

# EMTHANJENI MUNICIPALITY



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

# **SCHEDULE C:**

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

**Copies of this document can be viewed:**

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

# Table of Contents

Table of Contents.....	1
Glossary .....	3
PART 1 - IN-YEAR REPORT .....	5
Section 1 - Mayor's Report .....	5
Section 2 - Resolutions.....	6
Section 3 - Executive Summary .....	6
Section 4 - In-year budget statement tables .....	8
PART 2 - SUPPORTING DOCUMENTATION .....	16
Section 5 - Debtors' analysis .....	16
Section 6 - Creditors' analysis.....	17
Section 7 - Investment portfolio analysis.....	18
Section 8 - Allocation and grant receipts and expenditure .....	20
Section 9 - Expenditure on councillor and board members allowances and employee benefits .....	22
Section 10 - Capital programme performance.....	22
Section 11 - Material variances to the SDBIP .....	27
Section 12 - Parent municipality financial performance.....	27
Section 13 - Municipal entity summary .....	27
Section 14 - In-year reports of municipal entities attached to the municipality's in-year report .....	27
Section 15 - Other supporting documentation.....	27
Section 16 - Municipal manager's quality certification.....	28

# Glossary

- **Adjustments budget** - Prescribed in section 28 of the MFMA. The formal means by which a municipality July revise its annual budget during the year.
- **Allocations** - Money received from Provincial or National Government or other municipalities.
- **Budget** - The financial plan of the Municipality.
- **Budget related policy** - Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
- **Capital expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
- **Cash flow statement** - A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it July not be paid in the same period.
- **DORA** - Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
- **Equitable share** - A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
- **Fruitless and wasteful expenditure** - Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
- **GFS** - Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
- **GRAP** - Generally Recognised Accounting Practice. The new standard for municipal accounting.
- **IDP** - Integrated Development Plan. The main strategic planning document of the Municipality.
- **MBRR** - Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.
- **MFMA** - Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

- **MIG** - Municipal Infrastructure Grant.
- **MTREF** - Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
- **Operating expenditure** - Spending on the day to day expenses of the Municipality such as salaries and wages.
- **Rates** - Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
- **SDBIP** - Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
- **Strategic objectives** - The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
- **Unauthorised expenditure** - Generally, is spending without, or in excess of, an approved budget.
- **Virement** - A transfer of budget.
- **Virement policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
- **Vote** - One of the main segments into which a budget. In Emthanjeni Municipality this means at directorate level.

# **PART 1 - IN-YEAR REPORT**

## **Section 1 - Mayor's Report**

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

The monthly budget statement for December 2016 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations.

The audited outcomes for 2015/2016 reflected in this report are Final for June 2016 as the Annual Financial Statements were completed and submitted to and audited by the Auditor General on 31 August 2016.

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

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

#### **1.1.2 Relevant information**

Year-to-date operating revenue realised is 0 % above the year-to-date budget for December 2016.

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

Operating expenditure incurred amounts to 13% below the year-to-date operating expenditure. 41% of the total capital budget has been spent at 31 December 2016, with 74.61% of that being funded from capital grants.<sup>i</sup>

---

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

## Section 2 - Resolutions

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

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

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

- (a) That Council notes the monthly budget statement and supporting documentation for December 2016.

## Section 3 - Executive Summary

### **3.1 Introduction**

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

### **3.2 Consolidated performance**

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

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

Year-to-date revenue realised R223 Thousand above year-to-date budget projections for December 2016<sup>2</sup>.

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

Year-to-date expenditure is 13% or R14, 784 million, below the year-to-date budget as at 31 December 2016.

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 R6,079 million or 41.1% of the capital budget of R20.739 million<sup>4</sup>, 74.61% % of expenditure to date has been funded from capital grants recognised<sup>5</sup>.

Refer to Section 4 - Table C5 for more detail.

## Cash flows

The financial year commenced with positive cash & cash equivalents balance of R7, 524 million<sup>6</sup> and this has increased by R2, 441 million during the year-to-date to R 9, 965 million.

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	4 760
Service charges - electricity revenue	(2 017)
Fines	(2 551)
Licences and permits	(1 056)
<b><u>Expenditure By Type</u></b>	
Debt impairment	(4 450)
Depreciation & asset impairment	(3 668)
Other expenditure	(4 056)
<b><u>Capital Expenditure</u></b>	
Road transport	1 604
Electricity	(536)
Water	(3 911)
Waste water management	(327)
<b><u>Cash Flow</u></b>	
Service charges	(7 516)
Other revenue	(4 459)
Capital assets	(4 290)



### 3.4 Remedial or corrective steps

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

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

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

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

# 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	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	26 257	30 665	30 665	1 218	20 092	15 333	4 760	31%	30 665
Service charges	107 287	106 383	106 383	8 842	53 074	57 121	(4 047)	-7%	106 383
Investment revenue	1 201	806	806	–	47	403	(356)	-88%	806
Transfers recognised - operational	40 252	41 210	41 210	9 385	25 997	20 605	5 392	26%	41 210
Other own revenue	23 867	38 515	38 515	2 213	13 732	19 258	(5 526)	-29%	38 515
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>198 864</b>	<b>217 580</b>	<b>217 580</b>	<b>21 658</b>	<b>112 942</b>	<b>112 719</b>	<b>223</b>	<b>0%</b>	<b>217 580</b>
Employee costs	70 984	69 838	69 838	5 978	35 780	34 918	862	2%	69 838
Remuneration of Councillors	4 401	5 046	5 046	387	2 282	2 523	(241)	-10%	5 046
Depreciation & asset impairment	62 117	7 337	7 337	–	–	3 668	(3 668)	-100%	7 337
Finance charges	1 761	5 468	5 468	186	659	2 734	(2 075)	-76%	5 468
Materials and bulk purchases	66 010	73 894	73 894	4 866	37 568	36 946	622	2%	73 894
Transfers and grants	247	–	–	–	–	–	–	–	–
Other expenditure	60 319	54 381	54 381	2 896	20 836	31 118	(10 282)	-33%	54 381
<b>Total Expenditure</b>	<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>14 312</b>	<b>97 125</b>	<b>111 908</b>	<b>(14 784)</b>	<b>-13%</b>	<b>215 964</b>
<b>Surplus/(Deficit)</b>	<b>(66 975)</b>	<b>1 616</b>	<b>1 616</b>	<b>7 346</b>	<b>15 817</b>	<b>810</b>	<b>15 007</b>	<b>1852%</b>	<b>1 616</b>
Transfers recognised - capital	9 539	14 602	14 602	–	680	7 301	(6 621)	-91%	14 602
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>	<b>8 386</b>	<b>103%</b>	<b>16 218</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>	<b>8 386</b>	<b>103%</b>	<b>16 218</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>(163)</b>	<b>6 079</b>	<b>10 370</b>	<b>(4 290)</b>	<b>-41%</b>	<b>20 739</b>
Capital transfers recognised	10 195	13 905	13 905	53	4 536	6 953	(2 417)	-35%	13 905
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	1 156	–	–	–	–	–	–	–	–
Internally generated funds	295	6 834	6 834	(216)	1 543	3 417	(1 874)	-55%	6 834
<b>Total sources of capital funds</b>	<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>(163)</b>	<b>6 079</b>	<b>10 370</b>	<b>(4 290)</b>	<b>-41%</b>	<b>20 739</b>
<b>Financial position</b>									
Total current assets	138 300	110 700	110 700		158 016				110 700
Total non current assets	832 698	937 687	937 687		824 436				937 687
Total current liabilities	61 066	31 639	31 639		96 765				31 639
Total non current liabilities	47 126	36 071	36 071		1 914				36 071
<b>Community wealth/Equity</b>	<b>862 806</b>	<b>980 677</b>	<b>980 677</b>		<b>883 773</b>				<b>980 677</b>
<b>Cash flows</b>									
Net cash from (used) operating	21 912	23 890	23 890	8 880	8 691	11 945	3 254	27%	23 890
Net cash from (used) investing	(11 554)	(20 610)	(20 610)	163	(5 955)	(10 305)	(4 350)	42%	(20 610)
Net cash from (used) financing	(1 528)	(590)	(590)	5	(295)	(295)	0	-0%	(590)
<b>Cash/cash equivalents at the month/year end</b>	<b>7 524</b>	<b>1 706</b>	<b>1 706</b>	<b>–</b>	<b>9 965</b>	<b>360</b>	<b>(9 604)</b>	<b>-2665%</b>	<b>10 214</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	–	9 286	4 671	3 251	3 922	3 953	39 940	–	65 023
<b>Creditors Age Analysis</b>									
Total Creditors	6 513	345	–	–	–	–	–	–	6 858

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

NC073 Emthanjeni - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i><b>Governance and administration</b></i>		<b>45 610</b>	<b>51 180</b>	<b>51 180</b>	<b>5 549</b>	<b>33 111</b>	<b>25 590</b>	7 521	29%	<b>51 180</b>
Executive and council		3 528	4 295	4 295	824	2 883	2 148	735	34%	4 295
Budget and treasury office		42 000	46 801	46 801	4 721	30 188	23 401	6 787	29%	46 801
Corporate services		82	84	84	5	41	42	(1)	-3%	84
<i><b>Community and public safety</b></i>		<b>21 463</b>	<b>11 325</b>	<b>11 325</b>	<b>150</b>	<b>2 828</b>	<b>5 662</b>	(2 834)	-50%	<b>11 325</b>
Community and social services		1 906	1 942	1 942	59	998	971	27	3%	1 942
Sport and recreation		182	123	123	58	118	62	56	90%	123
Public safety		19 318	7 991	7 991	30	1 017	3 996	(2 978)	-75%	7 991
Housing		57	41	41	3	695	21	675	3283%	41
Health		—	1 227	1 227	—	—	614	(614)	-100%	1 227
<i><b>Economic and environmental services</b></i>		<b>9 072</b>	<b>3 816</b>	<b>3 816</b>	<b>452</b>	<b>723</b>	<b>1 908</b>	(1 185)	-62%	<b>3 816</b>
Planning and development		999	1 610	1 610	450	700	805	(105)	-13%	1 610
Road transport		8 073	2 207	2 207	2	23	1 103	(1 081)	-98%	2 207
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>132 257</b>	<b>165 860</b>	<b>165 860</b>	<b>15 507</b>	<b>76 959</b>	<b>86 859</b>	(9 899)	-11%	<b>165 860</b>
Electricity		62 855	90 239	90 239	6 993	39 603	45 980	(6 378)	-14%	90 239
Water		29 827	38 471	38 471	3 479	16 607	20 280	(3 672)	-18%	38 471
Waste water management		27 574	24 322	24 322	3 144	13 032	13 159	(127)	-1%	24 322
Waste management		12 001	12 828	12 828	1 890	7 718	7 440	278	4%	12 828
<i><b>Other</b></i>	<b>4</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Revenue - Standard</b>	<b>2</b>	<b>208 403</b>	<b>232 182</b>	<b>232 182</b>	<b>21 658</b>	<b>113 622</b>	<b>120 020</b>	<b>(6 398)</b>	<b>-5%</b>	<b>232 182</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>48 435</b>	<b>48 553</b>	<b>48 553</b>	<b>3 005</b>	<b>20 254</b>	<b>24 276</b>	(4 021)	-17%	<b>48 553</b>
Executive and council		14 305	14 054	14 054	1 093	5 944	7 027	(1 083)	-15%	14 054
Budget and treasury office		22 532	21 982	21 982	960	7 821	10 990	(3 170)	-29%	21 982
Corporate services		11 598	12 518	12 518	952	6 490	6 259	231	4%	12 518
<i><b>Community and public safety</b></i>		<b>51 153</b>	<b>29 417</b>	<b>29 417</b>	<b>1 877</b>	<b>10 774</b>	<b>14 766</b>	(3 992)	-27%	<b>29 417</b>
Community and social services		27 874	11 849	11 849	657	3 976	5 924	(1 948)	-33%	11 849
Sport and recreation		4 119	4 654	4 654	429	2 036	2 327	(291)	-12%	4 654
Public safety		8 044	10 367	10 367	626	3 651	5 242	(1 591)	-30%	10 367
Housing		10 854	2 400	2 400	162	1 102	1 200	(98)	-8%	2 400
Health		262	148	148	3	9	74	(65)	-88%	148
<i><b>Economic and environmental services</b></i>		<b>32 348</b>	<b>28 440</b>	<b>28 440</b>	<b>1 448</b>	<b>8 924</b>	<b>14 489</b>	(5 564)	-38%	<b>28 440</b>
Planning and development		20 882	12 162	12 162	667	4 618	6 081	(1 463)	-24%	12 162
Road transport		11 466	16 278	16 278	781	4 306	8 408	(4 102)	-49%	16 278
Environmental protection		—	—	—	—	—	—	—	—	—
<i><b>Trading services</b></i>		<b>132 290</b>	<b>108 815</b>	<b>108 815</b>	<b>7 883</b>	<b>56 506</b>	<b>58 009</b>	(1 502)	-3%	<b>108 815</b>
Electricity		59 848	71 539	71 539	4 928	39 998	36 735	3 263	9%	71 539
Water		25 644	12 906	12 906	877	5 366	7 556	(2 190)	-29%	12 906
Waste water management		34 145	12 936	12 936	909	4 978	6 413	(1 435)	-22%	12 936
Waste management		12 653	11 435	11 435	1 169	6 164	7 305	(1 141)	-16%	11 435
<i><b>Other</b></i>		<b>1 614</b>	<b>738</b>	<b>738</b>	<b>100</b>	<b>665</b>	<b>369</b>	<b>296</b>	<b>80%</b>	<b>738</b>
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>14 312</b>	<b>97 125</b>	<b>111 908</b>	<b>(14 784)</b>	<b>-13%</b>	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>	<b>8 386</b>	<b>103%</b>	<b>16 218</b>

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

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

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

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

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

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

**NC073 Emthanjeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December**

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		3 528	4 295	4 295	824	2 883	2 148	735	34.2%	4 295
Vote 2 - FINANCE AND ADMINISTRATION		42 082	46 885	46 885	4 726	30 229	23 443	6 786	28.9%	46 885
Vote 3 - PLANNING AND DEVELOPMENT		999	1 610	1 610	450	700	805	(105)	-13.0%	1 610
Vote 4 - HEALTH		–	1 227	1 227	–	–	614	(614)	-100.0%	1 227
Vote 5 - COMMUNITY AND SOCIAL SERVICES		1 906	1 942	1 942	59	998	971	27	2.8%	1 942
Vote 6 - PUBLIC SAFETY		19 318	7 991	7 991	30	1 017	3 996	(2 978)	-74.5%	7 991
Vote 7 - SPORT AND RECREATION		182	123	123	58	118	62	56	90.4%	123
Vote 8 - ROAD TRANSPORT		8 073	2 207	2 207	2	23	1 103	(1 081)	-97.9%	2 207
Vote 9 - OTHER		–	–	–	–	–	–	–		–
Vote 10 - HOUSING SERVICES		57	41	41	3	695	21	675	3282.8%	41
Vote 11 - WASTE MANAGEMENT		12 001	12 828	12 828	1 890	7 718	7 440	278	3.7%	12 828
Vote 12 - WASTE WATER MANAGEMENT		27 574	24 322	24 322	3 144	13 032	13 159	(127)	-1.0%	24 322
Vote 13 - ELECTRICITY		62 855	90 239	90 239	6 993	39 603	45 980	(6 378)	-13.9%	90 239
Vote 14 - WATER		29 827	38 471	38 471	3 479	16 607	20 280	(3 672)	-18.1%	38 471
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
<b>Total Revenue by Vote</b>	2	<b>208 403</b>	<b>232 182</b>	<b>232 182</b>	<b>21 658</b>	<b>113 622</b>	<b>120 020</b>	<b>(6 398)</b>	<b>-5.3%</b>	<b>232 182</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		14 305	14 054	14 054	1 093	5 944	7 027	(1 083)	-15.4%	14 054
Vote 2 - FINANCE AND ADMINISTRATION		34 129	34 499	34 499	1 912	14 311	17 249	(2 938)	-17.0%	34 499
Vote 3 - PLANNING AND DEVELOPMENT		20 882	12 162	12 162	667	4 618	6 081	(1 463)	-24.1%	12 162
Vote 4 - HEALTH		262	148	148	3	9	74	(65)	-87.8%	148
Vote 5 - COMMUNITY AND SOCIAL SERVICES		27 874	11 849	11 849	657	3 976	5 924	(1 948)	-32.9%	11 849
Vote 6 - PUBLIC SAFETY		8 044	10 367	10 367	626	3 651	5 242	(1 591)	-30.3%	10 367
Vote 7 - SPORT AND RECREATION		4 119	4 654	4 654	429	2 036	2 327	(291)	-12.5%	4 654
Vote 8 - ROAD TRANSPORT		11 466	16 278	16 278	781	4 306	8 408	(4 102)	-48.8%	16 278
Vote 9 - OTHER		1 614	738	738	100	665	369	296	80.2%	738
Vote 10 - HOUSING SERVICES		10 854	2 400	2 400	162	1 102	1 200	(98)	-8.2%	2 400
Vote 11 - WASTE MANAGEMENT		12 653	11 435	11 435	1 169	6 164	7 305	(1 141)	-15.6%	11 435
Vote 12 - WASTE WATER MANAGEMENT		34 145	12 936	12 936	909	4 978	6 413	(1 435)	-22.4%	12 936
Vote 13 - ELECTRICITY		59 848	71 539	71 539	4 928	39 998	36 735	3 263	8.9%	71 539
Vote 14 - WATER		25 644	12 906	12 906	877	5 366	7 556	(2 190)	-29.0%	12 906
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
<b>Total Expenditure by Vote</b>	2	<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>14 312</b>	<b>97 125</b>	<b>111 908</b>	<b>(14 784)</b>	<b>-13.2%</b>	<b>215 964</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>	<b>8 386</b>	<b>103.4%</b>	<b>16 218</b>

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

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b><u>Revenue By Source</u></b>										
Property rates		26 117	30 665	30 665	1 218	20 092	15 333	4 760	31%	30 665
Property rates - penalties & collection charges		140	—	—	—	—	—	—		—
Service charges - electricity revenue		67 805	56 203	56 203	4 449	26 946	28 963	(2 017)	-7%	56 203
Service charges - water revenue		22 236	25 864	25 864	2 233	13 147	13 976	(830)	-6%	25 864
Service charges - sanitation revenue		10 937	15 972	15 972	1 350	8 107	8 984	(877)	-10%	15 972
Service charges - refuse revenue		5 913	8 226	8 226	776	4 669	5 139	(469)	-9%	8 226
Service charges - other		396	118	118	34	205	59	146	247%	118
Rental of facilities and equipment		788	786	786	59	409	393	16	4%	786
Interest earned - external investments		1 201	806	806	—	47	403	(356)	-88%	806
Interest earned - outstanding debtors		558	954	954	99	589	477	112	23%	954
Dividends received		—	—	—	—	—	—	—		—
Fines		19 399	6 943	6 943	15	920	3 471	(2 551)	-73%	6 943
Licences and permits		520	2 508	2 508	24	198	1 254	(1 056)	-84%	2 508
Agency services		—	—	—	—	—	—	—		—
Transfers recognised - operational		40 252	41 210	41 210	9 385	25 997	20 605	5 392	26%	41 210
Other revenue		2 602	27 195	27 195	2 017	11 491	13 597	(2 107)	-15%	27 195
Gains on disposal of PPE		—	130	130	—	125	65	60	92%	130
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>198 864</b>	<b>217 580</b>	<b>217 580</b>	<b>21 658</b>	<b>112 942</b>	<b>112 719</b>	<b>223</b>	<b>0%</b>	<b>217 580</b>
<b><u>Expenditure By Type</u></b>										
Employee related costs		70 984	69 838	69 838	5 978	35 780	34 918	862	2%	69 838
Remuneration of councillors		4 401	5 046	5 046	387	2 282	2 523	(241)	-10%	5 046
Debt impairment		30 653	8 901	8 901	—	—	4 450	(4 450)	-100%	8 901
Depreciation & asset impairment		62 117	7 337	7 337	—	—	3 668	(3 668)	-100%	7 337
Finance charges		1 761	5 468	5 468	186	659	2 734	(2 075)	-76%	5 468
Bulk purchases		54 420	57 123	57 123	3 826	33 403	28 561	4 842	17%	57 123
Other materials		11 590	16 771	16 771	1 039	4 165	8 385	(4 220)	-50%	16 771
Contracted services		9 082	9 846	9 846	172	3 147	4 923	(1 776)	-36%	9 846
Transfers and grants		247	—	—	—	—	—	—		—
Other expenditure		20 173	35 634	35 634	2 724	17 689	21 745	(4 056)	-19%	35 634
Loss on disposal of PPE		411	—	—	—	—	—	—		—
<b>Total Expenditure</b>		<b>265 840</b>	<b>215 964</b>	<b>215 964</b>	<b>14 312</b>	<b>97 125</b>	<b>111 908</b>	<b>(14 784)</b>	<b>-13%</b>	<b>215 964</b>
<b>Surplus/(Deficit)</b>		<b>(66 975)</b>	<b>1 616</b>	<b>1 616</b>	<b>7 346</b>	<b>15 817</b>	<b>810</b>	<b>15 007</b>	<b>0</b>	<b>1 616</b>
Transfers recognised - capital		9 539	14 602	14 602	—	680	7 301	(6 621)	(0)	14 602
Contributions recognised - capital		—	—	—	—	—	—	—		—
Contributed assets		—	—	—	—	—	—	—		—
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>			<b>16 218</b>
Taxation		—	—	—	—	—	—	—		—
<b>Surplus/(Deficit) after taxation</b>		<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>			<b>16 218</b>
Attributable to minorities		—	—	—	—	—	—	—		—
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>			<b>16 218</b>
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—		—
<b>Surplus/ (Deficit) for the year</b>		<b>(57 437)</b>	<b>16 218</b>	<b>16 218</b>	<b>7 346</b>	<b>16 497</b>	<b>8 111</b>			<b>16 218</b>

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

NC073 Emthanjeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December										
Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>	1								%	
<b>Multi-Year expenditure appropriation</b>	2									
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - EXECUTIVE AND COUNCIL		161	137	137	16	16	69	(53)	-77%	137
Vote 2 - FINANCE AND ADMINISTRATION		779	1 735	1 735	–	32	868	(836)	-96%	1 735
Vote 5 - COMMUNITY AND SOCIAL SERVICES		178	296	296	–	–	148	(148)	-100%	296
Vote 6 - PUBLIC SAFETY		79	63	63	–	–	32	(32)	-100%	63
Vote 7 - SPORT AND RECREATION		–	75	75	–	–	38	(38)	-100%	75
Vote 8 - ROAD TRANSPORT		6 673	4 200	4 200	(179)	3 703	2 100	1 604	76%	4 200
Vote 11 - WASTE MANAGEMENT		34	29	29	–	–	14	(14)	-100%	29
Vote 12 - WASTE WATER MANAGEMENT		1 140	981	981	–	164	491	(327)	-67%	981
Vote 13 - ELECTRICITY		2 589	5 400	5 400	–	2 164	2 700	(536)	-20%	5 400
Vote 14 - WATER		14	7 822	7 822	–	–	3 911	(3 911)	-100%	7 822
<b>Total Capital single-year expenditure</b>	4	11 646	20 739	20 739	(163)	6 079	10 370	(4 290)	-41%	20 739
<b>Total Capital Expenditure</b>		<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>(163)</b>	<b>6 079</b>	<b>10 370</b>	<b>(4 290)</b>	<b>-41%</b>	<b>20 739</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		<b>940</b>	<b>1 873</b>	<b>1 873</b>	<b>16</b>	<b>48</b>	<b>936</b>	<b>(889)</b>	<b>-95%</b>	<b>1 873</b>
Executive and council		161	137	137	16	16	69	(53)	-77%	137
Budget and treasury office		484	1 385	1 385	–	17	693	(676)	-98%	1 385
Corporate services		295	350	350	–	15	175	(160)	-92%	350
<b>Community and public safety</b>		<b>257</b>	<b>434</b>	<b>434</b>	<b>–</b>	<b>–</b>	<b>217</b>	<b>(217)</b>	<b>-100%</b>	<b>434</b>
Community and social services		178	296	296	–	–	148	(148)	-100%	296
Sport and recreation		–	75	75	–	–	38	(38)	-100%	75
Public safety		79	63	63	–	–	32	(32)	-100%	63
<b>Economic and environmental services</b>		<b>6 673</b>	<b>4 200</b>	<b>4 200</b>	<b>(179)</b>	<b>3 703</b>	<b>2 100</b>	<b>1 604</b>	<b>76%</b>	<b>4 200</b>
Road transport		6 673	4 200	4 200	(179)	3 703	2 100	1 604	76%	4 200
<b>Trading services</b>		<b>3 776</b>	<b>14 232</b>	<b>14 232</b>	<b>–</b>	<b>2 328</b>	<b>7 116</b>	<b>(4 788)</b>	<b>-67%</b>	<b>14 232</b>
Electricity		2 589	5 400	5 400	–	2 164	2 700	(536)	-20%	5 400
Water		14	7 822	7 822	–	–	3 911	(3 911)	-100%	7 822
Waste water management		1 140	981	981	–	164	491	(327)	-67%	981
Waste management		34	29	29	–	–	14	(14)	-100%	29
<b>Total Capital Expenditure - Standard Classification</b>	3	<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>(163)</b>	<b>6 079</b>	<b>10 370</b>	<b>(4 290)</b>	<b>-41%</b>	<b>20 739</b>
<b>Funded by:</b>										
National Government		10 195	13 905	13 905	53	4 536	6 953	(2 417)	-35%	13 905
<b>Transfers recognised - capital</b>		<b>10 195</b>	<b>13 905</b>	<b>13 905</b>	<b>53</b>	<b>4 536</b>	<b>6 953</b>	<b>(2 417)</b>	<b>-35%</b>	<b>13 905</b>
<b>Borrowing</b>	6	<b>1 156</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Internally generated funds</b>		<b>295</b>	<b>6 834</b>	<b>6 834</b>	<b>(216)</b>	<b>1 543</b>	<b>3 417</b>	<b>(1 874)</b>	<b>-55%</b>	<b>6 834</b>
<b>Total Capital Funding</b>		<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>(163)</b>	<b>6 079</b>	<b>10 370</b>	<b>(4 290)</b>	<b>-41%</b>	<b>20 739</b>

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

NC073 Emthanjani - Table C6 Monthly Budget Statement - Financial Position - M06 December						
Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b><u>ASSETS</u></b>						
<b>Current assets</b>						
Cash		14 845	968	968	88	968
Call investment deposits		—	10 075	10 075	18 066	10 075
Consumer debtors		60 532	22 824	22 824	74 564	22 824
Other debtors		—	11 277	11 277	2 297	11 277
Current portion of long-term receivables		2	—	—	—	—
Inventory		62 922	65 556	65 556	63 001	65 556
<b>Total current assets</b>		<b>138 300</b>	<b>110 700</b>	<b>110 700</b>	<b>158 016</b>	<b>110 700</b>
<b>Non current assets</b>						
Long-term receivables		1	—	—	—	—
Investments		26	29	29	26	29
Investment property		5 018	5 004	5 004	5 003	5 004
Investments in Associate		—	—	—	—	—
Property, plant and equipment		827 558	932 114	932 114	819 244	932 114
Agricultural		—	—	—	—	—
Biological assets		—	—	—	—	—
Intangible assets		82	458	458	82	458
Other non-current assets		12	83	83	81	83
<b>Total non current assets</b>		<b>832 698</b>	<b>937 687</b>	<b>937 687</b>	<b>824 436</b>	<b>937 687</b>
<b>TOTAL ASSETS</b>		<b>970 999</b>	<b>1 048 386</b>	<b>1 048 386</b>	<b>982 452</b>	<b>1 048 386</b>
<b><u>LIABILITIES</u></b>						
<b>Current liabilities</b>						
Bank overdraft		7 321	9 338	9 338	8 189	9 338
Borrowing		1 065	688	688	860	688
Consumer deposits		2 193	2 289	2 289	2 226	2 289
Trade and other payables		49 018	16 352	16 352	30 880	16 352
Provisions		1 469	2 972	2 972	54 610	2 972
<b>Total current liabilities</b>		<b>61 066</b>	<b>31 639</b>	<b>31 639</b>	<b>96 765</b>	<b>31 639</b>
<b>Non current liabilities</b>						
Borrowing		40 096	—	—	—	—
Provisions		7 030	36 071	36 071	1 914	36 071
<b>Total non current liabilities</b>		<b>47 126</b>	<b>36 071</b>	<b>36 071</b>	<b>1 914</b>	<b>36 071</b>
<b>TOTAL LIABILITIES</b>		<b>108 193</b>	<b>67 709</b>	<b>67 709</b>	<b>98 679</b>	<b>67 709</b>
<b>NET ASSETS</b>	<b>2</b>	<b>862 806</b>	<b>980 677</b>	<b>980 677</b>	<b>883 773</b>	<b>980 677</b>
<b><u>COMMUNITY WEALTH/EQUITY</u></b>						
Accumulated Surplus/(Deficit)		862 806	980 677	980 677	881 520	980 677
Reserves		—	—	—	2 253	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>862 806</b>	<b>980 677</b>	<b>980 677</b>	<b>883 773</b>	<b>980 677</b>



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

NC073 Emthanjeni - Table C7 Monthly Budget Statement - Cash Flow - M06 December										
Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		19 106	27 999	27 999	1 195	12 148	13 999	(1 852)	-13%	27 999
Service charges		94 706	99 902	99 902	5 755	42 435	49 951	(7 516)	-15%	99 902
Other revenue		8 813	34 954	34 954	2 115	13 018	17 477	(4 459)	-26%	34 954
Government - operating		42 853	41 210	41 210	9 224	25 258	20 605	4 653	23%	41 210
Government - capital		10 775	14 602	14 602	4 904	12 867	7 301	5 566	76%	14 602
Interest		1 760	806	806	—	47	403	(356)	-88%	806
Dividends		—	—	—	—	—	—	—		—
<b>Payments</b>										
Suppliers and employees		(154 090)	(190 113)	(190 113)	(14 126)	(96 423)	(95 057)	1 367	-1%	(190 113)
Finance charges		(1 761)	(5 468)	(5 468)	(186)	(659)	(2 734)	(2 075)	76%	(5 468)
Transfers and Grants		(247)	—	—	—	—	—	—		—
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>21 912</b>	<b>23 890</b>	<b>23 890</b>	<b>8 880</b>	<b>8 691</b>	<b>11 945</b>	<b>3 254</b>	<b>27%</b>	<b>23 890</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		91	130	130	—	124	65	60	92%	130
Decrease (Increase) in non-current debtors		—	—	—	—	—	—	—		—
Decrease (increase) other non-current receivables		(0)	—	—	—	—	—	—		—
Decrease (increase) in non-current investments		—	—	—	—	—	—	—		—
<b>Payments</b>										
Capital assets		(11 646)	(20 739)	(20 739)	163	(6 079)	(10 370)	(4 290)	41%	(20 739)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(11 554)</b>	<b>(20 610)</b>	<b>(20 610)</b>	<b>163</b>	<b>(5 955)</b>	<b>(10 305)</b>	<b>(4 350)</b>	<b>42%</b>	<b>(20 610)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		—	—	—	—	—	—	—		—
Borrowing long term/refinancing		1 156	—	—	—	—	—	—		—
Increase (decrease) in consumer deposits		—	98	98	5	39	49	(10)	-21%	98
<b>Payments</b>										
Repayment of borrowing		(2 684)	(688)	(688)	—	(334)	(344)	(10)	3%	(688)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1 528)</b>	<b>(590)</b>	<b>(590)</b>	<b>5</b>	<b>(295)</b>	<b>(295)</b>	<b>0</b>	<b>0%</b>	<b>(590)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>8 830</b>	<b>2 691</b>	<b>2 691</b>	<b>9 049</b>	<b>2 441</b>	<b>1 345</b>			<b>2 691</b>
Cash/cash equivalents at beginning:		(1 306)	(985)	(985)		7 524	(985)			7 524
Cash/cash equivalents at month/year end:		7 524	1 706	1 706		9 965	360			10 214

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

NC073 Emthanjeni - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December														2016/17 Medium Term Revenue & Expenditure Framework		
Description	Ref	Budget Year 2016/17												Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June			
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>																
Property rates		1 179	2 564	1 924	1 380	3 906	1 195						15 851	27 999	28 239	49 909
Property rates - penalties & collection charges		—	—			—	—						—	—	—	—
Service charges - electricity revenue		3 394	4 149	5 996	3 644	4 716	3 212						28 067	53 178	56 426	67 691
Service charges - water revenue		1 407	1 281	1 477	1 534	1 196	1 448						15 404	23 746	25 448	41 408
Service charges - sanitation revenue		732	992	1 044	1 103	782	683						9 710	15 045	15 131	16 467
Service charges - refuse		505	661	710	780	409	377						4 373	7 815	7 545	6 583
Service charges - other		33	33	37	33	33	34						(87)	118	270	132
Rental of facilities and equipment		65	72	72	67	75	59						276	686	734	770
Interest earned - external investments		25	15	2	4	2	—						758	806	830	863
Interest earned - outstanding debtors		—	—	—	—	—	—						—	—	—	—
Dividends received		—	—	—	—	—	—						—	—	—	—
Fines		149	96	37	154	470	15						5 623	6 543	6 870	7 076
Licences and permits		32	33	34	36	39	24						1 780	1 978	1 938	2 399
Agency services		—	—	—	—	—	—						—	—	—	—
Transfer receipts - operating		15 204	250	—	581	—	9 224						15 952	41 210	41 753	47 657
Other revenue		466	2 536	2 222	1 966	2 285	2 017						14 257	25 747	26 967	43 475
<b>Cash Receipts by Source</b>		<b>23 190</b>	<b>12 682</b>	<b>13 554</b>	<b>11 280</b>	<b>13 912</b>	<b>18 288</b>	—	—	—	—	—	<b>111 964</b>	<b>204 870</b>	<b>212 149</b>	<b>284 431</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital		680	—	7 283	—	—	4 904						1 735	14 602	14 342	13 798
Contributions & Contributed assets		—	—	—	—	—	—						—	—	—	—
Proceeds on disposal of PPE		—	15	111	(1)	—	—						5	130	139	148
Short term loans		—	—	—	—	—	—						—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—						—	—	—	—
Increase in consumer deposits		8	14	2	2	6	5						59	98	90	71
Receipt of non-current debtors		—	—	—	—	—	—						—	—	—	—
Receipt of non-current receivables		—	—	—	—	—	—						—	—	—	—
Change in non-current investments		—	—	—	—	—	—						—	—	—	—
<b>Total Cash Receipts by Source</b>		<b>23 878</b>	<b>12 711</b>	<b>20 950</b>	<b>11 281</b>	<b>13 918</b>	<b>23 198</b>	—	—	—	—	—	<b>113 763</b>	<b>219 699</b>	<b>226 720</b>	<b>298 449</b>
<b>Cash Payments by Type</b>																
Employee related costs		5 904	5 972	5 996	5 904	6 026	5 978						33 911	69 691	73 073	77 674
Remuneration of councillors		367	321	419	387	401	387						2 666	4 948	5 015	5 269
Interest paid		105	63	149	146	11	186						4 809	5 468	6 143	9 731
Bulk purchases - Electricity		8 034	7 658	5 482	3 752	3 814	3 826						19 767	52 332	55 359	90 859
Bulk purchases - Water & Sewer		78	406	(135)	196	292	—						1 603	2 440	2 736	4 315
Other materials		346	333	625	922	900	1 039						12 606	16 771	18 864	30 971
Contracted services		253	474	532	531	1 185	172						6 699	9 846	10 565	17 432
Grants and subsidies paid - other municipalities		—	—	—	—	—	—						—	—	—	—
Grants and subsidies paid - other		430	(430)	—	—	—	—						—	—	—	—
General expenses		700	2 503	4 351	3 250	4 119	2 724						16 439	34 085	35 533	39 397
<b>Cash Payments by Type</b>		<b>16 216</b>	<b>17 299</b>	<b>17 420</b>	<b>15 089</b>	<b>16 747</b>	<b>14 312</b>	—	—	—	—	—	<b>98 499</b>	<b>195 582</b>	<b>207 287</b>	<b>275 648</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		442	2 113	891	1 449	1 347	(163)						14 660	20 739	20 405	22 006
Repayment of borrowing		—	—	334	—	—	—						354	688	—	—
Other Cash Flows/Payments		—	—	—	—	—	—						—	—	—	—
<b>Total Cash Payments by Type</b>		<b>16 658</b>	<b>19 412</b>	<b>18 645</b>	<b>16 538</b>	<b>18 094</b>	<b>14 149</b>	—	—	—	—	—	<b>113 513</b>	<b>217 009</b>	<b>227 692</b>	<b>297 654</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>7 220</b>	<b>(6 702)</b>	<b>2 305</b>	<b>(5 256)</b>	<b>(4 175)</b>	<b>9 049</b>	—	—	—	—	—	<b>250</b>	<b>2 691</b>	<b>(972)</b>	<b>795</b>
Cash/cash equivalents at the month/year beginning:		7 524	14 744	8 042	10 348	5 091	916	9 965	9 965	9 965	9 965	9 965	9 965	7 524	10 214	9 243
Cash/cash equivalents at the month/year end:		14 744	8 042	10 348	5 091	916	9 965	9 965	9 965	9 965	9 965	9 965	10 214	10 214	9 243	10 037

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

### Supporting Table SC3

NC073 Emthanjeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2016/17										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	–	2 116	1 614	1 226	1 103	1 067	11 526	–	18 651	14 922		32 198
Trade and Other Receivables from Exchange Transactions - Electricity	1300	–	4 743	1 658	829	1 589	1 632	3 896	–	14 348	7 946		9 570
Receivables from Non-ex change Transactions - Property Rates	1400	–	897	405	304	318	339	15 975	–	18 238	16 937		13 211
Receivables from Exchange Transactions - Waste Water Management	1500	–	934	590	535	546	558	5 091	–	8 253	6 729		18 867
Receivables from Exchange Transactions - Waste Management	1600	–	466	288	261	275	282	2 673	–	4 247	3 492		9 605
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–		–
Interest on Arrear Debtor Accounts	1810	–	–	–	–	–	–	–	–	–	–		4 246
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–		–
Other	1900	–	131	116	95	91	74	779	–	1 286	1 040		3 404
<b>Total By Income Source</b>	<b>2000</b>	–	<b>9 286</b>	<b>4 671</b>	<b>3 251</b>	<b>3 922</b>	<b>3 953</b>	<b>39 940</b>	–	<b>65 023</b>	<b>51 065</b>	–	<b>91 100</b>
<b>2015/16 - totals only</b>			<b>20621233</b>	<b>3403677</b>	<b>2701031</b>	<b>2413665</b>	<b>2260512</b>	<b>5843844</b>		<b>37 244</b>	<b>13 219</b>		<b>86361780</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	–	508	411	312	330	292	3 241	–	5 094	4 175		690
Commercial	2300	–	2 311	1 210	481	398	289	1 102	–	5 791	2 270		2 084
Households	2400	–	5 960	2 750	2 196	2 936	3 119	33 343	–	50 306	41 595		80 046
Other	2500	–	506	299	262	257	252	2 254	–	3 832	3 026		8 281
<b>Total By Customer Group</b>	<b>2600</b>	–	<b>9 286</b>	<b>4 671</b>	<b>3 251</b>	<b>3 922</b>	<b>3 953</b>	<b>39 940</b>	–	<b>65 023</b>	<b>51 065</b>	–	<b>91 100</b>

# Creditors' analysis

## Supporting Table SC4

NC073 Emthanjeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Budget Year 2016/17												Prior year
Description	NT Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total	totals for chart	
R thousands		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year		(same period)	
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	1 473	345							1 818	1	
Auditor General	0800	-	-							-	-	
Other	0900	5 040	-							5 040	2 337	
Total By Customer Type	1000	6 513	345	-	-	-	-	-	-	6 858	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							
<b>Municipality</b>									
General Investment		Yrs	Fixed Deposit	30/06/2017	0	0.0%	11 270	–	11 270
<b>Municipality sub-total</b>					0		11 270	–	11 270
<b>Entities</b>									
<b>TOTAL INVESTMENTS AND INTEREST</b>	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 - M06 December

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									%	
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		39 459	38 822	38 822	8 580	24 429	18 097	5 319	29.4%	38 822
Local Government Equitable Share		35 929	36 197	36 197	8 130	22 104	16 785	5 319	31.7%	36 197
Finance Management		1 600	1 625	1 625	–	1 625	812			1 625
Municipal Systems Improvement		930	–	–			–			–
EPWP Incentive		1 000	1 000	1 000	450	700	500			1 000
<b>Provincial Government:</b>		1 177	2 388	2 388	–	1 261	1 194	67	5.6%	2 388
Health subsidy		–	1 227	1 227			614	(614)	-100.0%	1 227
Housing		35	–	–		680	–	680	#DIV/0!	–
Sport and Recreation	4	1 142	1 161	1 161	–	581	581	–		1 161
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
<b>Total Operating Transfers and Grants</b>	5	40 636	41 210	41 210	8 580	25 690	19 291	5 386	27.9%	41 210
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		13 398	14 602	14 602	–	7 283	5 367	1 916	35.7%	14 602
Municipal Infrastructure Grant (MIG)		11 898	11 602	11 602	–	7 283	3 867	3 416	88.3%	11 602
Regional Bulk Infrastructure		–	–	–			–	–		–
Integrated National Electrification Programme		1 500	3 000	3 000			1 500	(1 500)	-100.0%	3 000
Other capital transfers [insert description]								–		
<b>Provincial Government:</b>		–	–	–	–	–	–	–		–
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
<b>Total Capital Transfers and Grants</b>	5	13 398	14 602	14 602	–	7 283	5 367	1 916	35.7%	14 602
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	54 034	55 812	55 812	8 580	32 973	24 659	7 301	29.6%	55 812

## Grant expenditure

NC073 Emthanjeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									%	
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		39 506	38 822	38 822	1 169	5 610	5 241	368	7.0%	38 822
Local Government Equitable Share		35 929	36 197	36 197	984	4 695	3 929	766	19.5%	36 197
Finance Management		1 600	1 625	1 625	161	860	812	48	5.9%	1 625
Municipal Systems Improvement		930	–	–			–	–		–
EPWP Incentive		1 047	1 000	1 000	24	55	500	(445)	-89.0%	1 000
Other transfers and grants [insert description]								–		
<b>Provincial Government:</b>		1 177	2 388	2 388	29	260	785	(525)	-66.9%	2 388
Health subsidy		–	1 227	1 227			205	(205)	-100.0%	1 227
Housing		35	–	–			–	–		–
Sport and Recreation		1 142	1 161	1 161	29	260	581	(320)	-55.2%	1 161
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
<b>Total operating expenditure of Transfers and Grants:</b>		40 683	41 210	41 210	1 199	5 870	6 026	(157)	-2.6%	41 210
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		12 115	13 905	13 905	53	4 536	6 953	(2 417)	-34.8%	13 905
Municipal Infrastructure Grant (MIG)		10 615	10 905	10 905	53	2 371	5 453	(3 081)	-56.5%	10 905
Regional Bulk Infrastructure		–	–	–			–	–		–
Integrated National Electrification Programme		1 500	3 000	3 000	–	2 164	1 500	664	44.3%	3 000
<b>Provincial Government:</b>		–	–	–	–	–	–	–		–
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
<b>Total capital expenditure of Transfers and Grants</b>		12 115	13 905	13 905	53	4 536	6 953	(2 417)	-34.8%	13 905
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		52 798	55 115	55 115	1 252	10 406	12 979	(2 573)	-19.8%	55 115



## Expenditure on councillor and board members allowances and employee benefits

NC073 Emthanjeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December										
Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		2 892	3 451	3 451	270	1 043	1 150	(108)	-9%	3 451
Pension and UIF Contributions		198	—	—	—	—	—	—		—
Medical Aid Contributions		18	—	—	—	—	—	—		—
Motor Vehicle Allowance		931	1 150	1 150	86	332	383	(51)	-13%	1 150
Cellphone Allowance		361	395	395	31	119	132	(13)	-10%	395
Other benefits and allowances		—	51	51	—	—	9	(9)	-100%	51
<b>Sub Total - Councillors</b>		<b>4 401</b>	<b>5 046</b>	<b>5 046</b>	<b>387</b>	<b>1 494</b>	<b>1 674</b>	<b>(180)</b>	<b>-11%</b>	<b>5 046</b>
% increase	4		14.7%	14.7%						14.7%
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		4 009	3 833	3 833	295	1 547	1 916	(369)	-19%	3 833
Pension and UIF Contributions		769	672	672	46	244	336	(91)	-27%	672
Medical Aid Contributions		161	115	115	4	22	58	(36)	-63%	115
Motor Vehicle Allowance		546	755	755	68	338	378	(40)	-11%	755
Cellphone Allowance		116	138	138	14	68	69	(1)	-1%	138
Other benefits and allowances		279	268	268	5	27	134	(107)	-80%	268
Long service awards		—	—	—	5	—	—	—		—
<b>Sub Total - Senior Managers of Municipality</b>		<b>5 881</b>	<b>5 781</b>	<b>5 781</b>	<b>437</b>	<b>2 246</b>	<b>2 890</b>	<b>(644)</b>	<b>-22%</b>	<b>5 781</b>
% increase	4		-1.7%	-1.7%						-1.7%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		47 208	48 768	48 768	3 714	23 622	24 384	(762)	-3%	48 768
Pension and UIF Contributions		8 217	8 721	8 721	681	4 029	4 360	(331)	-8%	8 721
Medical Aid Contributions		1 889	1 810	1 810	211	1 303	905	398	44%	1 810
Overtime		3 139	1 477	1 477	276	1 411	739	673	91%	1 477
Motor Vehicle Allowance		1 025	1 124	1 124	83	491	562	(72)	-13%	1 124
Cellphone Allowance		127	233	233	14	82	116	(34)	-29%	233
Housing Allowances		536	687	687	54	329	343	(14)	-4%	687
Other benefits and allowances		2 928	1 179	1 179	605	927	1 720	(792)	-46%	1 179
Post-retirement benefit obligations	2	36	58	58	—	—	10	(10)	-100%	58
<b>Sub Total - Other Municipal Staff</b>		<b>65 104</b>	<b>64 057</b>	<b>64 057</b>	<b>5 639</b>	<b>32 195</b>	<b>33 139</b>	<b>(944)</b>	<b>-3%</b>	<b>64 057</b>
% increase	4		-1.6%	-1.6%						-1.6%
<b>Total Parent Municipality</b>		<b>75 386</b>	<b>74 884</b>	<b>74 884</b>	<b>6 464</b>	<b>35 935</b>	<b>37 704</b>	<b>(1 768)</b>	<b>-5%</b>	<b>74 884</b>
			-0.7%	-0.7%						-0.7%
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>75 386</b>	<b>74 884</b>	<b>74 884</b>	<b>6 464</b>	<b>35 935</b>	<b>37 704</b>	<b>(1 768)</b>	<b>-5%</b>	<b>74 884</b>
% increase	4		-0.7%	-0.7%						-0.7%
<b>TOTAL MANAGERS AND STAFF</b>		<b>70 984</b>	<b>69 838</b>	<b>69 838</b>	<b>6 076</b>	<b>34 441</b>	<b>36 030</b>	<b>(1 589)</b>	<b>-4%</b>	<b>69 838</b>

## Capital programme performance

NC073 Emthanjeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b><u>Monthly expenditure performance trend</u></b>									
July	63	1 456	1 456	442	442	1 456	1 014	69.7%	2%
August	530	5 033	5 033	2 113	2 555	6 490	3 934	60.6%	12%
September	378	461	461	891	3 447	6 950	3 504	50.4%	17%
October	2 897	1 396	1 396	1 449	4 895	8 346	3 451	41.3%	24%
November	734	4 263	4 263	1 347	6 243	12 609	6 366	50.5%	30%
December	40	753	753	(163)		13 361	–		
January	1 127	698	698	–		14 060	–		
February	53	1 791	1 791	–		15 851	–		
March	2 700	3 222	3 222	–		19 073	–		
April	1 130	1 115	1 115	–		20 187	–		
May	896	310	310	–		20 497	–		
June	1 099	242	242	–		20 739	–		
<b>Total Capital expenditure</b>	<b>11 646</b>	<b>20 739</b>	<b>20 739</b>	<b>6 079</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 December 2016 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 14/01/2017

---

---