

Harry Gwala District Municipality

MFMA s71 report for the period ending 30 April 2020.

5/14/2020

Budget & Treasury Office

1. PART 1 – MONTHLY REPORT

1.1 PURPOSE

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 of the Municipal Finance Management Act (MFMA)

LEGAL FRAMEWORK

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

1.2 Executive Summary or Background

Legislative Requirements

In terms of the section 71 of the MFMA the accounting officer of a municipality 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 reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a)* Actual revenue, per revenue source;
- (b)* actual borrowings;
- (c)* actual expenditure, per vote;

- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;
- (f)* actual expenditure on those allocations, excluding expenditure on—
 - (i) its share of the local government equitable share; and
 - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g)* when necessary, an explanation of—
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) any material variances from the service delivery and budget implementation plan; and
 - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

DELIBERATION/DISCUSSION

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Finance Committee on the progress made thus far in terms of implementing the 2019/2020 budget for the period ending 30 April 2020

1.3 Resolutions

This report will be tabled to Finance committee and Executive Committee therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

This report analysis the three main components of the budget against actual results with,

- Revenue
- Operational, and
- Capital Budgets

It further looks at other reportable matters in terms of section 71 of the MFMA.

Budget summary

The budget summary is intended to give an overall summary with regards to the implementation of the 2019/2020 budget for the period ending 30 April 2020. Chart 1 presented below gives a summary of the budgeted Revenue, Operating as well as Capital expenditure and the movements for the month of April as well as the Year to Date movements (YTD).

BUDGET SUMMARY APRIL 2020



1.4 Monthly Budget Statement Tables

Monthly Budget Statements Summary

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table C1 Consolidated Monthly Budget Statement Summary - M10 April

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	58 421	88 392	67 065	5 983	57 975	57 073	902	2%	67 065
Investment revenue	9 202	11 161	7 257	784	5 303	6 958	(1 655)	-24%	7 257
Transfers and subsidies	366 165	366 404	382 508	-	358 546	313 755	44 791	14%	382 508
Other own revenue	11 587	10 440	18 153	1 017	13 121	13 328	(207)	-2%	18 153
Total Revenue (excluding capital transfers and contributions)	445 375	476 396	474 984	7 784	434 945	391 114	43 831	11%	474 984
Employee costs	173 695	205 726	206 398	16 002	157 940	171 842	(13 902)	-8%	206 398
Remuneration of Councillors	6 952	7 574	7 574	671	6 085	6 312	(227)	-4%	7 574
Depreciation & asset impairment	69 605	38 192	80 294	11 140	56 273	64 201	(7 927)	-12%	80 294
Finance charges	3 752	3 522	4 180	-	2 372	3 330	(958)	-29%	4 180
Materials and bulk purchases	50 227	30 443	33 827	749	18 014	26 547	(8 534)	-32%	33 827
Transfers and subsidies	14 000	-	-	-	11 000	-	11 000	#DIV/0!	-
Other expenditure	222 568	184 141	225 181	5 654	134 933	181 571	(46 638)	-26%	225 181
Total Expenditure	540 800	469 599	557 454	34 216	386 616	453 803	(67 186)	-15%	557 454
Surplus/(Deficit)	(95 425)	6 798	(82 470)	(26 432)	48 328	(62 689)	111 017	-177%	(82 470)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	335 775	275 839	274 335	-	155 773	228 963	(73 191)	-32%	274 335
Surplus/(Deficit) after capital transfers & contributions	240 350	282 636	191 864	(26 432)	204 101	166 274	37 827	23%	191 864
Surplus/ (Deficit) for the year	240 350	282 636	191 864	(26 432)	204 101	166 274	37 827	23%	191 864
Capital expenditure & funds sources									
Capital expenditure	266 785	282 624	279 230	6 389	182 944	233 178	(50 234)	-22%	279 230
Capital transfers recognised	134 240	276 203	274 385	6 389	181 440	229 057	(47 617)	-21%	274 385
Internally generated funds	14 442	6 421	4 845	-	1 504	4 121	(2 616)	-63%	4 845
Total sources of capital funds	148 683	282 624	279 230	6 389	182 944	233 178	(50 234)	-22%	279 230
Financial position									
Total current assets	118 976	282 609	98 469	-	257 311	-	-	-	98 469
Total non current assets	2 171 694	2 165 144	2 161 750	-	2 297 986	-	-	-	2 161 750
Total current liabilities	170 317	138 272	95 293	-	241 397	-	-	-	95 293
Total non current liabilities	56 670	36 242	36 490	-	46 265	-	-	-	36 490
Community wealth/Equity	2 068 644	1 990 615	1 849 205	-	2 267 635	-	-	-	1 849 205
Cash flows									
Net cash from (used) operating	280 806	295 470	233 262	(21 537)	269 373	155 508	(113 865)	-73%	233 262
Net cash from (used) investing	(364 374)	(275 839)	(279 405)	(6 389)	(182 944)	(186 270)	(3 326)	2%	(279 405)
Net cash from (used) financing	(3 493)	(3 868)	(12 528)	-	(1 995)	(8 352)	(6 357)	76%	(12 528)
Cash/cash equivalents at the month/year end	25 275	128 099	12 922	-	156 026	(39 114)	(195 140)	499%	(58 671)
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	7 667	8 248	6 730	6 325	5 088	5 320	26 612	43 345	109 336
Creditors Age Analysis									
Total Creditors	1 004	-	-	-	-	-	-	-	1 004

Financial Performance

Table C2 provides the statement of financial performance by standard classification.

DC43 Harry Gwala - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M10 April

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Functional									
<i>Governance and administration</i>	331 363	367 364	363 811	848	354 745	304 005	50 741	17%	363 811
Executive and council	-	-	-	-	-	-	-	-	-
Finance and administration	331 363	367 364	363 811	848	354 745	304 005	50 741	17%	363 811
Internal audit	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	382 421	946	7 908	-	-	4 966	(4 966)	-100%	7 908
Planning and development	382 421	946	7 908	-	-	4 966	(4 966)	-100%	7 908
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	67 365	383 925	377 599	6 936	237 033	311 106	(74 073)	-24%	377 599
Energy sources	-	7 000	7 000	-	-	4 589	(4 589)	-100%	7 000
Water management	49 012	351 168	336 240	4 977	218 134	281 030	(62 896)	-22%	336 240
Waste water management	18 353	25 757	34 359	1 959	18 900	25 488	(6 588)	-26%	34 359
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	781 150	752 235	749 318	7 784	591 779	620 077	(28 298)	-5%	749 318
Expenditure - Functional									
<i>Governance and administration</i>	213 051	212 801	227 550	15 324	156 534	192 215	(35 681)	-19%	227 550
Executive and council	18 266	25 782	18 280	1 257	12 879	16 835	(3 956)	-23%	18 280
Finance and administration	188 610	182 707	201 823	12 821	137 527	169 905	(32 378)	-19%	201 823
Internal audit	6 175	4 312	7 447	1 245	6 129	5 475	653	12%	7 447
<i>Community and public safety</i>	13 823	11 180	15 908	3 073	12 974	12 100	874	7%	15 908
Community and social services	13 823	11 180	15 908	3 073	12 974	12 100	874	7%	15 908
<i>Economic and environmental services</i>	167 800	131 383	167 307	11 176	106 415	135 303	(28 888)	-21%	167 307
Planning and development	167 800	131 383	167 307	11 176	106 415	135 303	(28 888)	-21%	167 307
Road transport	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	146 125	114 236	146 690	4 644	110 693	114 185	(3 492)	-3%	146 690
Energy sources	35	-	-	-	-	-	-	-	-
Water management	145 347	113 919	140 024	4 535	110 079	110 111	(32)	0%	140 024
Waste water management	742	317	6 665	109	613	4 074	(3 460)	-85%	6 665
Waste management	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	540 800	469 599	557 454	34 216	386 616	453 803	(67 186)	-15%	557 454
Surplus/ (Deficit) for the year	240 350	282 636	191 864	(26 432)	205 162	166 274	38 888	23%	191 864

This table assesses the revenue by department and then the expenditure for the period ending 30 April 2020. Revenue receipts in April have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of April is 1%.

Expenditure by standard classification presents the expenditures by the departments. Infrastructure Services Department has the largest expenditure for the month of April followed by Water Services Department as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R10, 4m.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 01 - Summary Council	-	-	-	-	-	-	-	-	-
Vote 02 - Summary Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 03 - Summary Budget And Treasury Office	330 039	367 364	363 811	846	353 111	304 005	49 106	16,2%	363 811
Vote 04 - Summary Corporate Services	445	-	-	-	1 181	-	1 181	#DIV/0!	-
Vote 05 - Summary Social Services & Development Planning	346	946	7 908	-	-	4 966	(4 966)	-100,0%	7 908
Vote 06 - Summary Infrastructure Services	382 076	295 533	285 530	-	160 255	239 032	(78 776)	-33,0%	285 530
Vote 07 - Summary Water Services	68 244	88 392	92 069	6 938	77 232	72 075	5 157	7,2%	92 069
Total Revenue by Vote	781 150	752 235	749 318	7 784	591 779	620 077	(28 298)	-4,6%	749 318
Expenditure by Vote									
Vote 01 - Summary Council	8 421	12 958	11 050	682	8 368	9 300	(932)	-10,0%	11 050
Vote 02 - Summary Municipal Manager	16 020	17 136	14 677	1 012	10 639	13 009	(2 370)	-18,2%	14 677
Vote 03 - Summary Budget And Treasury Office	72 227	76 953	78 530	2 033	39 615	65 903	(26 288)	-39,9%	78 530
Vote 04 - Summary Corporate Services	85 564	67 212	83 231	8 263	68 522	67 922	600	0,9%	83 231
Vote 05 - Summary Social Services & Development Planning	47 553	64 727	59 828	2 438	39 238	50 174	(10 936)	-21,8%	59 828
Vote 06 - Summary Infrastructure Services	134 106	77 835	123 387	10 498	80 152	97 229	(17 077)	-17,6%	123 387
Vote 07 - Summary Water Services	176 909	152 777	186 751	9 291	140 083	150 265	(10 182)	-6,8%	186 751
Total Expenditure by Vote	540 800	469 599	557 454	34 216	386 616	453 803	(67 186)	-14,8%	557 454
Surplus/ (Deficit) for the year	240 350	282 636	191 864	(26 432)	205 162	166 274	38 888	23,4%	191 864

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 April 2020.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Service charges - water revenue	43 001	62 635	47 706	4 345	42 728	40 585	2 144	5%	47 706
Service charges - sanitation revenue	15 419	25 757	19 359	1 638	15 247	16 488	(1 241)	-8%	19 359
Rental of facilities and equipment									
Interest earned - external investments	9 202	11 161	7 257	784	5 303	6 958	(1 655)	-24%	7 257
Interest earned - outstanding debtors	10 556	9 658	9 658	1 017	11 137	8 049	3 089	38%	9 658
Fines, penalties and forfeits	694	-	-	-	341	-	341	0%	-
Transfers and subsidies	366 165	366 404	382 508	-	358 546	313 755	44 791	14%	382 508
Other revenue	337	781	8 495	-	1 643	5 279	(3 636)	-69%	8 495
Gains	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	445 375	476 396	474 984	7 784	434 945	391 114	43 831	11%	474 984
Expenditure By Type									
Employee related costs	173 695	205 726	206 398	16 002	157 940	171 842	(13 902)	-8%	206 398
Remuneration of councillors	6 952	7 574	7 574	671	6 085	6 312	(227)	-4%	7 574
Debt impairment	19 111	25 315	25 315	-	-	21 096	(21 096)	-100%	25 315
Depreciation & asset impairment	69 605	38 192	80 294	11 140	56 273	64 201	(7 927)	-12%	80 294
Finance charges	3 752	3 522	4 180	-	2 372	3 330	(958)	-29%	4 180
Bulk purchases	19 221	15 000	17 762	-	13 189	14 648	(1 459)	-10%	17 762
Other materials	31 006	15 443	16 065	749	4 825	11 899	(7 075)	-59%	16 065
Contracted services	156 547	101 502	140 820	4 168	95 706	110 915	(15 209)	-14%	140 820
Transfers and subsidies	14 000	-	-	-	11 000	-	11 000	#DIV/0!	-
Other expenditure	37 963	57 324	59 046	1 486	38 848	49 561	(10 712)	-22%	59 046
Losses	8 948	-	-	-	379	-	379	#DIV/0!	-
Total Expenditure	540 800	469 599	557 454	34 216	386 616	453 803	(67 186)	-15%	557 454
Surplus/(Deficit)	(95 425)	6 798	(82 470)	(26 432)	48 328	(62 689)	111 017	(0)	(82 470)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	335 775	275 839	274 335	-	155 773	228 963	(73 191)	(0)	274 335
Transfers and subsidies - capital (in-kind - all)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	240 350	282 636	191 864	(26 432)	204 101	166 274			191 864
Taxation									
Surplus/(Deficit) after taxation	240 350	282 636	191 864	(26 432)	204 101	166 274			191 864
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	240 350	282 636	191 864	(26 432)	204 101	166 274			191 864
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	240 350	282 636	191 864	(26 432)	204 101	166 274			191 864

Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

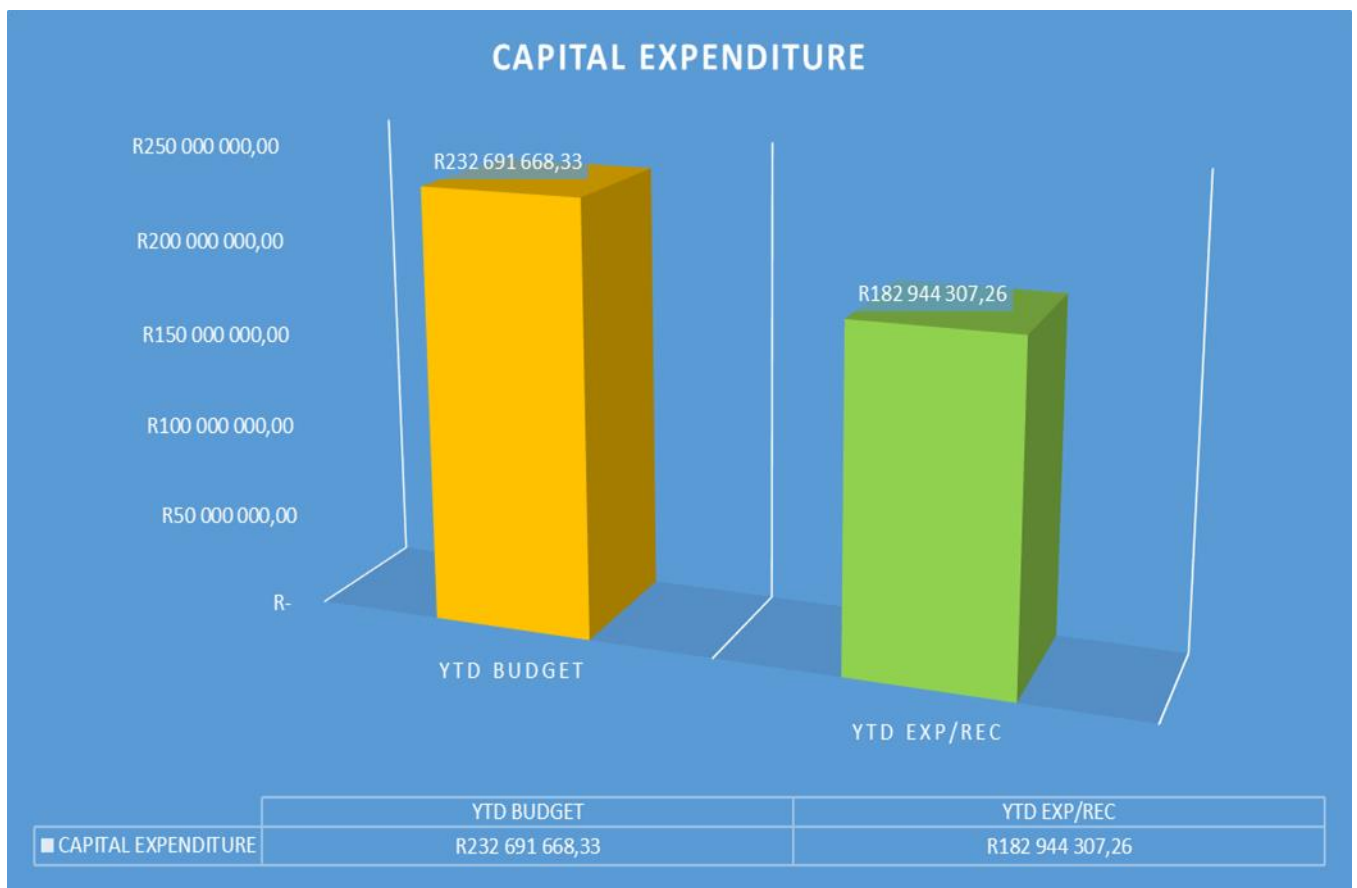
DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 05 - Summary Social Services & Development Planning	-	-	-	-	-	-	-	-	-
Vote 06 - Summary Infrastructure Services	216 818	20 000	20 000	-	17 391	16 667	725	4%	20 000
Vote 07 - Summary Water Services	35 525	145 243	145 348	1 753	96 101	121 765	(25 665)	-21%	145 348
Total Capital Multi-year expenditure	252 343	165 243	165 348	1 753	113 492	138 432	(24 940)	-18%	165 348
Single Year expenditure appropriation									
Vote 03 - Summary Budget And Treasury Office	38	404	-	-	-	73	(73)	-100%	-
Vote 04 - Summary Corporate Services	10 203	4 942	3 631	-	1 504	3 047	(1 543)	-51%	3 631
Vote 05 - Summary Social Services & Development Planning	62	383	208	-	-	214	(214)	-100%	208
Vote 06 - Summary Infrastructure Services	4 140	-	-	-	-	-	-	-	-
Vote 07 - Summary Water Services	-	111 651	110 043	4 637	67 948	91 411	(23 463)	-26%	110 043
Total Capital single-year expenditure	14 442	117 381	113 882	4 637	69 452	94 746	(25 294)	-27%	113 882
Total Capital Expenditure	266 785	282 624	279 230	6 389	182 944	233 178	(50 234)	-22%	279 230
Capital Expenditure - Functional Classification									
Governance and administration	10 240	5 346	3 631	-	1 504	3 121	(1 616)	-52%	3 631
Executive and council									
Finance and administration	10 240	5 346	3 631	-	1 504	3 121	(1 616)	-52%	3 631
Internal audit									
Economic and environmental services	212 808	383	208	-	-	214	(214)	-100%	208
Planning and development	212 808	383	208	-	-	214	(214)	-100%	208
Road transport									
Environmental protection									
Trading services	43 737	276 894	275 391	6 389	181 440	229 843	(48 403)	-21%	275 391
Energy sources									
Water management	43 737	213 071	229 763	5 153	147 112	186 907	(39 795)	-21%	229 763
Waste water management	-	63 824	45 628	1 237	34 328	42 936	(8 608)	-20%	45 628
Waste management									
Other									
Total Capital Expenditure - Functional Classification	266 785	282 624	279 230	6 389	182 944	233 178	(50 234)	-22%	279 230
Funded by:									
National Government	134 240	275 978	259 335	6 389	179 457	219 975	(40 518)	-18%	259 335
Provincial Government	-	-	15 000	-	1 983	9 000	(7 017)	-78%	15 000
District Municipality	-	225	50	-	-	82	(82)	-100%	50
Transfers recognised - capital	134 240	276 203	274 385	6 389	181 440	229 057	(47 617)	-21%	274 385
Internally generated funds	14 442	6 421	4 845	-	1 504	4 121	(2 616)	-63%	4 845
Total Capital Funding	148 683	282 624	279 230	6 389	182 944	233 178	(50 234)	-22%	279 230

As alluded to above, the capital expenditure programme for the period ending 30 April 2020 was R182, 9m which represents 79% of capital expenditure against year to date budget of R209, 4million. The capital expenditure programme has started on a rather slower footing and thus the low expenditures reflected on National grant funding

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

Chart 1: 2019/2020 THIRD QUARTER CAPEX



As at 30 April 2020, the year to date actual expenditure was R182, 9million against a YTD budget of R232, 6million. In monetary terms, these figures represent 79 per cent performance against the capital development programme as at 30 April 2020.

Table C6 displays the financial position of the municipality as at 30 April 2020.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M10 April

Description	2018/19	Budget Year 2019/20			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	53 026	169 975	9 590	(45 929)	9 590
Call investment deposits	5 337	37 087	3 331	48 076	3 331
Consumer debtors	26 933	42 739	42 739	64 690	42 739
Other debtors	33 432	32 638	42 638	34 200	42 638
Inventory	248	171	171	248	171
Total current assets	118 976	282 609	98 469	101 285	98 469
Non current assets					
Property, plant and equipment	2 170 503	2 163 828	2 160 534	2 296 947	2 160 534
Intangible	1 191	1 316	1 216	1 039	1 216
Other non-current assets	0	0	0	0	0
Total non current assets	2 171 694	2 165 144	2 161 750	2 297 986	2 161 750
TOTAL ASSETS	2 290 670	2 447 753	2 260 219	2 399 271	2 260 219
<u>LIABILITIES</u>					
Current liabilities					
Borrowing	-	(4 290)	(4 290)	(965)	(4 290)
Consumer deposits	1 768	1 740	1 740	1 859	1 740
Trade and other payables	157 549	131 248	88 269	229 502	88 269
Provisions	11 000	9 574	9 574	11 000	9 574
Total current liabilities	170 317	138 272	95 293	241 397	95 293
Non current liabilities					
Borrowing	37 730	13 292	13 541	27 325	13 541
Provisions	18 940	22 949	22 949	18 940	22 949
Total non current liabilities	56 670	36 242	36 490	46 265	36 490
TOTAL LIABILITIES	226 987	174 514	131 783	287 662	131 783
NET ASSETS	2 063 683	2 273 239	2 128 435	2 111 609	2 128 435
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	2 063 683	2 273 239	2 128 435	2 111 609	2 128 435
Reserves	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2 063 683	2 273 239	2 128 435	2 111 609	2 128 435

Table C7 below display the Cash Flow Statement for the period ending 30 April 2020.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M10 April

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates							-		
Service charges	50 033	47 732	51 990	755	41 975	34 660	7 315	21%	51 990
Other revenue	3 816	781	11 626	-	1 989	7 750	(5 762)	-74%	11 626
Transfers and Subsidies - Operational	361 595	366 004	339 907	-	319 074	226 605	92 469	41%	339 907
Transfers and Subsidies - Capital	312 210	275 839	274 335	-	295 860	182 890	112 970	62%	274 335
Interest	9 645	9 658	7 257	784	5 315	4 838	477	10%	7 257
Payments									
Suppliers and employees	(452 539)	(401 033)	(447 672)	(23 076)	(391 999)	(298 448)	93 551	-31%	(447 672)
Finance charges	(3 954)	(3 510)	(4 180)	-	(2 841)	(2 787)	54	-2%	(4 180)
Transfers and Grants	-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES	280 806	295 470	233 262	(21 537)	269 373	155 508	(113 865)	-73%	233 262
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Decrease (increase) in non-current investments							-		
Payments									
Capital assets	(364 374)	(275 839)	(279 405)	(6 389)	(182 944)	(186 270)	(3 326)	2%	(279 405)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(364 374)	(275 839)	(279 405)	(6 389)	(182 944)	(186 270)	(3 326)	2%	(279 405)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Increase (decrease) in consumer deposits	(162)	28	-	-	-	-	-		-
Payments									
Repayment of borrowing	(3 330)	(3 896)	(12 528)		(1 995)	(8 352)	(6 357)	76%	(12 528)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(3 493)	(3 868)	(12 528)	-	(1 995)	(8 352)	(6 357)	76%	(12 528)
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at beginning:	112 336	112 336	71 593		71 593				
Cash/cash equivalents at month/year end:	25 275	128 099	12 922		156 026	(39 114)			(58 671)

The interest earned on investments and on outstanding debtors for the period ending 30 April is R 5, 3million which is representing 88% of the year to date budget.

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 30 April 2020.

Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	Budget Year 2019/20									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	4 922	5 295	4 320	4 060	3 266	3 415	17 083	82 359	124 720	110 184
Trade and Other Receivables from Exchange Transactions - Electricity	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1 923	2 068	1 688	1 586	1 276	1 334	6 674	32 175	48 723	43 044
Receivables from Exchange Transactions - Waste Management	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	823	885	722	679	546	571	2 856	13 767	20 848	18 418
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Income Source	7 667	8 248	6 730	6 325	5 088	5 320	26 612	128 301	194 292	171 646
2018/19 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State	3 161	2 939	1 754	1 340	812	728	1 189	2 670	14 593	6 739
Commercial	733	821	628	583	490	450	2 446	7 603	13 753	11 571
Households	3 773	4 488	4 349	4 402	3 787	4 141	22 977	118 028	165 945	153 335
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	7 667	8 248	6 730	6 325	5 088	5 320	26 612	128 301	194 292	171 646

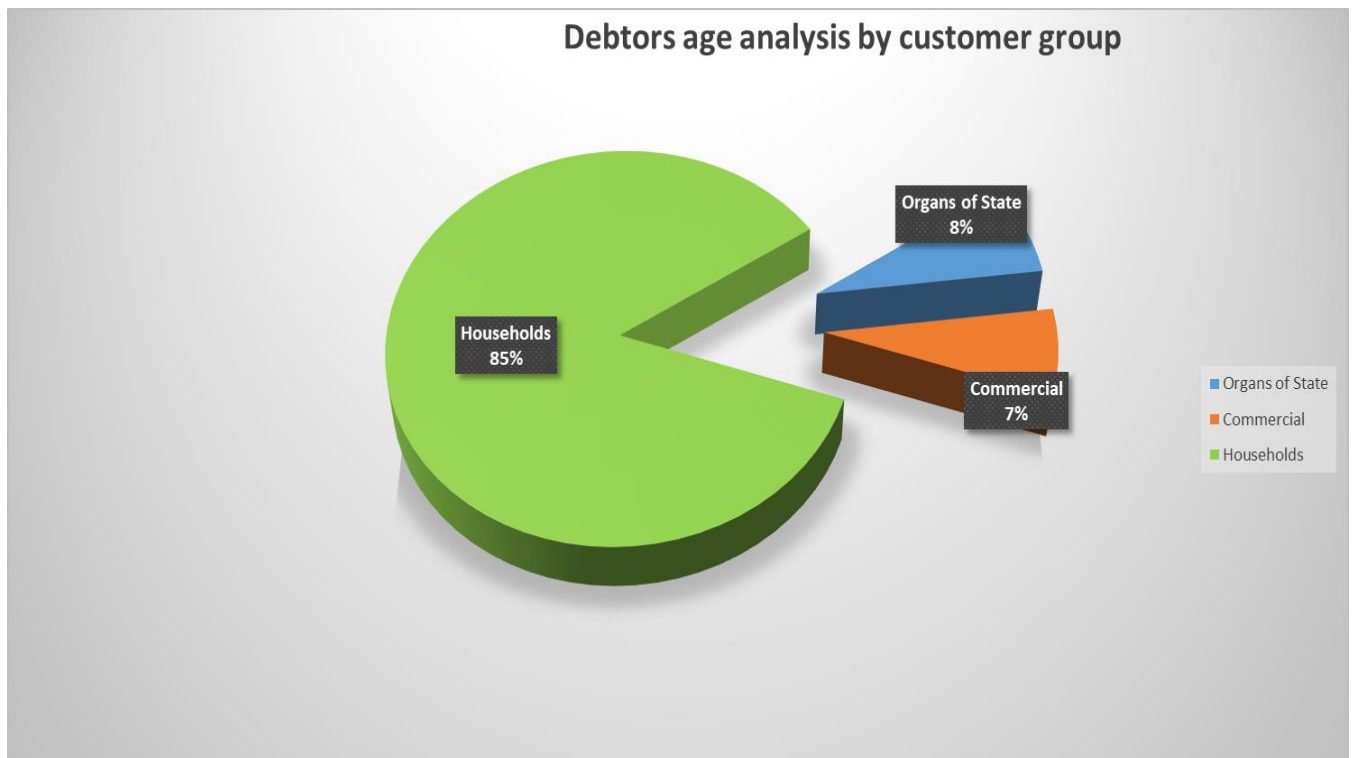
Table 2.1.2: Debtors Age Analysis By Customer Category

Table 2.1.2 analyses consumer debt by Category. A further analysis in the form of a chart is provided below.

Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 85%
- ✓ Government 8%
- ✓ Business 7%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

The table that follows below unpacks the revenue receipts per Local Municipality in the District

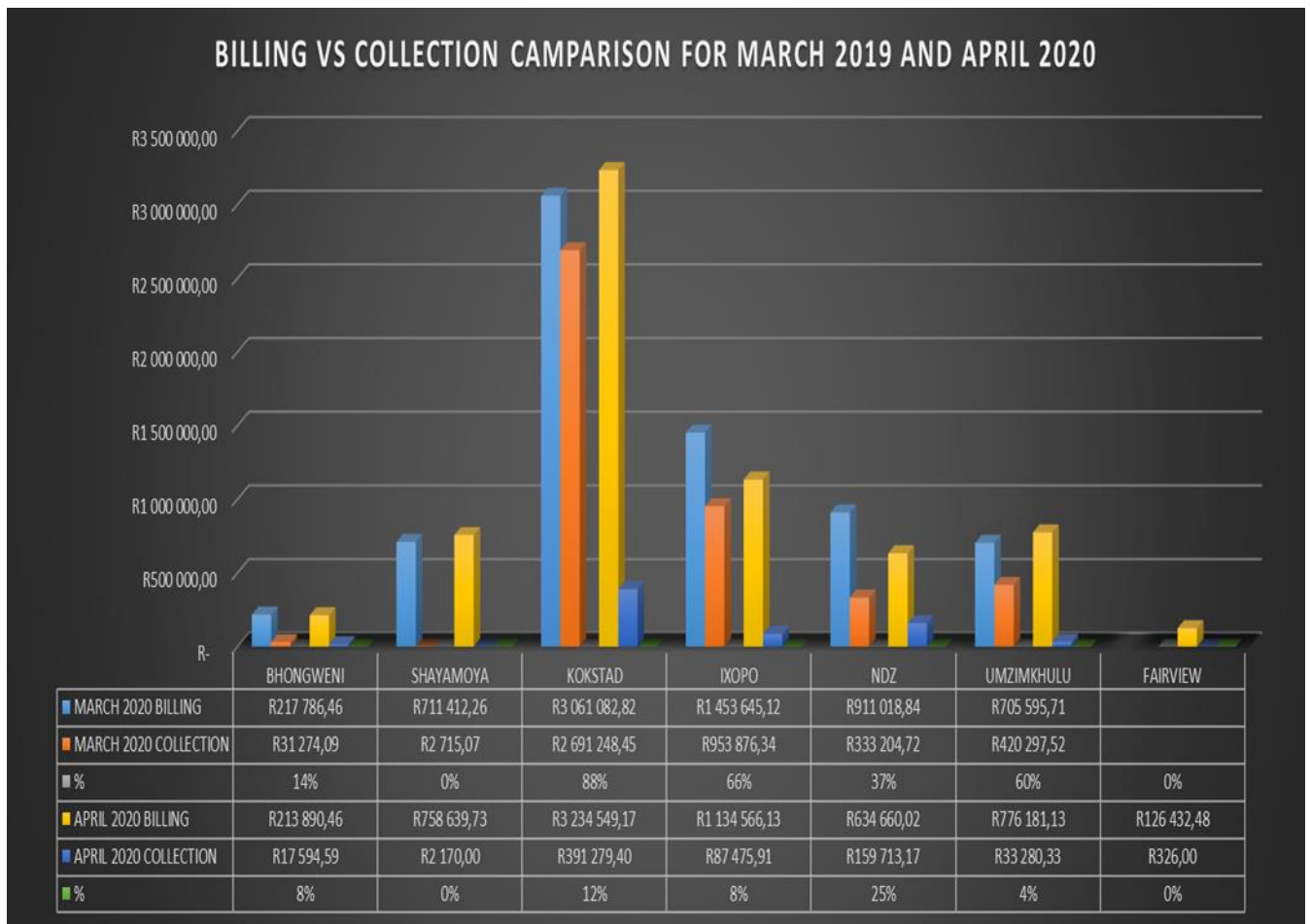
REVENUE RECEIPTS

Revenue receipts per Area

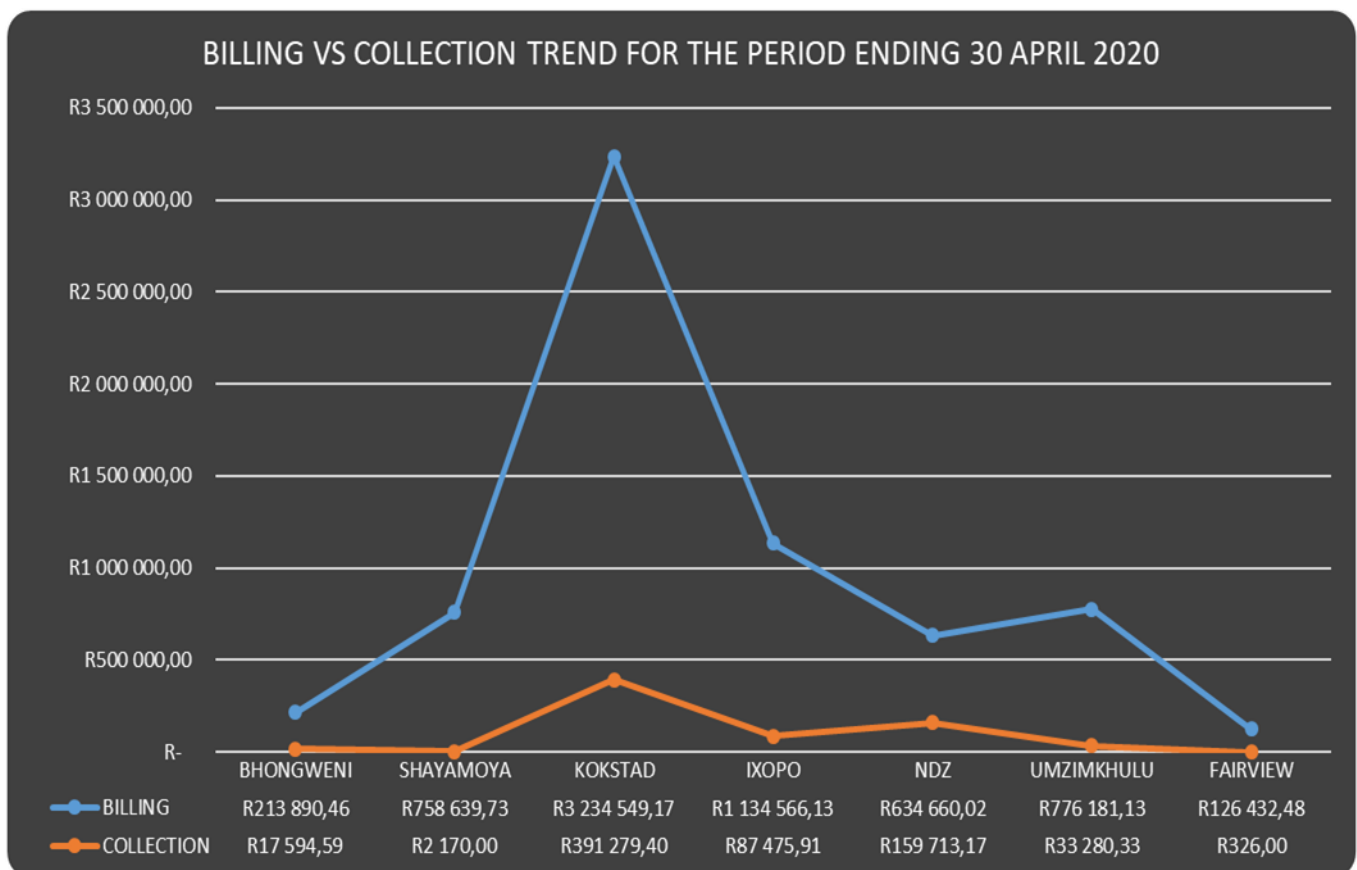
AREA	AMOUNT		
		APRIL 2020	MARCH 2020
Unallocated receipts	R 63 428	9%	0%
Bhongweni	R 17 595	2%	1%
Shayamoya	R 2 170	0%	0%
Kokstad	R 391 279	52%	61%
Ixopo	R 87 476	12%	22%
NDZ	R 159 713	21%	8%
Umzimkhulu	R 33 280	4%	9%
Fairview	R 326	0%	0%
TOTAL RECEIPTS INCL VAT	R 755 267	100%	100%

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for April is R755 267. The total billing as at 30 April 2020 amount to R 71, 4million against total collection of R 40, 5million representing 57 per cent.

The chart that follows below shows the comparison between billing and collection for the period ending 30 April 2020.



The chart that follows below shows the comparison between billing and collection trend for the period ending 30 April 2020



Debtors age analysis per service

The municipality’s total outstanding debtors amounted to R 194 291 677 as at 30 April 2020 compared with the R 210 502 280 as at 31 March 2020. Current debt represent 4% of the total outstanding debt compared with the 4% of March 2020; 30 days and older debt 3% compared with the 3% for March 2020; 60 days and older debt 3% compared with the 3% of March 2020; and 90 days 3% compared with the 3% of March

2020; 120 days to History and older 85% compared with the 87% for March 2020.

Current debt decreased with R 16,210,603 write off to R 194,291,677 compared with the R 210,502,280 as at 31 March 2020; 30 days + debt Increased with R 1,325,499; 60 days + Increased with R 348,074; 90 days + debt Increased with R 1,197,277 and 120 + days and older debt as at April 2020 has increased with R 18,378,383 to R 165,321,240 compared with the R 183,699,623 as at 31 March 2020.

Debtors age analysis per debtor type

Business debtors owes the municipality R 13,304,775 (7%); Municipal debtors R 1,011,799 (1%); domestic debtors R 157,968,421 (81%); Government accounts R 13,304,775 (7%); Indigent debtors R 4,784,590 (2%) and other debtors R 3,701,536 (2%) of the total outstanding debt of R 194,291,677. R16, 2million for Domestic debtors was written off in the month of April 2020.

2.2 Creditors Analysis

Table SC presents the aged creditors as at 30 April 2020

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	Budget Year 2019/20								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	
R thousands									
Creditors Age Analysis By Customer Type									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	1 004								1 004
Auditor General									-
Other									-
Total By Customer Type	1 004	-	-	-	-	-	-	-	1 004

2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 30 April 2020.

Cash and Bank Balances (Investments)

DC43 Harry Gwala - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
	Yrs/Months												
R thousands													
Municipality													
FIRST NATIONAL BANK		CALL ACCOUNT							51 108	141	(14 113)	-	37 137
FIRST NATIONAL BANK		CALL ACCOUNT							48 328	116	(5 737)	-	42 708
FIRST NATIONAL BANK		ADMIN CALL							45 850	122	(3 000)	-	42 972
INVESTEC		FIXED DEPOSIT							2 096	8		-	2 104
FIRST NATIONAL BANK		FIXED DEPOSIT							11 508	49	(232)	-	11 325
FIRST NATIONAL BANK		CALL ACCOUNT							1 307	3		-	1 310
FIRST NATIONAL BANK		CALL ACCOUNT							5 391	14		-	5 405
FIRST NATIONAL BANK		CALL ACCOUNT							1 958	14		5 000	6 972
FIRST NATIONAL BANK		FIXED DEPOSIT							752	2		-	754
CURRENT ACCOUNT									14 298		(8 959)		5 338
													-
													-
Municipality sub-total									182 597	470	(32 041)	5 000	156 026
TOTAL INVESTMENTS AND INTEREST									182 597		(32 041)	5 000	156 026

2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

Description	2018/19	Budget Year 2019/20							
	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:	351 431	366 004	382 508	-	380 914	286 881	94 033	32,8%	382 508
Energy Efficiency and Demand Side Management Grant	-	-	-	-	-	-	-	-	-
Equitable Share	318 074	345 309	345 309	-	345 309	258 982	86 327	33,3%	345 309
Expanded Public Works Programme Integrated Grant	2 518	5 316	5 316	-	3 722	3 987	(265)	-6,6%	5 316
Integrated National Electrification Programme Grant	-	7 000	7 000	-	7 000	5 250	1 750	33,3%	7 000
Local Government Financial Management Grant	1 000	1 000	1 000	-	1 000	750	250	33,3%	1 000
Municipal Infrastructure Grant	29 839	5 022	11 522	-	11 522	8 641	2 880	33,3%	11 522
Rural Road Asset Management Systems Grant	-	2 357	2 358	-	2 358	1 769	590	33,3%	2 358
Water Services Infrastructure Grant	-	-	10 004	-	10 004	7 503	2 501	33,3%	10 004
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-	-
Provincial Government:	43 783	-	-	-	-	-	-	-	-
Other	43 783	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	-	-	-	-	-	-	-	-
Other grant providers:	791	400	400	-	-	93	(93)	-100,0%	400
Parent Municipality	-	-	-	-	-	-	-	-	-
Unspecified	791	400	400	-	-	93	(93)	-100,0%	400
Total Operating Transfers and Grants	396 005	366 404	382 908	-	380 914	286 975	93 940	32,7%	382 908
Capital Transfers and Grants									
National Government:	286 326	275 839	259 335	-	260 929	194 501	66 428	34,2%	259 335
Equitable Share	-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	152 755	195 839	189 339	-	190 933	142 004	48 929	34,5%	189 339
Municipal Water Infrastructure Grant	-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	70 000	20 000	20 000	-	35 000	15 000	20 000	133,3%	20 000
Rural Road Asset Management Systems Grant	-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant	63 571	60 000	49 996	-	34 996	37 497	(2 501)	-6,7%	49 996
Provincial Government:	-	-	15 000	-	15 000	9 000	6 000	66,7%	15 000
Specify (Add grant description)	-	-	15 000	-	15 000	9 000	6 000	66,7%	15 000
[insert description]	-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	286 326	275 839	274 335	-	275 929	203 501	72 428	35,6%	274 335
TOTAL RECEIPTS OF TRANSFERS & GRANTS	682 330	642 242	657 243	-	656 843	490 476	166 367	33,9%	657 243

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April

Description	2018/19	Budget Year 2019/20							
	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:	351 431	366 004	382 508	47 616	354 445	408 595	(54 150)	-13,3%	490 154
Energy Efficiency and Demand Side Management Grant	-	7 000	7 000	-	1 610	4 589	(2 979)	-64,9%	7 000
Equitable Share	318 074	345 309	345 309	46 802	341 401	382 480	(41 079)	-10,7%	452 954
Expanded Public Works Programme Integrated Grant	2 518	5 316	5 316	815	1 986	5 042	(3 057)	-60,6%	5 316
Local Government Financial Management Grant	1 000	1 000	1 000	-	309	809	(500)	-61,8%	1 000
Municipal Infrastructure Grant	29 839	5 022	11 522	-	4 402	8 085	(3 682)	-45,5%	11 522
Municipal Systems Improvement Grant	-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant	-	2 357	2 358	-	1 101	1 588	(487)	-30,6%	2 358
Water Services Infrastructure Grant	-	-	10 004	-	3 635	6 002	(2 367)	-39,4%	10 004
Provincial Government:	1 332	-	-	-	-	-	-	-	-
Development Planning and Shared Services	1 332	-	-	-	-	-	-	-	-
Specify (Add grant description)	-	15 709	21 635	-	-	16 647	(16 647)	-100,0%	21 635
Other grant providers:	-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:	352 764	366 004	382 508	47 616	354 445	408 595	(54 150)	-13,3%	490 154
Capital expenditure of Transfers and Grants									
National Government:	286 326	275 839	259 335	6 389	179 457	219 975	(40 518)	-18,4%	259 335
Local Government Financial Management Grant	-	-	-	-	-	12	(12)	-100,0%	-
Municipal Infrastructure Grant	152 755	195 839	189 339	6 187	116 139	159 299	(43 160)	-27,1%	189 338
Municipal Water Infrastructure Grant	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure Grant	70 000	20 000	20 000	-	17 391	16 667	725	4,3%	20 000
Water Services Infrastructure Grant	63 571	60 000	49 996	202	45 927	43 998	1 929	4,4%	49 996
Provincial Government:	-	-	15 000	-	1 983	9 000	(7 017)	-78,0%	15 000
Specify (Add grant description)	-	-	15 000	-	1 983	9 000	(7 017)	-78,0%	15 000
District Municipality:	-	-	50	-	-	-	-	-	-
Specify (Add grant description)	-	-	50	-	-	-	-	-	-
Other grant providers:	-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants	286 326	275 839	274 385	6 389	181 440	228 975	(47 535)	-20,8%	274 335
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	639 089	641 842	656 893	54 006	535 885	637 570	(101 685)	-15,9%	764 488

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 30 April 2020.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

Summary of Employee and Councillor remuneration	2018/19	Budget Year 2019/20							
	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
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	4 538	5 691	5 533	198	3 965	4 648	(682)	-15%	5 533
Pension and UIF Contributions	581	254	300	80	401	239	161	67%	300
Medical Aid Contributions	96	45	45	9	44	37	7	19%	45
Motor Vehicle Allowance	45	-	-	-	-	-	-	-	-
Cellphone Allowance	534	372	413	112	507	334	172	51%	413
Other benefits and allowances	1 159	1 212	1 284	271	1 168	1 053	115	11%	1 284
Sub Total - Councillors	6 952	7 574	7 574	671	6 085	6 312	(227)	-4%	7 574
% increase		8,9%	8,9%						8,9%
Senior Managers of the Municipality									
Basic Salaries and Wages	4 005	4 760	3 492	663	2 862	3 206	(344)	-11%	3 492
Pension and UIF Contributions	10	8	9	1	7	7	0	0%	9
Medical Aid Contributions	91	1 021	110	20	94	304	(210)	-69%	110
Performance Bonus	146	-	53	-	53	32	21	67%	53
Motor Vehicle Allowance	883	941	866	167	721	739	(18)	-2%	866
Cellphone Allowance	91	785	98	19	81	242	(161)	-67%	98
Housing Allowances	129	110	153	31	133	118	15	13%	153
Other benefits and allowances	110	117	361	106	347	244	103	42%	361
Payments in lieu of leave	22	353	-	-	-	82	(82)	-100%	-
Sub Total - Senior Managers of Municipality	5 488	8 095	5 144	1 007	4 299	4 975	(676)	-14%	5 144
% increase		47,5%	-6,3%						-6,3%
Other Municipal Staff									
Basic Salaries and Wages	99 979	103 251	111 466	2 457	89 633	90 972	(1 339)	-1%	111 466
Pension and UIF Contributions	14 873	12 905	16 186	2 704	13 448	12 723	726	6%	16 186
Medical Aid Contributions	7 261	5 136	8 061	1 431	6 849	6 035	814	13%	8 061
Overtime	22 215	19 704	24 200	3 467	19 510	19 118	392	2%	24 200
Performance Bonus	6 855	9 704	7 202	1 057	6 138	6 585	(448)	-7%	7 202
Motor Vehicle Allowance	13 814	12 641	14 337	2 447	11 995	11 552	443	4%	14 337
Cellphone Allowance	699	734	782	134	653	641	13	2%	782
Housing Allowances	413	1 442	479	84	403	624	(221)	-35%	479
Other benefits and allowances	3 514	18 178	4 772	793	3 986	7 105	(3 119)	-44%	4 772
Payments in lieu of leave	1 967	1 419	732	368	873	770	103	13%	732
Long service awards	626	314	1 000	54	154	673	(520)	-77%	1 000
Post-retirement benefit obligations	(4 009)	2 099	2 934	-	-	2 250	(2 250)	-100%	2 934
Sub Total - Other Municipal Staff	168 207	187 528	192 151	14 996	153 641	159 048	(5 407)	-3%	192 151
% increase		11,5%	14,2%						14,2%
Total Parent Municipality	180 647	203 197	204 869	16 673	164 025	170 334	(6 310)	-4%	204 869
		12,5%	13,4%						13,4%
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Basic Salaries and Wages	-	350	350	-	-	292	(292)	-100%	350
Sub Total - Board Members of Entities	-	350	350	-	-	292	(292)	-100%	350
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of Entities									
Basic Salaries and Wages	-	2 000	1 000	-	-	1 067	(1 067)	-100%	1 000
Sub Total - Senior Managers of Entities	-	2 000	1 000	-	-	1 067	(1 067)	-100%	1 000
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Other Staff of Entities									
Basic Salaries and Wages	-	5 283	5 283	-	-	4 403	(4 403)	-100%	5 283
Pension and UIF Contributions	-	1 380	1 380	-	-	1 150	(1 150)	-100%	1 380
Medical Aid Contributions	-	450	450	-	-	375	(375)	-100%	450
Performance Bonus	-	500	500	-	-	417	(417)	-100%	500
Other benefits and allowances	-	100	100	-	-	83	(83)	-100%	100
Payments in lieu of leave	-	40	40	-	-	33	(33)	-100%	40
Sub Total - Other Staff of Entities	-	7 753	7 753	-	-	6 461	(6 461)	-100%	7 753
% increase		#DIV/0!	#DIV/0!						#DIV/0!
Total Municipal Entities	-	10 103	9 103	-	-	7 819	(7 819)	-100%	9 103
TOTAL SALARY, ALLOWANCES & BENEFITS	180 647	213 300	213 972	16 673	164 025	178 153	(14 129)	-8%	213 972
% increase		18,1%	18,4%						18,4%
TOTAL MANAGERS AND STAFF	173 695	205 376	206 048	16 002	157 940	171 550	(13 610)	-8%	206 048

2.6 Material Variances to the SDBIP

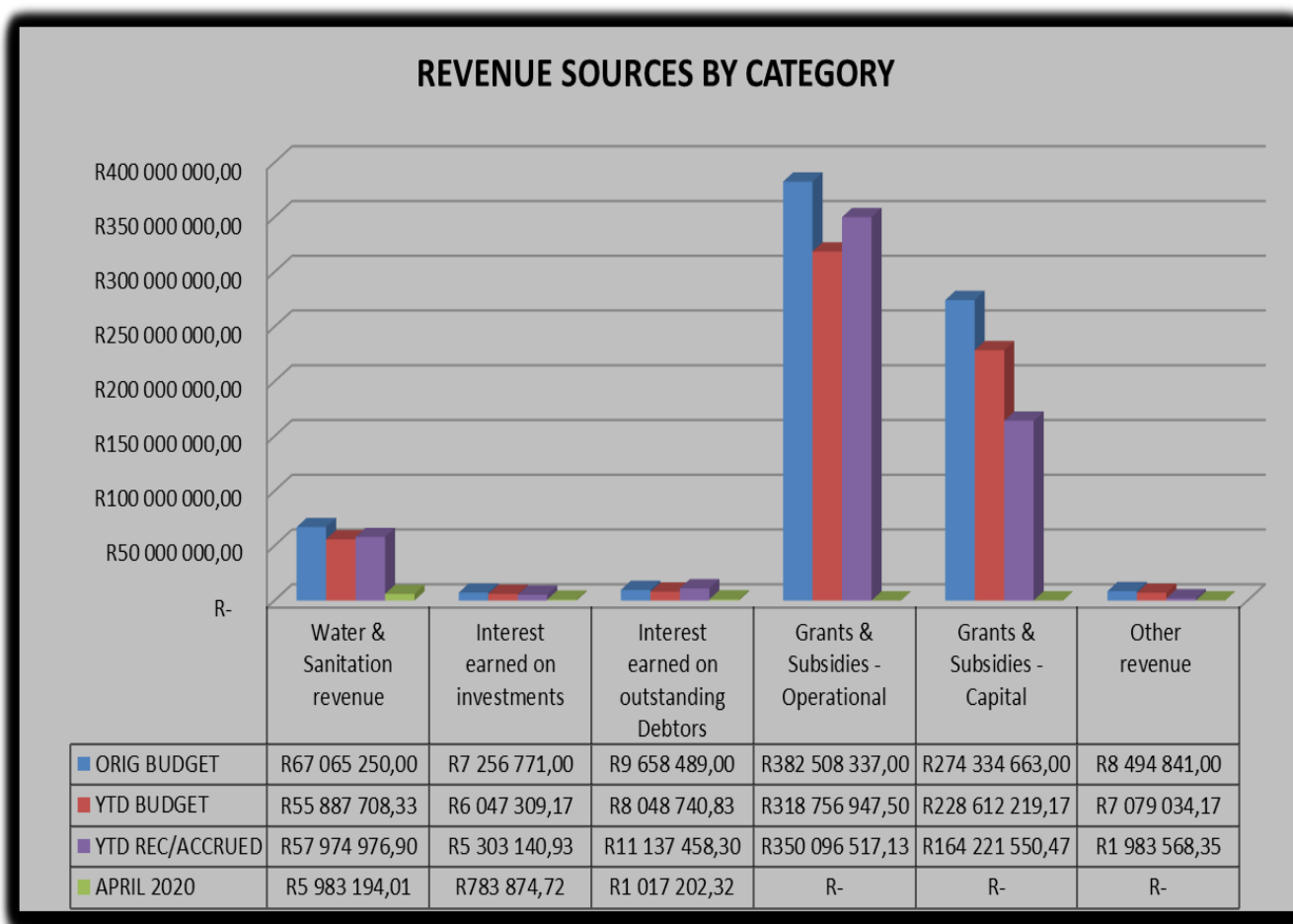
The following section analyses material variances between the actual targets as at 30 April 2020 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

REVENUE

The chart displays a comparison between the 2019/20 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to “performance” rather than “cash movements” in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

Chart 3: Revenue Analysis



Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 30 April 2020 was R57, 9million against a year to date **budget** of R55, 8million.

Interest Earned on External Investments

The year to date actual interest earned on external investments for the period ended April 2020 is R5, 3m or 88% actual against year to date budget of R6million.

Transfers Recognised - Operational

The operational grants revenue of R350million against a year to date budget of R318, 7million is largely attributable to the YTD equitable share received.

Transfers Recognised – Capital

The low expenditure trends on grant funded expenditure had resulted in a rather lower than expected recognition of Income against the set targets. The actual R182, 9million (against a YTD budget of R232, 6million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 79% performance in Conditional Capital grant funding expenditures

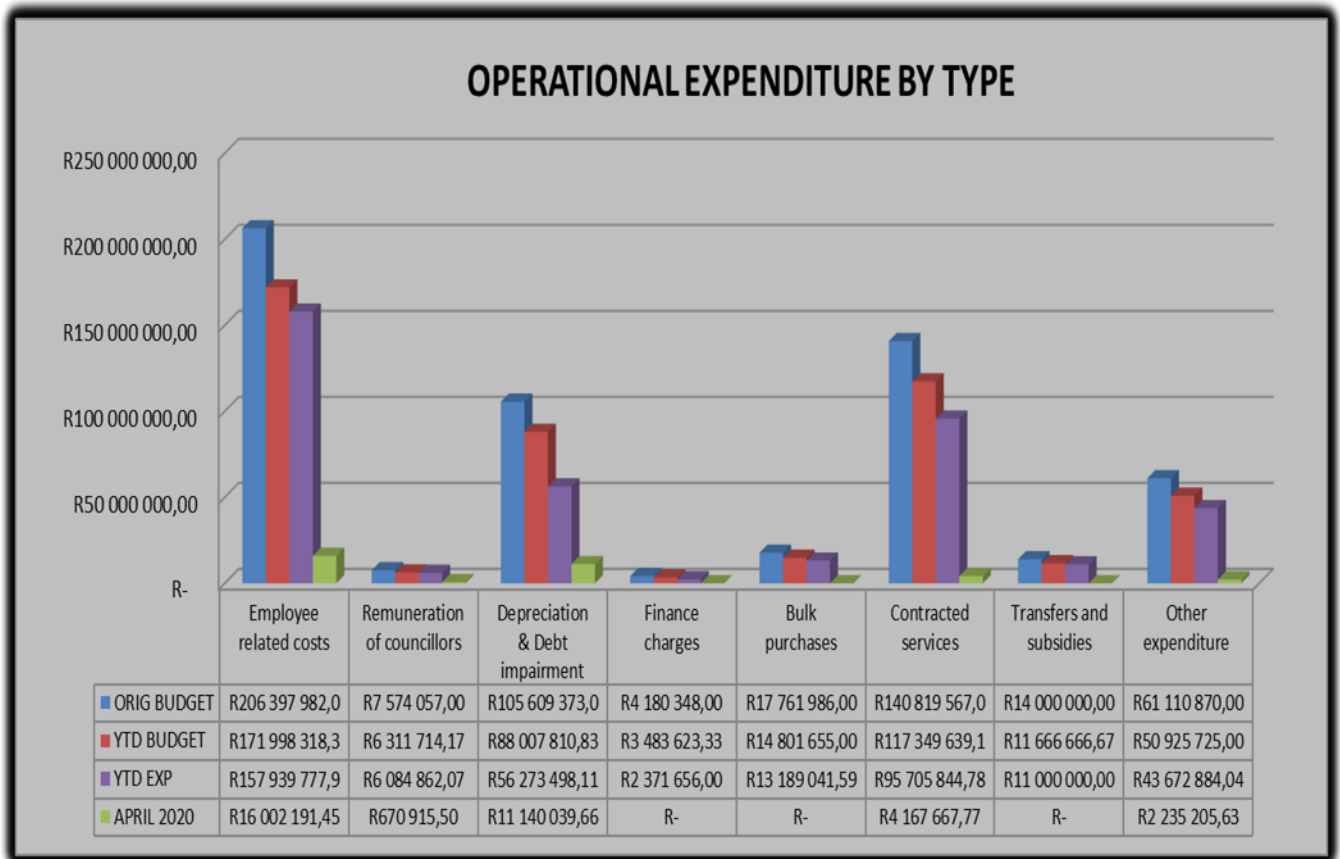
Other Revenue

The YTD performance of other revenue is R1, 9million against YTD budget of R7million representing 28 per cent performance.

OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

Chart 4: 2019/20 financial year Opex



Employee Related Costs

The YTD budget for employee related costs is R171, 9million against a YTD actual of R157, 9million which is 92% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor’s year to date expenditure is at R 5, 3million against a YTD budget of R6million representing 88% of the year to date budget.

Finance Charges

As at 30 April 2020, the year to date expenditure for finance charges is R2, 3m against the Year to Date budget of R 3, 4m representing performance of 68 per cent.

Bulk Purchases

The expenditure on Bulk Water purchases has the budget of R17, 7m and the year to date expenditure is at R 13, 1million. There was no movement for the month ending 30 April 2020. The expenditure for bulk water purchases is at 89% as at 31 March 2020.

Other Expenditure

The YTD budget for other expenditure was at R 50, 9million against a YTD expenditure of R 43, 6million and expenditure for the month of April 2020 is R2, 2million.

Performance assessment

The Performance Assessment Report will be available on the fourth quarter in terms of Sec 52 (d) of the Municipal Finance Management Act.

Actual and revised targets for cash receipts

DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M10 April

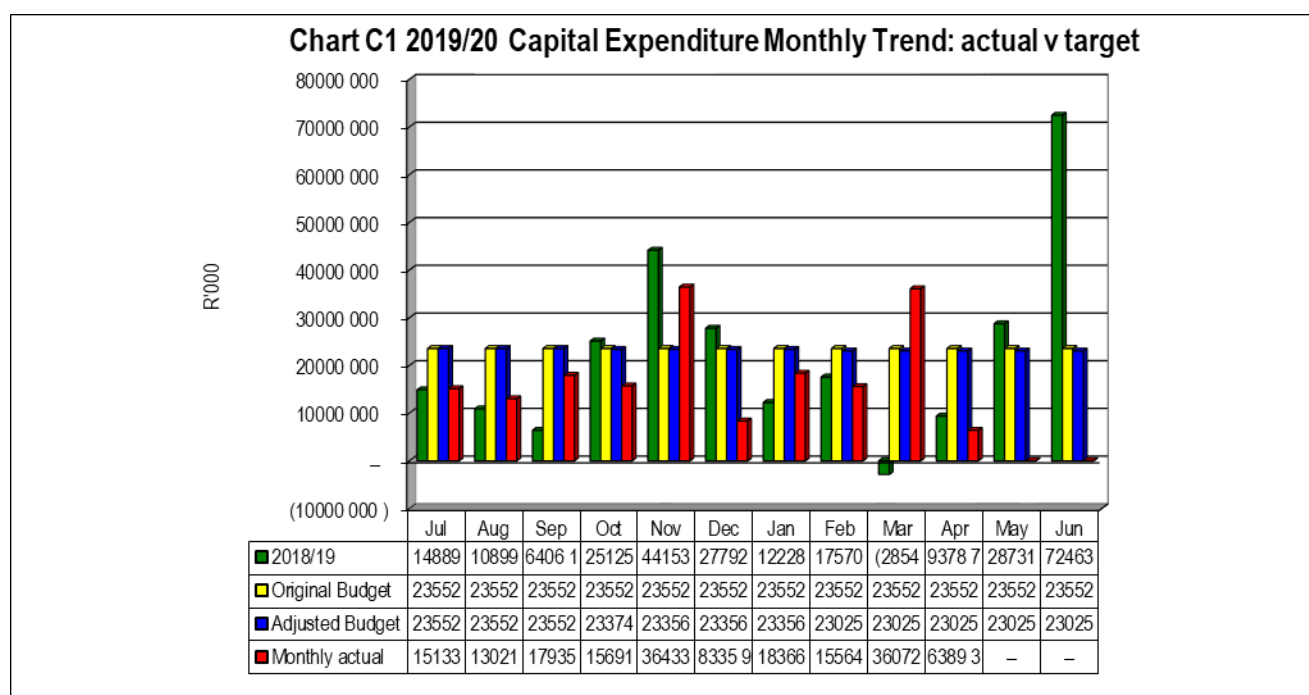
Description	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Budget	June Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
R thousands															
Cash Receipts By Source															
Property rates												-			
Service charges - water revenue	3 341	3 133	3 401	3 529	3 385	2 355	3 119	3 119	3 103	2 456	2 700	2 753	36 393	36 089	38 507
Service charges - sanitation revenue	1 432	1 343	1 457	1 502	1 451	1 009	1 337	1 337	1 330	1 087	1 100	1 213	15 597	14 842	15 838
Interest earned - external investments	354	969	910	673	565	390	293	378	-	713	1 203	810	7 257	10 238	10 852
Transfers and Subsidies - Operational	145 208	3 980		3 000	2 393	71 865	-	6 301	86 327	-	121	20 712	339 907	381 076	411 995
Other revenue		276		-	858	-	35		76	3 901	1 100	5 380	11 626	823	867
Cash Receipts by Source	150 335	9 700	5 768	8 703	8 651	75 620	4 784	11 134	90 836	8 157	6 224	30 868	410 780	443 068	478 060
Other Cash Flows by Source															
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	50 000	40 000	-	-	20 000		80 000	-	105 860			(21 525)	274 335	302 870	358 946
Increase (decrease) in consumer deposits	(18)	(14)	(18)	(5)	(10)	(4)	(6)	(12)	(4)	(1)	(145)	(1 504)	(1 740)	(1 845)	-
Total Cash Receipts by Source	200 317	49 687	5 750	8 699	28 641	75 615	84 778	11 123	196 692	8 156	6 079	7 839	683 374	744 093	837 006
Cash Payments by Type															
Employee related costs	20 661	16 041	15 717	15 786	15 422	15 817	10 794	15 902	16 002	17 278	17 278	29 699	206 398	222 746	232 810
Remuneration of councillors	443	461	602	663	686	648	604	638	671	631	631	895	7 574	8 018	8 579
Interest paid	-	-	-	-	1 904	-	468	-	-	425	425	958	4 180	4 385	4 595
Bulk purchases - Water & Sewer	-	839	3 601	(993)	-	3 061	937	4 223	-	1 557	1 557	2 980	17 762	18 632	19 527
Other materials	-	23	462	1 366	1 796	1 543	(2 173)	816	749	2 083	2 083	7 318	16 065	9 113	9 432
Contracted services	5 912	5 967	8 229	11 258	7 581	12 856	10 918	12 601	4 168	14 953	14 953	31 427	140 820	118 948	132 288
General expenses	5 994	2 946	5 273	4 685	2 595	6 092	2 910	3 032	1 486	4 742	4 742	14 548	59 046	61 888	63 093
Cash Payments by Type	33 011	26 277	33 884	32 765	29 984	40 017	24 457	37 212	23 076	41 670	41 670	87 824	451 845	443 731	470 324
Other Cash Flows/Payments by Type															
Capital assets	15 134	13 021	17 935	15 692	36 401	8 336	18 366	15 564	13 973	6 389	28 234	(189 045)			
Repayment of borrowing	-	251	136	-	247	112	99	121	-	-	358	2 967	4 290	(4 400)	-
Total Cash Payments by Type	48 144	39 549	51 955	48 456	66 632	48 465	42 922	52 897	37 049	48 059	70 261	(98 254)	456 135	439 331	470 324
NET INCREASE/(DECREASE) IN CASH HELD	152 172	10 138	(46 205)	(39 758)	(37 991)	27 150	41 856	(41 775)	159 643	(39 903)	(64 182)	106 092	227 239	304 762	366 682
Cash/cash equivalents at the month/year beginning:	112 336	71 593	71 593	71 593	71 593	71 593	71 593	71 593	71 593	71 593	71 593	7 411	52 767	55 933	-
Cash/cash equivalents at the month/year end:	264 508	81 730	25 388	31 835	33 602	98 743	113 449	29 818	231 236	31 689	7 411	113 503	280 006	360 695	366 682

Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M10 April

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	14 889	23 552	23 552	15 134	15 134	23 552	8 418	35,7%	5%
August	10 900	23 552	23 552	13 021	28 155	47 104	18 949	40,2%	10%
September	6 406	23 552	23 552	17 935	46 091	70 656	24 565	34,8%	16%
October	25 125	23 552	23 374	15 692	61 782	94 030	32 248	34,3%	22%
November	44 154	23 552	23 357	36 434	98 216	117 387	19 171	16,3%	35%
December	27 793	23 552	23 357	8 336	106 552	140 744	34 192	24,3%	38%
January	12 229	23 552	23 357	18 366	124 919	164 100	39 182	23,9%	44%
February	17 570	23 552	23 026	15 564	140 483	187 126	46 644	24,9%	50%
March	(2 855)	23 552	23 026	36 072	176 555	210 152	33 597	16,0%	62%
April	9 379	23 552	23 026	6 389	182 944	233 178	50 234	21,5%	0
May	28 732	23 552	23 026	-	-	256 204	-	-	-
June	72 464	23 552	23 026	-	-	279 230	-	-	-
Total Capital expenditure	266 785	282 624	279 230	182 944					

YTD Capital Budget vs. YTD Capital Expenditure



Capital Expenditure on New Assets by Asset Class

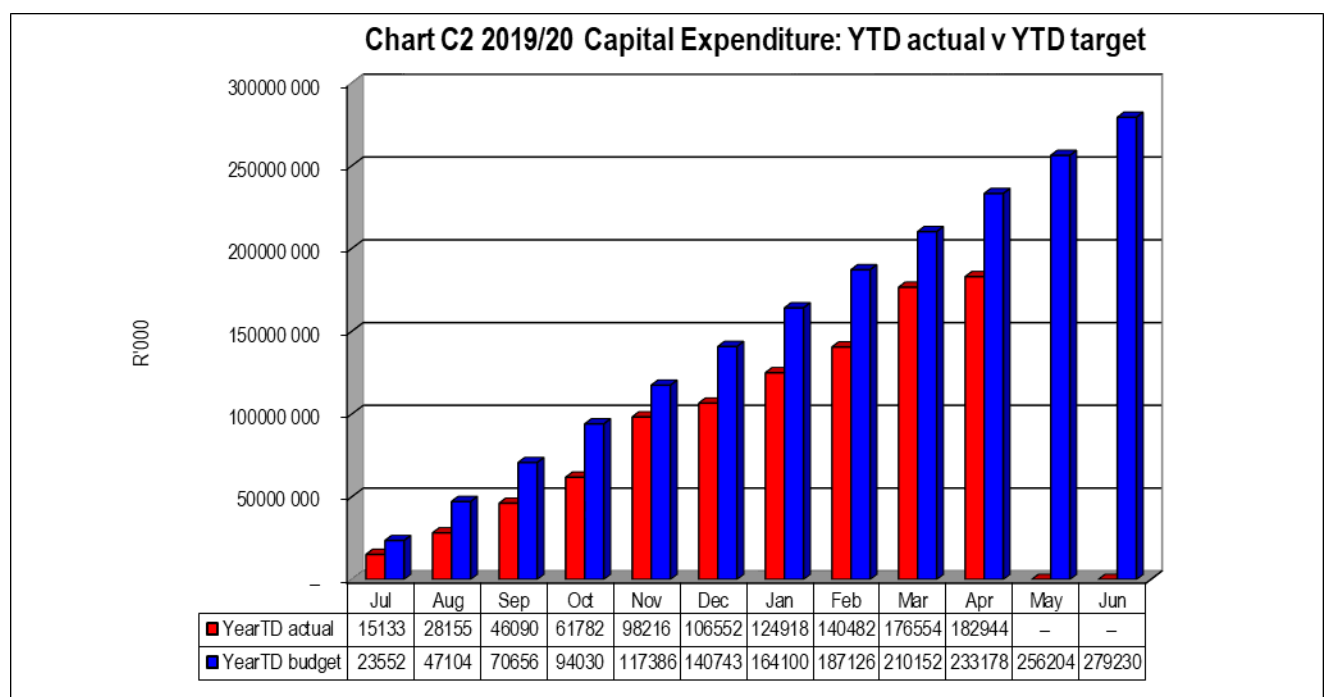
DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M10

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	72 687	96 344	116 912	1 612	69 507	92 799	23 292	25,1%	116 912
<i>Capital Spares</i>							-		
Water Supply Infrastructure	70 959	96 344	116 912	1 612	69 507	92 799	23 292	25,1%	116 912
<i>Dams and Weirs</i>	65 476	24 250	36 250	-	24 426	27 408	2 982	10,9%	36 250
<i>Boreholes</i>	3 203	2 000	10 000	-	6 703	6 467	(237)	-3,7%	10 000
<i>Reservoirs</i>	-	13 680	27 390	-	8 313	19 626	11 313	57,6%	27 390
<i>Pump Stations</i>							-		
<i>Water Treatment Works</i>	2 281	-	-	-	-	-	-		-
<i>Bulk Mains</i>	-	24 200	19 321	516	15 222	17 411	2 188	12,6%	19 321
<i>Distribution</i>	-	31 614	23 952	1 096	14 842	21 748	6 906	31,8%	23 952
<i>Distribution Points</i>							-		
<i>PRV Stations</i>							-		
<i>Capital Spares</i>	-	600	-	-	-	140	140	100,0%	-
Sanitation Infrastructure	-	-	-	-	-	-	-		-
Information and Communication Infrastructure	1 728	-	-	-	-	-	-		-
<i>Data Centres</i>	1 728	-	-	-	-	-	-		-
Community Assets	-	25	-	-	-	6	6	100,0%	-
Community Facilities	-	25	-	-	-	6	6	100,0%	-
<i>Halls</i>							-		
<i>Centres</i>	-	25	-	-	-	6	6	100,0%	-
<i>Unimproved Property</i>							-		
Other assets	-	211	-	-	-	49	49	100,0%	-
Operational Buildings	-	-	-	-	-	-	-		-
<i>Capital Spares</i>							-		
Housing	-	211	-	-	-	49	49	100,0%	-
<i>Staff Housing</i>	-	211	-	-	-	49	49	100,0%	-
Intangible Assets	-	100	-	-	-	23	23	100,0%	-
<i>Servitudes</i>							-		
<i>Licences and Rights</i>	-	100	-	-	-	23	23	100,0%	-
<i>Water Rights</i>							-		
<i>Computer Software and Applications</i>	-	100	-	-	-	23	23	100,0%	-
Computer Equipment	-	1 450	1 450	-	1 221	1 208	(13)	-1,0%	1 450
Computer Equipment	-	1 450	1 450	-	1 221	1 208	(13)	-1,0%	1 450
Furniture and Office Equipment	1 120	1 996	1 431	-	283	1 108	824	74,4%	1 431
Furniture and Office Equipment	1 120	1 996	1 431	-	283	1 108	824	74,4%	1 431
Machinery and Equipment	38	289	-	-	-	67	67	100,0%	-
Machinery and Equipment	38	289	-	-	-	67	67	100,0%	-
Total Capital Expenditure on new assets	73 845	100 415	119 793	1 612	71 011	95 261	24 250	25,5%	119 793

Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	181 384	95 857	98 238	1 237	71 761	81 805	10 044	12,3%	98 238
Roads Infrastructure	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	41 249	53 887	46 864	-	38 915	40 520	1 606	4,0%	46 864
<i>Dams and Weirs</i>	-	-	-	-	-	-	-	-	-
<i>Bulk Mains</i>	-	-	-	-	-	-	-	-	-
<i>Distribution</i>	26 126	53 887	46 864	-	38 915	40 520	1 606	4,0%	46 864
<i>Distribution Points</i>	15 123	-	-	-	-	-	-	-	-
<i>PRV Stations</i>	-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	140 135	41 970	51 374	1 237	32 846	41 284	8 438	20,4%	51 374
<i>Pump Station</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>	140 135	41 970	51 374	1 237	32 846	41 284	8 438	20,4%	51 374
<i>Outfall Sewers</i>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	85	158	158	-	-	132	132	100,0%	158
Machinery and Equipment	85	158	158	-	-	132	132	100,0%	158
Transport Assets	11 472	1 500	800	-	-	741	741	100,0%	800
Transport Assets	11 472	1 500	800	-	-	741	741	100,0%	800
Total Capital Expenditure on renewal of existing assets	192 941	97 515	99 196	1 237	71 761	82 678	10 917	13,2%	99 196



2.7 Municipal Manager's Quality's Certificate

Quality Certificate

I, Adelaide Nomnandi Dlamini, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement

For the month of April 2020 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Adelaide Nomnandi Dlamini

Municipal Manager of: Harry Gwala District Municipality

Signed_____

Date_____