KOUGA MUNICIPALITY (EC108)

PORTFOLIO COMMITTEE MEETING

FINANCE

DATE: MAY 2021 **ITEM NO: 21/05/F1**

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MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2020 TO APRIL 2021 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 30 MAY 2021 (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 April 2021, 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 776,433 million, whilst operating expenditure amounted to R 719,588 million, resulting in an operating surplus of R 56,845 million.
- Capital expenditure constituted 48.50% of the 2020/21 Adjusted Capital Budget.
- Overdue consumer debts increased by R 38,796 million (22.92%) since June 2020.

- An amount of R 35,414 million is owing to creditors, of which R 33,298 million (94.03%) represents current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.
- The municipality's investment portfolio has decreased by R 16,905,712 (11.99%) since June 2020, from R 141,031,684 to R 124,125,972.

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 28 February 2020	Actuals as at 30 April 2021	Adjustment Budget 2020/21
Current Ratio	1.58:1	1.31:1	1.32:1	1.59:1	1.70:1	0.87:1
Liquidity Ratio	0.75:1	0.84:1	0.85:1	1.09:1	1.06:1	0.38:1
Cost Coverage (Excluding unspent conditional grants)	1.73 Months	1.97 Months	2.02 Months	1.55 Months	1.45 Months	1.77 Months
Debtors Collection Rate	90.73%	97.62%	95.42%	98.19%	93.99%	90%
Capital Expenditure	72.92%	73.82%	75.33%	63.69%	48.50%	95%

4. <u>Detailed Reports</u>

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 April 2021:

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

5.1 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.

5.2 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

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 May 2021………………………

Annexure "A1"

OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD OF JULY TO APRIL 2021.

Below is an analysis of the operating revenue and expenditure performance.

Description	Budget Year 2020/21		
	Adjusted Budget	YearTD actual	%
R thousands			
Revenue By Source			
Property rates	207 801	185 355	89%
Service charges - electricity revenue	291 625	242 220	83%
Service charges - water revenue	83 642	67 431	81%
Service charges - sanitation revenue	55 057	46 628	85%
Service charges - refuse revenue	53 237	45 840	86%
Rental of facilities and equipment	1 122	1 346	120%
Interest earned - external investments	5 552	3 457	62%
Interest earned - outstanding debtors	10 253	8 154	80%
Fines, penalties and forfeits	2 150	1 030	48%
Licences and permits	24 732	19 473	79%
Transfers and subsidies	166 745	153 461	92%
Other revenue	20 941	2 037	10%
Total Revenue (excluding capital transfers and contributions)	**922 858**	**776 433**	**84%**
Expenditure By Type			
Employee related costs	348 729	264 128	76%
Remuneration of councillors	13 651	13 864	102%
Debt impairment	70 162	7	0%
Depreciation & asset impairment	89 066	55 145	62%
Finance charges	1 388	1 103	79%
Bulk purchases	246 173	210 398	85%
Other materials	62 543	21 677	35%
Contracted services	93 211	64 057	69%
Transfers and subsidies	761	361	47%
Other expenditure	112 231	88 847	79%
Total Expenditure	**1 037 915**	**719 588**	**69%**
Surplus/(Deficit)	**(115 057)**	**56 845**	

The statement of financial performance indicates a surplus of R 56,845 million.

Below is a discussion of the significant revenue variations:

Revenue Variations

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.

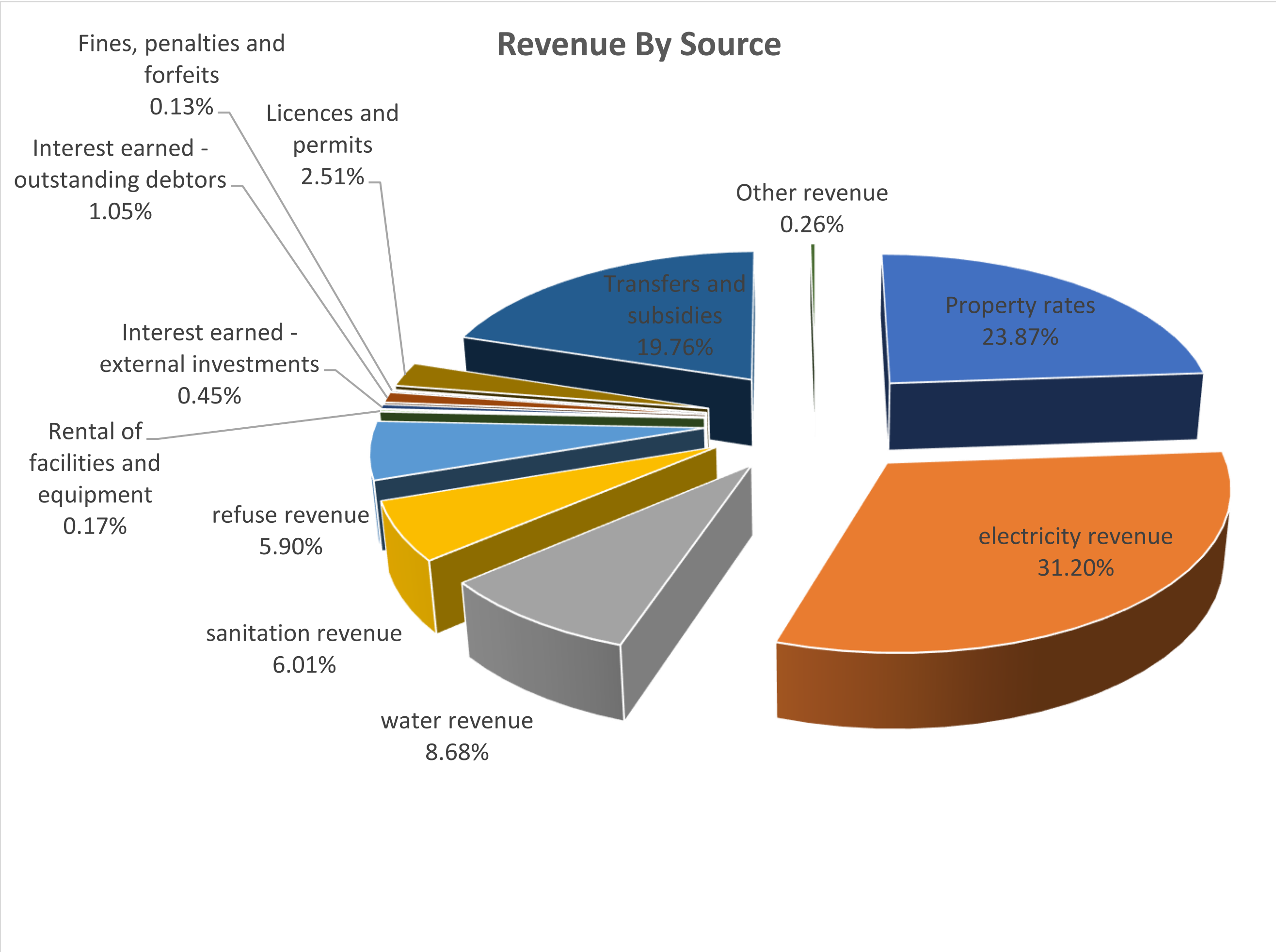
Interest earned on external investments is largely influenced by the municipality's investment portfolio. Currently the investment portfolio amounts to R 138,028 million.

Fines, penalties and forfeits

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

Other revenue

This relates to the various operating revenue, such legal fees recovered, insurance refunds, sale of municipal land and building related fees. The revenue is negatively influenced by the anticipated land sale for an amount of R 11,000 million and budgeted insurance refunds amounting to R 3,000 million.



Expenditure Variations

Remuneration of councillors

The remuneration of councillors has been misstated due to incorrect journals captured onto the system. The relevant journals will be corrected before the end of the current financial year.

Bad Debts

Bad debts are written off upon Council approval.

Depreciation & asset impairment

The depreciation & asset impairment is calculated in line with the municipal asset register.

Bulk purchases

Description	Budget Year 2020/21		
	Adjusted Budget	YearTD actual	%
R thousands			
Bulk purchases – Electricity	246 173 454	210 397 845	85.47%
	246 173 454	**210 397 845**	**85.47%**

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.

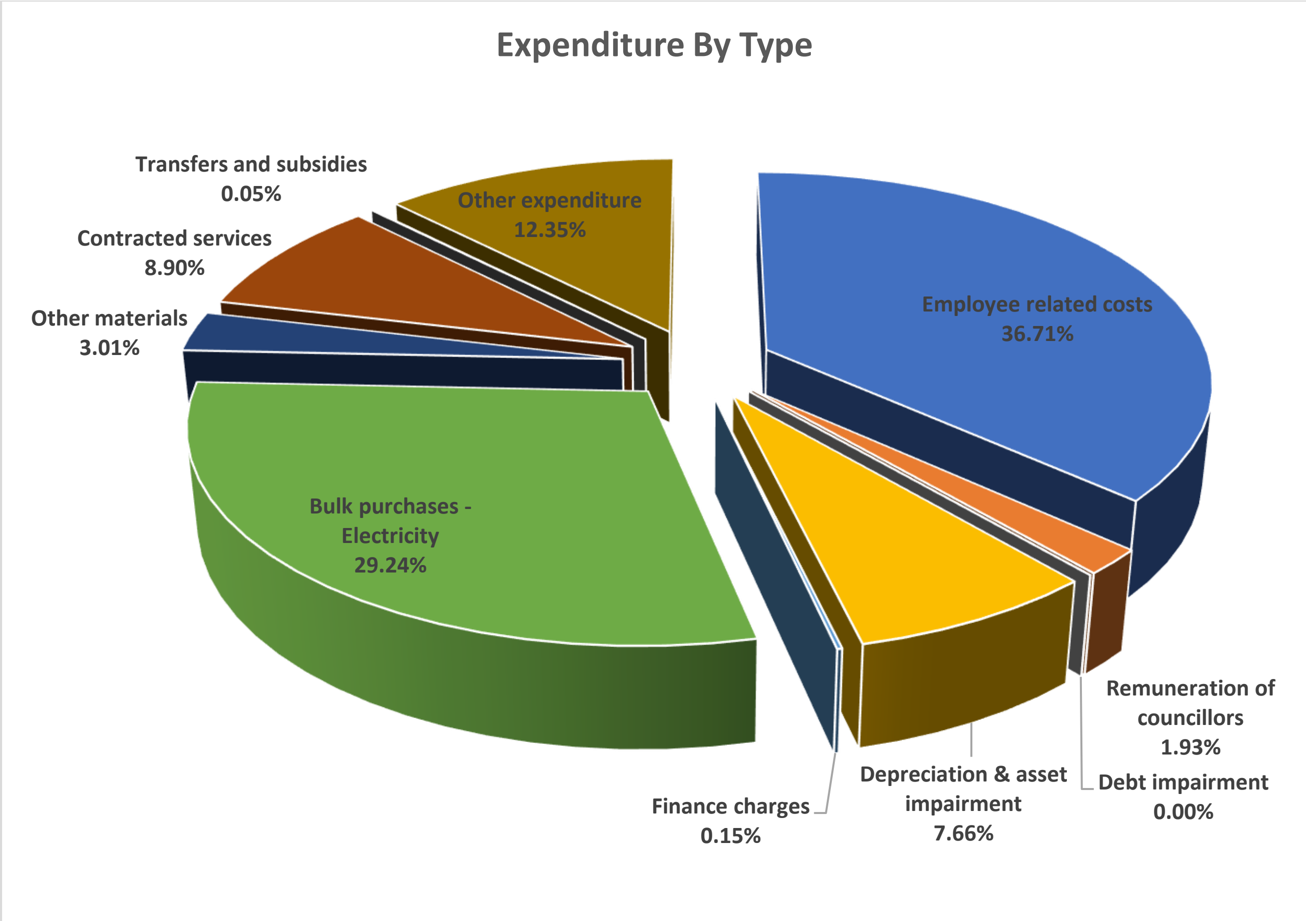
Contracted services are broken down as follows:

Item Description	Adjusted Budget 2020/21	Actuals as at 30 April 2021	%
Consultants and Professional Services	7 542 611	1 518 849	20.14%
Drivers Licence Cards	550 000	290 404	52.80%
Transport Services	315 119	1 800	0.57%
Dune Stabilisation	5 692 248	5 573 612	97.92%
Valuer	2 002 451	351 109	17.53%
Other Contracted Services	1 987 143	1 397 976	70.35%
Legal Advice and Litigation	2 749 703	1 719 015	62.52%
Maintenance of Buildings and Facilities	6 209 825	4 012 923	64.62%
Catering Services	229 738	89 186	38.82%
Maintenance of Vehicles	6 647 336	5 695 841	85.69%
Qualification Verification	800 000	704 855	88.11%
Maintenance of Water Infrastructure	1 653 900	412 947	24.97%
Maintenance of Equipment	538 375	401 492	74.57%
Burial Services	161 250	117 690	72.99%
Roads Maintenance	28 500 000	21 312 059	74.78%
Medical Health Services & Support	1 406 800	955 677	67.93%
Maintenance of Electrical Infrastructure	2 266 032	2 040 361	90.04%
Maintenance of Sanitation Infrastructure	1 339 000	938 725	70.11%
Laboratory Services:Water	585 517	244 474	41.75%
Special Rating Area	8 285 500	5 808 349	70.10%
Internal Auditors	100 000	25 300	25.30%
Legal Cost:Collection	1 250 000	623 869	49.91%
Security Services	3 689 147	2 789 988	75.63%
Occupational Health and Safety	20 900	-	0.00%
Animal Care	476 575	320 000	67.15%
Personnel and Labour	4 854 615	5 036 306	103.74%
Professional Staff	317 460	136 400	42.97%
Employee Wellness	250 000	139 171	55.67%
Clearing and Grass Cutting Services	2 790 000	1 398 728	50.13%
Total	**93 211 245**	**64 057 105**	**68.72%**

Other Expenditure

The other expenditure is broken down as follows:

Item Description	Adjusted Budget 2020/21	Actuals as at 30 April 2021	%
Accommodation	426 350	38 262	8.97%
Achievements and Awards	1 212 000	677 363	55.89%
Advertising, Publicity and Marketing	810 349	208 618	25.74%
Air Transport	218 399	4 348	1.99%
Bank Charges	599 180	382 659	63.86%
Bargaining Council	3 040 340	3 422 255	112.56%
Cellular Contract (Subscription and Calls)	1 552 723	808 631	52.08%
Claims paid to Third Parties	274 835	15 174	5.52%
External Audit Fees	4 499 999	4 169 298	92.65%
External Computer Service:Internet Charge	4 288 705	3 519 654	82.07%
Gifts and Promotional Items	198 048	41 128	20.77%
Hire Charges	31 748 618	23 838 817	75.09%
Insurance Claims	3 164 901	2 878 619	90.95%
Insurance Underwriting:Premiums	5 655 503	1 813 493	32.07%
Leases:Furniture and Office Equipment	3 608 585	2 223 488	61.62%
Leases:Machinery and Equipment	167 022	2 057	1.23%
Leases:Other Assets	4 245 514	3 797 106	89.44%
Motor Vehicle Licence and Registrations	901 159	677 124	75.14%
Municipal Services	11 468 404	18 671 654	162.81%
Non-employees	217 000	113 340	52.23%
Other	6 859 703	4 191 247	61.10%
Own Transport	516 784	162 387	31.42%
Postage/Stamps/Franking Machines	1 483 156	1 039 927	70.12%
Printing, Publications and Books	1 265 008	633 799	50.10%
Registration Fees:Professional and Regulatory Bodies	229 553	127 507	55.55%
Registration Fees:Seminars, Conferences, Workshops	1 754 400	437 477	24.94%
Remuneration to Ward Committees	3 000 000	2 797 120	93.24%
Signage	404 306	75 217	18.60%
Skills Development Fund Levy	1 760 001	1 378 990	78.35%
Software Licences	3 569 885	2 320 507	65.00%
Storage of Files (Archiving)	750 000	195 000	26.00%
Supplier Development Programme	50 000	-	0.00%
Tenders	720 000	362 171	50.30%
Third Party Vendors	5 452 329	4 181 051	76.68%
Uniform and Protective Clothing	3 903 935	2 195 900	56.25%
Vehicle Tracking	619 329	538 953	87.02%
Workmen''s Compensation Fund	1 594 581	907 154	56.89%
Total	**112 230 604**	**88 847 494**	**79.17%**


Expenditure By Type
Transfers and subsidies 0.05%
Other expenditure 12.35%
Contracted services 8.90%
Other materials 3.01%
Employee related costs 36.71%
Bulk purchases - Electricity 29.24%
Remuneration of councillors 1.93%
Debt impairment 0.00%
Depreciation & asset impairment 7.66%
Finance charges 0.15%

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 April 2021	%
Maintenance of Equipment	623 150	302 193	48.49%
Maintenance of Vehicles	7 824 197	6 767 051	86.49%
Maintenance of Buildings and Facilities	7 374 517	3 903 524	52.93%
Maintenance of Water Infrastructure	4 642 575	2 466 920	53.14%
Roads Maintenance	29 449 000	21 326 692	72.42%
Consultants and Professional Services	60 000	-	0.00%
Sport and Recreation Facilities	328 450	278 965	84.93%
Maintenance of Electrical Infrastructure	5 203 220	4 729 887	90.90%
Maintenance of Sanitation Infrastructure	2 482 772	1 671 991	67.34%
Hire Charges	6 881 214	5 602 701	81.42%
Other Contracted Services	257 069	101 430	39.46%
Total	**65 126 164**	**47 151 354**	**72.40%**

It is to be noted that actual repairs and maintenance expenditure constituted 72.40% of the 2020/21 Adjusted Budget.

Annexure "A2"

CAPITAL BUDET PERFORMANCE

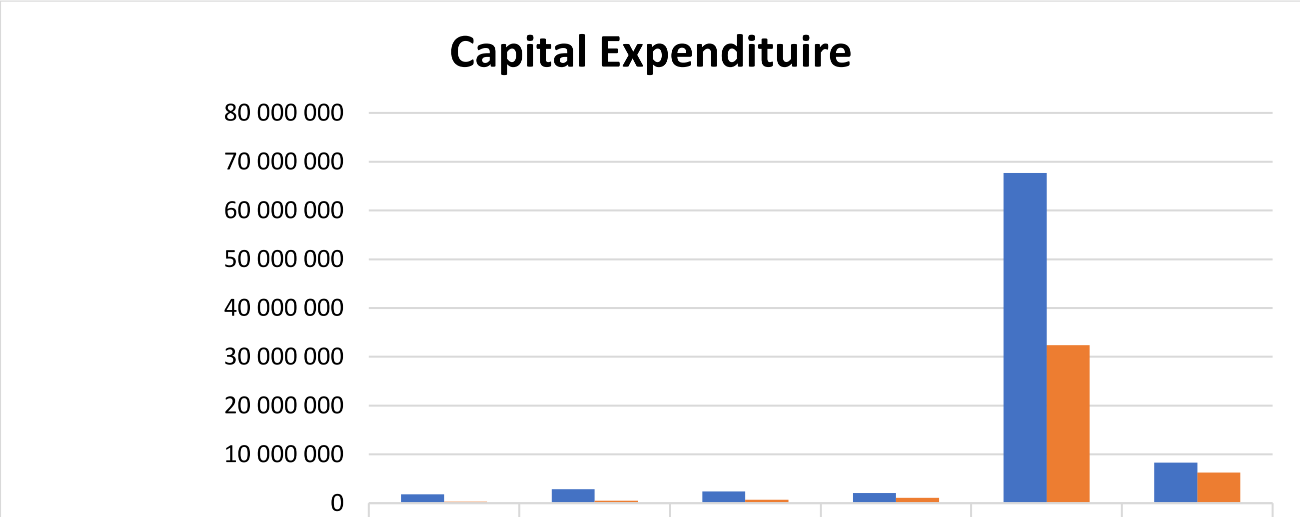
Below is an analysis of the capital expenditure compared to the 2020/21 Adjusted Capital Budget.

DIRECTORATES	PROJECT DESCRIPTION	FUNDING	Adjusted Budget 2020/21	Actuals as at 30 April 2021	%
EXECUTIVE & COUNCIL					
MAYOR	Vehicle	Internal	700 000	-	0.00%
MAYORAL COMMITTEE	Furniture and Equipment	Internal	102 962	9 044	8.78%
MAYOR	Furniture and equipment	Internal	13 885	12 605	90.78%
Council	Computer Equipment	Internal	-	26 000	
MAYORAL COMMITTEE	Computer Equipment	Internal	127 445	51 670	40.54%
Council	Ward councilors Capital project	Internal	-	50 300	
INTEGRATED DEVELOPMENT	Computer Equipment	Internal	20 000	-	0.00%
WARD COUNCILLORS	Ward councilors Capital project	Internal	850 000	174 851	20.57%
			1 814 292	**324 470**	**17.88%**
CORPORATE SERVICES					
Corporate Services	EDMS	Internal	835 852	573 000	68.55%
Corporate Services	Computer Software and Applications	Internal	64 691	-	0.00%
Skills Development	Computer Equipment	Internal	223 603	35 602	15.92%
Corporate Services	Fencing of municipal building	Internal	469 309	-	0.00%
ADMINISTRATION SERVICES	Bio-metric System	Internal	300 000	5 924	1.97%
Corporate Services	Furniture and Equipment	Internal	182 446	92 399	50.64%
Corporate Services	Computer Equipment	Internal	310 017	-	0.00%
			2 385 918	**706 925**	**29.63%**
FINANCE					
SCM: DEMAND MANAGEMEN	SCM Furniture	Internal	316 426	316 426	100.00%
BUDGET & FINANCIAL REPOR	Computer Equipment	Internal	197 629	-	0.00%
REVENUE	Computer Equipment	Internal	125 764	-	0.00%
Finance: Revenue	Furniture and Equipment	Internal	200 000	-	0.00%
Finance: IT	Cibex Software	Internal	681 497	-	0.00%
Finance: IT	Computer Equipment	Internal	949 831	39 296	4.14%
Finance: IT	WIFI Solution	Internal	75 904	23 180	30.54%
Finance: SCM	Machinery and Equipment	Internal	156 465	3 990	2.55%
Finance: IT	DISASTER RECOVERY SERVER	Internal	-	34 197	
Finance: Expenditure	Furniture and Equipment	Internal	71 865	-	0.00%
Finance: SCM	Computer Equipment	Internal	89 831	-	0.00%
Finance: IT	Network Upgrade	Internal	-	107 200	
			2 865 212	**524 289**	**18.30%**
PLANNING, DEVELOPOMENT & TOURISM					
Housing Services	Land acquisition housing projects	Internal	360 000	360 000	100.00%
Planning & Development	Computer Software and Applications	Internal	315 000	116 195	36.89%
Housing Services	Vehicles	Internal	400 000	339 886	84.97%
Planning & Development	Furniture and equipment	Internal	278 050	278 050	100.00%
Economic Development: Tou	Restoration of Fisherman Grave Site	Internal	100 000	-	0.00%
Economic Development: Bus	Kouga Business Support Centre	Internal	300 000	7 945	2.65%
LOCAL ECONOMIC DEVELOPI	Computer Equipment	Internal	83 898	-	0.00%
STRATEGIC SERVICES	Computer Equipment	Internal	17 966	-	0.00%
LAND & PROPERTY ADMINIS	Computer Equipment	Internal	251 528	-	0.00%
			2 106 442	**1 102 076**	**52.32%**

DIRECTORATES	PROJECT DESCRIPTION	FUNDING	Adjusted Budget 2020/21	Actuals as at 30 April 2021	%
COMMUNITY SERVICES					
Fire Services	Vehicle	Internal	435 061	-	0.00%
Fire Services	Vehicle	Distrct	5 118 200	4 519 961	88.31%
PARKS AND OPEN SPACES	Jack Hammer and water pump	Internal	250 000	223 839	89.54%
Envornmental Management	Kouga Skip Bins	Internal	200 000	159 478	79.74%
Protection Services	Machinery and Equipment (Security Cameras System)	Internal	750 000	-	0.00%
Fire Services	Fleet Management	Internal	100 000	77 200	77.20%
Parks & Open Space	Machinery and Equipment	Internal	575 200	475 200	82.61%
PARKS AND OPEN SPACES	Computer Equipment	Internal	30 000	20 794	69.31%
Sport & Recreation	Furniture and Equipment	Internal	116 260	113 880	97.95%
Fire Services	Fencing Humansdorp Fire Station	Internal	200 000	168 818	84.41%
Fire Services	Furniture and equipment	Internal	28 500	20 650	72.46%
Sport & Recreation	Upgrading of Sports Facilities	Internal	153 457	119 062	77.59%
Beach	Upgrading of Pellsrus, Kabeljous, Cape St Francis	Internal	150 000	149 580	99.72%
Caravan Parks	Fencing Community Hall	Internal	200 000	199 981	99.99%
			8 306 678	**6 248 442**	**75.22%**
INFRASTRUCTURE & ENGINEERING					
Electricity	Saffery Substation	Internal	2 031 855	205 166	10.10%
Electricity	High Mast Lights	Internal	903 430	-	0.00%
Electricity	SUBSTATION SECURITY	Internal	400 000	-	0.00%
Water	Replace 250mm Water Main Canal Road St Francis Ba	Internal	300 000	-	0.00%
Water	Repair Leaking Concrete Water Tower Paradise Beach	Internal	250 000	-	0.00%
Water	Replace Main Waterline Sout Rivier Bridge Crossing	Internal	300 000	8 165	2.72%
Water	Replace 250mm Water Main Mimosa Street Jbay	Internal	500 000	111 836	22.37%
Water	Upgrade Hankey Water Treatment Works	Internal	400 000	51 236	12.81%
Sewerage	New bypass Sewer Rising Main and Pump Stations Jba	Internal	500 000	-	0.00%
Sewerage	Fencing Kruisfontein Waste Water Treatment Plant	Internal	800 000	795 722	99.47%
Sewerage	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	Internal	690 000	162 900	23.61%
Sewerage	Piped Reticulation - St Francis Bay	Internal	275 000	-	0.00%
Electricity	New overheadlines 66kv overheadlines(Jbay to Melk	Internal	3 043 086	2 298 847	75.54%
Electricity	Electrcial supply of tri switches St francis Bay	Internal	200 000	199 660	99.83%
Electricity	Machinery & Equipment	Internal	150 000	5 680	3.79%
Water	Machinery & Equipment	Internal	150 000	133 608	89.07%
Electricity	Electrical Mini sub station 22 000/11000/400 St Fr	Internal	485 935	473 914	97.53%
Electricity	Humansdorp, Kruisfontein and Osean View Electrific	INEP	4 521 739	4 000 052	88.46%
Electricity	Electrical Oil circuit breakers replacement with v	Internal	740 000	209 772	28.35%
Electricity	Electrcial Supply auto recloser St Francis Bay	Internal	285 000	285 000	100.00%
Electricity	Electrcial 5 MV 22000/11000 transformer	Internal	1 222 570	1 222 570	100.00%
Sewerage	Patensie Sewage Package Plant	MIG	8 353 038	7 672 176	91.85%
Electricity	Kouga Backup Generators	Internal	730 000	362 634	49.68%
Sewerage	Upgrade Sanitation System Old Hankey	MIG	12 484 841	1 851 377	14.83%
Sewerage	Upgrade Loerie sewer pump station	Internal	250 000	-	0.00%
Public Works	Upgrading of Gravel Roads in Humansdorp	MIG	1 739 130	1 106 712	63.64%
Sewerage	Container toilets	Internal	1 100 000	15 505	1.41%

DIRECTORATES	PROJECT DESCRIPTION	FUNDING	Adjusted Budget 2020/21	Actuals as at 30 April 2021	%
INFRASTRUCTURE & ENGINEERING					
Electricity	Fencing Main Substation Jeffrey's Bay	Internal	500 000	373 360	74.67%
METERING & REVENUE	Substations Movements in Ocean View	Internal	3 000 000	2 632 883	87.76%
Public Works	Roads Capital	Internal	2 270 000	1 606 884	70.79%
PROJECT MANAGEMENT UNI	Mini Fresh Food and Craft Markets in Jbay & Hankey	MIG	1 092 413	-	0.00%
ROADS AND STORMWATER	Security Camera	Internal	150 000	8 000	5.33%
Electricity	LV Networks (Informal Areas, Electrification/illeg	Internal	467 560	167 560	35.84%
Sewerage	Upgrading KwaNomzamo Waste Water Treatment Wo	WSIG	5 926 679	2 065 452	34.85%
PROJECT MANAGEMENT UNI	Mini Fresh Food and Craft Markets in Jbay & Hankey	Internal	400 000	-	0.00%
Mig Administration Unit	Upgrading of Kwanomzamo Sports Facility	MIG	5 087 154	1 026 921	20.19%
Mig Administration Unit	Upgrading of Sports Facilities	MIG	5 682 636	3 329 749	58.60%
Electricity	Humansdorp, Kruisfontein and Osean View Electrific	Internal	303 137	12 177	4.02%
			67 685 203	**32 395 517**	**47.86%**
			85 163 745	**41 301 719**	**48.50%**
	Transfers recognised - Capital		50 005 830	25 572 398	51.14%
	Internally generated funds		35 157 915	15 729 321	44.74%
	Total Capital Funding		**85 163 745**	**41 301 719**	**48.50%**

It is to be noted that capital expenditure as at 30 April 2021 amounted to 48.50%, compared to the adjusted capital budget of R 85,163,745.



	Executive & Council	Finance	Corporate Services	Planning, Development and Tourism	Infrastructure and Engineering	Community Services
Adjusted Budget 2020/21	1 814 292	2 865 212	2 385 918	2 106 442	67 685 203	8 306 678
Actuals as at 30 April 2021	324 470	524 289	706 925	1 102 076	32 395 517	6 248 442

Annexure "A3"

PROJECTED CASH FLOW STATEMENT FOR THE 2020/21 FINANCIAL YEAR

Projected Cash Flow Statement as at 30 April 2021

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 – M10 April 2021

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	187 021	12 654	182 741	155 851	26 890	17%	187 021
Service charges			424 039	435 205	36 940	419 848	362 671	57 178	16%	435 205
Other revenue			53 022	48 944	21 911	60 014	40 787	19 227	47%	48 944
Government - operating			145 612	166 705	695	155 833	138 921	16 912	12%	166 705
Government - capital			38 356	37 164	–	36 347	30 970	5 377	17%	37 164
Interest			18 957	14 780	1 557	11 716	12 317	(601)	-5%	14 780
Dividends			–	–			–	–		–
Payments										
Suppliers and employees			(815 350)	(843 870)	(80 664)	(827 627)	(703 225)	124 402	-18%	(843 870)
Finance charges			(1 388)	(1 388)	(78)	(1 103)	(1 157)	(53)	5%	(1 388)
Transfers and Grants			(761)	(761)		(100)	(634)	(534)	84%	(761)
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	37 290	43 801	(6 985)	37 669	36 501	(1 168)	-3%	43 801
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets			(56 912)	(85 164)	(7 950)	(47 178)	(70 970)	(23 792)	34%	(85 164)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	(56 912)	(85 164)	(7 950)	(47 178)	(70 970)	(23 792)	34%	(85 164)
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)	(772)	(7 397)	(8 006)	(610)	8%	(9 608)
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	(9 608)	(9 608)	(772)	(7 397)	(8 006)	(610)	8%	(9 608)
NET INCREASE/ (DECREASE) IN CASH HELD		–	(29 230)	(50 970)	(15 707)	(16 906)	(42 475)			(50 970)
Cash/cash equivalents at beginning:		–	76 328	141 032		141 032	141 032			141 032
Cash/cash equivalents at month/year end:		–	47 099	90 062		124 126	98 557			90 062

Annexure "A4"

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 April 2021 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M10 April 2021

Description R thousands	2019/20 Audited Outcome	Budget Year 2020/21 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	197 544	205 650	207 801	12 475	185 355	173 168	12 188	7%	207 801
Service charges	420 509	481 716	483 561	38 190	402 120	402 967	(847)	-0%	483 561
Investment revenue	11 657	13 013	5 552	351	3 457	4 627	(1 170)	-25%	5 552
Transfers and subsidies	134 341	145 612	166 745	1 016	153 461	139 039	14 422	10%	166 745
Other own revenue	37 312	60 015	59 198	3 423	32 039	49 331	(17 292)	-35%	59 198
Total Revenue (excluding capital transfers and contributions)	**801 364**	**906 005**	**922 858**	**55 456**	**776 433**	**769 132**	**7 301**	**1%**	**922 858**
Employee costs	293 708	336 974	348 729	24 094	264 128	293 109	(28 980)	-10%	348 729
Remuneration of Councillors	12 876	13 651	13 651	1 123	13 864	11 376	2 488	22%	13 651
Depreciation & asset impairment	76 979	89 271	89 066	6 127	55 145	74 222	(19 077)	-26%	89 066
Finance charges	5 714	1 388	1 388	78	1 103	1 157	(53)	-5%	1 388
Materials and bulk purchases	304 655	305 802	308 716	20 211	232 075	257 263	(25 188)	-10%	308 716
Transfers and subsidies	250	761	761	261	361	634	(273)	-43%	761
Other expenditure	208 243	248 495	275 603	22 065	152 911	223 820	(70 909)	-32%	275 603
Total Expenditure	**902 425**	**996 342**	**1 037 915**	**73 961**	**719 588**	**861 580**	**(141 992)**	**-16%**	**1 037 915**
Surplus/(Deficit)	**(101 062)**	**(90 337)**	**(115 057)**	**(18 505)**	**56 845**	**(92 448)**	**149 293**	**-161%**	**(115 057)**
Transfers and subsidies - capital (monetary alloc	126 360	38 356	53 586	3 159	23 983	30 970	(6 987)	-23%	53 586
Contributions & Contributed assets	334	0	0	–	–	–	–		0
Surplus/(Deficit) after capital transfers & contributions	**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**	**142 306**	**-231%**	**(61 471)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**	**142 306**	**-231%**	**(61 471)**
Capital expenditure & funds sources									
Capital expenditure	**17 281**	**56 912**	**85 146**	**6 913**	**41 302**	**67 883**	**(26 582)**	**-39%**	**85 146**
Capital transfers recognised	(8 826)	33 610	50 006	4 337	25 572	41 671	(16 099)	-39%	50 006
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**106 914**	**23 303**	**35 158**	**2 576**	**15 729**	**29 298**	**(13 569)**	**-46%**	**35 158**
Total sources of capital funds	**98 088**	**56 912**	**85 164**	**6 913**	**41 302**	**70 969**	**(29 668)**	**-42%**	**85 164**
Financial position									
Total current assets	(67 873)	182 094	207 551		199 048				207 551
Total non current assets	58 926	2 229 248	2 318 735		2 315 091				2 318 735
Total current liabilities	(19 629)	190 365	237 518		117 416				237 518
Total non current liabilities	(14 480)	170 192	163 445		165 319				163 445
Community wealth/Equity	**(471)**	**2 050 785**	**2 125 323**		**2 231 403**				**2 125 323**
Cash flows									
Net cash from (used) operating	–	37 290	43 801	(6 985)	37 669	36 501	(1 168)	-3%	43 801
Net cash from (used) investing	–	(56 912)	(85 164)	(7 950)	(47 178)	(70 970)	(23 792)	34%	(85 164)
Net cash from (used) financing	–	(9 608)	(9 608)	(772)	(7 397)	(8 006)	(610)	8%	(9 608)
Cash/cash equivalents at the month/year end	**–**	**47 099**	**90 062**	**–**	**124 126**	**98 557**	**(25 569)**	**-26%**	**90 062**

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	34 939	8 015	6 805	6 353	5 398	5 371	35 800	140 312	242 991
Creditors Age Analysis									
Total Creditors	33 298	212	389	–	3	71	1 440	1	35 414

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) – M10 April 2021

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		**338 236**	**332 007**	**343 256**	**13 875**	**336 605**	**286 164**	50 441	18%	**343 256**
Executive and council		4	28	734	19	59	729	(670)	-92%	734
Finance and administration		338 232	331 979	342 522	13 856	336 547	285 435	51 112	18%	342 522
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**11 477**	**15 620**	**13 588**	**981**	**11 274**	**11 323**	(50)	0%	**13 588**
Community and social services		2 421	2 498	2 498	19	2 103	2 082	21	1%	2 498
Sport and recreation		5 495	8 085	6 054	260	5 149	5 045	104	2%	6 054
Public safety		734	1 985	1 985	1	1 330	1 654	(324)	-20%	1 985
Housing		–	–	(0)	–	–	–	–		(0)
Health		2 827	3 051	3 051	700	2 691	2 542	149	6%	3 051
Economic and environmental services		**15 267**	**23 813**	**26 303**	**1 511**	**20 999**	**21 919**	(921)	-4%	**26 303**
Planning and development		6 085	7 173	6 573	527	5 519	5 478	42	1%	6 573
Road transport		7 382	15 252	18 341	968	14 319	15 284	(965)	-6%	18 341
Environmental protection		1 800	1 389	1 389	16	1 160	1 157	2	0%	1 389
Trading services		**563 077**	**572 921**	**593 297**	**42 248**	**431 538**	**480 696**	(49 157)	-10%	**576 835**
Energy sources		264 114	304 317	304 317	23 286	247 374	253 598	(6 224)	-2%	304 317
Water management		170 094	100 261	112 133	8 448	72 322	87 765	(15 443)	-18%	105 318
Waste water management		74 776	93 692	104 840	5 701	63 797	79 328	(15 532)	-20%	95 194
Waste management		54 094	74 651	72 006	4 813	48 046	60 005	(11 959)	-20%	72 006
Other	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	**928 057**	**944 362**	**976 444**	**58 615**	**800 416**	**800 102**	**314**	**0%**	**959 982**
Expenditure - Functional										
Governance and administration		**188 811**	**242 971**	**238 130**	**19 355**	**157 580**	**197 533**	(39 953)	-20%	**238 130**
Executive and council		45 347	41 969	44 232	7 878	41 084	36 923	4 161	11%	44 232
Finance and administration		143 457	200 981	193 878	11 477	116 494	160 593	(44 099)	-27%	193 878
Internal audit		7	21	21	–	2	17	(15)	-87%	21
Community and public safety		**89 381**	**93 241**	**99 006**	**7 837**	**78 868**	**83 070**	(4 202)	-5%	**99 006**
Community and social services		11 104	10 773	10 540	684	7 881	8 855	(974)	-11%	10 540
Sport and recreation		46 142	45 537	50 837	4 149	40 455	42 630	(2 175)	-5%	50 837
Public safety		22 709	25 505	25 397	2 207	20 513	21 321	(809)	-4%	25 397
Housing		4 445	5 399	6 643	382	5 428	5 569	(141)	-3%	6 643
Health		4 982	6 026	5 590	415	4 591	4 694	(103)	-2%	5 590
Economic and environmental services		**122 008**	**122 804**	**151 439**	**10 564**	**105 937**	**126 604**	(20 667)	-16%	**151 439**
Planning and development		23 084	39 343	40 583	2 598	23 743	34 002	(10 259)	-30%	40 583
Road transport		92 362	81 450	108 840	7 715	79 014	90 922	(11 907)	-13%	108 840
Environmental protection		6 562	2 011	2 016	251	3 179	1 680	1 499	89%	2 016
Trading services		**500 347**	**534 193**	**547 232**	**35 631**	**376 487**	**452 617**	(76 130)	-17%	**547 232**
Energy sources		272 205	316 672	317 278	21 565	248 363	262 060	(13 697)	-5%	317 278
Water management		89 188	91 486	94 514	4 208	36 337	78 238	(41 901)	-54%	94 514
Waste water management		71 079	62 587	67 477	5 976	51 533	55 910	(4 377)	-8%	67 477
Waste management		67 875	63 448	67 963	3 882	40 253	56 408	(16 155)	-29%	67 963
Other		**1 878**	**3 133**	**2 107**	**574**	**715**	**1 756**	**(1 041)**	**-59%**	**2 107**
Total Expenditure - Functional	3	**902 425**	**996 342**	**1 037 915**	**73 961**	**719 588**	**861 580**	**(141 992)**	**-16%**	**1 037 915**
Surplus/ (Deficit) for the year		**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**	**142 306**	**-231%**	**(77 933)**

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 – M10 April 2021

Vote Description R thousands	Ref	2019/20 Audited Outcome	Budget Year 2020/21 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		–	–	706	–	–	706	(706)	-100.0%	706
Vote 2 - FINANCIAL SERVICES		346 563	325 858	340 936	13 223	335 227	284 114	51 113	18.0%	340 936
Vote 3 - CORPORATE SERVICES		586	307	307	281	565	255	309	121.1%	307
Vote 4 - COMMUNITY SERVICES		75 604	111 700	105 577	7 148	75 613	87 981	(12 368)	-14.1%	105 577
Vote 5 - INFRASTRUCTURE AND ENGINEERING		501 814	501 976	524 996	37 617	385 370	423 779	(38 409)	-9.1%	508 534
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		3 490	4 521	3 922	346	3 642	3 268	374	11.4%	3 922
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
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	**928 057**	**944 362**	**976 444**	**58 615**	**800 416**	**800 102**	**314**	**0.0%**	**959 982**
Expenditure by Vote	1									
Vote 1 - EXECUTIVE COUNCIL		44 424	44 558	45 891	8 300	41 218	38 302	2 916	7.6%	45 891
Vote 2 - FINANCIAL SERVICES		77 668	117 483	108 499	5 631	56 598	89 082	(32 484)	-36.5%	108 499
Vote 3 - CORPORATE SERVICES		34 862	46 629	47 075	3 031	30 423	39 448	(9 025)	-22.9%	47 075
Vote 4 - COMMUNITY SERVICES		193 994	195 251	206 795	14 835	152 854	172 843	(19 989)	-11.6%	206 795
Vote 5 - INFRASTRUCTURE AND ENGINEERING		531 934	566 216	601 558	40 206	420 953	498 360	(77 407)	-15.5%	601 558
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		19 542	26 204	28 096	1 958	17 542	23 545	(6 003)	-25.5%	28 096
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
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	**902 425**	**996 342**	**1 037 915**	**73 961**	**719 588**	**861 580**	**(141 992)**	**-16.5%**	**1 037 915**
Surplus/ (Deficit) for the year	2	**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**	**142 306**	**-231.5%**	**(77 933)**

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) – M10 April 2021

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		197 544	205 650	207 801	12 475	185 355	173 168	12 188	7%	207 801
Service charges - electricity revenue		245 438	291 625	291 625	22 733	242 220	243 021	(800)	0%	291 625
Service charges - water revenue		73 769	81 846	83 642	6 456	67 431	69 702	(2 271)	-3%	83 642
Service charges - sanitation revenue		49 951	53 555	55 057	4 567	46 628	45 881	748	2%	55 057
Service charges - refuse revenue		51 351	54 690	53 237	4 434	45 840	44 364	1 476	3%	53 237
Service charges - other		–	–	–	–	–	–	–		–
Rental of facilities and equipment		697	4 083	1 122	156	1 346	935	411	44%	1 122
Interest earned - external investments		11 657	13 013	5 552	351	3 457	4 627	(1 170)	-25%	5 552
Interest earned - outstanding debtors		8 576	6 993	10 253	899	8 154	8 544	(391)	-5%	10 253
Dividends received		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		2 125	6 685	2 150	405	1 030	1 791	(761)	-42%	2 150
Licences and permits		11 066	20 714	24 732	1 141	19 473	20 610	(1 137)	-6%	24 732
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		134 341	145 612	166 745	1 016	153 461	139 039	14 422	10%	166 745
Other revenue		14 777	21 540	20 941	823	2 037	17 450	(15 414)	-88%	20 941
Gains on disposal of PPE		70	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**801 364**	**906 005**	**922 858**	**55 456**	**776 433**	**769 132**	**7 301**	**1%**	**922 858**
Expenditure By Type										
Employee related costs		293 708	336 974	348 729	24 094	264 128	293 109	(28 980)	-10%	348 729
Remuneration of councillors		12 876	13 651	13 651	1 123	13 864	11 376	2 488	22%	13 651
Debt impairment		55 131	89 573	70 162	–	7	52 621	(52 614)	-100%	70 162
Depreciation & asset impairment		76 979	89 271	89 066	6 127	55 145	74 222	(19 077)	-26%	89 066
Finance charges		5 714	1 388	1 388	78	1 103	1 157	(53)	-5%	1 388
Bulk purchases		264 529	279 744	246 173	18 562	210 398	205 145	5 253	3%	246 173
Other materials		40 125	26 059	62 543	1 650	21 677	52 118	(30 441)	-58%	62 543
Contracted services		70 860	60 352	93 211	7 337	64 057	77 675	(13 618)	-18%	93 211
Transfers and subsidies		250	761	761	261	361	634	(273)	-43%	761
Other expenditure		80 520	98 571	112 231	14 728	88 847	93 524	(4 676)	-5%	112 231
Loss on disposal of PPE		1 731	–	–	–	–	–	–		–
Total Expenditure		**902 425**	**996 342**	**1 037 915**	**73 961**	**719 588**	**861 580**	**(141 992)**	**-16%**	**1 037 915**
Surplus/(Deficit)		**(101 062)**	**(90 337)**	**(115 057)**	**(18 505)**	**56 845**	**(92 448)**	**149 293**	**(0)**	**(115 057)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		126 360	38 356	53 586	3 159	23 983	30 970	(6 987)	**(0)**	53 586
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	0	0	–	–	–	–		0
Transfers and subsidies - capital (in-kind - all)		334	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**			**(61 471)**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**			**(61 471)**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**			**(61 471)**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**25 632**	**(51 980)**	**(61 471)**	**(15 346)**	**80 828**	**(61 477)**			**(61 471)**

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) – M10 April 2021

Vote 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
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		149	85	950	37	114	792	(678)	-86%	950
Vote 2 - FINANCIAL SERVICES		4 568	800	2 709	21	875	3 556	(2 681)	-75%	2 709
Vote 3 - CORPORATE SERVICES		8 259	1 349	2 386	4 570	28 111	47 000	(18 888)	-40%	2 386
Vote 4 - COMMUNITY SERVICES		718	4 220	6 653	(364)	150	125	25	20%	6 653
Vote 5 - INFRASTRUCTURE AND ENGINEERING		41	38 458	55 325	20	1 624	799	824	103%	55 325
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		(134)	1 505	1 810	–	4 689	4 794	(106)	-2%	1 810
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
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	**13 601**	**46 418**	**69 833**	**4 284**	**35 563**	**57 066**	**(21 504)**	**-38%**	**69 833**
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE COUNCIL		313	750	864	–	63	12	51	444%	864
Vote 2 - FINANCIAL SERVICES		(1 323)	–	156	–	–	–	–		156
Vote 3 - CORPORATE SERVICES		3 137	–	–	2 628	5 378	10 532	(5 154)	-49%	–
Vote 4 - COMMUNITY SERVICES		1 059	7 352	1 654	–	200	167	33	20%	1 654
Vote 5 - INFRASTRUCTURE AND ENGINEERING		–	1 300	12 360	–	–	–	–		12 360
Vote 6 - PLANNING DEVELOPMENT AND TOURISM		495	1 092	278	–	98	107	(9)	-9%	278
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–		–
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	3 680	10 495	15 312	2 628	5 739	10 817	**(5 078)**	**-47%**	15 312
Total Capital Expenditure	3	**17 281**	**56 912**	**85 146**	**6 913**	**41 302**	**67 883**	**(26 582)**	**-39%**	**85 146**
Capital Expenditure - Functional Classification										
Governance and administration		**77 519**	**3 734**	**7 133**	**(294)**	**1 556**	**5 944**	(4 389)	-74%	**7 133**
Executive and council		561	835	1 132	37	324	944	(619)	-66%	1 132
Finance and administration		76 955	2 899	6 001	(330)	1 231	5 001	(3 770)	-75%	6 001
Internal audit		4	–	–	–	–	–	–		–
Community and public safety		**8 576**	**16 028**	**18 886**	**1 292**	**11 146**	**15 739**	(4 593)	-29%	**18 886**
Community and social services		888	–	–	–	–	–	–		–
Sport and recreation		4 377	11 600	12 245	1 292	5 659	10 204	(4 545)	-45%	12 245
Public safety		361	3 669	5 882	–	4 787	4 901	(115)	-2%	5 882
Housing		2 950	760	760	–	700	633	67	11%	760
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**754**	**9 628**	**6 880**	**1 455**	**3 124**	**5 733**	(2 610)	-46%	**6 880**
Planning and development		408	1 737	2 871	8	410	2 392	(1 982)	-83%	2 871
Road transport		346	7 891	4 009	1 447	2 714	3 341	(627)	-19%	4 009
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**11 134**	**27 422**	**52 164**	**4 459**	**25 477**	**43 470**	(17 993)	-41%	**52 164**
Energy sources		5 003	8 172	18 984	1 715	12 449	15 820	(3 371)	-21%	18 984
Water management		(25 106)	3 380	7 827	1 627	2 370	6 522	(4 152)	-64%	7 827
Waste water management		27 011	14 633	24 453	1 117	10 498	20 377	(9 880)	-48%	24 453
Waste management		4 226	1 237	900	–	159	750	(591)	-79%	900
Other		–	100	100	–	–	83	(83)	-100%	100
Total Capital Expenditure - Functional Classification	3	**97 984**	**56 912**	**85 164**	**6 913**	**41 302**	**70 969**	**(29 668)**	**-42%**	**85 164**
Funded by:										
National Government		(8 397)	31 644	44 888	4 337	21 052	37 406	(16 354)	-44%	44 888
Provincial Government		–	–	0	–	–	–	–		0
District Municipality		(429)	1 965	5 118	–	4 520	4 265	255	6%	5 118
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		**(8 826)**	**33 610**	**50 006**	**4 337**	**25 572**	**41 671**	**(16 099)**	**-39%**	**50 006**
Public contributions & donations	5	–	–	–	–	–	–	–		–
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		106 914	23 303	35 158	2 576	15 729	29 298	(13 569)	-46%	35 158
Total Capital Funding		**98 088**	**56 912**	**85 164**	**6 913**	**41 302**	**70 969**	**(29 668)**	**-42%**	**85 164**

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 – M10 April 2021

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		5 136	4 710	24 281	13 157	24 281
Call investment deposits		(78 332)	42 389	65 781	110 969	65 781
Consumer debtors		(5 705)	81 061	67 394	43 115	67 394
Other debtors		10 596	44 682	41 014	22 125	41 014
Current portion of long-term receivables		–	3	3	–	3
Inventory		432	9 249	9 078	9 681	9 078
Total current assets		**(67 873)**	**182 094**	**207 551**	**199 048**	**207 551**
Non current assets						
Long-term receivables		(3)	13	13	10	13
Investments		–	–	–	–	–
Investment property		–	242 552	242 552	242 552	242 552
Investments in Associate		–	–	–	–	–
Property, plant and equipment		58 873	1 985 075	2 074 493	2 071 850	2 074 493
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		56	1 608	1 677	680	1 677
Other non-current assets		–	–	–	–	–
Total non current assets		**58 926**	**2 229 248**	**2 318 735**	**2 315 091**	**2 318 735**
TOTAL ASSETS		**(8 947)**	**2 411 341**	**2 526 286**	**2 514 139**	**2 526 286**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		541	9 608	6 747	2 983	6 747
Consumer deposits		698	17 378	17 378	18 076	17 378
Trade and other payables		(24 313)	133 730	183 744	63 262	183 744
Provisions		3 446	29 649	29 649	33 095	29 649
Total current liabilities		**(19 629)**	**190 365**	**237 518**	**117 416**	**237 518**
Non current liabilities						
Borrowing		(9 608)	6 747	–	6 747	–
Provisions		(4 872)	163 445	163 445	158 572	163 445
Total non current liabilities		**(14 480)**	**170 192**	**163 445**	**165 319**	**163 445**
TOTAL LIABILITIES		**(34 109)**	**360 557**	**400 963**	**282 735**	**400 963**
NET ASSETS	2	**25 162**	**2 050 785**	**2 125 323**	**2 231 403**	**2 125 323**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(471)	2 050 785	2 125 323	2 231 403	2 125 323
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**(471)**	**2 050 785**	**2 125 323**	**2 231 403**	**2 125 323**

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 – M10 April 2021

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	187 021	12 654	182 741	155 851	26 890	17%	187 021
Service charges			424 039	435 205	36 940	419 848	362 671	57 178	16%	435 205
Other revenue			53 022	48 944	21 911	60 014	40 787	19 227	47%	48 944
Government - operating			145 612	166 705	695	155 833	138 921	16 912	12%	166 705
Government - capital			38 356	37 164	–	36 347	30 970	5 377	17%	37 164
Interest			18 957	14 780	1 557	11 716	12 317	(601)	-5%	14 780
Dividends			–	–			–	–		–
Payments										
Suppliers and employees			(815 350)	(843 870)	(80 664)	(827 627)	(703 225)	124 402	-18%	(843 870)
Finance charges			(1 388)	(1 388)	(78)	(1 103)	(1 157)	(53)	5%	(1 388)
Transfers and Grants			(761)	(761)		(100)	(634)	(534)	84%	(761)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**–**	**37 290**	**43 801**	**(6 985)**	**37 669**	**36 501**	**(1 168)**	**-3%**	**43 801**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets			(56 912)	(85 164)	(7 950)	(47 178)	(70 970)	(23 792)	34%	(85 164)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(56 912)**	**(85 164)**	**(7 950)**	**(47 178)**	**(70 970)**	**(23 792)**	**34%**	**(85 164)**
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)	(772)	(7 397)	(8 006)	(610)	8%	(9 608)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(9 608)**	**(9 608)**	**(772)**	**(7 397)**	**(8 006)**	**(610)**	**8%**	**(9 608)**
NET INCREASE/ (DECREASE) IN CASH HELD		**–**	**(29 230)**	**(50 970)**	**(15 707)**	**(16 906)**	**(42 475)**			**(50 970)**
Cash/cash equivalents at beginning:		–	76 328	141 032		141 032	141 032			141 032
Cash/cash equivalents at month/year end:		–	47 099	90 062		124 126	98 557			90 062

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.

iii.

Annexure "A5"

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 April 2021.

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 April 2021

Description	Budget Year 2020/21								
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	10 139	2 399	2 010	1 984	1 612	1 680	10 332	37 437	67 593
Trade and Other Receivables from Exchange Transactions - Electricity	20 520	1 638	1 368	1 236	873	799	3 502	8 317	38 252
Receivables from Non-exchange Transactions - Property Rates	10 897	1 152	883	720	612	628	8 596	22 748	46 236
Receivables from Exchange Transactions - Waste Water Management	5 851	1 148	997	933	840	844	4 587	16 378	31 578
Receivables from Exchange Transactions - Waste Management	4 703	1 206	1 104	1 039	1 023	972	5 173	22 212	37 432
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	64	83	105	131	138	163	1 468	21 770	23 921
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(17 236)	389	338	310	301	285	2 141	11 451	(2 021)
Total By Income Source	**34 939**	**8 015**	**6 805**	**6 353**	**5 398**	**5 371**	**35 800**	**140 312**	**242 991**
									–
Debtors Age Analysis By Customer Group									
Organs of State	1 162	468	468	458	350	407	1 638	3 560	8 511
Commercial	7 732	404	418	366	268	231	995	3 949	14 362
Households	26 045	7 142	5 919	5 529	4 780	4 733	33 167	132 804	220 118
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**34 939**	**8 015**	**6 805**	**6 353**	**5 398**	**5 371**	**35 800**	**140 312**	**242 991**

The aforementioned analysis indicates that from 30 June 2020 to 30 April 2021, the overdue debts have increased by R 38,796 million from R 169,257 million to R 208,052 million, as follows:

R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-20**	**30-Apr-21**	**DIFFERENCE**
Trade and Other Receivables from Exchange Transactions - Water	44 912	57 453	12 541
Trade and Other Receivables from Exchange Transactions - Electricity	15 937	17 733	1 796
Receivables from Non-exchange Transactions - Property Rates	31 419	35 339	3 920
Receivables from Exchange Transactions - Waste Water Management	19 681	25 727	6 046
Receivables from Exchange Transactions - Waste Management	25 254	32 729	7 475
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	18 498	23 857	5 360
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	13 556	15 214	1 659
Total By Income Source	**169 257**	**208 052**	**38 796**
		–	
Debtors Age Analysis By Customer Group		–	–
Organs of State	5 386	7 349	1 962
Commercial	6 049	6 630	582
Households	157 822	194 074	36 252
Other	–	–	–
Total By Customer Group	**169 257**	**208 052**	**38 796**

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	21 108	–	–	–	–	–	–	–	**21 108**
Bulk Water	–	–	–	–	–	–	9	–	**9**
PAYE deductions	3 806	–	–	–	–	–	–	–	**3 806**
VAT (output less input)	–	–	–	–	–	–	–	–	**–**
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	**–**
Loan repayments	–	–	–	–	–	–	–	–	**–**
Trade Creditors	8 385	212	389	–	3	71	1 431	1	**10 491**
Auditor General	–	–	–	–	–	–	–	–	**–**
Other	–	–	–	–	–	–	–	–	**–**
Total By Customer Type	**33 298**	**212**	**389**	**–**	**3**	**71**	**1 440**	**1**	**35 414**

The above amounts represent invoices still to be paid. The major creditors as at 30 April 2021 are as follows:

Eskom	R 21,108 million
PAYE(SARS)	R 3,806 million,
NMBM	R 0,9 million
Other Creditors	R 10,491 million
Total	**R 35,414 million**

It is to be noted that the Eskom amount of R 21,108 million, represents the current account for April 2021, which will be fully paid on 23 May 2021.

The PAYE deductions represent employee related costs for the month of April 2021, with the amounts in question being paid on 5 May 2021 to SARS.

3. Investment Portfolio

Below is an analysis of the Investment Portfolio as at 30 April 2021.

	Balance as at 30 June 2020	Invested	Interest	Withdrawals	Adjustments	Balance as at 30 April 2021
Standard Bank	11 052 012	-	309 409	-		11 361 421
ABSA	29 118 474	-	536 015	10 000 000	2 372	19 652 117
Nedbank	14 049 368	-	399 224	-		14 448 592
RMB	50 227 524	76 872 106	1 323 437	81 285 878		47 137 189
INVESTEC	17 846 936	-	522 384	-		18 369 320
Total	**122 294 314**	**76 872 106**	**3 090 470**	- **91 285 878**	- **2 372**	**110 968 640**
INVESTMENT	**Balance as at 30 June 2020**	**Invested**	**Interest**	**Withdrawals**	**Adjustments**	**Balance as at 30 April 2021**
General Account	74 231 786	18 733 368	1 816 194	27 264 268	2 372	67 514 708
Conditional Grants	48 054 952	58 138 738	1 274 073	64 021 609	-	43 446 154
Housing Funds	7 576	-	202	-	-	7 778
Total	**122 294 314**	**76 872 106**	**3 090 470**	- **91 285 878**	- **2 372**	**110 968 640**
Bank	18 737 370			- 5 580 037		13 157 333
Total	**141 031 684**	**76 872 106**	**3 090 470**	- **96 865 915**	- **2 372**	**124 125 972**

The decrease in the investment portfolio since 30 June 2020 amounts to R 16,905,712. The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves.

Bank Balances and Cash	R 13,157,333
Short-term Investment Deposits	R110,968,640
	R124,125,972

Application of Cash

Unspent Conditional Grants	27,848,433
Internally Generated Funds	19,428,594
Outstanding Creditors Liability	35,413,853
	82,690,880
Reserves in excess of commitments	**41,435,092**

The cash backed reserves exceed the commitments at this stage by an amount of R 41,435,092. It should be noted that the excess of reserves over commitments as at 30 April 2021, is mainly due to an amount of R 34,162 million in respect of the Equitable share allocation received on 15 March 2021, 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 2020/2021 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M10 April 2021

Description	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								%	
RECEIPTS:									
Operating Transfers and Grants									
National Government:	129 607	140 782	161 170	–	150 760	150 760	–		161 170
Operational Revenue:General Revenue:Equitable Share	124 938	136 649	157 037	–	146 646	146 646	–		157 037
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule	1 000	1 054	1 054	–	1 054	1 054	–		1 054
Local Government Financial Management Grant [Schedule 5B]	1 770	1 500	1 500		1 500	1 500	–		1 500
Municipal Infrastructure Grant [Schedule 5B]	1 899	1 579	1 579		1 560	1 560	–		1 579
Provincial Government:	64	–	2 050	–	2 050	2 050	–		–
Capacity Building and Other	64	–	–	–	–	–	–		–
Sports and Recreation	–	–	2 050	–	2 050	2 050	–		–
District Municipality:	4 669	2 780	2 780	695	2 780	2 780	–		4 830
Environment Health Subsidy	4 669	2 780	2 780	695	2 780	2 780	–		4 830
Other grant providers:	–	–	706	–	706	706	–		706
Foreign Government and International Organisations	–	–	706	–	706	706	–		706
Total Operating Transfers and Grants	134 341	143 562	166 705	695	156 295	156 295	–		166 705
Capital Transfers and Grants									
National Government:	125 646	36 391	35 199	–	34 831	34 831	–		35 199
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	3 202	5 200	5 200		5 200	5 200	–		5 200
Municipal Infrastructure Grant [Schedule 5B]	23 591	29 999	29 999		29 631	29 631	–		29 999
Energy Efficiency and Demand Side Management Grant	3 960	–	–	–	–	–	–		–
Water Services Infrastructure Grant [Schedule 5B]	93 702	–	–			–	–		–
Municipal Disaster Relief Grant	1 192	1 192	–	–	–	–	–		–
Provincial Government:	–	1 965	(0)	–	–	–	–		1 965
Capacity Building and Other	–	1 965		–	–		–		1 965
District Municipality:	714	–	1 965	–	1 517	–	1 517		–
Fire Services Subsidy	714	–	1 965	–	1 517	–	1 517		–
Total Capital Transfers and Grants	126 360	38 356	37 164	–	36 347	34 831	1 517	4.4%	37 164
TOTAL RECEIPTS OF TRANSFERS & GRANTS	260 701	181 918	203 870	695	192 642	191 126	1 517	0.8%	203 870

Below is an analysis of the spending associated with the grants as at 30 April 2021:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M10 April 2021.

Description	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								%	
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	**58 976**	**140 782**	**161 170**	**124**	**149 953**	**150 266**	**(313)**	**-0.2%**	**125 391**
Operational Revenue:General Revenue:Equitable Share	56 297	136 649	157 037		146 646	146 646	–		121 501
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 000	1 054	1 054		1 054	1 054	–		1 054
Local Government Financial Management Grant [Schedule 5B]	1 647	1 500	1 500		890	1 250	(360)	-28.8%	1 342
Municipal Infrastructure Grant [Schedule 5B]	31	1 579	1 579	124	1 363	1 316	47	3.6%	1 454
Provincial Government:	**56**	**–**	**2 050**	**–**	**2 050**	**2 050**	**–**		**–**
Capacity Building and Other	56	–	–	–	–	–	–		–
Sports and Recreation	–	–	2 050		2 050	2 050	–		–
District Municipality:	**–**	**2 780**	**2 780**	**–**	**2 780**	**2 780**	**–**		**3 980**
Environmental Health Subsidy	–	2 780	2 780		2 780	2 780	–		3 980
Other grant providers:	**–**	**–**	**706**	**14**	**14**	**588**	**(574)**	-97.7%	**1 075**
Foreign Government and International Organisations	–	–	706	14	14	588	(574)	-97.7%	614
Total operating expenditure of Transfers and Grants:	**59 032**	**143 562**	**166 705**	**138**	**154 797**	**155 684**	**(887)**	**-0.6%**	**130 446**
Capital expenditure of Transfers and Grants									
National Government:	**(6 544)**	**35 199**	**35 199**	**3 297**	**21 835**	**29 333**	**(7 498)**	**-25.6%**	**45 113**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	2 387	5 200	5 200	742	4 600	4 333	267	6.2%	4 522
Municipal Infrastructure Grant [Schedule 5B]	19 436	29 999	29 999	2 554	17 235	24 999	(7 764)	-31.1%	34 665
Water Services Infrastructure Grant [Schedule 5B]	(28 367)	–					–		5 927
District Municipality:	**(429)**	**1 965**	**1 965**	**–**	**1 965**	**1 965**	**–**		**5 118**
Fire Services Subsidy	(429)	1 965	1 965	–	1 965	1 965	–		5 118
Other grant providers:	**106 914**	**–**	**–**	**–**	**–**	**–**	**–**		**35 158**
Transfer from Operational Revenue	106 914						–		35 158
Total capital expenditure of Transfers and Grants	**99 941**	**37 164**	**37 164**	**3 297**	**23 800**	**31 298**	**(7 498)**	**-24.0%**	**85 389**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**158 972**	**180 726**	**203 870**	**3 434**	**178 597**	**186 981**	**(8 385)**	**-4.5%**	**215 835**

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 889,931
Unspent as at 30 April 2020:	R 610,069

The spending of the grant amounted to 59.33% as at 30 April 2021, 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 1,054,000
Expenditure to date:	R 1,054,000
Unspent as at 30 April 2021:	R 0

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 31,190,000
NT Approved rollover	R 9,605,994
Amount of Grant Received:	R 40,795,994
Expenditure to date:	R 18,597,981
Unspent as at 30 April 2021:	R 22,198,013

The spending of the grant amounted to 45.59% as at 30 April 2021, 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 5,200,000
Expenditure to date:	R 4,600,059
Unspent as at 30 April 2021:	R 599,941

The spending of the grant amounted to 88.46% as at 30 April 2021, 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	2,375,270
Unspent as at 30 April 2021:	R	4,440,411

The spending of the grant amounted to 34.85% as at 30 April 2021, 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 – M10 April 2021.

Summary of Employee and Councillor remuneration	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								%	
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	8 695	9 104	9 104	728	10 232	7 587	2 646	35%	9 104
Pension and UIF Contributions	–	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	–	45	188	–	188		–
Motor Vehicle Allowance	2 900	3 081	3 081	243	2 393	2 568	(174)	-7%	3 081
Cellphone Allowance	1 280	1 465	1 465	107	1 050	1 221	(171)	-14%	1 465
Housing Allowances	–	–	–	–	–	–	–		–
Other benefits and allowances	–	–	–	–	–	–	–		–
Sub Total - Councillors	**12 876**	**13 651**	**13 651**	**1 123**	**13 864**	**11 376**	**2 488**	**22%**	**13 651**
Senior Managers of the Municipality									
Basic Salaries and Wages	5 573	5 919	6 106	455	6 547	5 088	1 459	29%	6 106
Pension and UIF Contributions	43	36	36	9	94	30	65	217%	36
Medical Aid Contributions	17	13	13	4	43	11	33	308%	13
Overtime	–	–	–	–	–	–	–		–
Performance Bonus	512	453	453	–	303	432	(129)	-30%	453
Motor Vehicle Allowance	640	811	811	48	544	676	(132)	-20%	811
Cellphone Allowance	6	6	6	1	8	5	3	57%	6
Housing Allowances	–	–	–	–	–	–	–		–
Other benefits and allowances	45	50	50	7	44	41	3	7%	50
Payments in lieu of leave	4	1 150	1 150	–	408	958	(550)	-57%	1 150
Long service awards	–	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality	**6 840**	**8 437**	**8 624**	**524**	**7 993**	**7 241**	**752**	**10%**	**8 624**
Other Municipal Staff									
Basic Salaries and Wages	176 493	213 264	224 540	14 588	153 752	187 116	(33 364)	-18%	224 540
Pension and UIF Contributions	30 176	33 121	33 121	2 616	26 864	27 601	(737)	-3%	33 121
Medical Aid Contributions	15 782	17 256	17 256	1 402	13 693	14 380	(687)	-5%	17 256
Overtime	34 729	28 139	28 149	2 510	25 553	23 457	2 096	9%	28 149
Performance Bonus	–	–	–	–	–	–	–		–
Motor Vehicle Allowance	8 750	9 393	9 393	818	8 055	7 828	227	3%	9 393
Cellphone Allowance	–	288	288	–	–	240	(240)	-100%	288
Housing Allowances	857	905	905	79	739	754	(15)	-2%	905
Other benefits and allowances	22 649	24 869	24 869	981	23 991	23 172	819	4%	24 869
Payments in lieu of leave	1 217	–	27	397	2 485	22	2 462	10977%	27
Long service awards	1 208	1 274	1 557	179	1 004	1 298	(293)	-23%	1 557
Post-retirement benefit obligations	(4 994)	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff	**286 868**	**328 509**	**340 105**	**23 570**	**256 136**	**285 868**	**(29 732)**	**-10%**	**340 105**
Total Parent Municipality	**306 584**	**350 598**	**362 380**	**25 218**	**277 992**	**304 484**	**(26 492)**	**-9%**	**362 380**
TOTAL SALARY, ALLOWANCES & BENEFITS	**306 584**	**350 625**	**362 380**	**25 218**	**277 992**	**304 484**	**(26 492)**	**-9%**	**362 380**
TOTAL MANAGERS AND STAFF	**293 708**	**336 947**	**348 729**	**24 094**	**264 128**	**293 109**	**(28 980)**	**-10%**	**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 April 2021**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	2.51%	1.78%	1.29%	1.23%	1.06%	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	0.87	1.70
Liquidity Ratio	Monetary assets / current liabilities	0.40	0.47	0.75	0.87	0.38	1.06
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	95.81%	90.73%	97,62%	95.42%	90%	93.99%

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 April 2021
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	1.23	1.45
Employee Costs	Employee Costs / Total Operating Expenditure	33.39%	33.21%	33.39%	35.87%	33.60%	36.71%
Capital Expenditure	Capital Expenditure / Capital Budget	72.92%	72.98%	44.59%	75.33%	95%	48.50%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	4.94%	3.82%	5.63%	5.99%	6.28%	6.55%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	1.65%	1.41%	2.29%	2.46%	3.14%	2.28%
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%	81.93%	80.24%

The above table is discussed in detail below.

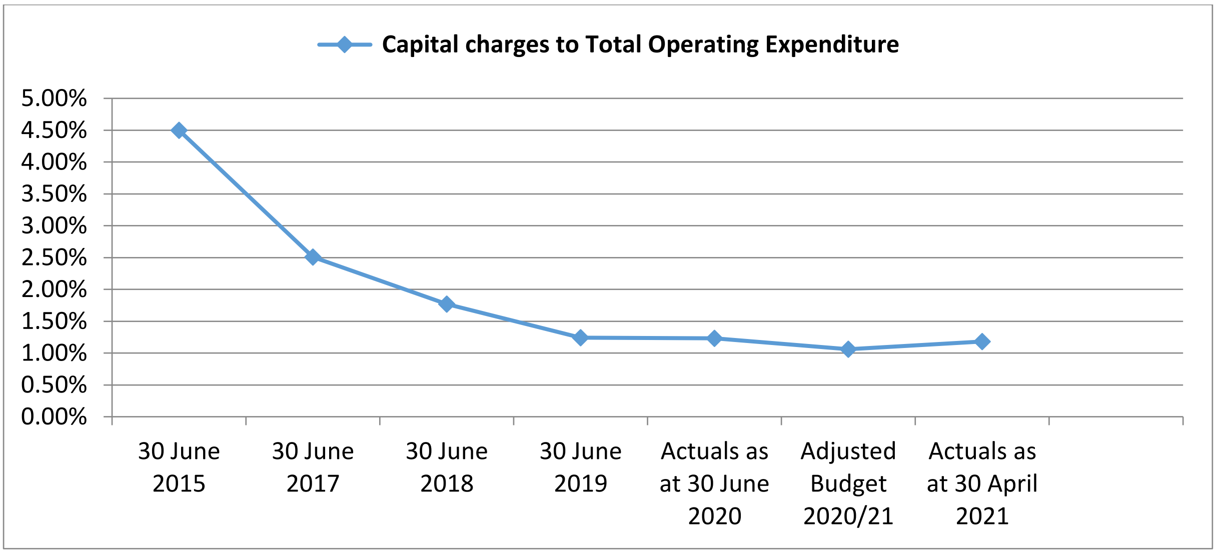
5.1. Borrowing Management

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 April 2021, compared to the approved adjusted budget ratio of 1,06%.



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.

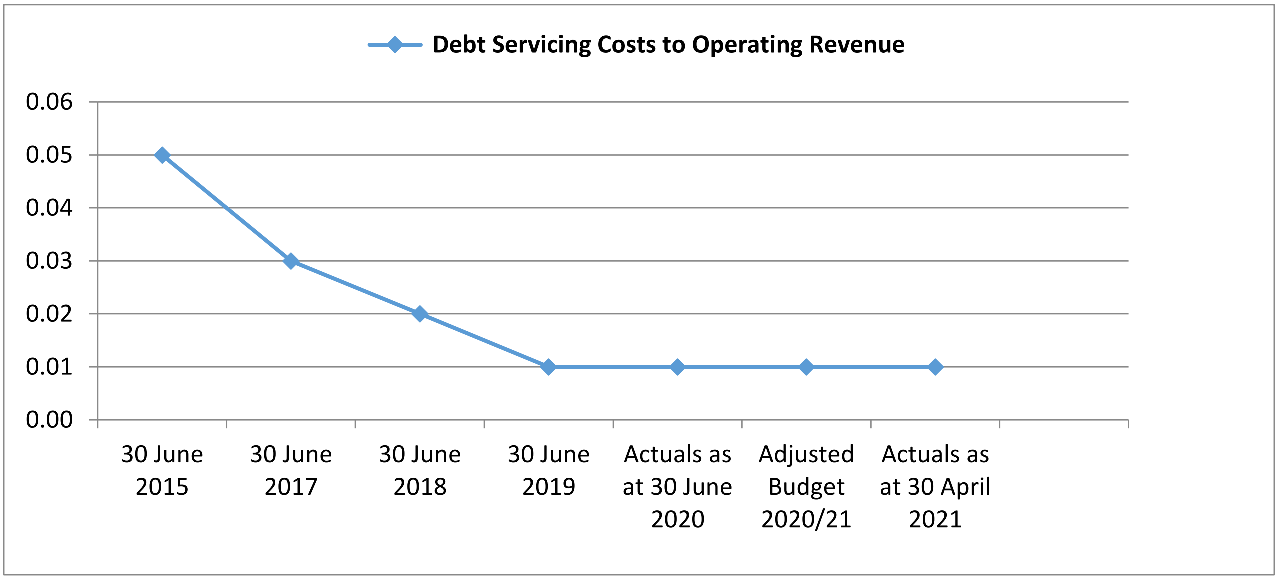
5.1.3. Debt Servicing Costs to Operating Revenue Ratio

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 April 2021, the ratio was 0.01:1, compared to the approved adjusted 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:

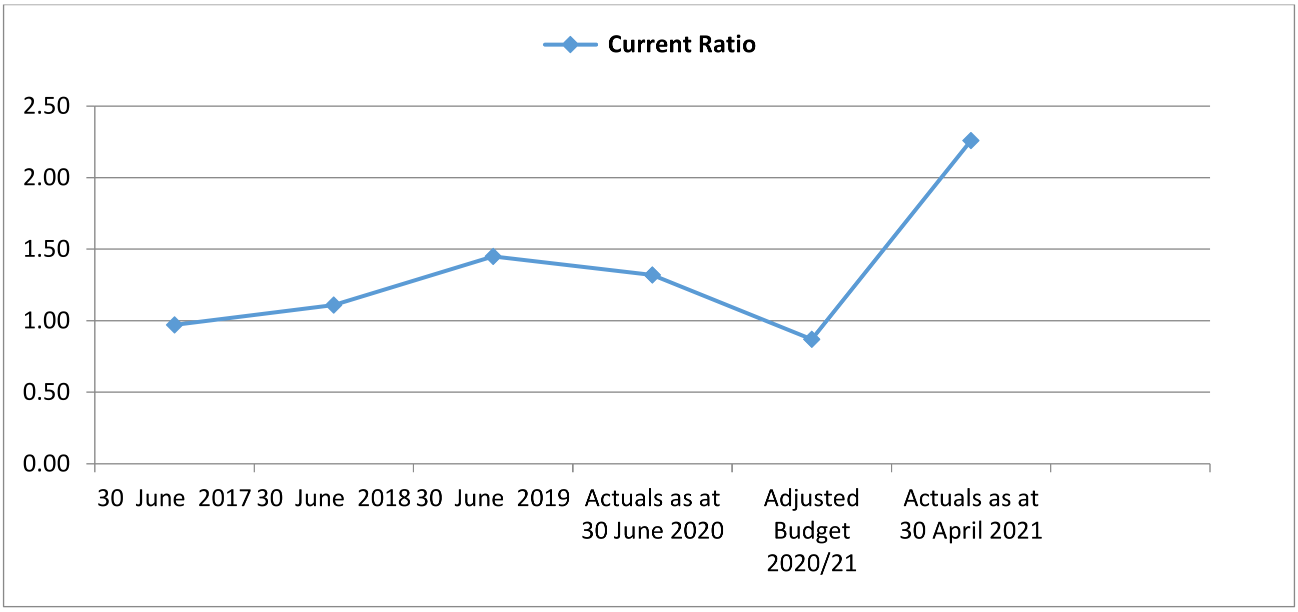
Current assets/Current liabilities

The ratio as at 30 April 2021 was 1.70:1, compared to the adjusted budget ratio of 0.87:1.

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

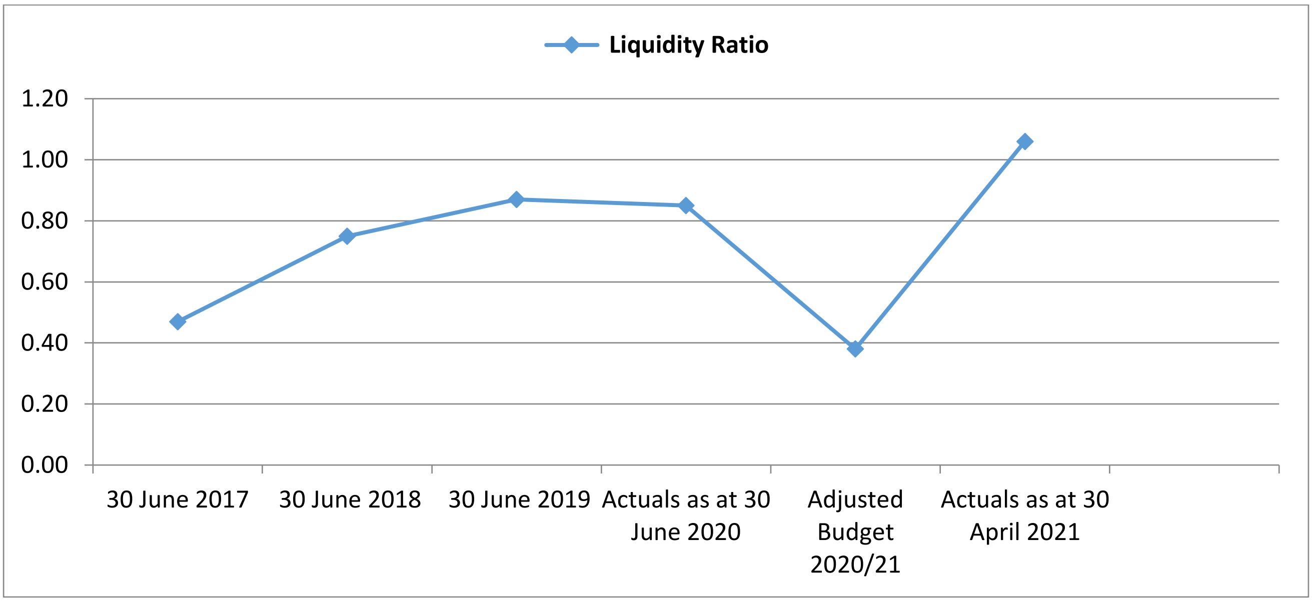
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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 April 2021 was 1.06:1, compared to the adjusted budget ratio of 0.38:1.

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

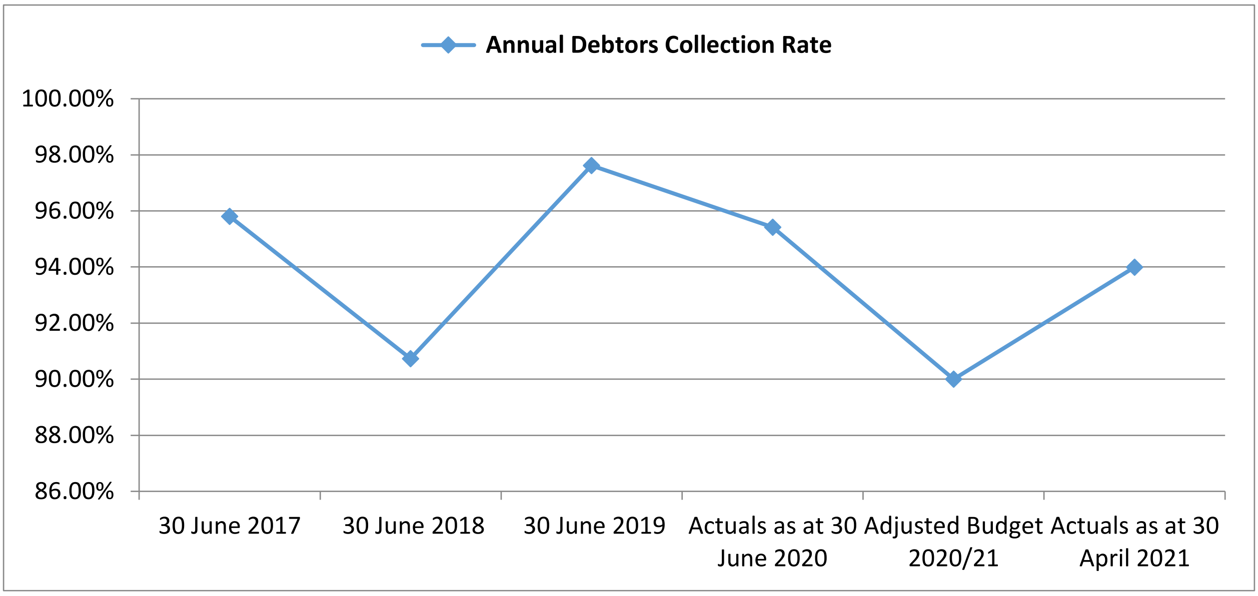
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

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 April 2021 was 93.99%, compared to the approved adjusted budget collection rate of 90%. The actual collection rate for April is 95.57%. 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.

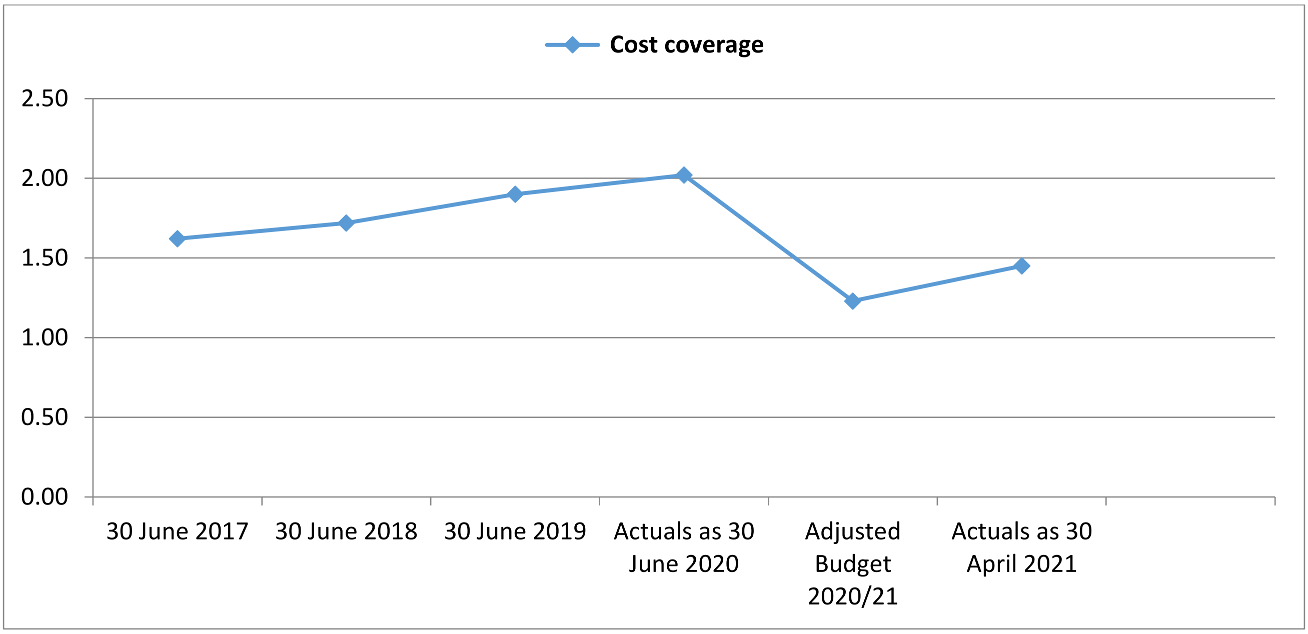
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

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 April 2021, the Ratio was 1.45 months, compared to the approved adjusted budget ratio of 1.23 months.

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



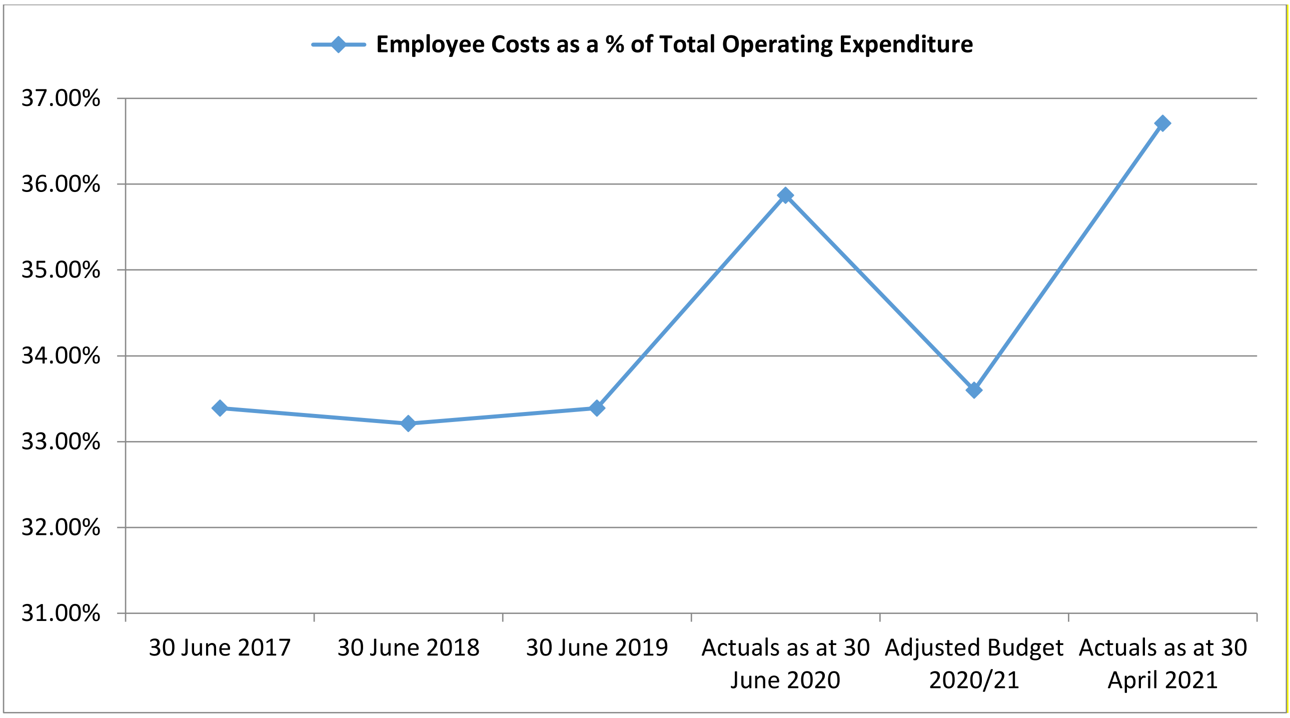
5.4.2. Employee costs as a % of Total Operating Expenditure

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 April 2021, Employee Related Costs constituted 36.71% of the Total Operating Expenditure compared to the approved adjusted budget ratio 33,60%.



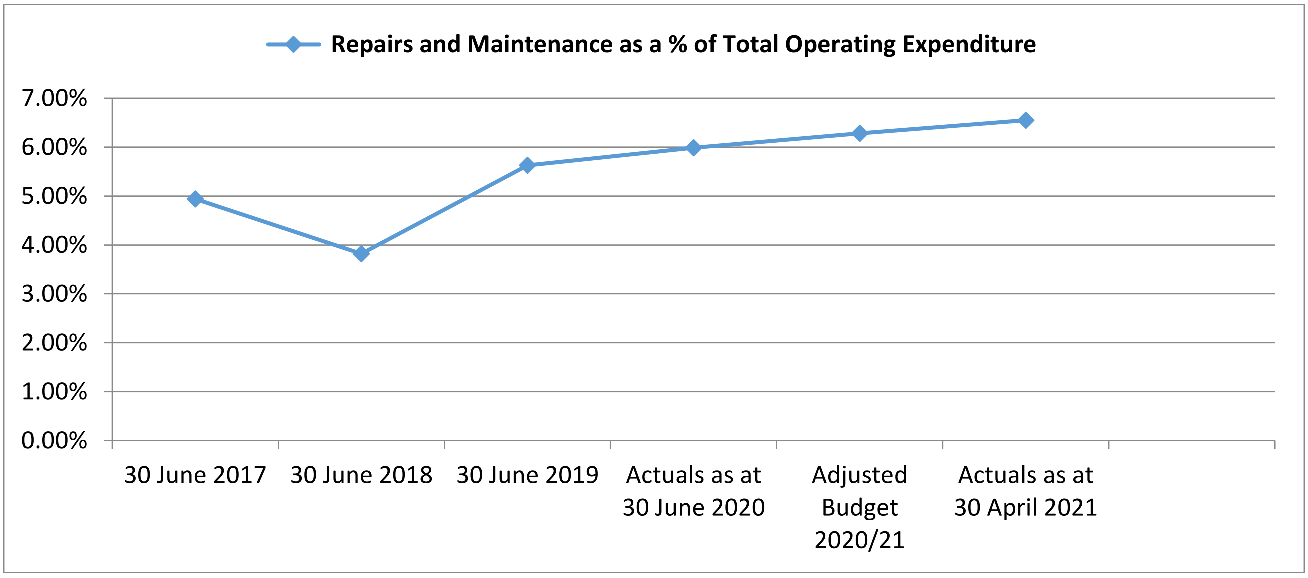
5.4.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 April 2021, the ratio was 6.55%, compared to the approved adjusted budget ratio of 6.28%.



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

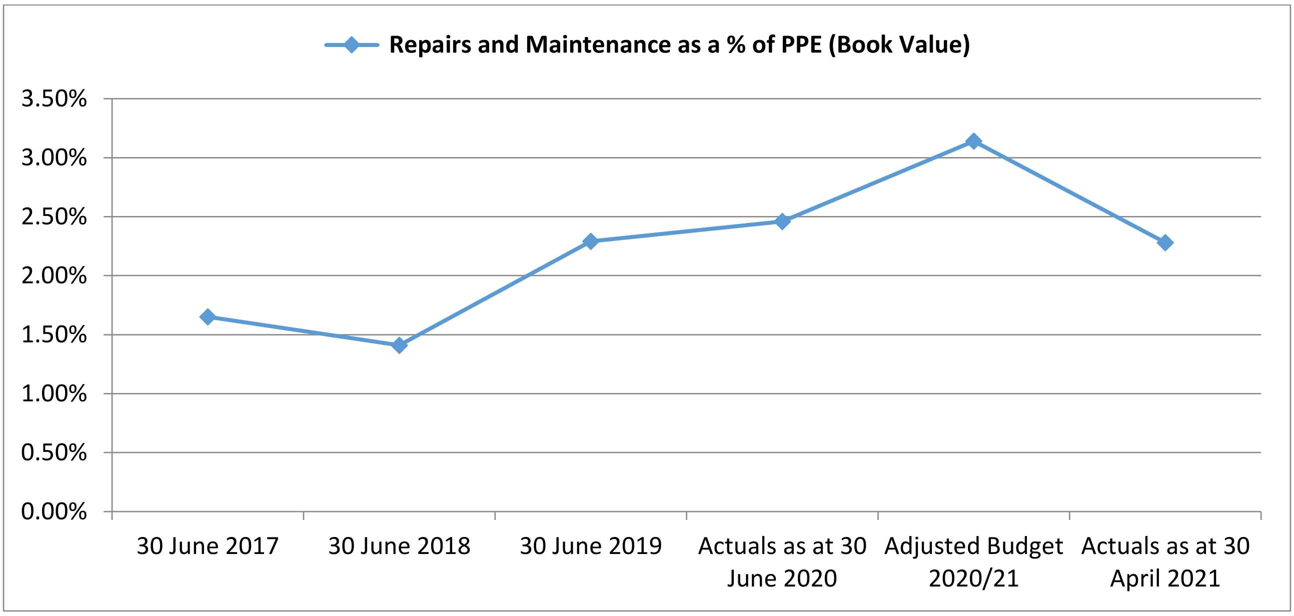
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

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

As at 30 April 2021, repairs and maintenance expenditure constituted 2.28% of the book value of PPE, compared to the adjusted budget ratio of 3.14%.

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



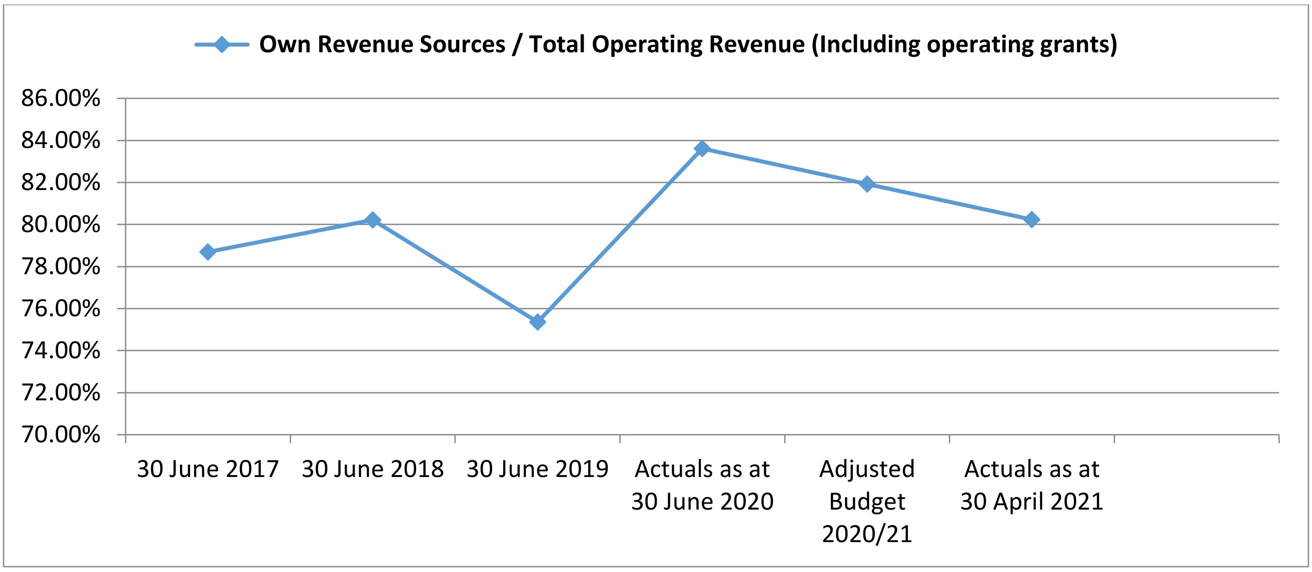
5.4.5. Own Revenue Generation

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 April 2021, the Municipality's own revenue sources constituted 80.24% of its total Operating Income, compared to the approved adjusted budget ratio of 81.93%.



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 April 2021 amounted to 48.50% compared to the approved adjusted budget ratio of 95%.