



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 January 2017

**JOE GQABI
DISTRICT
MUNICIPALITY**

Table of Contents

Glossary3

PART 1 . IN-YEAR REPORT.....5

Section 1 . Mayor’s Report5

Section 2 - Resolutions8

Section 3 . Executive Summary..... 10

Section 4 . In-year budget statement tables..... 14

PART 2 . IN-YEAR REPORT.....21

Section 5 . Debtors' analysis.....21

Section 6 . Creditors' analysis22

Section 7 . Investment portfolio analysis23

Section 8 . Allocation and grant receipts and expenditure24

Section 9 . Expenditure on councillor and board members allowances and
employee benefits24

Section 10 . Capital programme performance27

Section 11 . Material variances to the SDBIP31

Section 12 . Other supporting documentation.....31

Section 13 . Municipal Manager’s quality certification32

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.

Virements – 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	Jan Actual	YTD Actual
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)	(25,689,914)	(352,006,098)
Public Contributions and Donations	0	0	0	0	0	0	0	0
Government Services	0	0	0	0	0	0	0	0
Interest earned - external investments	(177,358)	(469,724)	(349,918)	(270,925)	(177,641)	0	(530,220)	(1,975,786)
Other income	(195,760)	(332,532)	(41,624)	(7,953,752)	(1,764,757)	(1,934,663)	(143,935)	(12,367,024)
Service Charges: Water & Sanitation	(1,296,023)	(1,854,670)	(2,466,649)	(20,867,325)	(17,731,255)	(8,149,854)	(1,772,099)	(54,137,875)
TOTAL	(113,760,887)	(25,813,286)	(18,746,584)	(58,030,191)	(60,134,569)	(115,865,099)	(28,136,168)	(420,486,784)

As at 31 January 2017 the municipality recorded actual revenue of an amount of R 28,136 million, resulting in the revenue to date of R 420,486 million which represents 61% 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 January.

During the month of January, revenue relating to service charges recorded amounts to R 1,772 million.

Table 2: Operating Expenditure per category

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	YTD Actual
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	13,725,662	106,665,912
Remuneration of Councillors	441,702	187,485	461,263	453,514	453,303	453,314	449,311	2,899,893
Debt Impairment	0	0	0	0	0	0	0	0
Depreciation and Amortisation	0	72,048	12,626,642	4,208,881	0	4,208,881	4,208,881	25,325,331
Finance charges	0	0	229,851	0	0	0	0	229,851
Bulk Purchases	0	0	0	29,600	441,038	4,033	382,053	856,724
Contracted services	0	0	0	0	0	0	0	0
Grants and Subsidies paid	0	0	0	0	0	0	0	0
General expenses	10,218,541	15,525,057	9,341,878	13,811,457	13,220,091	22,760,568	8,296,284	93,173,876
TOTAL	24,753,458	29,252,234	36,334,702	32,118,267	36,315,596	42,315,139	27,062,191	228,151,587

The municipality incurred operating expenditure amounting to R 27,062 million during the month of January 2017.

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 than should it captured as an expense. The financial system currently, do not account 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 is currently only those for which a payment run has been completed.

- **Depreciation**

Depreciation that was not recorded during December was rectified on January. However, R4, 208 million was also recorded for the month of January, as the municipality provides depreciation on a monthly basis in order to ensure reliability of monthly reporting.

- **Employee related costs**

The year to date employee related costs spent amounts to R 105,665 million, which represents 54% of the total budget forecast (R 193,059 million).

- **Remuneration of councillors**

The year to date actual remuneration of councillors spent amounts to R 2,899 million which represents 43 % 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	Jan Actual	YTD Actual
Capital Expenditure by GFS								
Executive & Council	-	-	-	-	-	-	-	-
Budget & Treasury	-	-	-	-	-	-	-	-
Corporate Services	-	-	-	-	146,485	-	-	146,485
Planning & Development	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Community & Social Services	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
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	(6,935,260)	33,911,478
Water	-	11,709,501	7,781,556	15,985,131	28,983,507	11,880,969	11,829,116	88,169,780
TOTAL	8,345,166	15,538,827	12,281,868	21,403,403	38,531,206	21,233,417	4,893,856	122,227,743

Capital Expenditure by Vote

The capital expenditure recognised during January 2017 amounts to R 4,893 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 JGDM’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 January 2017 in-year report are:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for January 2017 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 14 February 2017.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

This Budget statement report for January 2017 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 1,976 million which represents 59% 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 January 2017 amount to R 1,271 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 January 2017 amount to R 3,295 million.

The current ratio decreased to 0.44 as at 31 January 2017 in comparison to the current ratio of 0.73 as at 30 December 2016. Although the current ratio decreased, it is 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 January 2017 amount to R 1,592 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 January 2017 amount to R 480,916 million, which include creditors, provisions, and unspent conditional grants.

The total actual amount relating to creditors as at 31 January 2017 amounts to R 8,119 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 9,483 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 – M07 January

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	4,300	3,368	3,368	530	1,976	2,190	(215)	-10%	3,142
Transfers recognised - operational	254,689	335,199	335,199	1,501	182,115	215,581	(33,466)	-16%	307,192
Other own revenue	6,890	12,844	12,844	144	12,367	1,285	11,082	863%	17,421
Total Revenue (excluding capital transfers and contributions)	342,926	423,392	423,392	4,030	199,609	236,241	(36,632)	-16%	405,168
Employee costs	164,837	193,859	193,059	13,726	105,666	95,025	10,641	11%	178,831
Remuneration of Councillors	5,310	6,649	6,649	449	2,900	3,739	(839)	-22%	4,239
Depreciation & asset impairment	50,699	50,756	50,756	4,209	230	139,341	(139,111)	-100%	25,804
Finance charges	5,103	2,255	2,255	-	230	367	(137)	-37%	1,998
Materials and bulk purchases	989	4,264	4,264	382	857	2,417	(1,560)	-65%	1,841
Transfers and grants	13,809	2,000	2,000	-	-	2,000	(2,000)	-100%	2,000
Other expenditure	248,625	234,643	243,663	8,296	93,174	204,790	(111,616)	-55%	195,537
Total Expenditure	489,372	494,426	502,646	27,062	203,056	447,678	(244,622)	-53%	410,250
Surplus/(Deficit)	(146,446)	(71,030)	(79,254)	(23,032)	(3,446)	(209,436)	205,990	-98%	(1,082)
Transfers recognised - capital	285,733	261,663	261,663	24,189	169,891	158,524	11,367	7%	311,120
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	139,287	190,626	182,408	1,157	166,443	(90,914)	217,357	-427%	306,036
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	139,287	190,626	182,408	1,157	166,443	(90,914)	217,357	-427%	306,036
Capital expenditure & funds sources									
Capital expenditure	-	244,602	244,602	4,894	122,226	164,310	(42,123)	-26%	259,466
Capital transfers recognised	-	184,889	182,889	(3,661)	86,340	127,396	(41,056)	-32%	182,889
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	11,605	5,903	-	-	4,694	(4,694)	-100%	5,903
Internally generated funds	-	48,108	51,810	8,555	31,886	32,261	3,626	11%	51,810
Total sources of capital funds	-	244,602	244,602	4,894	122,226	164,310	(42,123)	-26%	244,602
Financial position									
Total current assets	(28,981)	41,686	41,686	-	227,116	-	-	-	41,686
Total non current assets	1,495,128	1,709,908	1,709,908	-	1,592,133	-	-	-	1,709,908
Total current liabilities	155,256	91,180	91,180	-	510,068	-	-	-	91,180
Total non current liabilities	40,331	79,973	79,973	-	38,682	-	-	-	79,973
Community wealth/Equity	1,270,560	1,580,441	1,580,441	-	1,270,500	-	-	-	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	11,906	2,949	(12,677)	-	9,483	(1,063)	(10,570)	972%	(38,359)
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	3,625	983	3,010	403	17	22	10	48	8,119

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) - M07 January

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>		324,967	312,944	312,944	2,426	232,212	196,315	35,897	18%	301,150
Executive and council		4,286	-	-	-	-	-	-	-	-
Budget and treasury office		320,133	304,455	304,455	2,382	231,805	195,940	35,865	18%	296,124
Corporate services		548	8,489	8,489	44	407	375	32	9%	9,026
<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	13,278	98,684	108,330	(9,646)	-9%	209,375
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		209,726	191,212	191,212	13,278	98,684	108,330	(9,646)	-9%	197,749
Environmental protection		9,317	11,625	11,625	-	-	-	-	-	11,625
<i>Trading services</i>		110,644	169,273	169,273	12,432	89,190	97,472	(7,881)	-8%	181,400
Electricity		-	-	-	-	-	-	-	-	-
Water		105,948	151,828	151,828	11,709	78,670	90,554	(11,884)	-13%	153,892
Waste water management		4,695	17,445	17,445	723	10,920	6,918	4,002	58%	31,509
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	654,653	681,055	681,055	28,136	420,487	402,117	18,369	4%	699,925
Expenditure - Standard										
<i>Governance and administration</i>		157,102	182,640	190,190	8,784	63,234	154,997	(91,763)	-59%	150,189
Executive and council		43,766	48,811	50,048	3,820	25,719	81,201	(55,482)	-68%	40,089
Budget and treasury office		69,021	74,821	73,597	2,431	19,570	43,093	(23,524)	-55%	60,759
Corporate services		44,314	59,008	66,545	2,532	17,946	30,702	(12,756)	-42%	49,341
<i>Community and public safety</i>		11,635	11,594	11,574	1,417	9,307	8,910	397	4%	14,390
Community and social services		2,931	2,109	2,109	157	1,139	1,216	(77)	-6%	1,912
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		12,705	13,485	13,465	1,261	8,169	7,695	474	6%	12,678
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		138,589	149,244	149,264	7,063	81,543	98,652	(17,109)	-17%	49,227
Planning and development		1	0	0	-	1	0	1	308%	1
Road transport		117,755	125,534	125,534	5,739	68,041	86,935	(18,894)	-22%	26,086
Environmental protection		20,833	23,710	23,730	1,344	13,501	11,716	1,785	15%	23,140
<i>Trading services</i>		178,046	146,949	147,619	9,779	74,068	181,120	(111,052)	-60%	125,478
Electricity		-	-	-	-	-	-	-	-	-
Water		141,514	119,782	115,676	7,718	58,192	125,722	(67,531)	-54%	98,036
Waste water management		36,533	27,166	31,942	2,061	15,876	59,397	(43,521)	-73%	27,442
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	489,372	494,426	502,646	27,062	228,152	447,678	(219,327)	-49%	339,483
Surplus/ (Deficit) for the year		165,281	190,629	182,409	1,074	192,335	(45,561)	237,896	-322%	360,441

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) - M07 January

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		320,133	304,455	304,455	2,382	231,805	195,940	35,865	18.3%	296,124
Vote 3 - CORPORATE SERVICES		548	8,489	8,489	44	407	375	32	8.6%	9,026
Vote 4 - TECHNICAL SERVICES		320,369	360,485	360,485	25,710	188,274	205,802	(17,528)	-8.5%	383,150
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	654,633	681,051	681,051	28,136	420,487	402,117	18,369	4.6%	699,921
Expenditure by Vote										
Vote 1 - MANAGEMENT SERVICES	1	43,767	48,811	50,048	3,820	25,719	81,201	(55,482)	-68.3%	40,090
Vote 2 - FINANCIAL SERVICES		69,021	74,821	73,597	2,431	19,570	43,093	(23,524)	-54.6%	35,175
Vote 3 - CORPORATE SERVICES		44,314	59,008	66,545	2,532	17,946	30,702	(12,756)	-41.5%	49,341
Vote 4 - TECHNICAL SERVICES		281,795	261,768	262,438	14,951	138,521	265,762	(127,241)	-47.9%	215,582
Vote 5 - COMMUNITY SERVICES		50,475	50,019	50,019	3,327	26,395	26,919	(523)	-1.9%	44,478
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	489,372	494,426	502,646	27,062	226,152	447,678	(219,527)	-49.0%	364,666
Surplus/ (Deficit) for the year	2	165,261	190,626	182,406	1,074	192,335	(45,561)	237,896	-122.2%	314,259

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) - M07 January

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 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	4,300	3,368	3,368	530	1,976	2,190	(215)	-10%	3,142	
Interest earned - outstanding debtors	5,347	2,866	2,866	-	11,487	389	11,098	2854%	7,200	
Dividends received	-	-	-	-	-	-	-	-	-	
Fines	-	-	-	-	-	-	-	-	-	
Licences and permits	-	-	-	-	-	-	-	-	-	
Agency services	-	119	119	29	79	-	79	#DIV/0!	119	
Transfers recognised - operational	254,689	335,199	335,199	1,501	182,115	215,581	(33,466)	-16%	307,192	
Other revenue	2,199	9,858	9,858	115	801	896	(94)	-11%	10,102	
Gains on disposal of PPE	(657)	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and contributions)		342,926	423,392	423,392	4,030	199,609	236,241	(36,632)	-16%	405,168
Expenditure By Type										
Employee related costs		164,837	193,859	193,059	13,726	105,666	95,025	10,641	11%	178,831
Remuneration of councillors		5,310	6,649	6,649	449	2,900	3,739	(839)	-22%	4,239
Debt impairment		70,897	20,875	20,875	-	-	933	(933)	-100%	19,942
Depreciation & asset impairment		50,699	50,756	50,756	4,209	230	139,341	(139,111)	-100%	25,804
Finance charges		5,103	2,255	2,255	-	230	367	(137)	-37%	1,998
Bulk purchases		989	4,264	4,264	382	857	2,417	(1,560)	-65%	1,841
Other materials		-	-	-	-	-	-	-	-	
Contracted services		-	-	-	-	-	-	-	-	
Transfers and grants		13,809	2,000	2,000	-	-	2,000	(2,000)	-100%	2,000
Other expenditure		177,728	213,768	222,788	8,296	93,174	203,857	(110,683)	-54%	175,594
Loss on disposal of PPE		-	-	-	-	-	-	-	-	
Total Expenditure		489,372	494,426	502,646	27,062	203,056	447,678	(244,622)	-31%	410,290
Surplus/(Deficit)		(146,446)	(71,033)	(79,253)	(23,032)	(3,446)	(209,436)	201,990	0	(5,062)
Transfers recognised - capital		285,733	261,663	261,663	24,189	169,891	158,524	11,367	0	311,120
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		139,287	190,628	182,408	1,157	166,443	(90,914)			306,038
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		139,287	190,628	182,408	1,157	166,443	(90,914)			306,038
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		139,287	190,628	182,408	1,157	166,443	(90,914)			306,038
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		139,287	190,628	182,408	1,157	166,443	(90,914)			306,038

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) - M07 January

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	1									
Multi-Year expenditure appropriation	2									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
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 Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	200	200	-	-	113	(113)	-100%	200
Vote 3 - CORPORATE SERVICES		-	3,268	3,168	-	146	2,693	(2,547)	-95%	3,168
Vote 4 - TECHNICAL SERVICES		-	238,133	238,233	4,894	122,081	158,543	(36,462)	-23%	253,098
Vote 5 - COMMUNITY SERVICES		-	3,001	3,001	-	-	3,001	(3,001)	-100%	3,001
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 Capital single-year expenditure	4	-	244,602	244,602	4,894	122,228	164,350	(42,123)	-26%	259,466
Total Capital Expenditure		-	244,602	244,602	4,894	122,228	164,350	(42,123)	-26%	259,466
Capital Expenditure - Standard Classification										
Governance and administration		-	3,468	3,368	-	146	2,806	(2,660)	-95%	3,368
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		-	200	200	-	-	113	(113)	-100%	200
Corporate services		-	3,268	3,168	-	146	2,693	(2,547)	-95%	3,168
Community and public safety		-	3,001	3,001	-	-	3,001	(3,001)	-100%	3,001
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	3,001	3,001	-	-	3,001	(3,001)	-100%	3,001
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	238,133	238,233	4,894	122,061	158,543	(36,462)	-23%	253,098
Electricity		-	-	-	-	-	-	-	-	-
Water		-	187,432	178,339	11,829	88,170	125,071	(36,901)	-30%	190,841
Waste water management		-	50,701	59,894	(6,935)	33,911	33,472	439	1%	62,257
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	-	244,602	244,602	4,894	122,228	164,350	(42,123)	-26%	259,466
Funded by:										
National Government		-	184,889	182,889	(3,661)	86,340	127,396	(41,056)	-32%	185,252
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	(2,364)
Transfers recognised - capital		-	184,889	182,889	(3,661)	86,340	127,396	(41,056)	-32%	182,889
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	11,605	5,903	-	-	4,694	(4,694)	-100%	5,903
Internally generated funds		-	48,108	55,810	8,555	35,888	32,261	3,628	11%	55,810
Total Capital Funding		-	244,602	244,602	4,894	122,228	164,350	(42,123)	-26%	244,602

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		5,031	381	381	60,492	381
Call investment deposits		5,015	2,568	2,568	25,687	2,568
Consumer debtors		91,572	26,014	26,014	96,165	26,014
Other debtors		(133,776)	10,000	10,000	41,478	10,000
Current portion of long-term receivables		-	-	-	-	-
Inventory		3,178	2,723	2,723	3,295	2,723
Total current assets		(28,961)	41,686	41,686	227,116	41,686
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		3,305	2,989	2,989	3,399	2,989
Investment property		2,508	2,894	2,894	2,354	2,894
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1,487,998	1,698,713	1,698,713	1,585,253	1,698,713
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		1,317	5,312	5,312	1,127	5,312
Other non-current assets		-	-	-	-	-
Total non current assets		1,491,126	1,709,906	1,709,906	1,592,133	1,709,906
TOTAL ASSETS		1,466,147	1,751,594	1,751,594	1,819,249	1,751,594
LIABILITIES						
Current liabilities						
Bank overdraft		2,615	-	-	-	-
Borrowing		11,168	1,286	1,286	10,378	1,286
Consumer deposits		-	1,042	1,042	-	1,042
Trade and other payables		123,322	53,514	53,514	480,916	53,514
Provisions		18,150	35,337	35,337	18,774	35,337
Total current liabilities		155,256	91,180	91,180	510,068	91,180
Non current liabilities						
Borrowing		4,800	48,739	48,739	4,974	48,739
Provisions		35,531	31,234	31,234	33,708	31,234
Total non current liabilities		40,331	79,973	79,973	38,682	79,973
TOTAL LIABILITIES		195,587	171,152	171,152	548,750	171,152
NET ASSETS	2	1,270,560	1,580,441	1,580,441	1,270,500	1,580,441
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,271,063	1,580,441	1,580,441	1,271,002	1,580,441
Reserves		(502)	-	-	(502)	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1,270,560	1,580,441	1,580,441	1,270,500	1,580,441

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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									
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	239,671	239,671	30,246	30,246	21,639	(6,609)	-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%	(278,400)
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)	1,910	1,910	-	-	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)		2,422	(17)			2,422
Cash/cash equivalents at month/year end:		11,808	2,949	(12,871)		9,483	(1,088)			(38,355)

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 - M07 January

Description	NT Code	Budget Year 2016/17										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	Total	Total over 90 days			
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-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	3,744	3,402	3,110	2,909	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	10,239	9,941	60,079	158,182	289,554	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	217,824	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	10,239	9,941	60,079	158,182	289,554	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 January 2017 with total creditors amounting to R 8,119 million.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	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	
R thousands										
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	3,625	983	3,010	403	17	22	10	48	8,119
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	3,625	983	3,010	403	17	22	10	48	8,119

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 2,226 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs:Months							
R thousands									
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 1/S July	Transferred to 1/S August	Transferred to 1/S September	Transferred to 1/S October	Transferred to 1/S November	Transferred to 1/S December	TOTAL YTD Transferred to 1/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.

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 - M07 January

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									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	66,697	90,743	2,353	53,110	46,894	(4,257)	-8.7%	105,020
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	57,408	57,408	4,175	39,369	24,513	(14,856)	-60.6%	71,683
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	57,408	57,408	4,175	39,369	24,513	(14,856)	-60.6%	71,683
Infrastructure - Sanitation		-	29,289	33,337	(1,822)	13,741	24,340	10,600	43.3%	33,337
Reticulation		-	29,289	33,307	(1,822)	13,741	24,340	10,600	43.3%	33,337
Sewerage purification		-	-	30	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	(0)	-	0	#DIV/0!	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	(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		-	156,172	152,524	2,541	68,971	114,374	45,403	39.7%	153,114
General vehicles		-	20,377	14,675	-	-	4,694	4,694	100.0%	14,675
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	134,060	134,060	2,541	68,971	106,973	38,002	35.5%	134,649
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	2,135	3,789	-	-	2,706	2,706	100.0%	3,789
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	4,894	122,061	163,227	41,146	25.2%	258,134

- 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 - M07 January

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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		7,046	25,010	25,487	142	4,272	12,426	8,156	65.6%	15,240
Infrastructure - Road transport		3,238	3,080	3,115	60	1,005	1,445	439	30.4%	2,604
Roads, Pavements & Bridges		3,238	3,080	3,115	60	1,005	1,445	439	30.4%	2,604
Storm water		-	-	-	-	-	-	-		-
Infrastructure - Electricity		-	-	-	-	-	-	-		-
Generation		-	-	-	-	-	-	-		-
Transmission & Reticulation		-	-	-	-	-	-	-		-
Street Lighting		-	-	-	-	-	-	-		-
Infrastructure - Water		3,808	21,930	22,372	82	3,266	10,983	7,717	70.3%	12,636
Dams & Reservoirs		-	-	-	-	-	-	-		-
Water purification		-	-	-	-	-	-	-		-
Reticulation		3,808	21,930	22,372	82	3,266	10,983	7,717	70.3%	12,636
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	3,661	3,291	113	327	1,012	725	68.9%	1,801
General vehicles		20	218	228	-	11	129	117	91.1%	-
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment		-	-	-	-	-	-	-		-
Computers - hardware/equipment		-	-	-	-	-	-	-		-
Furniture and other office equipment		52	64	264	119	130	134	4	3.0%	257
Abattoirs		-	-	-	-	-	-	-		-
Markets		-	-	-	-	-	-	-		-
Civic Land and Buildings		300	3,579	2,799	33	186	790	603	76.4%	1,543
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		7,418	26,671	26,776	294	4,599	13,480	6,881	65.9%	17,040

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 January 2017 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: 14.02.2017 _____