



# Quarterly Budget Statement

## June 2018

### **In-Year Report of the Municipality**

Prepared in terms of Section 71 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 28 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 December 2009.

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## Glossary

**Adjustments budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**Budget** – The financial plan of the Municipality.

**Capital expenditure** - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

**Equitable share** – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

**FMG** – Financial Management Grant.

**GFS** – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

**GRAP** – Generally Recognised Accounting Practice. The standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality.

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

**MFMA** – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

**MIG** – Municipal Infrastructure Grant

**mSCOA** – Municipal Standard Chart of Accounts.

**MTREF** – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

**Rates** – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**SDBIP** – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

**Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Vote** – A main appropriation segment of the budget. In Umsobomvu Municipality this relates to the directorate level for operating expenditure and the GFS classification for capital expenditure.

**YTD** – Year to date

# **PART 1 – IN-YEAR REPORT**

## **Mayor's Report**

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

#### **1.1.1 Implementation of the budget in accordance with the SDBIP**

The results of the SDBIP for the fourth quarter ended 30 June 2018 will be tabled in a separate comprehensive quarterly report to council.

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

Some capital projects put strain on the availability of cash to ensure sustainable rendering of services to the community. Crisis management on unnecessary expenditure is implemented to ensure that financial commitments are secured.

#### **1.1.3 Other relevant information**

Actual operating revenue at the end of June 2018 is at 5% less than the budgeted revenue. The expenditure reflects spending of 4% less than budgeted expenditure. Capital expenditure amounts to R24.061m, or 59%, at the end of June 2018.

Outstanding consumer debtors remain stable and only reflect the year-on-year increase from increased tariffs as from 1 July 2017.

The continuation of the negative cash flow from the beginning of the third quarter bares a concern on rendering sustainable services to the community.

## **Resolutions**

### ***IN-YEAR REPORTS 2017/2018***

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

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

1. That the report for the quarter/ month ended June 2018, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003, **be noted**.

## **Executive Summary**

**The Auditor General has completed the audit of the 2016/2017 financial statements the 'Audited Outcome' for 2016/2017 is unqualified with other matters.**

### **Revenue by Source**

The Year-to-Date actual revenue is 5% less than the YTD budget projections at the end of June 2018 as a result of the annual rates that were levied in July 2017.

### **Borrowings**

The balance of borrowings amounts to R15 035.00 at the end of June 2018.

### **Operating expenditure by vote & type**

Current expenditure is 4% less than the YTD budget projections as at 30 June 2018.

### **Capital expenditure**

YTD Capital Expenditure amounts to R24.061m, or 59% of a total budget of R40.732m.

### **Cash flows**

The municipality started the year with a positive cashbook balance of R17.114 million. The 30 June 2018 closing balance is R5.116 million. Refer to Table C7 for more details on the cash position.

### **Allocations received (National & Provincial Grants)**

Total National- and Provincial Grants received during the year amount to R58. 756m.

### **Spending on Grants**

Spending on grants amounts to R30.326m for the year to date ended June 2018 which includes Equitable Share, FMG, MIG, WSIG, INEP and EEDSM.

### **Implementation of mSCOA new financial system:**

The key objectives of the Regulations on a Standard Chart of Accounts (SCOA) is to enable the alignment of budget information with information captured in the course of the implementation of the budget; improve data quality and credibility; achieve a greater level of standardization; improve transparency, accountability and governance through uniform recording of transactions at posting account level; enable deeper data analysis and sector comparisons to improve financial performance and the standardization of the account classification to facilitate mobility in financial skills within local government in order to enhance the ability to attract and retain skilled personnel.



**DEVIATIONS MAY 2018**

**TABLE : APPOINTMENTS THROUGH DEVIATIONS**

No	Project Description	Name of Supplier	Actual Value of Contract	Reason for the Deviation	Award Date
1	Tyres Advert: Senior clerk revenue & Building	CAS Bande	21 711.00	Sole supplier in town Oder no A0000022 DEV 1336	30/5/2018
2	inspector	Media24	12 171.60	Sole supplier order no 21582, deviation no 1337	30/5/2018
3	Car towing services	Car towing service international	13 915.00	Sole supplier in town order no dev no 1338	11/05/2018
4	EPWP project:Cement Voortrekker street	Eddies	45 950.00	EPWP project Not advertised Exceptional case 1339 order 21761	04/4/2018
5	Advert supply of low & low medium voltage elec material phase 1 Noupoot	Media24	12 523.50	National newspaper order no 21582 deviation 1340	26/4/2018
6	EPWP project: Material 500 bags cement	Eddis	45 950.00	EPWP project Not advertised Exceptional case 1341	
7	Uniforms: Workshop	OVK	16 266.15	Only one supplier in town have stock Exceptional case 1342	01/05/2018
			<b>168 487.25</b>		

Type of Deviation	Value of Deviation	Percentage of total deviations value
Emergency		
Sole Provider	R 48 611.10	29%
Exceptional Cases	R 119 876.15	71%
<b>Total</b>	<b>168 487.25</b>	<b>100%</b>

**DEVIATIONS JUNE 2018**

**TABLE : APPOINTMENTS THROUGH DEVIATIONS**

No	Project Description	Name of Supplier	Actual Value of Contract	Reason for the Deviation	Award Date
1	3 Tyres 11 R22.5 Firestone & Fit BSF223NC	CAS Bande	19 725.00	Soleprovider in Town deviation no 1343	29/5/2018
2	18000BTU inverter carrier	De Wits Installers	16 783.08	Re-install dev no 1344 Exceptional cases	18/5/2018
3	Roadstone 14mm 38 ton	D Aar Stone Crushers cc	20 976.00	Sole provider -Pixley KaSeme dev no 1345	25/5/2018
4	24000BTU Inverter carrier	De Wits Installers	21 760.30	New Aircond for MM Office exceptional cases order A0000029 dev no 1346	01/6/2018
5	Repairs BSF239NC	Tommys panel Beaters	15 925.28	Repairs & Strip Exceptional cases Order no A0000013 Requisition no 21773 dev no 1347	07/5/2018
			95 169.66		

Type of Deviation	Value of Deviation	Percentage of total deviations value
Emergency		
Sole Provider	40 701.00	43%
Exceptional Cases	54 468.66	57%
<b>Total</b>	<b>95 170.00</b>	<b>100%</b>

**Monthly reports on contracts awarded above R100 000 within 15 calendar days of the new month:**

Month	SUPPLIER NAME	DESCRIPTION	AMOUNT
July 2017	Democratic Packaging cc	Heavy duty refuse bags 750x950 (40 mic)	R130 000.00
July 2017	Ikageng Electrical Contractor	Quotation for lowering of High mast and carrying out maintenance in Colesberg	R254 004.31
August 2017	Viking Pony Africa Pumps (Pty) Ltd	Pump and motors	R194 495.40
September 2017	Jicama 167 (Pty)Ltd	Water Cleaning Solution	R171 211.47
October 2017	None		
November 2017	De Aar Stone Crushers	Seven days' notice: crusher dust, stone & course dust.	R102 379.16
November 2017	Bernuca Trading (Pty)Ltd	Seven days' notice: u PVC pipes	R170 361.60
December 2017	None		



January 2018	Democratic Packaging	Refuse Bags	R130 000.00
January 2018	Mpekweni Beach Resort	Strategic Planning Session: 4-8 June 2018 Port Alfred	R103 472.00
January 2018	Precision Hydraulics	Repairs: BSF219NC	R188 411.22
February 2018	Inclendon-Bloemfontein	Water-network MSIG	R146 984.32
March 2018	None		
April 2018	Tiharemba Holdings	Water services material	R524 620.71
April 2018	Mabcor facilities Solutions(Pty)Ltd	Water supply pipeline Construction of 430m of 75mm diameter uPVC pipe in Noupoot	R510 503.58
April 2018	Makathini Legacy	Water supply pipeline Construction of 430m of 75mm diameter uPVC pipe in Noupoot	R378 049.91
April 2018	Tafeni and Partnership	Water supply pipeline Construction of 430m of 75mm diameter uPVC pipe in Noupoot	R499 249.63
April 2018	Yirha Construction (Pty) Ltd	Water supply pipeline Construction of 430m of 75mm diameter uPVC pipe in Noupoot supply pipeline Construction of 430m of 75mm diameter uPVC pipe in Noupoot	R399 936.67
April 2018	JNP Enterprise (Pty) Ltd	Water supply pipeline Construction of 430m of 75mm diameter uPVC pipe in Noupoot	R407 666.54
May 2018	Mega Water Trading and Project (Pty)Ltd	Water treatment chemical 6ton Sud flock and chlorine gas 70kgx5	R114 199.60
June 2018			

### TENDERS AWARDED FOR THE TEN MONTHS: BIDS APPROVED

MONTHS	Name of Bid	Amount Tendered VAT inclusive	Bidder awarded to	Date awarded	Date approval
July 2017	Section 32 (Emthanjeni Mun)	R492 647.50	Mosima IT Solution	26/7/2017	26/7/2017
July 2017	Section 32 Treasury Tender	R7 341 154.00	Vesta Technical Services	19/07/2017	01/072017
July 2017	Lower of high masts and carry out maintenance	R254 004.30	Ikageng Electrical Contractors	03/07/2017	03/07/2017
August 2017	None	None	None	None	None
September 2017	None	None	None	None	None
October 2017	None	None	None	None	None
November 2017	None	None	None	None	None
December 2017	None	None	None	None	None
January 2018	None	None	None	None	None
February 2018	None	None	None	None	None
March 2018	SCMQ 25/2018 Water & waste water Treatment Cleaning Chemicals	1 YEAR Contract prices as per tender	Mega Water Trading	28/03/2018	

April 2018	Tlharemba Holdings	R524 620.71	Water services material	10/04/2018	04/04/2018
May 2018	Transformer Field Services	R1 793 161.65	Supply of Low and medium voltage electrical material for phase 1 of Noupoot electrification project part 2 miniature sub-station Contract no 01/04/2017	24/05/2018	24/05/2018
June 2018	Assist the municipality to compile the 2017/2018 financial statements under tender number NCPT/01/2017.	R671 756.40	Messrs. Involve SA	June 2018	November 2018
June 2018	Section 32 PT (NCPT/01/2017) F.A.R. verification and compilation	R1 140 558.04	Messrs. Market Demand Trading 773 (Pty) Ltd	June 2018	November 2018

### Material variances

The table below summarises variances for projected revenue and expenditure.

NC072 Umsobomvu - Supporting Table SC1 Material variance explanations - M12 June

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<b>R thousands</b>			
<b>Revenue By Source</b>			
Property rates	6		
Property rates - penalties & collection charge	-		
Service charges - electricity revenue	(3 786)		
Service charges - water revenue	2 098		
Service charges - sanitation revenue	1 907		
Service charges - refuse revenue	1 285		
Service charges - other	-		
Rental of facilities and equipment	(55)		
Interest earned - external investments	(199)		
Interest earned - outstanding debtors	40		
Dividends received	-		
Fines	708		
Licences and permits	375		
Agency services	21		
Transfers recognised - operational	(4 944)		
Other revenue	(4 526)		
Gains on disposal of PPE	-		
<b>Expenditure By Type</b>			
Employee related costs	(6 151)		
Remuneration of councillors	(14)		
Debt impairment	-		
Depreciation & asset impairment	-		
Finance charges	(60)		
Bulk purchases	(2 628)		
Other materials	-		
Contracted services	(523)		
Transfers and grants	-		
Other expenditure	3 478		
Loss on disposal of PPE	(20)		
<b>Capital Expenditure</b>			
Gov ernance and administration			
Executive and council	(3 510)		
Budget and treasury office	-		
Corporate services	(4 908)		
Community and public safety			
Community and social services	(4 658)		
Sport and recreation	-		
Public safety	-		
Housing	-		
Health	(4 956)		
Economic and environmental services			
Planning and development	(4 956)		
Road transport	-		
Environmental protection	(3 297)		
Trading services			
Electricity	(918)		
Water	1 228		
Waste water management	-		
Waste management	-		
Other	(16 672)		
<b>Financial Position</b>			
<b>Cash Flow</b>			
<b>Measureable performance</b>			
<b>Municipal Entities</b>			

**Performance in relation to SDBIP targets**

Separate report will be submitted.

**Remedial or corrective steps**

No remedial or corrective steps are required at this time.

# In-year budget statement tables

## Table C1: s71 Monthly Budget Statement Summary

NC072 Umsobomvu - Table C1 Monthly Budget Statement Summary - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	9 032	9 266	9 855	711	9 861	9 855	6	0%	9 855
Service charges	66 272	61 327	59 618	8 640	61 089	59 585	1 504	3%	59 618
Investment revenue	560	560	532	14	333	532	(199)	-37%	532
Transfers recognised - operational	40 840	44 920	45 088	-	40 144	45 088	(4 944)	-11%	45 088
Other own revenue	16 070	16 320	18 475	1 375	15 000	18 435	(3 435)	-19%	18 475
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>132 774</b>	<b>132 394</b>	<b>133 568</b>	<b>10 740</b>	<b>126 428</b>	<b>133 495</b>	<b>(7 067)</b>	<b>-5%</b>	<b>133 568</b>
Employee costs	45 979	49 356	48 382	3 448	42 230	48 382	(6 151)	-13%	48 382
Remuneration of Councillors	3 461	3 717	3 859	322	3 845	3 859	(14)	-0%	3 859
Depreciation & asset impairment	29 442	25 827	25 827	25 827	25 827	25 827	-	-	25 827
Finance charges	230	260	119	1	59	119	(60)	-50%	119
Materials and bulk purchases	22 962	23 388	20 828	1 440	18 200	20 828	(2 628)	-13%	20 828
Transfers and grants	6 777	-	-	-	-	-	-	-	-
Other expenditure	46 470	46 743	51 280	15 353	54 214	51 280	2 934	6%	51 280
<b>Total Expenditure</b>	<b>155 322</b>	<b>149 292</b>	<b>150 296</b>	<b>46 391</b>	<b>144 377</b>	<b>150 296</b>	<b>(5 919)</b>	<b>-4%</b>	<b>150 296</b>
<b>Surplus/(Deficit)</b>	<b>(22 548)</b>	<b>(16 898)</b>	<b>(16 728)</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>	<b>(1 148)</b>	<b>7%</b>	<b>(16 728)</b>
Transfers recognised - capital	29 776	17 031	28 857	-	-	-	-	-	28 857
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>	<b>(1 148)</b>	<b>7%</b>	<b>12 128</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>	<b>(1 148)</b>	<b>7%</b>	<b>12 128</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>31 748</b>	<b>20 781</b>	<b>40 732</b>	<b>1 199</b>	<b>24 061</b>	<b>40 732</b>	<b>(16 672)</b>	<b>-41%</b>	<b>40 732</b>
Capital transfers recognised	29 691	17 031	28 857	-	22 861	-	22 861	#DIV/0!	28 857
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2 057	3 750	11 876	-	-	-	-	-	11 876
<b>Total sources of capital funds</b>	<b>31 748</b>	<b>20 781</b>	<b>40 732</b>	<b>-</b>	<b>22 861</b>	<b>-</b>	<b>22 861</b>	<b>#DIV/0!</b>	<b>40 732</b>
<b>Financial position</b>									
Total current assets	78 733	151 779	138 926	-	60 638	-	-	-	151 779
Total non current assets	550 339	572 110	592 061	-	516 402	-	-	-	572 110
Total current liabilities	23 497	4 722	4 722	-	82 191	-	-	-	4 722
Total non current liabilities	25 887	25 888	25 888	-	7 165	-	-	-	25 888
<b>Community wealth/Equity</b>	<b>579 687</b>	<b>693 279</b>	<b>700 377</b>	<b>-</b>	<b>487 684</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>693 279</b>
<b>Cash flows</b>									
Net cash from (used) operating	18 748	23 380	35 408	1 284	13 139	35 408	22 269	63%	35 408
Net cash from (used) investing	(17 437)	(20 781)	(34 622)	(1 199)	(24 174)	(34 622)	(10 448)	30%	(34 622)
Net cash from (used) financing	(582)	(809)	(809)	(53)	(963)	(809)	153	-19%	(286)
<b>Cash/cash equivalents at the month/year end</b>	<b>19 977</b>	<b>29 943</b>	<b>17 091</b>	<b>32</b>	<b>5 116</b>	<b>17 091</b>	<b>11 974</b>	<b>70%</b>	<b>2 141 543</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	2 138	3 419	3 143	3 138	137 809	-	-	-	149 646
<b>Creditors Age Analysis</b>									
Total Creditors	5 962	-	-	-	-	-	-	-	5 962

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

NC072 Umsobomvu - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue - Standard</b>									
<i>Governance and administration</i>	53 226	56 862	57 668	870	49 773	57 668	(7 895)	-14%	57 668
Executive and council	36 658	39 760	39 760	25	36 787	39 760	(2 973)	-7%	39 760
Budget and treasury office	16 556	17 089	17 839	845	12 924	17 839	(4 915)	-28%	17 839
Corporate services	11	12	69	0	62	69	(7)	-10%	69
<i>Community and public safety</i>	10 153	10 345	15 387	836	12 551	15 387	(2 836)	-18%	15 387
Community and social services	1 932	2 003	2 032	21	1 986	2 032	(46)	-2%	2 032
Sport and recreation	-	-	3 900	-	-	3 900	(3 900)	-100%	3 900
Public safety	8 221	8 342	9 455	814	10 565	9 455	1 110	12%	9 455
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	16 048	12 092	15 413	0	62	15 413	(15 351)	-100%	15 413
Planning and development	-	-	-	-	(0)	-	(0)	#DIV/0!	-
Road transport	16 048	12 092	15 413	0	62	15 413	(15 351)	-100%	15 413
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	83 123	70 127	73 957	9 034	64 001	73 957	(9 956)	-13%	73 957
Electricity	50 415	37 174	39 157	2 395	28 495	39 157	(10 662)	-27%	39 157
Water	15 333	18 027	19 212	5 028	16 744	19 212	(2 468)	-13%	19 212
Waste water management	10 218	8 844	9 021	936	10 925	9 021	1 905	21%	9 021
Waste management	7 158	6 082	6 567	675	7 836	6 567	1 270	19%	6 567
<i>Other</i>	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>162 550</b>	<b>149 425</b>	<b>162 424</b>	<b>10 740</b>	<b>126 387</b>	<b>162 424</b>	<b>(36 037)</b>	<b>-22%</b>	<b>162 424</b>
<b>Expenditure - Standard</b>									
<i>Governance and administration</i>	45 814	40 362	40 081	5 931	43 954	40 081	3 873	10%	40 081
Executive and council	20 161	13 645	15 374	1 725	19 535	15 374	4 160	27%	15 374
Budget and treasury office	19 563	20 128	19 802	3 791	19 693	19 802	(109)	-1%	19 802
Corporate services	6 090	6 589	4 904	414	4 726	4 904	(178)	-4%	4 904
<i>Community and public safety</i>	18 710	20 491	21 904	2 732	20 361	21 904	(1 543)	-7%	21 904
Community and social services	7 211	8 381	8 480	1 840	7 267	8 480	(1 213)	-14%	8 480
Sport and recreation	3 003	3 252	2 840	214	2 413	2 840	(427)	-15%	2 840
Public safety	7 678	8 009	9 737	615	9 889	9 737	152	2%	9 737
Housing	818	850	847	63	793	847	(55)	-6%	847
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	16 856	13 422	13 694	6 710	12 416	13 694	(1 279)	-9%	13 694
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	16 856	13 422	13 694	6 710	12 416	13 694	(1 279)	-9%	13 694
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	73 943	75 016	74 617	31 018	67 646	74 617	(6 971)	-9%	74 617
Electricity	28 065	28 545	26 038	3 409	22 891	26 038	(3 147)	-12%	26 038
Water	26 663	26 935	27 681	16 311	26 937	27 681	(744)	-3%	27 681
Waste water management	10 742	10 936	11 666	6 733	11 097	11 666	(569)	-5%	11 666
Waste management	8 473	8 600	9 232	4 565	6 720	9 232	(2 511)	-27%	9 232
<i>Other</i>	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>155 322</b>	<b>149 292</b>	<b>150 296</b>	<b>46 391</b>	<b>144 377</b>	<b>150 296</b>	<b>(5 919)</b>	<b>-4%</b>	<b>150 296</b>
<b>Surplus/ (Deficit) for the year</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 989)</b>	<b>12 128</b>	<b>(30 118)</b>	<b>-248%</b>	<b>12 128</b>

This table reflects the operating budget (Financial Performance) in the standard classifications which are the GFS Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions. The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

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

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

NC072 Umsobomvu - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue by Vote</b>									
Vote 1 - EXECUTIVE & COUNCIL	36 658	39 760	39 760	25	36 787	39 760	(2 973)	-7.5%	39 760
Vote 2 - FINANCE & ADMIN	16 568	17 102	17 908	845	12 986	17 908	(4 922)	-27.5%	17 908
Vote 3 - COMMUNITY SERVICES	10 153	10 345	15 387	836	12 551	15 387	(2 836)	-18.4%	15 387
Vote 4 - TECHNICAL SERVICES	99 171	82 219	89 370	9 035	64 063	89 370	(25 307)	-28.3%	89 370
Vote 5 - Community	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>162 550</b>	<b>149 425</b>	<b>162 424</b>	<b>10 740</b>	<b>126 387</b>	<b>162 424</b>	<b>(36 037)</b>	<b>-22.2%</b>	<b>162 424</b>
<b>Expenditure by Vote</b>									
Vote 1 - EXECUTIVE & COUNCIL	20 161	13 645	15 374	1 725	19 535	15 374	4 160	27.1%	15 374
Vote 2 - FINANCE & ADMIN	25 653	26 718	24 706	4 205	24 419	24 706	(287)	-1.2%	24 706
Vote 3 - COMMUNITY SERVICES	18 710	20 491	21 904	2 732	20 361	21 904	(1 543)	-7.0%	21 904
Vote 4 - TECHNICAL SERVICES	90 798	88 438	88 311	37 728	80 062	88 311	(8 249)	-9.3%	88 311
Vote 5 - Community	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>155 322</b>	<b>149 292</b>	<b>150 296</b>	<b>46 391</b>	<b>144 377</b>	<b>150 296</b>	<b>(5 919)</b>	<b>-3.9%</b>	<b>150 296</b>
<b>Surplus/ (Deficit) for the year</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 989)</b>	<b>12 128</b>	<b>(30 118)</b>	<b>-248.3%</b>	<b>12 128</b>

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council; Municipal Manager; Finance & Admin; Community Services; Technical Services.

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent. During the financial year some of the figures are influenced by transactions that occur annually only.

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

NC072 Umsobomvu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates	8 742	9 266	9 855	711	9 861	9 855	6	0%	9 855
Property rates - penalties & collection charges	290						-		-
Service charges - electricity revenue	35 901	34 448	31 796	2 348	27 978	31 764	(3 786)	-12%	31 796
Service charges - water revenue	13 945	12 846	12 986	4 767	15 085	12 986	2 098	16%	12 986
Service charges - sanitation revenue	9 690	8 284	8 600	888	10 507	8 600	1 907	22%	8 600
Service charges - refuse revenue	6 737	5 749	6 235	637	7 520	6 235	1 285	21%	6 235
Service charges - other	-						-		-
Rental of facilities and equipment	314	271	276	11	222	276	(55)	-20%	276
Interest earned - external investments	560	560	532	14	333	532	(199)	-37%	532
Interest earned - outstanding debtors	2 242	2 197	2 926	394	2 926	2 885	40	1%	2 926
Dividends received	-						-		-
Fines	5 586	6 093	6 963	583	7 671	6 963	708	10%	6 963
Licences and permits	2 455	2 285	2 396	232	2 772	2 396	375	16%	2 396
Agency services	207	218	326	25	347	326	21	7%	326
Transfers recognised - operational	40 840	44 920	45 088	-	40 144	45 088	(4 944)	-11%	45 088
Other revenue	5 266	5 256	5 588	130	1 063	5 588	(4 526)	-81%	5 588
Gains on disposal of PPE	-						-		-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>132 774</b>	<b>132 394</b>	<b>133 568</b>	<b>10 740</b>	<b>126 428</b>	<b>133 495</b>	<b>(7 067)</b>	<b>-5%</b>	<b>133 568</b>
<b>Expenditure By Type</b>									
Employee related costs	45 979	49 356	48 382	3 448	42 230	48 382	(6 151)	-13%	48 382
Remuneration of councillors	3 461	3 717	3 859	322	3 845	3 859	(14)	0%	3 859
Debt impairment	11 388	11 388	11 388	11 388	11 388	11 388	-		11 388
Depreciation & asset impairment	29 442	25 827	25 827	25 827	25 827	25 827	-		25 827
Finance charges	230	260	119	1	59	119	(60)	-50%	119
Bulk purchases	22 962	23 388	20 828	1 440	18 200	20 828	(2 628)	-13%	20 828
Other materials	-						-		-
Contracted services	-	1 124	1 124	37	600	1 124	(523)	-47%	1 124
Transfers and grants	6 777	-	-				-		-
Other expenditure	35 062	34 212	38 749	3 928	42 226	38 749	3 478	9%	38 749
Loss on disposal of PPE	20	20	20	-	-	20	(20)	-100%	20
<b>Total Expenditure</b>	<b>155 322</b>	<b>149 292</b>	<b>150 296</b>	<b>46 391</b>	<b>144 377</b>	<b>150 296</b>	<b>(5 919)</b>	<b>-4%</b>	<b>150 296</b>
<b>Surplus/(Deficit)</b>									
Transfers recognised - capital	29 776	17 031	28 857				-		28 857
Contributions recognised - capital							-		-
Contributed assets							-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>			<b>12 128</b>
Taxation							-		
<b>Surplus/(Deficit) after taxation</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>			<b>12 128</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>			<b>12 128</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>7 228</b>	<b>134</b>	<b>12 128</b>	<b>(35 651)</b>	<b>(17 949)</b>	<b>(16 801)</b>			<b>12 128</b>

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 5% less than the YTD budget and current expenditure is 4% less than the YTD budget for 2017/2018.



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

NC072 Umsobomvu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June

Vote Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - EXECUTIVE & COUNCIL	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMIN	-	-	-	-	-	-	-	-	-
Vote 3 - COMMUNITY SERVICES	-	-	-	-	-	-	-	-	-
Vote 4 - TECHNICAL SERVICES	-	-	-	-	-	-	-	-	-
Vote 5 - Community	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>									
Vote 1 - EXECUTIVE & COUNCIL	-	-	-	-	-	-	-	-	-
Vote 2 - FINANCE & ADMIN	2 057	3 500	3 510	-	-	3 510	(3 510)	-100%	3 510
Vote 3 - COMMUNITY SERVICES	-	250	9 216	-	4 308	9 216	(4 908)	-53%	9 216
Vote 4 - TECHNICAL SERVICES	29 691	17 031	28 006	1 199	19 752	28 006	(8 253)	-29%	28 006
Vote 5 - Community	-	-	-	-	-	-	-	-	-
Vote 6 - Infrastructure	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	31 748	20 781	40 732	1 199	24 061	40 732	(16 672)	-41%	40 732
<b>Total Capital Expenditure</b>	31 748	20 781	40 732	1 199	24 061	40 732	(16 672)	-41%	40 732
<b>Capital Expenditure - Standard Classification</b>									
<b>Governance and administration</b>	2 057	3 500	3 510	-	-	3 510	(3 510)	-100%	3 510
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	2 057	3 500	3 510	-	-	3 510	(3 510)	-100%	3 510
Corporate services	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>	-	250	9 216	-	4 308	9 216	(4 908)	-53%	9 216
Community and social services	-	250	250	-	4 308	250	(250)	-100%	250
Sport and recreation	-	-	8 966	-	4 308	8 966	(4 658)	-52%	8 966
Public safety	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	15 891	11 031	17 371	98	12 415	17 371	(4 956)	-29%	17 371
Planning and development	-	-	-	-	-	-	-	-	-
Road transport	15 891	11 031	17 371	98	12 415	17 371	(4 956)	-29%	17 371
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	13 800	6 000	10 635	1 102	7 338	10 635	(3 297)	-31%	10 635
Electricity	13 800	2 000	6 635	-	3 028	6 635	(3 607)	-54%	6 635
Water	-	4 000	4 000	1 102	3 082	4 000	(918)	-23%	4 000
Waste water management	-	-	-	-	1 228	-	1 228	#DIV/0!	-
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard Classification</b>	31 748	20 781	40 732	1 199	24 061	40 732	(16 672)	-41%	40 732
<b>Funded by:</b>									
National Government	29 691	17 031	28 857	-	22 861	-	22 861	#DIV/0!	28 857
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	29 691	17 031	28 857	-	22 861	-	22 861	#DIV/0!	28 857
<b>Public contributions &amp; donations</b>	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>	2 057	3 750	11 876	-	-	-	-	-	11 876
<b>Total Capital Funding</b>	31 748	20 781	40 732	-	22 861	-	22 861	#DIV/0!	40 732

Capital expenditure is 41% less than the YTD budget at 30 June 2018. Internal generated funds spending was not allocated correctly and will be accounted for in the next quarter.

## Table C6: Monthly Budget Statement - Financial Position

NC072 Umsobomvu - Table C6 Monthly Budget Statement - Financial Position - M12 June

Description	2016/17	Budget Year 2017/18			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	17 013	23 805	15 976	4 243	23 805
Call investment deposits	6 859	6 138	1 115	873	6 138
Consumer debtors	50 385	117 359	117 359	39 418	117 359
Other debtors	4 075	4 075	4 075	15 666	4 075
Current portion of long-term receivables					-
Inventory	401	401	401	437	401
<b>Total current assets</b>	<b>78 733</b>	<b>151 779</b>	<b>138 926</b>	<b>60 638</b>	<b>151 779</b>
<b>Non current assets</b>					
Long-term receivables					-
Investments					-
Investment property	2 061	2 061	2 061	2 061	2 061
Investments in Associate					-
Property, plant and equipment	546 578	566 549	586 490	514 023	566 549
Agricultural					-
Biological assets					-
Intangible assets	1 700	3 500	3 510	319	3 500
Other non-current assets					-
<b>Total non current assets</b>	<b>550 339</b>	<b>572 110</b>	<b>592 061</b>	<b>516 402</b>	<b>572 110</b>
<b>TOTAL ASSETS</b>	<b>629 072</b>	<b>723 889</b>	<b>730 987</b>	<b>577 040</b>	<b>723 889</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft					-
Borrowing	800	-			-
Consumer deposits	906	911	911	843	911
Trade and other payables	20 830	2 850	2 850	64 903	2 850
Provisions	961	961	961	16 444	961
<b>Total current liabilities</b>	<b>23 497</b>	<b>4 722</b>	<b>4 722</b>	<b>82 191</b>	<b>4 722</b>
<b>Non current liabilities</b>					
Borrowing	979	979	979	2 381	979
Provisions	24 908	24 908	24 908	4 784	24 908
<b>Total non current liabilities</b>	<b>25 887</b>	<b>25 888</b>	<b>25 888</b>	<b>7 165</b>	<b>25 888</b>
<b>TOTAL LIABILITIES</b>	<b>49 385</b>	<b>30 610</b>	<b>30 610</b>	<b>89 356</b>	<b>30 610</b>
<b>NET ASSETS</b>	<b>579 687</b>	<b>693 279</b>	<b>700 377</b>	<b>487 684</b>	<b>693 279</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	579 687	693 279	700 377	487 684	693 279
Reserves		-			-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>579 687</b>	<b>693 279</b>	<b>700 377</b>	<b>487 684</b>	<b>693 279</b>

The statement of financial position is in line with expectations for the financial year.

## Table C7: Monthly Budget Statement - Cash Flow

### NC072 Umsobomvu - Table C7 Monthly Budget Statement - Cash Flow - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	4 338	9 266	8 870	421	6 443	8 870	(2 427)	-27%	8 870
Service charges	24 745	46 856	39 401	3 700	35 853	39 401	(3 548)	-9%	39 401
Other revenue	23 549	14 123	15 549	2 156	64 320	15 549	48 770	314%	15 549
Government - operating	30 103	44 920	45 088	-	29 364	45 088	(15 724)	-35%	45 088
Government - capital	29 590	17 031	28 857	4 069	22 681	28 857	(6 175)	-21%	28 857
Interest	923	2 116	2 434	434	3 430	2 434	996	41%	2 434
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(89 501)	(110 673)	(104 671)	(9 495)	(148 890)	(104 671)	44 219	-42%	(104 671)
Finance charges	(142)	(260)	(119)	(1)	(62)	(119)	(57)	48%	(119)
Transfers and Grants	(4 856)	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>18 748</b>	<b>23 380</b>	<b>35 408</b>	<b>1 284</b>	<b>13 139</b>	<b>35 408</b>	<b>22 269</b>	<b>63%</b>	<b>35 408</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(17 437)	(20 781)	(34 622)	(1 199)	(24 174)	(34 622)	(10 448)	30%	(34 622)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(17 437)</b>	<b>(20 781)</b>	<b>(34 622)</b>	<b>(1 199)</b>	<b>(24 174)</b>	<b>(34 622)</b>	<b>(10 448)</b>	<b>30%</b>	<b>(34 622)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	#VALUE!	#VALUE!	-
Increase (decrease) in consumer deposits	145	170	170	2	64	170	(106)	-63%	170
<b>Payments</b>									
-	(727)	(979)	(979)	(55)	(1 026)	(979)	47	-5%	(979)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(582)</b>	<b>(809)</b>	<b>(809)</b>	<b>(53)</b>	<b>(963)</b>	<b>(809)</b>	<b>153</b>	<b>-19%</b>	<b>(286)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>729</b>	<b>1 789</b>	<b>(24)</b>	<b>32</b>	<b>(11 998)</b>	<b>(24)</b>			<b>2 124 429</b>
Cash/cash equivalents at beginning:	19 248	28 154	17 114	-	17 114	17 114			17 114
Cash/cash equivalents at month/year end:	19 977	29 943	17 091	32	5 116	17 091			2 141 543

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R5.116m

The municipality started the year with a positive cashbook balance of R19.248 million. The June 2018 closing balance is R5.116m. Refer to Supporting Table SC9 for more details on the cash position.

### Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows

NC072 Umsobomvu - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M12 June

Description	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousands</b>															
<b>Cash Receipts By Source</b>															
Property rates	401	349	466	1 539	526	506	411	385	555	438	445	2 848	8 870	9 822	10 412
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	1 793	2 008	1 982	1 953	2 343	1 878	2 360	1 826	1 989	2 020	2 364	(1 848)	20 667	29 489	31 555
Service charges - water revenue	349	334	420	445	537	372	930	419	579	339	511	3 855	9 090	10 213	10 826
Service charges - sanitation revenue	217	149	292	249	373	260	459	221	291	218	476	2 386	5 590	6 586	6 981
Service charges - refuse	86	84	134	11	123	113	145	109	138	109	145	2 856	4 053	3 657	3 876
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	7	8	6	8	8	11	4	6	15	5	4	195	276	286	301
Interest earned - external investments	14	28	80	53	63	12	21	17	8	13	8	213	532	560	570
Interest earned - outstanding debtors	-	-	-	(1)	543	469	492	605	(30)	313	286	(776)	1 902	1 629	1 706
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	616	663	691	563	460	273	677	1 277	733	472	487	52	6 963	6 399	6 720
Licences and permits	198	226	278	230	144	159	271	180	257	270	326	(144)	2 396	2 399	2 519
Agency services	-	24	-	-	111	21	34	28	32	-	72	4	326	229	240
Transfer receipts - operating	18 466	-	-	-	-	10 898	-	-	-	-	-	15 724	45 088	48 582	51 765
Other revenue	127	391	16 885	10 651	4 899	829	1 012	1 168	13 757	859	1 732	(46 720)	5 588	5 262	5 278
<b>Cash Receipts by Source</b>	<b>22 274</b>	<b>4 265</b>	<b>21 234</b>	<b>15 703</b>	<b>10 131</b>	<b>15 801</b>	<b>6 816</b>	<b>6 241</b>	<b>18 323</b>	<b>5 055</b>	<b>6 857</b>	<b>(21 357)</b>	<b>111 341</b>	<b>125 113</b>	<b>132 749</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	7 200	250	-	-	450	7 500	1 200	-	2 012	-	-	10 245	28 857	16 420	13 331
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	5	2	10	7	8	3	2	7	7	3	8	109	170	185	193
Receipt of non-current debtors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>	<b>29 478</b>	<b>4 517</b>	<b>21 244</b>	<b>15 709</b>	<b>10 588</b>	<b>23 304</b>	<b>8 017</b>	<b>6 249</b>	<b>20 342</b>	<b>5 058</b>	<b>6 865</b>	<b>(11 004)</b>	<b>140 368</b>	<b>141 718</b>	<b>146 273</b>
<b>Cash Payments by Type</b>															
Employee related costs	3 485	3 494	3 608	3 484	3 425	3 518	3 535	3 980	3 442	3 381	3 424	(70)	38 705	52 788	56 460
Remuneration of councillors	290	290	290	290	290	290	290	530	322	322	322	336	3 859	3 977	4 255
Interest paid	14	9	4	7	6	5	9	1	2	2	1	58	119	260	260
Bulk purchases - Electricity	-	2 938	2 867	1 453	-	1 493	1 421	1 547	2 841	-	1 426	5 498	21 484	24 694	26 422
Bulk purchases - Water & Sewer	21	189	26	45	21	215	17	91	34	118	(5)	(24)	750	350	350
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	41	114	-	95	84	37	-	43	710	1 124	-	-
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	211	607	536	564	539	524	606	566	553	839	588	(6 134)	-	-	-
General expenses	2 157	2 960	14 346	5 011	3 239	3 444	2 341	2 915	3 176	1 637	2 457	(4 935)	38 749	35 909	35 267
<b>Cash Payments by Type</b>	<b>6 178</b>	<b>10 488</b>	<b>21 677</b>	<b>10 896</b>	<b>7 634</b>	<b>9 490</b>	<b>8 314</b>	<b>9 715</b>	<b>10 406</b>	<b>6 298</b>	<b>8 255</b>	<b>(4 561)</b>	<b>104 790</b>	<b>117 977</b>	<b>123 014</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	1 353	4 667	439	3 469	240	4 936	111	2 315	2 641	2 099	704	11 648	34 622	19 032	15 567
Repayment of borrowing	95	99	100	102	102	104	100	105	54	54	55	8	979	77	-
Other Cash Flow s/Payments	5 501	510	3 004	8 801	4 795	3 675	(371)	339	3 470	(1 355)	1 735	18 940	-	-	-
<b>Total Cash Payments by Type</b>	<b>13 127</b>	<b>15 764</b>	<b>25 221</b>	<b>23 266</b>	<b>12 772</b>	<b>18 204</b>	<b>8 155</b>	<b>12 475</b>	<b>16 572</b>	<b>7 097</b>	<b>10 750</b>	<b>26 036</b>	<b>140 391</b>	<b>137 086</b>	<b>138 581</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>16 351</b>	<b>(11 247)</b>	<b>(3 977)</b>	<b>(7 557)</b>	<b>(2 184)</b>	<b>5 100</b>	<b>(137)</b>	<b>(6 226)</b>	<b>3 771</b>	<b>(2 039)</b>	<b>(3 885)</b>	<b>(37 040)</b>	<b>(24)</b>	<b>4 631</b>	<b>7 692</b>
Cash/cash equivalents at the month/year beginning:	17 114	33 466	22 219	18 242	10 685	8 501	13 601	13 464	7 238	11 008	8 970	5 085	17 114	17 091	21 722
Cash/cash equivalents at the month/year end:	33 466	22 219	18 242	10 685	8 501	13 601	13 464	7 238	11 008	8 970	5 085	(31 955)	17 091	21 722	29 414

# Allocation and grant receipts and expenditure

## Supporting Table SC6 – Grant receipts

NC072 Umsobomvu - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>39 271</b>	<b>43 241</b>	<b>43 409</b>	<b>-</b>	<b>40 046</b>	<b>40 095</b>	<b>118</b>	<b>0.3%</b>	<b>43 409</b>
Equitable share	36 658	39 760	39 760	-	36 565	36 447	118	0.3%	39 760
Finance Management	1 825	1 900	1 900	-	1 900	1 900	-		1 900
MIG ADMIN - PMU	788	581	749	-	581	749			749
EPWP Incentiv e		1 000	1 000	-	1 000	1 000			1 000
							-		-
							-		-
Other transfers and grants [insert description]							-		-
<b>Provincial Government:</b>	<b>1 569</b>	<b>1 679</b>	<b>1 679</b>	<b>-</b>	<b>1 679</b>	<b>1 679</b>	<b>-</b>		<b>1 679</b>
Sport and Recreation	1 569	1 679	1 679	-	1 679	1 679	-		1 679
							-		-
							-		-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<i>DISTRICT MUNICIPALITY</i>							-		-
Other transfers and grants [insert description]							-		-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<i>IEC INFRASTRUCTURE</i>							-		-
Other transfers and grants [insert description]							-		-
<b>Total Operating Transfers and Grants</b>	<b>40 840</b>	<b>44 920</b>	<b>45 088</b>	<b>-</b>	<b>41 725</b>	<b>41 774</b>	<b>118</b>	<b>0.3%</b>	<b>45 088</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>-</b>	<b>17 031</b>	<b>17 031</b>	<b>-</b>		<b>28 857</b>
Municipal Infrastructure Grant (MIG)	14 976	11 031	18 222	-	11 031	11 031	-		18 222
Integrated National Electrification Programme	2 500	2 000	6 635	-	2 000	2 000			6 635
Water Services Operating Subsidy		4 000	4 000	-	4 000	4 000			4 000
Energy Efficiency Demand Managemnet Grant	11 300								-
Expanded Public Works Programme	1 000								-
Other capital transfers/grants [insert desc]							-		-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<i>DISASTER</i>							-		-
<i>DEPRT OF SAFETY</i>							-		-
<i>EPWP</i>							-		-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
							-		-
							-		-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<i>Kgotso Pula Nala</i>							-		-
							-		-
<b>Total Capital Transfers and Grants</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>-</b>	<b>17 031</b>	<b>17 031</b>	<b>-</b>		<b>28 857</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>70 616</b>	<b>61 951</b>	<b>73 944</b>	<b>-</b>	<b>58 756</b>	<b>58 806</b>	<b>118</b>	<b>0.2%</b>	<b>73 944</b>

NC072 Umsobomvu - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>39 271</b>	<b>43 241</b>	<b>43 409</b>	<b>684</b>	<b>9 675</b>	<b>43 409</b>	<b>(33 565)</b>	<b>-77.3%</b>	<b>43 409</b>
Equitable share	36 658	39 760	39 760	586	6 363	39 760	(33 397)	-84.0%	39 760
Finance Management	1 825	1 900	1 900	-	1 900	1 900	-	-	1 900
MIG ADMIN - PMU	788	581	749	-	581	749	(168)	-22.4%	749
EPWP Incentive		1 000	1 000	98	831	1 000			1 000
									-
Other transfers and grants [insert description]									-
<b>Provincial Government:</b>	<b>1 569</b>	<b>1 679</b>	<b>1 679</b>	<b>102</b>	<b>1 388</b>	<b>1 679</b>	<b>(291)</b>	<b>-17.3%</b>	<b>1 679</b>
Sport and Recreation	1 569	1 679	1 679	102	1 388	1 679	(291)	-17.3%	1 679
									-
									-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
DISTRICT MUNICIPALITY									-
Other transfers and grants [insert description]									-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
IEC INFRASTRUCTURE									-
Other transfers and grants [insert description]									-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>40 840</b>	<b>44 920</b>	<b>45 088</b>	<b>785</b>	<b>11 062</b>	<b>45 088</b>	<b>(33 856)</b>	<b>-75.1%</b>	<b>45 088</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>102</b>	<b>12 313</b>	<b>28 857</b>	<b>(7 190)</b>	<b>-24.9%</b>	<b>28 857</b>
Municipal Infrastructure Grant (MIG)	14 976	11 031	18 222	-	11 031	18 222	(7 190)	-39.5%	18 222
Integrated National Electrification Programme	2 500	2 000	6 635	-	268	6 635			6 635
Water Services Operating Subsidy		4 000	4 000	102	1 014	4 000			4 000
Energy Efficiency Demand Managemnet Grant	11 300								-
Expanded Public Works Programme	1 000								-
Other capital transfers/grants [insert desc]									-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
DISASTER									-
DEPRT OF SAFETY									-
EPWP									-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
									-
									-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Kgotso Pula Nala									-
									-
<b>Total capital expenditure of Transfers and Grants</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>102</b>	<b>12 313</b>	<b>28 857</b>	<b>(7 190)</b>	<b>-24.9%</b>	<b>28 857</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>70 616</b>	<b>61 951</b>	<b>73 944</b>	<b>887</b>	<b>23 376</b>	<b>73 944</b>	<b>(41 046)</b>	<b>-55.5%</b>	<b>73 944</b>

This supporting table gives details of information summarised in Table C7.

NC072 Umsobomvu - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M12 June

Description	Budget Year 2017/18				
	Approved Rollover 2016/17	Monthly actual	YearTD actual	YTD variance	YTD variance %
<b>R thousands</b>					
<b>EXPENDITURE</b>					
<b>Operating expenditure of Approved Roll-overs</b>					
<b>National Government:</b>	-	-	-	-	
Equitable share				-	
Finance Management				-	
Other transfers and grants [insert description]				-	
<b>Provincial Government:</b>	-	-	-	-	
Sport and Recreation				-	
<b>District Municipality:</b>	-	-	-	-	
<i>DISTRICT MUNICIPALITY</i>				-	
<b>Other grant providers:</b>	-	-	-	-	
<i>IEC INFRASTRUCTURE</i>				-	
<b>Total operating expenditure of Approved Roll-overs</b>	-	-	-	-	
<b>Capital expenditure of Approved Roll-overs</b>					
<b>National Government:</b>	7 993	-	6 950	1 043	13.0%
Municipal Infrastructure Grant (MIG)	3 358	-	3 358	-	
Integrated National Electrification Programme	1 936	-	1 936	-	
Energy Efficiency Demand Managemnet Grant	2 699	-	1 656	1 043	39%
<b>Provincial Government:</b>	-	-	-	-	
<b>District Municipality:</b>	-	-	-	-	
<b>Other grant providers:</b>	-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>	7 993	-	6 950	1 043	13.0%
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>	7 993	-	6 950	1 043	13.0%

## PART 2 – SUPPORTING DOCUMENTATION

### Debtors' analysis

#### Supporting Table SC3 Debtors' age analysis

NC072 Umsobomvu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

Description	NT Code	Budget Year 2017/18								Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				Total
<b>R thousands</b>													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	(679)	1 495	1 397	1 423	51 315				54 951	52 738	-	1 800
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 701	484	388	408	5 385				8 366	5 793	-	508
Receivables from Non-exchange Transactions - Property Rates	1400	111	348	330	283	11 846				12 918	12 129	-	1 760
Receivables from Exchange Transactions - Waste Water Management	1500	733	592	551	546	25 360				27 782	25 906	-	2 645
Receivables from Exchange Transactions - Waste Management	1600	337	464	440	441	28 966				30 648	29 407	-	3 646
Receivables from Exchange Transactions - Property Rental Debtors	1700	(62)	34	34	33	3 929				3 969	3 962	-	631
Interest on Arrear Debtor Accounts	1810	-	-	-	-	10 980				10 980	10 980	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-				-	-	-	-
Other	1900	(3)	2	2	2	29				32	31	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>2 138</b>	<b>3 419</b>	<b>3 143</b>	<b>3 138</b>	<b>137 809</b>				<b>149 646</b>	<b>140 946</b>		<b>10 989</b>
<b>2016/17 - totals only</b>													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	272	398	292	291	3 552				4 805	3 843	-	-
Commercial	2300	1 512	383	306	308	5 363				7 872	5 670	-	-
Households	2400	355	2 638	2 545	2 539	128 894				136 969	131 433	-	10 989
Other	2500	-	-	-	-	-				-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>2 138</b>	<b>3 419</b>	<b>3 143</b>	<b>3 138</b>	<b>137 809</b>				<b>149 646</b>	<b>140 946</b>		<b>10 989</b>

The increased debtors results primarily from the year-on-year increase in billings from increased tariffs at the start of the new financial year. Also a contributing factor are the increased of unemployment as more household applied for indigent support during the annual review process.

Indigent Household Statistics						
		Indigent Households	Amount	Other Households	Total Households	Indigents as a % of Total Households
<b>2017</b>						
July		2 399	74 445 225	173 411 830	247 857 055	30.04%
August		2 386	22 821 562	95 239 188	118 060 750	19.33%
September		1 758	24 514 728	97 863 940	122 378 668	20.03%
October		1 758	26 154 887	100 813 095	126 967 982	20.60%
November		1 758	28 022 387	104 008 408	132 030 795	21.22%
December		1 758	29 769 326	106 146 624	135 915 950	21.90%
<b>2018</b>						
January		2 055	21 200 253	101 485 530	122 685 783	17.28%
February		2 055	22 553 932	103 543 211	126 097 143	17.89%
March		2 055	21 600 836	104 472 761	126 073 597	17.13%
April		2 055	22 478 475	105 874 498	128 352 973	17.51%
May		2 055	23 073 918	107 844 413	130 918 331	17.62%
June		2 055	26 439 155	110 530 291	136 969 446	19.30%

#### Summary of Indigent Households



## Summary of Debtors Age Analysis

MONTH	< 30 Days	< 60 Days	< 90 Days	< 120 Days	< 150 Days	Total		Older than 30 Days	Older than 90 days
<b>2017/2018</b>									
July	135 539 348	2 788 189	2 407 031	2 260 075	115 374 627	258 369 270		2 788 189	117 634 702
August	2 034 608	5 437 822	2 649 401	2 343 552	116 869 632	129 335 014		5 437 822	119 213 183
September	5 606 830	3 531 464	4 796 944	2 546 822	118 242 527	134 724 587		3 531 464	120 789 349
October	5 026 142	6 316 074	3 156 634	4 221 950	119 723 092	138 443 893		6 316 074	123 945 042
November	4 969 303	6 060 271	5 780 841	5 820 070	125 613 042	148 243 526		6 060 271	131 433 111
December	4 966 853	6 058 089	5 778 232	5 817 545	125 584 070	148 204 788		6 058 089	131 401 615
January	1 578 137	3 110 423	2 963 432	2 885 473	127 180 330	137 717 793		3 110 423	130 065 802
February	-1 078 296	3 358 334	2 930 512	2 890 569	129 983 617	138 084 736		3 358 334	132 874 186
March	-699 077	3 641 257	3 003 098	2 744 586	131 599 946	140 289 810		3 641 257	134 344 532
April	-2 003 967	4 230 965	3 474 601	2 923 327	133 785 360	142 410 286		4 230 965	136 708 687
May	-1 650 611	3 985 589	3 970 481	3 358 045	135 544 353	145 207 857		3 985 589	138 902 398
June	2 137 713	3 418 921	3 142 781	3 137 655	137 808 523	149 645 593		3 418 921	140 946 178

## Creditors' analysis Supporting Table SC4

NC072 Umsobomvu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

Description	NT Code	Budget Year 2017/18								Total
		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	
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	1 981								1 981
Bulk Water	0200									-
PAYE deductions	0300	-								-
VAT (output less input)	0400	-								-
Pensions / Retirement deductions	0500	-								-
Loan repayments	0600	-								-
Trade Creditors	0700	-								-
Auditor General	0800	-								-
Other	0900	3 981								3 981
<b>Total By Customer Type</b>	<b>1000</b>	<b>5 962</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 962</b>

Supporting Table SC4 reflects current creditors at the end of June 2018.

The payment of creditors is within requirements of the MFMA.

## Investment portfolio analysis Supporting Table SC5

**NC072 Umsobomvu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June**

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
	Yrs/Months							
<b>R thousands</b>								
<b>Municipality</b>								
CAPITAL REPLACEMENT 1	3 Months	NOTICE		-	4.3%	84	-	84
HOUSING DEVELOPMENT	3 Months	NOTICE		-	5.5%	151	-	151
HOUSING DEVELOPMENT	3 Months	NOTICE		-	2.7%	24	-	24
CAPITAL REPLACEMENT 4	3 Months	NOTICE		-	5.6%	142	2	144
CAPITAL REPLACEMENT	3 Months	NOTICE			5.1%	13	0	13
CAPITAL REPLACEMENT 5	3 Months	NOTICE			5.2%	450	7	457
CAPITAL REPLACEMENT 6	4 Months	NOTICE				47		47
<b>Municipality sub-total</b>				-		911	9	920
<b>TOTAL INVESTMENTS AND INTEREST</b>				-		911	9	920

Surplus cash not immediately required is invested in 32 day deposits and 3 months deposits

The municipality has no long term investments.

## **Allocation and grant receipts and expenditure**

### **Supporting Table SC6 – Grant receipts**

NC072 Umsobomvu - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	39 271	43 241	43 409	-	40 046	40 095	118	0.3%	43 409
Equitable share	36 658	39 760	39 760	-	36 565	36 447	118	0.3%	39 760
Finance Management	1 825	1 900	1 900	-	1 900	1 900	-		1 900
MIG ADMIN - PMU	788	581	749	-	581	749			749
EPWP Incentiv e		1 000	1 000	-	1 000	1 000			1 000
							-		-
Other transfers and grants [insert description]							-		-
<b>Provincial Government:</b>	1 569	1 679	1 679	-	1 679	1 679	-		1 679
Sport and Recreation	1 569	1 679	1 679	-	1 679	1 679	-		1 679
							-		-
							-		-
<b>District Municipality:</b>	-	-	-	-	-	-	-		-
<i>DISTRICT MUNICIPALITY</i>							-		-
Other transfers and grants [insert description]							-		-
<b>Other grant providers:</b>	-	-	-	-	-	-	-		-
<i>IEC INFRASTRUCTURE</i>							-		-
Other transfers and grants [insert description]							-		-
<b>Total Operating Transfers and Grants</b>	<b>40 840</b>	<b>44 920</b>	<b>45 088</b>	<b>-</b>	<b>41 725</b>	<b>41 774</b>	<b>118</b>	<b>0.3%</b>	<b>45 088</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	29 776	17 031	28 857	-	17 031	17 031	-		28 857
Municipal Infrastructure Grant (MIG)	14 976	11 031	18 222	-	11 031	11 031	-		18 222
Integrated National Electrification Programme	2 500	2 000	6 635	-	2 000	2 000			6 635
Water Services Operating Subsidy		4 000	4 000	-	4 000	4 000			4 000
Energy Efficiency Demand Managemnet Grant	11 300								-
Expanded Public Works Programme	1 000								-
Other capital transfers/grants [insert desc]							-		-
<b>Provincial Government:</b>	-	-	-	-	-	-	-		-
<i>DISASTER</i>							-		-
<i>DEPRT OF SAFETY</i>							-		-
<i>EPWP</i>							-		-
<b>District Municipality:</b>	-	-	-	-	-	-	-		-
							-		-
							-		-
<b>Other grant providers:</b>	-	-	-	-	-	-	-		-
<i>Kgotso Pula Nala</i>							-		-
							-		-
<b>Total Capital Transfers and Grants</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>-</b>	<b>17 031</b>	<b>17 031</b>	<b>-</b>		<b>28 857</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>70 616</b>	<b>61 951</b>	<b>73 944</b>	<b>-</b>	<b>58 756</b>	<b>58 806</b>	<b>118</b>	<b>0.2%</b>	<b>73 944</b>

Grant receipts and expenditures are monitored according to the payment schedules.

## Supporting Table SC7(1) – Grant expenditure

### NC072 Umsobomvu - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>39 271</b>	<b>43 241</b>	<b>43 409</b>	<b>684</b>	<b>9 675</b>	<b>43 409</b>	<b>(33 565)</b>	<b>-77.3%</b>	<b>43 409</b>
Equitable share	36 658	39 760	39 760	586	6 363	39 760	(33 397)	-84.0%	39 760
Finance Management	1 825	1 900	1 900	–	1 900	1 900	–	–	1 900
MIG ADMIN - PMU	788	581	749	–	581	749	(168)	-22.4%	749
EPWP Incentive		1 000	1 000	98	831	1 000			1 000
							–	–	–
Other transfers and grants [insert description]							–	–	–
<b>Provincial Government:</b>	<b>1 569</b>	<b>1 679</b>	<b>1 679</b>	<b>102</b>	<b>1 388</b>	<b>1 679</b>	<b>(291)</b>	<b>-17.3%</b>	<b>1 679</b>
Sport and Recreation	1 569	1 679	1 679	102	1 388	1 679	(291)	-17.3%	1 679
							–	–	–
							–	–	–
<b>District Municipality:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
DISTRICT MUNICIPALITY							–	–	–
Other transfers and grants [insert description]							–	–	–
<b>Other grant providers:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
IEC INFRASTRUCTURE							–	–	–
Other transfers and grants [insert description]							–	–	–
<b>Total operating expenditure of Transfers and Grants:</b>	<b>40 840</b>	<b>44 920</b>	<b>45 088</b>	<b>785</b>	<b>11 062</b>	<b>45 088</b>	<b>(33 856)</b>	<b>-75.1%</b>	<b>45 088</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>102</b>	<b>12 313</b>	<b>28 857</b>	<b>(7 190)</b>	<b>-24.9%</b>	<b>28 857</b>
Municipal Infrastructure Grant (MIG)	14 976	11 031	18 222	–	11 031	18 222	(7 190)	-39.5%	18 222
Integrated National Electrification Programme	2 500	2 000	6 635	–	268	6 635			6 635
Water Services Operating Subsidy		4 000	4 000	102	1 014	4 000			4 000
Energy Efficiency Demand Managemnet Grant	11 300								–
Expanded Public Works Programme	1 000								–
Other capital transfers/grants [insert desc]							–	–	–
<b>Provincial Government:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
DISASTER							–	–	–
DEPRT OF SAFETY							–	–	–
EPWP							–	–	–
<b>District Municipality:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
							–	–	–
							–	–	–
<b>Other grant providers:</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Kgotso Pula Nala							–	–	–
							–	–	–
<b>Total capital expenditure of Transfers and Grants</b>	<b>29 776</b>	<b>17 031</b>	<b>28 857</b>	<b>102</b>	<b>12 313</b>	<b>28 857</b>	<b>(7 190)</b>	<b>-24.9%</b>	<b>28 857</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>70 616</b>	<b>61 951</b>	<b>73 944</b>	<b>887</b>	<b>23 376</b>	<b>73 944</b>	<b>(41 046)</b>	<b>-55.5%</b>	<b>73 944</b>

## Supporting Table SC7(2) – Expenditure against approved rollovers

NC072 Umsobomvu - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M12 June

Description	Budget Year 2017/18				
	Approved Rollover 2016/17	Monthly actual	YearTD actual	YTD variance	YTD variance %
<b>R thousands</b>					
<b>EXPENDITURE</b>					
<b>Operating expenditure of Approved Roll-overs</b>					
<b>National Government:</b>	-	-	-	-	
Equitable share				-	
Finance Management				-	
Other transfers and grants [insert description]				-	
<b>Provincial Government:</b>	-	-	-	-	
Sport and Recreation				-	
<b>District Municipality:</b>	-	-	-	-	
DISTRICT MUNICIPALITY				-	
<b>Other grant providers:</b>	-	-	-	-	
IEC INFRASTRUCTURE				-	
<b>Total operating expenditure of Approved Roll-overs</b>	-	-	-	-	
<b>Capital expenditure of Approved Roll-overs</b>					
<b>National Government:</b>	7 993	-	6 950	1 043	13.0%
Municipal Infrastructure Grant (MIG)	3 358	-	3 358	-	
Integrated National Electrification Programme	1 936	-	1 936	-	
Energy Efficiency Demand Managemnet Grant	2 699	-	1 656	1 043	
<b>Provincial Government:</b>	-	-	-	-	
<b>District Municipality:</b>	-	-	-	-	
<b>Other grant providers:</b>	-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>	7 993	-	6 950	1 043	13.0%
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>	7 993	-	6 950	1 043	13.0%

# Expenditure on councillor allowances and employee benefits

## Supporting Table SC8

NC072 Umsobomvu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

Summary of Employee and Councillor remuneration	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages		3 289	3 194	265	3 185	3 194	(9)	0%	3 194
Pension and UIF Contributions							-		-
Medical Aid Contributions							-		-
Motor Vehicle Allowance		177	177	16	186	177	8	5%	177
Cellphone Allowance		251	488	41	475	488	(14)	-3%	488
Housing Allowances							-		-
Other benefits and allowances							-		-
<b>Sub Total - Councillors</b>	-	<b>3 717</b>	<b>3 859</b>	<b>322</b>	<b>3 845</b>	<b>3 859</b>	<b>(14)</b>	<b>0%</b>	<b>3 859</b>
% increase		#DIV/0!	#DIV/0!						#DIV/0!
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages		3 626	3 626	357	3 570	3 626	(55)	-2%	3 626
Pension and UIF Contributions							-		-
Medical Aid Contributions							-		-
Overtime							-		-
Performance Bonus							-		-
Motor Vehicle Allowance		455	548	42	525	548	(23)	-4%	548
Cellphone Allowance							-		-
Housing Allowances		36	9	-	9	9	-		9
Other benefits and allowances							-		-
Payments in lieu of leave							-		-
Long service awards							-		-
Post-retirement benefit obligations							-		-
<b>Sub Total - Senior Managers of Municipality</b>	-	<b>4 116</b>	<b>4 183</b>	<b>399</b>	<b>4 104</b>	<b>4 183</b>	<b>(79)</b>	<b>-2%</b>	<b>4 183</b>
% increase		#DIV/0!	#DIV/0!						#DIV/0!
<b>Other Municipal Staff</b>									
Basic Salaries and Wages		32 528	31 448	2 165	27 334	31 448	(4 114)	-13%	31 448
Pension and UIF Contributions		5 776	5 583	377	4 650	5 583	(932)	-17%	5 583
Medical Aid Contributions		1 014	960	67	865	960	(95)	-10%	960
Overtime		1 827	1 902	116	1 741	1 902	(161)	-8%	1 902
Performance Bonus			-				-		-
Motor Vehicle Allowance		173	-				-		-
Cellphone Allowance			-				-		-
Housing Allowances		239	377	24	311	377	(66)	-18%	377
Other benefits and allowances		635	658	51	678	658	19	3%	658
Payments in lieu of leave		2 705	2 662	249	2 547	2 662	(115)	-4%	2 662
Long service awards			-				-		-
Post-retirement benefit obligations		341	609			609	(609)	-100%	609
<b>Sub Total - Other Municipal Staff</b>	-	<b>45 240</b>	<b>44 199</b>	<b>3 049</b>	<b>38 126</b>	<b>44 199</b>	<b>(6 072)</b>	<b>-14%</b>	<b>44 199</b>
% increase		#DIV/0!	#DIV/0!						#DIV/0!
<b>Total Parent Municipality</b>	-	<b>53 073</b>	<b>52 241</b>	<b>3 770</b>	<b>46 076</b>	<b>52 241</b>	<b>(6 165)</b>	<b>-12%</b>	<b>52 241</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>									
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	-	<b>53 073</b>	<b>52 241</b>	<b>3 770</b>	<b>46 076</b>	<b>52 241</b>	<b>(6 165)</b>	<b>-12%</b>	<b>52 241</b>
% increase		#DIV/0!	#DIV/0!						#DIV/0!
<b>TOTAL MANAGERS AND STAFF</b>	-	<b>49 356</b>	<b>48 382</b>	<b>3 448</b>	<b>42 230</b>	<b>48 382</b>	<b>(6 151)</b>	<b>-13%</b>	<b>48 382</b>

# Financial Performance

## Supporting Table SC2

NC072 Umsobomvu - Supporting Table SC2 Monthly Budget Statement - performance indicators - M12 June

Description of financial indicator	Basis of calculation	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>Borrowing Management</u></b>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	-0.3%	17.5%	17.3%	0.0%	2.6%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Safety of Capital</u></b>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	3.9%	0.6%	0.5%	13.8%	0.6%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Liquidity</u></b>						
Current Ratio	Current assets/current liabilities	335.1%	3214.3%	2942.1%	73.8%	3214.3%
Liquidity Ratio	Monetary Assets/Current Liabilities	101.6%	634.1%	361.9%	6.2%	634.1%
<b><u>Revenue Management</u></b>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	41.0%	91.7%	90.9%	43.6%	90.9%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<b><u>Creditors Management</u></b>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
<b><u>Funding of Provisions</u></b>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<b><u>Other Indicators</u></b>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue	34.6%	37.3%	36.2%	33.4%	36.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	22.3%	19.7%	19.4%	0.0%	3.0%
<b><u>IDP regulation financial viability indicators</u></b>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					
Monetary assets		23 872	29 943	17 091	5 116	29 943
Total Revenue (excluding capital transfers and contributions)		132 774	132 394	133 568	126 428	133 568
Transfers recognised - operational		40 840	44 920	45 088	40 144	45 088
Transfers recognised - capital		29 776	17 031	28 857		28 857
Debt service payments		196	1 137	1 455	(1 088)	(1 098)
Outstanding debtors (receivables)		54 460	121 435	121 435	55 084	121 435
Annual services revenue		66 272	61 327	59 618	61 089	
Cash + investments	Including LT investments	23 872	29 943	17 091	5 116	29 943
Fixed operational expend. (monthly)						
Longstanding debtors outstanding						
Longstanding debtors recovered						
Attorney collections						

# Capital programme performance

## Supporting Table SC12

NC072 Umsobomvu - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June

Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July		1 732		1 239	1 239	1 732	493	28.4%	6%
August		1 732		4 667	5 906	3 464	(2 443)	-70.5%	28%
September		1 732		439	6 346	5 195	(1 150)	-22.1%	31%
October		1 732		3 469	9 814	6 927	(2 887)	-41.7%	47%
November		1 732		240	10 055	8 659	(1 396)	-16.1%	48%
December		1 732		4 936	14 991	10 391	(4 600)	-44.3%	72%
January		1 732		111	15 102	12 123	(2 979)	-24.6%	73%
February		1 732		2 315	17 417	13 854	(3 563)	-25.7%	84%
March		1 732		2 641	20 058	15 586	(4 472)	-28.7%	97%
April		1 732		2 099	22 157	17 318	(4 839)	-27.9%	0
May		1 732		704	22 861	19 050	(3 811)	-20.0%	0
June		1 732		1 199	24 061	20 781	(3 279)	-15.8%	0
<b>Total Capital expenditure</b>	-	<b>20 781</b>	-	<b>24 061</b>					

## Other supporting documentation



# Supporting Table SC13a

NC072 Umsobomvu - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	17 031	28 006	1 199	19 752	28 006	8 253	29.5%	28 006
Infrastructure - Road transport	-	11 031	17 371	98	12 415	17 371	4 956	28.5%	17 371
Roads, Pavements & Bridges	-	11 031	17 371	98	12 415	17 371	4 956	28.5%	17 371
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	2 000	6 635	-	3 028	6 635	3 607	54.4%	6 635
Generation	-	2 000	6 635	-	3 028	6 635	3 607	54.4%	6 635
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	4 000	4 000	1 102	3 082	4 000	918	23.0%	4 000
Dams & Reservoirs	-	4 000	4 000	1 102	3 082	4 000	918	23.0%	4 000
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	1 228	-	(1 228)	#DIV/0!	-
Reticulation	-	-	-	-	1 228	-	(1 228)	#DIV/0!	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	250	9 216	-	4 308	9 216	4 908	53.3%	9 216
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	8 966	-	4 308	8 966	4 658	52.0%	8 966
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	250	250	-	-	250	250	100.0%	250
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	3 500	3 510	-	-	3 510	3 510	100.0%	3 510
Computers - software & programming	-	3 500	3 510	-	-	3 510	3 510	100.0%	3 510
Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	-	20 781	40 732	1 199	24 061	40 732	16 672	40.9%	40 732

# Supporting Table SC13b

NC072 Umsobomvu - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges									
Storm water									
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation									
Transmission & Reticulation									
Street Lighting									
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs									
Water purification									
Reticulation									
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation									
Sewerage purification									
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management									
Transportation									
Gas									
Other									
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens									
Sportsfields & stadia									
Swimming pools									
Community halls									
Libraries									
Recreational facilities									
Fire, safety & emergency									
Security and policing									
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings									
Other									
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development									
Other									
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
General vehicles									
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment									
Computers - hardware/equipment									
Furniture and other office equipment									
Abattoirs									
Markets									
Civic Land and Buildings									
Other Buildings									
Other Land									
Surplus Assets - (Investment or Inventory)									
Other									
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class									
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class									
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming									
Other									
<b>Total Capital Expenditure on renewal of existing ass</b>	-	-	-	-	-	-	-	-	-
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse									
Fire									
Conservancy									
Ambulances									

# Supporting Table SC13c

NC072 Umsobomvu - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	1 711	1 811	3 001	206	1 820	3 001	1 181	39.3%	3 001
Infrastructure - Road transport	300	370	1 390	97	666	1 390	723	52.0%	1 390
Roads, Pavements & Bridges	300	370	1 390	97	666	1 390	723	52.0%	1 390
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	849	891	1 061	104	824	1 061	237	22.4%	1 061
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	716	671	811	104	577	811	234	28.8%	811
Street Lighting	133	220	250	-	247	250	3	1.4%	250
Infrastructure - Water	541	500	500	5	310	500	190	38.1%	500
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	541	500	500	5	310	500	190	38.1%	500
Infrastructure - Sanitation	21	50	50	-	20	50	30	59.5%	50
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	21	50	50	-	20	50	30	59.5%	50
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	2	25	5	1	1	5	4	74.9%	5
Parks & gardens	2	5	5	1	1	5	4	74.9%	5
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	20	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	1 302	1 661	2 145	(34)	1 604	2 145	542	25.2%	2 145
General vehicles	1 022	1 114	1 352	24	944	1 352	407	30.1%	1 352
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	159	263	503	(38)	384	503	119	23.7%	503
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	20	35	40	-	1	40	39	98.5%	40
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	101	247	249	(20)	275	249	(27)	-10.8%	249
Other Land	-	3	3	-	-	3	3	100.0%	3
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	<b>3 014</b>	<b>3 496</b>	<b>5 151</b>	<b>173</b>	<b>3 425</b>	<b>5 151</b>	<b>1 726</b>	<b>33.5%</b>	<b>5 151</b>

# Supporting Table SC13d

NC072 Umsobomvu - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M12 June

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	-	-	-	-	-	-	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	-	-	-	-	-	-	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	-	-	-	-	-	-	-	-	-
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-

# MUNICIPAL MANAGER'S QUALITY CERTIFICATION

## QUALITY CERTIFICATE

I, **AMOS CHINA MPELA**, the Municipal Manager of Umsobomvu Local Municipality, hereby certify that: -

(Mark as appropriate)

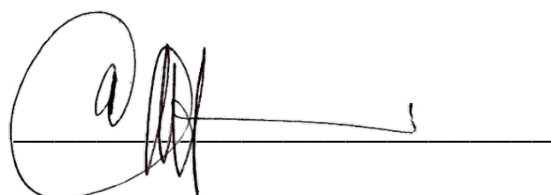
Quarterly report on the implementation of the budget and financial state of affairs of the municipality.

For the quarter ending 30 June 2018 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print Name: AC MPELA

Municipal Manager of Umsobomvu Local Municipality (NC072)

Signature:

A handwritten signature in black ink, appearing to read 'A. C. MPELA', is written over a horizontal line. The signature is stylized and cursive.

Date: 13 July 2018

## **AUDIT ACTION PLAN PROGRESS REPORT: JUNE 2018**

**Project OPCAR (Operation Clean Audit Report) - 2016/2017**

**Joint Action Item List (JAIL)**

Chairman:

Date: 31 March 2018

31 January 2018

Purpose: The purpose of the JAIL is to track the allocation and status of project actions

Task identified  
Work in progress  
Completed

EX No.	Item	Impact on Audit Report	Classification	Internal Control Deficiency	Reported in previous years (from)	Target Date	Prog%	Responsibility	Department within Municipality	Remarks	
1	CoAF 1.1	Performance: Mid-year assessment done after 25 January (ISS.1)	Other Matters	Non-compliance	Leadership	1	23 January 2018	25%	Mr Kapp	Corporate Services	
2	CoAF 2.1	PPE: Disposals not approved by council	Other Matters	Non-compliance	Financial and Performance	2	30-Jun-18	0%	All Managers	All	
3	CoAF 3.1	I.T Policies	Other Matters	I.T Policies	Leadership	1	30-Jun-18	20%	CFO and Deputy CFO	Finance	
4	CoAF 3.2	General IT controls: Deficiencies on IT control	Other Matters	I.T Policies	Leadership	1	30-Jun-18	20%	CFO and Deputy CFO	Finance	
5	CoAF 4.1	Employee Related Cost: Internal control deficiencies in overtime (ISS.4)	Other Matters	Employee Related Cost	Leadership	1	30-Apr-18	27%	Manager Corporate Services	Corporate Services	
6	CoAF 4.2	2. Employee Related Cost: No HR planning and organization in place (ISS.7)	Other Matters	Employee Related Cost	Leadership	1	30-Apr-18	0%	Manager Corporate Services	Corporate Services	
7	CoAF 5.3	3. Revenue ( Prepaid Electricity) difference between the amount received and in the general ledger	Other Matters	Revenue	Financial and Performance	1	30-Jun-18	50%	CFO and Deputy CFO	Finance	
8	CoAF 6.1	Employee Related Fringe benefit not accounted for	Other Matters	Employee costs	Non-compliance	1	Monthly	33%	Expenditure Accountant; Chief Clerk Expenditure	Finance	
9	CoAF 11.1	Expenditure - Contracts/Agreements not reviewed on a regular basis	Other Matters	Expenditure	Financial and Performance Management	1	30-Jun-18	0%	Manager Corporate Services	Corporate Services	
10	CoAF 11.2	Expenditure - Incorrect tariffs were used	Other Matters	Expenditure	Leadership	1	30-Jun-18	80%	Expenditure Accountant	Finance	
11	CoAF 12.1	Corrective measures taken to improve performance are not well defined	Other Matters	Predetermined objectives	Control deficiency	1	28-Feb-18	50%	All Managers	All	
12	CoAF 12.2	Reported achievements per system reports not consistent with Reported Objectives per APR	Other Matters	Pre-determined Objectives	Control deficiency	1	28-Feb-18	33%	All Managers	All	
13	CoAF 13.1	Employee Related Costs - Post not advertised	Other Matters	Employee Cost	Non-compliance	1	Monthly	50%	All Managers	All	
14	CoAF 14.2	Property plant and equipment	Other Matters	PPE	Control deficiency	1	30-Jun-18	0%	CFO and Consultant	Finance	
15	CoAF 14.5	PPE: Fixed assets not adequately insured	Other Matters	PPE	Control deficiency	1	30-Jun-18	27%	All Managers and Deputy CFO	All	
16	CoAF 15.3	Distribution losses	Other Matters	Revenue	Leadership	2	30-Jun-18	20%	Technical Manager	Technical	
17	CoAF 15.4	Sale of Electricity	Other Matters	Revenue	Financial and Performance management	1	30-Jun-18	25%	Depty CFO	Finance	
18	CoAF 15.5	Market values on the system differ from the market value on the valuation roll.	Other Matters	Revenue	Financial and Performance management	1	30-Jun-18	25%	Depty CFO	Finance	
19	CoAF 16.1	Irregular Expenditure	Other Matters	Operating expenditure	Leadership	2	30-Jun-18	20%	Corporate Services	Corporate Services	
20	CoAF 21.1	No section 32 reports for irregular and unauthorized expenditure	Other Matters	Non compliance	Leadership	2	30-Jun-18	27%	Head SCM/ CFO	Finance	
21	CoAF 23.1	Denominator not accurate as incorrect budget amount used	Other Matters	Predetermined objectives	Financial and Performance Management	1	30-Jun-18	50%	Deputy CFO/ Manager Technical Services	Finance	
22	CoAF 23.2	Reported achievements are not accurate	Other Matters	Predetermined objectives	Financial and Performance Management	1	30-Jun-18	0%	Deputy CFO/ Manager Technical Services	Finance	
23	CoAF 23.3	Tax invoice not attached to indigent application	Other Matters	Predetermined objectives	Financial and Performance Management	1	30-Jun-18	27%	Deputy CFO	Finance	
24	CoAF 25.1	Indigent application forms not signed for approval by the Section Head	Other Matters	Receivables	Leadership	1	30-Jun-18	80%	Deputy CFO	Finance	
25	CoAF 26.1	Annual Financial Statements	Other Matters	Non Compliance	Financial and Performance Management	3	30-Jun-18	0%	CFO	Finance	
26	CoAF 27.1	Indicator not well presented	Other Matters	Predetermined objectives	Financial and Performance	1	30-Jun-18	20%	Deputy CFO	Finance	
27	CoAF 29.1	The municipality is not using the Municipal Infrastructure Performance Management Information System (MIPMIS)	Other Matters	Support to Local Government	internal control deficiencies	1	30-Jun-18	20%	Manager Technical Services	Technical Services	
28	CoAF 30.1	Consumer Deposit- Reconnection register not reviewed	Other Matters	Receivables	Non-compliance	1	30-Jun-18	100%	Deputy CFO/ CFO	Finance	
29	CoAF 31.1	Unauthorised expenditure is not prevented	Other Matters	Non-compliance	Leadership	2	30-Jun-18	33%	All Managers	All	
30	CoAF 32.1	The Municipality does not have an approved Road Maintenance Plan	Other Matters	Road Infrastructure	Leadership	2	30-Jun-18	20%	Manager Technical Services	Technical Services	