

# EMTHANJENI MUNICIPALITY



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

# SCHEDULE C:

## MONTHLY AND SUPPORTING DOCUMENTATION OF A MUNICIPALITY

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- In the foyers of all municipal buildings
- All public libraries within the municipality
  - At [www.emthanjeni.co.za](http://www.emthanjeni.co.za)

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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 January 2018 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 1 % above the year-to-date budget for January 2018.

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 -12% below the year-to-date operating expenditure. 35% of the total capital budget has been spent at 31 January 2018, with 77.56% of that being funded from capital grants.<sup>i</sup>

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<sup>i</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 January 2018.

## **Section 3 – Executive Summary**

### **3.1 Introduction**

The audit report is unqualified with matters of emphasis.

Year-to-date operating revenue realised is 1 % above the year-to-date budget for January 2018.

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 -12% below the year-to-date operating expenditure. 35% of the total capital budget has been spent at 31 January 2017, with 77.56% 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 R766 hundred thousand above year-to-date budget projections for January 2018<sup>2</sup>.

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

Year-to-date expenditure is -12% or R16, 217 million, below the year-to-date budget as at 31 January 2018.

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

<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 R7.893 or 35% of the capital budget of R39.082 million<sup>4</sup>, 77.56% 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 R3, 448 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

Description	Variance
<b>R thousands</b>	
<b><u>Revenue by source</u></b>	
Property rates	6 053
Service charges - electricity revenue	(4 735)
Fines	(1 009)
Licences and permits	(890)
<b><u>Expenditure by type</u></b>	
Debt impairment	(4 421)
Depreciation & asset impairment	(5 282)
Other expenditure	634
Other materials	(4 686)
<b><u>Capital Expenditure</u></b>	
Road transport	(4 994)
Electricity	1 503
Water	(5 378)
Waste water management	(13)
<b><u>Cash Flow</u></b>	
Service charges	(13 150)
Other revenue	(4 106)
Capital assets	(7 576)

### 3.4 Remedial or corrective steps

NC073 Emthanjeni - Supporting Table SC1 Material variance explanations - M07 January

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
	Fines		
	Licences and permits		
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 2017-18
	Other materials	Underspending on the repairs and maintenance Budget	The situation will be taken into account when drawing up the adjustment budget of 2017-18
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 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
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		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 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)

## 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 - M07 January

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	31 033	27 763	27 763	1 385	22 247	16 195	6 053	37%	30 665
Service charges	118 730	119 676	119 676	9 698	63 371	69 811	(6 440)	-9%	106 383
Investment revenue	1 390	931	931	39	105	543	(438)	-81%	806
Transfers recognised - operational	40 221	40 761	40 761	1 132	30 201	23 777	6 424	27%	41 210
Other own revenue	23 875	36 126	36 126	2 405	16 242	21 073	(4 832)	-23%	38 515
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>215 249</b>	<b>225 257</b>	<b>225 257</b>	<b>14 658</b>	<b>132 165</b>	<b>131 400</b>	<b>766</b>	<b>1%</b>	<b>217 580</b>
Employee costs	68 489	76 930	76 930	6 692	44 746	44 875	(129)	-0%	69 838
Remuneration of Councillors	4 835	5 275	5 275	701	3 087	3 077	10	0%	5 046
Depreciation & asset impairment	59 128	9 056	9 056	–	–	5 282	(5 282)	-100%	7 337
Finance charges	3 365	2 055	2 055	3	2 792	1 199	1 594	133%	5 468
Materials and bulk purchases	71 252	79 832	79 832	4 949	41 485	46 568	(5 083)	-11%	73 894
Transfers and grants	362	–	–	–	–	–	–	–	–
Other expenditure	69 741	50 696	50 696	5 329	26 624	33 950	(7 326)	-22%	54 381
<b>Total Expenditure</b>	<b>277 173</b>	<b>223 843</b>	<b>223 843</b>	<b>17 674</b>	<b>118 734</b>	<b>134 951</b>	<b>(16 217)</b>	<b>-12%</b>	<b>215 964</b>
<b>Surplus/(Deficit)</b>	<b>(61 924)</b>	<b>1 414</b>	<b>1 414</b>	<b>(3 016)</b>	<b>13 431</b>	<b>(3 551)</b>	<b>16 982</b>	<b>-478%</b>	<b>1 616</b>
Transfers recognised - capital	10 478	32 292	32 292	3 958	16 958	18 837	(1 879)	-10%	14 602
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(51 446)</b>	<b>33 706</b>	<b>33 706</b>	<b>942</b>	<b>30 389</b>	<b>15 286</b>	<b>15 103</b>	<b>99%</b>	<b>16 218</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(51 446)</b>	<b>33 706</b>	<b>33 706</b>	<b>942</b>	<b>30 389</b>	<b>15 286</b>	<b>15 103</b>	<b>99%</b>	<b>16 218</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>20 832</b>	<b>39 082</b>	<b>39 082</b>	<b>1 008</b>	<b>14 904</b>	<b>22 798</b>	<b>(7 893)</b>	<b>-35%</b>	<b>20 739</b>
Capital transfers recognised	10 478	32 292	32 292	885	11 560	18 837	(7 277)	-39%	13 905
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	9 497	–	–	–	–	–	–	–	–
Internally generated funds	856	6 790	6 790	122	3 344	3 961	(616)	-16%	6 834
<b>Total sources of capital funds</b>	<b>20 832</b>	<b>39 082</b>	<b>39 082</b>	<b>1 008</b>	<b>14 904</b>	<b>22 798</b>	<b>(7 893)</b>	<b>-35%</b>	<b>20 739</b>
<b>Financial position</b>									
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
<b>Community wealth/Equity</b>	<b>822 624</b>	<b>980 677</b>	<b>980 677</b>		<b>839 234</b>				<b>980 677</b>
<b>Cash flows</b>									
Net cash from (used) operating	9 520	38 753	38 753	(1 242)	28 107	36 061	7 954	22%	23 890
Net cash from (used) investing	(20 047)	10 746	(38 814)	(1 008)	(15 157)	(22 664)	(7 506)	33%	(20 610)
Net cash from (used) financing	6 451	(478)	(478)	2	34	(239)	(273)	114%	(590)
<b>Cash/cash equivalents at the month/year end</b>	<b>3 448</b>	<b>56 544</b>	<b>6 985</b>	<b>–</b>	<b>16 432</b>	<b>20 682</b>	<b>4 250</b>	<b>21%</b>	<b>6 138</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	–	10 293	5 371	4 540	3 339	3 176	17 417	–	44 137
<b>Creditors Age Analysis</b>									
Total Creditors	9 108	3 402	–	–	–	–	–	–	12 511

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

NC073 Emthanjeni - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>52 456</b>	<b>50 514</b>	<b>50 514</b>	<b>1 721</b>	<b>38 427</b>	<b>29 466</b>	8 960	30%	<b>51 180</b>
Executive and council		4 520	4 245	4 245	71	3 210	2 476	734	30%	4 295
Budget and treasury office		47 855	46 204	46 204	1 645	35 188	26 952	8 236	31%	46 801
Corporate services		81	65	65	5	28	38	(9)	-25%	84
<i><b>Community and public safety</b></i>		<b>19 945</b>	<b>6 857</b>	<b>6 857</b>	<b>1 114</b>	<b>2 952</b>	<b>4 000</b>	(1 048)	-26%	<b>11 325</b>
Community and social services		1 976	1 683	1 683	77	529	982	(453)	-46%	1 942
Sport and recreation		172	162	162	50	119	94	25	26%	123
Public safety		17 107	4 969	4 969	40	1 335	2 898	(1 563)	-54%	7 991
Housing		691	44	44	947	969	25	943	3709%	41
Health		-	-	-	-	-	-	-		1 227
<i><b>Economic and environmental services</b></i>		<b>7 905</b>	<b>13 850</b>	<b>13 850</b>	<b>3</b>	<b>779</b>	<b>8 079</b>	(7 300)	-90%	<b>3 816</b>
Planning and development		1 593	13 378	13 378	0	760	7 804	(7 044)	-90%	1 610
Road transport		6 312	472	472	2	19	275	(257)	-93%	2 207
Environmental protection		-	-	-	-	-	-	-		-
<i><b>Trading services</b></i>		<b>145 421</b>	<b>186 327</b>	<b>186 327</b>	<b>15 778</b>	<b>106 965</b>	<b>108 691</b>	(1 725)	-2%	<b>165 860</b>
Electricity		73 287	94 497	94 497	6 414	49 957	55 123	(5 166)	-9%	90 239
Water		33 071	48 659	48 659	7 051	31 629	28 385	3 244	11%	38 471
Waste water management		25 041	26 925	26 925	1 473	15 972	15 706	265	2%	24 322
Waste management		14 022	16 246	16 246	840	9 408	9 477	(69)	-1%	12 828
<i><b>Other</b></i>	4	-	-	-	-	-	-	-		-
<b>Total Revenue - Standard</b>	2	<b>225 727</b>	<b>257 549</b>	<b>257 549</b>	<b>18 616</b>	<b>149 123</b>	<b>150 237</b>	(1 113)	-1%	<b>232 182</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>46 819</b>	<b>54 098</b>	<b>54 098</b>	<b>4 319</b>	<b>23 879</b>	<b>29 699</b>	(5 820)	-20%	<b>48 553</b>
Executive and council		9 161	16 790	16 790	2 454	8 768	8 671	97	1%	14 054
Budget and treasury office		29 761	22 975	22 975	1 053	8 865	12 859	(3 994)	-31%	21 982
Corporate services		7 897	14 334	14 334	812	6 246	8 169	(1 922)	-24%	12 518
<i><b>Community and public safety</b></i>		<b>36 019</b>	<b>30 611</b>	<b>30 611</b>	<b>2 241</b>	<b>14 073</b>	<b>17 715</b>	(3 641)	-21%	<b>29 417</b>
Community and social services		19 711	13 074	13 074	1 059	5 802	7 556	(1 754)	-23%	11 849
Sport and recreation		4 225	5 285	5 285	449	2 553	3 045	(492)	-16%	4 654
Public safety		8 240	9 704	9 704	543	4 462	5 627	(1 165)	-21%	10 367
Housing		3 822	2 396	2 396	179	1 231	1 397	(167)	-12%	2 400
Health		21	153	153	11	26	89	(63)	-71%	148
<i><b>Economic and environmental services</b></i>		<b>35 453</b>	<b>29 566</b>	<b>29 566</b>	<b>1 976</b>	<b>12 467</b>	<b>17 243</b>	(4 776)	-28%	<b>28 440</b>
Planning and development		15 439	12 896	12 896	1 196	6 346	7 522	(1 177)	-16%	12 162
Road transport		20 014	16 670	16 670	779	6 121	9 720	(3 599)	-37%	16 278
Environmental protection		-	-	-	-	-	-	-		-
<i><b>Trading services</b></i>		<b>157 618</b>	<b>119 817</b>	<b>119 817</b>	<b>9 036</b>	<b>67 609</b>	<b>69 892</b>	(2 284)	-3%	<b>108 815</b>
Electricity		90 423	76 082	76 082	5 934	45 139	44 381	758	2%	71 539
Water		34 937	15 250	15 250	1 123	7 728	8 896	(1 167)	-13%	12 906
Waste water management		18 541	15 605	15 605	978	6 840	9 103	(2 263)	-25%	12 936
Waste management		13 717	12 880	12 880	1 000	7 901	7 513	388	5%	11 435
<i><b>Other</b></i>		<b>1 265</b>	<b>690</b>	<b>690</b>	<b>102</b>	<b>706</b>	<b>402</b>	<b>304</b>	<b>75%</b>	<b>738</b>
<b>Total Expenditure - Standard</b>	3	<b>277 173</b>	<b>234 782</b>	<b>234 782</b>	<b>17 674</b>	<b>118 734</b>	<b>134 951</b>	(16 217)	-12%	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(51 446)</b>	<b>22 766</b>	<b>22 766</b>	<b>942</b>	<b>30 389</b>	<b>15 286</b>	<b>15 103</b>	<b>99%</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) - M07 January

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	71	3 210	2 476	734	29.6%	4 295
Vote 2 - FINANCE AND ADMINISTRATION		47 936	46 269	46 269	1 650	35 216	26 990	8 226	30.5%	46 885
Vote 3 - PLANNING AND DEVELOPMENT		1 593	13 378	13 378	0	760	7 804	(7 044)	-90.3%	1 610
Vote 4 - HEALTH		-	-	-	-	-	-	-		1 227
Vote 5 - COMMUNITY AND SOCIAL SERVICES		1 976	1 683	1 683	77	529	982	(453)	-46.1%	1 942
Vote 6 - PUBLIC SAFETY		17 107	4 969	4 969	40	1 335	2 898	(1 563)	-53.9%	7 991
Vote 7 - SPORT AND RECREATION		172	162	162	50	119	94	25	26.4%	123
Vote 8 - ROAD TRANSPORT		6 312	472	472	2	19	275	(257)	-93.3%	2 207
Vote 9 - OTHER		-	-	-	-	-	-	-		-
Vote 10 - HOUSING SERVICES		691	44	44	947	969	25	943	3709.5%	41
Vote 11 - WASTE MANAGEMENT		14 022	16 246	16 246	840	9 408	9 477	(69)	-0.7%	12 828
Vote 12 - WASTE WATER MANAGEMENT		25 041	26 925	26 925	1 473	15 972	15 706	265	1.7%	24 322
Vote 13 - ELECTRICITY		73 287	94 497	94 497	6 414	49 957	55 123	(5 166)	-9.4%	90 239
Vote 14 - WATER		33 071	48 659	48 659	7 051	31 629	28 385	3 244	11.4%	38 471
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	225 727	257 549	257 549	18 616	149 123	150 237	(1 113)	-0.7%	232 182
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		9 161	16 790	16 790	2 454	8 768	8 671	97	1.1%	14 054
Vote 2 - FINANCE AND ADMINISTRATION		37 658	37 309	37 309	1 865	15 111	21 028	(5 917)	-28.1%	34 499
Vote 3 - PLANNING AND DEVELOPMENT		15 439	12 896	12 896	1 196	6 346	7 522	(1 177)	-15.6%	12 162
Vote 4 - HEALTH		21	153	153	11	26	89	(63)	-71.2%	148
Vote 5 - COMMUNITY AND SOCIAL SERVICES		19 711	13 074	13 074	1 059	5 802	7 556	(1 754)	-23.2%	11 849
Vote 6 - PUBLIC SAFETY		8 240	9 704	9 704	543	4 462	5 627	(1 165)	-20.7%	10 367
Vote 7 - SPORT AND RECREATION		4 225	5 285	5 285	449	2 553	3 045	(492)	-16.2%	4 654
Vote 8 - ROAD TRANSPORT		20 014	16 670	16 670	779	6 121	9 720	(3 599)	-37.0%	16 278
Vote 9 - OTHER		1 265	690	690	102	706	402	304	75.5%	738
Vote 10 - HOUSING SERVICES		3 822	2 396	2 396	179	1 231	1 397	(167)	-11.9%	2 400
Vote 11 - WASTE MANAGEMENT		13 717	12 880	12 880	1 000	7 901	7 513	388	5.2%	11 435
Vote 12 - WASTE WATER MANAGEMENT		18 541	15 605	15 605	978	6 840	9 103	(2 263)	-24.9%	12 936
Vote 13 - ELECTRICITY		90 423	76 082	76 082	5 934	45 139	44 381	758	1.7%	71 539
Vote 14 - WATER		34 937	15 250	15 250	1 123	7 728	8 896	(1 167)	-13.1%	12 906
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	277 173	234 782	234 782	17 674	118 734	134 951	(16 217)	-12.0%	215 964
Surplus/ (Deficit) for the year	2	(51 446)	22 766	22 766	942	30 389	15 286	15 103	98.8%	16 218

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

NC073 Emthanjeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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		30 752	27 763	27 763	1 385	22 247	16 195	6 053	37%	30 665
Property rates - penalties & collection charges		281	–	–		–	–	–		–
Service charges - electricity revenue		76 314	58 966	58 966	4 330	29 662	34 397	(4 735)	-14%	56 203
Service charges - water revenue		24 128	30 346	30 346	3 058	17 544	17 702	(157)	-1%	25 864
Service charges - sanitation revenue		11 622	18 938	18 938	1 446	10 118	11 047	(930)	-8%	15 972
Service charges - refuse revenue		6 225	11 301	11 301	829	5 805	6 592	(787)	-12%	8 226
Service charges - other		440	125	125	34	242	73	169	232%	118
Rental of facilities and equipment		833	789	789	64	481	460	20	4%	786
Interest earned - external investments		1 390	931	931	39	105	543	(438)	-81%	806
Interest earned - outstanding debtors		882	1 259	1 259	141	892	734	158	21%	954
Fines		16 970	3 720	3 720	12	1 161	2 170	(1 009)	-46%	6 943
Licences and permits		1 441	1 970	1 970	36	259	1 149	(890)	-77%	2 508
Transfers recognised - operational		40 221	40 761	40 761	1 132	30 201	23 777	6 424	27%	41 210
Other revenue		3 035	28 120	28 120	2 152	13 384	16 403	(3 019)	-18%	27 195
Gains on disposal of PPE		714	268	268	–	64	156	(92)	-59%	130
Total Revenue (excluding capital transfers and contributions)		215 249	225 257	225 257	14 658	132 165	131 400	766	1%	217 580
Expenditure By Type										
Employee related costs		68 489	76 930	76 930	6 692	44 746	44 875	(129)	0%	69 838
Remuneration of councillors		4 835	5 275	5 275	701	3 087	3 077	10	0%	5 046
Debt impairment		35 755	730	730	–	–	4 421	(4 421)	-100%	8 901
Depreciation & asset impairment		59 128	9 056	9 056	–	–	5 282	(5 282)	-100%	7 337
Finance charges		3 365	2 055	2 055	3	2 792	1 199	1 594	133%	5 468
Bulk purchases		59 027	60 434	60 434	4 436	34 857	35 253	(397)	-1%	57 123
Other materials		12 225	19 397	19 397	513	6 628	11 314	(4 686)	-41%	16 771
Contracted services		8 358	9 819	9 819	117	2 188	5 728	(3 539)	-62%	9 846
Transfers and grants		362	–	–	–	–	–	–		–
Other expenditure		25 125	40 147	40 147	5 212	24 436	23 801	634	3%	35 634
Loss on disposal of PPE		502	–	–		–	–	–		–
Total Expenditure		277 173	223 843	223 843	17 674	118 734	134 951	(16 217)	-12%	215 964
Surplus/(Deficit)		(61 924)	1 414	1 414	(3 016)	13 431	(3 551)	16 982	(0)	1 616
Transfers recognised - capital		10 478	32 292	32 292	3 958	16 958	18 837	(1 879)	(0)	14 602
Surplus/(Deficit) after capital transfers & contributions		(51 446)	33 706	33 706	942	30 389	15 286			16 218
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		(51 446)	33 706	33 706	942	30 389	15 286			16 218
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		(51 446)	33 706	33 706	942	30 389	15 286			16 218
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		(51 446)	33 706	33 706	942	30 389	15 286			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) - M07 January

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		30	1 925	1 925	122	2 842	1 123	1 719	153%	137
Vote 2 - FINANCE AND ADMINISTRATION		123	1 260	1 260	-	119	735	(616)	-84%	1 735
Vote 3 - PLANNING AND DEVELOPMENT		7	-	-	-	-	-	-		-
Vote 5 - COMMUNITY AND SOCIAL SERVICES		409	120	120	-	-	70	(70)	-100%	296
Vote 6 - PUBLIC SAFETY		531	57	57	-	-	33	(33)	-100%	63
Vote 7 - SPORT AND RECREATION		2	65	65	-	26	38	(11)	-30%	75
Vote 8 - ROAD TRANSPORT		9 433	15 153	15 153	1 129	3 845	8 839	(4 994)	-57%	4 200
Vote 10 - HOUSING SERVICES		5 213	-	-	-	-	-	-		-
Vote 11 - WASTE MANAGEMENT		2	22	22	-	-	13	(13)	-100%	29
Vote 12 - WASTE WATER MANAGEMENT		164	-	-	-	-	-	-		981
Vote 13 - ELECTRICITY		3 635	6 400	6 400	-	5 237	3 733	1 503	40%	5 400
Vote 14 - WATER		1 284	14 080	14 080	(244)	2 835	8 213	(5 378)	-65%	7 822
<b>Total Capital single-year expenditure</b>	4	20 832	39 082	39 082	1 008	14 904	22 798	(7 893)	-35%	20 739
<b>Total Capital Expenditure</b>		20 832	39 082	39 082	1 008	14 904	22 798	(7 893)	-35%	20 739
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		153	3 185	3 185	122	2 961	1 858	1 103	59%	1 873
Executive and council		30	1 925	1 925	122	2 842	1 123	1 719	153%	137
Budget and treasury office		98	930	930	-	119	542	(424)	-78%	1 385
Corporate services		25	330	330	-	-	192	(192)	-100%	350
<b>Community and public safety</b>		6 155	242	242	-	26	141	(115)	-81%	434
Community and social services		409	120	120	-	-	70	(70)	-100%	296
Sport and recreation		2	65	65	-	26	38	(11)	-30%	75
Public safety		531	57	57	-	-	33	(33)	-100%	63
Housing		5 213	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		9 440	15 153	15 153	1 129	3 845	8 839	(4 994)	-57%	4 200
Planning and development		7	-	-	-	-	-	-		-
Road transport		9 433	15 153	15 153	1 129	3 845	8 839	(4 994)	-57%	4 200
<b>Trading services</b>		5 084	20 502	20 502	(244)	8 072	11 959	(3 888)	-33%	14 232
Electricity		3 635	6 400	6 400	-	5 237	3 733	1 503	40%	5 400
Water		1 284	14 080	14 080	(244)	2 835	8 213	(5 378)	-65%	7 822
Waste water management		164	-	-	-	-	-	-		981
Waste management		2	22	22	-	-	13	(13)	-100%	29
<b>Other</b>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Standard Classification</b>	3	20 832	39 082	39 082	1 008	14 904	22 798	(7 893)	-35%	20 739
<b>Funded by:</b>										
National Government		10 478	32 292	32 292	885	11 560	18 837	(7 277)	-39%	13 905
<b>Transfers recognised - capital</b>		10 478	32 292	32 292	885	11 560	18 837	(7 277)	-39%	13 905
<b>Borrowing</b>	6	9 497	-	-	-	-	-	-		-
<b>Internally generated funds</b>		856	6 790	6 790	122	3 344	3 961	(616)	-16%	6 834
<b>Total Capital Funding</b>		20 832	39 082	39 082	1 008	14 904	22 798	(7 893)	-35%	20 739



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

NC073 Emthanjeni - Table C6 Monthly Budget Statement - Financial Position - M07 January

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		1 015	968	968	88	968
Call investment deposits		9 688	10 075	10 075	16 546	10 075
Consumer debtors		62 890	22 824	22 824	79 622	22 824
Other debtors		–	11 277	11 277	(5 262)	11 277
Current portion of long-term receivables		5	–	–	–	–
Inventory		452	65 556	65 556	561	65 556
<b>Total current assets</b>		<b>74 049</b>	<b>110 700</b>	<b>110 700</b>	<b>91 555</b>	<b>110 700</b>
<b>Non current assets</b>						
Long-term receivables		1	–	–	–	–
Investments		25	29	29	25	29
Investment property		78 577	5 004	5 004	78 577	5 004
Property, plant and equipment		788 593	932 114	932 114	788 994	932 114
Intangible assets		61	458	458	61	458
Other non-current assets		7	83	83	9	83
<b>Total non current assets</b>		<b>867 266</b>	<b>937 687</b>	<b>937 687</b>	<b>867 667</b>	<b>937 687</b>
<b>TOTAL ASSETS</b>		<b>941 314</b>	<b>1 048 386</b>	<b>1 048 386</b>	<b>959 222</b>	<b>1 048 386</b>
<b><u>LIABILITIES</u></b>						
<b>Current liabilities</b>						
Bank overdraft		7 255	9 338	9 338	(3 985)	9 338
Borrowing		3 433	688	688	589	688
Consumer deposits		2 269	2 289	2 289	2 293	2 289
Trade and other payables		55 309	16 352	16 352	60 163	16 352
Provisions		1 511	2 972	2 972	52 218	2 972
<b>Total current liabilities</b>		<b>69 777</b>	<b>31 639</b>	<b>31 639</b>	<b>111 278</b>	<b>31 639</b>
<b>Non current liabilities</b>						
Borrowing		40 900	–	–	–	–
Provisions		8 013	36 071	36 071	8 776	36 071
<b>Total non current liabilities</b>		<b>48 913</b>	<b>36 071</b>	<b>36 071</b>	<b>8 776</b>	<b>36 071</b>
<b>TOTAL LIABILITIES</b>		<b>118 690</b>	<b>67 709</b>	<b>67 709</b>	<b>120 054</b>	<b>67 709</b>
<b>NET ASSETS</b>	2	<b>822 624</b>	<b>980 677</b>	<b>980 677</b>	<b>839 168</b>	<b>980 677</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>						
Accumulated Surplus/(Deficit)		822 624	980 677	980 677	836 915	980 677
Reserves		–	–	–	2 253	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>822 624</b>	<b>980 677</b>	<b>980 677</b>	<b>839 168</b>	<b>980 677</b>

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

NC073 Emthanjeni - Table C7 Monthly Budget Statement - Cash Flow - M07 January										
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
CASH FLOW FROM OPERATING ACTIVITIES										
Property rates, penalties & collection charges		22 851	24 942	24 942	1 288	14 119	14 549	(431)	-3%	27 999
Service charges		102 703	113 321	113 321	7 899	52 954	66 104	(13 150)	-20%	99 902
Other revenue		9 811	33 311	33 311	2 303	15 325	19 431	(4 106)	-21%	34 954
Government - operating		34 943	40 761	40 761	944	30 834	23 777	7 057	30%	41 210
Government - capital		14 617	32 292	32 292	3 958	33 958	32 292	1 666	5%	14 602
Interest		2 272	1 723	1 723	39	105	1 005	(900)	-90%	806
Payments										
Suppliers and employees		(174 312)	(205 542)	(205 542)	(17 671)	(116 396)	(119 899)	(3 503)	3%	(190 113)
Finance charges		(3 365)	(2 055)	(2 055)	(3)	(2 792)	(1 199)	1 594	-133%	(5 468)
NET CASH FROM/(USED) OPERATING ACTIVITIES		9 520	38 753	38 753	(1 242)	28 107	36 061	7 954	22%	23 890
CASH FLOWS FROM INVESTING ACTIVITIES										
Proceeds on disposal of PPE		94	268	268	-	64	134	(70)	-52%	130
Decrease (increase) other non-current receiv ables		(0)	49 560	-	-	-	-	-		-
Capital assets		(20 141)	(39 082)	(39 082)	(1 008)	(15 221)	(22 798)	(7 576)	33%	(20 739)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(20 047)	10 746	(38 814)	(1 008)	(15 157)	(22 664)	(7 506)	33%	(20 610)
CASH FLOWS FROM FINANCING ACTIVITIES										
Borrowing long term/refinancing		9 497	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	95	95	8	42	55	(13)	-24%	98
Repayment of borrowing		(3 046)	(573)	(573)	-	-	(287)	(287)	100%	(688)
NET CASH FROM/(USED) FINANCING ACTIVITIES		6 451	(478)	(478)	8	42	(231)	(273)	118%	(590)
NET INCREASE/ (DECREASE) IN CASH HELD		(4 076)	49 021	(539)	(2 241)	12 992	13 166			2 691
Cash/cash equiv alents at beginning:		7 524	7 524	7 524		3 448	7 524			3 448
Cash/cash equiv alents at month/year end:		3 448	56 544	6 985		16 440	20 690			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 Emthanjani - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January														2017/18 Medium Term Revenue & Expenditure Summary		
Description	Ref	Budget Year 2017/18												Budget Year	Budget Year	Budget Year
R thousands	1	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	2017/18	+1 2018/19	+2 2019/20
Property rates		1 489	2 483	1 911	1 625	3 986	1 335	1 288	-	-	-	-	13 880	27 999	28 239	49 909
Service charges - electricity revenue		2 602	4 553	4 410	4 550	4 532	2 889	4 503	-	-	-	-	25 140	53 178	56 426	67 691
Service charges - water revenue		1 171	1 710	1 789	1 837	2 131	1 488	1 573	-	-	-	-	12 047	23 746	25 448	41 408
Service charges - sanitation revenue		963	792	1 571	1 126	1 212	1 026	1 106	-	-	-	-	7 249	15 045	15 131	16 467
Service charges - refuse		606	493	1 117	743	838	700	683	-	-	-	-	2 636	7 815	7 545	6 583
Service charges - other		33	33	38	33	35	38	34	-	-	-	-	(124)	118	270	132
Rental of facilities and equipment		62	61	72	66	85	70	64	-	-	-	-	205	686	734	770
Interest earned - external investments		-	39	-	18	6	2	39	-	-	-	-	701	806	830	863
Fines		68	12	9	764	6	290	12	-	-	-	-	5 382	6 543	6 870	7 076
Licences and permits		45	42	37	33	41	27	36	-	-	-	-	1 719	1 978	1 938	2 399
Transfer receipts - operating		17 156	272	-	-	488	11 974	944	-	-	-	-	10 376	41 210	41 753	47 657
Other revenue		342	2 699	2 206	2 003	2 002	1 981	2 152	-	-	-	-	12 363	25 747	26 967	43 475
<b>Cash Receipts by Source</b>		<b>24 536</b>	<b>13 190</b>	<b>13 160</b>	<b>12 797</b>	<b>15 362</b>	<b>21 819</b>	<b>12 435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>91 572</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	-	4 000	-	3 000	3 958	-	-	-	-	(19 356)	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	8	-	-	-	-	56	98	90	71
<b>Total Cash Receipts by Source</b>		<b>38 538</b>	<b>22 194</b>	<b>13 175</b>	<b>16 801</b>	<b>15 432</b>	<b>24 820</b>	<b>16 401</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72 337</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	6 115	6 439	6 305	6 471	6 692	-	-	-	-	24 945	69 691	73 073	77 674
Remuneration of councillors		398	398	398	398	398	398	701	-	-	-	-	1 860	4 948	5 015	5 269
Interest paid		3	5	-	1 396	1 384	1	3	-	-	-	-	2 676	5 468	6 143	9 731
Bulk purchases - Electricity		7 028	7 428	6 778	4 068	3 607	337	4 195	-	-	-	-	18 892	52 332	55 359	90 859
Bulk purchases - Water & Sewer		167	199	147	182	119	363	241	-	-	-	-	1 024	2 440	2 736	4 315
Other materials		192	362	1 410	1 706	1 495	951	513	-	-	-	-	10 143	16 771	18 864	30 971
Contracted services		12	277	688	244	801	48	117	-	-	-	-	7 658	9 846	10 565	17 432
General expenses		2 006	2 942	4 105	3 364	3 881	3 380	5 212	-	-	-	-	9 195	34 085	35 533	39 397
<b>Cash Payments by Type</b>		<b>16 176</b>	<b>17 963</b>	<b>19 641</b>	<b>17 796</b>	<b>17 991</b>	<b>11 948</b>	<b>17 674</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>76 394</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	2 275	6 280	2 425	587	1 008	-	-	-	-	5 518	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>21 916</b>	<b>24 076</b>	<b>20 415</b>	<b>12 535</b>	<b>18 681</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>82 599</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>(8 741)</b>	<b>(7 275)</b>	<b>(4 984)</b>	<b>12 285</b>	<b>(2 280)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10 262)</b>	<b>2 691</b>	<b>(972)</b>	<b>795</b>
Cash/cash equivalents at the month/year beginning		3 448	25 810	27 395	18 654	11 379	6 395	18 681	16 400	16 400	16 400	16 400	16 400	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	16 400	16 400	16 400	16 400	16 400	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 - M07 January

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.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
	1200	-	2 904	1 643	1 352	1 294	1 181	2 542	-	10 915	6 368		23 721
	1300	-	4 566	2 143	1 857	733	760	1 276	-	11 334	4 626		6 343
	1400	-	1 189	494	386	416	355	11 083	-	13 923	12 240		16 973
	1500	-	1 000	683	593	556	556	1 498	-	4 885	3 202		9 914
	1600	-	524	318	283	274	261	832	-	2 492	1 649		4 704
	1700	-	-	-	-	-	-	-	-	-	-		-
	1810	-	-	-	-	-	-	-	-	-	-		-
	1820	-	-	-	-	-	-	-	-	-	-		-
	1900	-	111	90	69	67	64	187	-	589	388		4 789
Total By Income Source	2000	-	10 293	5 371	4 540	3 339	3 176	17 417	-	44 137	28 473	-	66 445
2016/17 - totals only			20621233	3403677	2701031	2413665	2260512	5843844		37 244	13 219		86361780
Debtors Age Analysis By Customer Group													
	2200	-	571	424	292	289	302	1 801	-	3 679	2 684		4 118
	2300	-	2 529	890	563	397	260	356	-	4 995	1 576		1 656
	2400	-	6 481	3 733	3 400	2 364	2 328	14 637	-	32 943	22 728		54 745
	2500	-	712	323	285	290	287	623	-	2 520	1 485		5 925
Total By Customer Group	2600	-	10 293	5 371	4 540	3 339	3 176	17 417	-	44 137	28 473	-	66 445

# Creditors' analysis

## Supporting Table SC4

NC073 Emthanjeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	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	
R thousands											
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 repay ments	0600	-	-							-	
Trade Creditors	0700	3 247	3 402							6 649	1
Auditor General	0800	-	-							-	-
Other	0900	5 862	-							5 862	2 337
Total By Customer Type	1000	9 108	3 402	-	-	-	-	-	-	12 511	2 339

# Investment portfolio analysis

NC073 Emthanjeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

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 Depos	30/06/2018	0	0.0%	11 270	–	11 270
Municipality sub-total						0		11 270	–
<u>Entities</u>									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				0		11 270	–	11 270

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

NC073 Emthanjeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

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
Operating Transfers and Grants											
National Government:			38 380	37 210	37 210	–	29 890	21 706	7 349	33.9%	38 822
Local Government Equitable Share			36 197	34 424	34 424	–	27 430	20 081	7 349	36.6%	36 197
Finance Management			1 625	1 700	1 700	–	1 700	992			1 625
Municipal Systems Improvement				–	–			–			–
EPWP Incentive			558	1 086	1 086	–	760	634			1 000
Other transfers and grants [insert description]									–		
Provincial Government:			1 841	881	881	944	–	514	(514)	-100.0%	2 388
Health subsidy			–	–	–			–	–		1 227
Housing			680	–	–	944	–	–	–		–
Sport and Recreation			1 161	881	881	–	–	514	(514)	-100.0%	1 161
Other transfers and grants [insert description]									–		
District Municipality:			–	–	–	–	–	–	–		–
[insert description]									–		
Other grant providers:			–	–	–	–	–	–	–		–
[insert description]									–		
Total Operating Transfers and Grants		5	40 221	38 091	38 091	944	29 890	22 220	6 835	30.8%	41 210
Capital Transfers and Grants											
National Government:			10 651	32 292	32 292	4 200	25 200	18 837	6 363	33.8%	14 602
Municipal Infrastructure Grant (MIG)			7 283	12 292	12 292	–	8 000	7 170	830	11.6%	11 602
Regional Bulk Infrastructure			734	14 000	14 000	4 200	11 200	8 167	3 033	37.1%	–
Integrated National Electrification Programme			2 634	6 000	6 000	–	6 000	3 500	2 500	71.4%	3 000
Other capital transfers [insert description]									–		
Provincial Government:			–	–	–	–	–	–	–		–
[insert description]									–		
District Municipality:			–	–	–	–	–	–	–		–
[insert description]									–		
Other grant providers:			–	–	–	–	–	–	–		–
[insert description]									–		
Total Capital Transfers and Grants		5	10 651	32 292	32 292	4 200	25 200	18 837	6 363	33.8%	14 602
TOTAL RECEIPTS OF TRANSFERS & GRANTS		5	50 872	70 383	70 383	5 144	55 090	41 057	13 198	32.1%	55 812

## Grant expenditure

NC073 Emthanjeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January										
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
Operating expenditure of Transfers and Grants										
National Government:		38 380	37 210	37 210	1 609	9 174	21 706	(12 532)	-57.7%	38 822
Local Government Equitable Share		36 197	34 424	34 424	1 143	7 533	20 081	(12 548)	-62.5%	36 197
Finance Management		1 625	1 700	1 700	187	1 066	992	75	7.5%	1 625
EPWP Incentive		558	1 086	1 086	279	575	634	(59)	-9.2%	1 000
Provincial Government:		1 841	2 108	2 108	265	462	1 230	(768)	-62.4%	2 388
Health subsidy		–	1 227	1 227	–	–	716	(716)	-100.0%	1 227
Housing		680	–	–	–	–	–	–		–
Sport and Recreation		1 161	881	881	265	462	514	(52)	-10.1%	1 161
District Municipality:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Other grant providers:		–	–	–	–	–	–	–		–
<i>[insert description]</i>								–		
Total operating expenditure of Transfers and Grants		40 221	39 318	39 318	1 874	9 636	22 935	(13 300)	-58.0%	41 210
Capital expenditure of Transfers and Grants										
National Government:		10 651	32 292	32 292	561	10 674	16 646	(5 972)	-35.9%	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	3 500	1 737	49.6%	3 000
Provincial Government:		–	–	–	–	–	–	–		–
0								–		
District Municipality:		–	–	–	–	–	–	–		–
0								–		
Other grant providers:		–	–	–	–	–	–	–		–
0								–		
Total capital expenditure of Transfers and Grants		10 651	32 292	32 292	561	10 674	16 646	(5 972)	-35.9%	13 905
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		50 872	71 610	71 610	2 434	20 310	39 581	(19 271)	-48.7%	55 115

# Expenditure on councillor and board members allowances and employee benefits

NC073 Emthanjeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

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	
<b>Councillors (Political Office Bearers plus Other)</b>												
Basic Salaries and Wages			3 311	3 623	3 623	387	2 056	2 114	(57)	-3%	3 451	
Pension and UIF Contributions			198	–	–	–	–	–	–	–	–	
Medical Aid Contributions			18	–	–	–	–	–	–	–	–	
Motor Vehicle Allowance			931	1 208	1 208	123	642	705	(62)	-9%	1 150	
Cellphone Allowance			365	414	414	191	389	242	147	61%	395	
Other benefits and allowances			–	52	52	–	–	30	(30)	-100%	51	
<b>Sub Total - Councillors</b>			<b>4 823</b>	<b>5 297</b>	<b>5 297</b>	<b>701</b>	<b>3 087</b>	<b>3 090</b>	<b>(3)</b>	<b>0%</b>	<b>5 046</b>	
<b>Senior Managers of the Municipality</b>			3									
Basic Salaries and Wages			4 019	4 052	4 052	481	2 820	2 363	457	19%	3 833	
Pension and UIF Contributions			805	673	673	34	348	393	(45)	-12%	672	
Medical Aid Contributions			161	115	115	4	27	67	(40)	-59%	115	
Motor Vehicle Allowance			546	770	770	44	446	449	(3)	-1%	755	
Cellphone Allowance			116	382	382	10	92	223	(131)	-59%	138	
Other benefits and allowances			243	62	62	7	45	36	9	26%	268	
<b>Sub Total - Senior Managers of Municipality</b>			<b>5 891</b>	<b>6 053</b>	<b>6 053</b>	<b>579</b>	<b>3 778</b>	<b>3 531</b>	<b>247</b>	<b>7%</b>	<b>5 781</b>	
<b>Other Municipal Staff</b>												
Basic Salaries and Wages			44 715	54 607	54 607	4 266	27 084	31 854	(4 770)	-15%	48 768	
Pension and UIF Contributions			8 217	9 228	9 228	729	4 268	5 383	(1 115)	-21%	8 721	
Medical Aid Contributions			1 889	1 865	1 865	215	1 511	1 088	423	39%	1 810	
Overtime			3 139	1 334	1 334	307	2 071	778	1 293	166%	1 477	
Motor Vehicle Allowance			1 025	1 150	1 150	81	874	671	203	30%	1 124	
Cellphone Allowance			127	317	317	11	157	185	(28)	-15%	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	666	1 426	214%	1 179	
Payments in lieu of leave			–	–	–	–	–	–	–	–	–	
Long service awards			–	–	–	–	–	–	–	–	–	
Post-retirement benefit obligations			36	57	57	–	–	33	(33)	-100%	58	
<b>Sub Total - Other Municipal Staff</b>			<b>62 610</b>	<b>70 877</b>	<b>70 877</b>	<b>6 011</b>	<b>38 381</b>	<b>41 247</b>	<b>(2 866)</b>	<b>-7%</b>	<b>64 057</b>	
<b>Total Parent Municipality</b>			<b>73 325</b>	<b>82 228</b>	<b>82 228</b>	<b>7 291</b>	<b>45 246</b>	<b>47 868</b>	<b>(2 621)</b>	<b>-5%</b>	<b>74 884</b>	
<b>Board Members of Entities</b>												
Post-retirement benefit obligations									–			
<b>Sub Total - Board Members of Entities</b>			2	–	–	–	–	–	–		–	
<b>Senior Managers of Entities</b>												
Post-retirement benefit obligations			2						–			
<b>Sub Total - Senior Managers of Entities</b>				–	–	–	–	–	–		–	
<b>Other Staff of Entities</b>												
Post-retirement benefit obligations									–			
<b>Sub Total - Other Staff of Entities</b>				–	–	–	–	–	–		–	
<b>Total Municipal Entities</b>				–	–	–	–	–	–		–	
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>				<b>73 325</b>	<b>82 228</b>	<b>82 228</b>	<b>7 291</b>	<b>45 246</b>	<b>47 868</b>	<b>(2 621)</b>	<b>-5%</b>	<b>74 884</b>
<b>TOTAL MANAGERS AND STAFF</b>				<b>68 502</b>	<b>76 930</b>	<b>76 930</b>	<b>6 590</b>	<b>42 159</b>	<b>44 778</b>	<b>(2 618)</b>	<b>-6%</b>	<b>69 838</b>



# Capital programme performance

NC073 Emthanjeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

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									
<b>Monthly expenditure performance trend</b>									
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	1 008	15 221	23 324	8 102	34.7%	39%
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	–		
<b>Total Capital expenditure</b>	<b>20 832</b>	<b>39 082</b>	<b>39 082</b>	<b>15 221</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

## **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 January 2018 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            14/02/2018

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