



Monthly Budget Statement

October 2015

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 October 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.

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 monthly 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 month ended 31 October 2015 will be tabled in a separate comprehensive report to council.

1.1.2 Financial problems or risks facing the municipality

None. All the major sources of revenue are currently within acceptable norms.

1.1.3 Other relevant information

Actual operating revenue at the end of October 2015 is at 31.3% of the budgeted revenue. The expenditure reflects spending of 23.44% against the budgeted expenditure. Capital expenditure amounts to R4, 895m, or 8.55%, at the end of October 2015.

Outstanding consumer debtors remain stable and only reflect the year-on-year increase from increased tariffs as from 1 July 2015.

The positive cash flow remains stable.

Resolutions

IN-YEAR REPORTS 2015/2016

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

RECOMMENDATION:

1. That the report for the month ended 31 October 2015, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003, **be noted**.

Executive Summary

Revenue by Source

The Year-to-Date actual revenue is 12% more than the YTD budget projections at the end of October 2015 as a result of the annual rates that were levied in July 2015.

Borrowings

The balance of borrowings amounts to R2, 921, 458 at the end of October 2015.

Operating expenditure by vote & type

Current expenditure is 6 % below YTD budget projections as at October 2015.

Capital expenditure

YTD Capital Expenditure amounts to R10, 383m, or 18.13% of a total budget of R57.273m.

Cash flows

The municipality started the year with a positive cashbook balance of R18.448 million. The 31 October 2015 closing balance is R20.356 million. Refer to Table C7 for more details on the cash position.

Allocations received (National & Provincial Grants)

Municipal Infrastructure Grant funding of R6.090m was received for the period ended 31 October 2015. Energy Efficiency and demand side management grant received to date is R2m.

Spending on Grants

Spending on grants amounts to R11.306m for the year to date ended October 2015 which includes Equitable Share, FMG, MSIG, EPWP and MIG.

Implementation of Supply Chain Management Policy:

Monthly report for the month of October 2015 on deviations within 10 working days in terms of SCM Regulation 36(2):

MONTHLY DEVIATION : OCTOBER 2015					
DATE	SUPPLIER'NAME	DESCRIPTION DEPT	AMOUNT	ORDER NO	DEV NO
08/10/2015	Motor Mech	Tech:repairs BSF209NC	13 438.00	16596	1081
14/10/2015	FG Uniforms	Traffic: Uniforms	11 008.93	14343	1082
15/10/2015	CAS Bande CCT/Fit	1Tyre BSF 241NC	12 601.00	16756	1083
16/10/2015	Heholdt's elect wholes	Tech: Electric network	11 692.44	16580	1084
20/10/2015	High Voltage Technology	Elec: 50KVA Transformer	73 284.90	16590	1085
27/10/2015	Conlog	Elect:Cards	52 330.56	16828	1086
29/10/2015	Ubertech	Finance:Server& instal printer	23 058.78	16832	1087
29/10/2015	De Wits Instalers	Server:Install new aircon	11 142.23	16568	1088
09/10/2015	Fujitsu	Finance:implementation plan MSCOA	178 752.00	16817	1089
12/10/2015	OVK	Water services:Tools	10 233.78	16578	1090
29/10/2015	Ubertech		23 058.78	16832	1091
			420 601.40		

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

Month	AMOUNT
October	166 371.00

TENDERS AWARDED FOR MONTH: BID APPROVED

MONTHS	Name of Bid	Amount Tendered VAT inclusive	Bidder awarded to	Date awarded	Date approval
October 2015	none				

Material variances

The table below summarises variances for projected revenue and expenditure.

NC072 Umsobomvu - Supporting Table SC1 Material variance explanations - M04 October

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands			
Revenue By Source			
Property rates	1 030	Annual property rates are levied in July for the whole financial year.	The variance will decrease as monthly property rates are levied throughout the year.
Property rates - penalties & collection charges	19	Some of the annual rates payers have not settled their accounts.	Credit control will be implemented in order to make follow ups.
Service charges - electricity revenue	(2 324)	This is due to consumers trying to save power.	Meters are being inspected and changed where necessary.
Service charges - water revenue	643		
Service charges - sanitation revenue	61		
Service charges - refuse revenue	6		
Service charges - other	-		
Rental of facilities and equipment	(5)		
Interest earned - external investments	(10)		
Interest earned - outstanding debtors	176	There has been a decrease in collection rate.	We have filled the vacancies that resulted in the decrease in collection rate.
Dividends received	-		
Fines	882	Effective traffic services	Will be adjusted during adjustment budget.
Licences and permits	456	More booking for learner's and driving licences.	Will be adjusted during adjustment budget.
Agency services	-		
Transfers recognised - operational	4 948		
Other revenue	(1 217)		
Gains on disposal of PPE	-		
Expenditure By Type			
Employee related costs	(1 774)	There are still few vacancies.	This will improve as soon as we have filled the vacancies.
Remuneration of councillors	(55)		
Debt impairment	(79)		
Depreciation & asset impairment	(3)		
Finance charges	2		
Bulk purchases	(98)		
Other materials	-		
Contracted services	-		
Transfers and grants	-		
Other expenditure	(657)		
Loss on disposal of PPE	(0)		
Capital Expenditure			
Governance and administration			
Executive and council	-		
Budget and treasury office	-		
Corporate services	-		
Community and public safety			
Community and social services	-		
Sport and recreation	-		
Public safety	-		
Housing	-		
Health	607		
Economic and environmental services			
Planning and development	607		
Road transport	-		
Environmental protection	9 775		
Trading services			
Electricity	9 474		
Water	301		
Waste water management	-		
Waste management	-		
Other	10 383		
Financial Position			
Cash Flow			
Measureable performance			
Municipal Entities			

Performance in relation to SDBIP targets

See the comprehensive report tabled in Council.

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

Northern Cape: Umsobomvu(NC072) - Table C1 Schedule Monthly Budget Statement Summary for M04 October 2015

Description	2014/15		Budget year 2015/16						
	Audited Outcome	Original Budget	Adjusted Budget	M04 Oct Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	8 521	8 295	8 295	592	3 814	2 765	1 049	37.94	8 295
Service charges	49 213	58 979	58 979	4 639	18 046	19 660	(1 614)	(8.21)	58 979
Investment revenue	532	422	422	10	130	141	(11)	(7.80)	422
Transfers recognised - operational	41 830	39 919	39 919	771	18 067	13 306	4 761	35.78	39 919
Other own revenue	16 573	10 478	10 478	1 019	3 785	3 493	292	8.36	10 478
Total Revenue (excl. capital transfers and contributions)	116 669	118 093	118 093	7 031	43 842	39 365	4 477	11.37	118 093
Employee costs	34 412	40 628	40 628	2 983	11 786	13 543	(1 757)	(12.97)	40 628
Remuneration of councillors	2 996	3 092	3 092	244	976	1 031	(55)	(5.33)	3 092
Depreciation and asset impairment	28 622	23 844	23 844	1 986	7 945	7 948	(3)	(.04)	23 844
Finance charges	384	310	310	25	106	103	3	2.91	310
Materials and bulk purchases	18 731	21 284	21 284	1 446	6 997	7 095	(98)	(1.38)	21 284
Transfers and grants	0	8 967	8 967	0	0	2 989	(2 989)	(100.00)	8 967
Other expenditure	44 165	37 134	37 134	4 036	14 613	12 378	2 235	18.06	37 134
Total Expenditure	129 310	135 259	135 259	10 720	42 423	45 087	(2 664)	(5.91)	135 259
Surplus/(Deficit)	(12 641)	(17 166)	(17 166)	(3 689)	1 419	(5 722)	7 141	(124.80)	(17 166)
Transfers recognised - capital	32 114	55 563	55 563	0	0	18 521	(18 521)	(100.00)	55 563
Contributions recognised - capital and contributed assets	0	0	0	0	0	0	0	.00	0
Surplus/(Deficit) after capital transfers and contributions	19 473	38 397	38 397	(3 689)	1 419	12 799	(11 380)	(88.91)	38 397
Share of surplus/ (deficit) of associate	0	0	0	0	0	0	0	.00	0
Surplus/(Deficit) for the year	19 473	38 397	38 397	(3 689)	1 419	12 799	(11 380)	(88.91)	38 397
Capital expenditure and funds sources									
Capital expenditure	39 695	57 273	57 273	5 488	10 383	19 091	(8 708)	(45.61)	57 273
Transfers recognised - capital	38 964	55 563	55 563	5 488	10 383	18 521	(8 138)	(43.94)	55 563
Public contributions and donations	456	0	0	0	0	0	0	.00	0
Borrowing	0	0	0	0	0	0	0	.00	0
Internally generated funds	275	1 710	1 710	0	0	570	(570)	(100.00)	1 710
Total sources of capital funds	39 695	57 273	57 273	5 488	10 383	19 091	(8 708)	(45.61)	57 273
Financial position									
Total current assets	69 265	54 737	54 737	61 789	61 789	18 246	43 543	238.64	54 737
Total non current assets	515 047	597 522	597 522	520 203	520 203	199 174	321 029	161.18	597 522
Total current liabilities	36 329	800	800	32 983	32 983	267	32 716	12 253.18	800
Total non current liabilities	26 188	22 453	22 453	27 716	27 716	7 484	20 232	270.34	22 453
Community wealth/Equity	521 795	629 006	629 006	521 293	521 293	209 669	311 624	148.63	629 006
Cash flows									
Net cash from (used) operating	38 833	58 818	58 818	9 485	13 382	(3 823)	17 205	(450.04)	58 818
Net cash from (used) investing	(39 289)	(50 007)	(50 007)	(5 488)	(10 383)	(36 893)	26 510	(71.86)	(50 007)
Net cash from (used) financing	(1 043)	(670)	(670)	(76)	(1 092)	(223)	(869)	389.69	(670)
Cash/cash equivalents at the year end	18 448	17 452	17 452	20 356	20 356	(31 630)	51 986	(164.36)	17 452

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

Northern Cape: Umsobomvu(NC072) - Table C2 Monthly Budget Statement - Financial Performance (standard classification) for M04 October 2015

Standard Classification Description	Ref	2014/15	Budget year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	M04 Oct Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
Governance and Administration		47 518	50 600	50 600	650	21 416	16 867	4 549	26.97	50 600
Executive & Council		32 382	34 931	34 931	0	14 556	11 644	2 912	25.01	34 931
Budget & Treasury Office		15 124	15 649	15 649	648	6 855	5 216	1 639	31.42	15 649
Corporate Services		12	20	20	2	5	7	(2)	(28.57)	20
Community and Public Safety		13 637	6 086	6 086	1 543	3 587	2 028	1 559	76.87	6 086
Community & Social Services		5 802	2 833	2 833	868	1 160	944	216	22.88	2 833
Sport And Recreation		0	0	0	0	0	0	0	.00	0
Public Safety		7 429	3 253	3 253	675	2 427	1 084	1 343	123.89	3 253
Housing		406	0	0	0	0	0	0	.00	0
Health		0	0	0	0	0	0	0	.00	0
Economic and Environmental Services		7 719	1 061	1 061	6	27	353	(326)	(92.35)	1 061
Planning and Development		0	1	1	0	0	0	0	.00	1
Road Transport		7 719	1 060	1 060	6	27	353	(326)	(92.35)	1 060
Environmental Protection		0	0	0	0	0	0	0	.00	0
Trading Services		79 910	115 909	115 909	4 832	18 811	38 637	(19 826)	(51.31)	115 909
Electricity		25 025	38 927	38 927	2 108	8 281	12 976	(4 695)	(36.18)	38 927
Water		39 977	51 252	51 252	1 415	5 334	17 084	(11 750)	(68.78)	51 252
Waste Water Management		8 599	19 209	19 209	750	2 965	6 403	(3 438)	(53.69)	19 209
Waste Management		6 309	6 521	6 521	559	2 231	2 174	57	2.62	6 521
Other	4	0	0	0	0	0	0	0	.00	0
Total Revenue - Standard	2	148 784	173 656	173 656	7 031	43 841	57 885	(14 044)	(24.26)	173 656
Expenditure - Standard										
Governance and Administration		36 815	46 318	46 318	3 407	12 991	15 439	(2 448)	(15.86)	46 318
Executive & Council		17 470	20 464	20 464	1 445	5 698	6 821	(1 123)	(16.46)	20 464
Budget & Treasury Office		13 658	20 270	20 270	1 382	5 189	6 757	(1 568)	(23.21)	20 270
Corporate Services		5 687	5 584	5 584	580	2 104	1 861	243	13.06	5 584
Community and Public Safety		13 963	13 413	13 413	1 196	4 381	4 470	(89)	(1.99)	13 413
Community & Social Services		5 486	5 872	5 872	486	1 850	1 957	(107)	(5.47)	5 872
Sport And Recreation		925	2 745	2 745	59	294	915	(621)	(67.87)	2 745
Public Safety		7 034	4 135	4 135	602	2 049	1 378	671	48.69	4 135
Housing		518	661	661	49	188	220	(32)	(14.55)	661
Health		0	0	0	0	0	0	0	.00	0
Economic and Environmental Services		16 286	11 080	11 080	896	3 574	3 693	(119)	(3.22)	11 080
Planning and Development		0	0	0	0	0	0	0	.00	0
Road Transport		16 286	11 080	11 080	896	3 574	3 693	(119)	(3.22)	11 080
Environmental Protection		0	0	0	0	0	0	0	.00	0
Trading Services		62 245	64 447	64 447	5 223	21 477	21 482	(5)	(.02)	64 447
Electricity		23 576	27 466	27 466	1 881	8 967	9 155	(188)	(2.05)	27 466
Water		23 604	22 094	22 094	2 243	8 010	7 365	645	8.76	22 094
Waste Water Management		8 935	9 814	9 814	674	2 774	3 271	(497)	(15.19)	9 814
Waste Management		6 130	5 073	5 073	425	1 726	1 691	35	2.07	5 073
Other	4	0	0	0	0	0	0	0	.00	0
Total Expenditure - Standard	3	129 309	135 258	135 258	10 722	42 423	45 084	(2 661)	(5.90)	135 258
Surplus/(Deficit) for the year		19 475	38 398	38 398	(3 691)	1 418	12 801	(11 383)	(88.92)	38 398

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)

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	Budget Year 2015/16								
		2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		32 382	34 931	34 931	-	14 556	11 644	2 912	25.0%	34 931
Vote 2 - FINANCE & ADMIN		15 135	15 669	15 669	649	6 860	5 223	1 637	31.3%	16 790
Vote 3 - COMMUNITY SERVICES		13 637	6 087	6 087	1 543	3 587	2 029	1 558	76.8%	4 966
Vote 4 - TECHNICAL SERVICES		87 629	116 969	116 969	4 838	18 838	38 990	(20 151)	-51.7%	116 969
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]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	148 783	173 656	173 656	7 030	43 841	57 885	(14 044)	-24.3%	173 656
Expenditure by Vote	1									
Vote 1 - EXECUTIVE & COUNCIL		17 470	20 464	20 464	1 445	5 698	6 821	(1 124)	-16.5%	20 464
Vote 2 - FINANCE & ADMIN		19 345	25 855	25 855	1 962	7 293	8 618	(1 325)	-15.4%	27 894
Vote 3 - COMMUNITY SERVICES		13 963	13 414	13 414	1 196	4 381	4 471	(91)	-2.0%	11 375
Vote 4 - TECHNICAL SERVICES		78 531	75 526	75 526	6 119	25 051	25 175	(125)	-0.5%	75 526
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]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	129 310	135 258	135 258	10 721	42 422	45 086	(2 664)	-5.9%	135 258
Surplus/ (Deficit) for the year	2	19 473	38 398	38 398	(3 690)	1 420	12 799	(11 379)	-88.9%	38 398

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) - M04 October

Description	2014/15	Budget Year 2015/16							
	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	8 313	8 117	8 117	563	3 735	2 706	1 030	38%	8 117
Property rates - penalties & collection charges	208	179	179	28	78	60	19	32%	179
Service charges - electricity revenue	23 163	31 276	31 276	2 073	8 102	10 425	(2 324)	-22%	31 276
Service charges - water revenue	12 260	13 110	13 110	1 325	5 013	4 370	643	15%	13 110
Service charges - sanitation revenue	7 816	8 259	8 259	711	2 814	2 753	61	2%	8 259
Service charges - refuse revenue	5 974	6 333	6 333	530	2 117	2 111	6	0%	6 333
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	1 046	1 103	1 103	92	362	368	(5)	-1%	1 103
Interest earned - external investments	532	422	422	10	130	141	(10)	-7%	422
Interest earned - outstanding debtors	1 980	1 806	1 806	197	778	602	176	29%	1 806
Dividends received	-	-	-	-	-	-	-	-	-
Fines	4 685	2 521	2 521	472	1 723	840	882	105%	2 521
Licences and permits	2 774	757	757	203	708	252	456	181%	757
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	35 708	39 356	39 356	771	18 067	13 119	4 948	38%	39 356
Other revenue	6 089	4 290	4 290	54	213	1 430	(1 217)	-85%	4 290
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	110 547	117 530	117 530	7 030	43 841	39 177	4 665	12%	117 530
Expenditure By Type									
Employee related costs	34 412	40 680	40 680	2 983	11 786	13 560	(1 774)	-13%	40 680
Remuneration of councillors	2 996	3 092	3 092	244	976	1 031	(55)	-5%	3 092
Debt impairment	3 786	5 458	5 458	435	1 741	1 819	(79)	-4%	5 458
Depreciation & asset impairment	28 622	23 844	23 844	1 986	7 945	7 948	(3)	0%	23 844
Finance charges	384	310	310	25	106	103	2	2%	310
Bulk purchases	18 731	21 284	21 284	1 446	6 997	7 095	(98)	-1%	21 284
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	40 263	40 589	40 589	3 601	12 872	13 530	(657)	-5%	40 589
Loss on disposal of PPE	115	1	1	-	-	0	(0)	-100%	1
Total Expenditure	129 310	135 258	135 258	10 721	42 422	45 086	(2 664)	-6%	135 258
Surplus/(Deficit)									
Transfers recognised - capital	38 236	56 126	56 126	-	-	18 709	(18 709)	(0)	56 126
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	19 473	38 398	38 398	(3 690)	1 420	12 799			38 398
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	19 473	38 398	38 398	(3 690)	1 420	12 799			38 398
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	19 473	38 398	38 398	(3 690)	1 420	12 799			38 398
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	19 473	38 398	38 398	(3 690)	1 420	12 799			38 398

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 12% above the YTD budget and current expenditure is 6% below the YTD budget for 2015/2016.

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

Northern Cape: Umsobomvu(NC072) - Table C5 Monthly Budget Statement - Capital Expenditure by Standard Classification and Funding for M04 October 2015									
Description	2014/15	Budget year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	M04 Oct Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands									
Capital Expenditure - Standard									
Governance and Administration	227	1 710	1 710	0	0	570	(570)	(100.00)	1 710
Executive & Council	34	0	0	0	0	0	0	.00	0
Budget & Treasury Office	180	1 550	1 550	0	0	517	(517)	(100.00)	1 550
Corporate Services	13	160	160	0	0	53	(53)	(100.00)	160
Community and Public Safety	4 550	0	0	0	0	0	0	.00	0
Community & Social Services	4 144	0	0	0	0	0	0	.00	0
Sport And Recreation	0	0	0	0	0	0	0	.00	0
Public Safety	0	0	0	0	0	0	0	.00	0
Housing	406	0	0	0	0	0	0	.00	0
Health	0	0	0	0	0	0	0	.00	0
Economic and Environmental Services	4 829	1 000	1 000	341	607	333	274	82.28	1 000
Planning and Development	0	0	0	0	0	0	0	.00	0
Road Transport	4 829	1 000	1 000	341	607	333	274	82.28	1 000
Environmental Protection	0	0	0	0	0	0	0	.00	0
Trading Services	30 090	54 563	54 563	5 147	9 775	18 188	(8 413)	(46.26)	54 563
Electricity	1 344	7 000	7 000	0	0	2 333	(2 333)	(100.00)	7 000
Water	28 746	36 872	36 872	5 147	9 474	12 291	(2 817)	(22.92)	36 872
Waste Water Management	0	10 691	10 691	0	301	3 564	(3 263)	(91.55)	10 691
Waste Management	0	0	0	0	0	0	0	.00	0
Other	0	0	0	0	0	0	0	.00	0
Total Capital Expenditure - Standard	39 696	57 273	57 273	5 488	10 382	19 091	(8 709)	(45.62)	57 273
Funded by:									
National Government	38 964	55 563	55 563	5 488	10 383	18 521	(8 138)	(43.94)	55 563
Provincial Government	0	0	0	0	0	0	0	.00	0
District Municipality	0	0	0	0	0	0	0	.00	0
Other transfers and grants	0	0	0	0	0	0	0	.00	0
Transfers recognised - capital	38 964	55 563	55 563	5 488	10 383	18 521	(8 138)	(43.94)	55 563
Public contributions and donations	456	0	0	0	0	0	0	.00	0
Borrowing	0	0	0	0	0	0	0	.00	0
Internally generated funds	275	1 710	1 710	0	0	570	(570)	(100.00)	1 710
Total Capital Funding	39 695	57 273	57 273	5 488	10 383	19 091	(8 708)	(45.61)	57 273

Capital expenditure is 45.62% below the YTD budget at October 2015.

Table C6: Monthly Budget Statement - Financial Position

Northern Cape: Umsobomvu(NC072) - Table C6 Monthly Budget Statement - Financial Position for M04 October 2015									
Description	2014/15	Budget year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	M04 Oct Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands									
ASSETS									
Current assets									
Cash	12 505	20 040	20 040	14 318	14 318	6 680	7 638	114.34	20 040
Call investment deposits	5 943	6 000	6 000	6 037	6 037	2 000	4 037	201.85	6 000
Consumer debtors	43 345	28 697	28 697	49 022	49 022	9 566	39 456	412.46	28 697
Other debtors	7 075	0	0	(7 983)	(7 983)	0	(7 983)	.00	0
Current portion of long-term receivables	3	0	0	0	0	0	0	.00	0
Inventory	394	0	0	394	394	0	394	.00	0
Total Current assets	69 265	54 737	54 737	61 788	61 788	18 246	43 542	238.64	54 737
Non current assets									
Long-term receivables	0	0	0	0	0	0	0	.00	0
Investments	0	0	0	0	0	0	0	.00	0
Investment property	2 061	1 655	1 655	2 061	2 061	552	1 509	273.37	1 655
Investment in Associate	0	0	0	0	0	0	0	.00	0
Property, plant and equipment	512 927	594 317	594 317	518 078	518 078	198 106	319 972	161.52	594 317
Agricultural	0	0	0	0	0	0	0	.00	0
Biological	0	0	0	0	0	0	0	.00	0
Intangible	59	1 550	1 550	64	64	517	(453)	(87.62)	1 550
Other non-current assets	0	0	0	0	0	0	0	.00	0
Total Non current assets	515 047	597 522	597 522	520 203	520 203	199 175	321 028	161.18	597 522
TOTAL ASSETS	584 312	652 259	652 259	581 991	581 991	217 421	364 570	167.68	652 259
LIABILITIES									
Current liabilities									
Bank overdraft	0	0	0	0	0	0	0	.00	0
Borrowing	911	800	800	0	0	267	(267)	(100.00)	800
Consumer deposits	742	0	0	754	754	0	754	.00	0
Trade and other payables	33 735	0	0	32 229	32 229	0	32 229	.00	0
Provisions	941	0	0	0	0	0	0	.00	0
Total Current liabilities	36 329	800	800	32 983	32 983	267	32 716	12 253.18	800
Non current liabilities									
Borrowing	2 279	2 857	2 857	2 867	2 867	952	1 915	201.16	2 857
Provisions	23 909	19 596	19 596	24 850	24 850	6 532	18 318	280.43	19 596
Total Non current liabilities	26 188	22 453	22 453	27 717	27 717	7 484	20 233	270.35	22 453
TOTAL LIABILITIES	62 517	23 253	23 253	60 700	60 700	7 751	52 949	683.12	23 253
NET ASSETS	521 795	629 006	629 006	521 291	521 291	209 670	311 621	148.62	629 006
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	521 795	629 006	629 006	521 293	521 293	209 669	311 624	148.63	629 006
Reserves	0	0	0	0	0	0	0	.00	0
Minorities interests	0	0	0	0	0	0	0	.00	0
TOTAL COMMUNITY WEALTH/EQUITY	521 795	629 006	629 006	521 293	521 293	209 669	311 624	148.63	629 006

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

Table C7: Monthly Budget Statement - Cash Flow

Northern Cape: Umsobomvu(NC072) - Table C7 Monthly Budget Statement - Cash Flows for M04 October 2015									
Description	2014/15	Budget year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	M04 Oct Actual	YTD Actual	YTD Budget	YTD Variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	55 796	67 063	67 063	5 301	28 019	21 771	6 248	28.70	67 063
Government - operating	34 264	39 919	39 919	771	18 067	11 976	6 091	50.86	39 919
Government - capital	38 942	55 563	55 563	12 636	20 522	0	20 522	.00	55 563
Interest	2 512	2 228	2 228	10	130	753	(623)	(82.74)	2 228
Dividends	0	0	0	0	0	0	0	.00	0
Payments									
Suppliers and employees	(92 298)	(96 678)	(96 678)	(9 142)	(51 505)	(35 231)	(16 274)	46.19	(96 678)
Finance charges	(384)	(310)	(310)	(25)	(106)	(103)	(3)	2.91	(310)
Transfers and grants	0	(8 967)	(8 967)	(66)	(1 744)	(2 989)	1 245	(41.65)	(8 967)
NET CASH FROM/(USED) OPERATING ACTIVITIES	38 832	58 818	58 818	9 485	13 383	(3 823)	17 206	(450.07)	58 818
CASH FLOW FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	0	0	0	0	0	0	0	.00	0
Decrease in non-current debtors	0	0	0	0	0	0	0	.00	0
Decrease in other non-current receivables	0	0	0	0	0	0	0	.00	0
Decrease (increase) in non-current investments	0	0	0	0	0	0	0	.00	0
Payments									
Capital assets	(39 289)	(50 007)	(50 007)	(5 488)	(10 383)	(36 893)	26 510	(71.86)	(50 007)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(39 289)	(50 007)	(50 007)	(5 488)	(10 383)	(36 893)	26 510	(71.86)	(50 007)
CASH FLOW FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	0	0	0	0	0	0	0	.00	0
Borrowing long term/refinancing	0	0	0	0	0	0	0	.00	0
Increase (decrease) in consumer deposits	0	130	130	6	35	43	(8)	(18.60)	130
Payments									
Repayment of borrowing	(1 043)	(800)	(800)	(82)	(1 126)	(267)	(859)	321.72	(800)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 043)	(670)	(670)	(76)	(1 091)	(224)	(867)	387.05	(670)
NET INCREASE/(DECREASE) IN CASH HELD	(1 500)	8 141	8 141	3 921	1 909	(40 940)	42 849	(104.66)	8 141
Cash/cash equivalents at the year begin:	19 947	9 310	9 310	16 434	18 448	9 310	9 138	98.15	9 310
Cash/cash equivalents at the year end:	18 448	17 452	17 452	20 356	20 356	(31 630)	51 986	(164.36)	17 452

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R20. 356 million.

The municipality started the year with a positive cashbook balance of R18.448 million. The October closing balance is R20.356 million. 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

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

PART 2 – SUPPORTING DOCUMENTATION

Debtors' analysis

Supporting Table SC3 Debtors' age analysis

NC072 Umsobomvu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2015/16									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				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	545	1 050	1 004	954	29 777					33 330	30 731		14 997
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 545	558	355	217	3 293					5 969	3 510		2 034
Receivables from Non-exchange Transactions - Property Rates	1400	304	236	195	1 138	5 622					7 495	6 760		2 890
Receivables from Exchange Transactions - Waste Water Management	1500	552	461	421	399	13 939					15 772	14 338		7 458
Receivables from Exchange Transactions - Waste Management	1600	212	347	331	335	18 181					19 406	18 516		9 275
Receivables from Exchange Transactions - Property Rental Debtors	1700	(10)	87	77	77	2 838					3 069	2 915		420
Interest on Arrear Debtor Accounts	1810	-	-	-	-	6 915					6 915	6 915		-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-					-	-		-
Other	1900	(6)	0	0	0	13					8	13		1 052
Total By Income Source	2000	3 142	2 739	2 383	3 120	80 578	-	-	-	-	91 963	83 698	-	38 126
2014/15 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	267	382	259	714	678					2 301	1 392		-
Commercial	2300	1 684	641	523	499	3 361					6 709	3 860		-
Households	2400	1 191	1 716	1 601	1 907	76 539					82 954	78 446		38 126
Other	2500	-	-	-	-	-					-	-		-
Total By Customer Group	2600	3 142	2 739	2 383	3 120	80 578	-	-	-	-	91 963	83 698	-	38 126

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.

Summary of Indigent Households

Indigent Household Statistics					
	Indigent Households	Amount	Other Households	Total Households	
2015					
July	2 784	10 529 095	68 518 253	79 047 348	13.32%
August	2 784	10 996 188	69 220 829	80 217 017	13.71%
September	2 784	11 294 951	70 198 189	81 493 140	13.86%
October	2 784	11 689 724	71 264 054	82 953 778	14.09%

Summary of Debtors Age Analysis

August	2 998 513	4 213 982	2 020 680	1 861 707	78 245 687				89 340 568	4 213 982	80 107 394
September	2 936 586	2 783 764	3 666 044	1 771 923	79 705 432				90 863 748	2 783 764	81 477 354
October	3 142 269	2 739 443	2 383 141	3 120 266	80 578 086				91 963 204	2 739 443	83 698 352
November									0	0	0
December									0	0	0
January									0	0	0
February									0	0	0

Creditors' analysis

Supporting Table SC4

NC072 Umsobomvu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2015/16								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	1 810								1 810
Bulk Water	0200	-								-
PAYE deductions	0300	-								-
VAT (output less input)	0400	-								-
Pensions / Retirement deductions	0500	-								-
Loan repayments	0600	-								-
Trade Creditors	0700	-								-
Auditor General	0800	511								511
Other	0900	691								691
Total By Customer Type	1000	3 011	-	-	-	-	-	-	-	3 011

Supporting Table SC4 reflects current creditors at the end of October 2015.

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 - M04 October

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
Municipality								
CAPITAL REPLACEMENT 1	Call	Notice	Call	-	0.0%	84	-	84
HOUSING DEVELOPMENT	Call	Notice	Call	-	0.0%	151	-	151
HOUSING DEVELOPMENT	Call	Notice	Call	-		24	-	24
CAPITAL REPLACEMENT 4	3 Months	Notice	3 Months	-		124	-	124
CAPITAL REPLACEMENT	Call	Notice	Call	0		11	0	11
CAPITAL REPLACEMENT 5	Call	Notice	Call	2		392	2	394
20-7482-3674	Call	Notice	Call	-		5 249	-	5 249
Municipality sub-total				2		6 036	2	6 037

Surplus cash not immediately required is invested in 32 day 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 - M04 October

Description	2014/15	Budget Year 2015/16							
	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:	35 673	38 234	-	-	17 296	17 296	-		35 673
Equitable share	32 382	34 931		-	14 556	14 556	-		32 382
FINANCE MANAGEMENT	1 800	1 800		-	1 800	1 800	-		1 800
MSIG	934	940		-	940	940			934
MIG ADMIN - PMU	557	563							557
Energy Efficiency and Demand Management		-					-		
SUBSIDY STATE							-		
Other transfers and grants [insert description]							-		
Provincial Government:	991	1 685	-	-	-	-	-		991
DEPT ART & CULTURE (LIBRARY)	991	1 685					-		991
YOUTH PROGRAMS	-						-		-
IMMUNISATION GRANT	-						-		-
Other transfers and grants [insert description]	-						-		-
District Municipality:	-	-	-	-	-	-	-		-
DISTRICT MUNICIPALITY	-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
IEC INFRASTRUCTURE	-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	36 664	39 919	-	-	17 296	17 296	-		36 664
Capital Transfers and Grants									
National Government:	43 091	55 563	-	4 329	8 090	3 761	-		43 091
RBIG - DWAF	30 000	36 872			-		-		30 000
HOUSING PROJECTS									
EEDG	-	7 000		-	2 000	2 000			-
MIG - CAPITAL	10 591	10 691		4 329	6 090	1 761			10 591
INEP	1 500	-							1 500
EPWP	1 000	1 000		-	-	-			1 000
Provincial Government:	-	-	-	-	2	-	2	#DIV/0!	-
DISASTER	-	-	-	-	2	-	2	#DIV/0!	-
DEPRT OF SAFETY	-	-	-	-					-
EPWP	-	-	-	-					-
District Municipality:	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Kgotso Pula Nala	-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	43 091	55 563	-	4 329	8 092	3 761	2	0.1%	43 091
TOTAL RECEIPTS OF TRANSFERS & GRANTS	79 755	95 482	-	4 329	25 388	21 057	2	0.0%	79 755

Grant receipts 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 - M04 October

Description	2014/15	Budget Year 2015/16							
	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:	35 673	38 234	-	829	3 885	3 885	-		35 673
Equitable share	32 382	34 931		592	2 352	2 352	-		32 382
FINANCE MANAGEMENT	1 800	1 800		237	960	960	-		1 800
MSIG	934	940		-	573	573	-		934
MIG ADMIN - PMU	557	563		-	-				557
Energy Efficiency and Demand Management		-							-
SUBSIDY STATE									-
Other transfers and grants [insert description]									-
Provincial Government:	-	1 685	-	-	-	-	-		-
DEPT ART & CULTURE (LIBRARY)		1 685			-				-
YOUTH PROGRAMS									-
IMMUNISATION GRANT									-
Other transfers and grants [insert description]									-
District Municipality:	-	-	-	-	-	-	-		-
DISTRICT MUNICIPALITY	-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
IEC INFRASTRUCTURE	-	-	-	-	-	-	-		-
Other transfers and grants [insert description]	-	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	35 673	39 919	-	829	3 885	3 885	-		35 673
Capital expenditure of Transfers and Grants									
National Government:	43 091	55 563	-	2 503	7 421	7 421	-		43 091
RBIG - DWAF	30 000	36 872			-	-			30 000
HOUSING PROJECTS		-							-
EEDG	-	7 000			-	-			-
MIG - CAPITAL	10 591	10 691		2 229	6 777	6 777			10 591
INEP	1 500	-							1 500
EPWP	1 000	1 000		275	643	643	-		1 000
Provincial Government:	-	-	-	-	-	-	-		2 500
DISASTER									2 500
DEPRT OF SAFETY									-
EPWP									-
District Municipality:	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
Kgotso Pula Nala									-
									-
Total capital expenditure of Transfers and Grants	43 091	55 563	-	2 503	7 421	7 421	-		45 591
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	78 764	95 482	-	3 332	11 306	11 306	-		81 264

Grant expenditure is monitored against grant receipts.

Supporting Table SC7(2) – Expenditure against approved rollovers

A Roll over application was submitted to Provincial Treasury by the end of August 2015 for the unspent MIG (R6.9 million) and FMG (R132 thousand). Approval was received on 01 October 2015 from National Treasury for both grants.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

NC072 Umsobomvu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

Summary of Employee and Councillor remuneration	2014/15	Budget Year 2015/16							
	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
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages	2 563	3 092	3 092	212	850	1 031	(181)	-18%	3 092
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	224	-	-	14	56	-	56	#DIV/0!	-
Cellphone Allowance	209	-	-	17	70	-	70	#DIV/0!	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Sub Total - Councillors	2 996	3 092	3 092	244	976	1 031	(55)	-5%	3 092
% increase		3.2%	3.2%						3.2%
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages	-	-	-	-	-	-	-	-	-
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	-	-	-	-	-	-	-		-
% increase									
<u>Other Municipal Staff</u>									
Basic Salaries and Wages	25 244	29 600	29 600	2 297	8 959	9 867	(908)	-9%	29 600
Pension and UIF Contributions	3 674	4 474	4 474	332	1 309	1 491	(182)	-12%	4 474
Medical Aid Contributions	736	894	894	59	228	298	(70)	-23%	894
Overtime	1 307	1 050	1 050	102	424	350	74	21%	1 050
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	462	438	438	38	152	146	6	4%	438
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	48	13	13	3	14	4	10	233%	13
Other benefits and allowances	2 533	3 871	3 871	151	699	1 290	(591)	-46%	3 871
Payments in lieu of leave	-	-	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	298	201	201	-	-	67	(67)	-100%	201
Sub Total - Other Municipal Staff	34 302	40 540	40 540	2 983	11 786	13 513	(1 728)	-13%	40 540
% increase		18.2%	18.2%						18.2%
Total Parent Municipality	37 298	43 631	43 631	3 227	12 761	14 544	(1 783)	-12%	43 631

SDBIP

The results of the SDBIP for the fourth month ended 31 October 2015 will be included in a separate comprehensive report to be tabled in Council in January 2016.

Financial Performance

Supporting Table SC2

NC072 Umsobomvu - Supporting Table SC2 Monthly Budget Statement - performance indicators - M04 October

Description of financial indicator	Basis of calculation	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	-0.5%	17.9%	17.9%	0.2%	2.5%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure ex cl. transfers and grants	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	7.1%	0.6%	0.0%	6.7%	0.6%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	190.7%	6841.0%	0.0%	187.3%	6841.0%
Liquidity Ratio	Monetary Assets/Current Liabilities	50.8%	3254.5%	0.0%	61.7%	3254.5%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	45.6%	24.4%	0.0%	93.6%	24.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
<u>Funding of Provisions</u>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<u>Other Indicators</u>						
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	31.1%	34.6%	34.6%	26.9%	34.6%
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	26.2%	20.6%	20.6%	0.2%	2.9%
<u>IDP regulation financial viability indicators</u>						
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		18 448	26 040		20 356	26 040
Total Revenue (excluding capital transfers and contributions)		110 547	117 530	117 530	43 841	117 530
Transfers recognised - operational		35 708	39 356	39 356	18 067	39 356
Transfers recognised - capital		38 236	56 126	56 126		56 126
Debt service payments		4 246	1 428		(1 232)	(1 110)
Outstanding debtors (receivables)		50 423	28 697		41 039	28 697
Annual services revenue		49 213	58 979	58 979	18 046	
Cash + investments	Including LT investments	18 448	26 040		20 356	26 040
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 - M04 October

Month	2014/15	Budget Year 2015/16							
	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	4 733	3 250	3 250	1 148	1 148	3 250	2 102	64.7%	3%
August	4 733	3 167	3 167	1 288	2 435	6 417	3 981	62.0%	6%
September	4 733	3 167	3 167	2 459	4 895	9 583	4 689	48.9%	12%
October	4 733	3 167	3 167	5 488	10 383	12 750	2 367	18.6%	26%
November	4 733	3 167	3 167			15 917	-		
December	4 733	3 167	3 167			19 083	-		
January	4 733	3 167	3 167			22 250	-		
February	4 733	3 667	3 667			25 917	-		
March	4 733	3 667	3 667			29 583	-		
April	4 733	3 717	3 717			33 300	-		
May	4 733	3 167	3 167			36 467	-		
June	4 733	4 083	4 083			40 550	-		
Total Capital expenditure	56 792	40 550	40 550	10 383					

Other supporting documentation

Supporting Table SC13a

NC072 Umsobomvu - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M04 October

Description	2014/15	Budget Year 2015/16							
	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	41 741	55 563	-	5 488	10 383	908	(9 474)	-1043.2%	39 000
Infrastructure - Road transport	6 641	1 000	-	341	607	607	-		6 000
Roads, Pavements & Bridges	6 641	1 000	-	341	607	607	-		6 000
Storm water	-	-	-	-	-	-	-		-
Infrastructure - Electricity	1 500	7 000	-	-	-	-	-		1 500
Generation	-	-	-	-	-	-	-		-
Transmission & Reticulation	1 500	7 000	-	-	-	-	-		1 500
Street Lighting	-	-	-	-	-	-	-		-
Infrastructure - Water	33 600	36 872	-	5 147	9 474	-	(9 474)	#DIV/0!	31 500
Dams & Reservoirs	-	-	-	-	-	-	-		-
Water purification	33 600	36 872	-	5 147	9 474	-	(9 474)	#DIV/0!	31 500
Reticulation	-	-	-	-	-	-	-		-
Infrastructure - Sanitation	-	10 691	-	-	301	301	-		-
Reticulation	-	-	-	-	-	-	-		-
Sewerage purification	-	10 691	-	-	301	301	-		-
Infrastructure - Other	-	-	-	-	-	-	-		-
Waste Management	-	-	-	-	-	-	-		-
Transportation	-	-	-	-	-	-	-		-
Gas	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Community	5 000	-	-	-	-	-	-		-
Parks & gardens	-	-	-	-	-	-	-		-
Sportsfields & stadia	-	-	-	-	-	-	-		-
Swimming pools	-	-	-	-	-	-	-		-
Community halls	5 000	-	-	-	-	-	-		-
Libraries	-	-	-	-	-	-	-		-
Recreational facilities	-	-	-	-	-	-	-		-
Fire, safety & emergency	-	-	-	-	-	-	-		-
Security and policing	-	-	-	-	-	-	-		-
Buses	-	-	-	-	-	-	-		-
Clinics	-	-	-	-	-	-	-		-
Museums & Art Galleries	-	-	-	-	-	-	-		-
Cemeteries	-	-	-	-	-	-	-		-
Social rental housing	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Heritage assets	-	-	-	-	-	-	-		-
Buildings	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Other assets	85	160	-	-	-	-	-		-
General vehicles	-	160	-	-	-	-	-		-
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment	-	-	-	-	-	-	-		-
Computers - hardware/equipment	85	-	-	-	-	-	-		-
Furniture and other office equipment	-	-	-	-	-	-	-		-
Abattoirs	-	-	-	-	-	-	-		-
Markets	-	-	-	-	-	-	-		-
Civic Land and Buildings	-	-	-	-	-	-	-		-
Other Buildings	-	-	-	-	-	-	-		-
Other Land	-	-	-	-	-	-	-		-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-		-
Other	-	-	-	-	-	-	-		-
Agricultural assets	-	-	-	-	-	-	-		-
List sub-class	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
List sub-class	-	-	-	-	-	-	-		-
Intangibles	15	1 550	-	-	-	-	-		1 550
Computers - software & programming	-	-	-	-	-	-	-		-
Other	15	1 550	-	-	-	-	-		1 550
Total Capital Expenditure on new assets	46 841	57 273	-	5 488	10 383	908	(9 474)	-1043.2%	40 550

Supporting Table SC13b

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

Description	2014/15	Budget Year 2015/16							
	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	-	-	-	-	-	-	-	-	-
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									
Community	-	-	-	-	-	-	-	-	-
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									
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	-	-	-	-	-	-	-
Housing development									
Other									
Other assets	-	-	-	-	-	-	-	-	-
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									
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class									
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class									
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming									
Other									
Total Capital Expenditure on renewal of existing ass	-	-	-	-	-	-	-	-	-

Supporting Table SC13c

NC072 Umsobomvu - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	2 046	1 831	1 831	235	586	610	24	4.0%	1 831
Infrastructure - Road transport	422	370	370	48	134	123	(11)	-8.9%	370
<i>Roads, Pavements & Bridges</i>	422	370	370	48	134	123	(11)	-8.9%	370
<i>Storm water</i>	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	1 050	811	811	16	267	270	3	1.3%	811
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	916	591	591	16	267	197	(70)	-35.5%	591
<i>Street Lighting</i>	134	220	220	-	-	73	73	100.0%	220
Infrastructure - Water	351	350	350	171	174	117	(57)	-49.2%	350
<i>Dams & Reservoirs</i>	-	-	-	-	-	-	-	-	-
<i>Water purification</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	351	350	350	171	174	117	(57)	-49.2%	350
Infrastructure - Sanitation	224	300	300	-	11	100	89	89.3%	300
<i>Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>	224	300	300	-	11	100	89	89.3%	300
Infrastructure - Other	-	-	-	-	-	-	-	-	-
<i>Waste Management</i>	-	-	-	-	-	-	-	-	-
<i>Transportation</i>	-	-	-	-	-	-	-	-	-
<i>Gas</i>	-	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-	-
Community	9	30	30	3	5	10	5	53.9%	30
Parks & gardens	6	10	10	-	1	3	2	71.2%	10
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	3	20	20	3	4	7	3	45.1%	20
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	1 818	1 364	1 364	83	440	455	15	3.3%	1 364
General vehicles	686	854	854	31	286	285	(1)	-0.4%	854
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	167	298	298	11	28	99	71	71.6%	298
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	9	44	44	1	1	15	14	93.3%	44
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	955	165	165	40	124	55	(69)	-126.2%	165
Other Land	1	3	3	-	-	1	1	100.0%	3
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
<i>List sub-class</i>	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
<i>List sub-class</i>	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	3 874	3 225	3 225	320	1 030	1 075	45	4.2%	3 225

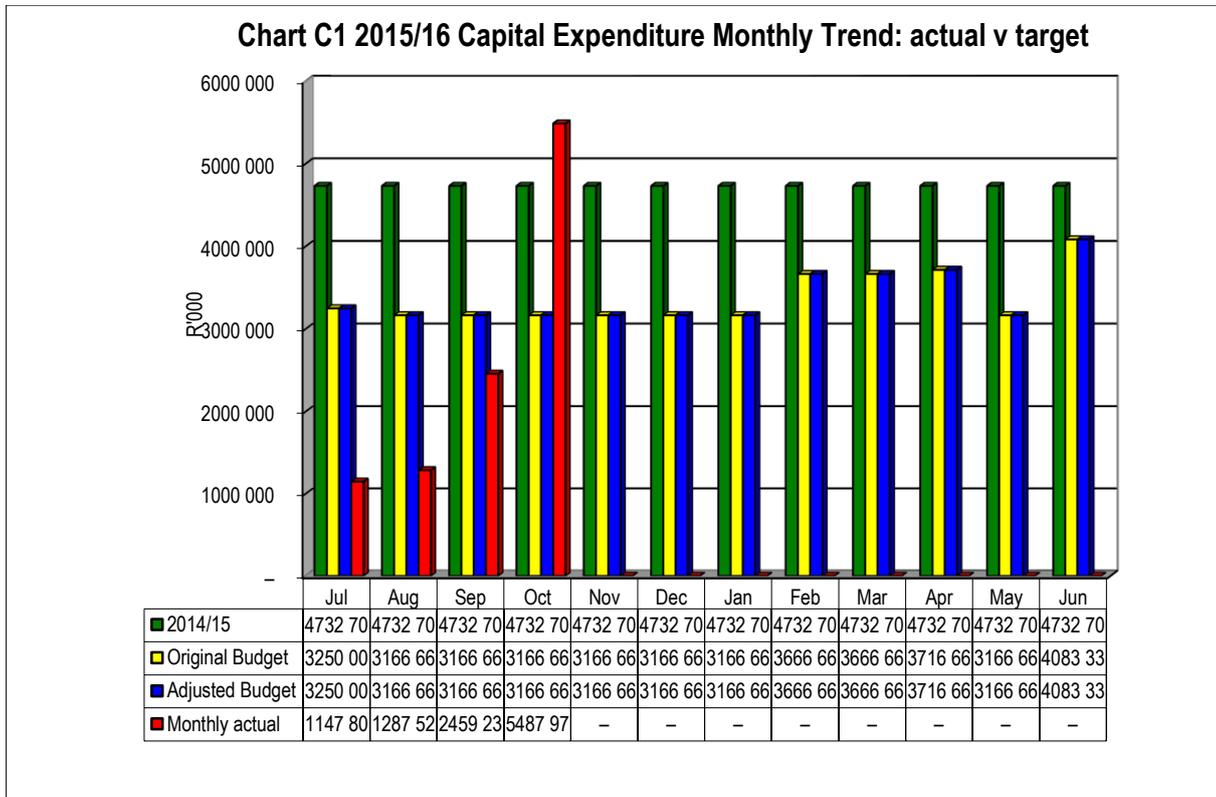
Supporting Table SC13d

NC072 Umsobomvu - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M04 October

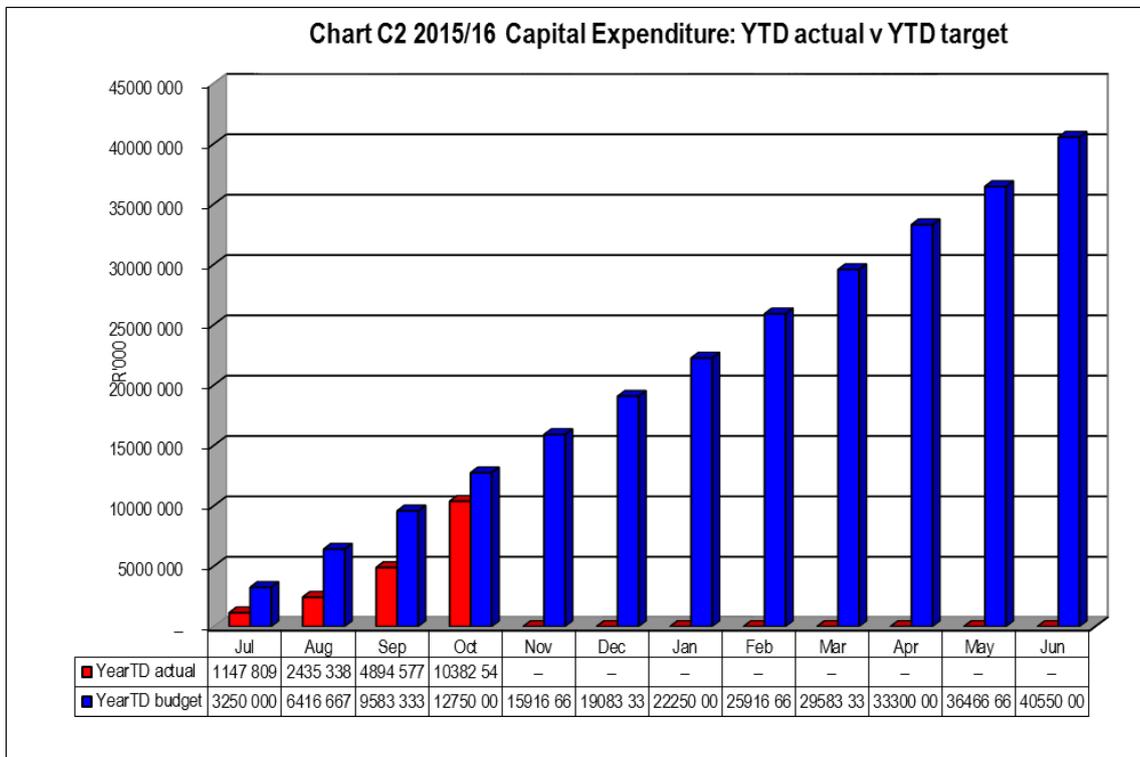
Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Depreciation by Asset Class/Sub-class</u>									
<u>Infrastructure</u>	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
<u>Community</u>	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
<u>Heritage assets</u>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<u>Investment properties</u>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<u>Other assets</u>	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
<u>Agricultural assets</u>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<u>Biological assets</u>	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
<u>Intangibles</u>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total Depreciation	-	-	-	-	-	-	-	-	-

Other supporting documentation Section 71 charts

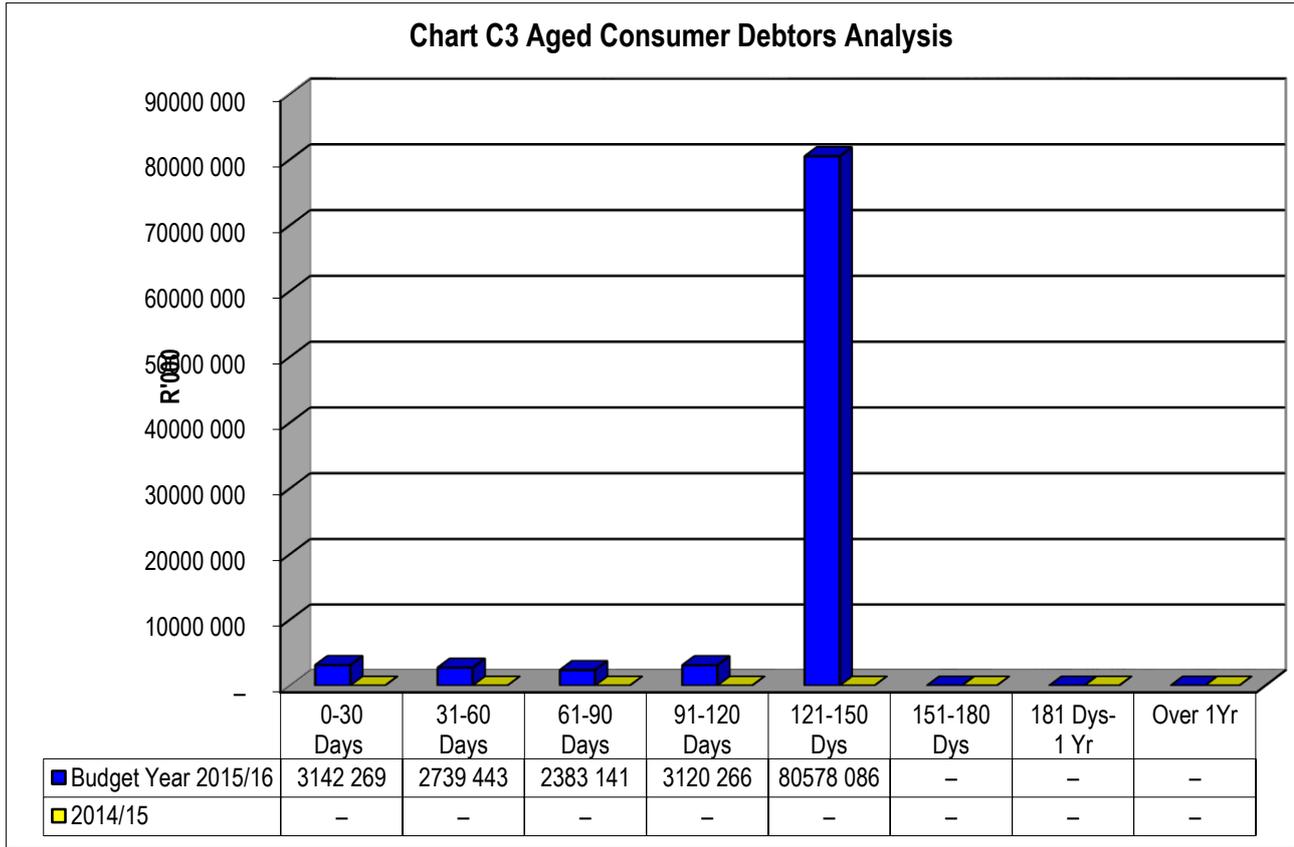
Capital expenditure monthly trend - actual vs target



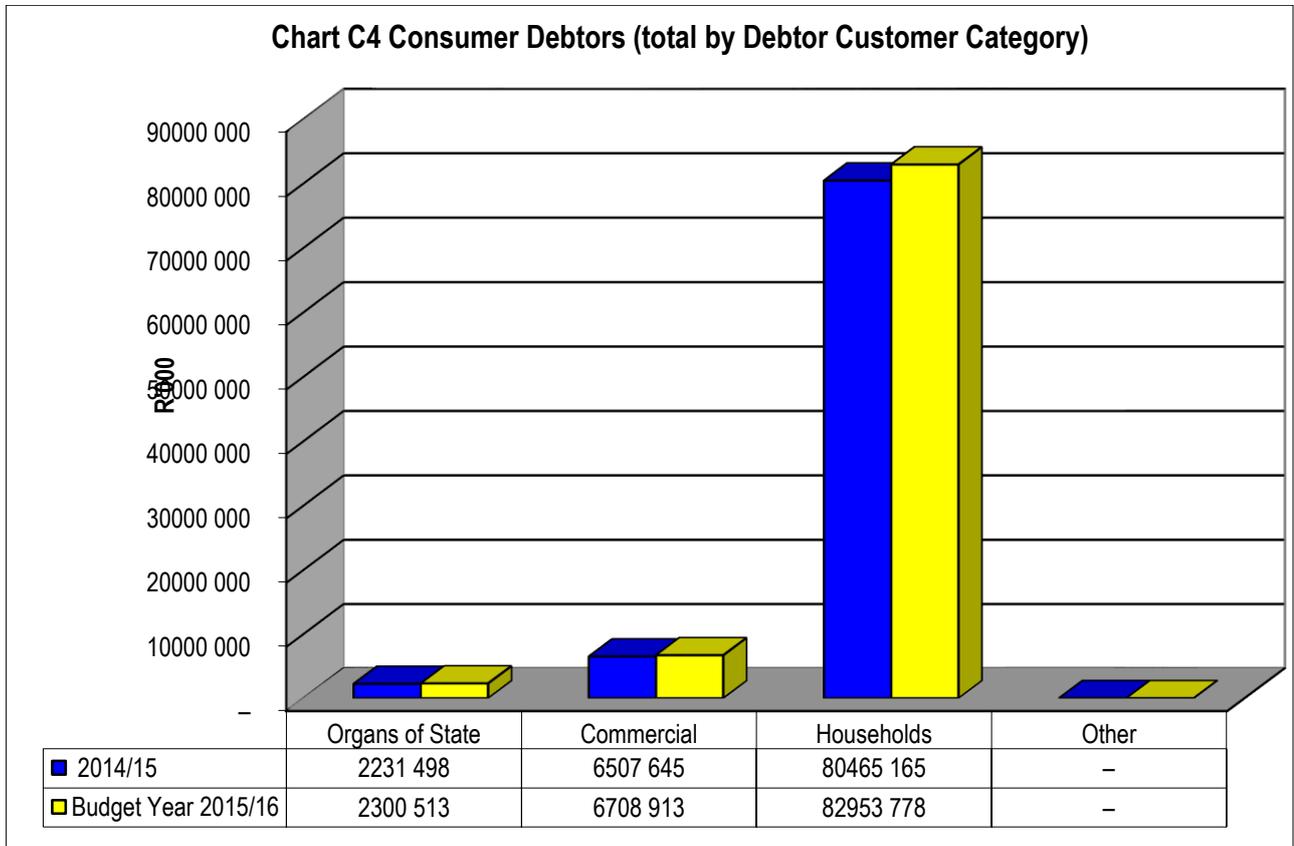
Capital expenditure – YTD actual vs YTD trend



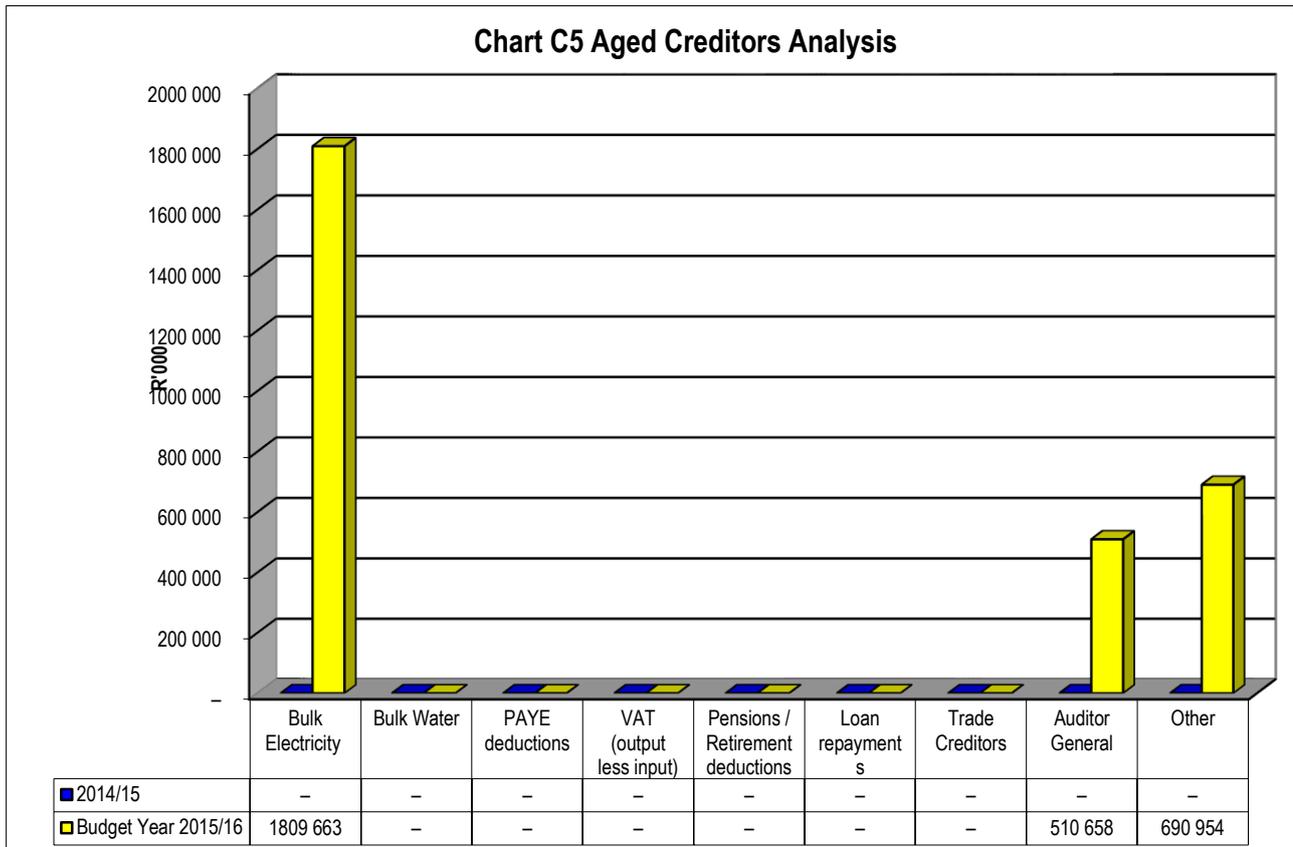
Debtors Age Analysis



Debtors by Type



Creditor Payments



MUNICIPAL MANAGER'S QUALITY CERTIFICATION

QUALITY CERTIFICATE

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

(Mark as appropriate)

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

For the month ending 31 October 2015 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 (NCO72)



Signature: _____

Date: 13 NOVEMBER 2015