – External investments**

Actual Interest on Investment earned amounts to R 1,446 million which represents 74% of the year to date budget (R 1,965 million) and 43% of the total budget forecast (R 3,368 million).

- **Other revenue**

Other Revenue comprises of contributions from LG Seta and revenue generated from Photostats.

3.2.2 Financial Position

The detail of this section can be found in Section 4 of this report Table C6 (Financial Position) below:

The financial position indicates the position of the Joe Gqabi District Municipality, after considering the municipality's assets, liabilities and the equity as at 31 December 2016

The current accumulated surplus of the municipality as at 31 December 2016 amount to R 1,466 billion.

3.2.2.1 Current Assets

- **Cash**

The cash balance of R 60,492 million comprises of cash floats in the form of petty cash, cashier floats and the cashbook balance of the primary bank account.

- **Call Investment Deposits**

Call investment deposits consist of investments made with various financial institutions when there is surplus cash available in the main bank account. These monies are then transferred to the general bank account as when needed. The investment policy is used to determine what bank to invest money into.

A monthly investment register is submitted to management.

- **Inventory**

The value of inventory as at 31 December 2016 amount to R 3,593 million.

The current ratio increased to 0.73 as at 31 December 2016 in comparison to the current ratio of 0.49 as at 30 November 2016. Although the current ratio increased, it is still below the norm of 1.5 : 2.1, and this highlights serious financial challenges of the municipality and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased in order to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities

3.2.2.2 Non-Current Assets

The non-current assets as at 31 December 2016 amount to R 1,588 billion, which represents 93% of the year to date budget (R 1,710 billion).

3.2.2.3 Current Liabilities

- **Trade and other payables**

The detail of this section can be found in Section 6 of this report Table C6 (Statement of Financial Position and SC4 (Aged Creditors)).

The trade and other payables as at 31 December 2016 amount to R 292,240 million, which include creditors, provisions, and unspent conditional grants.

The total actual amount relating to creditors as at 31 December 2016 amounts to R 16,906 million.

It must be noted that the age analysis is based on invoice date not invoice received. The municipality is therefore in compliance with the MFMA requirements.

3.2.2 Cash Flow

The detail of this section can be found in Section 4 of this report Table C7 (Cash Flow)

The cash flow statement for the month indicates that the municipality's operations during the month resulted in a positive cash outflow of R 7,061 million.

3.3 Remedial or corrective steps

The remedial or corrective steps are listed in order of importance below:

3.3.1 Bank reconciliation

The daily automated bank reconciliation is functioning; we however faced challenges with it which resulted in us reverting back to the manual bank reconciliation. The information is derived from the system and the necessary journals are identified early and processed as and when they occur.

3.3.2 Monthly Procedures

To get the in-year figures more accurate the monthly actions with regard to the following have been instituted:

- Contributions of medical aid for pensioners;
- Creditors and Debtors reconciliations
- VAT reconciliation;
- Depreciation;

- Short term portion of long-term liabilities; and
- Recognition of interest earned both for call deposits and non-current investments
- Identifying incorrect allocations and wrong vote classifications

3.3.3 Recognition of Trade payables

A monthly integrity report is run on a monthly basis which generates exceptions with regards to the creditors module. This matter has been reported to the relevant manager and is being addressed.

3.4 Conclusion

JGDM had many challenges during the 2015/16 financial year due to the effects of taking over the water and sanitation services from the local municipalities. The effects of such challenges carried over to 2016/2017 financial year.

The district municipality has declared a state of drought disaster, in the region. A number of dams within the district reported to have below 40% capacity and this resulted in level 2 and 3 water restrictions, these restrictions amongst others, prohibits users of portable water to water their gardens and wash their cars with a hose pipe.

In terms of financial management, the municipality has established itself as a model in the province. This is supported by the fact that the Auditor General has issued the municipality with a clean audit opinion during the 2014/15 and 2015/16 financial years. There are still challenges with the Billing and the municipality is making efforts in implementing a credit control policy.

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1: Monthly Budget Statement Summary (This table provide a summary of the most important information by pulling its information from the other tables to follow.)

DC14 Joe Gqabi - Table C1 Monthly Budget Statement Summary - M06 December

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	77 047	71 981	71 981	1 855	3 151	19 185	(16 034)	-84%	77 413
Investment revenue	4 299	3 368	3 368	-	1 446	1 965	(519)	-26%	2 526
Transfers recognised - operational	254 689	335 199	335 199	75 539	180 614	208 603	(27 989)	-13%	315 000
Other own revenue	6 890	12 844	12 844	1 935	12 223	1 159	11 064	955%	16 621
Total Revenue (excluding capital transfers and contributions)	342 925	423 392	423 392	79 328	197 433	230 912	(33 479)	-14%	411 561
Employee costs	164 837	193 859	193 059	14 888	91 940	80 211	11 730	15%	179 074
Remuneration of Councillors	5 310	6 649	6 649	453	2 451	3 206	(756)	-24%	4 241
Depreciation & asset impairment	50 631	50 756	50 756	-	230	119 435	(119 206)	-100%	19 825
Finance charges	5 103	2 255	2 255	-	230	373	(143)	-38%	1 992
Materials and bulk purchases	776	4 264	4 264	4	475	331	143	43%	4 264
Transfers and grants	13 809	2 000	2 000	-	-	1 101	(1 101)	-100%	2 000
Other expenditure	248 626	234 643	235 443	22 761	84 878	165 848	(80 971)	-49%	200 177
Total Expenditure	489 092	494 426	494 426	38 106	180 203	370 506	(190 303)	-51%	411 572
Surplus/(Deficit)	(146 167)	(71 035)	(71 035)	41 222	17 230	(139 594)	156 824	-112%	(11)
Transfers recognised - capital	285 733	261 663	261 663	30 242	145 702	144 989	714	0%	291 079
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	139 566	190 628	190 628	71 464	162 933	5 395	157 538	2920%	291 068
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	139 566	190 628	190 628	71 464	162 933	5 395	157 538	2920%	291 068
Capital expenditure & funds sources									
Capital expenditure	-	244 602	244 602	21 233	117 334	154 809	(37 475)	-24%	247 979
Capital transfers recognised	-	184 889	182 889	18 130	90 000	120 683	(30 683)	-25%	182 889
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	11 605	5 903	-	-	4 452	(4 452)	-100%	5 903
Internally generated funds	-	48 108	55 810	3 104	27 334	29 673	(2 340)	-8%	55 810
Total sources of capital funds	-	244 602	244 602	21 233	117 334	154 809	(37 475)	-24%	244 602
Financial position									
Total current assets	(33 602)	41 686	41 686	-	243 885	-	-	-	41 686
Total non current assets	1 499 696	1 709 908	1 709 908	-	1 588 995	-	-	-	1 709 908
Total current liabilities	155 340	91 180	91 180	-	332 234	-	-	-	91 180
Total non current liabilities	40 331	79 973	79 973	-	33 992	-	-	-	79 973
Community wealth/Equity	1 270 423	1 580 441	1 580 441	1 466 655	1 580 441	1 580 441	1 580 441	100%	1 580 441
Cash flows									
Net cash from (used) operating	101 449	259 671	259 671	30 248	30 248	21 639	(8 609)	-40%	239 730
Net cash from (used) investing	(94 743)	(278 436)	(278 436)	(8 329)	(23 187)	(23 203)	(16)	0%	(278 505)
Net cash from (used) financing	(229)	5 910	5 910	-	-	493	493	100%	(2 002)
Cash/cash equivalents at the month/year end	11 808	2 949	(12 871)	-	9 809	(1 088)	(10 897)	1002%	(38 029)
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	13 127	12 783	10 768	10 439	10 235	9 941	60 079	158 182	285 554
Creditors Age Analysis									
Total Creditors	16 907	-	-	-	-	-	-	-	16 907

4.1.2 Table C2: Monthly Budget Statement - Financial Performance (standard classification)

(This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.)

DC14 Joe Gqabi - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		324 966	312 944	312 944	81 842	229 786	200 038	29 748	15%	300 804
Executive and council		4 286	-	-	-	-	-	-		-
Budget and treasury office		320 132	304 455	304 455	81 841	229 423	199 664	29 759	15%	292 749
Corporate services		548	8 489	8 489	1	363	375	(12)	-3%	8 054
<i>Community and public safety</i>		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		219 043	202 837	202 837	20 151	85 406	94 248	(8 842)	-9%	213 522
Planning and development		-	-	-	-	-	-	-		-
Road transport		209 726	191 212	191 212	20 151	85 406	94 248	(8 842)	-9%	201 897
Environmental protection		9 317	11 625	11 625	-	-	-	-		11 625
<i>Trading services</i>		110 644	169 273	169 273	13 872	77 159	91 111	(13 953)	-15%	168 867
Electricity		-	-	-	-	-	-	-		-
Water		105 948	151 828	151 828	13 318	66 961	84 568	(17 607)	-21%	139 164
Waste water management		4 695	17 445	17 445	555	10 197	6 543	3 654	56%	29 703
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	654 652	685 055	685 055	115 865	392 351	385 397	6 953	2%	683 193
Expenditure - Standard										
<i>Governance and administration</i>		157 034	182 640	182 990	10 275	54 420	118 322	(63 901)	-54%	154 303
Executive and council		43 766	48 811	50 048	3 111	21 868	67 797	(45 930)	-68%	39 795
Budget and treasury office		69 021	74 821	73 597	5 074	17 138	30 573	(13 434)	-44%	64 487
Corporate services		44 246	59 008	59 345	2 091	15 414	19 952	(4 537)	-23%	50 020
<i>Community and public safety</i>		15 635	15 594	15 574	1 256	7 890	7 390	500	7%	14 781
Community and social services		2 931	2 109	2 109	207	982	1 039	(57)	-5%	1 946
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		12 705	13 485	13 465	1 049	6 908	6 351	557	9%	12 835
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		138 590	149 244	149 264	16 806	70 761	85 920	(15 159)	-18%	48 745
Planning and development		1	0	0	-	1	-	1	#DIV/0!	1
Road transport		117 755	125 534	125 534	14 184	58 648	74 490	(15 842)	-21%	26 385
Environmental protection		20 834	23 710	23 730	2 621	12 112	11 430	682	6%	22 360
<i>Trading services</i>		177 833	146 949	146 599	9 769	63 810	158 875	(95 065)	-60%	127 993
Electricity		-	-	-	-	-	-	-		-
Water		141 300	119 782	116 056	7 187	50 213	104 986	(54 773)	-52%	99 595
Waste water management		36 533	27 166	30 542	2 582	13 596	53 889	(40 292)	-75%	28 398
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	489 092	494 426	494 426	38 106	196 881	370 506	(173 625)	-47%	345 822
Surplus/ (Deficit) for the year		165 560	190 628	190 628	77 759	195 470	14 892	180 579	1213%	337 371

4.1.3 Table C3: Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)

(The budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality. As part of Table C3; a table with the sub-votes is also prepared.)

DC14 Joe Gqabi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - MANAGEMENT SERVICES	1	4 286	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		320 132	304 455	304 455	81 841	229 423	199 664	29 759	14.9%	292 749
Vote 3 - CORPORATE SERVICES		548	8 489	8 489	1	363	375	(12)	-3.1%	8 054
Vote 4 - TECHNICAL SERVICES		320 369	360 485	360 485	34 024	162 565	185 359	(22 794)	-12.3%	370 764
Vote 5 - COMMUNITY SERVICES		9 317	11 625	11 625	-	-	-	-	-	11 625
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	654 632	685 055	685 055	115 865	392 351	385 397	6 953	1.8%	683 193
Expenditure by Vote										
Vote 1 - MANAGEMENT SERVICES	1	43 767	48 811	50 048	3 111	21 868	67 797	(45 929)	-67.7%	39 796
Vote 2 - FINANCIAL SERVICES		69 021	74 821	73 597	5 074	17 138	30 573	(13 434)	-43.9%	35 722
Vote 3 - CORPORATE SERVICES		44 246	59 008	59 345	2 091	15 414	19 952	(4 537)	-22.7%	50 020
Vote 4 - TECHNICAL SERVICES		281 689	261 768	261 418	23 738	119 437	229 457	(110 020)	-47.9%	210 395
Vote 5 - COMMUNITY SERVICES		50 369	50 019	50 019	4 092	23 023	22 728	295	1.3%	46 873
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	489 092	494 426	494 426	38 106	196 881	370 506	(173 625)	-46.9%	382 807
Surplus/ (Deficit) for the year	2	165 560	190 628	190 628	77 759	195 470	14 892	180 579	1212.6%	300 386

4.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

(This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source due to the fact that Council approves the revenue budget by source and the expenditure budget by vote.)

DC14 Joe Gqabi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		53 508	54 315	54 315	1 855	3 151	8 251	(5 100)	-62%	58 344
Service charges - sanitation revenue		23 539	13 163	13 163	-	-	6 431	(6 431)	-100%	14 566
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	4 503	4 503	-	-	4 503	(4 503)	-100%	4 503
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		4 299	3 368	3 368	-	1 446	1 965	(519)	-26%	2 526
Interest earned - outstanding debtors		5 347	2 866	2 866	1 808	11 487	333	11 153	3346%	7 484
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	119	119	50	50	-	50	#DIV/0!	119
Transfers recognised - operational		254 689	335 199	335 199	75 539	180 614	208 603	(27 989)	-13%	315 000
Other revenue		2 199	9 858	9 858	77	687	825	(139)	-17%	9 018
Gains on disposal of PPE		(657)	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		342 925	423 392	423 392	79 328	197 433	230 912	(33 479)	-14%	411 561
Expenditure By Type										
Employee related costs		164 837	193 859	193 059	14 888	91 940	80 211	11 730	15%	179 074
Remuneration of councillors		5 310	6 649	6 649	453	2 451	3 206	(756)	-24%	4 241
Debt impairment		70 897	20 875	20 875	-	-	800	(800)	-100%	20 076
Depreciation & asset impairment		50 631	50 756	50 756	-	230	119 435	(119 206)	-100%	19 825
Finance charges		5 103	2 255	2 255	-	230	373	(143)	-38%	1 992
Bulk purchases		776	4 264	4 264	4	475	331	143	43%	4 264
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	-	-	-	-
Transfers and grants		13 809	2 000	2 000	-	-	1 101	(1 101)	-100%	2 000
Other expenditure		177 730	213 768	214 568	22 761	84 878	165 049	(80 171)	-49%	180 101
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		489 092	494 426	494 426	38 106	180 203	370 506	(190 303)	-51%	411 572
Surplus/(Deficit)		(146 167)	(71 035)	(71 035)	41 222	17 230	(139 594)	156 824	(0)	(11)
Transfers recognised - capital		285 733	261 663	261 663	30 242	145 702	144 989	714	0	291 079
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		139 566	190 628	190 628	71 464	162 933	5 395			291 068
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		139 566	190 628	190 628	71 464	162 933	5 395			291 068
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		139 566	190 628	190 628	71 464	162 933	5 395			291 068
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		139 566	190 628	190 628	71 464	162 933	5 395			291 068

4.1.5. Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding).

DC14 Joe Gqabi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M06 December

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation	1									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
1.1 - Executive Mayor		-	-	-	-	-	-	-	-	-
1.2 - Council Expenses		-	-	-	-	-	-	-	-	-
1.3 - Municipal Manager		-	-	-	-	-	-	-	-	-
1.4 - Operations		-	-	-	-	-	-	-	-	-
1.5 - Audit		-	-	-	-	-	-	-	-	-
1.6 - LED		-	-	-	-	-	-	-	-	-
1.7 - Communications		-	-	-	-	-	-	-	-	-
1.8 - JoGEDA		-	-	-	-	-	-	-	-	-
1.9 - SPU Unit		-	-	-	-	-	-	-	-	-
1.10 - Information Technology		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	200	200	-	-	95	(95)	-100%	200
2.1 - Director: Financial Services		-	-	-	-	-	-	-	-	-
2.2 - Revenue & Expenditure		-	-	-	-	-	-	-	-	-
2.3 - Budget Office		-	-	-	-	-	-	-	-	-
2.4 - Supply Chain Management		-	200	200	-	-	95	(95)	-100%	200
2.5 - Sanitation Financial Services		-	-	-	-	-	-	-	-	-
2.6 - Water Financial Services		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	3 268	3 268	-	146	3 017	(2 870)	-95%	3 268
3.1 - Director: Corporate Services		-	-	-	-	-	-	-	-	-
3.2 - Corporate Services		-	1 435	1 435	-	-	1 435	(1 435)	-100%	1 435
3.3 - Human Resources		-	-	-	-	-	-	-	-	-
3.4 - Legal Services		-	-	-	-	-	-	-	-	-
3.5 - Information Technology		-	1 833	1 833	-	146	1 582	(1 435)	-91%	1 833
3.6 - Property Services		-	-	-	-	-	-	-	-	-
3.7 - Skills & Development		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	238 133	238 133	21 233	117 187	148 696	(31 509)	-21%	241 510
4.1 - Director: Technical Services		-	-	-	-	-	-	-	-	-
4.2 - Technical Services		-	-	-	-	-	-	-	-	-
4.3 - Technical Support/PMU		-	-	-	-	-	-	-	-	-
4.4 - Roads		-	-	-	-	-	-	-	-	-
4.5 - Sanitation		-	50 701	54 894	9 352	40 847	26 565	14 281	54%	56 146
4.6 - Water		-	187 432	183 239	11 881	76 341	122 131	(45 790)	-37%	185 364
Vote 5 - COMMUNITY SERVICES		-	3 001	3 001	-	-	3 001	(3 001)	-100%	3 001
5.1 - Director: Community Services		-	-	-	-	-	-	-	-	-
5.2 - Water Service Authority		-	-	-	-	-	-	-	-	-
5.3 - Municipal Health		-	-	-	-	-	-	-	-	-
5.4 - Disaster Management		-	3 001	3 001	-	-	3 001	(3 001)	-100%	3 001
5.5 - Working for Water/Wetlands		-	-	-	-	-	-	-	-	-
5.6 - Fire services		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		-	244 602	244 602	21 233	117 334	154 809	(37 475)	(0)	247 979
Total Capital Expenditure		-	244 602	244 602	21 233	117 334	154 809	(37 475)	(0)	247 979

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	Year ID actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		5 364	381	381	60 492	381
Call investment deposits		5 347	2 568	2 568	62 017	2 568
Consumer debtors		91 572	26 014	26 014	76 125	26 014
Other debtors		(139 062)	10 000	10 000	41 658	10 000
Current portion of long-term receivables		-	-	-	-	-
Inventory		3 178	2 723	2 723	3 593	2 723
Total current assets		(33 602)	41 686	41 686	243 885	41 686
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		3 305	2 989	2 989	3 399	2 989
Investment property		2 534	2 894	2 894	2 431	2 894
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1 492 440	1 698 713	1 698 713	1 581 767	1 698 713
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		1 417	5 312	5 312	1 398	5 312
Other non-current assets		-	-	-	-	-
Total non current assets		1 499 696	1 709 908	1 709 908	1 588 995	1 709 908
TOTAL ASSETS		1 466 094	1 751 594	1 751 594	1 832 880	1 751 594
LIABILITIES						
Current liabilities						
Bank overdraft		2 615	-	-	14 370	-
Borrowing		11 168	1 286	1 286	8 754	1 286
Consumer deposits		-	1 042	1 042	-	1 042
Trade and other payables		123 406	53 514	53 514	292 240	53 514
Provisions		18 150	35 337	35 337	16 869	35 337
Total current liabilities		155 340	91 180	91 180	332 234	91 180
Non current liabilities						
Borrowing		4 800	48 739	48 739	4 987	48 739
Provisions		35 531	31 234	31 234	29 004	31 234
Total non current liabilities		40 331	79 973	79 973	33 992	79 973
TOTAL LIABILITIES		195 671	171 152	171 152	366 225	171 152
NET ASSETS	2	1 270 423	1 580 441	1 580 441	1 466 655	1 580 441
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 270 926	1 580 441	1 580 441	1 466 655	1 580 441
Reserves		(502)	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 270 423	1 580 441	1 580 441	1 466 655	1 580 441

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges		47 817	36 158	36 158	1 293	1 293	3 013	(1 721)	-57%	81 939
Other revenue		-	9 977	9 977	222	222	831	(609)	-73%	-
Government - operating		311 264	335 199	335 199	94 510	94 510	27 933	66 577	238%	335 199
Government - capital		96 876	261 663	261 663	96 607	96 607	21 805	74 802	343%	261 663
Interest		4 535	3 368	3 368	135	135	281	(146)	-52%	3 368
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(345 992)	(374 258)	(374 258)	(162 519)	(162 519)	(31 188)	131 331	-421%	(348 588)
Finance charges		(764)	(2 255)	(2 255)	-	-	(188)	(188)	100%	(4 121)
Transfers and Grants		(12 286)	(10 181)	(10 181)	-	-	(848)	(848)	100%	(89 730)
NET CASH FROM/(USED) OPERATING ACTIVITIES		101 449	259 671	259 671	30 248	30 248	21 639	(8 609)	-40%	239 730
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		150	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	16	16	-	16	#DIV/0!	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		219	300	300	-	25	25	-	-	231
Payments										
Capital assets		(95 112)	(278 736)	(278 736)	(8 345)	(23 228)	(23 228)	-	-	(278 736)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(94 743)	(278 436)	(278 436)	(8 329)	(23 187)	(23 203)	(16)	0%	(278 505)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	12 305	12 305	-	-	1 025	(1 025)	-100%	-
Increase (decrease) in consumer deposits		171	-	-	-	-	-	-	-	(1 001)
Payments										
Repayment of borrowing		(399)	(6 395)	(6 395)	-	-	(533)	(533)	100%	(1 001)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(229)	5 910	5 910	-	-	493	493	100%	(2 002)
NET INCREASE/ (DECREASE) IN CASH HELD		6 478	(12 854)	(12 854)	21 919	7 061	(1 071)			(40 777)
Cash/cash equivalents at beginning:		5 330	15 804	(17)		2 748	(17)			2 748
Cash/cash equivalents at month/year end:		11 808	2 949	(12 871)		9 809	(1 088)			(38 029)

PART 2 – IN-YEAR REPORT

Section 5–Debtors' analysis

5.1 Supporting Table SC3

The municipality took over the billing function from all the local municipalities (Senqu, Maletswai, Gariiep and Elundini) currently the billing and managing of debtors is done by the municipality.

Debtors are managed by use of Sebata financial system. The figures below were extracted from Sebata. The municipality has some shortfalls with regards to integrating SAMRAS and Sebata on a monthly basis. However, the municipality is still in the process of resolving this issue.

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2016/17								Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	9 383	9 381	7 658	7 440	7 322	6 750	44 374	114 278	206 587	180 164	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-ex change Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	3 744	3 402	3 110	2 999	2 912	3 191	15 706	43 905	78 967	68 712	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	(0)	(0)	(0)	-	-
Total By Income Source	2000	13 127	12 783	10 768	10 439	10 235	9 941	60 079	158 182	285 554	248 876	-	-
2015/16 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 093	2 537	1 809	1 698	2 097	1 572	9 620	31 852	53 277	46 838	-	-
Commercial	2300	1 052	685	648	712	509	548	3 139	5 127	12 422	10 036	-	-
Households	2400	9 898	9 488	8 239	7 964	7 564	7 744	46 944	120 084	217 924	190 300	-	-
Other	2500	84	72	72	65	65	77	376	1 119	1 931	1 702	-	-
Total By Customer Group	2600	13 127	12 783	10 768	10 439	10 235	9 941	60 079	158 182	285 554	248 876	-	-

Section 6—Creditors' analysis

6.1 Supporting Table SC4

The table below is the reflection of the creditors age analysis as at 31 December 2016 with total creditors amounting to R 16,907 million.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2016/17								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	16 907	-	-	-	-	-	-	-	16 907
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	16 907	-	-	-	-	-	-	-	16 907

Section 7–Investment portfolio analysis

7.1 Supporting Table SC5

The investments of Joe Gqabi are represented by the investment in the entity Jogeda and a zero coupon investment at DBSA. The current investment register will be changed to make provision for call investment deposits (Deposits shorter than 90 days); Short term investments (Deposits longer than 90 days but shorter than 12 months) and non-current investments.

Table SC5 correctly represent only the non current investments to the value of R 2,228 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of	Type of	Expiry date	Accrued	Yield for the	Market	Change in	Market
		Investment	Investment	of	interest for	month 1	value at	market	value at end
R thousands		Yrs/Months		investment	the month	(%)	beginning	value	of the
							of the		month
							month		
Municipality									
JOGEDA		NA	Entity	NA	NA	NA	2 226	(2 226)	–
DBSA			Zero coupon		8		–	–	–
Municipality sub-total					8		2 226	(2 226)	–
Entities									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				8		2 226	(2 226)	–

Section 8 – Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grants

This table below shows the status of grants transfer and expenditure to date.

Grant Reconciliation JULY 2016 TO JUNE 2017												
Name of Grant		Opening Balance	Receipts YTD	Transferred to I/S July	Transferred to I/S August	Transferred to I/S September	Transferred to I/S October	Transferred to I/S November	Transferred to I/S December	TOTAL YTD Transferred to I/S	Closing Balance-UNSPENT	% spent
DWAF	OPEX	(5 749.63)	-	-	-	-	-	-	-	-	(5 749.63)	#DIV/0!
Environmental Health Practitioner	OPEX	(2 023 389.68)	-	-	-	-	-	-	-	-	(2 023 389.68)	#DIV/0!
Finance Management Grant	OPEX	-	1 250 000.00	-	-	(528 803.54)	(38 833.09)	-	(72 378.13)	(640 014.76)	609 985.24	-51%
MIG	CAPEX	(2 532 298.03)	96 074 000.00	(16 862 646.16)	(9 866 626.00)	(6 593 415.32)	(7 384 133.26)	(12 611 699.77)	(18 176 828.10)	(71 495 348.62)	22 046 353.35	-74%
Rural Roads Asset Management	OPEX	13 607.19	1 136 000.00	-	(9 992.47)	-	-	-	-	(9 992.47)	1 139 614.72	-1%
Expanded Public Works Programs	OPEX	-	1 032 000.00	-	(196 499.52)	-	(714 752.64)	-	(250 634.56)	(1 161 886.72)	(129 886.72)	-113%
Public Works Special Programs	OPEX	(3 883 897.33)	7 250 934.47	(1 661 210.05)	(1 705 827.11)	(1 746 742.06)	(2 193 188.12)	(3 104 000.86)	(1 674 031.00)	(12 084 999.20)	(8 717 962.06)	-167%
LGSETA	OPEX	(14 615.28)	777 750.56	(146 850.00)	(184 984.22)	(23 770.22)	-	-	-	(355 604.44)	407 530.84	-46%
Water Services Infrastructure Grant	CAPEX	-	41 915 000.00	-	(1 143 865.10)	(792 433.12)	(5 555 376.78)	(11 634 993.36)	(7 271 510.60)	(26 398 178.96)	15 516 821.04	-63%
RBIG	CAPEX	(4 235 910.00)	13 985 434.32	(159 300.29)	(2 756 932.58)	(130 186.97)	(119 639.77)	(1 303 722.00)	-	(4 469 781.61)	15 516 821.04	-32%
Drought Relief- COGTA	CAPEX	(12 041 029.06)	34 593 753.52	-	(4 271 345.24)	(6 043 771.00)	(11 185 522.87)	(11 806 499.98)	(3 916 960.60)	(37 224 099.69)	(14 671 375.23)	-108%
Department of Human Settlement	CAPEX	(5 485 489.66)	-	-	-	-	-	-	-	-	(5 485 489.66)	#DIV/0!
		(30 208 771.48)	198 014 872.87	(18 830 006.50)	(20 136 072.24)	(15 859 122.24)	(27 191 446.53)	(40 460 915.97)	(31 362 342.99)	(153 839 906.47)	24 203 273.25	

Section 9 – Expenditure on councillor and board members allowances and employee benefits

9.1 Supporting Table C8

Table SC8 seeks to comply with the reporting requirements of Section 66 of the MFMA regarding disclosure of expenditure on staff benefits.

DC14 Joe Gqabi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 310	6 649	6 649	453	2 451	3 206	(756)	-24%	4 241
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		5 310	6 649	6 649	453	2 451	3 206	(756)	-24%	4 241
% increase	4		25.2%	25.2%						-20.1%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		9	12	12	1	4	6	(1)	-22%	10
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		119	156	156	11	66	75	(9)	-12%	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		128	168	168	12	70	81	(10)	-13%	10
% increase	4		30.7%	30.7%						-92.3%
Other Municipal Staff										
Basic Salaries and Wages		101 623	109 379	108 579	9 482	55 167	53 731	1 435	3%	101 342
Pension and UIF Contributions		14 151	15 127	15 127	1 255	7 602	7 694	(92)	-1%	14 098
Medical Aid Contributions		6 134	7 472	7 472	481	3 127	2 669	459	17%	5 892
Overtime		8 185	8 354	8 354	1 431	5 299	3 263	2 036	62%	8 004
Performance Bonus		8 940	19 947	19 947	11	8 393	(1 065)	9 458	-888%	19 214
Motor Vehicle Allowance		5 664	5 923	5 923	469	2 737	2 992	(255)	-9%	5 099
Cellphone Allowance		1 307	1 313	1 313	109	644	649	(5)	-1%	1 206
Housing Allowances		987	924	924	102	721	498	223	45%	1 067
Other benefits and allowances		8 084	8 290	8 290	720	4 451	4 161	290	7%	7 653
Payments in lieu of leave		553	6 057	6 057	2	2	162	(160)	-99%	6 020
Long service awards		767	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	2 413	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		158 808	182 786	181 986	14 062	88 144	74 755	13 389	18%	169 595
% increase	4		15.1%	14.6%						6.8%
Total Parent Municipality		164 245	189 602	188 802	14 528	90 665	78 042	12 623	16%	173 845

Section 10 – Capital programme performance

10.1 Supporting Table C13

Supporting Tables SC13 include the following:

- SC13a: Capital expenditure on new assets by asset class
- SC13b: Capital expenditure on renewal of existing assets by asset class

These two tables total to Table C5.

DC14 Joe Gqabi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	86 697	90 645	12 294	50 757	44 811	(5 946)	-13.3%	92 640
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	57 408	57 408	11 497	35 195	22 320	(12 874)	-57.7%	59 403
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	57 408	57 408	11 497	35 195	22 320	(12 874)	-57.7%	59 403
Infrastructure - Sanitation		-	29 289	33 237	797	15 563	22 491	6 928	30.8%	33 237
Reticulation		-	29 289	33 207	797	15 563	22 491	6 928	30.8%	33 237
Sewerage purification		-	-	30	-	-	-	-	-	-
Infrastructure - Other		-	-	-	(0)	(0)	-	0	#DIV/0!	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	(0)	(0)	-	0	#DIV/0!	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	156 572	152 624	8 940	66 430	108 916	42 486	39.0%	154 006
General vehicles		-	20 377	14 675	-	-	4 452	4 452	100.0%	14 675
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	134 060	134 060	8 940	66 430	101 556	35 126	34.6%	135 441
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	2 135	3 889	-	-	2 907	2 907	100.0%	3 889
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	-	243 269	243 269	21 233	117 187	153 727	36 540	23.8%	246 646

- SC13c: Expenditure on repairs and maintenance by asset class

The capital budget projects or items should be split between new and replacement. The original approved budget did not provide the detail in order to do this. At present all capital projects/items is captured as if it is new assets.

DC14 Joe Gqabi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2015/16		Budget Year 2016/17						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		6 778	25 010	25 050	414	4 130	10 777	6 647	61.7%	14 598
Infrastructure - Road transport		2 970	3 080	3 115	97	946	1 243	297	23.9%	2 582
Roads, Pavements & Bridges		2 970	3 080	3 115	97	946	1 243	297	23.9%	2 582
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		3 808	21 930	21 935	316	3 184	9 533	6 349	66.6%	12 016
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		3 808	21 930	21 935	316	3 184	9 533	6 349	66.6%	12 016
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		372	3 861	3 291	58	175	948	774	81.6%	1 756
General vehicles		20	218	228	-	11	60	49	81.1%	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		52	64	264	5	10	114	104	90.9%	264
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		300	3 579	2 799	53	153	773	621	80.2%	1 492
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure		7 150	28 871	28 341	472	4 305	11 725	7 420	63.3%	16 355

Section 11 – Material variances to the SDBIP

11.1 Overview

No comments apart from those already mentioned in the executive summary.

Section 12 – Other supporting documentation

12.1 Other information

None

Section 13 – Municipal Manager’s quality certification

QUALITY CERTIFICATE

I, ZA Williams, the Municipal Manager of Joe Gqabi District Municipality, hereby certifies that:

the monthly budget statement;

quarterly report on the implementation of the budget;

mid-year budget and performance assessment;

For the month ended 31 December 2016 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act.

Print Name: _____

Municipal Manager of Joe Gqabi District Municipality (DC14)

Signature: _____

Date: 16.01.2016 _____