

# EMTHANJENI MUNICIPALITY



## **JUNE MONTHLY BUDGET STATEMENT FOR THE YEAR 2016-2017**

# **SCHEDULE C:**

## **MONTHLY AND SUPPORTING DOCUMENTATION OF A MUNICIPALITY**

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# Glossary

- **Adjustments budget** - Prescribed in section 28 of the MFMA. The formal means by which a municipality July revise its annual budget during the year.
- **Allocations** - Money received from Provincial or National Government or other municipalities.
- **Budget** - The financial plan of the Municipality.
- **Budget related policy** - Policy of a 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 an asset on the Municipality's balance sheet.
- **Cash flow statement** - A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure 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 July not be paid in the same period.
- **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.
- **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.

- **MIG** - Municipal Infrastructure Grant.
- **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.
- **Rates** - Local Government tax based on the assessed 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 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.
- **Vote** - One of the main segments into which a budget. In Emthanjeni Municipality this means at directorate level.

# PART 1 - IN-YEAR REPORT

## Section 1 - Mayor's Report

### 1.1 In-Year Report - Monthly Budget Statement

The monthly budget statement for June 2017 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The audited outcomes for 2015/2016 reflected in this report are Final for June 2016 as the Annual Financial Statements were completed and submitted to and audited by the Auditor General on 31 August 2016.

#### 1.1.1 Financial problems or risks facing the municipality

There are no financial problems affecting the municipality. Monitoring and implementation of the capital projects remains a priority.

#### 1.1.2 Relevant information

Year-to-date operating revenue realised is -8 % below the year-to-date budget for June 2017.

The abnormally high revenue includes the annual property rates and other fixed service charges billed to consumers for the 2016/2017 financial year, this situation arose because certain customers being billed monthly. As well as operating grants received that exceeds the monthly budget the reason for this being that there was no payment schedule available at the time of concluding the budget.

Operating expenditure incurred amounts to -11% below the year-to-date operating expenditure. 73.81% of the total capital budget has been spent at 30 June 2017, with 73.41% of that being funded from capital grants.<sup>i</sup>

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<sup>1</sup> Table C5 - Capital Expenditure (municipal vote, standard classification and funding)

## Section 2 - Resolutions

### ***IN-YEAR REPORTS 2015/2016***

This is the resolution that will be presented to Council when the In-Year Report is tabled:

#### ***RECOMMENDATION:***

- (a) That Council notes the monthly budget statement and supporting documentation for June 2017.

## Section 3 - Executive Summary

### **3.1 Introduction**

As already stated in the Mayor's Report the financial figures reflected in this report are final for June 2016 as the Annual Financial Statements were completed and submitted to and audited by the Auditor General on 31 August 2016.

### **3.2 Consolidated performance**

#### **3.2.1 Against annual budget (original approved and latest adjustments)**

##### **Revenue by Source**

Year-to-date revenue realised R16, 604 million below year-to-date budget projections for June 2017<sup>2</sup>.

##### **Operating expenditure by type**

Year-to-date expenditure is -11% or R24, 177 million, below the year-to-date budget as at 30 June 2017.

Refer to Section 4 - Table C4 for further details on both revenue by source and expenditure by type.

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<sup>2</sup> Table C4 - Total revenue by source (excluding capital transfers and contributions)

<sup>3</sup> Table C4 - Total expenditure by type

## Capital expenditure

Year-to-date expenditure on capital amounts to R13, 536 million or 73.81% of the capital budget of R18.339 million<sup>4</sup>, 73.41% of expenditure to date has been funded from capital grants recognised<sup>5</sup>.

Refer to Section 4 - Table C5 for more detail.

## Cash flows

The financial year commenced with positive cash & cash equivalents balance of R7, 524 million<sup>6</sup> and this has decreased by R1, 860 million during the year-to-date to R 5, 664 million.

Refer to section 4 - Supporting Table C9 and Section 7 for more detail on the cash position.

### 3.3 Material variances

<b><u>REVENUE BY SOURCE</u></b>	
Property rates	90
Service charges - electricity revenue	(5 142)
Fines	(1 468)
Licences and permits	(2 125)
<b><u>EXPENDITURE BY TYPE</u></b>	
Debt impairment	(7 441)
Depreciation & asset impairment	(7 337)
Other expenditure	(4 282)
<b><u>CAPITAL EXPENDITURE</u></b>	
Road transport	4 597
Electricity	(2 766)
Water	(4 618)
Waste water management	(817)
<b><u>Cash Flow</u></b>	
Service charges	(1 933)
Other revenue	(7 575)
Capital assets	(8 003)



### 3.4 Remedial or corrective steps

<b><u>REVENUE BY SOURCE</u></b>		
Property rates	The farmers property rates are charged yearly and thus the actual amount is higher than the budgeted amount.	The current situation will correct itself during the financial year
Service charges - electricity revenue	Due to high usage of pre-paid electricity during months the estimated revenue was expected to be more	The current situation will be corrected in the adjustment budget
Fines		
Licences and permits		
<b><u>EXPENDITURE BY TYPE</u></b>		
Debt impairment	Are Done at year end	The situation will be fixed at year end
Depreciation & asset impairment	Are Done at year end	The situation will be fixed at year end
Other expenditure	other expenditure was estimated to be higher	The situation will be taken into account when drawing up the adjustment budget of 2016-17
<b><u>Capital assets</u></b>		
Road transport	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2016-17
Electricity	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2016-17
Water	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2016-17
Waste water management	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2016-17
<b><u>Cash Flow</u></b>		
Service charges	Slow collection due to customers not paying accounts	Continued Enforcing of the credit collection policy as well as looking to adjusted the estimated revenue collection
Other revenue		
Capital assets	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2016-17

<sup>4</sup> Table C5 - Total capital expenditure

<sup>5</sup> Table C5 - Capital Expenditure (municipal vote, standard classification and funding)

<sup>6</sup> Table C7 - Cash flow (cash and cash equivalents = cashbook and current investment)

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	26 257	30 665	30 665	1 250	30 755	30 665	90	0%	30 665
Service charges	107 287	106 383	98 940	8 633	103 885	111 693	(7 808)	-7%	106 383
Investment revenue	1 201	806	806	1	105	806	(701)	-87%	806
Transfers recognised - operational	40 252	41 210	41 210	–	36 691	39 983	(3 292)	-8%	41 210
Other own revenue	23 867	38 515	38 515	4 079	28 961	33 854	(4 893)	-14%	38 515
Total Revenue (excluding capital transfers and contributions)	198 864	217 580	210 136	13 962	200 397	217 001	(16 604)	-8%	217 580
Employee costs	70 984	69 838	69 838	6 155	71 747	67 558	4 189	6%	69 838
Remuneration of Councillors	4 401	5 046	5 046	398	4 706	5 046	(340)	-7%	5 046
Depreciation & asset impairment	62 117	7 337	7 337	–	–	7 337	(7 337)	-100%	7 337
Finance charges	1 761	5 468	5 468	245	1 019	5 468	(4 450)	-81%	5 468
Materials and bulk purchases	66 010	73 894	73 894	8 140	71 092	73 894	(2 801)	-4%	73 894
Transfers and grants	247	–	–	–	–	–	–	–	–
Other expenditure	60 319	54 381	54 381	4 520	44 577	58 015	(13 438)	-23%	54 381
Total Expenditure	265 840	215 964	215 964	19 457	193 141	217 318	(24 177)	-11%	215 964
Surplus/(Deficit)	(66 975)	1 616	(5 828)	(5 495)	7 256	(317)	7 573	-2391%	1 616
Transfers recognised - capital	9 539	14 602	14 602	–	5 430	12 202	(6 772)	-55%	14 602
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(57 437)	16 218	8 774	(5 495)	12 686	11 885	801	7%	16 218
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(57 437)	16 218	8 774	(5 495)	12 686	11 885	801	7%	16 218
Capital expenditure & funds sources									
Capital expenditure	11 646	20 739	18 339	1 569	13 536	18 339	(4 804)	-26%	20 739
Capital transfers recognised	10 195	13 905	11 505	1 500	9 938	11 505	(1 567)	-14%	13 905
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	1 156	–	–	–	–	–	–	–	–
Internally generated funds	295	6 834	6 834	69	3 598	6 834	(3 236)	-47%	6 834
Total sources of capital funds	11 646	20 739	18 339	1 569	13 536	18 339	(4 804)	-26%	20 739
Financial position									
Total current assets	138 300	110 700	110 700		140 740				110 700
Total non current assets	832 698	937 687	937 687		832 751				937 687
Total current liabilities	61 066	31 639	31 639		110 206				31 639
Total non current liabilities	47 126	36 071	36 071		1 428				36 071
Community wealth/Equity	862 806	980 677	980 677		861 857				980 677
Cash flows									
Net cash from (used) operating	21 912	23 890	23 890	(2 387)	22 022	23 890	1 868	8%	23 890
Net cash from (used) investing	(11 554)	(20 610)	(20 610)	(1 554)	(12 316)	(20 610)	(8 294)	40%	(20 610)
Net cash from (used) financing	(1 528)	(590)	(590)	(8)	(634)	(475)	158	-33%	(590)
Cash/cash equivalents at the month/year end	7 524	1 706	1 706	–	16 596	1 820	(14 776)	-812%	10 214
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	–	7 568	3 069	2 825	5 757	2 468	22 621	–	44 308
Creditors Age Analysis									
Total Creditors	5 605	–	–	–	–	–	–	–	5 605

# Table C2: Monthly Budget Statement – Financial Performance (standard classification)

NC073 Emthanjeni - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>45 610</b>	<b>51 180</b>	<b>51 180</b>	<b>1 404</b>	<b>49 745</b>	<b>51 180</b>	(1 435)	-3%	<b>51 180</b>
Executive and council		3 528	4 295	4 295	124	4 445	4 295	150	3%	4 295
Budget and treasury office		42 000	46 801	46 801	1 272	45 220	46 801	(1 581)	-3%	46 801
Corporate services		82	84	84	9	81	84	(3)	-4%	84
<i><b>Community and public safety</b></i>		<b>21 463</b>	<b>11 325</b>	<b>11 325</b>	<b>86</b>	<b>5 371</b>	<b>6 037</b>	(666)	-11%	<b>11 325</b>
Community and social services		1 906	1 942	1 942	59	1 970	1 942	28	1%	1 942
Sport and recreation		182	123	123	2	1 171	123	1 048	849%	123
Public safety		19 318	7 991	7 991	33	1 540	3 930	(2 390)	-61%	7 991
Housing		57	41	41	(8)	690	41	649	1578%	41
Health		—	1 227	1 227	—	—	—	—	—	1 227
<i><b>Economic and environmental services</b></i>		<b>9 072</b>	<b>3 816</b>	<b>3 816</b>	<b>2</b>	<b>1 031</b>	<b>3 816</b>	(2 785)	-73%	<b>3 816</b>
Planning and development		999	1 610	1 610	—	1 000	1 610	(610)	-38%	1 610
Road transport		8 073	2 207	2 207	2	31	2 207	(2 176)	-99%	2 207
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>132 257</b>	<b>165 860</b>	<b>165 860</b>	<b>12 470</b>	<b>149 679</b>	<b>168 169</b>	(18 491)	-11%	<b>165 860</b>
Electricity		62 855	90 239	90 239	8 227	80 478	89 653	(9 175)	-10%	90 239
Water		29 827	38 471	38 471	2 067	32 471	38 160	(5 689)	-15%	38 471
Waste water management		27 574	24 322	24 322	1 388	23 144	25 698	(2 554)	-10%	24 322
Waste management		12 001	12 828	12 828	788	13 587	14 659	(1 072)	-7%	12 828
<i><b>Other</b></i>	<b>4</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Revenue - Standard</b>	<b>2</b>	<b>208 403</b>	<b>232 182</b>	<b>232 182</b>	<b>13 962</b>	<b>205 827</b>	<b>229 203</b>	<b>(23 377)</b>	<b>-10%</b>	<b>232 182</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>48 435</b>	<b>48 553</b>	<b>48 553</b>	<b>3 336</b>	<b>39 259</b>	<b>47 313</b>	(8 053)	-17%	<b>48 553</b>
Executive and council		14 305	14 054	14 054	1 008	11 217	14 054	(2 836)	-20%	14 054
Budget and treasury office		22 532	21 982	21 982	1 197	16 301	20 942	(4 641)	-22%	21 982
Corporate services		11 598	12 518	12 518	1 131	11 741	12 318	(576)	-5%	12 518
<i><b>Community and public safety</b></i>		<b>51 153</b>	<b>29 417</b>	<b>29 417</b>	<b>2 501</b>	<b>23 755</b>	<b>27 429</b>	(3 675)	-13%	<b>29 417</b>
Community and social services		27 874	11 849	11 849	1 099	9 162	11 649	(2 487)	-21%	11 849
Sport and recreation		4 119	4 654	4 654	326	4 193	4 654	(461)	-10%	4 654
Public safety		8 044	10 367	10 367	879	8 242	8 579	(337)	-4%	10 367
Housing		10 854	2 400	2 400	196	2 140	2 400	(260)	-11%	2 400
Health		262	148	148	1	18	148	(130)	-88%	148
<i><b>Economic and environmental services</b></i>		<b>32 348</b>	<b>28 440</b>	<b>28 440</b>	<b>2 401</b>	<b>19 910</b>	<b>29 108</b>	(9 198)	-32%	<b>28 440</b>
Planning and development		20 882	12 162	12 162	1 357	10 358	12 022	(1 664)	-14%	12 162
Road transport		11 466	16 278	16 278	1 045	9 552	17 086	(7 534)	-44%	16 278
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>132 290</b>	<b>108 815</b>	<b>108 815</b>	<b>11 118</b>	<b>108 910</b>	<b>112 930</b>	(4 021)	-4%	<b>108 815</b>
Electricity		59 848	71 539	71 539	7 627	72 198	72 776	(578)	-1%	71 539
Water		25 644	12 906	12 906	804	12 025	14 750	(2 725)	-18%	12 906
Waste water management		34 145	12 936	12 936	1 258	11 356	10 873	482	4%	12 936
Waste management		12 653	11 435	11 435	1 430	13 331	14 531	(1 200)	-8%	11 435
<i><b>Other</b></i>		<b>1 614</b>	<b>738</b>	<b>738</b>	<b>100</b>	<b>1 308</b>	<b>538</b>	<b>770</b>	<b>143%</b>	<b>738</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>19 457</b>	<b>193 141</b>	<b>217 318</b>	<b>(24 177)</b>	<b>-11%</b>	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>(5 495)</b>	<b>12 685</b>	<b>11 885</b>	<b>800</b>	<b>7%</b>	<b>16 218</b>

## **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.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

**Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)**

The operating expenditure budget is approved by Council on the municipal vote level.

**NC073 Emthanjeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June**

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		3 528	4 295	4 295	124	4 445	4 295	150	3.5%	4 295
Vote 2 - FINANCE AND ADMINISTRATION		42 082	46 885	46 885	1 281	45 301	46 885	(1 585)	-3.4%	46 885
Vote 3 - PLANNING AND DEVELOPMENT		999	1 610	1 610	–	1 000	1 610	(610)	-37.9%	1 610
Vote 4 - HEALTH		–	1 227	1 227	–	–	–	–		1 227
Vote 5 - COMMUNITY AND SOCIAL SERVICES		1 906	1 942	1 942	59	1 970	1 942	28	1.4%	1 942
Vote 6 - PUBLIC SAFETY		19 318	7 991	7 991	33	1 540	3 930	(2 390)	-60.8%	7 991
Vote 7 - SPORT AND RECREATION		182	123	123	2	1 171	123	1 048	848.6%	123
Vote 8 - ROAD TRANSPORT		8 073	2 207	2 207	2	31	2 207	(2 176)	-98.6%	2 207
Vote 9 - OTHER		–	–	–	–	–	–	–		–
Vote 10 - HOUSING SERVICES		57	41	41	(8)	690	41	649	1577.7%	41
Vote 11 - WASTE MANAGEMENT		12 001	12 828	12 828	788	13 587	14 659	(1 072)	-7.3%	12 828
Vote 12 - WASTE WATER MANAGEMENT		27 574	24 322	24 322	1 388	23 144	25 698	(2 554)	-9.9%	24 322
Vote 13 - ELECTRICITY		62 855	90 239	90 239	8 227	80 478	89 653	(9 175)	-10.2%	90 239
Vote 14 - WATER		29 827	38 471	38 471	2 067	32 471	38 160	(5 689)	-14.9%	38 471
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
<b>Total Revenue by Vote</b>	2	<b>208 403</b>	<b>232 182</b>	<b>232 182</b>	<b>13 962</b>	<b>205 827</b>	<b>229 203</b>	<b>(23 377)</b>	<b>-10.2%</b>	<b>232 182</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		14 305	14 054	14 054	1 008	11 217	14 054	(2 836)	-20.2%	14 054
Vote 2 - FINANCE AND ADMINISTRATION		34 129	34 499	34 499	2 328	28 042	33 259	(5 217)	-15.7%	34 499
Vote 3 - PLANNING AND DEVELOPMENT		20 882	12 162	12 162	1 357	10 358	12 022	(1 664)	-13.8%	12 162
Vote 4 - HEALTH		262	148	148	1	18	148	(130)	-88.1%	148
Vote 5 - COMMUNITY AND SOCIAL SERVICES		27 874	11 849	11 849	1 099	9 162	11 649	(2 487)	-21.3%	11 849
Vote 6 - PUBLIC SAFETY		8 044	10 367	10 367	879	8 242	8 579	(337)	-3.9%	10 367
Vote 7 - SPORT AND RECREATION		4 119	4 654	4 654	326	4 193	4 654	(461)	-9.9%	4 654
Vote 8 - ROAD TRANSPORT		11 466	16 278	16 278	1 045	9 552	17 086	(7 534)	-44.1%	16 278
Vote 9 - OTHER		1 614	738	738	100	1 308	538	770	143.1%	738
Vote 10 - HOUSING SERVICES		10 854	2 400	2 400	196	2 140	2 400	(260)	-10.8%	2 400
Vote 11 - WASTE MANAGEMENT		12 653	11 435	11 435	1 430	13 331	14 531	(1 200)	-8.3%	11 435
Vote 12 - WASTE WATER MANAGEMENT		34 145	12 936	12 936	1 258	11 356	10 873	482	4.4%	12 936
Vote 13 - ELECTRICITY		59 848	71 539	71 539	7 627	72 198	72 776	(578)	-0.8%	71 539
Vote 14 - WATER		25 644	12 906	12 906	804	12 025	14 750	(2 725)	-18.5%	12 906
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
<b>Total Expenditure by Vote</b>	2	<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>19 457</b>	<b>193 141</b>	<b>217 318</b>	<b>(24 177)</b>	<b>-11.1%</b>	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>(5 495)</b>	<b>12 685</b>	<b>11 885</b>	<b>800</b>	<b>6.7%</b>	<b>16 218</b>

**Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)**

NC073 Emthanjeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Revenue By Source</b>										
Property rates		26 117	30 665	30 665	1 250	30 755	30 665	90	0%	30 665
Property rates - penalties & collection charges		140	—	—	—	—	—	—	—	—
Service charges - electricity revenue		67 805	56 203	56 203	4 437	51 076	56 217	(5 142)	-9%	56 203
Service charges - water revenue		22 236	25 864	25 864	2 039	26 837	27 953	(1 115)	-4%	25 864
Service charges - sanitation revenue		10 937	15 972	15 972	1 355	16 238	17 348	(1 110)	-6%	15 972
Service charges - refuse revenue		5 913	8 226	783	780	9 349	10 057	(708)	-7%	8 226
Service charges - other		396	118	118	22	385	118	267	227%	118
Rental of facilities and equipment		788	786	786	93	835	786	49	6%	786
Interest earned - external investments		1 201	806	806	1	105	806	(701)	-87%	806
Interest earned - outstanding debtors		558	954	954	92	1 162	954	208	22%	954
Fines		19 399	6 943	6 943	31	1 414	2 882	(1 468)	-51%	6 943
Licences and permits		520	2 508	2 508	31	383	2 508	(2 125)	-85%	2 508
Transfers recognised - operational		40 252	41 210	41 210	—	36 691	39 983	(3 292)	-8%	41 210
Other revenue		2 602	27 195	27 195	3 817	24 746	26 595	(1 848)	-7%	27 195
Gains on disposal of PPE		—	130	130	15	420	130	291	224%	130
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>198 864</b>	<b>217 580</b>	<b>210 136</b>	<b>13 962</b>	<b>200 397</b>	<b>217 001</b>	<b>(16 604)</b>	<b>-8%</b>	<b>217 580</b>
<b>Expenditure By Type</b>										
Employee related costs		70 984	69 838	69 838	6 155	71 747	67 558	4 189	6%	69 838
Remuneration of councillors		4 401	5 046	5 046	398	4 706	5 046	(340)	-7%	5 046
Debt impairment		30 653	8 901	8 901	—	—	7 441	(7 441)	-100%	8 901
Depreciation & asset impairment		62 117	7 337	7 337	—	—	7 337	(7 337)	-100%	7 337
Finance charges		1 761	5 468	5 468	245	1 019	5 468	(4 450)	-81%	5 468
Bulk purchases		54 420	57 123	57 123	6 154	59 410	57 123	2 288	4%	57 123
Other materials		11 590	16 771	16 771	1 986	11 682	16 771	(5 089)	-30%	16 771
Contracted services		9 082	9 846	9 846	564	6 167	7 882	(1 715)	-22%	9 846
Transfers and grants		247	—	—	—	—	—	—	—	—
Other expenditure		20 173	35 634	35 634	3 956	38 410	42 692	(4 282)	-10%	35 634
Loss on disposal of PPE		411	—	—	—	—	—	—	—	—
<b>Total Expenditure</b>		<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>19 457</b>	<b>193 141</b>	<b>217 318</b>	<b>(24 177)</b>	<b>-11%</b>	<b>215 964</b>
<b>Surplus/(Deficit)</b>		<b>(66 975)</b>	<b>1 616</b>	<b>(5 828)</b>	<b>(5 495)</b>	<b>7 256</b>	<b>(317)</b>	<b>7 573</b>	<b>(0)</b>	<b>1 616</b>
Transfers recognised - capital		9 539	14 602	14 602	—	5 430	12 202	(6 772)	(0)	14 602
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(57 437)</b>	<b>16 218</b>	<b>8 774</b>	<b>(5 495)</b>	<b>12 686</b>	<b>11 885</b>			<b>16 218</b>
Taxation		—	—	—	—	—	—	—	—	—
<b>Surplus/(Deficit) after taxation</b>		<b>(57 437)</b>	<b>16 218</b>	<b>8 774</b>	<b>(5 495)</b>	<b>12 686</b>	<b>11 885</b>			<b>16 218</b>
Attributable to minorities		—	—	—	—	—	—			—
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(57 437)</b>	<b>16 218</b>	<b>8 774</b>	<b>(5 495)</b>	<b>12 686</b>	<b>11 885</b>			<b>16 218</b>
Share of surplus/ (deficit) of associate		—	—	—	—	—	—			—
<b>Surplus/ (Deficit) for the year</b>		<b>(57 437)</b>	<b>16 218</b>	<b>8 774</b>	<b>(5 495)</b>	<b>12 686</b>	<b>11 885</b>			<b>16 218</b>

**Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)**

NC073 Emthanjeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June										
Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>	2									
Vote 13 - ELECTRICITY		—	—	—	—	—	—	—		—
<b>Total Capital Multi-year expenditure</b>	4,7	—	—	—	—	—	—	—		—
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		161	137	137	—	16	137	(122)	-89%	137
Vote 2 - FINANCE AND ADMINISTRATION		779	1 735	1 735	32	109	1 735	(1 626)	-94%	1 735
Vote 5 - COMMUNITY AND SOCIAL SERVICES		178	296	296	—	—	296	(296)	-100%	296
Vote 6 - PUBLIC SAFETY		79	63	63	—	12	63	(51)	-80%	63
Vote 7 - SPORT AND RECREATION		—	75	75	—	1 000	75	925	1233%	75
Vote 8 - ROAD TRANSPORT		6 673	4 200	4 200	709	8 796	4 200	4 597	109%	4 200
Vote 11 - WASTE MANAGEMENT		34	29	29	—	—	29	(29)	-100%	29
Vote 12 - WASTE WATER MANAGEMENT		1 140	981	981	—	164	981	(817)	-83%	981
Vote 13 - ELECTRICITY		2 589	5 400	5 400	230	2 634	5 400	(2 766)	-51%	5 400
Vote 14 - WATER		14	7 822	5 422	598	804	5 422	(4 618)	-85%	7 822
<b>Total Capital single-year expenditure</b>	4	11 646	20 739	18 339	1 569	13 536	18 339	(4 804)	-26%	20 739
<b>Total Capital Expenditure</b>		<b>11 646</b>	<b>20 739</b>	<b>18 339</b>	<b>1 569</b>	<b>13 536</b>	<b>18 339</b>	<b>(4 804)</b>	<b>-26%</b>	<b>20 739</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		<b>940</b>	<b>1 873</b>	<b>1 873</b>	<b>32</b>	<b>125</b>	<b>1 873</b>	<b>(1 748)</b>	<b>-93%</b>	<b>1 873</b>
Executive e and council		161	137	137	—	16	137	(122)	-89%	137
Budget and treasury office		484	1 385	1 385	32	85	1 385	(1 301)	-94%	1 385
Corporate services		295	350	350	—	25	350	(326)	-93%	350
<b>Community and public safety</b>		<b>257</b>	<b>434</b>	<b>434</b>	<b>—</b>	<b>1 012</b>	<b>434</b>	<b>578</b>	<b>133%</b>	<b>434</b>
Community and social services		178	296	296	—	—	296	(296)	-100%	296
Sport and recreation		—	75	75	—	1 000	75	925	1233%	75
Public safety		79	63	63	—	12	63	(51)	-80%	63
<b>Economic and environmental services</b>		<b>6 673</b>	<b>4 200</b>	<b>4 200</b>	<b>709</b>	<b>8 796</b>	<b>4 200</b>	<b>4 597</b>	<b>109%</b>	<b>4 200</b>
Road transport		6 673	4 200	4 200	709	8 796	4 200	4 597	109%	4 200
<b>Trading services</b>		<b>3 776</b>	<b>14 232</b>	<b>11 832</b>	<b>828</b>	<b>3 602</b>	<b>11 832</b>	<b>(8 230)</b>	<b>-70%</b>	<b>14 232</b>
Electricity		2 589	5 400	5 400	230	2 634	5 400	(2 766)	-51%	5 400
Water		14	7 822	5 422	598	804	5 422	(4 618)	-85%	7 822
Waste water management		1 140	981	981	—	164	981	(817)	-83%	981
Waste management		34	29	29	—	—	29	(29)	-100%	29
<b>Other</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>		<b>—</b>
<b>Total Capital Expenditure - Standard Classification</b>	3	<b>11 646</b>	<b>20 739</b>	<b>18 339</b>	<b>1 569</b>	<b>13 536</b>	<b>18 339</b>	<b>(4 804)</b>	<b>-26%</b>	<b>20 739</b>
<b>Funded by:</b>										
National Government		10 195	13 905	11 505	1 500	9 938	11 505	(1 567)	-14%	13 905
<b>Transfers recognised - capital</b>		<b>10 195</b>	<b>13 905</b>	<b>11 505</b>	<b>1 500</b>	<b>9 938</b>	<b>11 505</b>	<b>(1 567)</b>	<b>-14%</b>	<b>13 905</b>
<b>Borrowing</b>	6	1 156	—	—	—	—	—	—		—
<b>Internally generated funds</b>		295	6 834	6 834	69	3 598	6 834	(3 236)	-47%	6 834
<b>Total Capital Funding</b>		<b>11 646</b>	<b>20 739</b>	<b>18 339</b>	<b>1 569</b>	<b>13 536</b>	<b>18 339</b>	<b>(4 804)</b>	<b>-26%</b>	<b>20 739</b>

**Table C6: Monthly Budget Statement - Financial Position**

NC073 Emthanjeni - Table C6 Monthly Budget Statement - Financial Position - M12 June						
Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>ASSETS</u></b>						
<b>Current assets</b>						
Cash		14 845	968	968	88	968
Call investment deposits		—	10 075	10 075	4 230	10 075
Consumer debtors		60 532	22 824	22 824	76 308	22 824
Other debtors		—	11 277	11 277	(2 889)	11 277
Current portion of long-term receivables		2	—	—	—	—
Inventory		62 922	65 556	65 556	63 003	65 556
<b>Total current assets</b>		<b>138 300</b>	<b>110 700</b>	<b>110 700</b>	<b>140 740</b>	<b>110 700</b>
<b>Non current assets</b>						
Long-term receivables		1	—	—	—	—
Investments		26	29	29	26	29
Investment property		5 018	5 004	5 004	5 003	5 004
Property, plant and equipment		827 558	932 114	932 114	827 558	932 114
Intangible assets		82	458	458	82	458
Other non-current assets		12	83	83	81	83
<b>Total non current assets</b>		<b>832 698</b>	<b>937 687</b>	<b>937 687</b>	<b>832 751</b>	<b>937 687</b>
<b>TOTAL ASSETS</b>		<b>970 999</b>	<b>1 048 386</b>	<b>1 048 386</b>	<b>973 491</b>	<b>1 048 386</b>
<b><u>LIABILITIES</u></b>						
<b>Current liabilities</b>						
Bank overdraft		7 321	9 338	9 338	19 881	9 338
Borrowing		1 065	688	688	506	688
Consumer deposits		2 193	2 289	2 289	2 254	2 289
Trade and other payables		49 018	16 352	16 352	32 955	16 352
Provisions		1 469	2 972	2 972	54 610	2 972
<b>Total current liabilities</b>		<b>61 066</b>	<b>31 639</b>	<b>31 639</b>	<b>110 206</b>	<b>31 639</b>
<b>Non current liabilities</b>						
Borrowing		40 096	—	—	—	—
Provisions		7 030	36 071	36 071	1 428	36 071
<b>Total non current liabilities</b>		<b>47 126</b>	<b>36 071</b>	<b>36 071</b>	<b>1 428</b>	<b>36 071</b>
<b>TOTAL LIABILITIES</b>		<b>108 193</b>	<b>67 709</b>	<b>67 709</b>	<b>111 634</b>	<b>67 709</b>
<b>NET ASSETS</b>	2	<b>862 806</b>	<b>980 677</b>	<b>980 677</b>	<b>861 857</b>	<b>980 677</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>						
Accumulated Surplus/(Deficit)		862 806	980 677	980 677	859 604	980 677
Reserves		—	—	—	2 253	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>862 806</b>	<b>980 677</b>	<b>980 677</b>	<b>861 857</b>	<b>980 677</b>



## Table C7: Monthly Budget Statement - Cash Flow

NC073 Emthanjeni - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		19 106	27 999	27 999	1 365	22 553	27 999	(5 445)	-19%	27 999
Service charges		94 706	99 902	99 902	11 733	97 969	99 902	(1 933)	-2%	99 902
Other revenue		8 813	34 954	34 954	3 971	27 379	34 954	(7 575)	-22%	34 954
Government - operating		42 853	41 210	41 210	—	35 295	41 210	(5 915)	-14%	41 210
Government - capital		10 775	14 602	14 602	—	14 617	14 602	15	0%	14 602
Interest		1 760	806	806	1	105	806	(701)	-87%	806
<b>Payments</b>										
Suppliers and employees		(154 090)	(190 113)	(190 113)	(19 212)	(174 891)	(190 113)	(15 223)	8%	(190 113)
Finance charges		(1 761)	(5 468)	(5 468)	(245)	(1 005)	(5 468)	(4 463)	82%	(5 468)
Transfers and Grants		(247)	—	—	—	—	—	—		—
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>21 912</b>	<b>23 890</b>	<b>23 890</b>	<b>(2 387)</b>	<b>22 022</b>	<b>23 890</b>	<b>1 868</b>	<b>8%</b>	<b>23 890</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		91	130	130	15	420	130	291	224%	130
Decrease (increase) other non-current receivables		(0)	—	—	—	—	—	—		—
<b>Payments</b>										
Capital assets		(11 646)	(20 739)	(20 739)	(1 569)	(12 736)	(20 739)	(8 003)	39%	(20 739)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(11 554)</b>	<b>(20 610)</b>	<b>(20 610)</b>	<b>(1 554)</b>	<b>(12 316)</b>	<b>(20 610)</b>	<b>(8 294)</b>	<b>40%</b>	<b>(20 610)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Borrowing long term/refinancing		1 156	—	—	—	—	—	—		—
Increase (decrease) in consumer deposits		—	98	98	(8)	75	98	(23)	-23%	98
<b>Payments</b>										
Repayment of borrowing		(2 684)	(688)	(688)	—	(709)	(573)	136	-24%	(688)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1 528)</b>	<b>(590)</b>	<b>(590)</b>	<b>(8)</b>	<b>(634)</b>	<b>(475)</b>	<b>158</b>	<b>-33%</b>	<b>(590)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>8 830</b>	<b>2 691</b>	<b>2 691</b>	<b>(3 950)</b>	<b>9 073</b>	<b>2 805</b>			<b>2 691</b>
Cash/cash equivalents at beginning:		(1 306)	(985)	(985)		7 524	(985)			7 524
Cash/cash equivalents at month/year end:		7 524	1 706	1 706		16 596	1 820			10 214

**Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows** This supporting table gives a detailed breakdown of information summarised in Table C7.

NC073 Emthanjeni - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M12 June																	
Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework			
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget				
<b>Cash Receipts By Source</b>																	
Property rates		1 179	2 564	1 924	1 380	3 906	1 195	1 028	1 294	3 185	1 020	2 513	6 810	27 999	28 239	49 909	
Service charges - electricity revenue		3 394	4 149	5 996	3 644	4 716	3 212	6 269	5 348	4 793	2 926	3 965	4 765	53 178	56 426	67 691	
Service charges - water revenue		1 407	1 281	1 477	1 534	1 196	1 448	2 072	2 185	2 355	1 664	1 999	5 128	23 746	25 448	41 408	
Service charges - sanitation revenue		732	992	1 044	1 103	782	683	1 107	1 229	1 426	1 104	1 252	3 592	15 045	15 131	16 467	
Service charges - refuse		505	661	710	780	409	377	665	816	942	704	820	425	7 815	7 545	6 583	
Service charges - other		33	33	37	33	33	34	33	22	38	34	32	(245)	118	270	132	
Rental of facilities and equipment		65	72	72	67	75	59	97	41	69	63	62	(56)	686	734	770	
Interest earned - external investments		25	15	2	4	2	–	36	6	8	8	0	701	806	830	863	
Fines		149	96	37	154	470	15	291	77	72	10	14	5 159	6 543	6 870	7 076	
Licences and permits		32	33	34	36	39	24	29	29	37	24	35	1 626	1 978	1 938	2 399	
Transfer receipts - operating		15 204	250	–	581	–	9 224	–	–	10 037	–	–	5 915	41 210	41 753	47 657	
Other revenue		466	2 536	2 222	1 966	2 285	2 017	2 063	1 874	1 740	2 055	1 708	4 817	25 747	26 967	43 475	
Cash Receipts by Source		23 190	12 682	13 554	11 280	13 912	18 288	13 690	12 921	24 702	9 613	12 400	38 639	204 870	212 149	284 431	
<b>Other Cash Flows by Source</b>																	
													–				
Transfer receipts - capital		680	–	7 283	–	–	4 904	–	4 000	–		750	(3 015)	14 602	14 342	13 798	
Proceeds on disposal of PPE		–	15	111	(1)	–	–	–	71	210	–	–	(276)	130	139	148	
Increase in consumer deposits		8	14	2	2	6	5	4	–	(12)	45	12	10	98	90	71	
Total Cash Receipts by Source		23 878	12 711	20 950	11 281	13 918	23 198	13 694	16 992	24 899	9 658	13 162	35 359	219 699	226 720	298 449	
<b>Cash Payments by Type</b>																	
													–				
Employee related costs		5 904	5 972	5 996	5 904	6 026	5 978	6 237	5 860	5 895	5 924	5 897	4 099	69 691	73 073	77 674	
Remuneration of councillors		367	321	419	387	401	387	443	391	398	398	398	639	4 948	5 015	5 269	
Interest paid		105	63	149	146	11	186	24	11	43	1	35	4 694	5 468	6 143	9 731	
Bulk purchases - Electricity		8 034	7 658	5 482	3 752	3 814	3 826	3 730	3 835	3 446	3 696	3 911	1 148	52 332	55 359	90 859	
Bulk purchases - Water & Sewer		78	406	(135)	196	292	–	378	248	276	204	129	368	2 440	2 736	4 315	
Other materials		346	333	625	922	900	1 039	1 290	746	1 871	657	966	7 075	16 771	18 864	30 971	
Contracted services		253	474	532	531	1 185	172	676	107	851	39	783	4 243	9 846	10 565	17 432	
Grants and subsidies paid - other		430	(430)	–	–	–	–	–	–	–	–	–	–	–	–	–	
General expenses		700	2 503	4 351	3 250	4 119	2 724	4 413	2 302	3 984	2 265	3 779	(304)	34 085	35 533	39 397	
Cash Payments by Type		16 216	17 299	17 420	15 089	16 747	14 312	17 191	13 499	16 763	13 185	15 898	21 962	195 582	207 287	275 648	
<b>Other Cash Flows/Payments by Type</b>																	
Capital assets		442	2 113	891	1 449	1 347	(163)	799	1 266	447	700	2 675	8 773	20 739	20 405	22 006	
Repayment of borrowing		–	–	334	–	–	–	–	–	–	–	375	(21)	688	–	–	
Total Cash Payments by Type		16 658	19 412	18 645	16 538	18 094	14 149	17 991	14 765	17 210	13 885	18 948	30 714	217 009	227 692	297 654	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>																	
		7 220	(6 702)	2 305	(5 256)	(4 175)	9 049	(4 297)	2 226	7 689	(4 227)	(5 786)	4 645	2 691	(972)	795	
Cash/cash equivalents at the month/year beginning		7 524	14 744	8 042	10 348	5 091	916	9 965	5 668	7 894	15 583	11 356	5 570	7 524	10 214	9 243	
Cash/cash equivalents at the month/year end:		14 744	8 042	10 348	5 091	916	9 965	5 668	7 894	15 583	11 356	5 570	10 214	10 214	9 243	10 037	

## PART 2 - SUPPORTING DOCUMENTATION Section 5 - Debtors' analysis

### Supporting Table SC3

NC073 Emthanjeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2016/17										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	–	1 750	1 198	1 134	960	1 049	6 634	–	12 725	9 777		13 941
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	3 387	709	602	525	478	2 652	–	8 353	4 257		2 787
Receivables from Non-ex change Transactions - Property Rates	1400	–	1 001	370	333	3 568	264	8 161	–	13 698	12 327		6 926
Receivables from Exchange Transactions - Waste Water Management	1500	–	883	495	454	432	414	3 159	–	5 836	4 459		5 772
Receivables from Exchange Transactions - Waste Management	1600	–	447	228	209	206	201	1 600	–	2 890	2 216		2 781
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–		–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–		4 635
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		–
Other	1900	–	100	69	93	66	61	415	–	805	635		3 798
<b>Total By Income Source</b>	<b>2000</b>	<b>–</b>	<b>7 568</b>	<b>3 069</b>	<b>2 825</b>	<b>5 757</b>	<b>2 468</b>	<b>22 621</b>	<b>–</b>	<b>44 308</b>	<b>33 671</b>	<b>–</b>	<b>40 641</b>
<b>2015/16 - totals only</b>			20621233	3403677	2701031	2413665	2260512	5843844		37 244	13 219		86361780
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	–	419	285	227	204	175	2 348	–	3 657	2 953		2 128
Commercial	2300	–	1 634	351	313	154	117	581	–	3 149	1 164		1 098
Households	2400	–	5 023	2 178	2 055	5 186	1 949	18 272	–	34 663	27 462		32 913
Other	2500	–	492	256	230	213	227	1 420	–	2 839	2 091		4 503
<b>Total By Customer Group</b>	<b>2600</b>	<b>–</b>	<b>7 568</b>	<b>3 069</b>	<b>2 825</b>	<b>5 757</b>	<b>2 468</b>	<b>22 621</b>	<b>–</b>	<b>44 308</b>	<b>33 671</b>	<b>–</b>	<b>40 641</b>

# Creditors' analysis

## Supporting Table SC4

NC073 Emthanjeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description  R thousands	NT Code	Budget Year 2016/17									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									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600	-	-							-	
Trade Creditors	0700	6	-							6	1
Auditor General	0800	-	-							-	-
Other	0900	5 599	-							5 599	2 337
Total By Customer Type	1000	5 605	-	-	-	-	-	-	-	5 605	2 339

## Investment portfolio analysis

NC073 Emthanjeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June

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							
<b>R thousands</b>									
<u>Municipality</u>									
General Investment		Yrs	Fixed Depos	30/06/2017	0	0.0%	11 270	–	11 270
Municipality sub-total					0		11 270	–	11 270
<u>Entities</u>									
Entities sub-total					–		–	–	–
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>0</b>		<b>11 270</b>	<b>–</b>	<b>11 270</b>

## Allocation and grant receipts and expenditure: - Operating Revenue Framework

NC073 Emthanjeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		39 459	38 822	38 822	–	33 114	38 822	(5 708)	-14.7%	38 822
Local Government Equitable Share		35 929	36 197	36 197	–	30 489	36 197	(5 708)	-15.8%	36 197
Finance Management		1 600	1 625	1 625	–	1 625	1 625			1 625
Municipal Systems Improvement		930	–	–			–			–
EPWP Incentive		1 000	1 000	1 000	–	1 000	1 000			1 000
Other transfers and grants [insert description]								–		
<b>Provincial Government:</b>		1 177	2 388	2 388	–	1 841	2 388	(547)	-22.9%	2 388
Health subsidy		–	1 227	1 227			1 227	(1 227)	-100.0%	1 227
Housing		35	–	–		680	–	680	#DIV/0!	–
Sport and Recreation	4	1 142	1 161	1 161	–	1 161	1 161	–		1 161
Other transfers and grants [insert description]								–		
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
[insert description]								–		
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
[insert description]								–		
<b>Total Operating Transfers and Grants</b>	5	40 636	41 210	41 210	–	34 955	41 210	(6 255)	-15.2%	41 210
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		13 398	14 602	12 202	–	11 033	12 202	(1 169)	-9.6%	14 602
Municipal Infrastructure Grant (MIG)		11 898	11 602	9 202	–	7 283	9 202	(1 919)	-20.9%	11 602
Regional Bulk Infrastructure		–	–	–	–	750	–	750	#DIV/0!	–
Integrated National Electrification Programme		1 500	3 000	3 000	–	3 000	3 000	–		3 000
Other capital transfers [insert description]								–		
<b>Provincial Government:</b>		–	–	–	–	–	–	–		–
[insert description]								–		
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
[insert description]								–		
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
[insert description]								–		
<b>Total Capital Transfers and Grants</b>	5	13 398	14 602	12 202	–	11 033	12 202	(1 169)	-9.6%	14 602
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	54 034	55 812	53 412	–	45 988	53 412	(7 424)	-13.9%	55 812

## Grant expenditure

NC073 Emthanjeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		39 506	38 822	38 822	1 385	13 300	38 822	(25 522)	-65.7%	38 822
Local Government Equitable Share		35 929	36 197	36 197	1 047	10 912	36 197	(25 285)	-69.9%	36 197
Finance Management		1 600	1 625	1 625	–	1 625	1 625	–		1 625
Municipal Systems Improvement		930	–	–			–	–		–
EPWP Incentiv e		1 047	1 000	1 000	337	763	1 000	(237)	-23.7%	1 000
Other transfers and grants [insert description]								–		
Provincial Government:		1 177	2 388	2 388	393	1 275	2 286	(1 010)	-44.2%	2 388
Health subsidy		–	1 227	1 227			1 125	(1 125)	-100.0%	1 227
Housing		35	–	–			–	–		–
Sport and Recreation		1 142	1 161	1 161	393	1 275	1 161	114	9.9%	1 161
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total operating expenditure of Transfers and Grants		40 683	41 210	41 210	1 778	14 575	41 108	(26 532)	-64.5%	41 210
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		12 115	13 905	13 905	914	9 204	13 905	(4 702)	-33.8%	13 905
Municipal Infrastructure Grant (MIG)		10 615	10 905	10 905	684	6 570	10 905	(4 335)	-39.8%	10 905
Integrated National Electrification Programme		1 500	3 000	3 000	230	2 634	3 000	(366)	-12.2%	3 000
Other capital transfers [insert description]								–		
Provincial Government:		–	–	–	–	–	–	–		–
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
Total capital expenditure of Transfers and Grants		12 115	13 905	13 905	914	9 204	13 905	(4 702)	-33.8%	13 905
TOTAL EXPENDITURE OF TRANSFERS AND GRANT		52 798	55 115	55 115	2 692	23 779	55 013	(31 234)	-56.8%	55 115

# Expenditure on councillor and board members allowances and employee benefits

NC073 Emthanjeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June												
Summary of Employee and Councillor remuneration		Ref	2015/16	Budget Year 2016/17								
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast	
<b>Councillors (Political Office Bearers plus Other)</b>												
Basic Salaries and Wages			2 892	3 451	3 451	278	3 297	3 451	(154)	-4%	3 451	
Pension and UIF Contributions			198	—	—	—	(12)	—	(12)	#DIV/0!	—	
Medical Aid Contributions			18	—	—	—	—	—	—	—	—	
Motor Vehicle Allowance			931	1 150	1 150	87	1 031	1 150	(119)	-10%	1 150	
Cellphone Allowance			361	395	395	33	390	395	(4)	-1%	395	
Other benefits and allowances			—	51	51	—	—	47	(47)	-100%	51	
<b>Sub Total - Councillors</b>			<b>4 401</b>	<b>5 046</b>	<b>5 046</b>	<b>398</b>	<b>4 706</b>	<b>5 042</b>	<b>(336)</b>	<b>-7%</b>	<b>5 046</b>	
<b>Senior Managers of the Municipality</b>			3									
Basic Salaries and Wages			4 009	3 833	3 833	249	3 480	3 833	(352)	-9%	3 833	
Pension and UIF Contributions			769	672	672	45	512	672	(160)	-24%	672	
Medical Aid Contributions			161	115	115	—	22	115	(94)	-81%	115	
Motor Vehicle Allowance			546	755	755	58	686	755	(70)	-9%	755	
Cellphone Allowance			116	138	138	12	139	138	1	1%	138	
Other benefits and allowances			279	268	268	40	244	268	(24)	-9%	268	
<b>Sub Total - Senior Managers of Municipality</b>			<b>5 881</b>	<b>5 781</b>	<b>5 781</b>	<b>404</b>	<b>5 082</b>	<b>5 781</b>	<b>(699)</b>	<b>-12%</b>	<b>5 781</b>	
<b>Other Municipal Staff</b>												
Basic Salaries and Wages			47 208	48 768	48 768	3 749	46 802	48 768	(1 966)	-4%	48 768	
Pension and UIF Contributions			8 217	8 721	8 721	683	8 130	8 721	(591)	-7%	8 721	
Medical Aid Contributions			1 889	1 810	1 810	220	2 171	1 810	361	20%	1 810	
Overtime			3 139	1 477	1 477	284	3 147	1 477	1 670	113%	1 477	
Motor Vehicle Allowance			1 025	1 124	1 124	77	951	1 124	(174)	-15%	1 124	
Cellphone Allowance			127	233	233	13	158	233	(75)	-32%	233	
Housing Allowances			536	687	687	53	649	687	(38)	-5%	687	
Other benefits and allowances			2 928	1 179	1 179	344	2 597	1 179	1 418	120%	1 179	
Post-retirement benefit obligations			36	58	58	—	—	53	(53)	-100%	58	
<b>Sub Total - Other Municipal Staff</b>			<b>65 104</b>	<b>64 057</b>	<b>64 057</b>	<b>5 423</b>	<b>64 605</b>	<b>64 052</b>	<b>553</b>	<b>1%</b>	<b>64 057</b>	
<b>Total Parent Municipality</b>			<b>75 386</b>	<b>74 884</b>	<b>74 884</b>	<b>6 225</b>	<b>74 393</b>	<b>74 875</b>	<b>(482)</b>	<b>-1%</b>	<b>74 884</b>	
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>												
<b>Board Members of Entities</b>												
Basic Salaries and Wages									—			
Post-retirement benefit obligations									—			
<b>Sub Total - Board Members of Entities</b>			2	—	—	—	—	—	—		—	
<b>Senior Managers of Entities</b>												
Basic Salaries and Wages									—			
Post-retirement benefit obligations			2						—			
<b>Sub Total - Senior Managers of Entities</b>				—	—	—	—	—	—		—	
<b>Other Staff of Entities</b>												
Basic Salaries and Wages									—			
Post-retirement benefit obligations									—			
<b>Sub Total - Other Staff of Entities</b>				—	—	—	—	—	—		—	
<b>Total Municipal Entities</b>				—	—	—	—	—	—		—	
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>				<b>75 386</b>	<b>74 884</b>	<b>74 884</b>	<b>6 225</b>	<b>74 393</b>	<b>74 875</b>	<b>(482)</b>	<b>-1%</b>	<b>74 884</b>
<b>% increase</b>			4		<b>-0.7%</b>	<b>-0.7%</b>						<b>-0.7%</b>
<b>TOTAL MANAGERS AND STAFF</b>				<b>70 984</b>	<b>69 838</b>	<b>69 838</b>	<b>5 827</b>	<b>69 687</b>	<b>69 833</b>	<b>(146)</b>	<b>0%</b>	<b>69 838</b>



## Capital programme performance

NC073 Emthanjeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b><u>Monthly expenditure performance trend</u></b>									
July	63	1 456	1 456	442	442	1 456	1 014	69.7%	2%
August	530	5 033	5 033	2 113	2 555	6 490	3 934	60.6%	12%
September	378	461	461	891	3 447	6 950	3 504	50.4%	17%
October	2 897	1 396	1 396	1 449	4 895	8 346	3 451	41.3%	24%
November	734	4 263	4 263	1 347	6 243	12 609	6 366	50.5%	30%
December	40	753	753	(163)		13 361	–		
January	1 127	698	698	799	#VALUE!	14 060	#VALUE!	#VALUE!	#VALUE!
February	53	1 791	1 791	1 266	#VALUE!	15 851	#VALUE!	#VALUE!	#VALUE!
March	2 700	3 222	3 222	447	#VALUE!	19 073	#VALUE!	#VALUE!	#VALUE!
April	1 130	1 115	1 115	700	#VALUE!	20 187	#VALUE!	#VALUE!	#VALUE!
May	896	310	310	2 675	#VALUE!	20 497	#VALUE!	#VALUE!	#VALUE!
June	1 099	242	242	1 569	#VALUE!	20 739	#VALUE!	#VALUE!	#VALUE!
<b>Total Capital expenditure</b>	<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>13 536</b>					

### **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.
  - SC13c: Expenditure on repairs and maintenance by asset class
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## **Municipal manager's quality certificate**

I, Isak Visser the Municipal Manager of Emthanjeni Municipality hereby certify that the monthly budget statement for the month of June 2017 has been prepared in accordance with the Municipality Finance Management Act and Regulations made under the Act.

Print Name Isak Visser

Municipal manager of Emthanjeni (NC073)

Signature

Date 14/06/2017

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