

EMTHANJENI MUNICIPALITY



DECEMBER 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 DECEMBER 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 DECEMBER 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 December 2017 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. It will not be tabled at Council and therefore no Mayor’s report is required. The contents of this statement will be incorporated into the MFMA Section 72 Mid-Year Budget & Performance Assessment report that will be tabled at Council by the end of January 2018.

1.1.1 Financial problems or risks facing the municipality

The Major area of concern is the under-performance in relation to the implementation of the capital budget. Current year performance will be analysed in depth prior to any adjustments budget taking place after the midyear review to ensure capital resources are utilised correctly during the financial year.

1.1.2 Relevant information

The audit report is unqualified with matters of emphasis.

Year-to-date operating revenue realised is 4 % above the year-to-date budget for December 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 -13% below the year-to-date operating expenditure. 29% of the total capital budget has been spent at 31 December 2017, with 76.8% of that being funded from capital grants.ⁱ

¹ 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 December 2017.

Section 3 – Executive Summary

3.1 Introduction

The audit report is unqualified with matters of emphasis.

Year-to-date operating revenue realised is 4 % above the year-to-date budget for December 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 -13% below the year-to-date operating expenditure. 29% of the total capital budget has been spent at 31 December 2017, with 76.8% of that being funded from capital grants.

3.2 Consolidated performance

3.2.1 Against annual budget (original approved and latest adjustments)

Revenue by Source

Year-to-date revenue realised R4, 879 million above year-to-date budget projections for December 2017².

Operating expenditure by type

Year-to-date expenditure is -13% or R14, 612 million, below the year-to-date budget as at 31 December 2017.

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

² Table C4 – Total revenue by source (excluding capital transfers and contributions)

³ Table C4 – Total expenditure by type

Capital expenditure

Year-to-date expenditure on capital amounts to R13.897 or 29% of the capital budget of R39.082 million⁴, 76.8% of expenditure to date has been funded from capital grants recognised⁵.

Refer to Section 4 – Table C5 for more detail.

Cash flows

The financial year commenced with cash & cash equivalents balance of R3, 448 million⁶.

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

3.3 Material variances

Description	Variance
R thousands	
<u>Revenue By Source</u>	
Property rates	6 982
Service charges - electricity revenue	(4 151)
Fines	(711)
Licences and permits	(762)
<u>Expenditure By Type</u>	
Debt impairment	(3 789)
Depreciation & asset impairment	(4 528)
Other expenditure	(1 178)
Other materials	(3 583)
<u>Capital Expenditure</u>	
Road transport	(4 861)
Electricity	2 037
Water	(3 961)
Waste water management	(11)
<u>Cash Flow</u>	
Service charges	(11 605)
Other revenue	(3 633)
Capital assets	(5 327)

3.4 Remedial or corrective steps

NC073 Emthanjeni - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source		
	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	Expenditure By Type		
	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 2017-18
	Other materials	Underspending on the repairs and maintainence Budget	The situation will be taken into account when drawing up the adjustment budget of 2017-18
3	Capital Expenditure		
	Road transport	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2017-18
	Electricity	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2017-18
	Water	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2017-18
	Waste water management	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2017-18
4	Cash Flow		
	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		The situation will be taken into account when drawing up the adjustment budget of 2017-18
	Capital assets	Slow capital spending	The situation will be taken into account when drawing up the adjustment budget of 2017-18

⁴ Table C5 – Total capital expenditure

⁵ Table C5 - Capital Expenditure (municipal vote, standard classification and funding)

⁶ Table C7 – Cash flow (cash and cash equivalents = cashbook and current investment)

Section 4 – In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1: s71 Monthly Budget Statement Summary

NC073 Emthanjeni - Table C1 Monthly Budget Statement Summary - M06 December

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									
<u>Financial Performance</u>									
Property rates	31 033	27 763	27 763	1 420	20 863	13 881	6 982	50%	30 665
Service charges	118 730	119 676	119 676	8 888	53 673	59 838	(6 165)	-10%	106 383
Investment revenue	1 390	931	931	2	65	465	(400)	-86%	806
Transfers recognised - operational	40 221	40 761	40 761	12 134	29 069	20 380	8 689	43%	41 210
Other own revenue	23 875	36 126	36 126	2 501	13 837	18 063	(4 226)	-23%	38 515
Total Revenue (excluding capital transfers and contributions)	215 249	225 257	225 257	24 944	117 507	112 628	4 879	4%	217 580
Employee costs	68 489	76 930	76 930	6 471	38 054	38 464	(411)	-1%	69 838
Remuneration of Councillors	4 835	5 275	5 275	398	2 386	2 638	(251)	-10%	5 046
Depreciation & asset impairment	59 128	9 056	9 056	–	–	4 528	(4 528)	-100%	7 337
Finance charges	3 365	2 055	2 055	1	2 790	1 027	1 762	172%	5 468
Materials and bulk purchases	71 252	79 832	79 832	1 650	36 536	39 915	(3 379)	-8%	73 894
Transfers and grants	362	–	–	–	–	–	–	–	–
Other expenditure	69 741	50 696	50 696	2 975	21 295	29 100	(7 805)	-27%	54 381
Total Expenditure	277 173	223 843	223 843	11 494	101 060	115 672	(14 612)	-13%	215 964
Surplus/(Deficit)	(61 924)	1 414	1 414	13 450	16 447	(3 044)	19 491	-640%	1 616
Transfers recognised - capital	10 478	32 292	32 292	317	13 000	16 146	(3 146)	-19%	14 602
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(51 446)	33 706	33 706	13 767	29 447	13 102	16 345	125%	16 218
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(51 446)	33 706	33 706	13 767	29 447	13 102	16 345	125%	16 218
<u>Capital expenditure & funds sources</u>									
Capital expenditure	20 832	39 082	39 082	587	13 897	19 541	(5 644)	-29%	20 739
Capital transfers recognised	10 478	32 292	32 292	561	10 674	16 146	(5 471)	-34%	13 905
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	9 497	–	–	–	–	–	–	–	–
Internally generated funds	856	6 790	6 790	26	3 222	3 395	(173)	-5%	6 834
Total sources of capital funds	20 832	39 082	39 082	587	13 897	19 541	(5 644)	-29%	20 739
<u>Financial position</u>									
Total current assets	74 049	110 700	110 700		91 182				110 700
Total non current assets	867 266	937 687	937 687		868 950				937 687
Total current liabilities	69 777	31 639	31 639		112 078				31 639
Total non current liabilities	48 913	36 071	36 071		8 821				36 071
Community wealth/Equity	822 624	980 677	980 677		839 234				980 677
<u>Cash flows</u>									
Net cash from (used) operating	9 520	38 753	38 753	12 871	29 349	19 377	(9 972)	-51%	23 890
Net cash from (used) investing	(20 047)	10 746	(38 814)	(587)	(14 150)	(19 407)	(5 257)	27%	(20 610)
Net cash from (used) financing	6 451	(478)	(478)	2	34	(239)	(273)	114%	(590)
Cash/cash equivalents at the month/year end	3 448	56 544	6 985	–	18 681	7 254	(11 427)	-158%	6 138
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
<u>Debtors Age Analysis</u>									
Total By Income Source	–	9 327	6 153	3 545	3 400	3 517	15 397	–	41 338
<u>Creditors Age Analysis</u>									
Total Creditors	7 622	682	–	–	–	–	–	–	8 304

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

NC073 Emthanjeni - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December										
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
R thousands	1								%	
Revenue - Standard										
Governance and administration		52 456	50 514	50 514	7 738	36 706	25 257	11 449	45%	51 180
Executive and council		4 520	4 245	4 245	1 091	3 139	2 123	1 017	48%	4 295
Budget and treasury office		47 855	46 204	46 204	6 645	33 543	23 102	10 441	45%	46 801
Corporate services		81	65	65	2	24	32	(9)	-27%	84
Community and public safety		19 945	6 857	6 857	427	1 838	3 429	(1 591)	-46%	11 325
Community and social services		1 976	1 683	1 683	71	452	842	(390)	-46%	1 942
Sport and recreation		172	162	162	31	69	81	(12)	-14%	123
Public safety		17 107	4 969	4 969	319	1 295	2 484	(1 189)	-48%	7 991
Housing		691	44	44	7	21	22	(0)	-2%	41
Health		–	–	–	–	–	–	–		1 227
Economic and environmental services		7 905	13 850	13 850	2	776	6 925	(6 149)	-89%	3 816
Planning and development		1 593	13 378	13 378	0	760	6 689	(5 929)	-89%	1 610
Road transport		6 312	472	472	2	16	236	(220)	-93%	2 207
Environmental protection		–	–	–	–	–	–	–		–
Trading services		145 421	186 327	186 327	17 094	91 187	93 164	(1 976)	-2%	165 860
Electricity		73 287	94 497	94 497	6 615	43 543	47 248	(3 706)	-8%	90 239
Water		33 071	48 659	48 659	4 146	24 578	24 330	248	1%	38 471
Waste water management		25 041	26 925	26 925	3 951	14 498	13 462	1 036	8%	24 322
Waste management		14 022	16 246	16 246	2 382	8 568	8 123	445	5%	12 828
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Standard	2	225 727	257 549	257 549	25 261	130 507	128 774	1 733	1%	232 182
Expenditure - Standard										
Governance and administration		46 819	54 098	54 098	2 934	19 560	25 456	(5 896)	-23%	48 553
Executive and council		9 161	16 790	16 790	1 175	6 314	7 432	(1 118)	-15%	14 054
Budget and treasury office		29 761	22 975	22 975	1 046	7 812	11 022	(3 211)	-29%	21 982
Corporate services		7 897	14 334	14 334	713	5 434	7 002	(1 567)	-22%	12 518
Community and public safety		36 019	30 611	30 611	1 920	11 832	15 184	(3 352)	-22%	29 417
Community and social services		19 711	13 074	13 074	880	4 743	6 477	(1 734)	-27%	11 849
Sport and recreation		4 225	5 285	5 285	376	2 104	2 610	(506)	-19%	4 654
Public safety		8 240	9 704	9 704	483	3 920	4 823	(904)	-19%	10 367
Housing		3 822	2 396	2 396	181	1 052	1 198	(146)	-12%	2 400
Health		21	153	153	–	14	76	(62)	-81%	148
Economic and environmental services		35 453	29 566	29 566	1 761	10 492	14 780	(4 288)	-29%	28 440
Planning and development		15 439	12 896	12 896	788	5 149	6 448	(1 298)	-20%	12 162
Road transport		20 014	16 670	16 670	973	5 342	8 332	(2 990)	-36%	16 278
Environmental protection		–	–	–	–	–	–	–		–
Trading services		157 618	119 817	119 817	4 771	58 573	59 908	(1 335)	-2%	108 815
Electricity		90 423	76 082	76 082	1 274	39 204	38 041	1 164	3%	71 539
Water		34 937	15 250	15 250	1 280	6 606	7 625	(1 019)	-13%	12 906
Waste water management		18 541	15 605	15 605	1 022	5 862	7 802	(1 941)	-25%	12 936
Waste management		13 717	12 880	12 880	1 195	6 901	6 440	461	7%	11 435
Other		1 265	690	690	108	604	345	259	75%	738
Total Expenditure - Standard	3	277 173	234 782	234 782	11 494	101 060	115 672	(14 612)	-13%	215 964
Surplus/ (Deficit) for the year		(51 446)	22 766	22 766	13 767	29 447	13 102	16 345	125%	16 218

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) - M06 December										
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
R thousands									%	
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		4 520	4 245	4 245	1 091	3 139	2 123	1 017	47.9%	4 295
Vote 2 - FINANCE AND ADMINISTRATION		47 936	46 269	46 269	6 647	33 567	23 134	10 432	45.1%	46 885
Vote 3 - PLANNING AND DEVELOPMENT		1 593	13 378	13 378	0	760	6 689	(5 929)	-88.6%	1 610
Vote 4 - HEALTH		-	-	-	-	-	-	-		1 227
Vote 5 - COMMUNITY AND SOCIAL SERVICES		1 976	1 683	1 683	71	452	842	(390)	-46.3%	1 942
Vote 6 - PUBLIC SAFETY		17 107	4 969	4 969	319	1 295	2 484	(1 189)	-47.9%	7 991
Vote 7 - SPORT AND RECREATION		172	162	162	31	69	81	(12)	-14.3%	123
Vote 8 - ROAD TRANSPORT		6 312	472	472	2	16	236	(220)	-93.2%	2 207
Vote 9 - OTHER		-	-	-	-	-	-	-		-
Vote 10 - HOUSING SERVICES		691	44	44	7	21	22	(0)	-2.1%	41
Vote 11 - WASTE MANAGEMENT		14 022	16 246	16 246	2 382	8 568	8 123	445	5.5%	12 828
Vote 12 - WASTE WATER MANAGEMENT		25 041	26 925	26 925	3 951	14 498	13 462	1 036	7.7%	24 322
Vote 13 - ELECTRICITY		73 287	94 497	94 497	6 615	43 543	47 248	(3 706)	-7.8%	90 239
Vote 14 - WATER		33 071	48 659	48 659	4 146	24 578	24 330	248	1.0%	38 471
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	225 727	257 549	257 549	25 261	130 507	128 774	1 733	1.3%	232 182
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		9 161	16 790	16 790	1 175	6 314	7 432	(1 118)	-15.0%	14 054
Vote 2 - FINANCE AND ADMINISTRATION		37 658	37 309	37 309	1 759	13 246	18 024	(4 778)	-26.5%	34 499
Vote 3 - PLANNING AND DEVELOPMENT		15 439	12 896	12 896	788	5 149	6 448	(1 298)	-20.1%	12 162
Vote 4 - HEALTH		21	153	153	-	14	76	(62)	-81.1%	148
Vote 5 - COMMUNITY AND SOCIAL SERVICES		19 711	13 074	13 074	880	4 743	6 477	(1 734)	-26.8%	11 849
Vote 6 - PUBLIC SAFETY		8 240	9 704	9 704	483	3 920	4 823	(904)	-18.7%	10 367
Vote 7 - SPORT AND RECREATION		4 225	5 285	5 285	376	2 104	2 610	(506)	-19.4%	4 654
Vote 8 - ROAD TRANSPORT		20 014	16 670	16 670	973	5 342	8 332	(2 990)	-35.9%	16 278
Vote 9 - OTHER		1 265	690	690	108	604	345	259	75.0%	738
Vote 10 - HOUSING SERVICES		3 822	2 396	2 396	181	1 052	1 198	(146)	-12.2%	2 400
Vote 11 - WASTE MANAGEMENT		13 717	12 880	12 880	1 195	6 901	6 440	461	7.2%	11 435
Vote 12 - WASTE WATER MANAGEMENT		18 541	15 605	15 605	1 022	5 862	7 802	(1 941)	-24.9%	12 936
Vote 13 - ELECTRICITY		90 423	76 082	76 082	1 274	39 204	38 041	1 164	3.1%	71 539
Vote 14 - WATER		34 937	15 250	15 250	1 280	6 606	7 625	(1 019)	-13.4%	12 906
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	277 173	234 782	234 782	11 494	101 060	115 672	(14 612)	-12.6%	215 964
Surplus/ (Deficit) for the year	2	(51 446)	22 766	22 766	13 767	29 447	13 102	16 345	124.7%	16 218

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

NC073 Emthanjeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December										
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
R thousands									%	
Revenue By Source										
Property rates		30 752	27 763	27 763	1 420	20 863	13 881	6 982	50%	30 665
Property rates - penalties & collection charges		281	–	–	–	–	–	–		–
Service charges - electricity revenue		76 314	58 966	58 966	4 046	25 332	29 483	(4 151)	-14%	56 203
Service charges - water revenue		24 128	30 346	30 346	2 530	14 486	15 173	(687)	-5%	25 864
Service charges - sanitation revenue		11 622	18 938	18 938	1 446	8 672	9 469	(797)	-8%	15 972
Service charges - refuse revenue		6 225	11 301	11 301	829	4 975	5 650	(675)	-12%	8 226
Service charges - other		440	125	125	38	208	62	146	233%	118
Rental of facilities and equipment		833	789	789	70	416	395	22	6%	786
Interest earned - external investments		1 390	931	931	2	65	465	(400)	-86%	806
Interest earned - outstanding debtors		882	1 259	1 259	133	751	630	122	19%	954
Dividends received		–	–	–	–	–	–	–		–
Fines		16 970	3 720	3 720	290	1 149	1 860	(711)	-38%	6 943
Licences and permits		1 441	1 970	1 970	27	223	985	(762)	-77%	2 508
Agency services		–	–	–	–	–	–	–		–
Transfers recognised - operational		40 221	40 761	40 761	12 134	29 069	20 380	8 689	43%	41 210
Other revenue		3 035	28 120	28 120	1 981	11 233	14 060	(2 827)	-20%	27 195
Gains on disposal of PPE		714	268	268	–	64	134	(70)	-52%	130
Total Revenue (excluding capital transfers and contributions)		215 249	225 257	225 257	24 944	117 507	112 628	4 879	4%	217 580
Expenditure By Type										
Employee related costs		68 489	76 930	76 930	6 471	38 054	38 464	(411)	-1%	69 838
Remuneration of councillors		4 835	5 275	5 275	398	2 386	2 638	(251)	-10%	5 046
Debt impairment		35 755	730	730	–	–	3 789	(3 789)	-100%	8 901
Depreciation & asset impairment		59 128	9 056	9 056	–	–	4 528	(4 528)	-100%	7 337
Finance charges		3 365	2 055	2 055	1	2 790	1 027	1 762	172%	5 468
Bulk purchases		59 027	60 434	60 434	699	30 421	30 217	204	1%	57 123
Other materials		12 225	19 397	19 397	951	6 115	9 698	(3 583)	-37%	16 771
Contracted services		8 358	9 819	9 819	48	2 071	4 909	(2 838)	-58%	9 846
Transfers and grants		362	–	–	–	–	–	–		–
Other expenditure		25 125	40 147	40 147	2 926	19 224	20 401	(1 178)	-6%	35 634
Loss on disposal of PPE		502	–	–	–	–	–	–		–
Total Expenditure		277 173	223 843	223 843	11 494	101 060	115 672	(14 612)	-13%	215 964
Surplus/(Deficit)		(61 924)	1 414	1 414	13 450	16 447	(3 044)	19 491	(0)	1 616
Transfers recognised - capital		10 478	32 292	32 292	317	13 000	16 146	(3 146)	(0)	14 602
Contributions recognised - capital		–	–	–	–	–	–	–		–
Contributed assets		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		(51 446)	33 706	33 706	13 767	29 447	13 102			16 218
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		(51 446)	33 706	33 706	13 767	29 447	13 102			16 218
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		(51 446)	33 706	33 706	13 767	29 447	13 102			16 218
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		(51 446)	33 706	33 706	13 767	29 447	13 102			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) - M06 December										
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
R thousands	1								%	
<u>Multi-Year expenditure appropriation</u>	2	-	-	-	-	-	-	-	-	-
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - EXECUTIVE AND COUNCIL		30	1 925	1 925	-	2 720	962	1 758	183%	137
Vote 2 - FINANCE AND ADMINISTRATION		123	1 260	1 260	-	119	630	(511)	-81%	1 735
Vote 3 - PLANNING AND DEVELOPMENT		7	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY AND SOCIAL SERVICES		409	120	120	-	-	60	(60)	-100%	296
Vote 6 - PUBLIC SAFETY		531	57	57	-	-	28	(28)	-100%	63
Vote 7 - SPORT AND RECREATION		2	65	65	26	26	32	(6)	-19%	75
Vote 8 - ROAD TRANSPORT		9 433	15 153	15 153	-	2 716	7 576	(4 861)	-64%	4 200
Vote 10 - HOUSING SERVICES		5 213	-	-	-	-	-	-	-	-
Vote 11 - WASTE MANAGEMENT		2	22	22	-	-	11	(11)	-100%	29
Vote 12 - WASTE WATER MANAGEMENT		164	-	-	-	-	-	-	-	981
Vote 13 - ELECTRICITY		3 635	6 400	6 400	-	5 237	3 200	2 037	64%	5 400
Vote 14 - WATER		1 284	14 080	14 080	561	3 079	7 040	(3 961)	-56%	7 822
Total Capital single-year expenditure	4	20 832	39 082	39 082	587	13 897	19 541	(5 644)	-29%	20 739
Total Capital Expenditure		20 832	39 082	39 082	587	13 897	19 541	(5 644)	-29%	20 739
<u>Capital Expenditure - Standard Classification</u>										
<i>Governance and administration</i>		153	3 185	3 185	-	2 839	1 592	1 246	78%	1 873
Executive and council		30	1 925	1 925	-	2 720	962	1 758	183%	137
Budget and treasury office		98	930	930	-	119	465	(346)	-74%	1 385
Corporate services		25	330	330	-	-	165	(165)	-100%	350
<i>Community and public safety</i>		6 155	242	242	26	26	121	(95)	-78%	434
Community and social services		409	120	120	-	-	60	(60)	-100%	296
Sport and recreation		2	65	65	26	26	32	(6)	-19%	75
Public safety		531	57	57	-	-	28	(28)	-100%	63
Housing		5 213	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		9 440	15 153	15 153	-	2 716	7 576	(4 861)	-64%	4 200
Planning and development		7	-	-	-	-	-	-	-	-
Road transport		9 433	15 153	15 153	-	2 716	7 576	(4 861)	-64%	4 200
<i>Trading services</i>		5 084	20 502	20 502	561	8 316	10 251	(1 935)	-19%	14 232
Electricity		3 635	6 400	6 400	-	5 237	3 200	2 037	64%	5 400
Water		1 284	14 080	14 080	561	3 079	7 040	(3 961)	-56%	7 822
Waste water management		164	-	-	-	-	-	-	-	981
Waste management		2	22	22	-	-	11	(11)	-100%	29
Total Capital Expenditure - Standard Classification	3	20 832	39 082	39 082	587	13 897	19 541	(5 644)	-29%	20 739
<u>Funded by:</u>										
National Government		10 478	32 292	32 292	561	10 674	16 146	(5 471)	-34%	13 905
Transfers recognised - capital		10 478	32 292	32 292	561	10 674	16 146	(5 471)	-34%	13 905
Borrowing	6	9 497	-	-	-	-	-	-	-	-
Internally generated funds		856	6 790	6 790	26	3 222	3 395	(173)	-5%	6 834
Total Capital Funding		20 832	39 082	39 082	587	13 897	19 541	(5 644)	-29%	20 739

Table C6: Monthly Budget Statement - Financial Position

NC073 Emthanjeni - Table C6 Monthly Budget Statement - Financial Position - M06 December						
Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1 015	968	968	88	968
Call investment deposits		9 688	10 075	10 075	18 842	10 075
Consumer debtors		62 890	22 824	22 824	76 447	22 824
Other debtors		–	11 277	11 277	(4 769)	11 277
Current portion of long-term receivables		5	–	–	–	–
Inventory		452	65 556	65 556	574	65 556
Total current assets		74 049	110 700	110 700	91 182	110 700
Non current assets						
Long-term receivables		1	–	–	–	–
Investments		25	29	29	25	29
Investment property		78 577	5 004	5 004	78 577	5 004
Investments in Associate		–	–	–	–	–
Property, plant and equipment		788 593	932 114	932 114	790 277	932 114
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		61	458	458	61	458
Other non-current assets		7	83	83	9	83
Total non current assets		867 266	937 687	937 687	868 950	937 687
TOTAL ASSETS		941 314	1 048 386	1 048 386	960 133	1 048 386
LIABILITIES						
Current liabilities						
Bank overdraft		7 255	9 338	9 338	249	9 338
Borrowing		3 433	688	688	589	688
Consumer deposits		2 269	2 289	2 289	2 285	2 289
Trade and other payables		55 309	16 352	16 352	56 737	16 352
Provisions		1 511	2 972	2 972	52 218	2 972
Total current liabilities		69 777	31 639	31 639	112 078	31 639
Non current liabilities						
Borrowing		40 900	–	–	–	–
Provisions		8 013	36 071	36 071	8 821	36 071
Total non current liabilities		48 913	36 071	36 071	8 821	36 071
TOTAL LIABILITIES		118 690	67 709	67 709	120 899	67 709
NET ASSETS	2	822 624	980 677	980 677	839 234	980 677
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		822 624	980 677	980 677	836 981	980 677
Reserves		–	–	–	2 253	–
TOTAL COMMUNITY WEALTH/EQUITY	2	822 624	980 677	980 677	839 234	980 677

Table C7: Monthly Budget Statement - Cash Flow

NC073 Emthanjeni - Table C7 Monthly Budget Statement - Cash Flow - M06 December										
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
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		22 851	24 942	24 942	1 335	12 831	12 471	360	3%	27 999
Service charges		102 703	113 321	113 321	6 140	45 055	56 661	(11 605)	-20%	99 902
Other revenue		9 811	33 311	33 311	2 368	13 022	16 655	(3 633)	-22%	34 954
Government - operating		34 943	40 761	40 761	11 974	29 890	20 381	9 510	47%	41 210
Government - capital		14 617	32 292	32 292	3 000	30 000	16 146	13 854	86%	14 602
Interest		2 272	1 723	1 723	2	65	861	(796)	-92%	806
Payments										
Suppliers and employees		(174 312)	(205 542)	(205 542)	(11 947)	(98 725)	(102 771)	(4 046)	4%	(190 113)
Finance charges		(3 365)	(2 055)	(2 055)	(1)	(2 789)	(1 027)	1 762	-172%	(5 468)
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		9 520	38 753	38 753	12 871	29 349	19 377	(9 972)	-51%	23 890
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		94	268	268	-	64	134	(70)	-52%	130
Decrease (increase) other non-current receivables		(0)	49 560	-	-	-	-	-		-
Payments										
Capital assets		(20 141)	(39 082)	(39 082)	(587)	(14 214)	(19 541)	(5 327)	27%	(20 739)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(20 047)	10 746	(38 814)	(587)	(14 150)	(19 407)	(5 257)	27%	(20 610)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Borrowing long term/refinancing		9 497	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	95	95	2	34	47	(14)	-29%	98
Payments										
Repayment of borrowing		(3 046)	(573)	(573)	-	-	(287)	(287)	100%	(688)
NET CASH FROM/(USED) FINANCING ACTIVITIES		6 451	(478)	(478)	2	34	(239)	(273)	114%	(590)
NET INCREASE/ (DECREASE) IN CASH HELD		(4 076)	49 021	(539)	12 285	15 233	(270)			2 691
Cash/cash equivalents at beginning:		7 524	7 524	7 524		3 448	7 524			3 448
Cash/cash equivalents at month/year end:		3 448	56 544	6 985		18 681	7 254			6 138

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 - M06 December																
Description	Ref	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year +1	Budget Year +2
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2017/18	2018/19	2019/20
Cash Receipts By Source																
Property rates		1 489	2 483	1 911	1 625	3 986	1 335	–	–	–	–	–	15 168	27 999	28 239	49 909
Service charges - electricity revenue		2 602	4 553	4 410	4 550	4 532	2 889	–	–	–	–	–	29 642	53 178	56 426	67 691
Service charges - water revenue		1 171	1 710	1 789	1 837	2 131	1 488	–	–	–	–	–	13 620	23 746	25 448	41 408
Service charges - sanitation revenue		963	792	1 571	1 126	1 212	1 026	–	–	–	–	–	8 355	15 045	15 131	16 467
Service charges - refuse		606	493	1 117	743	838	700	–	–	–	–	–	3 319	7 815	7 545	6 583
Service charges - other		33	33	38	33	35	38	–	–	–	–	–	(90)	118	270	132
Rental of facilities and equipment		62	61	72	66	85	70	–	–	–	–	–	269	686	734	770
Interest earned - external investments		–	39	–	18	6	2	–	–	–	–	–	740	806	830	863
Fines		68	12	9	764	6	290	–	–	–	–	–	5 394	6 543	6 870	7 076
Licences and permits		45	42	37	33	41	27	–	–	–	–	–	1 755	1 978	1 938	2 399
Transfer receipts - operating		17 156	272	–	–	488	11 974	–	–	–	–	–	11 320	41 210	41 753	47 657
Other revenue		342	2 699	2 206	2 003	2 002	1 981	–	–	–	–	–	14 515	25 747	26 967	43 475
Cash Receipts by Source		24 536	13 190	13 160	12 797	15 362	21 819	–	–	–	–	–	104 007	204 870	212 149	284 431
Other Cash Flows by Source																
Transfer receipts - capital		14 000	9 000	–	4 000	–	3 000	–	–	–	–	–	(15 398)	14 602	14 342	13 798
Proceeds on disposal of PPE		–	–	4	–	60	–	–	–	–	–	–	66	130	139	148
Increase in consumer deposits		2	4	12	4	10	2	–	–	–	–	–	64	98	90	71
Total Cash Receipts by Source		38 538	22 194	13 175	16 801	15 432	24 820	–	–	–	–	–	88 738	219 699	226 720	298 449
Cash Payments by Type																
Employee related costs		6 371	6 353	6 115	6 439	6 305	6 471	–	–	–	–	–	31 637	69 691	73 073	77 674
Remuneration of councillors		398	398	398	398	398	398	–	–	–	–	–	2 561	4 948	5 015	5 269
Interest paid		3	5	–	1 396	1 384	1	–	–	–	–	–	2 679	5 468	6 143	9 731
Bulk purchases - Electricity		7 028	7 428	6 778	4 068	3 607	337	–	–	–	–	–	23 087	52 332	55 359	90 859
Bulk purchases - Water & Sewer		167	199	147	182	119	363	–	–	–	–	–	1 264	2 440	2 736	4 315
Other materials		192	362	1 410	1 706	1 495	951	–	–	–	–	–	10 656	16 771	18 864	30 971
Contracted services		12	277	688	244	801	48	–	–	–	–	–	7 775	9 846	10 565	17 432
General expenses		2 006	2 942	4 105	3 364	3 881	3 380	–	–	–	–	–	14 407	34 085	35 533	39 397
Cash Payments by Type		16 176	17 963	19 641	17 796	17 991	11 948	–	–	–	–	–	94 068	195 582	207 287	275 648
Other Cash Flows/Payments by Type																
Capital assets		–	2 646	2 275	6 280	2 425	587	–	–	–	–	–	6 525	20 739	20 405	22 006
Repayment of borrowing		–	–	–	–	–	–	–	–	–	–	–	688	688	–	–
Total Cash Payments by Type		16 176	20 609	21 916	24 076	20 415	12 535	–	–	–	–	–	101 281	217 009	227 692	297 654
NET INCREASE/(DECREASE) IN CASH HELD		22 362	1 585	(8 741)	(7 275)	(4 984)	12 285	–	–	–	–	–	(12 542)	2 691	(972)	795
Cash/cash equivalents at the month/year beginning:		3 448	25 810	27 395	18 654	11 379	6 395	18 681	18 681	18 681	18 681	18 681	18 681	3 448	6 138	5 167
Cash/cash equivalents at the month/year end:		25 810	27 395	18 654	11 379	6 395	18 681	18 681	18 681	18 681	18 681	18 681	6 138	6 138	5 167	5 962

PART 2 – SUPPORTING DOCUMENTATION Section 5

– Debtors' analysis

Supporting Table SC3

NC073 Emthanjeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December													
Description	Budget Year 2017/18												
	NT Code	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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Receivables from Exchange Transactions - Water	1200	–	2 305	1 486	1 352	1 219	1 159	2 463	–	9 984	6 193		22 864
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	4 328	3 141	821	911	656	774	–	10 630	3 162		6 519
Receivables from Non-exchange Transactions - Property Rates	1400	–	1 081	459	439	366	303	10 963	–	13 612	12 071		17 134
Receivables from Exchange Transactions - Waste Water Management	1500	–	990	651	577	571	888	670	–	4 347	2 706		9 983
Receivables from Exchange Transactions - Waste Management	1600	–	497	312	286	268	446	398	–	2 208	1 398		4 725
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–		–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–		–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		–
Other	1900	–	126	103	70	65	65	129	–	558	329		4 778
Total By Income Source	2000	–	9 327	6 153	3 545	3 400	3 517	15 397	–	41 338	25 858	–	66 004
2016/17 - totals only			20621233	3403677	2701031	2413665	2260512	5843844		37 244	13 219		86361780
Debtors Age Analysis By Customer Group													
Organs of State	2200	–	455	299	290	309	248	1 576	–	3 177	2 423		4 137
Commercial	2300	–	2 432	848	446	380	164	285	–	4 555	1 275		1 755
Households	2400	–	5 918	4 685	2 503	2 412	2 829	13 153	–	31 501	20 897		54 118
Other	2500	–	522	320	306	299	276	383	–	2 105	1 264		5 994
Total By Customer Group	2600	–	9 327	6 153	3 545	3 400	3 517	15 397	–	41 338	25 858	–	66 004

Creditors' analysis

Supporting Table SC4

NC073 Emthanjeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December											
Description	NT Code	Budget Year 2017/18									Prior year totals for chart (same period)
R thousands		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	1 755	682							2 437	1
Auditor General	0800	-	-							-	-
Other	0900	5 867	-							5 867	2 337
Total By Customer Type	1000	7 622	682	-	-	-	-	-	-	8 304	2 339

Investment portfolio analysis

NC073 Emthanjeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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
R thousands		Yrs/Months							
<u>Municipality</u>									
General Investment		Yrs	Fixed Deposits	30/06/2018	0	0.0%	9 172	-	9 172
Municipality sub-total					0		9 172	-	9 172
<u>Entities</u>									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				0		9 172	-	9 172

Allocation and grant receipts and expenditure: - Operating Revenue

Framework

NC073 Emthanjeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December										
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
R thousands									%	
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		38 380	37 210	37 210	11 974	29 890	18 605	10 218	54.9%	38 822
Local Government Equitable Share		36 197	34 424	34 424	11 974	27 430	17 212	10 218	59.4%	36 197
Finance Management		1 625	1 700	1 700	-	1 700	850			1 625
Municipal Systems Improvement			-	-			-			-
EPWP Incentive		558	1 086	1 086	-	760	543			1 000
Provincial Government:		1 841	881	881	-	-	441	(441)	-100.0%	2 388
Health subsidy		-	-	-			-	-		1 227
Housing		680	-	-		-	-	-		-
Sport and Recreation	4	1 161	881	881	-	-	441	(441)	-100.0%	1 161
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	40 221	38 091	38 091	11 974	29 890	19 046	9 778	51.3%	41 210
Capital Transfers and Grants										
National Government:		10 651	32 292	32 292	3 000	21 000	16 146	4 854	30.1%	14 602
Municipal Infrastructure Grant (MIG)		7 283	12 292	12 292	3 000	8 000	6 146	1 854	30.2%	11 602
Regional Bulk Infrastructure		734	14 000	14 000	-	7 000	7 000	-		-
Integrated National Electrification Programme		2 634	6 000	6 000	-	6 000	3 000	3 000	100.0%	3 000
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	10 651	32 292	32 292	3 000	21 000	16 146	4 854	30.1%	14 602
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	50 872	70 383	70 383	14 974	50 890	35 192	14 632	41.6%	55 812

Grant expenditure

NC073 Emthanjeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
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
R thousands									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		38 380	37 210	37 210	1 257	7 565	18 605	(11 040)	-59.3%	38 822
Local Government Equitable Share		36 197	34 424	34 424	1 098	6 390	17 212	(10 822)	-62.9%	36 197
Finance Management		1 625	1 700	1 700	160	879	850	29	3.4%	1 625
EPWP Incentive		558	1 086	1 086	–	296	543	(247)	-45.4%	1 000
Provincial Government:		1 841	2 108	2 108	128	197	1 085	(888)	-81.8%	2 388
Health subsidy		–	1 227	1 227	–	–	614	(614)	-100.0%	1 227
Housing		680	–	–	–	–	–	–		–
Sport and Recreation		1 161	881	881	128	197	472	(275)	-58.2%	1 161
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total operating expenditure of Transfers and Grants:		40 221	39 318	39 318	1 386	7 762	19 690	(11 928)	-60.6%	41 210
Capital expenditure of Transfers and Grants										
National Government:		10 651	32 292	32 292	561	10 674	16 146	(5 472)	-33.9%	13 905
Municipal Infrastructure Grant (MIG)		7 283	12 292	12 292	–	2 359	6 146	(3 787)	-61.6%	10 905
Regional Bulk Infrastructure		734	14 000	14 000	561	3 079	7 000	(3 921)	-56.0%	–
Integrated National Electrification Programme		2 634	6 000	6 000	–	5 237	3 000	2 237	74.6%	3 000
Provincial Government:		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
Other grant providers:		–	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		10 651	32 292	32 292	561	10 674	16 146	(5 472)	-33.9%	13 905
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		50 872	71 610	71 610	1 946	18 437	35 836	(17 399)	-48.6%	55 115

Expenditure on councillor and board members allowances and employee benefits

NC073 Emthanjeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December										
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
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3 311	3 623	3 623	278	1 669	1 812	(143)	-8%	3 451
Pension and UIF Contributions		198	–	–	–	–	–	–		–
Medical Aid Contributions		18	–	–	–	–	–	–		–
Motor Vehicle Allowance		931	1 208	1 208	87	519	604	(85)	-14%	1 150
Cellphone Allowance		365	414	414	33	198	207	(9)	-4%	395
Other benefits and allowances		–	52	52	–	–	26	(26)	-100%	51
Sub Total - Councillors		4 823	5 297	5 297	398	2 386	2 649	(262)	-10%	5 046
% increase	4		9.8%	9.8%						4.6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 019	4 052	4 052	468	2 340	2 026	314	16%	3 833
Pension and UIF Contributions		805	673	673	38	313	337	(23)	-7%	672
Medical Aid Contributions		161	115	115	4	23	58	(34)	-59%	115
Motor Vehicle Allowance		546	770	770	46	402	385	17	5%	755
Cellphone Allowance		116	382	382	10	82	191	(109)	-57%	138
Other benefits and allowances		243	62	62	7	38	31	8	25%	268
Sub Total - Senior Managers of Municipality		5 891	6 053	6 053	573	3 199	3 026	173	6%	5 781
% increase	4		2.7%	2.7%						-1.9%
Other Municipal Staff										
Basic Salaries and Wages		44 715	54 607	54 607	3 750	22 818	27 303	(4 486)	-16%	48 768
Pension and UIF Contributions		8 217	9 228	9 228	720	3 539	4 614	(1 075)	-23%	8 721
Medical Aid Contributions		1 889	1 865	1 865	212	1 295	933	363	39%	1 810
Overtime		3 139	1 334	1 334	330	1 765	667	1 098	165%	1 477
Motor Vehicle Allowance		1 025	1 150	1 150	131	794	575	219	38%	1 124
Cellphone Allowance		127	317	317	13	146	159	(13)	-8%	233
Housing Allowances		536	1 178	1 178	53	324	589	(265)	-45%	687
Other benefits and allowances		2 928	1 141	1 141	350	2 092	571	1 521	267%	1 179
Post-retirement benefit obligations	2	36	57	57	–	–	28	(28)	-100%	58
Sub Total - Other Municipal Staff		62 610	70 877	70 877	5 557	32 772	35 439	(2 666)	-8%	64 057
% increase	4		13.2%	13.2%						2.3%
Total Parent Municipality		73 325	82 228	82 228	6 528	38 358	41 114	(2 756)	-7%	74 884
			12.1%	12.1%						2.1%
TOTAL SALARY, ALLOWANCES & BENEFITS		73 325	82 228	82 228	6 528	38 358	41 114	(2 756)	-7%	74 884
% increase	4		12.1%	12.1%						2.1%
TOTAL MANAGERS AND STAFF		68 502	76 930	76 930	6 130	35 971	38 465	(2 494)	-6%	69 838

Capital programme performance

NC073 Emthanjeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December									
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
R thousands								%	
<u>Monthly expenditure performance trend</u>									
July	4 692	3 257	3 257	0	0	3 257	3 257	100.0%	0%
August	3 635	6 514	6 514	2 646	2 646	9 770	7 124	72.9%	7%
September	164	3 240	3 240	2 275	4 921	13 011	8 089	62.2%	13%
October	–	3 240	3 240	6 280	11 202	16 251	5 049	31.1%	29%
November	531	2 691	2 691	2 425	13 627	18 942	5 315	28.1%	35%
December	–	1 691	1 691	587	14 214	20 633	6 419	31.1%	36%
January	409	2 691	2 691	–		23 324	–		
February	4 433	3 691	3 691	–		27 015	–		
March	98	1 691	1 691	–		28 706	–		
April	25	3 691	3 691	–		32 397	–		
May	6 514	3 240	3 240	–		35 637	–		
June	331	3 445	3 445	–		39 082	–		
Total Capital expenditure	20 832	39 082	39 082	14 214					

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

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 December 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 15/12/2017
