



# 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.*

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## Monthly Budget Statement April 2015

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

**JOE GQABI  
DISTRICT  
MUNICIPALITY**

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## Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Virement** – A transfer of budget.

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

**MIG** – Municipal Infrastructure Grant

**MWIG** – Municipal Water Infrastructure Grant

**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 A summary of the operating revenue and expenditure and capital expenditure is presented in the following table:-**

PARTICULARS	CAPITAL EXPENDITURE	OPERATING REVENUE	OPERATING EXPENDITURE
Original Budget	127,605,447.58	529,131,000.00	478,908,419.00
Adjustment Budget	190,255,395.00	598,834,978.00	509,772,709.00
Actual Result (YTD)	72,826,157.26	376,823,741.41	328,891,094.11
Variance	117,429,237.74	222,011,236.59	180,881,614.89
Variance %	62%	37%	35%

A more detailed explanation of the results presented in the summary above will be given throughout this report.

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

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Actual	Apr Actual	YTD Actual	YTD Budget
<b>Revenue by Source</b>												
Government grants and subsidies	(77,540,391)	(12,107,020)	(20,399,079)	(16,428,052)	(91,320,054)	(8,480,276)	(2,463,538)	(12,345,059)	(81,107,450)	(15,500,585)	(337,691,504)	(454,777,000)
Public Contributions and Donations	0	0	0	0	0	0	0	0	0	0	0	-
Government Services	0	0	0	0	0	0	0	0	0	0	0	-
Interest earned - external investments	(196,175)	(431,237)	(313,347)	(287,814)	(619,075)	(288,222)	(213,607)	(136,771)	(152,696)	(575,564)	(3,214,508)	(3,520,466)
Other income	(92,774)	(5,498,634)	(58,652)	8,760,520	(660,060)	(490,305)	993,389	1,015,229	(676,891)	(56,679)	3,235,144	(6,863,000)
Service Charges: Water & Sanitation	(3,532,721)	(3,904,888)	(661,940)	(9,897,227)	(8,570,937)	(871,634)	(1,207,694)	(1,003,314)	(8,634,923)	(867,596)	(39,152,874)	(55,884,000)
<b>TOTAL</b>	(81,362,061)	(21,941,779)	(21,433,017)	(17,852,572)	(101,170,126)	(10,130,437)	(2,891,450)	(12,469,915)	(90,571,961)	(17,000,423)	(376,823,741)	(521,044,466)

**GOVERNMENT GRANTS RECEIVED**

The municipality has to date raised about 72% of its operating revenue when compared to the year to date budget of R521.044 million. The main contributor is from government grants which reported at 90% of the total revenue (R376.823 million) received as at 30 April 2015.

**SERVICE CHARGES**

The municipality has raised about 10% of revenue on its trading services against the year to date budget. This line item had a slow start at the beginning of the financial year as the municipality took over billing from the local municipalities from 1 July 2014. In March and April 2015 there has been a concerted effort to improve the accuracy of billing in Maletswai and Senqu areas and the improvement will be shown in next month's report.

**TABLE 2: OPERATING EXPENDITURE PER CATEGORY**

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Actual	Apr Actual	YTD Actual	YTD Budget
<b>Expenditure by Nature (GFS Function)</b>												
Employee related costs	10,794,308	11,449,803	11,425,837	12,622,099	6,908,786	38,888,922	9,215,156	11,647,829	11,610,508	11,786,265	136,349,512	132,858,587
Remuneration of Councillors	413,509	413,460	413,460	413,460	0	826,928	413,463	413,463	413,470	677,774	4,398,987	4,920,711
Debt Impairment	(2,221,389)	(2,051,847)	0	956,408	1,713,889	0	0	(0)	0	0	(1,602,939)	31,791,581
Depreciation and Amortisation	0	7,520,323	3,760,161	3,760,161	3,760,161	3,760,161	3,760,161	3,760,161	3,760,161	3,760,161	37,601,613	39,047,840
Finance charges	58,237	58,237	134,844	58,237	58,237	58,237	56,240	56,240	56,240	56,240	650,988	1,830,945
Contracted services	664,028	3,135,766	2,254,659	3,377,764	2,780,367	4,482,946	2,521,204	3,419,761	2,566,911	2,228,988	27,432,393	37,425,744
Grants and Subsidies paid	243,062	164,754	14,703,320	2,983,548	4,275,300	11,178,543	432,718	6,482,661	10,361,452	2,028,029	52,853,388	67,893,154
General expenses	2,057,608	8,243,149	9,678,165	8,541,337	8,574,611	8,456,615	8,050,309	4,509,051	8,418,145	4,678,163	71,207,153	108,465,283
<b>TOTAL</b>	<b>12,009,363</b>	<b>28,933,642</b>	<b>42,370,446</b>	<b>32,713,014</b>	<b>28,071,351</b>	<b>67,652,352</b>	<b>24,449,251</b>	<b>30,289,167</b>	<b>37,186,887</b>	<b>25,215,621</b>	<b>328,891,094</b>	<b>424,233,845</b>

### OPERATING EXPENDITURE BY NATURE

The figures in this section should represent the accrued amounts; in other words when the goods has been ordered; received or the invoice has been completed (reconciled with goods received and prices quoted) it should be captured as an expense. Currently the setup of the financial system does not cater for it in this manner. 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 charges are recognised and expensed monthly and this ensures that the monthly figures reported on are more reliable.

### EMPLOYEE RELATED COSTS

In this line item the municipality has spent (R136.350 million) which represents 41% expenditure of the total year to date actual expenditure of R328.891 million. R11.786 million is the expenditure for the month of April. The employee related cost is a fixed expenditure item, and the variable figures that have been reported in the past months were due to notch increases and bonuses that were paid out.

### REMUNERATION OF COUNCILLORS

The year-to-date budget for remuneration of councillors is R4.9 million off which R4.3 million is the year to date actual expenditure. As of this date the municipality has an actual expenditure of 88% against its year-to-date budget.

The municipality has reported an amount of R677.774 for the month under review. This has increased by R265 000 due to the implementation of the Gazette on upper limits.

More detail with regard to the breakdown of the employee related cost and Remuneration of councillors is provided in table SC8.

**CONTRACTED SERVICES**

The year to date actual expenditure for this line item shows 73% (R27.432 million) expenditure when compared to the year to date budget of R37.427 million. The monthly expenditure of this line item is R2.229 million.

**GRANTS AND SUBSIDIES PAID**

In this line item, the municipality has reported an actual expenditure of R52.853 million as at 30 April 2015, this constitutes 78% of the year-to-date budget which is R67.893 million.

The monthly expenditure for this line item, after the conditions have been met is R2.028 million.

**DEBT IMPAIRMENT**

In this line item, figures have not been accurate due to delayed billing information which resulted into journals not being passed on a monthly basis. The municipality is in a process of rectifying this as from July 2014, next month's report will have accurate figures.

**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.

**CAPITAL EXPENDITURE BY VOTE**

	July Actual	Aug Actual	Sept. Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Actual	Mar Actual	Apr Actual	YTD Actual	YTD Budget
<b>Capital Expenditure by GFS</b>												
Executive & Council	-	-	-	-	-	-	-	-	-	-	-	-
Budget & Treasury	-	-	-	-	-	-	-	-	-	-	-	208,330.00
Corporate Services	-	-	12,249	-	-	226,842	213,253	109,557	-	172,468	734,369	750,720.00
Planning & Development	-	-	-	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	80,000.00
Community & Social Services	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	1,167	-	-	-	-	-	-	1,167	583,330.00
Environmental Protection	-	-	-	-	-	-	-	-	-	-	-	-
Road Transport	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Waste Management	245,803	1,410,301	-	1,853,025	(943,254)	1,007,795	284,703	230,379	764,309	-	4,853,060	21,166,660.00
Water	2,492,265	2,637,501	4,651,235	10,225,442	6,087,382	10,820,050	263,476	8,705,260	8,522,032	12,832,918	67,237,552	140,812,394.00
<b>TOTAL</b>	<b>2,738,068</b>	<b>4,047,802</b>	<b>4,663,484</b>	<b>12,079,634</b>	<b>5,144,128</b>	<b>12,054,688</b>	<b>761,432</b>	<b>9,045,195</b>	<b>9,286,341</b>	<b>13,005,386</b>	<b>72,826,157</b>	<b>163,601,434</b>

The municipality has spent 45% of its capital budget when compared to the year to date budget of R163.601 million, and have reported a monthly expenditure of R72.826 million being the actual money spent on provision of service delivery in water and sanitation. The grant of R50 Million from the Province is not expected to be spent this financial year hence the under expenditure.



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

#### TABLE 4: INFRASTRUCTURE DELIVERY

The table below is an illustration of expenditure on MIG projects

Project Title	Budgeted MIG Funds (2014/15)	Current FY - Total Actual Expenditure on MIG funds in the 2014/15 FY	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Mt Fletcher Bulk Water Supply Scheme Phase 2	R 34 200 000.00	R 26 299 025.47	R 257 939.68	R 3 067 942.84	R 3 650 155.40	R 5 359 449.97	R 3 728 517.32	R 4 634 722.54	R 932 957.91	R 693 976.19	R 3 973 363.62
Ukhahlamba DM: Upgrading of Sterkspruit Water Treatment Works	R 30 818 799.90	R 23 022 317.10	R -	R 2 450 458.55	R -	R 3 937 031.10	R 3 602 243.65	R -	R 3 664 070.70	R 2 801 327.96	R 6 567 185.14
Ukhahlamba: Elundini - Ugie Water Infrastructure for the Town	R 526 144.00	R 957 105.99	R -	R 823 676.32	R -	R -	R -	R -	R 133 429.67	R -	R -
Lady Grey Bulk Water Upgrade	R 7 145 999.94	R 1 703 282.65	R -	R -	R 715 281.70	R -	R -	R 988 000.95	R -	R -	R -
Ugie Bulk Sanitation Infrastructure	R 1 140 000.00	R 121 467.00	R -	R -	R -	R -	R -	R -	R 121 467.00	R -	R -
Planning Studies - Eluding Rural Areas	R 1 000 000.02	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Steynsburg Bucket Eradication Phase 3	R 1 317 999.60	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Bucket Eradication & Sanitation in Khwezi-Naledi, Lady Grey	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Jamesstown Bucket Eradication and Sanitation - Phase 2	R 2 818 000.20	R 2 341 068.72	R -	R -	R -	R 2 112 448.56	R -	R 228 620.16	R -	R -	R -
Senqu Rural Sanitation VIP Toilet Programme	R 36 822 999.60	R 24 372 000.00	R -	R -	R 4 050 000.00	R 2 979 000.00	R 4 158 000.00	R 3 078 000.00	R -	R 5 139 000.00	R 4 968 000.00
Joe Gqabi District Municipality	R 4 613 856.00	R 3 460 392.00	R -	R -	R 1 153 464.00	R 384 488.00	R 384 488.00	R 384 488.00	R 384 488.00	R 384 488.00	R 384 488.00
Ukhahlamba Planning Studies	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Elundini Rural Water Programme- Orio agreement & Grant Application	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Bulk Sanitation Infrastructure Upgrade For Maclear	R 1 867 840.98	R 487 813.17	R -	R -	R -	R -	R 56 358.60	R 56 358.60	R 203 094.57	R -	R 172 001.40
Maclear Water Treatment and Distribution Upgrade	R 3 723 200.10	R 583 785.31	R -	R -	R -	R -	R -	R -	R 93 744.53	R 341 373.38	R 148 667.40
Elundini Rural Sanitation Programme	R 37 000 000.54	R 28 621 121.13	R -	R -	R 10 628 932.57	R -	R 4 752 000.00	R 6 787 188.56	R -	R 1 665 000.00	R 4 788 000.00
Aliwal North Treatment Plant - Refurbishment Phase 3b, 4, 5	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -	R -
Senqu Rural Water Supply: Network Extension	R 28 000 000.56	R 1 263 270.28	R -	R -	R 65 500.16	R 418 656.82	R 779 113.30	R -	R -	R -	R -
<b>TOTALS</b>	<b>R 190 994 841.44</b>	<b>R 113 232 648.82</b>	<b>R 257 939.68</b>	<b>R 6 342 077.71</b>	<b>R 20 263 333.83</b>	<b>R 15 191 074.45</b>	<b>R 17 460 720.87</b>	<b>R 16 157 378.81</b>	<b>R 5 533 252.38</b>	<b>R 11 025 165.53</b>	<b>R 21 001 705.56</b>

The municipality has received an additional allocation of R20 million, which gives us a total allocation of R190.995 million including the R19.5 million that has been approved for roll-over in 2013-14 financial year. To date we have spent 60% of the total allocation.

#### 2.1.2 FINANCIAL PROBLEMS OR RISKS FACING THE MUNICIPALITY

The biggest risk for Joe Gqabi District Municipality is that the budget implemented is very limited.

The outstanding monies owed to Local Municipalities are a risk that has a major cash flow effect. These monies could not be paid in the previous financial year due to the cash flow problem experienced then.

The Local Municipalities are not paying JGDM the money collected from debtors and in this way decreasing these subsidies owed.

**2.1.3 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 April 2015 in-year report is:**

**RESOLVED**

- (a) That the Council take note of contents in the in-year monthly report for April 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 15 May 2015.
- (c) Any other resolutions required by the Council.

## Section 3 – Executive Summary

### 3.1 INTRODUCTION

This Budget statement report for April 2015 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 have been met; in other words, it only reflects the expenditure and not the receipts. The detail of this section can be found in Section 4 of this report Table C4 (Financial Performance) in page 16

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

- **INTEREST EARNED – EXTERNAL INVESTMENTS**

The actual amount for Interest earned on Investments is R1.349 million against the budgeted amount of R2.391 million. The amount of interest received for the month in this line item is R214 thousand.

- **OTHER REVENUE**

Other Revenue is made up of contribution from LGSETA and sundry income which includes photostats and rental income.

#### 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 current accumulated surplus of the municipality as at 30 April 2015 is R1.234 billion, which constitutes 100% against the year to date budget of R1.383 billion.

### 3.2.2.1 CURRENT ASSETS

- **CASH**

The amount of R 5,093 million also 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.

- **OTHER DEBTORS**

The detail of this section can be found in Section 6 of this report Table C6 (Statement of Financial Position and SC3 (Aged Debtors)).

The above collection days indicates that the municipality is exposed to significant Cash Flow risk and that the municipality is experiencing challenges in the collection of outstanding amounts due to it and indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

The other debtors represent the movement which is due to monthly deductions from the staff member’s salaries and ex staff members.

Debtors are not being managed by means of the SAMRAS system. The debtors list is also not being balanced to the General Ledger.

- **INVENTORY**

The year to date value of inventory as at 30 April 2015 is R2.4 million.

### 3.2.2.2 NON-CURRENT ASSETS

The year to date non-current assets is R1, 303 billion which constitutes 100% of the Original budget of R 1.413 billion and this reflects that the municipality is still in line with its budget for this line item.

### 3.2.2.3 CURRENT LIABILITIES

It is a common practice with Municipalities that the short-term portion of the long-term liabilities is not kept in a separate general ledger account. Nor is the balance of this account kept up-to-date on a monthly basis; although it would be a good practice. The BTO has taken a decision to split this in the records of JGDM in the next financial year.

- **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 municipality has reported a total of R176 million of the year to date actual, off which it includes R6.668 million of creditors for the month of April 2015. It must be noted that the age analysis is based on invoice date not invoice received. So in terms of the MFMA requirements, JGDM is complying.

### **3.2.3 CASH FLOW**

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

The cash flow statement of the month indicates that the municipality has ended with a negative net movement of R5.888 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 but we have faced challenges with it which led to us reverting back to the manual bank reconciliation. However, 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**

There is a monthly integrity report that is throwing exceptions on the creditor's module. This matter has been reported to the relevant manager and is being addressed.

### **3.5 CONCLUSION**

JGDM had many challenges during the last financial year due to the effects of taking over the water and sanitation services from the local municipalities. SCM issues like getting suppliers and making new arrangements have had challenges. These are expected to normalise.

The daily cash flow analysis is an issue that together with the daily bank reconciliations is assisting the Finance Department to continue with its determined goal of turning the cash flow crisis around. However, an aim for the finance department is to have the daily cash flow generated directly from the system and not to be done manually.

The fact that the asset module and the payroll module of SAMRAS are not being used results in the SAMRAS system not being utilized to its full potential. Management is in the process of investigating this matter. The use of these two modules has many benefits and will eliminate any integration errors. A project plan is in place to implement these.

The efforts of the institution have paid off with an unqualified audit opinion being the outcome of the 2013/2014 audit. There are already measures in place to clear the few items still raised and to set the standards higher and higher for JGDM.

## 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 - M10 April

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	40,425	55,946	67,113	868	39,153	55,884	(16,731)	-30%	40,291
Investment revenue	3,240	2,394	4,353	576	3,215	3,520	(306)	-9%	5,082
Transfers recognised - operational	247,308	254,204	245,989	142	206,837	230,950	(24,113)	-10%	169,504
Other own revenue	13,827	7,109	8,263	57	(3,235)	6,863	(10,098)	-147%	(2,105)
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>304,799</b>	<b>319,653</b>	<b>325,719</b>	<b>1,642</b>	<b>245,970</b>	<b>297,217</b>	<b>(51,247)</b>	<b>-17%</b>	<b>212,783</b>
Employee costs	128,170	149,790	156,616	11,786	136,350	132,859	3,491	3%	149,548
Remuneration of Councillors	5,022	5,743	5,743	678	4,399	4,921	(522)	-11%	4,715
Depreciation & asset impairment	42,311	46,357	46,857	3,760	37,602	39,048	(1,446)	-4%	45,411
Finance charges	3,968	4,121	2,752	56	661	1,831	(1,180)	-64%	2,728
Materials and bulk purchases	–	5,069	3,769	–	–	3,141	(3,141)	-100%	628
Transfers and grants	97,181	89,730	81,244	2,028	52,853	67,893	(15,040)	–	60,694
Other expenditure	236,908	178,097	212,791	6,907	97,037	174,542	(77,505)	-44%	130,252
<b>Total Expenditure</b>	<b>513,560</b>	<b>478,908</b>	<b>509,773</b>	<b>25,216</b>	<b>328,891</b>	<b>424,234</b>	<b>(95,343)</b>	<b>-22%</b>	<b>393,977</b>
<b>Surplus/(Deficit)</b>	<b>(208,761)</b>	<b>(159,255)</b>	<b>(184,054)</b>	<b>(23,573)</b>	<b>(82,921)</b>	<b>(127,017)</b>	<b>44,085</b>	<b>-35%</b>	<b>(181,195)</b>
Transfers recognised - capital	191,525	209,478	273,116	15,358	130,854	223,827	(92,973)	-42%	172,725
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(17,236)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,215)</b>	<b>47,933</b>	<b>96,810</b>	<b>(48,878)</b>	<b>-50%</b>	<b>(8,470)</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(17,236)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,215)</b>	<b>47,933</b>	<b>96,810</b>	<b>(48,878)</b>	<b>-50%</b>	<b>(8,470)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	–	<b>127,605</b>	<b>190,255</b>	<b>13,005</b>	<b>72,826</b>	<b>163,601</b>	<b>(90,775)</b>	<b>-55%</b>	<b>190,787</b>
Capital transfers recognised	–	99,295	136,053	6,092	40,130	116,763	(76,633)	-66%	–
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	10,000	–	124	10,000	(9,876)	-99%	10,000
Internally generated funds	–	28,311	44,203	6,914	32,573	36,839	(4,266)	-12%	180,255
<b>Total sources of capital funds</b>	–	<b>127,605</b>	<b>190,255</b>	<b>13,005</b>	<b>72,826</b>	<b>163,601</b>	<b>(90,775)</b>	<b>-55%</b>	<b>190,255</b>
<b>Financial position</b>									
Total current assets	112,999	65,922	65,922	–	173,184	–	–	–	65,922
Total non current assets	1,288,280	1,413,008	1,413,008	–	1,322,745	–	–	–	1,413,008
Total current liabilities	159,975	76,031	76,031	–	207,044	–	–	–	76,031
Total non current liabilities	35,866	20,106	20,106	–	35,516	–	–	–	20,106
<b>Community wealth/Equity</b>	<b>1,205,438</b>	<b>1,382,793</b>	<b>1,382,793</b>	–	<b>1,253,370</b>	–	–	–	<b>1,382,793</b>
<b>Cash flows</b>									
Net cash from (used) operating	101,449	105,576	(149)	7,105	76,366	36,400	39,995	110%	105,576
Net cash from (used) investing	(94,743)	(120,433)	107	(12,991)	(73,882)	(100,361)	26,479	-26%	(120,433)
Net cash from (used) financing	(229)	(1,001)	–	–	(431)	(834)	403	-48%	(1,001)
<b>Cash/cash equivalents at the month/year end</b>	<b>23,846</b>	<b>(48,974)</b>	<b>(60)</b>	–	<b>40,305</b>	<b>(97,911)</b>	<b>138,216</b>	<b>-141%</b>	<b>22,365</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	785	–	–	–	2,869	–	–	–	3,653
<b>Creditors Age Analysis</b>									
Total Creditors	2,146	2,727	1,283	282	96	102	23	10	6,668



#### 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) - M10 April

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		188,416	206,737	208,780	775	201,608	206,300	(4,692)	-2%	159,103
Executive and council		5,073	5,428	5,468	54	5,147	5,402	(254)	-5%	5,231
Budget and treasury office		182,863	200,100	202,096	720	195,963	199,778	(3,825)	-2%	153,320
Corporate services		479	1,209	1,216	1	507	1,121	(613)	-55%	552
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		218,280	221,483	215,860	13,817	131,676	181,831	(50,155)	-28%	155,070
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		196,945	206,862	204,588	13,817	136,193	172,438	(36,244)	-21%	158,391
Environmental protection		21,335	14,621	11,272	-	(4,517)	9,394	(13,911)	-148%	(3,321)
<i>Trading services</i>		93,491	100,911	174,195	2,409	43,540	132,913	(89,373)	-67%	70,259
Electricity		-	-	-	-	-	-	-	-	-
Water		80,382	70,960	146,810	868	37,068	110,137	(73,069)	-66%	61,760
Waste water management		13,109	29,950	27,384	1,541	6,472	22,776	(16,304)	-72%	8,509
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	500,187	529,131	598,835	17,000	376,824	521,044	(144,220)	-28%	384,432
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		92,103	141,384	168,838	7,273	91,332	143,601	(52,269)	-36%	107,237
Executive and council		36,634	34,349	37,147	2,822	28,985	31,575	(2,591)	-8%	31,948
Budget and treasury office		21,888	67,311	83,119	1,907	26,704	70,005	(43,302)	-62%	31,293
Corporate services		33,581	39,724	48,571	2,544	36,643	42,019	(6,376)	-15%	43,996
<i>Community and public safety</i>		10,014	11,822	11,872	803	8,551	10,758	(2,207)	-21%	9,742
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		10,014	11,822	11,872	803	8,551	10,758	(2,207)	-21%	9,742
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		180,418	157,898	152,768	8,803	117,518	122,896	(5,378)	-4%	137,705
Planning and development		1	-	-	-	-	-	-	-	-
Road transport		155,283	130,740	126,945	7,441	103,418	99,629	3,789	4%	121,102
Environmental protection		25,134	27,158	25,823	1,362	14,101	23,267	(9,167)	-39%	16,603
<i>Trading services</i>		231,025	167,804	176,295	8,336	111,480	146,979	(35,499)	-24%	139,293
Electricity		-	-	-	-	-	-	-	-	-
Water		196,932	117,655	127,645	5,793	79,593	106,206	(26,613)	-25%	97,929
Waste water management		34,092	50,148	48,650	2,544	31,887	40,773	(8,875)	-22%	41,365
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	513,560	478,908	509,773	25,216	328,891	424,234	(95,343)	-22%	399,977
<b>Surplus/ (Deficit) for the year</b>		(13,374)	50,223	89,062	(8,215)	47,933	96,810	(48,878)	-50%	(9,546)

#### 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) - M10 April

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - MANAGEMENT SERVICES		5,073	5,428	5,468	54	5,147	5,402	(254)	-4.7%	5,231
Vote 2 - FINANCIAL SERVICES		182,863	256,046	268,076	1,587	228,957	254,762	(25,805)	-10.1%	194,749
Vote 3 - CORPORATE SERVICES		479	1,209	1,216	1	507	1,121	(613)	-54.7%	552
Vote 4 - TECHNICAL SERVICES		290,436	251,827	312,802	15,358	146,730	250,367	(103,637)	-41.4%	187,221
Vote 5 - COMMUNITY SERVICES		21,335	14,621	11,272	-	(4,517)	9,394	(13,911)	-148.1%	(3,321)
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]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>500,187</b>	<b>529,131</b>	<b>598,835</b>	<b>17,000</b>	<b>376,824</b>	<b>521,044</b>	<b>(144,220)</b>	<b>-27.7%</b>	<b>384,432</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - MANAGEMENT SERVICES		30,874	32,162	34,961	2,677	27,325	29,680	(2,355)	-7.9%	30,018
Vote 2 - FINANCIAL SERVICES		21,888	67,311	83,119	1,914	26,704	70,006	(43,302)	-61.9%	31,293
Vote 3 - CORPORATE SERVICES		33,581	39,724	48,571	2,544	35,643	42,019	(6,376)	-15.2%	43,996
Vote 4 - TECHNICAL SERVICES		385,478	293,532	291,011	15,443	212,083	236,385	(24,302)	-10.3%	255,780
Vote 5 - COMMUNITY SERVICES		41,740	46,179	52,110	2,644	27,136	46,143	(19,007)	-41.2%	32,891
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]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>513,560</b>	<b>478,908</b>	<b>509,773</b>	<b>25,223</b>	<b>328,891</b>	<b>424,234</b>	<b>(95,343)</b>	<b>-22.5%</b>	<b>393,977</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(13,374)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,222)</b>	<b>47,933</b>	<b>96,810</b>	<b>(48,878)</b>	<b>-50.5%</b>	<b>(9,546)</b>

#### 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) - M10 April

Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		33,101	40,495	54,233	868	34,421	45,194	(10,773)	-24%	34,382
Service charges - sanitation revenue		7,324	15,450	12,880	-	4,732	10,689	(5,958)	-56%	5,909
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		3,240	2,394	4,353	576	3,215	3,520	(306)	-9%	4,016
Interest earned - outstanding debtors		4,379	4,214	4,214	-	1,119	3,512	(2,393)	-68%	1,076
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		2,929	-	1,072	-	(1,012)	894	(1,905)	-213%	(1,012)
Transfers recognised - operational		247,308	254,204	245,989	142	206,837	230,950	(24,113)	-10%	169,504
Other revenue		6,542	2,895	2,977	57	(3,342)	2,457	(5,800)	-236%	(2,169)
Gains on disposal of PPE		(24)	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>304,799</b>	<b>319,653</b>	<b>325,719</b>	<b>1,642</b>	<b>245,970</b>	<b>297,217</b>	<b>(51,247)</b>	<b>-17%</b>	<b>211,707</b>
<b>Expenditure By Type</b>										
Employee related costs		128,170	149,790	156,616	11,786	136,350	132,859	3,491	3%	149,548
Remuneration of councillors		5,022	5,743	5,743	678	4,399	4,921	(522)	-11%	4,715
Debt impairment		41,522	26,091	37,603	-	(1,603)	31,792	(33,385)	-105%	(355)
Depreciation & asset impairment		42,311	46,357	46,857	3,760	37,602	39,048	(1,446)	-4%	45,411
Finance charges		3,968	4,121	2,752	56	651	1,831	(1,180)	-64%	2,728
Bulk purchases		-	5,069	3,769	-	-	3,141	(3,141)	-100%	628
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		17,312	43,020	44,617	2,229	27,432	37,426	(9,993)	-27%	35,744
Transfers and grants		97,181	89,730	81,244	2,028	52,853	67,893	(15,040)	-22%	60,694
Other expenditure		174,896	108,658	130,243	4,678	71,207	105,051	(33,844)	-32%	94,808
Loss on disposal of PPE		3,177	328	328	-	-	273	(273)	-100%	55
<b>Total Expenditure</b>		<b>513,560</b>	<b>478,908</b>	<b>509,773</b>	<b>25,216</b>	<b>328,891</b>	<b>424,234</b>	<b>(95,343)</b>	<b>-22%</b>	<b>393,977</b>
<b>Surplus/(Deficit)</b>										
Transfers recognised - capital		191,525	209,478	273,116	15,358	130,854	223,827	(92,973)	(0)	172,725
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(17,236)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,215)</b>	<b>47,933</b>	<b>96,810</b>			<b>(9,546)</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>(17,236)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,215)</b>	<b>47,933</b>	<b>96,810</b>			<b>(9,546)</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(17,236)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,215)</b>	<b>47,933</b>	<b>96,810</b>			<b>(9,546)</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(17,236)</b>	<b>50,223</b>	<b>89,062</b>	<b>(8,215)</b>	<b>47,933</b>	<b>96,810</b>			<b>(9,546)</b>

**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) - M10 April

Vote Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	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]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	250	250	-	-	208	(208)	-100%	250
Vote 3 - CORPORATE SERVICES		-	654	901	172	734	751	(16)	-2%	901
Vote 4 - TECHNICAL SERVICES		-	126,002	188,325	12,833	72,091	161,979	(89,888)	-55%	188,856
Vote 5 - COMMUNITY SERVICES		-	700	780	-	1	663	(662)	-100%	780
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]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	127,605	190,255	13,005	72,826	163,601	(90,775)	-55%	190,787
<b>Total Capital Expenditure</b>		-	127,605	190,255	13,005	72,826	163,601	(90,775)	-55%	190,787
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		-	904	1,151	172	734	959	(225)	-23%	1,151
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		-	250	250	-	-	208	(208)	-100%	250
Corporate services		-	654	901	172	734	751	(16)	-2%	901
<b>Community and public safety</b>		-	700	780	-	1	663	(662)	-100%	780
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	700	700	-	1	583	(582)	-100%	700
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	80	-	-	80	(80)	-100%	80
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	126,002	188,325	12,833	72,091	161,979	(89,888)	-55%	188,856
Electricity		-	-	-	-	-	-	-	-	-
Water		-	83,019	163,286	12,833	67,238	140,812	(73,575)	-52%	163,792
Waste water management		-	42,982	25,038	-	4,853	21,167	(16,314)	-77%	25,064
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard Classification</b>	3	-	127,605	190,255	13,005	72,826	163,601	(90,775)	-55%	190,787
<b>Funded by:</b>										
National Government		-	99,295	136,053	6,092	40,130	116,763	(76,633)	-66%	136,559
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	(136,559)
<b>Transfers recognised - capital</b>		-	99,295	136,053	6,092	40,130	116,763	(76,633)	-66%	-
<b>Public contributions &amp; donations</b>	5	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	6	-	-	10,000	-	124	10,000	(9,876)	-99%	10,000
<b>Internally generated funds</b>		-	28,311	44,203	6,914	32,573	36,839	(4,266)	-12%	180,255
<b>Total Capital Funding</b>		-	127,605	190,255	13,005	72,826	163,601	(90,775)	-55%	190,255

#### 4.1.6 Table C6: Monthly Budget Statement - Financial Position

Table C6 provides a detailed analysis of the municipality's financial position considering items like Assets, Liabilities and Equity.

##### DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		38,102	3,729	3,729	5,093	3,729
Call investment deposits		35,091	20,000	20,000	91,811	20,000
Consumer debtors		43,602	30,621	30,621	67,278	30,621
Other debtors		(6,814)	–	–	6,345	–
Current portion of long-term receivables		–	10,000	10,000	–	10,000
Inventory		3,018	1,572	1,572	2,658	1,572
<b>Total current assets</b>		<b>112,999</b>	<b>65,922</b>	<b>65,922</b>	<b>173,184</b>	<b>65,922</b>
<b>Non current assets</b>						
Long-term receivables		–	–	–	–	–
Investments		3,195	3,619	3,619	3,274	3,619
Investment property		2,621	3,078	3,078	2,583	3,078
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1,280,256	1,403,453	1,403,453	1,315,199	1,403,453
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		2,208	2,858	2,858	1,690	2,858
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>1,288,280</b>	<b>1,413,008</b>	<b>1,413,008</b>	<b>1,322,745</b>	<b>1,413,008</b>
<b>TOTAL ASSETS</b>		<b>1,401,279</b>	<b>1,478,930</b>	<b>1,478,930</b>	<b>1,495,930</b>	<b>1,478,930</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		(878)	398	398	1,327	398
Consumer deposits		–	–	–	–	–
Trade and other payables		143,960	47,315	47,315	176,238	47,315
Provisions		16,893	28,318	28,318	29,479	28,318
<b>Total current liabilities</b>		<b>159,975</b>	<b>76,031</b>	<b>76,031</b>	<b>207,044</b>	<b>76,031</b>
<b>Non current liabilities</b>						
Borrowing		5,740	6,054	6,054	5,893	6,054
Provisions		30,126	14,052	14,052	29,623	14,052
<b>Total non current liabilities</b>		<b>35,866</b>	<b>20,106</b>	<b>20,106</b>	<b>35,516</b>	<b>20,106</b>
<b>TOTAL LIABILITIES</b>		<b>195,841</b>	<b>96,137</b>	<b>96,137</b>	<b>242,560</b>	<b>96,137</b>
<b>NET ASSETS</b>	2	<b>1,205,438</b>	<b>1,382,793</b>	<b>1,382,793</b>	<b>1,253,370</b>	<b>1,382,793</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		1,205,438	1,382,793	1,382,793	1,253,370	1,382,793
Reserves		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>1,205,438</b>	<b>1,382,793</b>	<b>1,382,793</b>	<b>1,253,370</b>	<b>1,382,793</b>

#### 4.1.7 Table C7: Monthly Budget Statement - Cash Flow Statement

Table C7 provides a comprehensive picture of the cash position of the municipality which includes non-current investments and commitments against available cash resources.

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		47,817	81,939	29	1,033	2,357	68,283	(65,925)	-97%	81,939
Government - operating		311,264	254,204	244	2,267	451,611	160,801	290,810	181%	254,204
Government - capital		96,876	209,478	-	28,783	274,777	174,565	100,212	57%	209,478
Interest		4,535	2,394	3	27	665	1,995	(1,330)	-67%	2,394
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(345,992)	(348,588)	(361)	(22,976)	(599,477)	(292,407)	307,069	-105%	(348,588)
Finance charges		(764)	(4,121)	(8)	-	(701)	(2,060)	(1,360)	66%	(4,121)
Transfers and Grants		(12,286)	(89,730)	(56)	(2,028)	(52,837)	(74,775)	(21,938)	29%	(89,730)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>101,449</b>	<b>105,576</b>	<b>(149)</b>	<b>7,105</b>	<b>76,396</b>	<b>36,400</b>	<b>39,995</b>	<b>110%</b>	<b>105,576</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		150	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	15	253	-	253	#DIV/0!	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		219	231	-	-	-	193	(193)	-100%	231
<b>Payments</b>										
Capital assets		(95,112)	(120,664)	107	(13,005)	(74,135)	(100,554)	(26,419)	26%	(120,664)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(94,743)</b>	<b>(120,433)</b>	<b>107</b>	<b>(12,991)</b>	<b>(73,882)</b>	<b>(100,361)</b>	<b>(26,479)</b>	<b>26%</b>	<b>(120,433)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		171	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		(399)	(1,001)	-	-	(431)	(834)	(403)	48%	(1,001)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(229)</b>	<b>(1,001)</b>	<b>-</b>	<b>-</b>	<b>(431)</b>	<b>(834)</b>	<b>(403)</b>	<b>48%</b>	<b>(1,001)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>6,478</b>	<b>(15,858)</b>	<b>(43)</b>	<b>(5,885)</b>	<b>2,082</b>	<b>(64,795)</b>			<b>(15,858)</b>
Cash/cash equivalents at beginning:		17,368	(33,116)	(17)		38,223	(33,116)			38,223
Cash/cash equivalents at month/year end:		23,846	(48,974)	(60)		40,305	(97,911)			22,365

## PART 2 – IN-YEAR REPORT

### Section 5 – Debtors' analysis

#### 5.1 Supporting Table SC3

Since the municipality took over billing in 1 July 2014 from two of its four local municipalities, it has experienced some challenges. The figure in the table below excludes billing information due to corrective measures that are currently taking place. More accurate figures will be reported in next month's report. The movement on other debtors is due to monthly deductions on staff debtors.

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2014/15										Total over 90 days	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					
R thousands															
<b>Debtors Age Analysis By Income Source</b>															
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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	785	-	-	-	2,869	-	-	-	-	3,653	2,869	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>785</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,869</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,653</b>	<b>2,869</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2013/14 - totals only</b>															
<b>Debtors Age Analysis By Customer Group</b>															
Organs of State	2200	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	785	-	-	-	2,869	-	-	-	-	3,653	2,869	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>785</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,869</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,653</b>	<b>2,869</b>	<b>-</b>	<b>-</b>	<b>-</b>



## Section 6 – Creditors' analysis

### 6.1 Supporting Table SC4

The table below is the reflection of the creditor's age analysis.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2014/15								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	23	–	–	–	–	–	–	–	23
Bulk Water	0200	–	–	–	–	–	–	–	–	–
PAYE deductions	0300	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	–	–	–	–	–	–	–	–
Loan repayments	0600	–	–	–	–	–	–	–	–	–
Trade Creditors	0700	2,089	2,717	1,283	282	96	102	23	10	6,611
Auditor General	0800	–	–	–	–	–	–	–	–	–
Other	0900	24	10	–	–	–	–	–	–	34
<b>Total By Customer Type</b>	<b>1000</b>	<b>2,146</b>	<b>2,727</b>	<b>1,283</b>	<b>282</b>	<b>96</b>	<b>102</b>	<b>23</b>	<b>10</b>	<b>6,668</b>

## 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 3.274 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April

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									
<b>Municipality</b>									
JOGEDA		NA	Entity	NA	NA	NA	2,226	(332)	1,894
DESA			Zero coupon		8		1,301	78	1,380
<b>Municipality sub-total</b>					8		3,528	(254)	3,274
<b>Entities</b>									
<b>Entities sub-total</b>					–		–	–	–
<b>TOTAL INVESTMENTS AND INTEREST</b>	2				8		3,528	(254)	3,274

## 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

NAME OF GRANT	ALLOCATIONS	RECEIPTS YTD	EXPENDITURE YTD	CLOSING BALANCE(UNSPENT)	% SPENT
FINANCE MANAGEMENT GRANT	1,250,000.00	1,250,000.00	(870,461.23)	379,538.77	-70%
MUNICIPAL INFRASTRUCTURE GRANT	171,469,000.00	171,469,000.00	(127,049,543.77)	44,419,456.23	-74%
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	934,000.00	934,000.00	(591,763.28)	342,236.72	-63%
RURAL ROADS ASSET MAGEVENT	2,084,000.00	2,084,000.00	(1,468,023.88)	615,976.12	-70%
EPWP INCENTIVE	1,309,000.00	1,309,000.00	(555,293.08)	753,706.92	-42%
WATER SERVICES OPERATING SUBSIDY	10,000,000.00	10,000,000.00	(4,279,610.00)	5,720,390.00	-43%
MUNICIPAL WATER INFRASTRUCTURE GRANT	20,009,000.00	20,009,000.00	(4,904,424.00)	15,104,576.00	-25%
TOTAL	207,055,000.00	207,055,000.00	(139,719,119.24)	67,335,880.76	-67%

At 30 April 2015, the overall expenditure on conditional grants shows a steady progress on certain grants , MIG reported at 74% , this is a reflection of service delivery by the municipality. Rural Roads Asset Management reported at 70%, FMG reported 70% of expenditure.

The are conditional grants that need to be monitored and the municipality needs to fast track expenditure on grants that have reported less than 60% of expenditure, to prevent having to surrender the unspent portion to the national revenue fund.

## 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 Sect 66 of the MFMA regarding disclosure of expenditure on staff benefits.

DC14 Joe Gqabi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

Summary of Employee and Councillor remuneration	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		3,345	2,831	2,831	517	2,982	2,406	576	24%	3,040
Pension and UIF Contributions		413	431	431	38	364	369	5	1%	427
Medical Aid Contributions		87	106	106	9	90	90	0	0%	101
Motor Vehicle Allowance		896	1,277	1,277	90	730	1,080	(349)	-32%	864
Cellphone Allowance		227	552	552	16	187	470	(282)	-60%	220
Housing Allowances		12	493	493	1	10	493	(483)	-98%	10
Other benefits and allowances		41	54	54	6	36	24	12	52%	54
<b>Sub Total - Councillors</b>		<b>5,022</b>	<b>5,743</b>	<b>5,743</b>	<b>678</b>	<b>4,399</b>	<b>4,921</b>	<b>(522)</b>	<b>-11%</b>	<b>4,715</b>
%increase	4		14.4%	14.4%						-6.1%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		5,498	5,709	5,710	491	4,917	4,798	119	2%	5,697
Pension and UIF Contributions		185	204	204	17	165	170	(5)	-3%	197
Medical Aid Contributions		108	113	113	10	94	94	0	0%	109
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		1,192	1,897	1,897	-	1,236	2,002	(766)	-38%	1,301
Motor Vehicle Allowance		621	543	651	52	517	543	(26)	-5%	621
Cellphone Allowance		82	86	86	7	71	69	2	3%	84
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		135	164	164	13	125	139	(14)	-10%	137
Payments in lieu of leave		170	476	476	-	170	427	(257)	-60%	219
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>7,990</b>	<b>9,192</b>	<b>9,300</b>	<b>590</b>	<b>7,296</b>	<b>8,243</b>	<b>(947)</b>	<b>-11%</b>	<b>8,364</b>
%increase	4		15.0%	16.4%						4.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		75,578	99,427	92,400	7,903	76,748	77,699	(951)	-1%	86,163
Pension and UIF Contributions		10,512	8,448	8,252	1,079	10,181	6,643	3,538	53%	10,636
Medical Aid Contributions		4,521	4,701	4,749	493	4,470	3,037	1,433	47%	4,870
Overtime		6,141	5,677	5,653	390	3,262	5,071	(1,809)	-36%	3,592
Performance Bonus		6,087	7,100	16,001	64	16,432	15,003	1,428	10%	16,558
Motor Vehicle Allowance		4,541	4,636	4,471	526	5,368	3,018	2,350	78%	5,760
Cellphone Allowance		1,103	1,185	1,240	96	977	742	235	32%	1,092
Housing Allowances		910	1,132	1,126	60	612	976	(363)	-37%	705
Other benefits and allowances		6,163	5,623	8,116	586	5,516	6,561	(1,046)	-16%	6,518
Payments in lieu of leave		2,194	2,670	5,308	-	5,306	5,643	(338)	-6%	5,308
Long service awards		612	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		1,817	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>120,180</b>	<b>140,599</b>	<b>147,317</b>	<b>11,197</b>	<b>128,870</b>	<b>124,393</b>	<b>4,477</b>	<b>4%</b>	<b>141,202</b>
%increase	4		17.0%	22.6%						17.5%
<b>Total Parent Municipality</b>		<b>133,192</b>	<b>155,534</b>	<b>162,360</b>	<b>12,464</b>	<b>140,565</b>	<b>137,557</b>	<b>3,008</b>	<b>2%</b>	<b>154,281</b>

## **Section 10 – Capital programme performance**

### **10. 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 - M10 April

Description	Ref	2013/14		Budget Year 2014/15						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	115,847	126,386	12,756	66,750	101,387	34,637	34.2%	126,918
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
<i>Roads, Pavements &amp; Bridges</i>		-	-	-	-	-	-	-	-	-
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	3,000	2,000	-	1,582	1,500	(82)	-5.9%	2,000
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission &amp; Reticulation</i>		-	3,000	2,000	-	1,582	1,500	(82)	-5.9%	2,000
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	65,479	105,682	12,756	59,962	85,785	25,834	30.1%	106,213
<i>Dams &amp; Reservoirs</i>		-	8,772	12,818	-	-	7,310	7,310	100.0%	12,818
<i>Water purification</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	56,707	92,864	12,756	59,962	78,475	18,524	23.6%	93,395
Infrastructure - Sanitation		-	47,368	18,704	-	5,216	14,102	8,885	63.0%	18,704
<i>Reticulation</i>		-	47,368	18,674	-	5,216	14,102	8,885	63.0%	18,704
<i>Sewerage purification</i>		-	-	30	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	0	-	(0)	#DIV/0!	-
<i>Waste Management</i>		-	-	-	-	-	-	-	-	-
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	0	-	(0)	#DIV/0!	-
<b>Community</b>		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	11,308	62,749	77	5,093	61,280	56,187	91.7%	62,749
General vehicles		-	1,954	10,500	-	241	10,417	10,176	97.7%	10,500
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	8,200	51,139	-	4,505	49,925	45,420	91.0%	51,139
Computers - hardware/equipment		-	204	-	-	-	-	-	-	-
Furniture and other office equipment		-	250	410	-	-	355	355	100.0%	410
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	700	700	77	348	583	236	40.4%	700
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	(0)	-	-	0	-	(0)	#DIV/0!	-
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	-	127,155	189,135	12,833	71,843	162,667	90,824	55.8%	189,666
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

**• 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 - M10 April

Description	Ref	2013/14		Budget Year 2014/15						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		26,097	8,550	15,690	781	8,160	13,035	4,875	37.4%	12,501
Infrastructure - Road transport		2,716	2,476	3,784	410	2,724	2,945	221	7.5%	3,633
Roads, Pavements & Bridges		2,716	2,476	3,784	410	2,724	2,945	221	7.5%	3,633
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		23,381	6,074	11,906	371	5,436	10,091	4,654	46.1%	8,868
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		23,381	6,074	11,906	371	5,436	10,091	4,654	46.1%	8,868
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Community</b>		-	-	-	-	-	-	-	-	-
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		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		329	671	744	41	249	606	358	59.0%	561
General vehicles		104	317	217	36	42	132	90	63.3%	109
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		39	53	227	-	3	189	186	98.6%	178
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		186	301	301	5	204	236	81	28.5%	274
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Biological assets</b>		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
<b>Intangibles</b>		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>		26,425	9,221	16,434	822	8,409	13,642	5,233	38.4%	13,062
<b>Specialised vehicles</b>		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Consevaney		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

## **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 April 2015 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: 15.05.2015\_\_\_\_\_

