KOUGA MUNICIPALITY (EC108)

FINANCE PORTFOLIO COMMITTEE MEETING

FINANCE

DATE: **ITEM NO:**

……

MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2020 TO NOVEMBER 2020 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 NOVEMBER 2020 (2020/21 FINANCIAL YEAR)

1. Purpose

This report is submitted in compliance with Section 71(1) of the Municipal Finance Management Act (MFMA) and the Municipal Budget and Reporting Regulations (MBRR).

2. Legislative Requirements

The Municipality is required to assess on an ongoing basis whether it collects sufficient revenue to meet its commitments, such as paying Employees, Councillors, Eskom, Nelson Mandela Bay Municipality, service providers etc.

In accordance with Section 71(1) of the MFMA, the Accounting officer must by no later than 10 working days after the end of each month, submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget.

In accordance with regulation 28 of the MBRR, the monthly budget statements of a municipality must be in the format specified in Schedule C.

3. Executive Summary

This report provides a balanced and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating and capital budget performance for the months of November 2020, so as to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

The financial performance highlights are as follows:

- Operating revenue amounted to R 419,907 million, whilst operating expenditure amounted to R 359,043 million, resulting in an operating surplus of R 60,864 million.
- Capital expenditure constituted 15,90% of the 2020/21 Adjusted Capital Budget.
- Overdue consumer debts increased by R 31,143 million (18,40%) since June 2020.

- An amount of R 33,997 million is owing to creditors, of which R 31,567 million (92,85%) represents current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.
- The municipality's investment portfolio has decreased by R 19,608,101 (13.90%) since June 2020, from R 141,031,684 to R 121,423,584.

The following key financial ratios are monitored on an on-going basis:

Ratio	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 30 June 2020	Actuals as at 30 November 2019	Actuals as at 30 November 2020	Adjustment Budget 2020/21
Current Ratio	1.58:1	1.31:1	1.32:1	1.83:1	1.73:1	0.96:1
Liquidity Ratio	0.75:1	0.84:1	0.85:1	1.15:1	0.99:1	0.33:1
Cost Coverage (Excluding unspent conditional grants)	1.73 Months	1.97 Months	2.02 Months	1.86 Months	1.27 Months	1.04 Months
Debtors Collection Rate	90.73%	97.62%	95.42%	91.58%	90.86%	85%
Capital Expenditure	72.92%	73.82%	75.33%	21.89%	15.90%	95%

4. Detailed Reports

In order to comply with Schedule C of the Municipal Budget and Reporting Regulations, the following detailed schedules are attached for the period, ending 30 November 2020:

Annexure "A1" – Operating Revenue and Expenditure Performance

Annexure "A2" - Capital Budget Performance

Annexure "A3"- Projected Cash Flow Statement

Annexure "A4" – Municipal Monthly Budget Tables

Annexure "A5"- Analysis of Municipality's Statement of Financial Performance

i. Overview of Outstanding Consumer Debtors
ii. Overview of Creditors position
iii. Investment portfolio
iv. Grants receipts and Expenditure
v. Councillors & Employee benefits
vi. Key performance Indicators

5. Recommendation

I. That the Executive Mayor notes the Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

II. That the monthly budget statements accordingly be submitted to Provincial Treasury as stipulated in Section 71(1) of the MFMA.

Report Submitted by



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Municipal Manager

Acknowledgement of section 71 reports by the Executive Mayor for the period July 2020 to November 2020.

I hereby acknowledge the receipt of section 71 report in terms of the Municipal Finance Management Act No. 56 of 2003.



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Executive Mayor

6. Municipal Manager's Quality Certificate

I, Charl Du Plessis, Municipal Manager of Kouga Local Municipality hereby certify that the monthly budget statements have been prepared in accordance with the Municipal Finance Management act and regulations made under the Act, and that monthly budget statements are consistent with the Integrated Development Plan of the municipality

Print Name _Charl Du Plessis

Municipal Manager of Kouga Local Municipal

Signature 

Date ____14 December 2020_____

Annexure "A1"

OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD OF JULY TO NOVEMBER 2020.

Below is an analysis of the operating revenue and expenditure performance

Description	Budget Year 2020/21		
	Adjusted Budget	Actuals as at 30 November 2020	%
R thousands			
Revenue By Source			
Property rates	205 650	123 014	59,82%
Service charges - electricity revenue	291 625	125 910	43,18%
Service charges - water revenue	81 846	34 508	42,16%
Service charges - sanitation revenue	53 555	23 447	43,78%
Service charges - refuse revenue	54 690	23 709	43,35%
Rental of facilities and equipment	4 083	391	9,58%
Interest earned - external investments	13 013	1 837	14,12%
Interest earned - outstanding debtors	6 993	3 625	51,83%
Fines, penalties and forfeits	6 685	249	3,73%
Licences and permits	20 714	11 325	54,67%
Transfers and subsidies	166 000	63 373	38,18%
Other revenue	21 540	8 520	39,56%
Total Revenue (excluding capital transfers and contributions)	**926 393**	**419 907**	**45,33%**
Expenditure By Type			
Employee related costs	348 729	139 968	40,14%
Remuneration of councillors	13 651	5 315	38,94%
Debt impairment	58 222	7	0,01%
Depreciation & asset impairment	89 271	30 636	34,32%
Finance charges	1 388	642	46,28%
Bulk purchases	246 173	117 281	47,64%
Other materials	59 926	9 815	16,38%
Contracted services	71 478	21 011	29,40%
Transfers and subsidies	761	–	0,00%
Other expenditure	103 005	34 368	33,37%
Total Expenditure	**992 604**	**359 043**	**36,17%**
Surplus/(Deficit)	**(66 211)**	**60 864**	

The statement of financial performance indicates a surplus of R 60,864 million.

Below is a discussion of the significant revenue variations:

Revenue Variations

Property Rates

As at 30 November 2020, the Municipality has recognised 59,82% of its property rates revenue, compared to the budget. This is influenced by annual property rates raised in July 2020.

Rental of Facilities

This relates to the rental of municipal buildings, community halls and other municipal facilities. The revenue is influenced by the extent of rental agreements.

Interest earned - external investments

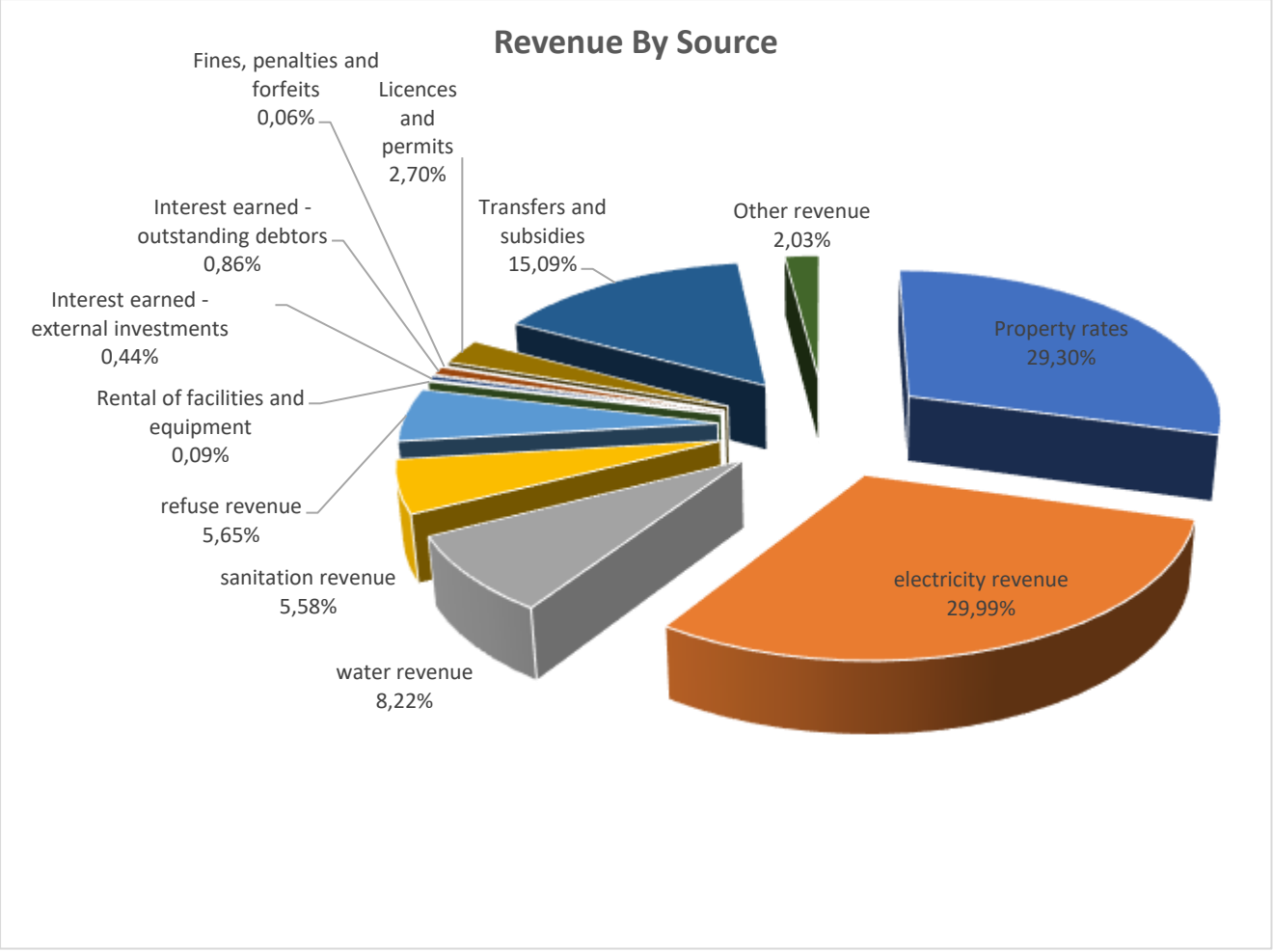
Interest earned on external investments is largely influenced by the municipality's investment portfolio. Currently the investment portfolio amounts to R 121,424 million.

Fines, penalties and forfeits

Fines, penalties and forfeits are largely influenced by the lower than anticipated revenue from traffic fines.

Licences and permits

This is largely influenced by the extent of vehicle registrations.



Expenditure Variations

Bad Debts

Bad debts are written off upon Council approval.

Bulk purchases

Item Description	Amended Budget 2020/21	Actuals as at 30 November 2020	%
Bulk Purchases - Electricity	246 173 454	117 280 655	47.64%
	246 173 454	**117 280 655**	**47.64%**

Other materials

Other materials relate to consumables, fuel and oil. It includes material and supplies used for repairs and maintenance. This is influence by the low spending on repairs and maintenance budget.

Transfers and subsidies

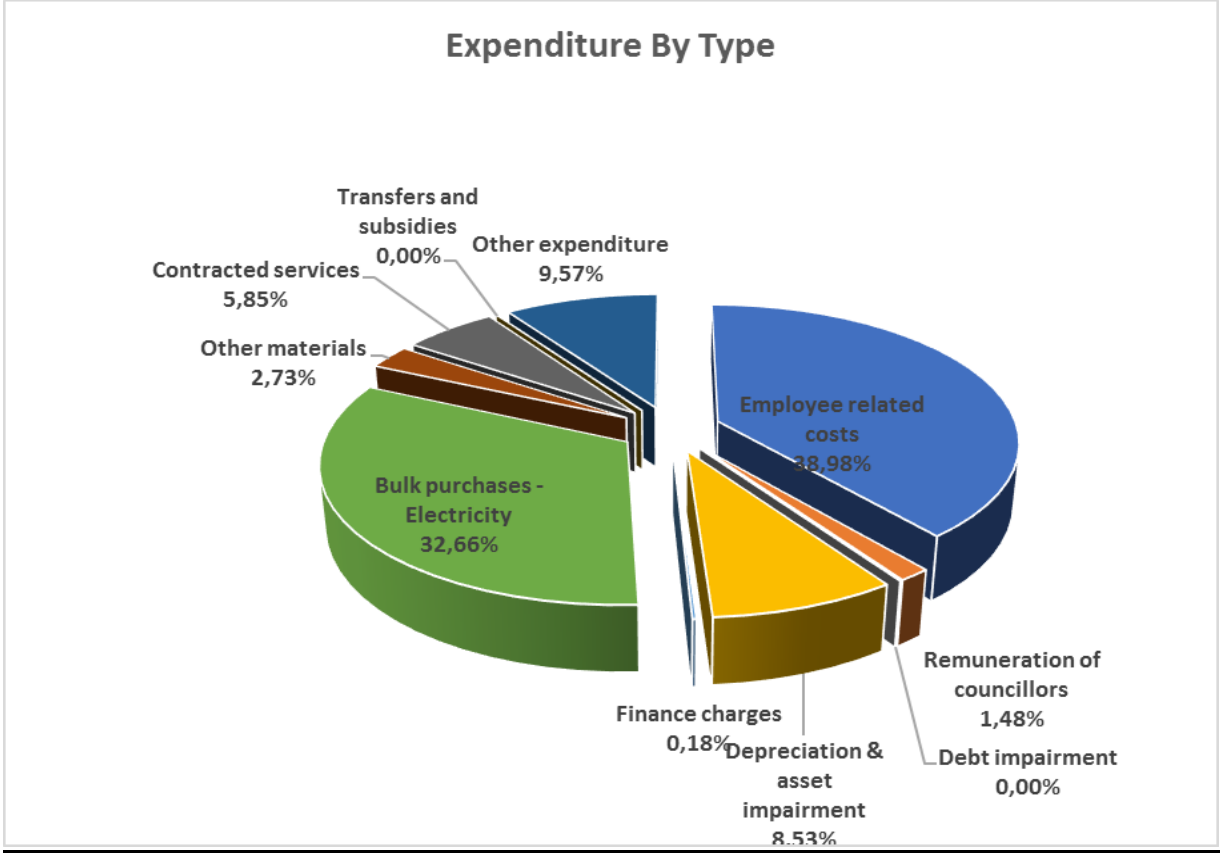
Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organizations, in line with the Council approved grant-in-aid policy.

Contracted Services

Contracted services mostly relate to outsourced work, in relation to the maintenance of municipal infrastructure assets and includes consultation fees.

The contracted services are broken down as follows:

Item Description	Adjusted Budget 2020/21	Actuals as at 30 November 2020	%
Consultants and Professional Services	10 740 448	375 654	3.50%
Drivers Licence Cards	850 000	132 720	15.61%
Transport Services	387 556	1 800	0.46%
Dune Stabilisation	6 759 604	4 215 460	62.36%
Valuer	2 082 451	27 095	1.30%
Other Contracted Services	1 670 013	212 690	12.74%
Legal Advice and Litigation	2 449 703	664 035	27.11%
Maintenance of Buildings and Facilities	4 663 303	1 660 217	35.60%
Catering Services	467 385	38 842	8.31%
Maintenance of Vehicles	6 558 120	2 300 301	35.08%
Qualification Verification	800 000	239 600	29.95%
Maintenance of Water Infrastructure	1 653 900	143 857	8.70%
Maintenance of Equipment	619 275	143 148	23.12%
Burial Services	202 250	1 050	0.52%
Roads Maintenance	10 000 000	2 376 778	23.77%
Medical Health Services & Support	1 100 000	458 599	41.69%
Maintenance of Electrical Infrastructure	2 266 032	1 219 074	53.80%
Maintenance of Sanitation Infrastructure	1 339 000	390 427	29.16%
Laboratory Services:Water	702 408	53 676	7.64%
Special Rating Area	7 350 000	3 667 044	49.89%
Internal Auditors	450 000	25 300	5.62%
Legal Cost:Collection	1 250 000	207 588	16.61%
Security Services	2 239 147	863 313	38.56%
Occupational Health and Safety	73 150	-	0.00%
Animal Care	400 000	-	0.00%
Personnel and Labour	1 432 000	1 375 116	96.03%
Professional Staff	482 230	58 400	12.11%
Employee Wellness	250 000	69 329	27.73%
Call Centre	250 000	-	0.00%
Clearing and Grass Cutting Services	790 000	90 117	11.41%
Litter Picking and Street Cleaning	1 200 000	-	0.00%
Total	**71 477 975**	**21 011 230**	**29.40%**



Repairs and Maintenance

Below is an analysis of actual repairs and maintenance expenditure, compared to the 2020/21 Adjusted Budget.

Item Description	Budget Year 2020/21		
	Adjusted Budget	Actuals as at 30 November 2020	%
Maintenance of Equipment	476 850	84 019	17.62%
Maintenance of Vehicles	7 191 839	2 863 267	39.81%
Maintenance of Buildings and Facilities	4 929 198	1 694 506	34.38%
Maintenance of Water Infrastructure	4 932 575	1 232 003	24.98%
Roads Maintenance	10 049 000	2 376 778	23.65%
Consultants and Professional Services	60 000	-	0.00%
Sport and Recreation Facilities	328 450	216 929	66.05%
Maintenance of Electrical Infrastructure	5 003 220	2 675 148	53.47%
Maintenance of Sanitation Infrastructure	2 696 403	902 432	33.47%
Hire Charges	4 276 076	2 134 874	49.93%
Other Contracted Services	267 519	53 700	20.07%
Total	**40 211 130**	**14 233 657**	**35.40%**

It is to be noted that actual repairs and maintenance expenditure constituted 35.40% of the 2020/21 Adjusted Budget.

Annexure "A2"

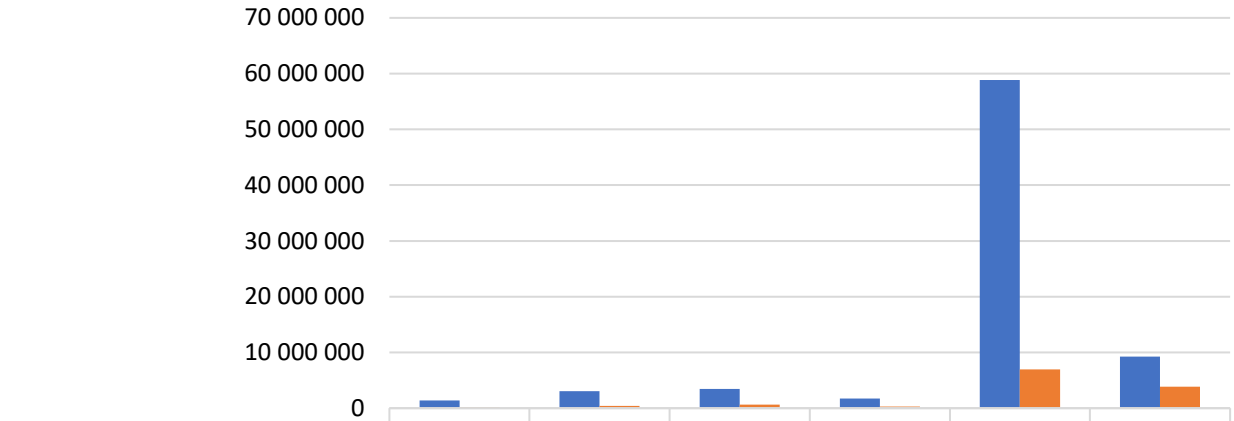
CAPITAL BUDET PERFORMANCE

Below is an analysis of the capital expenditure compared to the 2020/21 Adjusted Capital Budget.

Project Description	Funding	Adjusted Budget 2020/21	Actuals as at 30 November 2020	%
Executive & Council				
Computer Equipment	Internal	147 445,00	53 824,00	36,50%
Vehicle	Internal	400 000,00	-	0,00%
Furniture and Equipment	Internal	16 847,00	9 596,00	56,96%
Ward councilors Capital project	Internal	850 000,00	102 930,00	12,11%
		1 414 292,00	**166 350,00**	**11,76%**
Corporate Services				
EDMS	Internal	1 560 455,00	573 000,00	36,72%
Library upgrade – Corporate Services	Internal	22 000,00	-	0,00%
Computer Software and Applications	Internal	434 000,00	-	0,00%
Computer Equipment	Internal	402 220,00	23 603,00	5,87%
Fencing of municipal building	Internal	100 000,00	-	0,00%
Bio-metric System	Internal	600 000,00	-	0,00%
Furniture and Equipment	Internal	352 446,00	35 848,00	10,17%
		3 471 121,00	**632 451,00**	**18,22%**
Finance				
SCM Furniture	Internal	327 833,00	316 426,00	96,52%
Computer Equipment	Internal	900 000,00	107 200,00	11,91%
Furniture and Equipment	Internal	141 005,00	-	0,00%
Cibex Software	Internal	681 497,00	-	0,00%
WIFI Solution	Internal	75 904,00	-	0,00%
Machinery and Equipment	Internal	156 465,00	-	0,00%
DISASTER RECOVERY SERVER	Internal	637 267,00	-	0,00%
Office upgrade ICT	Internal	153 950,00	-	0,00%
		3 073 921,00	**423 626,00**	**13,78%**
Planning, Development and Tourism				
Land acquisition housing projects	Internal	360 000,00	-	0,00%
Computer Software and Applications	Internal	315 000,00	92 375,00	29,33%
Vehicles	Internal	400 000,00	-	0,00%
Computer Equipment	Internal	30 000,00	-	0,00%
Furniture and equipment	Internal	250 000,00	223 750,00	89,50%
Restoration of Fisherman Grave Site	Internal	100 000,00	-	0,00%
Kouga Business Support Centre	Internal	300 000,00	-	0,00%
Housing Projects	Distr	1,00	-	0,00%
		1 755 001,00	**316 125,00**	**18,01%**
Community Services				
Vehicle	Internal	1 296 500,00	-	0,00%
Vehicle	Distr	5 118 200,00	3 027 724,84	59,16%
Jack Hammer and water pump	Internal	250 000,00	-	0,00%
Kouga Skip Bins	Internal	200 000,00	-	0,00%
Machinery and Equipment (Security Cameras System)	Internal	750 000,00	-	0,00%
Fleet Management	Internal	100 000,00	77 200,00	77,20%
Machinery and Equipment	Internal	647 638,00	237 600,00	36,69%
Computer Equipment	Internal	30 000,00	20 794,00	69,31%
Furniture and Equipment	Internal	144 760,00	120 350,00	83,14%
Fencing Humansdorp Fire Station	Internal	200 000,00	168 817,60	84,41%
Upgrading of Sports Facilities	Internal	153 457,00	47 828,87	31,17%
Upgrading of Pellsrus, Kabeljous, Cape St Francis	Internal	150 000,00	110 180,00	73,45%
Fencing Community Hall	Internal	200 000,00	39 400,00	19,70%
		9 240 555,00	**3 849 895,31**	**41,66%**

Project Description	Funding	Adjusted Budget 2020/21	Actuals as at 30 November 2020	
Infrasturcture and Engineering				
Saffery Substation	Internal	1 000 000,00	-	0,00%
SUBSTATION SECURITY	Internal	200 000,00	-	0,00%
Replace 250mm Water Main Canal Road St Francis Ba	Internal	1 000 000,00	-	0,00%
Repair Leaking Concrete Water Tower Paradise Beach	Internal	300 000,00	-	0,00%
Replace Main Waterline Sout Rivier Bridge Crossing	Internal	1 000 000,00	-	0,00%
Replace 250mm Water Main Mimosa Street Jbay	Internal	330 000,00	-	0,00%
Upgrade Hankey Water Treatment Works	Internal	600 000,00	-	0,00%
New bypass Sewer Rising Main and Pump Stations Jba	Internal	1 000 000,00	-	0,00%
Fencing Kruisfontein Waste Water Treatment Plant	Internal	800 000,00	407 128,80	50,89%
Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	Internal	1 000 000,00	-	0,00%
Piped Reticulation - St Francis Bay	Internal	1 500 000,00	-	0,00%
New overheadlines 66kv overheadlines(Jbay to Melk	Internal	3 043 086,00	1 119 304,82	36,78%
Electrcial supply of tri switches St francis Bay	Internal	200 000,00	-	0,00%
Machinery & Equipment	Internal	300 000,00	28 174,60	9,39%
Electrical Mini sub station 22 000/11000/400 St Fr	Internal	485 935,00	422 552,00	86,96%
Humansdorp, Kruisfontein and Osean View Electrific	INEP	4 521 739,00	926 636,90	20,49%
Humansdorp, Kruisfontein and Osean View Electrific	Internal	800 000,00	-	0,00%
Electrical Oil circuit breakers replacement with v	Internal	800 000,00	-	0,00%
Electrcial Supply auto recloser St Francis Bay	Internal	400 000,00	-	0,00%
Electrcial 5 MV 22000/11000 transformer	Internal	1 406 000,00	1 222 570,40	86,95%
Kouga Backup Generators	Internal	500 000,00	-	0,00%
Upgrade Sanitation System Old Hankey	MIG	6 333 460,00	988 579,35	15,61%
Construct emergency overflow pond Koraal Sewer pu	Internal	1 300 000,00	-	0,00%
Upgrade Loerie sewer pump station	Internal	1 600 000,00	-	0,00%
Upgrading of Gravel Roads in Humansdorp	MIG	7 890 511,00	-	0,00%
Container toilets	Internal	1 100 000,00	-	0,00%
Fencing Main Substation Jeffrey's Bay	Internal	500 000,00	172 110,00	34,42%
Substations Movements in Ocean View	Internal	3 000 000,00	-	0,00%
Roads Capital	Internal	2 500 000,00	-	0,00%
Mini Fresh Food and Craft Markets in Jbay & Hankey	MIG	1 092 413,00	-	0,00%
Security Camera	Internal	150 000,00	8 000,00	5,33%
LV Networks (Informal Areas, Electrification/illeg	Internal	1 000 000,00	167 560,00	16,76%
Purchase of mini sub station 11000/400,22000/400	Internal	422 552,00	-	0,00%
Upgrading of Kwanomzamo Sports Facility	MIG	5 087 154,00	-	0,00%
Upgrading of Sports Facilities	MIG	5 682 636,00	1 519 143,53	26,73%
		58 845 486,00	**6 981 760,40**	**11,86%**
Total		**77 800 376,00**	**12 370 207,71**	**15,90%**
Internally generated funds		42 074 262,00	5 908 123,09	14,04%
Transfers recognised - capital		35 726 114,00	6 462 084,62	18,09%
		77 800 376,00	**12 370 207,71**	**15,90%**

It is to be noted that capital expenditure as at 30 November 2020 amounted to 15.90%, compared to the adjusted capital budget of R 77,800,376.



	Executive & Council	Finance	Corporate Services	Planning, Development and Tourism	Infrastructure and Engineering	Community Services
Adjusted Budget 2020/21	1 414 292	3 073 921	3 471 121	1 755 001	58 845 486	9 240 555
Actuals as at 30 November 2020	166 350	423 626	632 451	316 125	6 981 760	3 849 895

Annexure "A3"

PROJECTED CASH FLOW STATEMENT FOR THE 2020/21 FINANCIAL YEAR

Projected Cash Flow Statement as at 30 November 2020

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

Table C7 Monthly Budget Statement – Cash Flow – M05 November 2020

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			174 803	174 803	19 333	114 391	72 834	41 557	57%	174 803
Service charges			424 039	493 499	37 963	201 091	205 624	(4 533)	-2%	493 499
Other revenue			53 022	53 022	2 556	37 599	22 092	15 506	70%	53 022
Transfers and Subsidies - Operational			145 612	166 000	–	72 063	69 167	2 897	4%	166 000
Transfers and Subsidies - Capital			38 356	37 164	2 000	11 181	15 485	(4 304)	-28%	37 164
Interest			18 957	18 957	1 414	4 921	7 899	(2 978)	-38%	18 957
Dividends				–	–	–	–	–		–
Payments										
Suppliers and employees			(815 350)	(921 829)	(78 340)	(441 573)	(384 095)	57 478	-15%	(921 829)
Finance charges			(1 388)	(1 388)	(116)	(642)	(578)	64	-11%	(1 388)
Transfers and Grants			(761)	(761)	–	–	(317)	(317)	100%	(761)
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	**37 290**	**19 466**	**(15 191)**	**(968)**	**8 111**	**9 079**	**112%**	**19 466**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets			(56 912)	(77 800)	(5 333)	(15 032)	(32 417)	(17 385)	54%	(77 800)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	**(56 912)**	**(77 800)**	**(5 333)**	**(15 032)**	**(32 417)**	**(17 385)**	**54%**	**(77 800)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
Payments										
Repayment of borrowing			(9 608)	(9 608)	(734)	(3 608)	(4 003)	(395)	10%	(9 608)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	**(9 608)**	**(9 608)**	**(734)**	**(3 608)**	**(4 003)**	**(395)**	**10%**	**(9 608)**
NET INCREASE/ (DECREASE) IN CASH HELD		–	**(29 230)**	**(67 942)**	**(21 258)**	**(19 608)**	**(28 309)**			**(67 942)**
Cash/cash equivalents at beginning:			76 328	141 032		141 032	141 032			141 032
Cash/cash equivalents at month/year end:		–	47 099	73 090		121 424	112 723			73 090

MUNICIPAL MONTHLY BUDGET TABLES

1. MONTHLY BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality's 2020/21 budget performance for the period of November 2020 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M05 November 2020

Description	2019/20	Budget Year 2020/21							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	205 650	205 650	12 275	123 014	85 688	37 326	44%	205 650
Service charges	–	481 716	481 716	38 064	207 573	200 715	6 859	3%	481 716
Investment revenue	–	13 013	13 013	342	1 837	5 422	(3 585)	-66%	13 013
Transfers and subsidies	–	145 612	166 000	443	63 373	69 167	(5 794)	-8%	166 000
Other own revenue	–	60 015	60 015	3 480	24 110	25 006	(896)	-4%	60 015
Total Revenue (excluding capital transfers and contributions)	**–**	**906 005**	**926 393**	**54 604**	**419 907**	**385 997**	**33 910**	**9%**	**926 393**
Employee costs	–	336 974	348 729	38 941	139 968	145 304	(5 336)	-4%	348 729
Remuneration of Councillors	–	13 651	13 651	1 067	5 315	5 688	(373)	-7%	13 651
Depreciation & asset impairment	–	89 271	89 271	6 127	30 636	37 196	(6 560)	-18%	89 271
Finance charges	–	1 388	1 388	116	642	578	64	11%	1 388
Materials and bulk purchases	–	305 802	306 100	20 720	127 096	127 541	(445)	-0%	306 100
Transfers and subsidies	–	761	761	–	–	317	(317)	-100%	761
Other expenditure	–	248 495	232 705	13 159	55 386	96 960	(41 575)	-43%	232 705
Total Expenditure	**–**	**996 342**	**992 604**	**80 130**	**359 043**	**413 585**	**(54 542)**	**-13%**	**992 604**
Surplus/(Deficit)	**–**	**(90 337)**	**(66 211)**	**(25 526)**	**60 864**	**(27 588)**	**88 452**	**-321%**	**(66 211)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	–	38 356	37 164	913	4 894	15 485	### ###	-68%	37 164
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**–**	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**	**77 860**	**-643%**	**(29 047)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**	**77 860**	**-643%**	**(29 047)**
Capital expenditure & funds sources									
Capital expenditure	**–**	**56 912**	**77 800**	**5 333**	**12 370**	**32 417**	**(20 047)**	**-62%**	**77 800**
Capital transfers recognised	–	33 610	35 726	3 278	6 462	14 886	(8 424)	-57%	35 726
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**–**	**23 303**	**42 074**	**2 055**	**5 908**	**17 531**	**(11 623)**	**-66%**	**42 074**
Total sources of capital funds	**–**	**56 912**	**77 800**	**5 333**	**12 370**	**32 417**	**(20 047)**	**-62%**	**77 800**
Financial position									
Total current assets	–	182 094	213 364		212 075				213 364
Total non current assets	–	2 229 248	2 311 167		2 229 248				2 311 167
Total current liabilities	–	190 365	221 493		122 856				221 493
Total non current liabilities	–	170 192	163 445		170 192				163 445
Community wealth/Equity	**–**	**2 050 785**	**2 139 593**		**2 148 275**				**2 139 593**
Cash flows									
Net cash from (used) operating	–	37 290	19 466	(15 191)	(968)	8 111	9 079	112%	19 466
Net cash from (used) investing	–	(56 912)	(77 800)	(5 333)	(15 032)	(32 417)	(17 385)	54%	(77 800)
Net cash from (used) financing	–	(9 608)	(9 608)	(734)	(3 608)	(4 003)	(395)	10%	(9 608)
Cash/cash equivalents at the month/year end	**–**	**47 099**	**73 090**	**–**	**121 424**	**112 723**	**(8 701)**	**-8%**	**73 090**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	32 175	9 421	7 014	21 789	6 077	4 932	24 670	126 496	232 575
Creditors Age Analysis									
Total Creditors	31 567	584	485	62	216	1 232	7	(155)	33 997

Explanatory notes to Table C 1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance.

Table C2 Monthly Budget Statement – Financial Performance (standard classification) – M05 November 2020

Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		–	**332 007**	**352 395**	**13 113**	**194 338**	**146 831**	47 507	32%	**352 395**
Executive and council		–	28	28	–	–	12	(12)	-100%	28
Finance and administration		–	331 979	352 367	13 113	194 338	146 820	47 518	32%	352 367
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		–	**15 620**	**15 620**	**583**	**4 205**	**6 508**	(2 304)	-35%	**15 620**
Community and social services		–	2 498	2 498	36	141	1 041	(900)	-86%	2 498
Sport and recreation		–	8 085	8 085	537	2 867	3 369	(502)	-15%	8 085
Public safety		–	1 985	1 985	–	624	827	(203)	-25%	1 985
Housing		–	–	(0)	–	–	(0)	0	-100%	(0)
Health		–	3 051	3 051	9	573	1 271	(698)	-55%	3 051
Economic and environmental services		–	**23 813**	**23 813**	**2 100**	**11 579**	**9 922**	1 656	17%	**23 813**
Planning and development		–	7 173	7 173	631	2 846	2 989	(143)	-5%	7 173
Road transport		–	15 252	15 252	1 313	8 061	6 355	1 707	27%	15 252
Environmental protection		–	1 389	1 389	156	671	579	93	16%	1 389
Trading services		–	**572 921**	**571 729**	**39 721**	**214 680**	**238 220**	(23 541)	-10%	**571 729**
Energy sources		–	304 317	304 317	22 947	127 351	126 799	553	0%	304 317
Water management		–	100 261	100 261	6 835	35 583	41 775	(6 192)	-15%	100 261
Waste water management		–	93 692	93 692	5 291	27 162	39 038	(11 876)	-30%	93 692
Waste management		–	74 651	73 459	4 648	24 583	30 608	(6 025)	-20%	73 459
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	–	**944 362**	**963 558**	**55 517**	**424 801**	**401 482**	**23 319**	**6%**	**963 558**
Expenditure - Functional										
Governance and administration		–	**242 971**	**237 945**	**19 904**	**72 495**	**99 144**	(26 648)	-27%	**237 945**
Executive and council		–	41 969	43 769	4 234	15 576	18 237	(2 661)	-15%	43 769
Finance and administration		–	200 981	194 154	15 670	56 919	80 898	(23 978)	-30%	194 154
Internal audit		–	21	21	–	–	9	(9)	-100%	21
Community and public safety		–	**93 241**	**94 878**	**10 901**	**37 702**	**39 533**	(1 830)	-5%	**94 878**
Community and social services		–	10 773	10 773	1 258	4 002	4 489	(487)	-11%	10 773
Sport and recreation		–	45 537	46 175	5 599	19 001	19 239	(238)	-1%	46 175
Public safety		–	25 505	25 505	2 816	10 372	10 627	(255)	-2%	25 505
Housing		–	5 399	6 399	576	2 093	2 666	(574)	-22%	6 399
Health		–	6 026	6 026	653	2 234	2 511	(277)	-11%	6 026
Economic and environmental services		–	**122 804**	**131 291**	**11 247**	**48 740**	**54 705**	(5 965)	-11%	**131 291**
Planning and development		–	39 343	41 831	3 016	11 858	17 429	(5 572)	-32%	41 831
Road transport		–	81 450	87 450	7 898	35 564	36 437	(873)	-2%	87 450
Environmental protection		–	2 011	2 011	333	1 318	838	480	57%	2 011
Trading services		–	**534 193**	**525 357**	**38 069**	**200 094**	**218 899**	(18 804)	-9%	**525 357**
Energy sources		–	316 672	306 581	23 332	135 190	127 742	7 447	6%	306 581
Water management		–	91 486	92 377	5 025	17 898	38 490	(20 592)	-53%	92 377
Waste water management		–	62 587	59 775	4 841	25 465	24 906	559	2%	59 775
Waste management		–	63 448	66 624	4 871	21 541	27 760	(6 218)	-22%	66 624
Other		–	**3 133**	**3 133**	**9**	**12**	**1 306**	**(1 293)**	**-99%**	**3 133**
Total Expenditure - Functional	3	–	**996 342**	**992 604**	**80 130**	**359 043**	**413 585**	**(54 542)**	**-13%**	**992 604**
Surplus/ (Deficit) for the year		–	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**	**77 860**	**-643%**	**(29 047)**

Explanatory notes to Table C2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

The standard classification refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities.

Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote – M05 November 2020

Vote Description	Ref	2019/20	Budget Year 2020/21							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		–	–	–	–	–	–	–		–
Vote 2 - FINANCIAL SERVICES		–	325 858	346 246	13 150	194 089	144 269	49 820	34,5%	346 246
Vote 3 - CORPORATE SERVICES		–	307	307	–	96	128	(32)	-24,7%	307
Vote 4 - COMMUNITY SERVICES		–	111 700	110 508	6 663	37 673	46 045	(8 372)	-18,2%	110 508
Vote 5 - INFRASTRUCTURE AND ENGINEERING		–	501 976	501 976	35 291	191 076	209 157	(18 081)	-8,6%	501 976
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		–	4 521	4 521	413	1 867	1 884	(16)	-0,9%	4 521
Vote 7 - COMMUNITY SERVICES (CONTINUED)		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**–**	**944 362**	**963 558**	**55 517**	**424 801**	**401 482**	**23 319**	**5,8%**	**963 558**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		–	45 541	46 208	3 942	15 340	19 253	(3 913)	-20,3%	46 208
Vote 2 - FINANCIAL SERVICES		–	115 737	109 469	10 193	28 210	45 612	(17 402)	-38,2%	109 469
Vote 3 - CORPORATE SERVICES		–	43 677	46 967	2 502	15 533	19 570	(4 037)	-20,6%	46 967
Vote 4 - COMMUNITY SERVICES		–	191 251	200 064	20 013	76 022	83 360	(7 338)	-8,8%	200 064
Vote 5 - INFRASTRUCTURE AND ENGINEERING		–	575 140	560 204	41 118	215 674	233 418	(17 744)	-7,6%	560 204
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		–	24 996	29 692	2 363	8 264	12 372	(4 108)	-33,2%	29 692
Vote 7 - COMMUNITY SERVICES (CONTINUED)		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**–**	**996 342**	**992 604**	**80 130**	**359 043**	**413 585**	**(54 542)**	**-13,2%**	**992 604**
Surplus/ (Deficit) for the year	2	**–**	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**	**77 860**	**-643,3%**	**(29 047)**

Explanatory notes to Table C3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget reporting table is represented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned.

Operating revenue and expenditure is thus presented by "vote". A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure) – M05 November 2020

Description	Ref	2019/20	Budget Year 2020/21							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates			205 650	205 650	12 275	123 014	85 688	37 326	44%	205 650
Service charges - electricity revenue			291 625	291 625	22 614	125 910	121 510	4 400	4%	291 625
Service charges - water revenue			81 846	81 846	6 555	34 508	34 103	405	1%	81 846
Service charges - sanitation revenue			53 555	53 555	4 472	23 447	22 315	1 132	5%	53 555
Service charges - refuse revenue			54 690	54 690	4 423	23 709	22 787	921	4%	54 690
Rental of facilities and equipment			4 083	4 083	131	391	1 701	(1 310)	-77%	4 083
Interest earned - external investments			13 013	13 013	342	1 837	5 422	(3 585)	-66%	13 013
Interest earned - outstanding debtors			6 993	6 993	925	3 625	2 914	711	24%	6 993
Dividends received			–	–	–	–	–	–		–
Fines, penalties and forfeits			6 685	6 685	(16)	249	2 785	(2 536)	-91%	6 685
Licences and permits			20 714	20 714	1 946	11 325	8 631	2 694	31%	20 714
Agency services			–	–	–	–	–	–		–
Transfers and subsidies			145 612	166 000	443	63 373	69 167	(5 794)	-8%	166 000
Other revenue			21 540	21 540	494	8 520	8 975	(455)	-5%	21 540
Gains			–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		–	**906 005**	**926 393**	**54 604**	**419 907**	**385 997**	**33 910**	**9%**	**926 393**
Expenditure By Type										
Employee related costs			336 974	348 729	38 941	139 968	145 304	(5 336)	-4%	348 729
Remuneration of councillors			13 651	13 651	1 067	5 315	5 688	(373)	-7%	13 651
Debt impairment			89 573	58 222	–	7	24 259	(24 252)	-100%	58 222
Depreciation & asset impairment			89 271	89 271	6 127	30 636	37 196	(6 560)	-18%	89 271
Finance charges			1 388	1 388	116	642	578	64	11%	1 388
Bulk purchases			279 744	246 173	18 971	117 281	102 572	14 708	14%	246 173
Other materials			26 059	59 926	1 749	9 815	24 969	(15 154)	-61%	59 926
Contracted services			60 352	71 478	5 061	21 011	29 782	(8 771)	-29%	71 478
Transfers and subsidies			761	761	–	–	317	(317)	-100%	761
Other expenditure			98 571	103 005	8 098	34 368	42 919	(8 551)	-20%	103 005
Losses			–	–	–	–	–	–		–
Total Expenditure		–	**996 342**	**992 604**	**80 130**	**359 043**	**413 585**	**(54 542)**	**-13%**	**992 604**
Surplus/(Deficit)		–	**(90 337)**	**(66 211)**	**(25 526)**	**60 864**	**(27 588)**	**88 452**	**(0)**	**(66 211)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			38 356	37 164	913	4 894	15 485	(10 592)	**(0)**	37 164
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)				–	–	–	–	–		
Transfers and subsidies - capital (in-kind - all)				–	–	–	–	–		
Surplus/(Deficit) after capital transfers & contributions		–	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**			**(29 047)**
Taxation								–		
Surplus/(Deficit) after taxation		–	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**			**(29 047)**
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		–	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**			**(29 047)**
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		–	**(51 980)**	**(29 047)**	**(24 613)**	**65 758**	**(12 103)**			**(29 047)**

Explanatory notes to Table C4 – Budgeted Financial Performance (revenue and expenditure)

The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections and the original budget, so as to assess performance.

Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding) – M05 November 2020

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		–	–	–	–	–	–	–		–
Vote 2 - FINANCIAL SERVICES		–	–	–	–	–	–	–		–
Vote 3 - CORPORATE SERVICES		–	–	–	–	–	–	–		–
Vote 4 - COMMUNITY SERVICES		–	–	–	–	–	–	–		–
Vote 5 - INFRASTRUCTURE AND ENGINEERING		–	–	–	–	–	–	–		–
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		–	–	–	–	–	–	–		–
Vote 7 - COMMUNITY SERVICES (CONTINUED)		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		–	835	1 414	90	166	589	(423)	-72%	1 414
Vote 2 - FINANCIAL SERVICES		–	800	3 074	–	424	1 281	(857)	-67%	3 074
Vote 3 - CORPORATE SERVICES		–	1 349	3 471	622	632	1 446	(814)	-56%	3 471
Vote 4 - COMMUNITY SERVICES		–	11 572	9 241	3 273	3 850	3 850	(0)	0%	9 241
Vote 5 - INFRASTRUCTURE AND ENGINEERING		–	39 758	58 845	1 293	6 982	24 519	(17 537)	-72%	58 845
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		–	2 597	1 755	55	316	731	(415)	-57%	1 755
Vote 7 - COMMUNITY SERVICES (CONTINUED)		–	–	–	–	–	–	–		–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–		–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–		–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–		–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–		–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–		–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–		–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–		–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	–	56 912	77 800	5 333	12 370	32 417	**(20 047)**	**-62%**	77 800
Total Capital Expenditure		**–**	**56 912**	**77 800**	**5 333**	**12 370**	**32 417**	**(20 047)**	**-62%**	**77 800**
Capital Expenditure - Functional Classification										
Governance and administration		**–**	**3 734**	**8 309**	**712**	**1 222**	**3 462**	(2 240)	-65%	**8 309**
Executive and council			835	1 014	90	166	423	(256)	-61%	1 014
Finance and administration			2 899	7 295	622	1 056	3 040	(1 984)	-65%	7 295
Internal audit			–	–	–	–	–	–		–
Community and public safety		**–**	**16 028**	**19 820**	**3 523**	**5 369**	**8 258**	(2 889)	-35%	**19 820**
Community and social services			–	–	–	–	–	–		–
Sport and recreation			11 600	12 317	327	2 075	5 132	(3 057)	-60%	12 317
Public safety			3 669	6 743	3 197	3 294	2 810	485	17%	6 743
Housing			760	760	–	–	317	(317)	-100%	760
Health			–	–	–	–	–	–		–
Economic and environmental services		**–**	**9 628**	**12 528**	**63**	**324**	**5 220**	(4 896)	-94%	**12 528**
Planning and development			1 737	2 137	63	324	891	(566)	-64%	2 137
Road transport			7 891	10 391	–	–	4 329	(4 329)	-100%	10 391
Environmental protection			–	–	–	–	–	–		–
Trading services		**–**	**27 422**	**37 043**	**1 035**	**5 455**	**15 434**	(9 980)	-65%	**37 043**
Energy sources			8 172	18 429	1 035	4 036	7 679	(3 642)	-47%	18 429
Water management			3 380	3 380	–	22	1 408	(1 386)	-98%	3 380
Waste water management			14 633	14 633	–	1 396	6 097	(4 702)	-77%	14 633
Waste management			1 237	600	–	–	250	(250)	-100%	600
Other			100	100	–	–	42	(42)	-100%	100
Total Capital Expenditure - Functional Classification	3	**–**	**56 912**	**77 800**	**5 333**	**12 370**	**32 417**	**(20 047)**	**-62%**	**77 800**
Funded by:										
National Government			31 644	30 608	250	3 434	12 753	(9 319)	-73%	30 608
Provincial Government			–	0	–	–	0	(0)	-100%	0
District Municipality			1 965	5 118	3 028	3 028	2 133	895	42%	5 118
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private			–	–	–	–	–	–		–
Transfers recognised - capital		**–**	**33 610**	**35 726**	**3 278**	**6 462**	**14 886**	**(8 424)**	**-57%**	**35 726**
Borrowing	6		–	–	–	–	–	–		–
Internally generated funds			23 303	42 074	2 055	5 908	17 531	(11 623)	-66%	42 074
Total Capital Funding		**–**	**56 912**	**77 800**	**5 333**	**12 370**	**32 417**	**(20 047)**	**-62%**	**77 800**

Explanatory notes to Table C5 – Budgeted Capital Expenditure by vote, standard classification and funding

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments

Table C6 Monthly Budget Statement – Financial Position – M05 November 2020

Description	Ref	2019/20	Budget Year 2020/21			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash			4 710	7 309	18 089	7 309
Call investment deposits			42 389	65 781	103 334	65 781
Consumer debtors			81 061	76 556	63 236	76 556
Other debtors			44 682	54 465	18 163	54 465
Current portion of long-term receivables			3	3	3	3
Inventory			9 249	9 249	9 249	9 249
Total current assets		–	**182 094**	**213 364**	**212 075**	**213 364**
Non current assets						
Long-term receivables			13	13	13	13
Investments			–	–	–	–
Investment property			242 552	242 552	242 552	242 552
Investments in Associate			–	–	–	–
Property, plant and equipment			1 985 075	2 065 509	1 985 075	2 065 509
Biological			–	–	–	–
Intangible			1 608	3 092	1 608	3 092
Other non-current assets			–	–	–	–
Total non current assets		–	**2 229 248**	**2 311 167**	**2 229 248**	**2 311 167**
TOTAL ASSETS		–	**2 411 341**	**2 524 530**	**2 441 322**	**2 524 530**
LIABILITIES						
Current liabilities						
Bank overdraft			–	–	–	–
Borrowing			9 608	6 747	9 608	6 747
Consumer deposits			17 378	17 378	17 378	17 378
Trade and other payables			133 730	167 719	66 221	167 719
Provisions			29 649	29 649	29 649	29 649
Total current liabilities		–	**190 365**	**221 493**	**122 856**	**221 493**
Non current liabilities						
Borrowing			6 747	–	6 747	–
Provisions			163 445	163 445	163 445	163 445
Total non current liabilities		–	**170 192**	**163 445**	**170 192**	**163 445**
TOTAL LIABILITIES		–	**360 557**	**384 937**	**293 048**	**384 937**
NET ASSETS	2	–	**2 050 785**	**2 139 593**	**2 148 275**	**2 139 593**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			2 050 785	2 139 593	2 148 275	2 139 593
Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	–	**2 050 785**	**2 139 593**	**2 148 275**	**2 139 593**

Explanatory notes to Table C6 – Budgeted Financial Position

i. The table represents Assets less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity; i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.

ii. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position.
For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end.
Similarly, the collection rate assumption informs the budget provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Monthly Budget Statement – Cash Flow – M05 November 2020

Description	Ref	2019/20	Budget Year 2020/21							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			174 803	174 803	19 333	114 391	72 834	41 557	57%	174 803
Service charges			424 039	493 499	37 963	201 091	205 624	(4 533)	-2%	493 499
Other revenue			53 022	53 022	2 556	37 599	22 092	15 506	70%	53 022
Transfers and Subsidies - Operational			145 612	166 000	–	72 063	69 167	2 897	4%	166 000
Transfers and Subsidies - Capital			38 356	37 164	2 000	11 181	15 485	(4 304)	-28%	37 164
Interest			18 957	18 957	1 414	4 921	7 899	(2 978)	-38%	18 957
Dividends				–	–	–	–	–		–
Payments										
Suppliers and employees			(815 350)	(921 829)	(78 340)	(441 573)	(384 095)	57 478	-15%	(921 829)
Finance charges			(1 388)	(1 388)	(116)	(642)	(578)	64	-11%	(1 388)
Transfers and Grants			(761)	(761)	–	–	(317)	(317)	100%	(761)
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	**37 290**	**19 466**	**(15 191)**	**(968)**	**8 111**	**9 079**	**112%**	**19 466**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Decrease (increase) in non-current receivables								–		
Decrease (increase) in non-current investments								–		
Payments										
Capital assets			(56 912)	(77 800)	(5 333)	(15 032)	(32 417)	(17 385)	54%	(77 800)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	**(56 912)**	**(77 800)**	**(5 333)**	**(15 032)**	**(32 417)**	**(17 385)**	**54%**	**(77 800)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
Payments										
Repayment of borrowing			(9 608)	(9 608)	(734)	(3 608)	(4 003)	(395)	10%	(9 608)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	**(9 608)**	**(9 608)**	**(734)**	**(3 608)**	**(4 003)**	**(395)**	**10%**	**(9 608)**
NET INCREASE/ (DECREASE) IN CASH HELD		–	**(29 230)**	**(67 942)**	**(21 258)**	**(19 608)**	**(28 309)**			**(67 942)**
Cash/cash equivalents at beginning:			76 328	141 032		141 032	141 032			141 032
Cash/cash equivalents at month/year end:		–	47 099	73 090		121 424	112 723			73 090

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

i. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

ii. It reflects the expected cash inflows versus outflows that are likely to result from the implementation of the budget.

ANALYSIS OF THE MUNICIPALITY'S STATEMENT OF FINANCIAL POSITION

In this section the Municipality's Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality's financial position.

1. Overview of outstanding Consumer Debtors (Inclusive of VAT)

Below is an analysis of the outstanding consumer debtors as at 30 June 2020, compared to the position as at 30 November 2020.

Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2020

Description	Budget Year 2019/20								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	10 490	2 322	2 227	2 043	1 790	1 597	8 488	26 445	55 403
Trade and Other Receivables from Exchange Transactions - Electricity	17 553	2 229	1 537	1 203	844	482	2 801	6 842	33 490
Receivables from Non-exchange Transactions - Property Rates	10 814	1 487	1 302	1 052	569	480	7 280	19 249	42 233
Receivables from Exchange Transactions - Waste Water Management	5 540	1 142	1 015	894	816	715	3 878	11 221	25 221
Receivables from Exchange Transactions - Waste Management	4 493	1 202	1 076	976	919	864	4 643	15 574	29 747
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	0	–	–	41	70	94	1 441	16 851	18 498
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(14 234)	405	436	348	284	315	2 183	9 583	(679)
Total By Income Source	**34 657**	**8 787**	**7 594**	**6 557**	**5 292**	**4 547**	**30 714**	**105 766**	**203 914**
2018/19 - totals only									–
Debtors Age Analysis By Customer Group									
Organs of State	1 000	436	403	434	386	172	1 023	2 532	6 387
Commercial	5 371	662	586	506	260	150	658	3 227	11 420
Households	28 285	7 688	6 605	5 617	4 646	4 225	29 033	100 007	186 107
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**34 657**	**8 787**	**7 594**	**6 557**	**5 292**	**4 547**	**30 714**	**105 766**	**203 914**

Debtors' Age Analysis (Inclusive of VAT) as at 30 November 2020

Description	Budget Year 2019/20								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	9 811	2 622	2 116	3 140	2 493	1 746	8 861	32 238	63 027
Trade and Other Receivables from Exchange Transactions - Electricity	20 692	2 246	1 280	2 966	667	547	2 190	8 052	38 639
Receivables from Non-exchange Transactions - Property Rates	11 242	1 571	1 006	11 312	638	562	2 327	23 236	51 893
Receivables from Exchange Transactions - Waste Water Management	5 653	1 214	998	1 508	909	756	4 000	13 913	28 951
Receivables from Exchange Transactions - Waste Management	4 628	1 270	1 147	1 092	941	903	4 948	18 955	33 884
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	76	98	111	331	130	102	783	19 302	20 932
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(19 927)	400	357	1 442	299	315	1 561	10 800	(4 752)
Total By Income Source	**32 175**	**9 421**	**7 014**	**21 789**	**6 077**	**4 932**	**24 670**	**126 496**	**232 575**
2018/19 - totals only									–
Debtors Age Analysis By Customer Group									
Organs of State	1 253	425	291	1 056	155	165	582	3 277	7 206
Commercial	3 982	708	428	582	254	250	1 102	3 667	10 973
Households	26 939	8 288	6 296	20 150	5 667	4 517	22 986	119 552	214 396
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**32 175**	**9 421**	**7 014**	**21 789**	**6 077**	**4 932**	**24 670**	**126 496**	**232 575**

The aforementioned analysis indicates that from 30 June 2020 to 30 November 2020, the overdue debts have increased by R 31,143 million from R 169,257 million to R 200,399 million, as follows:

R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-20**	**30-Nov-20**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	44 912	53 216	8 304
Trade and Other Receivables from Exchange Transactions - Electricity	15 937	17 948	2 011
Receivables from Non-exchange Transactions - Property Rates	31 419	40 651	9 232
Receivables from Exchange Transactions - Waste Water Management	19 681	23 298	3 616
Receivables from Exchange Transactions - Waste Management	25 254	29 256	4 002
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	18 498	20 856	2 359
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	13 556	15 175	1 619
Total By Income Source	**169 257**	**200 399**	**31 143**
Debtors Age Analysis By Customer Group			–
Organs of State	5 386	5 952	566
Commercial	6 049	6 990	942
Households	157 822	187 457	29 635
Other	–	–	–
Total By Customer Group	**169 257**	**200 399**	**31 143**

2. Overview of Creditors position

Below is an analysis of the status of the major creditors

Description	Budget Year 2020/21								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	21 657								**21 657**
Bulk Water	10	0	–	0	(0)	–	4	(155)	**(141)**
PAYE deductions	4 255								**4 255**
VAT (output less input)									**–**
Pensions / Retirement deductions									**–**
Loan repayments									**–**
Trade Creditors	5 646	584	485	61	216	1 232	3	–	**8 227**
Auditor General									**–**
Other									**–**
Total By Customer Type	**31 567**	**584**	**485**	**62**	**216**	**1 232**	**7**	**(155)**	**33 997**

The above amounts represent invoices still to be paid. The major creditors as at 30 November 2020 are as follows:

Eskom	R 21,657 million
NMBM	R -0,141 million
PAYE	R 4,255 million
Other Creditors	R 8,227 million
TOTAL	**R 33,997 million**

It is to be noted that the Eskom amount of R 21,657 million, represents the current account for November 2020, which will be fully paid on 23 December 2020.

The PAYE deductions represent employee related costs for the month of November 2020, with the amounts in question being paid on 4 December 2020 to SARS.

3. Investment Portfolio

Below is an analysis of the Investment Portfolio as at 30 November 2020.

	Balance as at 30 June 2020	Invested	Interest	Withdrawals	Adjustments	Balance as at 30 November 2020
Standard Bank	11 052 012	-	155 566	-		11 207 578
ABSA	29 118 474	-	269 571	10 000 000	395	19 387 650
Nedbank	14 049 368	-	200 419	-		14 249 787
RMB	50 227 524	37 265 045	757 723	47 870 363		40 379 929
INVESTEC	17 846 936	-	262 437	-		18 109 373
Total	**122 294 314**	**37 265 045**	**1 645 716**	**57 870 363**	**395**	**103 334 317**
	Balance as at 30 June 2020	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 30 November 2020**
General Account	74 231 786	702 700	893 421	12 264 268	395	63 563 245
Conditional Grants	48 054 952	36 562 345	752 193	45 606 095	-	39 763 395
Housing Funds	7 576	-	102	-	-	7 677
Total	**122 294 314**	**37 265 045**	**1 645 716**	**57 870 363**	**395**	**103 334 317**
Cheque Accounts FNB	18 737 370	- 648 104				18 089 266
TOTAL Investments & Bank	**141 031 684**	**36 616 941**	**1 645 716**	**57 870 363**	**395**	**121 423 584**

The decrease in the investment portfolio since 30 June 2020 amounts to R 19,608,101. The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves

Bank Balances and Cash	R 18,089,266
Short-term Investment Deposits	R 103,334,317
	R 121,423,584

Application of Cash

Unspent Conditional Grants	32,224,270
Internally Generated Funds	36,166,139
Outstanding Creditors Liability	33,997,039
	103,387,448
Reserves in excess of commitments	**18,036,136**

The cash backed reserves exceed the commitments at this stage by an amount of R 18,036,136. It should be noted that the excess of reserves over commitments as at 30 November 2020, is mainly due to an amount of R 61,492 million in respect of the Equitable share allocation received on 07 July 2020, but not yet fully spent.

These funds are already committed towards spending in the 2020/21 Operating budget.

4. Allocation and Grants receipts and expenditure for the 20120/2021 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M05 November 2020

Description	Budget Year 2020/21							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
RECEIPTS:								
Operating Transfers and Grants								
National Government:	**123 238**	**125 667**	**–**	**64 080**	**52 361**	**10 853**	**20,7%**	**125 667**
Operational Revenue:General Revenue:Equitable Share	119 105	121 534	–	61 492	50 639	10 853	21,4%	121 534
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 054	–	264	439			1 054
Local Government Financial Management Grant [Schedule 5B]	1 500	1 500	–	1 500	625			1 500
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 579	–	824	658			1 579
Provincial Government:	–	–	–	–	–	–		–
Other transfers and grants [insert description]						–		–
District Municipality:	**3 815**	**3 815**	**–**	**695**	**1 590**	(895)	-56,3%	**3 815**
Environmental Health			**–**	**695**	**–**	695	#DIV/0!	**–**
Other grant providers:	3 815	3 815	–		1 590	(1 590)	-100,0%	3 815
Other grant providers:	–	–	–	**96**	–	96	#DIV/0!	–
Skills Development				**96**		96	#DIV/0!	**–**
Total Operating Transfers and Grants	**127 053**	**129 482**	**–**	**64 871**	**53 951**	**10 054**	**18,6%**	**129 482**
Capital Transfers and Grants								
National Government:	35 199	35 199	2 000	18 660	14 666	3 994	**27,2%**	35 199
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	5 200	2 000	3 000	2 167	833	38,5%	5 200
Municipal Infrastructure Grant [Schedule 5B]	29 999	29 999		15 660	12 500	3 160	25,3%	29 999
Municipal Disaster Relief Grant			–	–	–	–		–
Provincial Government:	–	–	–	–	–	–		–
[insert description]						–		**–**
District Municipality:	**1 965**	**1 965**	**–**	**714**	**819**	(105)	-12,8%	**1 965**
Other grant providers:	1 965	1 965		714	819	(105)	-12,8%	1 965
Other grant providers:	–	–	–	–	–	–		–
[insert description]						–		**–**
Total Capital Transfers and Grants	**37 164**	**37 164**	**2 000**	**19 373**	**15 485**	**3 888**	**25,1%**	**37 164**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	164 217	166 646	2 000	84 245	69 436	13 943	20,1%	166 646

Below is an analysis of the spending associated with the grants as at 30 November 2020:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M05 November 2020.

Description	Budget Year 2020/21							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**123 238**	**123 238**	**240**	**63 818**	**51 349**	**12 469**	**24,3%**	**123 238**
Operational Revenue:General Revenue:Equitable Share	119 105	119 105		61 492	49 627	11 865	23,9%	119 105
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 054		1 054	439	615	140,0%	1 054
Local Government Financial Management Grant [Schedule 5B]	1 500	1 500	83	530	625	(95)	-15,1%	1 500
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 579	157	741	658	84	12,7%	1 579
Provincial Government:	–	–	–	–	–	–		–
Other transfers and grants [insert description]						–		
District Municipality:	**3 815**	**3 815**	**17**	**123**	**1 590**	(1 467)	-92,3%	**3 815**
Environmental Health	3 815	3 815	17	123	1 590	(1 467)	-92,3%	3 815
Other grant providers:	–	–	–	**96**	–	96	#DIV/0!	–
Skills Development			–	96		96	#DIV/0!	
Total operating expenditure of Transfers and Grants:	**127 053**	**127 053**	**257**	**64 037**	**52 939**	**11 098**	**21,0%**	**127 053**
Capital expenditure of Transfers and Grants								
National Government:	36 391	35 199	288	3 950	14 666	(10 717)	**-73,1%**	35 199
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	5 200		1 066	2 167	(1 101)	-50,8%	5 200
Municipal Infrastructure Grant [Schedule 5B]	29 999	29 999	288	2 884	12 500	(9 616)	-76,9%	29 999
Municipal Disaster Relief Grant	1 192				–	–		–
Provincial Government:	–	–	–	–	–	–		–
0						–		
District Municipality:	**1 965**	**1 965**	**3 482**	**3 482**	**819**	2 663	325,2%	**1 965**
Other grant providers:	1 965	1 965	3 482	3 482	819	2 663	325,2%	1 965
Other grant providers:	–	–	–	–	–	–		–
0					–	–		
Total capital expenditure of Transfers and Grants	**38 356**	**37 164**	**3 770**	**7 431**	**15 485**	**(8 054)**	**-52,0%**	**37 164**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**165 409**	**164 217**	**4 026**	**71 468**	**68 424**	**3 045**	**4,4%**	**164 217**

Note: The equitable share allocation is utilised to fund indigent household's subsidies granted to qualifying households, with the remainder being used to support the Municipality's operations

Grants received from National Government

DORA Operating Grants

Financial Management Grant (FMG)

The purpose of this grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1,500,000
Amount of Grant Received:	R 1,500,000
Expenditure to date:	R 530,422
Unspent as at 30 November 2020:	R 969,578

The spending of the grant amounted to 35,36% as at 30 November 2020, compared to the amount of the grant received.

Expanded Public Works Programme (EPWP)
The purpose of this grant is to provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive methods can be maximised.

DORA Allocation:	R 1,054,000
Amount of Grant Received:	R 264,000
Expenditure to date:	R 1,054,000
Overspent as at 30 November 2020:	R -790 000

DORA Capital Grants

Municipal Infrastructure Grant (MIG)
The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs.

DORA Allocation:	R 31,578,000
NT Approved rollover	R 9,605,994
Amount of Grant Received:	R 26,089,994
Expenditure to date:	R 3,625,354
Unspent as at 30 November 2020:	R 22,464,640

The spending of the grant amounted to 16.14% as at 30 November 2020, compared to the amount of the grant received.

Integrated National Electrification Programme (INEP)
The purpose of this grant is to implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.

Revised DORA Allocation:	R 5,200,000
Amount of Grant Received:	R 3,000,000
Expenditure to date:	R 1,065,632
Unspent as at 30 November 2020:	R 1,934,368

The spending of the grant amounted to 35,52% as at 30 November 2020, compared to the amount of the grant received.

Water Services Infrastructure Grant (Kwanomzamo Wastewater Treatment Works)
The purpose of this grant is to upgrade and refurbish the existing Kwanomzamo Wastewater Treatment Works located in Humansdorp. Decommissioning and dismantling of disused equipment; emptying and cleaning of out structures; site measurements; design.

NT Approved rollover	R 6,815,681
Expenditure to date:	R 0.00
Unspent as at 30 November 2020:	R 6,815,681

The spending of the grant amounted to 0% as at 30 November 2020, compared to the amount of the grant received.

5. Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M05 November 2020

Summary of Employee and Councillor remuneration	Budget Year 2020/21							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
	B	C						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	9 104	9 104	710	3 552	3 793	(241)	-6%	9 104
Medical Aid Contributions	–	–	16	61	–	61	#DIV/0!	–
Motor Vehicle Allowance	3 081	3 081	237	1 184	1 284	(100)	-8%	3 081
Cellphone Allowance	1 465	1 465	104	518	611	(93)	-15%	1 465
Sub Total - Councillors	**13 651**	**13 651**	**1 067**	**5 315**	**5 688**	**(373)**	**-7%**	**13 651**
Senior Managers of the Municipality								
Basic Salaries and Wages	8 253	6 106	667	2 620	2 544	76	3%	6 106
Pension and UIF Contributions	24	36	9	47	15	32	215%	36
Medical Aid Contributions	–	13	4	21	5	16	301%	13
Performance Bonus	180	453	–	303	189	114	61%	453
Motor Vehicle Allowance	857	811	56	280	338	(58)	-17%	811
Cellphone Allowance	8	6	1	4	3	1	57%	6
Other benefits and allowances	55	50	5	15	21	(5)	-25%	50
Payments in lieu of leave	1 849	1 150	254	280	479	(199)	-42%	1 150
Sub Total - Senior Managers of Municipality	**11 226**	**8 624**	**995**	**3 571**	**3 593**	**(22)**	**-1%**	**8 624**
Other Municipal Staff								
Basic Salaries and Wages	198 870	224 540	15 314	78 725	93 558	(14 833)	-16%	224 540
Pension and UIF Contributions	31 286	33 121	2 703	13 395	13 801	(406)	-3%	33 121
Medical Aid Contributions	16 124	17 256	1 376	6 856	7 190	(334)	-5%	17 256
Overtime	30 944	28 149	2 245	12 506	11 729	777	7%	28 149
Motor Vehicle Allowance	8 053	9 393	795	4 016	3 914	102	3%	9 393
Cellphone Allowance	1	288	–	–	120	(120)	-100%	288
Housing Allowances	1 058	905	74	369	377	(9)	-2%	905
Other benefits and allowances	31 481	24 869	15 285	19 040	10 362	8 678	84%	24 869
Payments in lieu of leave	19	27	113	842	11	830	7403%	27
Long service awards	1 496	1 557	41	650	649	1	0%	1 557
Sub Total - Other Municipal Staff	**319 332**	**340 105**	**37 946**	**136 397**	**141 711**	**(5 314)**	**-4%**	**340 105**
Total Parent Municipality	**344 210**	**362 380**	**40 008**	**145 283**	**150 992**	**(5 708)**	**-4%**	**362 380**
TOTAL SALARY, ALLOWANCES & BENEFITS	**344 210**	**362 380**	**40 008**	**145 283**	**150 992**	**(5 708)**	**-4%**	**362 380**
TOTAL MANAGERS AND STAFF	**330 559**	**348 729**	**38 941**	**139 968**	**145 304**	**(5 336)**	**-4%**	**348 729**

6. Key performance indicators

The table below reflects the key performance indicators as per the 2019/20 Budget and the associated performance to date.

Borrowing Management		**Actuals as at 30 June 2017**	**Actuals as at 30 June 2018**	**Actuals as at 30 June 2019**	**Actuals as at 30 June 2020**	**Adjustment Budget 2020/21**	**Actuals as at 30 November 2020**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	2.51%	1.78%	1.29%	1.23%	1.11%	1.18%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.03	0.02	0.01	0.01	0.01	0.01
Liquidity							
Current Ratio	Current assets / current liabilities	0.85	0.97	1.58	1.44	0.96	1.73
Liquidity Ratio	Monetary assets / current liabilities	0.40	0.47	0.75	0.87	0.33	0.99
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	95.81%	90.73%	97,62%	95.42%	85%	90.86%

Other indicators		Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 30 June 2020	Adjustment Budget 2020/21	Actuals as at 30 November 2020
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	1.62	1.73	1.90	2.02	1.04	1.27
Employee Costs	Employee Costs / Total Operating Expenditure	33.39%	33.21%	33.39%	35.87%	35.13%	38.98%
Capital Expenditure	Capital Expenditure / Capital Budget	72.92%	72.98%	44.59%	75.33%	95%	15.90%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	4.94%	3.82%	5.63%	5.99%	4.08%	3.96%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	1.65%	1.41%	2.29%	2.46%	1.96%	0.72%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	78.69%	80.22%	75.36%	83.61%	82.08%	84.91%

The above table is discussed in detail below.

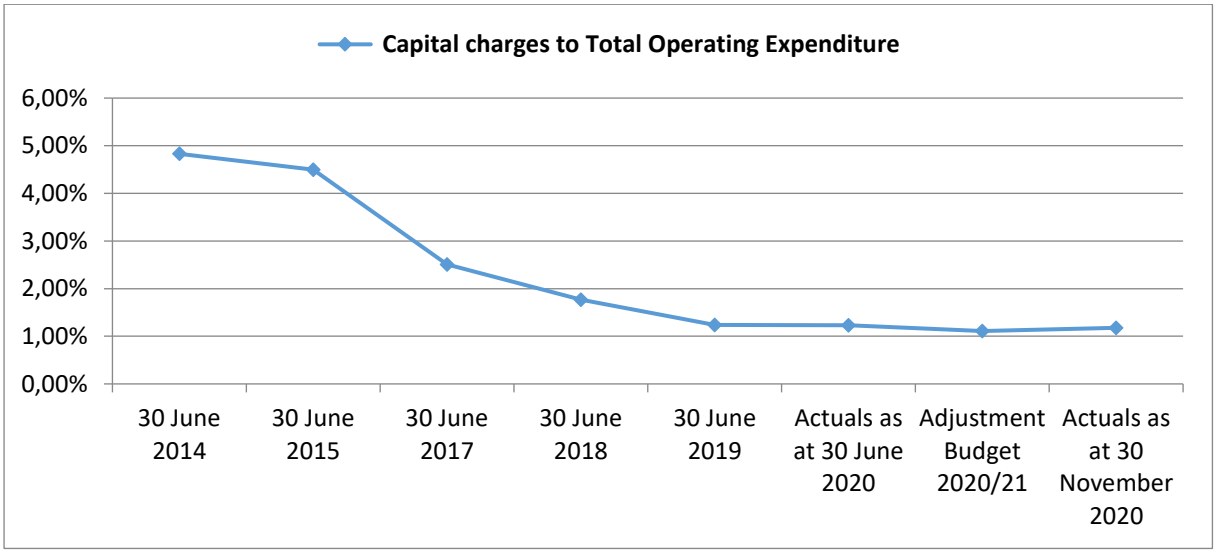
5.1. Borrowing Management

5.1.1. Capital charges to Operating Expenditure

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date

The ratio indicates that 1.18% of the Total Operating Expenditure was utilised for capital charges as at 30 November 2020, compared to the approved budget ratio of 1,11%.



5.1.2. Borrowed funding of capital expenditure

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

The ratio is 0% as no capital expenditure was funded from borrowings, which is in line with the budgeted target as per the 2020/21 Operating Budget as no borrowing is planned for the 2020/21 to 2022/23 financial years.

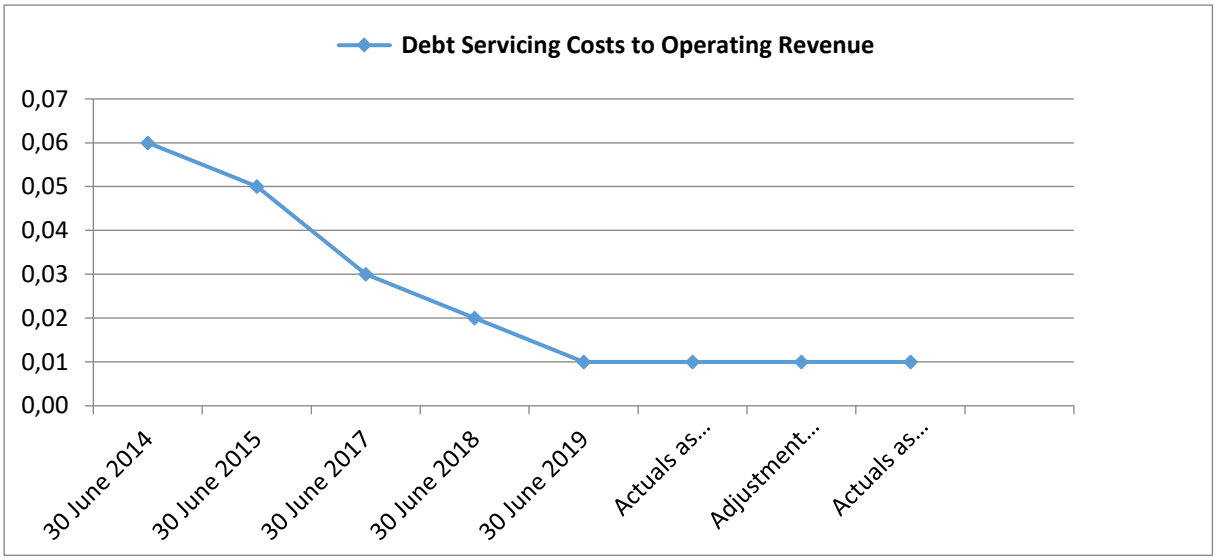
5.1.3. Debt Servicing Costs to Operating Revenue Ratio

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 30 November 2020, the ratio was 0.01:1, compared to the approved budget ratio of 0.01:1.



5.2. Liquidity

5.2.1. Current ratio

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

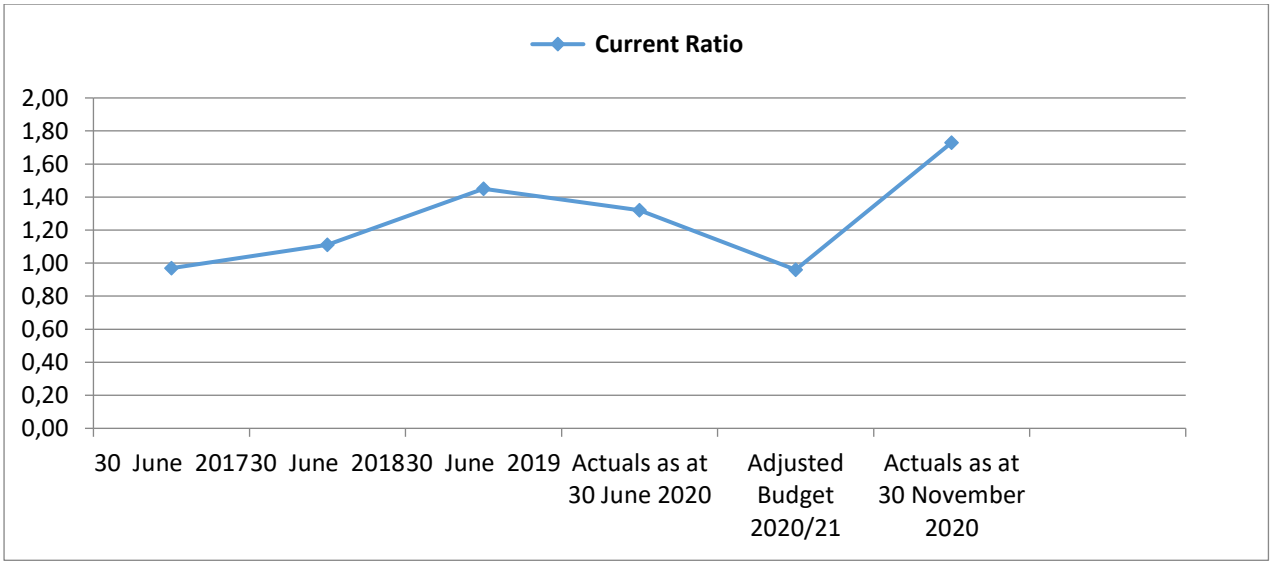
Current assets/Current liabilities

The ratio as at 30 November 2020 was 1.73:1, compared to the adjusted budget ratio of 0.96:1.

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all of its current obligations as and when they fall due.



5.2.2. Liquidity Ratio

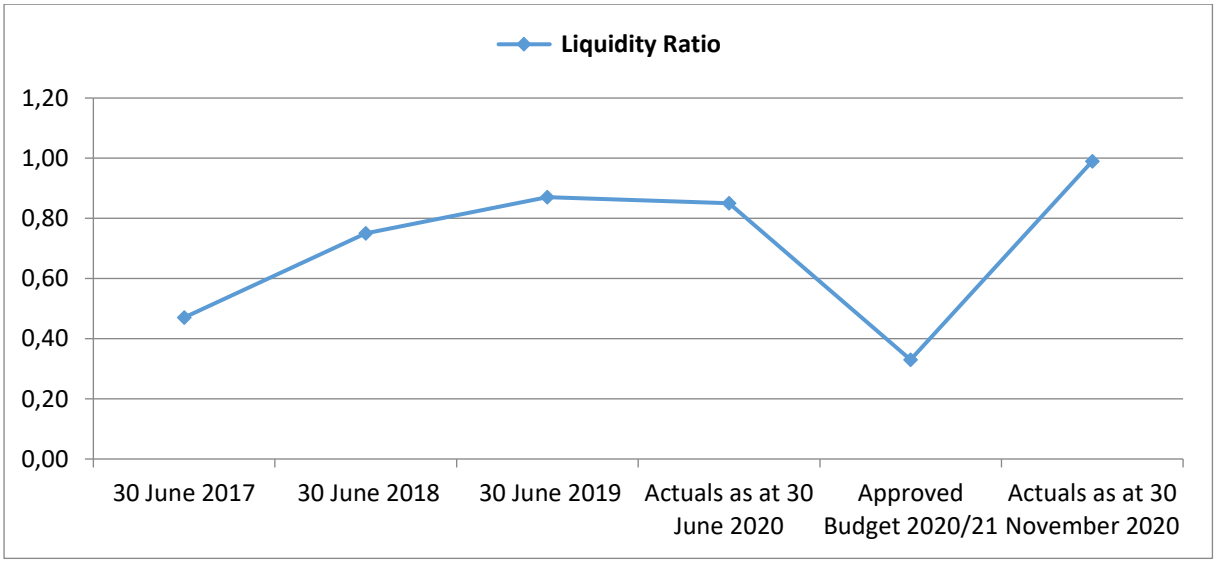
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 November 2020 was 0.99:1, compared to the budgeted ratio of 0.33:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.



5.3. Revenue Management

5.3.1. Annual Debtors Collection Rate

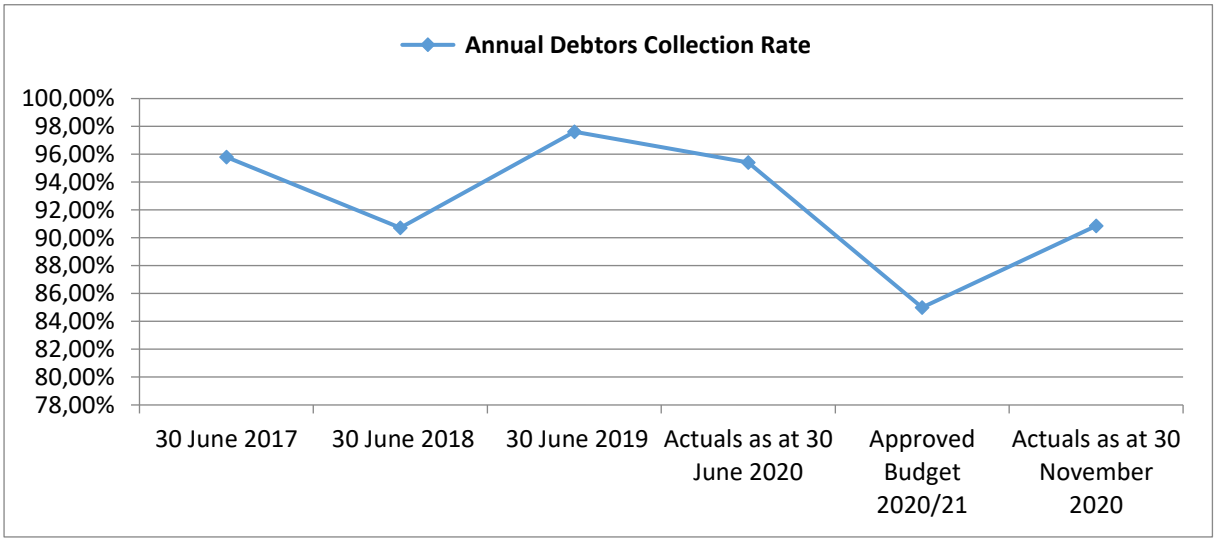
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Total Payments Received in Current month/Total Value of Accounts Rendered in the Previous Month X 100

Note: the reason for using the previous month's billing is due to the accounts only being payable the following month (i.e. accountholders are given one calendar month to pay their current accounts).

The average collection rate as at 30 November 2020 was 90.86%, compared to the approved budget collection rate of 85%. The actual collection rate for November is 97.33%. The collection rates have been calculated, based on the revenue receipted, compared to the revenue billed on a month – to - month basis.



5.4. Other indicators

5.4.1. Cost coverage

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that particular month.

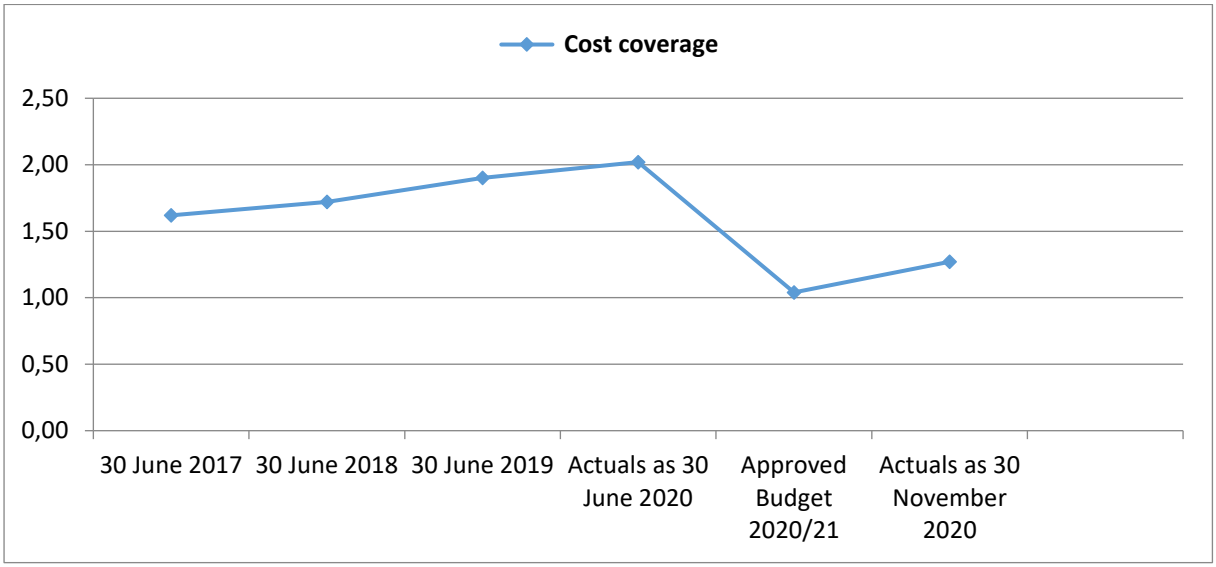
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 30 November 2020, the Ratio was 1.27 months, compared to the approved budget ratio of 1.04 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months.



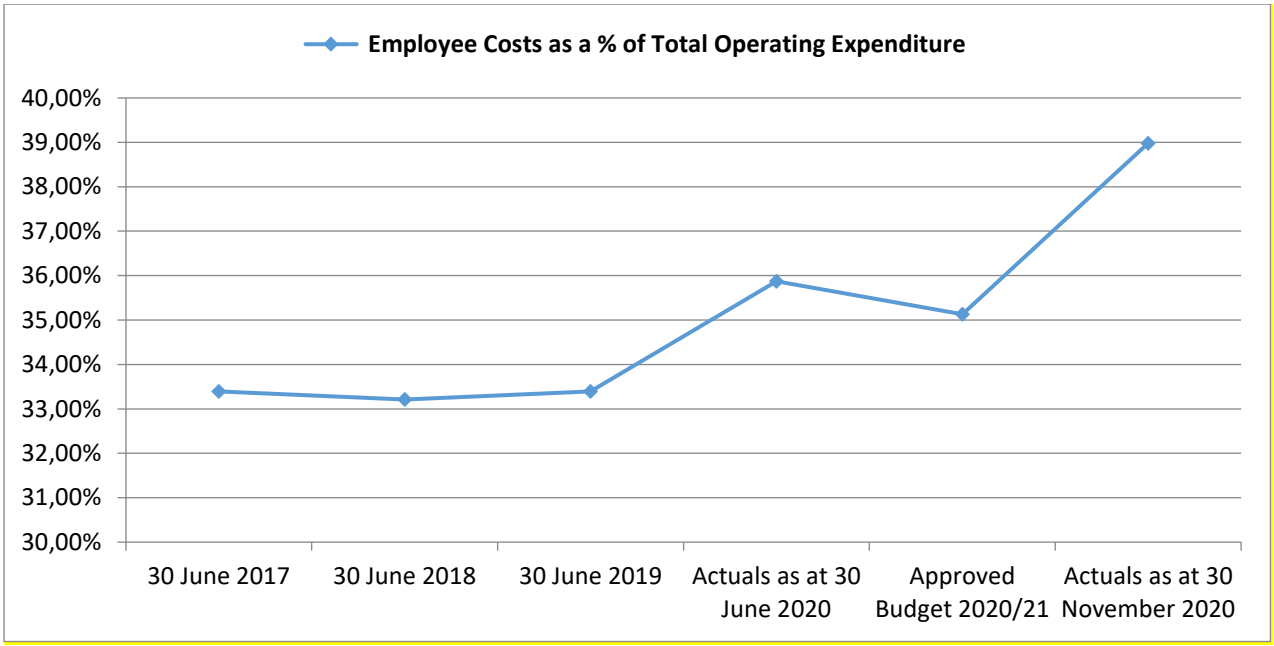
5.4.2. Employee costs as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 30 November 2020, Employee Related Costs constituted 38.98% of the Total Operating Expenditure compared to the approved budget ratio 35,13%.



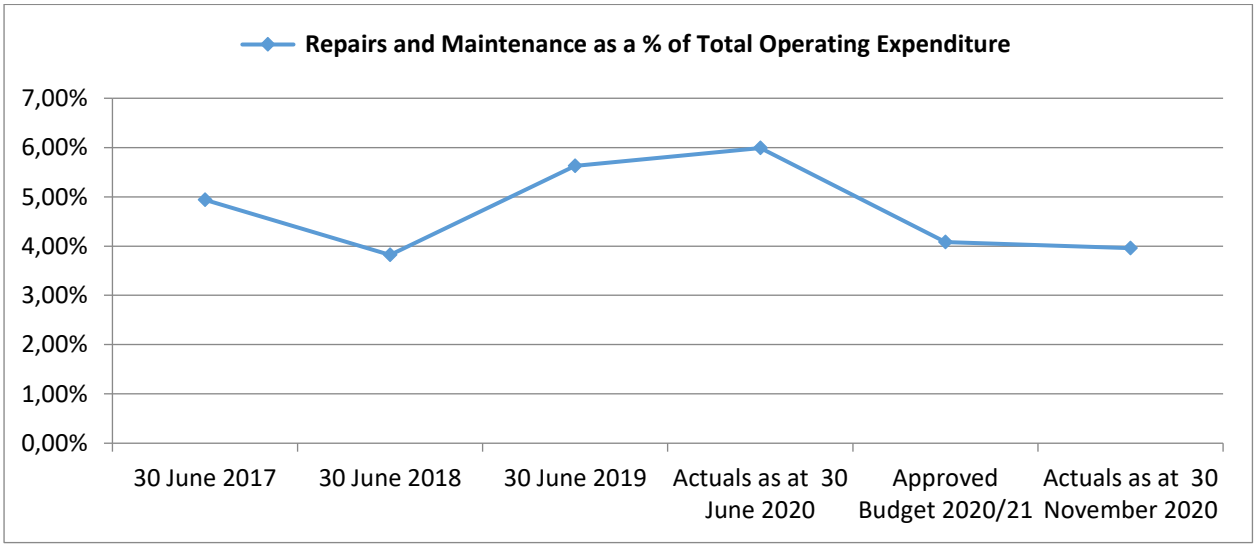
5.4.3. Repairs and Maintenance as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 30 November 2020, the ratio was 3.96%, compared to the approved budget ratio of 4.08%.



5.4.4. Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)

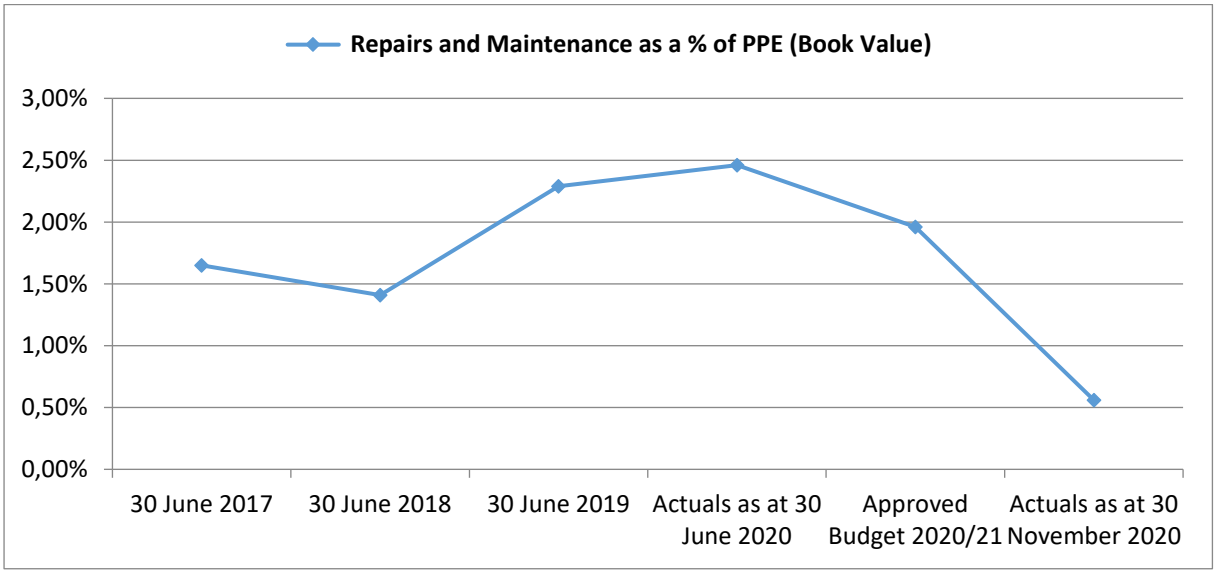
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 30 November 2020, repairs and maintenance expenditure constituted 0.72% of the book value of PPE, compared to the budgeted ratio of 1.96%.

In terms of the MFMA Circular No.71, the norm is 8%.



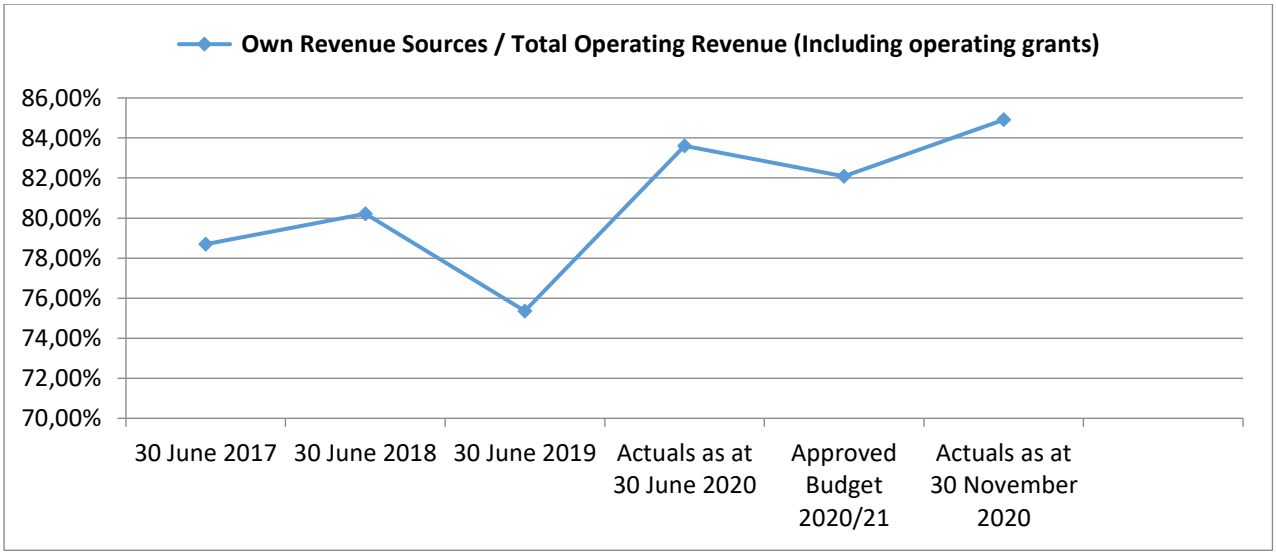
5.4.5. Own Revenue Generation

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e. what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 30 November 2020, the Municipality's own revenue sources constituted 84.91% of its total Operating Income, compared to the approved budget ratio of 82.08%.



5.4.6. Capital Budget Spending

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at the end of November 2020 amounted to 15.90% compared to the approved budget ratio of 95%.

