



*“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
September 2014

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

	July Actual	Aug Actual	Sept. Actual	YTD Actual	YTD Budget
Revenue by Source					
Government grants and subsidies	(77,540,391)	(12,107,020)	(20,399,079)	(110,046,490)	(127,338,000)
Public Contributions and Donations	0	0	0	0	-
Government Services	0	0	0	0	-
Interest earned - external investments	(196,175)	(431,237)	(313,347)	(940,758)	(647,049)
Other income	(92,774)	(5,498,634)	(58,652)	(5,650,060)	(2,061,000)
Service Charges: Water & Sanitation	(3,532,721)	(3,904,888)	(661,940)	(8,099,549)	(13,986,000)
TOTAL	(81,362,061)	(21,941,779)	(21,433,017)	(124,736,857)	(144,032,049)

The municipality has managed to raise 86% of its total operating revenue against the year to date budget of R144, 032 million as at 31 September 2014, off which 124,737 million is the Actual revenue collected. The actual amount raised for the month is R 21, 433 million which is a decrease as compared to the R21, 941 million revenue received from the previous month.

TABLE 2: OPERATING EXPENDITURE PER CATEGORY

	July Actual	Aug Actual	Sept. Actual	YTD Actual	YTD Budget
Expenditure by Nature (GFS Function)					
Employee related costs	10,797,710	11,453,155	11,429,190	33,680,055	35,197,183
Remuneration of Councillors	410,107	410,107	410,107	1,230,322	1,372,166
Debt Impairment	(2,221,389)	(2,051,847)	0	(4,273,236)	6,522,726
Depreciation and Amortisation	3,863,121	3,863,121	3,760,161	11,486,404	11,589,354
Finance charges	58,237	58,237	134,844	251,317	815,036
Contracted services	664,028	3,135,766	2,254,659	6,054,452	7,738,502
Grants and Subsidies paid	243,062	164,754	14,703,320	15,111,136	22,402,731
General expenses	1,980,346	8,163,200	9,016,713	19,160,259	14,035,625
Drought Relief Water Carting	75,337	0	449,360	524,697	66,160
Repairs and Maintenance	1,925	79,949	6,172	88,045	1,063,939
TOTAL	15,872,484	25,276,441	42,164,526	83,313,451	100,803,421

The municipality has reported an actual expenditure 83% of its operating expenditure off which R83, 313 being the Actual expenditure compared to year to date budget of R100, 803 million. The total monthly expenditure reported for September is R42, 164 million which is higher than the previous monthly expenditure of R25, 276 million.

Detailed analysis follows:

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 (R33,680 million) 96% up-to date when compared to year to date budget of R35,197 million, and the monthly expenditure of this line item is R11,429 million.

REMUNERATION OF COUNCILLORS

The year-to-date budget for remuneration of councilors is R 1,372 million off which R1, 230 million is the year to date actual expenditure. As of this date the municipality has an actual expenditure of 90 % against its year-to-date budget.

The municipality has reported an amount of R410, 107 for the month of September 2014.

More detail with regard to the breakdown of the employee related cost and Remuneration of councillors is provided in table SC8 in Page 28.

REPAIRS AND MAINTENANCE

The municipality has to date spent R88, 045 which constitutes 8 % versus its year-to-date budget of R1, 063 million.

The monthly expenditure for this line item is R6, 172 which is lower than R79, 949 of the previous month.

CONTRACTED SERVICES

The year to date shows 78 % (R6, 054 million) expenditure has been spent in this line item when compared to the year to date budget of R7, 738 million. The monthly expenditure of this line item is R2, 255 million which is lower than the one of the previous month which was R3, 136.

GRANTS AND SUBSIDIES PAID

In this line item, the municipality has reported an expenditure of R15, 111 million as at 30 September 2014 which constitutes 67 % of the year-to-date budget which is R22, 402 million.

The monthly expenditure for this line item is R164, 754, which is lower than of the previous month which was R243, 062

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	YTD Actual	YTD Budget
Capital Expenditure by GFS					
Executive & Council	-	-	-	-	-
Budget & Treasury	-	-	-	-	62,499.00
Corporate Services	-	-	12,249	12,249	163,422.00
Planning & Development	-	-	-	-	-
Health	-	-	-	-	-
Community & Social Services	-	-	-	-	-
Public Safety	-	-	-	-	174,999.00
Environmental Protection	-	-	-	-	-
Road Transport	-	-	-	-	-
Other	-	-	-	-	-
Waste Management	245,803	1,410,301	-	1,656,104	10,745,613.00
Water	2,492,265	2,637,501	4,631,140	9,760,906	24,625,872.00
TOTAL	2,738,068	4,047,802	4,643,389	11,429,258	35,772,405

The municipality has spent 32% of its budget, off which R11, 429 million is an actual capital expenditure against the year to date budget of R35, 772 million, and the municipality has reported a monthly expenditure of R4, 634 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 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 monies owing are as follows:

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 September 2014 in-year report is:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for September 2014 as set out in the schedules contained in Section 4:
- a. Table C1 – Monthly Budget Statement Summary;
 - b. Table C2 – Monthly Budget Statement – Financial Performance (Standard classification);
 - c. Table C3 – Monthly Budget Statement – Financial Performance Standard classification (Revenue and expenditure by Municipal Vote)
 - d. Table C4 – Monthly Budget Statement – Financial Performance (Revenue by Source and Expenditure by Type)
 - e. Table C5 – Monthly Budget Statement – Capital Expenditure;
 - f. Table C6 – Monthly Budget statement – Financial Position; and
 - g. Table C7 – Monthly Budget statement – Cash Flows.
- (b) That the Council take note that the report was submitted to the Executive Mayor on 14 October 2014.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 INTRODUCTION

This Budget statement report for September 2014 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 otherwise only reflect 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 on Investments is R940, 758 and this amount constitutes 145% against the budgeted amount of R647, 049. The amount of interest received for the month in this line item is R313, 347.

- **OTHER REVENUE**

Other Revenue is made up of contribution from SETA that has been recognised and ACIP money, JGDM is just an agent in this income. The expenses are incurred by a 3rd party and claimed via JGDM. As soon as the income is received the 3rd party is paid immediately. The net effect in the books and budget of JGDM is therefore zero.

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 what position Joe Gqabi District Municipality is in considering things like the assets, liabilities and the equity at the end of August 2014.

The current accumulated surplus of the municipality as at 30 September 2014 is R1,260 billion.

3.2.2.1 CURRENT ASSETS

- **CASH**

The amount of R1, 659 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 Creditors)).

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 September 2014 is R2, 214 million.

3.2.2.2 NON-CURRENT ASSETS

The year to date non-current assets is R1, 293 billion which constitutes 91% of the adjustment 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 an actual expenditure of R3, 081 million for the month of September. 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.

The average number of days taken for trade creditors (Creditors payment period) to be paid is 76 days and this reflects that the municipality may be experiencing cash flow problems, however in certain instances this may be as a result of disputes, processing of payments, etc.

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 the month with a positive cash balance of R36, 872 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 2012/2013 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 - M03 September

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
R thousands									
Financial Performance									
Property rates	0	–	–	–	–	–	–	–	–
Service charges	39,566	55,946	55,946	662	8,100	13,966	(5,867)	-42%	34,666
Investment revenue	3,240	2,394	2,394	313	941	647	294	45%	6,623
Transfers recognised - operational	247,303	254,204	254,204	136	81,755	82,422	(667)	-1%	247,674
Other own revenue	13,551	7,109	7,109	59	5,650	2,061	3,589	174%	5,014
Total Revenue (excluding capital transfers and contributions)	303,659	319,653	319,653	1,170	96,446	99,117	(2,671)	-3%	294,007
Employee costs	128,150	153,094	148,886	11,429	33,680	35,197	(1,517)	-4%	149,654
Remuneration of Councillors	4,981	5,680	5,680	410	1,230	1,372	(142)	-10%	5,194
Depreciation & asset impairment	42,363	46,357	46,357	3,760	11,280	11,589	(309)	-3%	46,049
Finance charges	3,968	4,159	3,778	135	251	815	(564)	-69%	6,760
Materials and bulk purchases	–	5,069	5,069	–	–	1,267	(1,267)	-100%	3,802
Transfers and grants	97,181	89,730	80,319	14,703	15,111	22,403	(7,292)	-53%	53,462
Other expenditure	233,018	187,646	186,048	11,483	21,235	45,333	(24,097)	-53%	439,301
Total Expenditure	509,661	491,745	476,147	41,921	82,789	117,977	(35,188)	-30%	704,221
Surplus/(Deficit)	(206,002)	(172,092)	(156,494)	(40,751)	13,657	(18,860)	32,517	-172%	(410,214)
Transfers recognised - capital	191,525	209,478	209,478	20,263	28,291	44,916	(16,625)	-37%	144,880
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(14,476)	37,386	52,984	(20,488)	41,948	26,056	15,892	61%	(265,324)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(14,476)	37,386	52,984	(20,488)	41,948	26,056	15,892	61%	(265,324)
Capital expenditure & funds sources									
Capital expenditure	–	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Capital transfers recognised	–	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–	–	–	–
Total sources of capital funds	–	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Financial position									
Total current assets	111,642	65,922	65,922	–	135,905	–	–	–	65,922
Total non current assets	1,288,306	1,413,008	1,413,008	–	1,293,418	–	–	–	1,413,008
Total current liabilities	145,193	76,031	76,031	–	131,164	–	–	–	76,031
Total non current liabilities	35,866	20,106	20,106	–	37,845	–	–	–	20,106
Community wealth/Equity	1,218,890	1,382,793	1,382,793	–	1,260,313	–	–	–	1,382,793
Cash flows									
Net cash from (used) operating	101,449	105,576	(149)	13,507	14,852	72,949	(58,098)	-80%	105,576
Net cash from (used) investing	(94,743)	(120,433)	107	(9,258)	(15,987)	(9,437)	(6,551)	69%	(120,433)
Net cash from (used) financing	(229)	(1,001)	–	(216)	(216)	–	(216)	#DIV/0!	(1,001)
Cash/cash equivalents at the month/year end	23,846	(48,974)	(60)	–	36,872	30,397	6,475	21%	22,365
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	1,492	936	613	608	833	10,668	–	–	15,149
Creditors Age Analysis									
Total Creditors	9,744	1,691	168	–	–	–	0	–	11,603

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) - M03 September

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									
Revenue - Standard										
<i>Governance and administration</i>		357,482	371,992	371,992	20,771	105,433	119,336	(13,903)	-12%	320,066
Executive and council		5,937	5,493	5,493	70	1,555	1,703	(148)	-9%	5,120
Budget and treasury office		182,422	195,821	195,821	415	76,960	80,217	(3,257)	-4%	192,057
Corporate services		169,123	170,678	170,678	20,286	26,918	37,416	(10,498)	-28%	122,889
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		48,932	52,014	52,014	-	9,712	873	8,839	1012%	50,946
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		27,603	37,393	37,393	-	4,215	873	3,341	383%	36,325
Environmental protection		21,329	14,621	14,621	-	5,497	-	5,497	#DIV/0!	14,621
<i>Trading services</i>		92,382	105,125	105,125	662	9,591	23,823	(14,232)	-60%	64,812
Electricity		-	-	-	-	-	-	-	-	-
Water		80,389	73,462	73,462	662	7,192	15,908	(8,716)	-55%	44,357
Waste water management		11,993	31,663	31,663	-	2,400	7,916	(5,516)	-70%	20,455
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	498,796	529,131	529,131	21,433	124,737	144,033	(19,296)	-13%	435,823
Expenditure - Standard										
<i>Governance and administration</i>		219,733	197,650	196,668	25,811	45,446	48,207	(2,762)	-6%	204,571
Executive and council		45,517	42,094	41,332	4,671	10,775	9,257	1,518	16%	53,817
Budget and treasury office		19,746	26,937	26,859	2,429	6,600	8,610	(2,010)	-23%	28,493
Corporate services		154,470	128,619	128,467	18,711	28,071	30,341	(2,270)	-7%	122,262
<i>Community and public safety</i>		10,014	12,022	11,822	762	2,254	3,242	(987)	-30%	11,548
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		10,014	12,022	11,822	762	2,254	3,242	(987)	-30%	11,548
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		52,538	74,215	64,551	3,870	10,149	17,017	(6,868)	-40%	58,066
Planning and development		1	-	-	-	-	-	-	-	-
Road transport		27,403	37,393	37,393	2,464	6,235	10,452	(4,217)	-40%	38,789
Environmental protection		25,134	36,822	27,158	1,406	3,914	6,565	(2,651)	-40%	19,277
<i>Trading services</i>		231,317	208,857	205,616	11,927	25,465	50,136	(24,671)	-49%	433,010
Electricity		-	-	-	-	-	-	-	-	-
Water		197,211	151,800	150,200	8,644	21,639	36,959	(15,320)	-41%	187,397
Waste water management		34,105	57,057	55,416	3,283	3,826	13,177	(9,351)	-71%	245,614
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	513,602	492,745	478,647	42,370	83,313	118,602	(35,288)	-30%	707,196
Surplus/ (Deficit) for the year		(14,806)	36,386	50,484	(20,937)	41,423	25,431	15,992	63%	(271,372)

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) - M03 September

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
R thousands										
Revenue by Vote	1									
Vote 1 - MANAGEMENT SERVICES		5,073	5,428	5,428	70	1,555	1,638	(83)	-5.1%	5,055
Vote 2 - FINANCIAL SERVICES		182,587	256,046	256,046	1,077	85,471	95,322	(9,851)	-10.3%	230,299
Vote 3 - CORPORATE SERVICES		479	1,209	1,209	23	54	2	52	2421.8%	1,210
Vote 4 - TECHNICAL SERVICES		289,326	251,827	251,827	20,263	32,159	47,070	(14,911)	-31.7%	184,637
Vote 5 - COMMUNITY SERVICES		21,329	14,621	14,621	-	5,497	-	5,497	#DIV/0!	14,621
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	498,796	529,131	529,131	21,433	124,737	144,033	(19,296)	-13.4%	435,823
Expenditure by Vote	1									
Vote 1 - MANAGEMENT SERVICES		30,874	32,897	32,162	4,121	9,072	7,410	1,662	22.4%	44,424
Vote 2 - FINANCIAL SERVICES		21,888	67,389	67,311	2,568	7,050	9,029	(1,979)	-21.9%	30,961
Vote 3 - CORPORATE SERVICES		33,633	40,017	39,724	2,003	4,830	5,369	(539)	-10.0%	39,789
Vote 4 - TECHNICAL SERVICES		385,467	296,362	293,272	31,184	59,096	75,793	(16,697)	-22.0%	555,640
Vote 5 - COMMUNITY SERVICES		41,740	56,079	46,179	2,495	7,112	11,450	(4,339)	-37.9%	36,381
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	513,602	492,745	478,647	42,370	87,160	109,051	(21,891)	-20.1%	707,196
Surplus/ (Deficit) for the year	2	(14,806)	36,386	50,484	(20,937)	37,577	34,982	2,585	7.4%	(271,372)

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) - M03 September

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
R thousands										
Revenue By Source										
Property rates		0	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		33,358	40,495	40,495	662	5,705	10,124	(4,419)	-44%	26,401
Service charges - sanitation revenue		6,208	15,450	15,450	-	2,395	3,863	(1,468)	-38%	8,295
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		3,240	2,394	2,394	313	941	647	294	45%	3,549
Interest earned - outstanding debtors		4,379	4,214	4,214	-	64	1,054	(989)	-94%	3,074
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		2,929	-	-	-	1,012	-	1,012	#DIV/0!	-
Transfers recognised - operational		247,303	254,204	254,204	136	81,755	82,422	(667)	-1%	247,674
Other revenue		6,267	2,885	2,885	59	4,574	1,007	3,567	354%	1,940
Gains on disposal of PPE		(24)	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		303,659	319,653	319,653	1,170	96,446	99,117	(2,671)	-3%	290,934
Expenditure By Type										
Employee related costs		128,150	153,094	148,886	11,429	33,680	35,197	(1,517)	-4%	149,654
Remuneration of councillors		4,981	5,680	5,680	410	1,230	1,372	(142)	-10%	5,194
Debt impairment		41,522	26,091	26,091	-	(4,273)	6,523	(10,796)	-166%	(7,664)
Depreciation & asset impairment		42,363	46,357	46,357	3,760	11,280	11,589	(309)	-3%	46,049
Finance charges		3,968	4,159	3,778	135	251	815	(564)	-69%	6,760
Bulk purchases		-	5,069	5,069	-	-	1,267	(1,267)	-100%	3,802
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		17,318	38,688	35,498	2,255	6,054	7,739	(1,684)	-22%	214,162
Transfers and grants		97,181	89,730	80,319	14,703	15,111	22,403	(7,292)	-33%	53,462
Other expenditure		171,000	122,528	124,131	9,229	19,454	30,990	(11,535)	-37%	232,557
Loss on disposal of PPE		3,177	328	328	-	-	82	(82)	-100%	246
Total Expenditure		509,661	491,745	476,147	41,921	82,789	117,977	(35,188)	-30%	704,221
Surplus/(Deficit)										
Transfers recognised - capital		191,525	209,478	209,478	20,263	28,291	44,916	(16,625)	(0)	144,880
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(14,476)	37,386	52,984	(20,488)	41,948	26,056			(268,398)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(14,476)	37,386	52,984	(20,488)	41,948	26,056			(268,398)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(14,476)	37,386	52,984	(20,488)	41,948	26,056			(268,398)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(14,476)	37,386	52,984	(20,488)	41,948	26,056			(268,398)

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) - M03 September

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
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - MANAGEMENT SERVICES		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	250	250	-	-	62	(62)	-100%	250
Vote 3 - CORPORATE SERVICES		-	654	654	12	12	163	(151)	-93%	654
Vote 4 - TECHNICAL SERVICES		-	117,802	117,802	4,631	11,417	35,371	(23,954)	-68%	117,827
Vote 5 - COMMUNITY SERVICES		-	700	700	-	-	175	(175)	-100%	700
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Total Capital Expenditure		-	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Capital Expenditure - Standard Classification										
Governance and administration		-	904	904	12	12	226	(214)	-95%	904
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		-	250	250	-	-	62	(62)	-100%	250
Corporate services		-	654	654	12	12	163	(151)	-93%	654
Community and public safety		-	700	700	-	-	175	(175)	-100%	700
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	700	700	-	-	175	(175)	-100%	700
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	117,802	117,802	4,631	11,417	35,371	(23,954)	-68%	117,827
Electricity		-	-	-	-	-	-	-	-	-
Water		-	74,819	74,819	4,631	9,761	24,626	(14,865)	-60%	74,819
Waste water management		-	42,982	42,982	-	1,656	10,746	(9,090)	-85%	43,008
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	-	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Funded by:										
National Government		-	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
Total Capital Funding		-	119,405	119,405	4,643	11,429	35,772	(24,343)	-68%	119,431

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		38,102	3,729	3,729	1,669	3,729
Call investment deposits		35,091	20,000	20,000	54,919	20,000
Consumer debtors		43,267	30,621	30,621	46,795	30,621
Other debtors		(7,836)	–	–	30,317	–
Current portion of long-term receivables		–	10,000	10,000	–	10,000
Inventory		3,018	1,572	1,572	2,214	1,572
Total current assets		111,642	65,922	65,922	135,905	65,922
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		3,195	3,619	3,619	3,219	3,619
Investment property		2,621	3,078	3,078	2,610	3,078
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1,280,256	1,403,453	1,403,453	1,285,510	1,403,453
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		2,234	2,858	2,858	2,079	2,858
Other non-current assets		–	–	–	–	–
Total non current assets		1,288,306	1,413,008	1,413,008	1,293,418	1,413,008
TOTAL ASSETS		1,399,948	1,478,930	1,478,930	1,429,322	1,478,930
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		(878)	398	398	(1,332)	398
Consumer deposits		–	–	–	–	–
Trade and other payables		129,178	47,315	47,315	116,772	47,315
Provisions		16,893	28,318	28,318	15,724	28,318
Total current liabilities		145,193	76,031	76,031	131,164	76,031
Non current liabilities						
Borrowing		5,740	6,054	6,054	5,893	6,054
Provisions		30,126	14,052	14,052	31,952	14,052
Total non current liabilities		35,866	20,106	20,106	37,845	20,106
TOTAL LIABILITIES		181,058	96,137	96,137	169,009	96,137
NET ASSETS	2	1,218,890	1,382,793	1,382,793	1,260,313	1,382,793
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,218,890	1,382,793	1,382,793	1,260,313	1,382,793
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1,218,890	1,382,793	1,382,793	1,260,313	1,382,793

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		47,817	81,939	29	103	304	16,854	(16,550)	-98%	81,939
Government - operating		311,264	254,204	244	39,187	167,716	84,735	82,981	98%	254,204
Government - capital		96,876	209,478	-	20,205	50,780	50,000	780	2%	209,478
Interest		4,535	2,394	3	9	95	588	(503)	-84%	2,394
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(345,992)	(348,588)	(361)	(30,943)	(188,582)	(56,603)	131,979	-233%	(348,588)
Finance charges		(764)	(4,121)	(8)	(360)	(360)	(202)	148	-73%	(4,121)
Transfers and Grants		(12,285)	(89,730)	(55)	(14,703)	(15,111)	(22,433)	(7,321)	33%	(89,730)
NET CASH FROM/(USED) OPERATING ACTIVITIES		101,449	105,576	(149)	13,507	14,852	72,949	(58,098)	-80%	105,576
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		150	-	-	-	-	-	-		-
Decrease (increase) in non-current debtors		-	-	-	29	86	-	86	#DIV/0!	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		219	231	-	-	-	58	(58)	-100%	231
Payments										
Capital assets		(95,112)	(120,664)	107	(9,287)	(16,073)	(9,494)	6,578	-69%	(120,664)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(94,743)	(120,433)	107	(9,258)	(15,987)	(9,437)	6,551	-69%	(120,433)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		171	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(399)	(1,001)	-	(216)	(216)	-	216	#DIV/0!	(1,001)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(229)	(1,001)	-	(216)	(216)	-	216	#DIV/0!	(1,001)
NET INCREASE (DECREASE) IN CASH HELD										
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)		36,872	30,397			22,365

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.

DC14 Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2014/15									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Djs	151-180 Djs	181 Djs-1 Yr	Over 1Yr	Total				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200													
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,275	797	469	474	449	6,832	-	-	10,235	7,755	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	218	139	144	134	384	3,836	-	-	4,854	4,353	-	-	
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	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Income Source	2000	1,492	936	613	608	833	10,668	-	-	15,149	12,108	-	-	
2013/14 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	64	6	5	5	8	30	-	-	118	43	-	-	
Commercial	2300	82	36	28	22	49	258	-	-	476	330	-	-	
Households	2400	1,277	833	557	551	560	10,326	-	-	14,144	11,446	-	-	
Other	2500	70	32	22	19	216	54	-	-	412	289	-	-	
Total By Customer Group	2600	1,492	936	613	608	833	10,668	-	-	15,149	12,108	-	-	

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 - M03 September

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	130	173	-	-	-	-	0	-	304
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	9,566	1,518	168	-	-	-	-	-	11,252
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	48	0	-	-	-	-	-	-	48
Total By Customer Type	1000	9,744	1,691	168	-	-	-	0	-	11,603

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 3.211 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

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		1,301	24	1,325
Municipality sub-total					8		3,528	(309)	3,219
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				8		3,528	(309)	3,219

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

Grants	ALLOCATIONS	RECEIVED TO DATE	SPENT TO DATE	% SPENT TO DATE
	R	R	R	
Equitable Share	194,848,000	77,126,000	(77,126,000)	100%
Finance Management Grant	1,250,000	1,250,000	(278,368)	22%
EPWP Incentive	1,309,000	524,000	-	0%
Municipal Water Infrastructure grant	20,009,000	5,002,000	(1 427,746)	28%
Municipal Infrastructure grant	169,469,000	39,916,000	(26 863,352)	67%
Municipal Systems Improvement	934,000	934,000	(26 457)	28%
Rural Roads and Asset Management	2,084,000	2,084,000	(351 856)	16%
Rural Households Infrastructure Grant	4,500,000	-	-	-
Water Services Operating Subsidy	10,000,000	2,500,000	-	0%
TOTAL	404,403,000	129,336,000	(106,073,779)	82%

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 - M03 September

Summary of Employee and Councillor remuneration	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3,345	2,831	2,831	277	833	673	160	24%	3,506
Pension and UIF Contributions		413	431	431	37	108	108	(1)	-1%	429
Medical Aid Contributions		87	106	106	8	25	24	1	6%	112
Motor Vehicle Allowance		896	1,277	1,277	68	205	296	(91)	-31%	884
Cellphone Allowance		227	552	552	19	57	124	(67)	-54%	252
Housing Allowances		12	493	493	1	3	148	(145)	-98%	10
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		4,981	5,690	5,690	410	1,230	1,372	(142)	-10%	5,194
%increase	4		14.2%	14.2%						4.3%
Senior Managers of the Municipality										
Basic Salaries and Wages		5,498	5,709	5,590	457	1,371	1,347	24	2%	5,684
Pension and UIF Contributions		185	204	204	16	48	50	(2)	-5%	194
Medical Aid Contributions		108	113	113	9	28	29	(1)	-4%	109
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		1,192	1,897	1,897	-	-	-	-	-	1,897
Motor Vehicle Allowance		621	655	651	52	155	163	(8)	-5%	621
Cellphone Allowance		82	86	86	7	21	21	1	3%	89
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		135	164	164	11	32	37	(6)	-15%	148
Payments in lieu of leave		170	476	476	-	-	73	(73)	-100%	403
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		7,990	9,304	9,180	551	1,654	1,720	(66)	-4%	9,144
%increase	4		16.4%	14.9%						14.4%
Other Municipal Staff										
Basic Salaries and Wages		75,578	99,639	95,990	7,580	22,259	24,240	(1,981)	-8%	90,123
Pension and UIF Contributions		10,512	8,459	8,252	994	2,899	2,205	693	31%	10,374
Medical Aid Contributions		4,521	4,820	4,820	417	1,241	1,228	13	1%	4,772
Overtime		6,080	5,761	5,753	580	1,577	1,561	16	1%	7,229
Performance Bonus		6,087	7,100	7,000	47	173	499	(326)	-66%	7,391
Motor Vehicle Allowance		4,583	4,805	4,703	465	1,445	893	553	62%	6,869
Cellphone Allowance		1,103	1,240	1,240	97	294	300	(6)	-2%	1,266
Housing Allowances		910	1,144	1,126	58	198	247	(50)	-20%	907
Other benefits and allowances		6,163	8,151	8,151	575	1,781	2,013	(232)	-12%	8,852
Payments in lieu of leave		2,194	2,882	2,882	-	71	53	18	33%	2,953
Long service awards		612	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	1,817	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		120,160	144,002	139,918	10,813	31,936	33,239	(1,302)	-4%	140,736
%increase	4		19.8%	16.4%						17.1%
Total Parent Municipality		133,131	158,995	154,788	11,774	34,821	36,330	(1,509)	-4%	155,074

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 - M03 September

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										
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	115,847	115,877	4,631	11,417	34,913	23,496	67.3%	116,323
Infrastructure - Road transport		-	-	30	-	-	30	30	100.0%	450
Roads, Pavements & Bridges		-	-	30	-	-	30	30	100.0%	450
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	3,000	3,000	-	-	750	750	100.0%	3,000
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	3,000	3,000	-	-	750	750	100.0%	3,000
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	66,479	66,479	4,631	9,786	22,291	12,505	56.1%	66,504
Dams & Reservoirs		-	8,772	8,772	-	-	2,193	2,193	100.0%	8,772
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	56,707	56,707	4,631	9,786	20,098	10,312	51.3%	56,732
Infrastructure - Sanitation		-	47,368	47,368	-	1,631	11,842	10,211	86.2%	47,368
Reticulation		-	47,368	47,368	-	1,631	11,842	10,211	86.2%	47,368
Sewerage purification		-	-	30	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	(0)	-	0	#DIV/0!	-
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	(0)	-	0	#DIV/0!	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	3,108	3,108	-	-	777	777	100.0%	3,108
General vehicles		-	1,954	1,954	-	-	489	489	100.0%	1,954
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	700	700	-	-	175	175	100.0%	700
Computers - hardware/equipment		-	204	204	-	-	51	51	100.0%	204
Furniture and other office equipment		-	250	250	-	-	62	62	100.0%	250
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	-	118,955	118,985	4,631	11,417	35,690	24,273	68.0%	119,431
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

References

DC14 Joe Gqabi - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - MD3

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										
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges		-	-	-	-	-	-	-	-	-
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
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		-	450	450	12	12	113	100	89.1%	-
General vehicles		-	450	450	12	12	113	100	89.1%	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
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 renewal of existing assets	1	-	450	450	12	12	113	100	89.1%	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
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 - M03 September

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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		31,908	8,854	10,344	610	1,648	2,050	402	19.6%	50,285
Infrastructure - Road transport		2,734	2,626	2,546	332	593	587	(7)	-1.1%	3,448
Roads, Pavements & Bridges		2,734	2,626	2,546	332	593	587	(7)	-1.1%	3,448
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		29,175	6,228	7,798	278	1,054	1,463	408	27.9%	46,837
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		29,175	6,228	7,798	278	1,054	1,463	408	27.9%	46,837
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		331	671	671	12	75	116	42	36.0%	1,278
General vehicles		104	317	317	-	-	79	79	100.0%	238
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		2	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		39	53	53	-	3	11	8	75.5%	26
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		186	301	301	12	72	27	(45)	-170.7%	1,014
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		32,239	9,524	11,014	622	1,722	2,166	444	20.5%	51,563

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 September 2014 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under that Act.

Print Name: _____

Municipal Manager of Joe Gqabi District Municipality (DC14)

Signature: _____

Date: 14.10.2014_____