



*“An improved quality of life
for all residents”*

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.*

Monthly Budget Statement July 2016

**JOE GQABI
DISTRICT
MUNICIPALITY**

Table of Contents

Glossary.....	3
PART 1 – IN-YEAR REPORT	5
Section 1 – Mayor’s Report.....	5
Section 2 - Resolutions	9
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' analysis	22
Section 7 – Investment portfolio analysis	23
Section 8 – Allocation and grant receipts and expenditure.....	24
Section 9 – Expenditure on councillor and board members allowances and employee benefits.....	24
Section 10 – Capital programme performance.....	26
Section 11 – Material variances to the SDBIP.....	30
Section 12 – Other supporting documentation	30
Section 13 – Municipal Manager’s quality certification	31

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

WSOS – Water Services Operating Subsidy

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	YTD Actual	YTD Budget
Revenue by Source			
Government grants and subsidies	-112 091 745	-112 091 745	-121 707 000
Public Contributions and Donations	0	0	-
Government Services	0	0	-
Interest earned - external investments	-177 358	-177 358	-200 072
Other income	-195 760	-195 760	-127 000
Service Charges:Water & Sanitation	-1 296 023	-1 296 023	-8 013 000
TOTAL	-113 760 887	-113 760 887	-130 047 072

First month of the financial year, the municipality has raised an actual revenue of R113,761 million which represents 87% of the year to date budgeted operating revenue of R130,047 million as at 31 July 2016.

The government grant is the major contributor in the municipality's revenue as it represents 96% of the total revenue.

The service charges collected during July amounts to R1,296 million, there is low collection rate on service charges of water and sanitation services due to failure of customers to pay their accounts and on time.

Table 2: Operating Expenditure per category

	July Actual	YTD Actual	YTD Budget
Expenditure by Nature (GFS Function)			
Employee related costs	14 093 215	14 093 215	16 154 931
Remuneration of Councillors	441 702	441 702	543 365
Debt Impairment	0	0	133 250
Depreciation and Amortisation	0	0	20 789
Finance charges	0	0	-7 805
Bulk Purchases	0	0	-
Contracted services	0	0	-
Grants and Subsidies paid	0	0	-
General expenses	10 218 541	10 604 092	17 801 229
TOTAL	24 753 458	25 139 009	34 645 759

The municipality has incurred R25,139 million of its operating expenditure which represents 73% of the year to date budget of R34,646 million as at 31 July 2016.

Detailed analysis follows:**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 past. 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 provision for July was not provided for at the time this report was being prepared. Monthly provisions on depreciation will be done monthly to ensure that the monthly figures reported on are more reliable.

- **Employee related costs**

The actual employee related costs spent for the year to date amounts to R14,093 million, which represents 87% of the year-to-date budget amount of R16,155 million.

- **Remuneration of councilors**

The actual remuneration of councilors spent for the year to date amounts to R442,000 which represents 81% of the year-to-date budget amount of R543,000.

More detail with regard to the employee related cost and remuneration of councilors is provided in table SC8 on Page 26

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	YTD Actual	YTD Budget
Capital Expenditure by GFS			
Executive & Council	-	-	-
Budget & Treasury	-	-	17 466
Corporate Services	-	-	1 241 500
Planning & Development	-	-	-
Health	-	-	-
Community & Social Services	-	-	-
Public Safety	-	-	1 300 940
Environmental Protection	-	-	-
Road Transport	-	-	-
Other	-	-	-
Waste Management	3 381 186	3 381 186	10 496 041
Water	4 963 980	4 963 980	145 375 438
TOTAL	8 345 166	8 345 166	158 431 385

Capital Expenditure by Vote

The capital expenditure recognised for the month of is R8,345 million, being the actual money spent on provision of service delivery in water and sanitation.

MIG grant is the main contributor of JGDM's capital budget.

2.1.2 Other information

Additional clarity on the content of this report or answers to any questions posed will be given at the committee meetings by the Chief Financial Officer.

Section 2 - Resolutions

Recommended resolution to Council with regard to July 2016 in-year report is:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for July 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 August 2016.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

This Budget statement report for July 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 NT.

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**

The actual amount earned in the form of Interest on Investments amount to R177,000 which represents 86% of the year to date budget of R200,000.

- **Other revenue**

Other Revenue is made up of contributions from LGSeta 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 July 2016.

The current accumulated surplus of the municipality as at 31 July 2016 is R1,360 billion.

3.2.2.1 Current Assets

- **Cash**

The cash balance of R22,241 million includes cash floats in the form of petty cash and cashier floats. The rest is the "cashbook balance" of the primary bank account.

- **Call Investment Deposits**

Call investment deposits consist of investments made with various institutions when there is surplus cash available in the main bank account. These monies are then transferred to the general bank account and 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 year to date value of inventory as at 31 July 2016 is R3,338 million.

The current ratio for the month is 0.92, which 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 year to date actual on non-current assets is R1,497 billion and the year to date budget is R1,710 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 amount of the trade and other payables as at 31 July 2016 is R227,636 million and this amount includes creditors, provisions, and unspent conditional grants.

The total actual amount of creditors as at 31 July 2016 amounts to R5,178 million.

It must be noted that the age analysis is based on invoice date not invoice received. So in terms of the MFMA requirements the DM is complying.

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 R21,919 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 creditor's 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 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 in 2014-2015 financial year. 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 - M01 July

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	(21 229)	71 981	71 981	1 296	1 296	8 013	(6 717)	-84%	74 322
Investment revenue	4 299	3 368	3 368	177	177	200	(23)	-11%	1 607
Transfers recognised - operational	259 208	335 199	335 199	94 836	94 836	99 902	(5 065)	-5%	330 122
Other own revenue	2 199	12 844	12 844	196	196	127	69	54%	12 262
Total Revenue (excluding capital transfers and contributions)	244 476	423 392	423 392	96 505	96 505	108 242	(11 736)	-11%	418 313
Employee costs	163 493	193 859	193 859	14 093	14 093	16 155	(2 062)	-13%	180 712
Remuneration of Councillors	5 310	6 649	6 649	442	442	543	(102)	-19%	4 973
Depreciation & asset impairment	40 553	50 756	50 756	-	-	21	(21)	-100%	50 735
Finance charges	422	2 255	2 255	-	-	(8)	8	-100%	2 263
Materials and bulk purchases	776	4 264	4 264	-	-	-	-	-	4 264
Transfers and grants	13 504	2 000	2 000	-	-	-	-	-	2 000
Other expenditure	173 947	234 490	234 490	10 219	10 219	17 934	(7 716)	-43%	253 563
Total Expenditure	398 004	494 273	494 273	24 753	24 753	34 646	(9 892)	-29%	498 509
Surplus/(Deficit)	(153 528)	(70 882)	(70 882)	71 752	71 752	73 596	(1 844)	-3%	(80 197)
Transfers recognised - capital	281 080	261 663	261 663	17 256	17 256	21 805	(4 550)	-21%	255 677
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	127 553	190 781	190 781	89 007	89 007	95 401	(6 394)	-7%	175 481
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	127 553	190 781	190 781	89 007	89 007	95 401	(6 394)	-7%	175 481
Capital expenditure & funds sources									
Capital expenditure	-	244 602	244 602	8 345	8 345	158 431	(150 086)	-95%	244 602
Capital transfers recognised	-	184 889	184 889	5 104	5 104	135 522	(130 418)	-96%	184 889
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	11 605	11 605	-	-	9 905	(9 905)	-100%	11 605
Internally generated funds	-	48 108	48 108	3 241	3 241	13 005	(9 763)	-75%	48 108
Total sources of capital funds	-	244 602	244 602	8 345	8 345	158 431	(150 086)	-95%	244 602
Financial position									
Total current assets	(42 648)	41 686	41 686	-	152 746	-	-	-	41 686
Total non current assets	1 508 566	1 709 908	1 709 908	-	1 496 748	-	-	-	1 709 908
Total current liabilities	158 993	91 180	91 180	-	254 571	-	-	-	91 180
Total non current liabilities	35 681	79 973	79 973	-	34 795	-	-	-	79 973
Community wealth/Equity	1 271 244	1 580 441	1 580 441	-	1 360 129	-	-	-	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)	-	12 391	(1 088)	(13 479)	1239%	(35 447)
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	14 905	14 173	11 183	10 617	11 440	11 934	82 126	108 555	264 933
Creditors Age Analysis									
Total Creditors	1 737	1 996	148	10	20	2	80	1 185	5 178

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) - M01 July

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>		218 241	245 467	245 467	93 548	93 548	94 009	(461)	0%	242 587
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		217 036	236 978	236 978	93 400	93 400	94 009	(609)	-1%	234 098
Corporate services		1 205	8 489	8 489	148	148	-	148	#DIV/0!	8 489
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		218 476	202 837	202 837	18 757	18 757	14 294	4 464	31%	198 297
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		209 211	191 212	191 212	18 757	18 757	14 294	4 464	31%	186 672
Environmental protection		9 265	11 625	11 625	-	-	-	-	-	11 625
<i>Trading services</i>		131 410	236 751	236 751	1 455	1 455	21 744	(20 288)	-93%	233 106
Electricity		-	-	-	-	-	-	-	-	-
Water		128 429	206 143	206 143	1 296	1 296	16 667	(15 371)	-92%	202 172
Waste water management		2 981	30 608	30 608	159	159	5 076	(4 917)	-97%	30 935
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	568 126	685 055	685 055	113 761	113 761	130 047	(16 286)	-13%	673 990
Expenditure - Standard										
<i>Governance and administration</i>		104 977	176 098	176 098	6 228	6 228	12 677	(6 449)	-51%	192 217
Executive and council		35 979	42 269	42 269	2 841	2 841	3 481	(640)	-18%	66 765
Budget and treasury office		34 644	74 821	74 821	1 463	1 463	4 462	(2 999)	-67%	69 717
Corporate services		34 353	59 008	59 008	1 924	1 924	4 734	(2 810)	-59%	55 736
<i>Community and public safety</i>		15 632	15 594	15 574	1 217	1 217	1 299	(82)	-6%	15 238
Community and social services		2 930	2 109	2 109	151	151	176	(24)	-14%	2 085
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		12 702	13 485	13 465	1 066	1 066	1 124	(58)	-5%	13 152
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		140 021	149 244	149 264	9 613	9 613	8 738	875	10%	50 915
Planning and development		1	0	0	-	-	0	(0)	-100%	0
Road transport		119 956	125 534	125 534	8 419	8 419	6 807	1 612	24%	27 436
Environmental protection		20 064	23 710	23 730	1 193	1 193	1 931	(738)	-38%	23 479
<i>Trading services</i>		134 153	146 949	146 949	7 549	7 549	11 399	(3 850)	-34%	141 765
Electricity		-	-	-	-	-	-	-	-	-
Water		108 482	119 782	119 782	6 752	6 752	9 353	(2 602)	-28%	115 111
Waste water management		25 672	27 166	27 166	797	797	2 045	(1 248)	-61%	26 655
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	394 783	487 885	487 885	24 607	24 607	34 113	(9 507)	-28%	400 135
Surplus/ (Deficit) for the year		173 343	197 170	197 170	89 154	89 154	95 933	(6 779)	-7%	273 855

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) - M01 July

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	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		238 376	304 455	304 455	94 696	94 696	101 647	(6 951)	-6.8%	304 292
Vote 3 - CORPORATE SERVICES		1 205	8 489	8 489	148	148	-	148	#DIV/0!	8 489
Vote 4 - TECHNICAL SERVICES		319 280	360 485	360 485	18 917	18 917	28 400	(9 483)	-33.4%	349 584
Vote 5 - COMMUNITY SERVICES		9 265	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	568 126	685 055	685 055	113 761	113 761	130 047	(16 286)	-12.5%	673 990
Expenditure by Vote										
Vote 1 - MANAGEMENT SERVICES	1	35 981	42 269	42 269	2 841	2 841	3 481	(640)	-18.4%	66 765
Vote 2 - FINANCIAL SERVICES		34 644	74 821	74 821	1 463	1 463	4 462	(2 999)	-67.2%	39 632
Vote 3 - CORPORATE SERVICES		34 353	59 008	59 008	1 924	1 924	4 734	(2 810)	-59.4%	55 736
Vote 4 - TECHNICAL SERVICES		242 574	261 768	261 768	15 781	15 781	17 668	(1 887)	-10.7%	252 471
Vote 5 - COMMUNITY SERVICES		47 231	50 019	50 019	2 598	2 598	3 768	(1 170)	-31.1%	47 914
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	394 783	487 885	487 885	24 607	24 607	34 113	(9 507)	-27.9%	462 518
Surplus/ (Deficit) for the year	2	173 343	197 170	197 170	89 154	89 154	95 933	(6 779)	-7.1%	211 472

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) - M01 July

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		(21 229)	54 315	54 315	1 296	1 296	4 015	(2 719)	-68%	56 329
Service charges - sanitation revenue		-	13 163	13 163	-	-	3 623	(3 623)	-100%	13 865
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	4 503	4 503	-	-	375	(375)	-100%	4 128
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		4 299	3 368	3 368	177	177	200	(23)	-11%	1 607
Interest earned - outstanding debtors		-	2 866	2 866	-	-	56	(56)	-100%	2 811
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	119	119	-	-	-	-	-	119
Transfers recognised - operational		259 208	335 199	335 199	94 836	94 836	99 902	(5 065)	-5%	330 122
Other revenue		2 199	9 858	9 858	196	196	71	124	174%	9 332
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		244 476	423 392	423 392	96 505	96 505	108 242	(11 736)	-11%	418 313
Expenditure By Type										
Employee related costs		163 493	193 859	193 859	14 093	14 093	16 155	(2 062)	-13%	180 712
Remuneration of councillors		5 310	6 649	6 649	442	442	543	(102)	-19%	4 973
Debt impairment		-	20 875	20 875	-	-	133	(133)	-100%	20 742
Depreciation & asset impairment		40 553	50 756	50 756	-	-	21	(21)	-100%	50 735
Finance charges		422	2 255	2 255	-	-	(8)	8	-100%	2 263
Bulk purchases		776	4 264	4 264	-	-	-	-	-	4 264
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	-	-	-	-
Transfers and grants		13 504	2 000	2 000	-	-	-	-	-	2 000
Other expenditure		173 947	213 615	213 615	10 219	10 219	17 801	(7 583)	-43%	232 821
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		398 004	494 273	494 273	24 753	24 753	34 646	(9 892)	-29%	498 509
Surplus/(Deficit)		(153 528)	(70 882)	(70 882)	71 752	71 752	73 596	(1 844)	(0)	(80 197)
Transfers recognised - capital		281 080	261 663	261 663	17 256	17 256	21 805	(4 550)	(0)	255 677
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		127 553	190 781	190 781	89 007	89 007	95 401			175 481
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		127 553	190 781	190 781	89 007	89 007	95 401			175 481
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		127 553	190 781	190 781	89 007	89 007	95 401			175 481
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		127 553	190 781	190 781	89 007	89 007	95 401			175 481

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 - M01 July

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		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	200	200	-	-	17	(17)	-100%	200
2.1 - Director: Financial Services		-	-	-	-	-	-	-	-	-
2.2 - Revenue & Expenditure		-	-	-	-	-	-	-	-	-
2.3 - Budget Office		-	-	-	-	-	-	-	-	-
2.4 - Supply Chain Management		-	200	200	-	-	17	(17)	-100%	200
2.5 - Sanitation Financial Services		-	-	-	-	-	-	-	-	-
2.6 - Water Financial Services		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	3 268	3 268	-	-	1 242	(1 242)	-100%	3 268
3.1 - Director: Corporate Services		-	-	-	-	-	-	-	-	-
3.2 - Corporate Services		-	1 435	1 435	-	-	700	(700)	-100%	1 435
3.3 - Human Resources		-	-	-	-	-	-	-	-	-
3.4 - Legal Services		-	-	-	-	-	-	-	-	-
3.5 - Information Technology		-	1 833	1 833	-	-	542	(542)	-100%	1 833
3.6 - Property Services		-	-	-	-	-	-	-	-	-
3.7 - Skills & Development		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	238 133	238 133	8 345	8 345	155 871	(147 526)	-95%	238 133
4.1 - Director: Technical Services		-	-	-	-	-	-	-	-	-
4.2 - Technical Services		-	-	-	-	-	-	-	-	-
4.3 - Technical Support/PMU		-	-	-	-	-	-	-	-	-
4.4 - Roads		-	-	-	-	-	-	-	-	-
4.5 - Sanitation		-	28 771	28 771	3 381	3 381	10 496	(7 115)	-68%	28 771
4.6 - Water		-	209 362	209 362	4 964	4 964	145 375	(140 411)	-97%	209 362
Vote 5 - COMMUNITY SERVICES		-	3 001	3 001	-	-	1 301	(1 301)	-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	-	-	1 301	(1 301)	-100%	3 001
5.5 - Working for Water/Wetlands		-	-	-	-	-	-	-	-	-
5.6 - Fire services		-	-	-	-	-	-	-	-	-
Total single-year capital expenditure		-	244 602	244 602	8 345	8 345	158 431	(150 086)	(0)	244 602
Total Capital Expenditure		-	244 602	244 602	8 345	8 345	158 431	(150 086)	(0)	244 602

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M01 July

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		5 330	381	381	22 241	381
Call investment deposits		5 347	2 568	2 568	67 389	2 568
Consumer debtors		70 655	26 014	26 014	70 655	26 014
Other debtors		(127 157)	10 000	10 000	(10 877)	10 000
Current portion of long-term receivables		-	-	-	-	-
Inventory		3 178	2 723	2 723	3 338	2 723
Total current assets		(42 648)	41 686	41 686	152 746	41 686
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		3 305	2 989	2 989	3 305	2 989
Investment property		2 534	2 894	2 894	2 534	2 894
Investments in Associate		-	-	-	-	-
Property, plant and equipment		1 501 202	1 698 713	1 698 713	1 489 384	1 698 713
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		1 525	5 312	5 312	1 525	5 312
Other non-current assets		-	-	-	-	-
Total non current assets		1 508 566	1 709 908	1 709 908	1 496 748	1 709 908
TOTAL ASSETS		1 465 918	1 751 594	1 751 594	1 649 494	1 751 594
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		9 544	1 286	1 286	9 185	1 286
Consumer deposits		-	1 042	1 042	-	1 042
Trade and other payables		131 813	53 514	53 514	227 636	53 514
Provisions		17 635	35 337	35 337	17 750	35 337
Total current liabilities		158 993	91 180	91 180	254 571	91 180
Non current liabilities						
Borrowing		4 814	48 739	48 739	5 173	48 739
Provisions		30 867	31 234	31 234	29 621	31 234
Total non current liabilities		35 681	79 973	79 973	34 795	79 973
TOTAL LIABILITIES		194 674	171 152	171 152	289 365	171 152
NET ASSETS	2	1 271 244	1 580 441	1 580 441	1 360 129	1 580 441
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 271 244	1 580 441	1 580 441	1 360 129	1 580 441
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	1 271 244	1 580 441	1 580 441	1 360 129	1 580 441

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M01 July

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)		5 330	(17)			5 330
Cash/cash equivalents at monthly year end:		11 808	2 949	(12 871)		12 391	(1 088)			(35 447)

PART 2 – IN-YEAR REPORT

Section 5–Debtors' analysis

5.1 Supporting Table SC3

The table below shows debtor's listing from Local Municipalities and billing information is journalised monthly. The debtors are very high as no bad debts have been written off.

Debtors are not being managed by means of the SAMRAS system. The figures on the table below are not accurate as the debtor's list is also not being balanced to the General Ledger. The municipality is in the process of resolving this issue.

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2016/17										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o 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	10 985	10 528	8 088	7 557	8 198	8 672	61 847	72 582	188 456	158 855	-	-	
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	3 920	3 644	3 094	3 060	3 243	3 262	20 279	35 973	76 477	65 817	-	-	
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	14 905	14 173	11 183	10 617	11 440	11 934	82 126	108 555	264 933	224 672	-	-	
2015/16 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	2 218	2 153	1 689	1 622	1 671	1 567	14 186	22 599	47 705	41 645	-	-	
Commercial	2300	966	1 008	531	483	507	458	2 277	3 333	9 563	7 058	-	-	
Households	2400	11 642	10 935	8 895	8 442	9 198	9 847	65 298	81 787	206 043	174 571	-	-	
Other	2500	80	76	69	70	65	62	366	836	1 622	1 397	-	-	
Total By Customer Group	2600	14 905	14 173	11 183	10 617	11 440	11 934	82 126	108 555	264 933	224 672	-	-	

Section 6—Creditors' analysis

6.1 Supporting Table SC4

The table below is the reflection of the creditor's age analysis as at 31 July 2016 with total creditors amounting to R36,61 million.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

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	1 737	1 996	148	10	20	2	80	1 185	5 178
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 737	1 996	148	10	20	2	80	1 185	5 178

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 3,305 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

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	(332)	1 894
DBSA			Zero coupon		8		1 411	-	1 411
Municipality sub-total					8		3 637	(332)	3 305
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				8		3 637	(332)	3 305

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.

To date, the municipality has spent R19 million which represents 30% of the grants allocation of R64 million received this month.

Grant Reconciliation JULY 2016 TO JUNE2017						
Name of Grant		Opening Balance	Receipts YTD	Transferred to I/S July	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	5 245.90	-	-	5 245.90	#DIV/0!
MIG	CAPEX	(2 532 298.22)	47 537 000.00	(17 096 234.88)	27 908 466.90	0%
Rural Roads Asset Management	OPEX	13 607.19	-	-	13 607.19	#DIV/0!
Expanded Public Works Programs	OPEX	(437.42)	-	-	(437.42)	#DIV/0!
Public Works Special Programs	OPEX	(3 883 897.33)	-	(1 661 210.05)	(5 545 107.38)	#DIV/0!
LGSETA	OPEX	(14 615.28)	384 864.00	(146 850.00)	223 398.72	0%
Water Services Infrastructure Grant	CAPEX	1 032 991.02	-	-	1 032 991.02	#DIV/0!
RBIG	CAPEX	-	-	(159 300.29)	(159 300.29)	#DIV/0!
Drought Relief	CAPEX	(12 041 029.06)	16 595 388.84	-	4 554 359.78	0%
Department of Human Settlement	CAPEX	(5 485 489.66)	-	-	(5 485 489.66)	#DIV/0!
		(24 935 062.16)	64 517 252.84	(19 063 595.22)	20 518 595.46	

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 - M01 July

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		3 621	3 277	3 277	297	297	258	40	15%	3 262
Pension and UIF Contributions		471	499	499	40	40	41	(1)	-1%	489
Medical Aid Contributions		124	122	122	12	12	9	2	27%	122
Motor Vehicle Allowance		822	1 478	1 478	71	71	121	(50)	-42%	864
Cellphone Allowance		212	639	639	17	17	62	(45)	-72%	179
Housing Allowances		16	571	571	1	1	48	(47)	-98%	12
Other benefits and allowances		43	62	62	4	4	5	(1)	-29%	45
Sub Total - Councillors		5 310	6 649	6 649	442	442	543	(102)	-19%	4 973
% increase	4		25.2%	25.2%						-6.3%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 047	6 441	6 441	419	419	537	(118)	-22%	6 293
Pension and UIF Contributions		216	234	234	19	19	19	(1)	-4%	231
Medical Aid Contributions		82	120	120	8	8	10	(2)	-23%	117
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		821	1 429	1 429	-	-	119	(119)	-100%	1 360
Motor Vehicle Allowance		474	647	647	40	40	54	(14)	-27%	569
Cellphone Allowance		91	107	107	8	8	9	(1)	-16%	106
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		106	157	157	16	16	13	3	26%	139
Payments in lieu of leave		176	321	321	-	-	27	(27)	-100%	310
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		7 013	9 455	9 455	509	509	788	(279)	-35%	9 125
% increase	4		34.8%	34.8%						30.1%
Other Municipal Staff										
Basic Salaries and Wages		101 759	109 418	109 418	9 204	9 204	9 118	85	1%	101 371
Pension and UIF Contributions		14 151	15 127	15 127	1 290	1 290	1 261	30	2%	14 100
Medical Aid Contributions		6 134	7 472	7 472	563	563	623	(60)	-10%	6 082
Overtime		8 185	8 354	8 354	848	848	696	152	22%	8 074
Performance Bonus		8 931	19 947	19 947	26	26	1 662	(1 636)	-98%	19 675
Motor Vehicle Allowance		6 871	7 516	7 516	558	558	618	(60)	-10%	6 666
Cellphone Allowance		1 307	1 313	1 313	106	106	109	(4)	-3%	1 220
Housing Allowances		987	924	924	255	255	77	178	231%	894
Other benefits and allowances		8 018	8 277	8 277	735	735	690	46	7%	7 447
Payments in lieu of leave		136	6 057	6 057	-	-	505	(505)	-100%	6 057
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		156 480	184 404	184 404	13 584	13 584	15 359	(1 774)	-12%	171 586
% increase	4		17.8%	17.8%						9.7%
Total Parent Municipality		168 802	200 508	200 508	14 535	14 535	16 690	(2 155)	-13%	185 684

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 - M01 July

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		-	86 697	86 697	8 345	8 345	13 208	4 862	36.8%	86 697
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	57 408	57 408	4 964	4 964	2 193	(2 771)	-126.4%	57 408
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	57 408	57 408	4 964	4 964	2 193	(2 771)	-126.4%	57 408
Infrastructure - Sanitation		-	29 289	29 289	3 381	3 381	11 015	7 633	69.3%	29 289
Reticulation		-	29 289	29 259	3 381	3 381	11 015	7 633	69.3%	29 289
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	156 572	-	-	145 182	145 182	100.0%	156 572
General vehicles		-	20 377	20 377	-	-	9 905	9 905	100.0%	20 377
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	134 060	134 060	-	-	134 060	134 060	100.0%	134 060
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	2 135	2 135	-	-	1 217	1 217	100.0%	2 135
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	8 345	8 345	158 390	150 045	94.7%	243 269

- 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 - M01 July

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										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure	1	6 557	25 010	25 020	412	412	2 084	1 672	80.2%	23 069
Infrastructure - Road transport		2 620	3 080	3 090	38	38	257	218	85.1%	1 344
Roads, Pavements & Bridges		2 620	3 080	3 090	38	38	257	218	85.1%	1 344
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		3 937	21 930	21 930	374	374	1 828	1 454	79.6%	21 726
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		3 937	21 930	21 930	374	374	1 828	1 454	79.6%	21 726
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		400	3 861	3 876	19	19	322	303	94.1%	3 642
General vehicles		20	218	228	-	-	18	18	100.0%	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		52	64	69	-	-	5	5	100.0%	64
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		328	3 579	3 579	19	19	298	279	93.6%	3 579
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		6 957	28 871	28 896	431	431	2 406	1 975	82.1%	26 712

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 in July 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: 16.08.2016_____