



*“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 October 2015

**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.

Table 1: Operating Revenue per category

	July Actual	Aug Actual	Sept. Actual	Oct Actual	YTD Actual	YTD Budget
Revenue by Source						
Government grants and subsidies	(89,255,123)	(7,608,128)	(15,749,825)	(48,072,511)	(160,685,587)	-200,176,000
Public Contributions and Donations	0	0	0	0	0	-
Government Services	0	0	0	0	0	-
Interest earned - external investments	(242,444)	0	(1,479,126)	(404,930)	(2,126,500)	(1,098,884)
Other income	(23,384)	(19,647)	(38,248)	(87,273)	(168,551)	(557,000)
Service Charges: Water & Sanitation	(1,367,383)	(895,180)	(1,227,081)	(1,565,708)	(5,055,352)	(11,359,000)
TOTAL	(90,888,333)	(8,522,955)	(18,494,279)	(50,130,423)	(168,035,990)	(213,190,884)

The municipality has raised an actual revenue of R168,036 million which represents 79% of total operating revenue against the year to date budget of R213,191 million as at 31 October 2015.

The actual revenue raised for the month of October is R50,130 million, this has increased when compared to the R16.120 million collected in September due to government grants received this month.

The Government grants is the major contributor in the municipality's revenue as it constitutes 96 % of the total revenue.

Table 2: Operating Expenditure per category

	July Actual	Aug Actual	Sept. Actual	Oct Actual	YTD Actual	YTD Budget
Expenditure by Nature (GFS Function)						
Employee related costs	11 503 789	11 839 002	14 128 327	12 701 613	50 172 731	49 587 317
Remuneration of Councillors	423 426	419 350	419 341	419 336	1 681 453	1 925 936
Debt Impairment	0	0	0	0	0	9 488 907
Depreciation and Amortisation	0	0	11 059 957	3 686 652	14 746 609	72 260 448
Finance charges	0	0	258 528	0	258 528	216 018
Contracted services	0	0	0	0	0	-
Grants and Subsidies paid	0	0	656 737	1 013 095	1 669 832	4 385 964
General expenses	6 386 874	3 860 831	18 908 950	23 842 244	52 998 899	60 328 102
TOTAL	18 314 089	16 119 184	45 431 839	41 662 939	121 528 052	198 192 692

The municipality has actual spent 60% of its operating expenditure when compared to year to date budget of R198.192 million as at end of October 2015, of which R121,528 million is the actual expenditure as to date..

The Actual expenditure of the municipality for the month is R41,663 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 of R11,060 million that was reported in September was a provision for July, August and September and provision for November will be made to ensure that the monthly figures reported on are more reliable.
- The monthly depreciation recognised for the month of October is R3,686 million.

- **Employee related costs**

In this line item the municipality has spent R50,173 million which constitutes 101 % when compared to year to date budget of R49,587 million.

The variance of 1% in this line item is due to salary increment and back pay paid out for the month of July and August.

- **Remuneration of Councillors**

The year-to-date budget for remuneration of councilors is R1.926 million off which R1.681 million is the year to date actual expenditure. As of this date the municipality has spent 87 % of its year-to-date budget.

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

The ratio of 48% for the remuneration as % of total operating expenditure is above the norm of 25% - 40% as the municipality needs to be within.

- **Grants And Subsidies Paid**

In this line item, the municipality is spending on behalf of its entity, JoGEDA. The year to date actual expenditure on this line item is R1,558 million against a year to date budget of R1,920 million and this represents 81% of expenditure.

The expenditure for the month of October is R282,732.

- **General Expenses**

In this line item, the municipality has reported an expenditure of R23,842 million for the month of October 2015 and the year to date budget is R47.108 56,835 million against the actual year to date expenditure of R52,999 million. This figure includes R644,864 for Repairs and Maintenance.

Table 3: Capital Expenditure by Municipal Vote

Capital Expenditure

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

	July Actual	Aug Actual	Sept. Actual	Oct Actual	YTD Actual	YTD Budget
Capital Expenditure by GFS						
Executive & Council	-	-	-	-	-	-
Budget & Treasury	-	-	-	-	-	66 664.00
Corporate Services	-	23 000	12 800	11 750	47 550	1 491 732.00
Planning & Development	-	-	-	-	-	-
Health	-	-	-	-	-	-
Community & Social Services	-	-	-	-	-	-
Public Safety	-	-	-	-	-	5 000 000.00
Environmental Protection	-	-	-	-	-	-
Road Transport	-	-	-	-	-	-
Other	-	-	-	-	-	-
Waste Management	645 830	1 187 351	-	8 788 850	10 622 031	25 576 012.00
Water	2 265 897	266 786	2 659 751	28 508 292	33 700 727	85 228 415.00
TOTAL	2 911 728	1 477 136	2 672 551	37 308 893	44 370 308	117 362 823

Capital Expenditure by Vote

The capital expenditure recognised for the month of October is R37,308 million being the actual money spent on provision of service delivery in water and sanitation.

The monthly ratio of capital expenditure to total expenditure is acceptable at 13 %, since it is within the norm of 10% - 20%, this range reflects that the municipality is prioritising its expenditure towards current operations versus future capacity in terms of Municipal services and also reflects a better spending in infrastructure and acceleration in service delivery.

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

2.1.2 Other information

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

Section 2 - Resolutions

Recommended resolution to Council with regard to October 2015 in-year report is:

RESOLVED

- (a) That the Council take note of contents in the in-year monthly report for October 2015 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 13 November 2015.
- (c) Any other resolutions required by the Council.

Section 3 – Executive Summary

3.1 Introduction

This Budget statement report for September 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 has been met; in otherwise only reflect the expenditure and not the receipts.

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

- **Interest Earned – External investments**

The actual amount for Interest on Investments is R2,126 million and this amount constitutes 193% of the year to date budget amount which is R1,099.

- **Other revenue**

Other Revenue is made up of contribution from LG Seta and revenue generated from Photostats.

3.2.2 Financial Position

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

The financial position indicates what position Joe Gqabi District Municipality is considering things like the assets, liabilities and the equity at the end of October 2015.

The current accumulated surplus of the municipality as at 31 October 2015 is R1. 251 billion.

3.2.2.1 Current Assets

- **Cash**

The amount of R16 300 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 other debtors represent the movement which is due to monthly deductions from the staff member’s salaries and ex staff members.

- **Inventory**

-The year to date value of inventory as at 31 October 2015 is R3.571 million.

The current ratio of the month is 0.75 of which is below the norm of 1.5 – 2.1, and this highlights serious financial challenges of the municipality and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities

3.2.2.2 Non-Current Assets

The year to date non-current assets is R1.362 billion which constitutes 90% of the adjustment budget of R 1.479 billion and this reflects that the municipality is still in line with its budget for this line item.

3.2.2.3 Current Liabilities

- **Trade and other payables**

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

The amount of the trade and other payables as at 31 October 2015 is R170,147 million and this amount includes creditors, provisions, and unspent conditional grants.

The actual total amount of creditors as at 31 October 2015 is R9,941 million.

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

3.2.2 Cash Flow

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

The cash flow statement of the month indicates that the municipality has ended the month with a negative cash balance of R1, 201 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 audit for 2014/2015 is still in progress.

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 - MD4 October

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	42,866	62,281	62,281	1,566	5,055	11,359	(6,304)	-55%	69,897
Investment revenue	3,901	3,368	3,368	405	2,126	1,099	1,028	94%	9,035
Transfers recognised - operational	235,192	351,410	351,410	3,400	97,591	133,105	(35,514)	-27%	310,578
Other own revenue	7,404	4,756	4,756	87	169	557	(389)	-70%	21,953
Total Revenue (excluding capital transfers and contributions)	289,362	421,815	421,815	5,458	104,942	146,120	(41,179)	-28%	411,463
Employee costs	153,749	179,963	179,373	12,702	50,173	51,736	(1,563)	-3%	160,996
Remuneration of Councillors	5,263	6,031	6,031	419	1,681	1,926	(244)	-13%	4,653
Depreciation & asset impairment	44,240	47,867	47,867	3,687	14,747	72,280	(57,514)	-80%	38,313
Finance charges	4,462	2,294	2,294	–	259	216	43	20%	2,192
Materials and bulk purchases	3,004	10,480	10,480	–	–	3,493	(3,493)	-100%	6,987
Transfers and grants	–	26,316	26,316	1,013	1,670	4,386	(2,716)	–	16,511
Other expenditure	275,813	194,704	195,297	23,842	52,999	66,324	(13,325)	-20%	176,733
Total Expenditure	486,531	467,654	467,657	41,663	121,528	200,341	(78,813)	-39%	406,385
Surplus/(Deficit)	(197,169)	(45,839)	(45,842)	(36,205)	(16,586)	(54,221)	37,635	-69%	5,079
Transfers recognised - capital	209,242	238,814	238,814	44,673	63,094	67,071	(3,977)	-6%	285,936
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	12,073	192,975	192,972	8,467	46,508	12,850	33,658	262%	291,015
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	12,073	192,975	192,972	8,467	46,508	12,850	33,658	262%	291,015
Capital expenditure & funds sources									
Capital expenditure	–	234,661	234,661	37,309	44,370	117,363	(72,993)	-62%	234,661
Capital transfers recognised	–	122,644	122,644	22,376	26,331	64,357	(38,026)	-59%	–
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	22,500	22,500	1,168	1,168	22,500	(21,332)	-95%	22,500
Internally generated funds	–	89,517	89,517	13,765	16,872	30,506	(13,634)	-45%	212,161
Total sources of capital funds	–	234,661	234,661	37,309	44,370	117,363	(72,993)	-62%	234,661
Financial position									
Total current assets	132,584	87,350	87,350	–	126,335	–	–	–	87,350
Total non current assets	1,288,280	1,479,021	1,479,021	–	1,362,234	–	–	–	1,479,021
Total current liabilities	140,380	36,770	36,770	–	204,451	–	–	–	36,770
Total non current liabilities	35,866	72,173	72,173	–	32,570	–	–	–	72,173
Community wealth/Equity	1,205,438	1,270,200	1,270,200	–	1,251,548	–	–	–	1,270,200
Cash flows									
Net cash from (used) operating	101,449	105,576	105,576	36,089	41,548	58,938	(17,389)	-30%	105,576
Net cash from (used) investing	(94,743)	(120,433)	(120,433)	(37,290)	(44,258)	(12,601)	(31,657)	251%	(120,433)
Net cash from (used) financing	(229)	(1,001)	(1,001)	–	(216)	–	(216)	#DIV/0!	(1,001)
Cash/cash equivalents at the month/year end	23,846	(48,974)	(48,974)	–	30,866	13,220	17,646	133%	17,934
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	16,907	10,787	7,072	25,441	8,429	95,056	–	–	163,694
Creditors Age Analysis									
Total Creditors	3,975	1,953	354	3,660	–	–	–	–	9,941

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) - MD4 October

Description	Ref	2014/15	Budget Year 2015/16							
		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>		268,799	276,724	276,724	2,103	95,062	99,779	(4,717)	-5%	296,520
Executive and council		5,490	6,800	6,800	-	-	2,382	(2,382)	-100%	4,800
Budget and treasury office		262,051	269,424	269,424	2,037	94,990	97,279	(2,289)	-2%	291,442
Corporate services		1,258	500	500	67	72	118	(46)	-39%	278
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		204,229	222,695	222,695	45,831	70,778	66,442	4,336	7%	287,652
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		199,980	211,729	211,729	45,831	70,778	64,905	5,873	9%	278,184
Environmental protection		4,249	10,966	10,966	-	-	1,537	(1,537)	-100%	9,468
<i>Trading services</i>		66,706	161,210	161,210	2,196	2,196	46,970	(44,774)	-95%	110,733
Electricity		-	-	-	-	-	-	-	-	-
Water		44,426	149,200	149,200	1,227	1,227	42,364	(41,137)	-97%	95,939
Waste water management		22,280	12,010	12,010	968	968	4,606	(3,638)	-79%	14,795
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	539,735	660,629	660,629	50,130	168,036	213,191	(45,155)	-21%	694,905
Expenditure - Standard										
<i>Governance and administration</i>		157,063	151,265	151,268	9,636	32,200	45,473	(13,274)	-29%	137,694
Executive and council		32,719	37,831	37,834	2,688	10,321	12,618	(2,298)	-18%	30,717
Budget and treasury office		82,190	66,297	66,297	4,157	11,950	24,157	(12,207)	-51%	61,808
Corporate services		42,154	47,137	47,137	2,791	9,929	8,698	1,231	14%	45,169
<i>Community and public safety</i>		13,851	14,087	14,087	1,204	4,678	4,317	361	8%	13,269
Community and social services		2,911	2,208	2,208	219	910	623	287	46%	2,476
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		10,940	11,879	11,879	985	3,769	3,695	74	2%	10,792
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		141,862	149,646	149,646	21,283	46,552	54,147	(7,595)	-14%	122,054
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		125,639	126,614	126,614	19,892	41,779	37,694	4,095	11%	107,358
Environmental protection		16,223	23,032	23,032	1,391	4,773	16,463	(11,689)	-71%	14,696
<i>Trading services</i>		173,755	152,656	152,656	9,540	38,098	96,404	(58,306)	-60%	133,369
Electricity		-	-	-	-	-	-	-	-	-
Water		128,997	132,225	131,775	7,832	30,686	65,998	(35,312)	-54%	109,885
Waste water management		44,758	20,431	20,881	1,708	7,412	30,406	(22,994)	-76%	23,474
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	486,531	467,654	467,657	41,663	121,528	200,341	(78,813)	-39%	406,385
Surplus/ (Deficit) for the year		53,204	192,975	192,972	8,467	46,508	12,850	33,658	262%	288,520

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 Qgabi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
	1									
Vote 1 - MANAGEMENT SERVICES		5,490	6,800	6,800	-	-	2,382	(2,382)	-100.0%	4,800
Vote 2 - FINANCIAL SERVICES		280,182	281,434	281,434	2,037	94,990	101,886	(6,896)	-6.8%	306,236
Vote 3 - CORPORATE SERVICES		1,258	500	500	67	72	118	(46)	-38.7%	278
Vote 4 - TECHNICAL SERVICES		248,555	360,929	360,929	48,027	72,974	107,269	(34,295)	-32.0%	374,122
Vote 5 - COMMUNITY SERVICES		4,249	10,966	10,966	-	-	1,537	(1,537)	-100.0%	9,468
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	539,735	660,629	660,629	50,130	168,036	213,191	(45,155)	-21.2%	694,905
Expenditure by Vote										
	1									
Vote 1 - MANAGEMENT SERVICES		32,719	37,831	37,834	2,688	10,321	12,618	(2,298)	-18.2%	30,717
Vote 2 - FINANCIAL SERVICES		82,190	66,297	66,297	4,857	11,950	24,157	(12,207)	-50.5%	61,808
Vote 3 - CORPORATE SERVICES		42,154	47,137	47,137	2,791	9,929	8,698	1,231	14.1%	45,169
Vote 4 - TECHNICAL SERVICES		286,723	263,986	263,986	28,731	76,340	128,965	(52,625)	-40.8%	227,828
Vote 5 - COMMUNITY SERVICES		42,746	52,403	52,403	3,236	12,989	25,903	(12,914)	-49.9%	40,863
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	486,531	467,654	467,657	42,363	121,528	200,341	(78,813)	-39.3%	406,385
Surplus/ (Deficit) for the year	2	53,204	192,975	192,972	7,767	46,508	12,850	33,658	261.9%	288,520

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) - M04 October

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		24,734	50,271	50,271	1,566	5,055	6,752	(1,697)	-25%	55,102
Service charges - sanitation revenue		18,131	12,010	12,010	-	-	4,606	(4,606)	-100%	14,735
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		3,901	3,368	3,368	405	2,126	1,099	1,028	94%	6,541
Interest earned - outstanding debtors		5,808	2,704	2,704	-	-	269	(269)	-100%	2,494
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	112	112	-	-	39	(39)	-100%	112
Transfers recognised - operational		235,192	351,410	351,410	3,400	97,591	133,105	(35,514)	-27%	310,578
Other revenue		1,668	1,940	1,940	87	169	250	(82)	-33%	19,347
Gains on disposal of PPE		(72)	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		289,362	421,815	421,815	5,458	104,942	146,120	(41,179)	-28%	408,969
Expenditure By Type										
Employee related costs		153,749	179,963	179,373	12,702	50,173	51,736	(1,563)	-3%	160,986
Remuneration of councillors		5,263	6,031	6,031	419	1,681	1,926	(244)	-13%	4,653
Debt impairment		74,777	19,583	19,583	-	-	9,489	(9,489)	-100%	18,966
Depreciation & asset impairment		44,240	47,867	47,867	3,687	14,747	72,260	(57,514)	-80%	38,313
Finance charges		4,462	2,294	2,294	-	259	216	43	20%	2,192
Bulk purchases		3,004	10,480	10,480	-	-	3,493	(3,493)	-100%	6,987
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		-	-	-	-	-	-	-	-	-
Transfers and grants		-	26,316	26,316	1,013	1,670	4,386	(2,716)	-62%	16,511
Other expenditure		196,880	175,121	175,714	23,842	52,999	56,835	(3,836)	-7%	157,767
Loss on disposal of PPE		4,156	-	-	-	-	-	-	-	-
Total Expenditure		486,531	467,654	467,657	41,663	121,528	200,341	(78,813)	-39%	406,385
Surplus/(Deficit)		(197,169)	(45,839)	(45,842)	(36,205)	(16,586)	(54,221)	37,635	(0)	2,584
Transfers recognised - capital		209,242	238,814	238,814	44,673	63,094	67,071	(3,977)	(0)	285,936
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		12,073	192,975	192,972	8,467	46,508	12,850			288,520
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		12,073	192,975	192,972	8,467	46,508	12,850			288,520
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		12,073	192,975	192,972	8,467	46,508	12,850			288,520
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		12,073	192,975	192,972	8,467	46,508	12,850			288,520

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) - M04 October

Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - MANAGEMENT SERVICES		–	–	–	–	–	–	–	–	–
Vote 2 - FINANCIAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–	–	–
Vote 4 - TECHNICAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 5 - COMMUNITY SERVICES		–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–	–	–
Single Year expenditure appropriation	2									
Vote 1 - MANAGEMENT SERVICES		–	–	–	–	–	–	–	–	–
Vote 2 - FINANCIAL SERVICES		–	200	200	–	–	67	(67)	-100%	200
Vote 3 - CORPORATE SERVICES		–	2,475	2,475	12	48	1,492	(1,444)	-97%	2,475
Vote 4 - TECHNICAL SERVICES		–	226,986	226,986	37,297	44,323	110,804	(66,482)	-60%	226,986
Vote 5 - COMMUNITY SERVICES		–	5,000	5,000	–	–	5,000	(5,000)	-100%	5,000
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	–	234,661	234,661	37,309	44,370	117,363	(72,993)	-62%	234,661
Total Capital Expenditure		–	234,661	234,661	37,309	44,370	117,363	(72,993)	-62%	234,661
Capital Expenditure - Standard Classification										
Governance and administration		–	2,675	2,675	12	48	1,558	(1,511)	-97%	2,675
Executive and council		–	–	–	–	–	–	–	–	–
Budget and treasury office		–	200	200	–	–	67	(67)	-100%	200
Corporate services		–	2,475	2,475	12	48	1,492	(1,444)	-97%	2,475
Community and public safety		–	5,000	5,000	–	–	5,000	(5,000)	-100%	5,000
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	5,000	5,000	–	–	5,000	(5,000)	-100%	5,000
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		–	–	–	–	–	–	–	–	–
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		–	226,986	226,986	37,297	44,323	110,804	(66,482)	-60%	226,986
Electricity		–	–	–	–	–	–	–	–	–
Water		–	170,258	170,258	28,508	33,701	85,228	(51,528)	-60%	170,258
Waste water management		–	56,728	56,728	8,789	10,622	25,576	(14,954)	-58%	56,728
Waste management		–	–	–	–	–	–	–	–	–
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Standard Classification	3	–	234,661	234,661	37,309	44,370	117,363	(72,993)	-62%	234,661
Funded by:										
National Government		–	122,644	122,644	22,376	26,331	64,357	(38,026)	-59%	126,113
Provincial Government		–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	(126,113)
Transfers recognised - capital		–	122,644	122,644	22,376	26,331	64,357	(38,026)	-59%	–
Public contributions & donations	5	–	–	–	–	–	–	–	–	–
Borrowing	6	–	22,500	22,500	1,168	1,168	22,500	(21,332)	-96%	22,500
Internally generated funds		–	89,517	89,517	13,765	16,872	30,506	(13,634)	-45%	212,161
Total Capital Funding		–	234,661	234,661	37,309	44,370	117,363	(72,993)	-62%	234,661

4.1.6 Table C6: Monthly Budget Statement - Financial Position

DC14 Joe Gqabi - Table C6 Monthly Budget Statement - Financial Position - MD4 October

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		38,102	3,505	3,505	16	3,505
Call investment deposits		35,091	17,469	17,469	48,269	17,469
Consumer debtors		43,602	52,808	52,808	67,278	52,808
Other debtors		12,772	10,000	10,000	7,201	10,000
Current portion of long-term receivables		–	–	–	–	–
Inventory		3,018	3,568	3,568	3,571	3,568
Total current assets		132,584	87,350	87,350	126,335	87,350
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		3,195	3,402	3,402	3,305	3,402
Investment property		2,621	2,894	2,894	2,560	2,894
Investments in Associate		–	–	–	–	–
Property, plant and equipment		1,280,256	1,469,379	1,469,379	1,354,921	1,469,379
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		2,208	3,346	3,346	1,448	3,346
Other non-current assets		–	–	–	–	–
Total non current assets		1,288,280	1,479,021	1,479,021	1,362,234	1,479,021
TOTAL ASSETS		1,420,864	1,566,371	1,566,371	1,488,569	1,566,371
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	5,071	–
Borrowing		(878)	1,350	1,350	936	1,350
Consumer deposits		–	1,250	1,250	–	1,250
Trade and other payables		124,375	4,153	4,153	170,147	4,153
Provisions		16,893	30,017	30,017	28,297	30,017
Total current liabilities		140,390	36,770	36,770	204,451	36,770
Non current liabilities						
Borrowing		5,740	42,723	42,723	5,653	42,723
Provisions		30,126	29,450	29,450	26,917	29,450
Total non current liabilities		35,866	72,173	72,173	32,570	72,173
TOTAL LIABILITIES		176,255	108,943	108,943	237,021	108,943
NET ASSETS	2	1,244,609	1,457,428	1,457,428	1,251,548	1,457,428
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1,205,438	1,270,200	1,270,200	1,251,548	1,270,200
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1,205,438	1,270,200	1,270,200	1,251,548	1,270,200

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC14 Joe Gqabi - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	2014/15		Budget Year 2015/16						
		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	81,939	1,798	4,294	23,724	(19,430)	-82%	81,939
Government - operating		311,264	254,204	254,204	12,391	205,591	84,735	120,856	143%	254,204
Government - capital		96,876	209,478	209,478	89,738	190,654	50,000	140,654	281%	209,478
Interest		4,535	2,394	2,394	16	122	798	(676)	-85%	2,394
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(345,992)	(348,588)	(348,588)	(67,853)	(358,762)	(77,617)	281,146	-362%	(348,588)
Finance charges		(764)	(4,121)	(4,121)	-	(350)	(270)	81	-30%	(4,121)
Transfers and Grants		(12,286)	(89,730)	(89,730)	-	-	(22,433)	(22,433)	100%	(89,730)
NET CASH FROM/(USED) OPERATING ACTIVITIES		101,449	105,576	105,576	36,089	41,548	58,938	(17,389)	-30%	105,576
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		150	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	19	89	-	89	#DIV/0!	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		219	231	231	-	-	58	(58)	-100%	231
Payments										
Capital assets		(95,112)	(120,664)	(120,664)	(37,309)	(44,347)	(12,659)	31,688	-250%	(120,664)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(94,743)	(120,433)	(120,433)	(37,290)	(44,258)	(12,601)	31,657	-251%	(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)	(1,001)	-	(216)	-	216	#DIV/0!	(1,001)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(229)	(1,001)	(1,001)	-	(216)	-	216	#DIV/0!	(1,001)
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning		17,368	(33,116)	(33,116)		33,792	(33,116)			33,792
Cash/cash equivalents at month/year end		23,846	(48,974)	(48,974)		30,866	13,220			17,934

PART 2 – IN-YEAR REPORT

Section 5 – Debtors' analysis

5.1 Supporting Table SC3

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

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

DC14.Joe Gqabi - Supporting Table SC3 Monthly Budget Statement - aged debtors - MD4 October

Description	NT Code	Budget Year 2015/16									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dye-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6,477	8,940	5,442	6,897	6,879	62,538	–	–	97,173	76,314	–	–
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	2,026	1,847	1,630	1,621	1,551	32,518	–	–	41,193	35,690	–	–
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	8,404	–	–	16,923	–	–	–	–	25,327	16,923	–	–
Total By Income Source	2000	16,907	10,787	7,072	25,441	8,429	95,056	–	–	163,694	128,927	–	–
2014/15 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	–	–	–	–	–	–	–	–	–	–	–	–
Commercial	2300	–	–	–	–	–	–	–	–	–	–	–	–
Households	2400	8,503	10,787	7,072	8,518	8,429	95,056	–	–	138,367	112,004	–	–
Other	2500	8,404	–	–	16,923	–	–	–	–	25,327	16,923	–	–
Total By Customer Group	2600	16,907	10,787	7,072	25,441	8,429	95,056	–	–	163,694	128,927	–	–

Section 6 – Creditors' analysis

6.1 Supporting Table SC4

The table below is the reflection of the creditor's age analysis as at 31 October 2015 with the total creditors of R9.941 million.

DC14 Joe Gqabi - Supporting Table SC4 Monthly Budget Statement - aged creditors - MD4 October

Description R thousands	NT Code	Budget Year 2015/16									Prior year totals for chart (same period)
		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	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	1	23	-	-	-	-	-	-	24	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3,971	1,930	354	3,637	-	-	-	-	9,892	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	3	-	-	23	-	-	-	-	26	-
Total By Customer Type	1000	3,975	1,953	354	3,660	-	-	-	-	9,941	-

Section 7 – Investment portfolio analysis

7.1 Supporting Table SC5

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

Table SC5 correctly represent only the non current investments to the value of R 3.305 million.

DC14 Joe Gqabi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

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		1,395	16	1,411
Municipality sub-total					8		3,622	(317)	3,305
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				8		3,622	(317)	3,305

Section 8 – Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grants

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

Name of Grant		Opening Balance	Receipts YTD	Transferred to 1/S July	Transferred to 1/S August	Transferred to 1/S September	Transferred to 1/S October	TOTAL YTD Transferred to 1/S	Closing Balance- UNSPENT	% Spent
DWAF	OPEX	(5 749.63)	-	-	-	-	-	-	(5 749.63)	#DIV/0!
Environmental Health Practitioner	OPEX	(2 023 389.68)	-	-	-	-	-	-	(2 023 389.68)	#DIV/0!
Finance Management Grant	OPEX	35.70	1 250 000.00	(46 520.73)	(35 745.18)	(58 984.15)	(38 938.38)	(180 188.44)	1 069 847.26	-14%
MIG	CAPEX	23 634 898.00	77 500 000.00	-	(5 301 084.97)	(13 120 384.72)	(42 476 876.44)	(60 898 346.13)	40 236 551.87	-79%
MSIG	OPEX	1 122.00	940 000.00	(5 883.04)	(112 860.00)	(70 496.20)	(6 641.07)	(195 880.31)	745 241.69	-21%
Rural Roads Asset Management	OPEX	29 463.00	2 080 000.00	-	-	-	(845 907.41)	(845 907.41)	1 263 555.59	-41%
Expanded Public Works Programs	OPEX	(437.42)	552 000.00	-	(108 135.78)	(126 499.24)	(126 445.28)	(361 080.30)	190 482.28	-65%
Public Works Special Programs	OPEX	(5 193 332.94)	5 193 332.94	(1 866 718.93)	(2 050 301.75)	(2 373 460.64)	(2 381 888.96)	(8 672 370.28)	(8 672 370.28)	-167%
Water Services Operating Subsidy	CAPEX	34 433.00	3 750 000.00	-	-	-	-	-	3 784 433.00	0%
LGSETA	OPEX	(242 960.00)	204 654.47	-	-	(57 000.00)	(65 509.80)	(122 509.80)	(160 815.33)	-60%
MWIG	CAPEX	14 110.00	18 758 000.00	-	-	-	(1 893 066.70)	(1 893 066.70)	16 879 043.30	-10%
RBIG	CAPEX	(1 541 234.98)	-	-	-	-	(968 472.90)	(968 472.90)	(2 509 707.88)	#DIV/0!
Drought Relief	CAPEX	-	12 993 528.64	-	-	-	(12 993 528.63)	(12 993 528.63)	0.01	-100%
Department of Human Settlement	CAPEX	(5 134 499.00)	-	-	-	-	(308 688.68)	(308 688.68)	(5 443 187.68)	#DIV/0!
		16 248 192.03	110 227 987.41	(1 919 122.70)	(7 608 127.68)	(15 806 824.95)	(47 835 274.04)	(73 169 349.37)	53 306 830.07	

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 - MD4 October

Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16							
		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		3,573	2,972	2,972	283	1,132	980	202	22%	2,972
Pension and UIF Contributions		441	453	453	38	154	152	2	1%	450
Medical Aid Contributions		108	111	111	9	37	36	1	2%	100
Motor Vehicle Allowance		864	1,341	1,341	67	268	423	(155)	-37%	849
Cellphone Allowance		222	580	580	17	73	195	(122)	-63%	226
Housing Allowances		12	518	518	1	4	173	(169)	-98%	12
Other benefits and allowances		43	57	57	3	14	18	(4)	-22%	44
Sub Total - Councillors		5,263	6,031	6,031	419	1,681	1,926	(244)	-13%	4,653
% increase	4		14.6%	14.6%						-11.6%
Senior Managers of the Municipality										
Basic Salaries and Wages		5,702	6,307	6,307	394	1,577	1,977	(400)	-20%	6,291
Pension and UIF Contributions		199	213	213	18	70	69	1	2%	212
Medical Aid Contributions		107	121	121	7	26	40	(14)	-34%	117
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		1,202	1,321	1,321	-	-	-	-	-	1,321
Motor Vehicle Allowance		600	664	664	40	158	221	(63)	-29%	580
Cellphone Allowance		83	91	91	8	30	31	(1)	-2%	91
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		141	161	161	8	33	46	(14)	-30%	160
Payments in lieu of leave		183	492	492	-	-	103	(103)	-100%	389
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		8,219	9,370	9,370	473	1,894	2,487	(593)	-24%	9,162
% increase	4		14.0%	14.0%						11.5%
Other Municipal Staff										
Basic Salaries and Wages		93,710	108,594	108,004	8,384	33,608	36,256	(2,647)	-7%	93,447
Pension and UIF Contributions		12,332	11,267	11,267	1,189	4,649	3,676	973	26%	10,885
Medical Aid Contributions		5,386	5,749	5,749	499	1,996	1,809	187	10%	5,498
Overtime		4,509	4,378	4,378	524	1,982	1,575	407	26%	4,177
Performance Bonus		8,683	17,595	17,595	233	447	225	222	99%	16,337
Motor Vehicle Allowance		4,349	7,127	7,051	570	3,272	3,234	38	1%	6,470
Cellphone Allowance		1,157	1,279	1,279	109	433	428	5	1%	1,143
Housing Allowances		730	783	783	86	341	255	86	34%	735
Other benefits and allowances		6,719	8,020	8,020	635	2,543	2,607	(64)	-2%	7,443
Payments in lieu of leave		4,548	5,628	5,628	26	90	34	57	168%	5,683
Long service awards		680	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		2,542	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		145,354	170,418	169,752	12,254	49,362	50,100	(738)	-1%	151,818
% increase	4		17.2%	16.8%						4.4%
Total Parent Municipality		158,836	185,819	185,153	13,147	52,937	54,512	(1,575)	-3%	165,633

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 - M04 October

Description	Ref	Budget Year 2015/16								
		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			124,871	124,871	24,822	31,848	55,122	23,274	42.2%	124,871
Infrastructure - Road transport										
Roads, Pavements & Bridges										
Storm water										
Infrastructure - Electricity										
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water			79,897	79,897	15,462	20,605	40,131	19,526	48.7%	79,897
Dams & Reservoirs			4,386	4,386			1,462	1,462	100.0%	4,386
Water purification										
Reticulation			75,511	75,511	15,462	20,605	38,669	18,064	46.7%	75,511
Infrastructure - Sanitation			44,974	44,974	9,360	11,243	14,991	3,748	25.0%	44,974
Reticulation			44,974	44,944	9,360	11,243	14,991	3,748	25.0%	44,974
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			109,315	109,315	12,486	12,522	62,082	49,560	79.8%	109,315
General vehicles			12,754	12,754			11,585	11,585	100.0%	12,754
Specialised vehicles										
Plant & equipment			95,361	95,361	12,475	12,475	50,097	37,623	75.1%	95,361
Computers - hardware/equipment										
Furniture and other office equipment			1,200	1,000		13	333	321	96.2%	1,000
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings				200	12	36	67	32	47.9%	200
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		234,186	234,186	37,309	44,370	117,204	72,834	62.1%	234,186

- 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 - MD4 October

Description	Ref	2014/15		Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
1										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		12,198	9,582	10,582	640	2,186	2,880	694	24.1%	7,714
Infrastructure - Road transport		3,894	1,283	2,283	250	1,067	567	(500)	-88.2%	2,158
Roads, Pavements & Bridges		3,894	1,283	2,283	250	1,067	567	(500)	-88.2%	2,158
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		8,305	8,299	8,299	389	1,119	2,312	1,194	51.6%	5,566
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		-	-	-	-	-	-	-	-	-
Reticulation		8,305	8,299	8,299	389	1,119	2,312	1,194	51.6%	5,566
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		815	930	810	5	63	389	326	83.7%	187
General vehicles		64	280	160	0	0	53	53	99.7%	41
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	-	-	-	-	-	-	-	-
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		92	50	50	-	7	60	54	89.0%	7
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		669	600	600	5	57	275	219	79.5%	140
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		13,013	10,512	11,392	645	2,249	3,269	1,020	31.2%	7,902

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 October 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: 13.11.2015_____