

# EMTHANJENI MUNICIPALITY



## **AUGUST MONTHLY BUDGET STATEMENT FOR THE YEAR 2017-2018**

# **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 AUGUST 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 AUGUST 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 AUGUST 2017 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations.

The audited outcomes are draft for 2016/2017 reflected in this report are draft for AUGUST 2017 as the Annual Financial Statements are not completed and will be submitted to and audited by the Auditor General on 31 August 2017.

#### **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 46 % above the year-to-date budget for AUGUST 2017.

The abnormally high revenue includes the annual property rates and other fixed service charges billed to consumers for the 2017/2018 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. 6.7% of the total capital budget has been spent at 30 AUGUST 2017, with 89.83% 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 AUGUST 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 AUGUST 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 R19, 618 million above year-to-date budget projections for AUGUST 2017<sup>2</sup>.

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

Year-to-date expenditure is -11% or R4, 418 million, below the year-to-date budget as at 30 AUGUST 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 R2.646 or 6.7% of the capital budget of R39.082 million<sup>4</sup>, 0% 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 cash & cash equivalents balance of R7, 524 million<sup>6</sup>.

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

### 3.3 Material variances

NC073 Emthanjeni - Supporting Table SC1 Material variance explanations - M02 August

Ref	Description	Variance
1	<b><u>Revenue By Source</u></b>	
	Property rates	11 271
	Service charges - electricity revenue	(932)
	Fines	(540)
	Licences and permits	(242)
2	<b><u>Expenditure By Type</u></b>	
	Debt impairment	(1 263)
	Depreciation & asset impairment	(1 509)
	Other expenditure	(1 853)
3	<b><u>Capital Expenditure</u></b>	
	Road transport	(897)
	Electricity	(318)
	Water	(2 347)
	Waste water management	(4)
5	<b><u>Cash Flow</u></b>	
	Service charges	(5 932)
	Other revenue	(2 222)
	Capital assets	(611)



### 3.4 Remedial or corrective steps

NC073 Emthanjeni - Supporting Table SC1 Material variance explanations - M02 August

Ref	Description	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands		
1	<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
2	<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
3	<b><u>Capital Expenditure</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
5	<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	2016/17	Budget Year 2017/18							
	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	30 755	27 763	27 763	1 341	15 898	4 627	11 271	244%	30 665
Service charges	103 885	119 676	119 676	8 315	18 090	19 946	(1 856)	-9%	106 383
Investment revenue	105	931	931	39	39	155	(116)	-75%	806
Transfers recognised - operational	36 691	40 761	40 761	15 979	15 979	6 793	9 185	135%	41 210
Other own revenue	28 961	36 126	36 126	2 922	3 536	6 021	(2 485)	-41%	38 515
Total Revenue (excluding capital transfers and contributions)	200 397	225 257	225 257	28 596	53 543	37 543	16 000	43%	217 580
Employee costs	71 747	76 930	76 930	6 353	12 724	12 821	(98)	-1%	69 838
Remuneration of Councillors	4 706	5 275	5 275	398	795	879	(84)	-10%	5 046
Depreciation & asset impairment	—	9 056	9 056	—	—	1 509	(1 509)	-100%	7 337
Finance charges	1 019	2 055	2 055	5	8	342	(334)	-98%	5 468
Materials and bulk purchases	71 092	79 832	79 832	7 988	15 375	13 305	2 069	16%	73 894
Transfers and grants	—	—	—	—	—	—	—	—	—
Other expenditure	44 577	50 696	50 696	3 219	5 237	9 700	(4 463)	-46%	54 381
Total Expenditure	193 141	223 843	223 843	17 963	34 139	38 557	(4 418)	-11%	215 964
Surplus/(Deficit)	7 256	1 414	1 414	10 634	19 404	(1 015)	20 419	-2012%	1 616
Transfers recognised - capital	5 430	32 292	32 292	9 000	9 000	5 382	3 618	67%	14 602
Contributions & Contributed assets	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	12 686	33 706	33 706	19 634	28 404	4 367	24 037	550%	16 218
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	12 686	33 706	33 706	19 634	28 404	4 367	24 037	550%	16 218
Capital expenditure & funds sources									
Capital expenditure	13 536	39 082	39 082	2 646	2 646	6 514	(3 867)	-59%	20 739
Capital transfers recognised	9 938	32 292	32 292	2 377	2 377	5 382	(3 005)	-56%	13 905
Public contributions & donations	—	—	—	—	—	—	—	—	—
Borrowing	1 156	—	—	—	—	—	—	—	—
Internally generated funds	3 598	6 790	6 790	269	269	1 132	(863)	-76%	6 834
Total sources of capital funds	14 692	39 082	39 082	2 646	2 646	6 514	(3 867)	-59%	20 739
Financial position									
Total current assets	138 300	110 700	110 700		141 513				110 700
Total non current assets	832 698	937 687	937 687		788 220				937 687
Total current liabilities	61 066	31 639	31 639		88 895				31 639
Total non current liabilities	47 126	36 071	36 071		8 992				36 071
Community wealth/Equity	862 806	980 677	980 677		831 846				980 677
Cash flows									
Net cash from (used) operating	22 022	38 753	38 753	4 227	26 586	3 062	(23 524)	-768%	23 890
Net cash from (used) investing	(12 316)	(38 814)	(38 814)	(2 646)	(2 646)	(3 235)	(588)	18%	(20 610)
Net cash from (used) financing	(1 528)	(478)	(478)	4	7	(565)	(572)	101%	(590)
Cash/cash equivalents at the month/year end	6 872	6 985	6 985	—	31 470	6 786	(24 684)	-364%	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	—	10 180	19 526	3 131	2 437	2 382	29 540	—	67 196
Creditors Age Analysis									
Total Creditors	6 015	—	—	—	—	—	—	—	6 015

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

NC073 Emthanjeni - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	Ref	2016/17	Budget Year 2017/18							
		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>49 745</b>	<b>50 514</b>	<b>50 514</b>	<b>9 835</b>	<b>24 491</b>	<b>8 419</b>	16 072	191%	<b>51 180</b>
Executive and council		4 445	4 245	4 245	1 682	1 755	708	1 047	148%	4 295
Budget and treasury office		45 220	46 204	46 204	8 150	22 729	7 701	15 028	195%	46 801
Corporate services		81	65	65	2	7	11	(3)	-32%	84
<i><b>Community and public safety</b></i>		<b>5 371</b>	<b>6 857</b>	<b>6 857</b>	<b>127</b>	<b>251</b>	<b>1 143</b>	(892)	-78%	<b>11 325</b>
Community and social services		1 970	1 683	1 683	73	147	281	(133)	-47%	1 942
Sport and recreation		1 171	162	162	2	2	27	(25)	-92%	123
Public safety		1 540	4 969	4 969	50	96	828	(732)	-88%	7 991
Housing		690	44	44	3	5	7	(2)	-25%	41
Health		—	—	—	—	—	—	—	—	1 227
<i><b>Economic and environmental services</b></i>		<b>1 031</b>	<b>13 850</b>	<b>13 850</b>	<b>278</b>	<b>280</b>	<b>2 308</b>	(2 028)	-88%	<b>3 816</b>
Planning and development		1 000	13 378	13 378	272	272	2 230	(1 958)	-88%	1 610
Road transport		31	472	472	6	8	79	(70)	-90%	2 207
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>149 679</b>	<b>186 327</b>	<b>186 327</b>	<b>27 356</b>	<b>37 521</b>	<b>31 055</b>	6 466	21%	<b>165 860</b>
Electricity		80 478	94 497	94 497	9 174	14 447	15 749	(1 303)	-8%	90 239
Water		32 471	48 659	48 659	10 690	13 275	8 110	5 165	64%	38 471
Waste water management		23 144	26 925	26 925	4 662	6 131	4 487	1 643	37%	24 322
Waste management		13 587	16 246	16 246	2 830	3 669	2 708	961	35%	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>205 827</b>	<b>257 549</b>	<b>257 549</b>	<b>37 596</b>	<b>62 543</b>	<b>42 925</b>	<b>19 618</b>	<b>46%</b>	<b>232 182</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>39 259</b>	<b>54 098</b>	<b>54 098</b>	<b>3 805</b>	<b>6 586</b>	<b>8 485</b>	(1 899)	-22%	<b>48 553</b>
Executive and council		11 217	16 790	16 790	1 813	2 644	2 477	167	7%	14 054
Budget and treasury office		16 301	22 975	22 975	1 302	2 415	3 674	(1 259)	-34%	21 982
Corporate services		11 741	14 334	14 334	690	1 527	2 334	(807)	-35%	12 518
<i><b>Community and public safety</b></i>		<b>23 755</b>	<b>30 611</b>	<b>30 611</b>	<b>2 006</b>	<b>3 716</b>	<b>5 061</b>	(1 345)	-27%	<b>29 417</b>
Community and social services		9 162	13 074	13 074	794	1 471	2 159	(688)	-32%	11 849
Sport and recreation		4 193	5 285	5 285	355	638	870	(232)	-27%	4 654
Public safety		8 242	9 704	9 704	670	1 257	1 608	(350)	-22%	10 367
Housing		2 140	2 396	2 396	177	340	399	(59)	-15%	2 400
Health		18	153	153	10	10	25	(15)	-61%	148
<i><b>Economic and environmental services</b></i>		<b>19 910</b>	<b>29 566</b>	<b>29 566</b>	<b>1 345</b>	<b>2 785</b>	<b>4 927</b>	(2 141)	-43%	<b>28 440</b>
Planning and development		10 358	12 896	12 896	618	1 305	2 149	(844)	-39%	12 162
Road transport		9 552	16 670	16 670	727	1 480	2 777	(1 297)	-47%	16 278
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>108 910</b>	<b>119 817</b>	<b>119 817</b>	<b>10 709</b>	<b>20 857</b>	<b>19 969</b>	887	4%	<b>108 815</b>
Electricity		72 198	76 082	76 082	8 829	16 496	12 680	3 816	30%	71 539
Water		12 025	15 250	15 250	652	1 509	2 542	(1 033)	-41%	12 906
Waste water management		11 356	15 605	15 605	534	1 278	2 601	(1 323)	-51%	12 936
Waste management		13 331	12 880	12 880	694	1 574	2 147	(573)	-27%	11 435
<i><b>Other</b></i>		<b>1 308</b>	<b>690</b>	<b>690</b>	<b>98</b>	<b>195</b>	<b>115</b>	<b>80</b>	<b>70%</b>	<b>738</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>193 141</b>	<b>234 782</b>	<b>234 782</b>	<b>17 963</b>	<b>34 139</b>	<b>38 557</b>	<b>(4 418)</b>	<b>-11%</b>	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>		<b>12 685</b>	<b>22 766</b>	<b>22 766</b>	<b>19 634</b>	<b>28 404</b>	<b>4 367</b>	<b>24 037</b>	<b>550%</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.

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**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) - M02 August**

Vote Description	Ref	2016/17	Budget Year 2017/18							
		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		4 445	4 245	4 245	1 682	1 755	708	1 047	148.0%	4 295
Vote 2 - FINANCE AND ADMINISTRATION		45 301	46 269	46 269	8 153	22 736	7 711	15 025	194.8%	46 885
Vote 3 - PLANNING AND DEVELOPMENT		1 000	13 378	13 378	272	272	2 230	(1 958)	-87.8%	1 610
Vote 4 - HEALTH		—	—	—	—	—	—	—		1 227
Vote 5 - COMMUNITY AND SOCIAL SERVICES		1 970	1 683	1 683	73	147	281	(133)	-47.5%	1 942
Vote 6 - PUBLIC SAFETY		1 540	4 969	4 969	50	96	828	(732)	-88.4%	7 991
Vote 7 - SPORT AND RECREATION		1 171	162	162	2	2	27	(25)	-92.1%	123
Vote 8 - ROAD TRANSPORT		31	472	472	6	8	79	(70)	-89.5%	2 207
Vote 9 - OTHER		—	—	—	—	—	—	—		—
Vote 10 - HOUSING SERVICES		690	44	44	3	5	7	(2)	-24.9%	41
Vote 11 - WASTE MANAGEMENT		13 587	16 246	16 246	2 830	3 669	2 708	961	35.5%	12 828
Vote 12 - WASTE WATER MANAGEMENT		23 144	26 925	26 925	4 662	6 131	4 487	1 643	36.6%	24 322
Vote 13 - ELECTRICITY		80 478	94 497	94 497	9 174	14 447	15 749	(1 303)	-8.3%	90 239
Vote 14 - WATER		32 471	48 659	48 659	10 690	13 275	8 110	5 165	63.7%	38 471
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—		—
<b>Total Revenue by Vote</b>	2	<b>205 827</b>	<b>257 549</b>	<b>257 549</b>	<b>37 596</b>	<b>62 543</b>	<b>42 925</b>	<b>19 618</b>	<b>45.7%</b>	<b>232 182</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		11 217	16 790	16 790	1 813	2 644	2 477	167	6.7%	14 054
Vote 2 - FINANCE AND ADMINISTRATION		28 042	37 309	37 309	1 991	3 942	6 008	(2 066)	-34.4%	34 499
Vote 3 - PLANNING AND DEVELOPMENT		10 358	12 896	12 896	618	1 305	2 149	(844)	-39.3%	12 162
Vote 4 - HEALTH		18	153	153	10	10	25	(15)	-60.6%	148
Vote 5 - COMMUNITY AND SOCIAL SERVICES		9 162	13 074	13 074	794	1 471	2 159	(688)	-31.9%	11 849
Vote 6 - PUBLIC SAFETY		8 242	9 704	9 704	670	1 257	1 608	(350)	-21.8%	10 367
Vote 7 - SPORT AND RECREATION		4 193	5 285	5 285	355	638	870	(232)	-26.7%	4 654
Vote 8 - ROAD TRANSPORT		9 552	16 670	16 670	727	1 480	2 777	(1 297)	-46.7%	16 278
Vote 9 - OTHER		1 308	690	690	98	195	115	80	69.6%	738
Vote 10 - HOUSING SERVICES		2 140	2 396	2 396	177	340	399	(59)	-14.9%	2 400
Vote 11 - WASTE MANAGEMENT		13 331	12 880	12 880	694	1 574	2 147	(573)	-26.7%	11 435
Vote 12 - WASTE WATER MANAGEMENT		11 356	15 605	15 605	534	1 278	2 601	(1 323)	-50.9%	12 936
Vote 13 - ELECTRICITY		72 198	76 082	76 082	8 829	16 496	12 680	3 816	30.1%	71 539
Vote 14 - WATER		12 025	15 250	15 250	652	1 509	2 542	(1 033)	-40.6%	12 906
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—		—
<b>Total Expenditure by Vote</b>	2	<b>193 141</b>	<b>234 782</b>	<b>234 782</b>	<b>17 963</b>	<b>34 139</b>	<b>38 557</b>	<b>(4 418)</b>	<b>-11.5%</b>	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>12 685</b>	<b>22 766</b>	<b>22 766</b>	<b>19 634</b>	<b>28 404</b>	<b>4 367</b>	<b>24 037</b>	<b>550.4%</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) - M02 August										
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
Revenue By Source										
Property rates		30 755	27 763	27 763	1 341	15 898	4 627	11 271	244%	30 665
Service charges - electricity revenue		51 076	58 966	58 966	3 984	8 895	9 828	(932)	-9%	56 203
Service charges - water revenue		26 837	30 346	30 346	2 025	4 582	5 058	(476)	-9%	25 864
Service charges - sanitation revenue		16 238	18 938	18 938	1 443	2 889	3 156	(267)	-8%	15 972
Service charges - refuse revenue		9 349	11 301	11 301	829	1 658	1 883	(225)	-12%	8 226
Service charges - other		385	125	125	33	65	21	45	214%	118
Rental of facilities and equipment		835	789	789	61	123	132	(9)	-6%	786
Interest earned - external investments		105	931	931	39	39	155	(116)	-75%	806
Interest earned - outstanding debtors		1 162	1 259	1 259	108	206	210	(4)	-2%	954
Fines		1 414	3 720	3 720	12	80	620	(540)	-87%	6 943
Licences and permits		383	1 970	1 970	42	87	328	(242)	-74%	2 508
Transfers recognised - operational		36 691	40 761	40 761	15 979	15 979	6 793	9 185	135%	41 210
Other revenue		24 746	28 120	28 120	2 699	3 041	4 687	(1 646)	-35%	27 195
Gains on disposal of PPE		420	268	268	—	—	45	(45)	-100%	130
Total Revenue (excluding capital transfers and contributions)		200 397	225 257	225 257	28 596	53 543	37 543	16 000	43%	217 580
Expenditure By Type										
Employee related costs		71 747	76 930	76 930	6 353	12 724	12 821	(98)	-1%	69 838
Remuneration of councillors		4 706	5 275	5 275	398	795	879	(84)	-10%	5 046
Debt impairment		—	730	730	—	—	1 263	(1 263)	-100%	8 901
Depreciation & asset impairment		—	9 056	9 056	—	—	1 509	(1 509)	-100%	7 337
Finance charges		1 019	2 055	2 055	5	8	342	(334)	-98%	5 468
Bulk purchases		59 410	60 434	60 434	7 627	14 821	10 072	4 749	47%	57 123
Other materials		11 682	19 397	19 397	362	553	3 233	(2 679)	-83%	16 771
Contracted services		6 167	9 819	9 819	277	290	1 636	(1 347)	-82%	9 846
Other expenditure		38 410	40 147	40 147	2 942	4 947	6 800	(1 853)	-27%	35 634
Total Expenditure		193 141	223 843	223 843	17 963	34 139	38 557	(4 418)	-11%	215 964
Surplus/(Deficit)		7 256	1 414	1 414	10 634	19 404	(1 015)	20 419	(0)	1 616
Transfers recognised - capital		5 430	32 292	32 292	9 000	9 000	5 382	3 618	0	14 602
Surplus/(Deficit) after capital transfers &		12 686	33 706	33 706	19 634	28 404	4 367			16 218
Taxation		—	—	—	—	—	—	—		—
Surplus/(Deficit) after taxation		12 686	33 706	33 706	19 634	28 404	4 367			16 218
Attributable to minorities		—	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		12 686	33 706	33 706	19 634	28 404	4 367			16 218
Share of surplus/ (deficit) of associate		—	—	—	—	—	—			—
Surplus/ (Deficit) for the year		12 686	33 706	33 706	19 634	28 404	4 367			16 218

**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) - M02 August										
Vote Description	Ref	2016/17	Budget Year 2017/18							
		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 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
<b>Total Capital Multi-year expenditure</b>	4,7	–	–	–	–	–	–	–		–
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		16	1 925	1 925	269	269	321	(52)	-16%	137
Vote 2 - FINANCE AND ADMINISTRATION		109	1 260	1 260	–	–	210	(210)	-100%	1 735
Vote 5 - COMMUNITY AND SOCIAL SERVICES		–	120	120	–	–	20	(20)	-100%	296
Vote 6 - PUBLIC SAFETY		12	57	57	–	–	9	(9)	-100%	63
Vote 7 - SPORT AND RECREATION		1 000	65	65	–	–	11	(11)	-100%	75
Vote 8 - ROAD TRANSPORT		8 796	15 153	15 153	1 628	1 628	2 525	(897)	-36%	4 200
Vote 11 - WASTE MANAGEMENT		–	22	22	–	–	4	(4)	-100%	29
Vote 12 - WASTE WATER MANAGEMENT		164	–	–	–	–	–	–		981
Vote 13 - ELECTRICITY		2 634	6 400	6 400	749	749	1 067	(318)	-30%	5 400
Vote 14 - WATER		804	14 080	14 080	–	–	2 347	(2 347)	-100%	7 822
<b>Total Capital single-year expenditure</b>	4	13 536	39 082	39 082	2 646	2 646	6 514	(3 867)	-59%	20 739
<b>Total Capital Expenditure</b>		<b>13 536</b>	<b>39 082</b>	<b>39 082</b>	<b>2 646</b>	<b>2 646</b>	<b>6 514</b>	<b>(3 867)</b>	<b>-59%</b>	<b>20 739</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		<b>125</b>	<b>3 185</b>	<b>3 185</b>	<b>269</b>	<b>269</b>	<b>531</b>	<b>(262)</b>	<b>-49%</b>	<b>1 873</b>
Executive and council		16	1 925	1 925	269	269	321	(52)	-16%	137
Budget and treasury office		85	930	930	–	–	155	(155)	-100%	1 385
Corporate services		25	330	330	–	–	55	(55)	-100%	350
<b>Community and public safety</b>		<b>1 012</b>	<b>242</b>	<b>242</b>	<b>–</b>	<b>–</b>	<b>40</b>	<b>(40)</b>	<b>-100%</b>	<b>434</b>
Community and social services		–	120	120	–	–	20	(20)	-100%	296
Sport and recreation		1 000	65	65	–	–	11	(11)	-100%	75
Public safety		12	57	57	–	–	9	(9)	-100%	63
<b>Economic and environmental services</b>		<b>8 796</b>	<b>15 153</b>	<b>15 153</b>	<b>1 628</b>	<b>1 628</b>	<b>2 525</b>	<b>(897)</b>	<b>-36%</b>	<b>4 200</b>
Road transport		8 796	15 153	15 153	1 628	1 628	2 525	(897)	-36%	4 200
<b>Trading services</b>		<b>3 602</b>	<b>20 502</b>	<b>20 502</b>	<b>749</b>	<b>749</b>	<b>3 417</b>	<b>(2 668)</b>	<b>-78%</b>	<b>14 232</b>
Electricity		2 634	6 400	6 400	749	749	1 067	(318)	-30%	5 400
Water		804	14 080	14 080	–	–	2 347	(2 347)	-100%	7 822
Waste water management		164	–	–	–	–	–	–		981
Waste management		–	22	22	–	–	4	(4)	-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>13 536</b>	<b>39 082</b>	<b>39 082</b>	<b>2 646</b>	<b>2 646</b>	<b>6 514</b>	<b>(3 867)</b>	<b>-59%</b>	<b>20 739</b>
<b>Funded by:</b>										
National Government		9 938	32 292	32 292	2 377	2 377	5 382	(3 005)	-56%	13 905
<b>Transfers recognised - capital</b>		<b>9 938</b>	<b>32 292</b>	<b>32 292</b>	<b>2 377</b>	<b>2 377</b>	<b>5 382</b>	<b>(3 005)</b>	<b>-56%</b>	<b>13 905</b>
<b>Borrowing</b>	6	<b>1 156</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>–</b>
<b>Internally generated funds</b>		<b>3 598</b>	<b>6 790</b>	<b>6 790</b>	<b>269</b>	<b>269</b>	<b>1 132</b>	<b>(863)</b>	<b>-76%</b>	<b>6 834</b>
<b>Total Capital Funding</b>		<b>14 692</b>	<b>39 082</b>	<b>39 082</b>	<b>2 646</b>	<b>2 646</b>	<b>6 514</b>	<b>(3 867)</b>	<b>-59%</b>	<b>20 739</b>



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

NC073 Emthanjeni - Table C6 Monthly Budget Statement - Financial Position - M02 August						
Description	Ref	2016/17	Budget Year 2017/18			
		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	9 713	10 075
Consumer debtors		60 532	22 824	22 824	72 415	22 824
Other debtors		—	11 277	11 277	(3 634)	11 277
Current portion of long-term receivables		2	—	—	—	—
Inventory		62 922	65 556	65 556	62 930	65 556
<b>Total current assets</b>		<b>138 300</b>	<b>110 700</b>	<b>110 700</b>	<b>141 513</b>	<b>110 700</b>
<b>Non current assets</b>						
Long-term receivables		1	—	—	—	—
Investments		26	29	29	25	29
Investment property		5 018	5 004	5 004	5 733	5 004
Property, plant and equipment		827 558	932 114	932 114	782 391	932 114
Intangible assets		82	458	458	61	458
Other non-current assets		12	83	83	9	83
<b>Total non current assets</b>		<b>832 698</b>	<b>937 687</b>	<b>937 687</b>	<b>788 220</b>	<b>937 687</b>
<b>TOTAL ASSETS</b>		<b>970 999</b>	<b>1 048 386</b>	<b>1 048 386</b>	<b>929 733</b>	<b>1 048 386</b>
<b><u>LIABILITIES</u></b>						
<b>Current liabilities</b>						
Bank overdraft		7 321	9 338	9 338	(6 535)	9 338
Borrowing		1 065	688	688	589	688
Consumer deposits		2 193	2 289	2 289	2 258	2 289
Trade and other payables		49 018	16 352	16 352	40 365	16 352
Provisions		1 469	2 972	2 972	52 218	2 972
<b>Total current liabilities</b>		<b>61 066</b>	<b>31 639</b>	<b>31 639</b>	<b>88 895</b>	<b>31 639</b>
<b>Non current liabilities</b>						
Borrowing		40 096	—	—	—	—
Provisions		7 030	36 071	36 071	8 992	36 071
<b>Total non current liabilities</b>		<b>47 126</b>	<b>36 071</b>	<b>36 071</b>	<b>8 992</b>	<b>36 071</b>
<b>TOTAL LIABILITIES</b>		<b>108 193</b>	<b>67 709</b>	<b>67 709</b>	<b>97 887</b>	<b>67 709</b>
<b>NET ASSETS</b>	2	<b>862 806</b>	<b>980 677</b>	<b>980 677</b>	<b>831 846</b>	<b>980 677</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>						
Accumulated Surplus/(Deficit)		862 806	980 677	980 677	829 593	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>831 846</b>	<b>980 677</b>

**Table C7: Monthly Budget Statement - Cash Flow**

NC073 Emthanjeni - Table C7 Monthly Budget Statement - Cash Flow - M02 August										
Description	Ref	2016/17	Budget Year 2017/18							
		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		22 553	24 942	24 942	2 483	3 973	4 157	(184)	-4%	27 999
Service charges		97 969	113 321	113 321	7 581	12 955	18 887	(5 932)	-31%	99 902
Other revenue		27 379	33 311	33 311	2 814	3 330	5 552	(2 222)	-40%	34 954
Government - operating		35 295	40 761	40 761	272	17 428	3 397	14 031	413%	41 210
Government - capital		14 617	32 292	32 292	9 000	23 000	5 382	17 618	327%	14 602
Interest		105	1 723	1 723	39	39	287	(248)	-86%	806
<b>Payments</b>										
Suppliers and employees		(174 891)	(205 542)	(205 542)	(17 958)	(34 130)	(34 257)	(126)	0%	(190 113)
Finance charges		(1 005)	(2 055)	(2 055)	(5)	(8)	(342)	(334)	98%	(5 468)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>22 022</b>	<b>38 753</b>	<b>38 753</b>	<b>4 227</b>	<b>26 586</b>	<b>3 062</b>	<b>(23 524)</b>	<b>-768%</b>	<b>23 890</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		420	268	268	–	–	22	(22)	-100%	130
Decrease (increase) other non-current receivables		(0)	–	–	–	–	–	–		–
<b>Payments</b>										
Capital assets		(12 736)	(39 082)	(39 082)	(2 646)	(2 646)	(3 257)	(611)	19%	(20 739)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(12 316)</b>	<b>(38 814)</b>	<b>(38 814)</b>	<b>(2 646)</b>	<b>(2 646)</b>	<b>(3 235)</b>	<b>(588)</b>	<b>18%</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		–	95	95	4	7	8	(1)	-17%	98
<b>Payments</b>										
Repayment of borrowing		(2 684)	(573)	(573)	–	–	(573)	(573)	100%	(688)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1 528)</b>	<b>(478)</b>	<b>(478)</b>	<b>4</b>	<b>7</b>	<b>(565)</b>	<b>(572)</b>	<b>101%</b>	<b>(590)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>8 179</b>	<b>(539)</b>	<b>(539)</b>	<b>1 585</b>	<b>23 947</b>	<b>(737)</b>			<b>2 691</b>
Cash/cash equivalents at beginning:		(1 306)	7 524	7 524		7 524	7 524			7 524
Cash/cash equivalents at month/year end:		6 872	6 985	6 985		31 470	6 786			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 - M02 August														2017/18 medium term Revenue & Expenditure Framework		
Description	Ref	Budget Year 2017/18												Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget			
<b>R thousands</b>	<b>1</b>															
<b>Cash Receipts By Source</b>																
Property rates		1 489	2 483	–	–	–	–	–	–	–	–	–	24 026	27 999	28 239	49 909
Service charges - electricity revenue		2 602	4 553	–	–	–	–	–	–	–	–	–	46 023	53 178	56 426	67 691
Service charges - water revenue		1 171	1 710	–	–	–	–	–	–	–	–	–	20 866	23 746	25 448	41 408
Service charges - sanitation revenue		963	792	–	–	–	–	–	–	–	–	–	13 289	15 045	15 131	16 467
Service charges - refuse		606	493	–	–	–	–	–	–	–	–	–	6 716	7 815	7 545	6 583
Service charges - other		33	33	–	–	–	–	–	–	–	–	–	52	118	270	132
Rental of facilities and equipment		62	61	–	–	–	–	–	–	–	–	–	563	686	734	770
Interest earned - external investments		–	39	–	–	–	–	–	–	–	–	–	766	806	830	863
Fines		68	12	–	–	–	–	–	–	–	–	–	6 463	6 543	6 870	7 076
Licences and permits		45	42	–	–	–	–	–	–	–	–	–	1 892	1 978	1 938	2 399
Transfer receipts - operating		17 156	272	–	–	–	–	–	–	–	–	–	23 782	41 210	41 753	47 657
Other revenue		342	2 699	–	–	–	–	–	–	–	–	–	22 706	25 747	26 967	43 475
<b>Cash Receipts by Source</b>		<b>24 536</b>	<b>13 190</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>167 145</b>	<b>204 870</b>	<b>212 149</b>	<b>284 431</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital		14 000	9 000	–	–	–	–	–	–	–	–	–	(8 398)	14 602	14 342	13 798
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	130	130	139	148
Increase in consumer deposits		2	4	–	–	–	–	–	–	–	–	–	91	98	90	71
<b>Total Cash Receipts by Source</b>		<b>38 538</b>	<b>22 194</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>158 967</b>	<b>219 699</b>	<b>226 720</b>	<b>298 449</b>
<b>Cash Payments by Type</b>																
Employee related costs		6 371	6 353	–	–	–	–	–	–	–	–	–	56 967	69 691	73 073	77 674
Remuneration of councillors		398	398	–	–	–	–	–	–	–	–	–	4 152	4 948	5 015	5 269
Interest paid		3	5	–	–	–	–	–	–	–	–	–	5 460	5 468	6 143	9 731
Bulk purchases - Electricity		7 028	7 428	–	–	–	–	–	–	–	–	–	37 877	52 332	55 359	90 859
Bulk purchases - Water & Sewer		167	199	–	–	–	–	–	–	–	–	–	2 075	2 440	2 736	4 315
Other materials		192	362	–	–	–	–	–	–	–	–	–	16 218	16 771	18 864	30 971
Contracted services		12	277	–	–	–	–	–	–	–	–	–	9 556	9 846	10 565	17 432
General expenses		2 006	2 942	–	–	–	–	–	–	–	–	–	29 138	34 085	35 533	39 397
<b>Cash Payments by Type</b>		<b>16 176</b>	<b>17 963</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>161 443</b>	<b>195 582</b>	<b>207 287</b>	<b>275 648</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		–	2 646	–	–	–	–	–	–	–	–	–	18 093	20 739	20 405	22 006
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	688	688	–	–
<b>Total Cash Payments by Type</b>		<b>16 176</b>	<b>20 609</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>180 223</b>	<b>217 009</b>	<b>227 692</b>	<b>297 654</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>22 362</b>	<b>1 585</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(21 256)</b>	<b>2 691</b>	<b>(972)</b>	<b>795</b>
Cash/cash equivalents at the month/year beginning:		7 524	29 886	31 470	31 470	31 470	31 470	31 470	31 470	31 470	31 470	31 470	31 470	7 524	10 214	9 243
Cash/cash equivalents at the month/year end:		29 886	31 470	31 470	31 470	31 470	31 470	31 470	31 470	31 470	31 470	31 470	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 - M02 August

Description	NT Code	Budget Year 2017/18										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	–	2 123	1 815	1 039	959	930	8 421	–	15 286	11 348		13 717
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	4 576	2 045	956	470	443	3 325	–	11 815	5 194		2 701
Receivables from Non-ex change Transactions - Property Rates	1400	–	1 080	14 410	381	312	305	11 455	–	27 943	12 452		6 457
Receivables from Exchange Transactions - Waste Water Management	1500	–	1 475	766	463	434	423	3 861	–	7 423	5 182		5 658
Receivables from Exchange Transactions - Waste Management	1600	–	843	395	223	199	194	1 941	–	3 796	2 558		2 722
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–		–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–		4 782
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		–
Other	1900	–	82	96	68	63	88	536	–	934	755		3 793
<b>Total By Income Source</b>	<b>2000</b>	<b>–</b>	<b>10 180</b>	<b>19 526</b>	<b>3 131</b>	<b>2 437</b>	<b>2 382</b>	<b>29 540</b>	<b>–</b>	<b>67 196</b>	<b>37 490</b>	<b>–</b>	<b>39 831</b>
<b>2016/17 - totals only</b>			<b>20621233</b>	<b>3403677</b>	<b>2701031</b>	<b>2413665</b>	<b>2260512</b>	<b>5843844</b>		<b>37 244</b>	<b>13 219</b>		<b>86361780</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	–	459	2 860	247	222	182	2 621	–	6 590	3 271		1 923
Commercial	2300	–	2 255	884	402	155	124	787	–	4 606	1 468		1 092
Households	2400	–	6 873	15 369	2 242	1 857	1 876	24 424	–	52 640	30 398		32 514
Other	2500	–	593	414	240	203	201	1 709	–	3 360	2 353		4 302
<b>Total By Customer Group</b>	<b>2600</b>	<b>–</b>	<b>10 180</b>	<b>19 526</b>	<b>3 131</b>	<b>2 437</b>	<b>2 382</b>	<b>29 540</b>	<b>–</b>	<b>67 196</b>	<b>37 490</b>	<b>–</b>	<b>39 831</b>

# Creditors' analysis

## Supporting Table SC4

NC073 Emthanjeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description  R thousands	NT Code	Budget Year 2017/18									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	744	-							744	1
Auditor General	0800	-	-							-	-
Other	0900	5 271	-							5 271	2 337
Total By Customer Type	1000	6 015	-	-	-	-	-	-	-	6 015	2 339

# Investment portfolio analysis

NC073 Emthanjeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

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 - M02 August

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		33 114	37 210	37 210	17 428	17 428	3 333	12 587	377.7%	38 822
Local Government Equitable Share		30 489	34 424	34 424	15 456	15 456	2 869	12 587	438.8%	36 197
Finance Management		1 625	1 700	1 700	1 700	1 700	283			1 625
Municipal Systems Improvement			–	–			–			–
EPWP Incentive		1 000	1 086	1 086	272	272	181			1 000
Other transfers and grants [insert description]								–		
<b>Provincial Government:</b>		1 196	881	881	–	–	147	(147)	-100.0%	2 388
Health subsidy		–	–	–			–	–		1 227
Housing		35	–	–		–	–	–		–
Sport and Recreation	4	1 161	881	881	–	–	147	(147)	-100.0%	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	34 310	38 091	38 091	17 428	17 428	3 480	12 441	357.5%	41 210
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		11 033	32 292	32 292	9 000	7 000	13 191	(6 191)	-46.9%	14 602
Municipal Infrastructure Grant (MIG)		7 283	12 292	12 292	–	5 000	1 024	3 976	388.1%	11 602
Regional Bulk Infrastructure		750	14 000	14 000	7 000	–	11 667	(11 667)	-100.0%	–
Integrated National Electrification Programme		3 000	6 000	6 000	2 000	2 000	500	1 500	300.0%	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	11 033	32 292	32 292	9 000	7 000	13 191	(6 191)	-46.9%	14 602
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	45 343	70 383	70 383	26 428	24 428	16 671	6 250	37.5%	55 812

## Grant expenditure

NC073 Emthanjeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August										
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		14 205	8 859	8 859	481	1 305	1 476	(171)	-11.6%	38 822
Local Government Equitable Share		10 912	6 073	6 073	190	1 000	1 012	(12)	-1.2%	36 197
Finance Management		1 600	1 700	1 700	251	251	283	(33)	-11.5%	1 625
Municipal Systems Improvement		930	–	–			–	–		–
EPWP Incentive		763	1 086	1 086	40	54	181	(127)	-69.9%	1 000
Provincial Government:		1 177	2 108	2 108	35	95	1 272	(1 177)	-92.5%	2 388
Health subsidy		–	1 227	1 227			1 125	(1 125)	-100.0%	1 227
Housing		35	–	–			–	–		–
Sport and Recreation		1 142	881	881	35	95	147	(52)	-35.5%	1 161
District Municipality:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Other grant providers:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Total operating expenditure of Transfers and Grants:		15 382	10 967	10 967	516	1 400	2 748	(1 348)	-49.0%	41 210
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		9 938	32 292	32 292	2 377	2 377	5 382	(3 005)	-55.8%	13 905
Municipal Infrastructure Grant (MIG)		6 570	12 292	12 292	1 628	1 628	2 049	(420)	-20.5%	10 905
Regional Bulk Infrastructure		734	14 000	14 000	–		2 333	(2 333)	-100.0%	–
Integrated National Electrification Programme		2 634	6 000	6 000	749	749	1 000	(251)	-25.1%	3 000
Provincial Government:		–	–	–	–	–	–	–		–
0								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
Total capital expenditure of Transfers and Grants		9 938	32 292	32 292	2 377	2 377	5 382	(3 005)	-55.8%	13 905
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		25 320	43 259	43 259	2 894	3 778	8 130	(4 353)	-53.5%	55 115



# Expenditure on councillor and board members allowances and employee benefits

NC073 Emthanjeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August										
Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
	1	A	B	C						D
<b><u>Councillors (Political Office Bearers plus Other)</u></b>										
Basic Salaries and Wages		2 892	3 623	3 623	278	556	604	(48)	-8%	3 451
Pension and UIF Contributions		198	—	—	—	—	—	—		—
Medical Aid Contributions		18	—	—	—	—	—	—		—
Motor Vehicle Allowance		931	1 208	1 208	87	173	201	(28)	-14%	1 150
Cellphone Allowance		361	414	414	33	66	69	(3)	-4%	395
Other benefits and allowances		—	52	52	—	—	0	(0)	-100%	51
<b>Sub Total - Councillors</b>		<b>4 401</b>	<b>5 297</b>	<b>5 297</b>	<b>398</b>	<b>795</b>	<b>875</b>	<b>(79)</b>	<b>-9%</b>	<b>5 046</b>
<b><u>Senior Managers of the Municipality</u></b>	3									
Basic Salaries and Wages		4 009	4 052	4 052	599	911	675	236	35%	3 833
Pension and UIF Contributions		769	673	673	57	114	56	58	103%	672
Medical Aid Contributions		161	115	115	4	8	19	(11)	-60%	115
Motor Vehicle Allowance		546	770	770	74	148	128	20	15%	755
Cellphone Allowance		116	382	382	15	30	64	(34)	-54%	138
Other benefits and allowances		279	62	62	7	11	10	1	11%	268
<b>Sub Total - Senior Managers of Municipality</b>		<b>5 881</b>	<b>6 053</b>	<b>6 053</b>	<b>755</b>	<b>1 222</b>	<b>953</b>	<b>269</b>	<b>28%</b>	<b>5 781</b>
<b><u>Other Municipal Staff</u></b>										
Basic Salaries and Wages		47 208	54 607	54 607	3 641	7 535	9 101	(1 567)	-17%	48 768
Pension and UIF Contributions		8 217	9 228	9 228	713	683	1 538	(855)	-56%	8 721
Medical Aid Contributions		1 889	1 865	1 865	218	439	311	128	41%	1 810
Overtime		3 139	1 334	1 334	299	583	222	361	162%	1 477
Motor Vehicle Allowance		1 025	1 150	1 150	62	139	192	(53)	-28%	1 124
Cellphone Allowance		127	317	317	10	23	53	(30)	-57%	233
Housing Allowances		536	1 178	1 178	55	108	196	(88)	-45%	687
Other benefits and allowances		2 928	1 141	1 141	350	694	190	504	265%	1 179
Post-retirement benefit obligations	2	36	57	57	—	—	9	(9)	-100%	58
<b>Sub Total - Other Municipal Staff</b>		<b>65 104</b>	<b>70 877</b>	<b>70 877</b>	<b>5 348</b>	<b>10 202</b>	<b>11 813</b>	<b>(1 610)</b>	<b>-14%</b>	<b>64 057</b>
<b>Total Parent Municipality</b>		<b>75 386</b>	<b>82 228</b>	<b>82 228</b>	<b>6 501</b>	<b>12 220</b>	<b>13 640</b>	<b>(1 420)</b>	<b>-10%</b>	<b>74 884</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b><u>Board Members of Entities</u></b>										
<b>Sub Total - Board Members of Entities</b>	2	—	—	—	—	—	—	—		—
<b><u>Senior Managers of Entities</u></b>										
<b>Sub Total - Senior Managers of Entities</b>		—	—	—	—	—	—	—		—
<b><u>Other Staff of Entities</u></b>										
<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>82 228</b>	<b>82 228</b>	<b>6 501</b>	<b>12 220</b>	<b>13 640</b>	<b>(1 420)</b>	<b>-10%</b>	<b>74 884</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>70 984</b>	<b>76 930</b>	<b>76 930</b>	<b>6 103</b>	<b>11 424</b>	<b>12 766</b>	<b>(1 341)</b>	<b>-11%</b>	<b>69 838</b>

## Capital programme performance

NC073 Emthanjeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2016/17	Budget Year 2017/18							
	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	14 692	3 257	3 257	0	0	3 257	3 257	100.0%	0%
August	–	6 514	6 514	2 646	2 646	9 770	7 124	72.9%	27%
September	–	–	–	–		9 770	–		
October	–	–	–	–		9 770	–		
November	–	–	–	–		9 770	–		
December	–	–	–	–		9 770	–		
January	–	–	–	–		9 770	–		
February	–	–	–	–		9 770	–		
March	–	–	–	–		9 770	–		
April	–	–	–	–		9 770	–		
May	–	–	–	–		9 770	–		
June	–	–	–	–		9 770	–		
<b>Total Capital expenditure</b>	<b>14 692</b>	<b>9 770</b>	<b>9 770</b>	<b>2 646</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 AUGUST 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 14/09/2017

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