



Quarterly Budget Statement

September 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 September 2009.

Table of Contents

| | |
|---|---------|
| Glossary..... | 3 |
| PART 1 – IN-YEAR REPORT..... | 5 |
| Mayor’s Report | 5 |
| Resolutions | 6 |
| Executive Summary..... | 7 - 9 |
| In-year budget statement tables | 10 - 16 |
| PART 2 – SUPPORTING DOCUMENTATION..... | 17 |
| Debtors' analysis | 18 |
| Creditors' analysis | 19 |
| Investment portfolio analysis | 20 |
| Allocation and grant receipts and expenditure | 21 - 22 |
| Councillor allowances and employee benefits | 23 |
| Material variances to the SDBIP..... | 24 |
| Municipal financial performance..... | 24 |
| Capital programme performance | 25 |
| Other supporting documentation | 27 - 33 |
| Municipal manager’s quality certification | 34 |

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 quarterly performance information.

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

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

YTD – Year to date

PART 1 – IN-YEAR REPORT

Mayor's Report

1.1 In-Year Report – Monthly Budget Report

1.1.1 Implementation of the budget in accordance with the SDBIP

The results of the SDBIP for the fourth quarter ended 30 September 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 September 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 September 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 quarter ended September 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 25% more than the YTD budget projections at the end of September 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 September 2015.

Operating expenditure by vote & type

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

Capital expenditure

YTD Capital Expenditure amounts to R4, 895m, or 8.55% of a total budget of R57, 273m.

Cash flows

The municipality started the year with a positive cashbook balance of R18.448 million. The September 2015 closing balance is R17.237 million. Refer to Table C7 for more details on the cash position.

Allocations received (National & Provincial Grants)

Municipal Infrastructure Grant funding of R1.761m was received during the first quarter ended September 2015.

Spending on Grants

Spending on grants amounts to R7.974m for the year to date ended September 2015 which includes Equitable Share, FMG, MSIG, EPWP and MIG.

Implementation of Supply Chain Management Policy:

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

| MONTHLY REPORT: DEVIATION FOR JULY 2015 | | | | | | |
|---|------------------------------|---|---------------------|----------|--------|--|
| DATE | SUPPLIER NAME | DESCRIPTION AND DEPT | AMOUNT | ORDER NC | DEV NO | |
| 1/7/2015 | Japan Engines | Tech dept:2Engines &1 gearbox (Exceptional) | R 50,000.00 | 15735 | 1056 | |
| 28/7/2015 | Elster kent metering(Pty)Ltd | Tech dept:Elec meters(Exceptional) | R 68,435.30 | 15729 | 1057 | |
| 9/7/2015 | Non-Stop Tyre Solution | 3 TryresBXX149NC(Exceptional) | R 44,114.00 | 16198 | 1058 | |
| 15/7/2015 | C&S Suppliers | Cleaning material(Exceptional) | R 10,908.65 | 16209 | 1059 | |
| 16/7/2015 | Eddi's | Indigent support:Paraffin(Exceptional) | R 21,924.00 | 15686 | 1060 | |
| 17/7/2015 | Route Management | Tech dept: Repairs trailor(Exceptional) | R 35,625.55 | 15711 | 1061 | |
| 20/7/2015 | Motor Mech | Repairs&Major service BDC691NC(Exceptional) | R 13,003.00 | 15694 | 1062 | |
| 21/7/2015 | S.A Post Office | Envelopes (sole) | R 67,200.00 | 15699 | 1063 | |
| 23/7/2015 | Colas | Tech dept: Roads Catmix & Ani ss(Exceptional) | R 60,579.60 | 15717 | 1064 | |
| 23/7/2015 | Barlows Equipment | Service D5 Dozer(Exceptional) | R 33,820.35 | 15718 | 1065 | |
| | | | R 405,610.45 | | | |

MONTHLY REPORT: DEVIATION AUGUST 2015

| DATE | SUPPLIER'S NAME | DESCRIPTION/DEPT | AMOUNT | ORDER |
|------------|--------------------|-------------------------------|------------------|-------|
| 1/8/2015 | Sol Plaatjie Munic | Inspec flamable registr (Sole | 16574.2 | 15857 |
| 14/8/2015 | Volksblad | Advert:Norv Townplan(Exce | 10827.5 | 15852 |
| 14/8/2015 | Ilectro | Colesberg WWTP (Except) | 13019.94 | 15746 |
| 14/8/2015 | Ilectro | Colesberg WTWP (Except) | 16273.5 | 15747 |
| 18/8/2015 | Cashbuild | Noupoort properties (Excep | 12076.3 | 14949 |
| 24/8/2015 | UD Trucks | Repairs BSF215NC (Except) | 11341.85 | 15829 |
| 24/8/2015 | Komatsu | BXX149NC (Sole) | 39701.45 | 15827 |
| 24/8/2015 | Komatsu | BSF214NC Service(Sole) | 19604.71 | 15826 |
| 28/08/2015 | High Voltage Tech | TRFR6.611KV 800KVAB(Exce | 249660 | 16324 |
| | | | 389079.45 | |

MONTHLY REPORT: DEVIATIONS SEPTEMBER 2015

| DATE | SUPPLIER'S NAME | DESCRIPTION/DEPT | AMOUNT | ORDER NO | DEV NO |
|-----------|------------------------|--------------------------|------------------|----------|--------|
| 3/9/2015 | Ubertech | Finance:6Gbps | 15532.5 | 15886 | 1076 |
| 14/9/2015 | UD Trucks Aliwal north | RepairsL:BSF216NC | 10920.06 | 16911 | 1077 |
| 15/9/2015 | High Voltage Tech | Transformer | 64285 | 16562 | 1078 |
| 18/9/2015 | Ceatup | Tech:Project man project | 13170 | | 1079 |
| | | | 103907.56 | | |

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

| Month | AMOUNT |
|-----------|-------------|
| July | Nil |
| August | R249 660.00 |
| September | R166 371.03 |

TENDERS AWARDED FOR QUARTER: BID APPROVED

| MONTHS | Name of Bid | Amount Tendered VAT inclusive | Bidder awarded to | Date awarded | Date approval |
|-----------|---|---|--------------------------------|--------------|---------------|
| July | none | | | | |
| August | none | | | | |
| September | Request for price leasing of photocopier machines (4) | R81 251.22 R76 189.62 R109 050.35 R31 701.12 | N.R.G Office Solution(Pty) Ltd | 30/9/2015 | 30/9/2015 |

Material variances

The table below summarises variances for projected revenue and expenditure.

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

| Description | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
|---|----------|---|--------------------------------------|
| R thousands | | | |
| Revenue By Source | | | |
| Property rates | 197 | | |
| Property rates - penalties & collection charges | 29 | More people are paying their account late. | |
| Service charges - electricity revenue | (4 441) | | |
| Service charges - water revenue | (240) | | |
| Service charges - sanitation revenue | 24 | | |
| Service charges - refuse revenue | (1) | | |
| Service charges - other | - | | |
| Rental of facilities and equipment | (14) | | |
| Interest earned - external investments | 110 | We've received more interest than budgeted for. | |
| Interest earned - outstanding debtors | 308 | More people are paying their account late. | |
| Dividends received | - | | |
| Fines | 2 675 | Our speed traps are working again. | |
| Licences and permits | (131) | | |
| Agency services | - | | |
| Transfers recognised - operational | 3 003 | | |
| Transfers recognised - capital | (18 509) | | |
| Other revenue | (112) | | |
| Gains on disposal of PPE | - | | |
| Expenditure By Type | | | |
| Employee related costs | (5 644) | There are still funded vacancies. | |
| Remuneration of councillors | 51 | | |
| Debt impairment | 0 | | |
| Depreciation & asset impairment | (0) | | |
| Finance charges | 23 | | |
| Bulk purchases | (2 400) | | |
| Other materials | - | | |
| Contracted services | - | | |
| Transfers and grants | - | | |
| Other expenditure | (4 369) | We are trying by all means to spend on essential items. | |
| Loss on disposal of PPE | (1) | | |
| Capital Expenditure | | | |
| Vote 1 - Executive & Council | - | | |
| Vote 2 - Budget & Finance | (4 829) | | |
| Vote 3 - Corporate | - | | |
| Vote 4 - Development & Planning | (13 509) | | |
| Vote 5 - Community | - | | |
| Vote 6 - Infrastructure | - | | |

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

NC072 Umsobomvu - Table C1 Monthly Budget Statement Summary - M03 September

| 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 | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | 8 521 | 8 295 | - | 569 | 3 222 | 2 074 | 1 148 | 55% | 8 295 |
| Service charges | 49 213 | 58 979 | - | 4 286 | 13 407 | 14 745 | (1 338) | -9% | 58 979 |
| Investment revenue | 532 | 422 | - | 42 | 120 | 106 | 14 | 14% | 422 |
| Transfers recognised - operational | 35 708 | 39 356 | - | - | 17 296 | 9 839 | 7 457 | 76% | 39 356 |
| Other own revenue | 16 573 | 10 477 | - | 892 | 2 766 | 2 619 | 147 | 6% | 10 477 |
| Total Revenue (excluding capital transfers and contributions) | 110 547 | 117 530 | - | 5 790 | 36 811 | 29 382 | 7 429 | 25% | 117 530 |
| Employee costs | 34 412 | 40 680 | - | 2 958 | 8 803 | 10 170 | (1 367) | -13% | 40 680 |
| Remuneration of Councillors | 2 996 | 3 092 | - | 244 | 732 | 773 | (41) | -5% | 3 092 |
| Depreciation & asset impairment | 28 622 | 23 844 | - | 1 986 | 5 958 | 5 961 | (3) | -0% | 23 844 |
| Finance charges | 384 | 310 | - | 27 | 81 | 78 | 3 | 4% | 310 |
| Materials and bulk purchases | 18 731 | 21 284 | - | 2 731 | 5 551 | 5 321 | 230 | 4% | 21 284 |
| Transfers and grants | - | - | - | - | - | - | - | - | - |
| Other expenditure | 44 165 | 46 049 | - | 4 467 | 10 577 | 11 512 | (935) | -8% | 46 049 |
| Total Expenditure | 129 310 | 135 258 | - | 12 413 | 31 701 | 33 815 | (2 114) | -6% | 135 258 |
| Surplus/(Deficit) | (18 763) | (17 728) | - | (6 624) | 5 110 | (4 432) | 9 542 | -215% | (17 728) |
| Transfers recognised - capital | 38 236 | 56 126 | - | - | - | 14 032 | (14 032) | -100% | 56 126 |
| Contributions & Contributed assets | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | (4 489) | -47% | 38 398 |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | (4 489) | -47% | 38 398 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 46 841 | 57 273 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 57 273 |
| Capital transfers recognised | 46 741 | 55 563 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 55 563 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 100 | 1 710 | - | - | - | - | - | - | 1 710 |
| Total sources of capital funds | 46 841 | 57 273 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 57 273 |
| Financial position | | | | | | | | | |
| Total current assets | 69 265 | 54 737 | - | - | 67 089 | - | - | - | 54 737 |
| Total non current assets | 515 047 | 597 522 | - | - | 515 962 | - | - | - | 597 522 |
| Total current liabilities | 36 329 | 800 | - | - | 28 362 | - | - | - | 800 |
| Total non current liabilities | 26 188 | 22 453 | - | - | 27 799 | - | - | - | 22 453 |
| Community wealth/Equity | 521 795 | 629 006 | - | - | 526 890 | - | - | - | 629 006 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 50 371 | 58 818 | - | (3 343) | 3 897 | 10 725 | 6 829 | 64% | 58 818 |
| Net cash from (used) investing | (39 289) | (50 007) | - | (2 459) | (4 896) | (12 502) | (7 606) | 61% | (50 007) |
| Net cash from (used) financing | (1 043) | (670) | - | (70) | (212) | (168) | 44 | -26% | (670) |
| Cash/cash equivalents at the month/year end | 29 985 | 17 452 | - | 16 434 | 17 237 | (1 944) | (19 181) | 986% | 17 452 |
| 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 | 2 937 | 2 784 | 3 666 | 1 772 | 79 705 | - | - | - | 90 864 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 2 590 | - | - | - | - | - | - | - | 2 590 |

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

NC072 Umsobomvu - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

| 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 - Standard | | | | | | | | | |
| <i>Governance and administration</i> | 47 517 | 50 600 | – | 667 | 20 767 | 12 650 | 8 117 | 64% | 50 600 |
| Executive and council | 32 382 | 34 931 | – | – | 14 556 | 8 733 | 5 823 | 67% | 34 931 |
| Budget and treasury office | 15 124 | 15 649 | – | 666 | 6 207 | 3 912 | 2 295 | 59% | 15 649 |
| Corporate services | 12 | 20 | – | 2 | 4 | 5 | (1) | -27% | 20 |
| <i>Community and public safety</i> | 13 637 | 6 087 | – | 611 | 2 044 | 1 522 | 522 | 34% | 6 087 |
| Community and social services | 5 802 | 2 834 | – | 100 | 292 | 708 | (417) | -59% | 2 834 |
| Sport and recreation | – | – | – | – | – | – | – | – | – |
| Public safety | 7 429 | 3 253 | – | 511 | 1 752 | 813 | 939 | 115% | 3 253 |
| Housing | 406 | – | – | – | – | – | – | – | – |
| Health | – | – | – | – | – | – | – | – | – |
| <i>Economic and environmental services</i> | 7 719 | 1 060 | – | 14 | 21 | 265 | (244) | -92% | 1 060 |
| Planning and development | – | – | – | – | – | – | – | – | – |
| Road transport | 7 719 | 1 060 | – | 14 | 21 | 265 | (244) | -92% | 1 060 |
| Environmental protection | – | – | – | – | – | – | – | – | – |
| <i>Trading services</i> | 79 910 | 115 909 | – | 4 496 | 13 980 | 28 977 | (14 997) | -52% | 115 909 |
| Electricity | 25 025 | 38 927 | – | 1 880 | 6 173 | 9 732 | (3 559) | -37% | 38 927 |
| Water | 39 977 | 51 252 | – | 1 338 | 3 919 | 12 813 | (8 894) | -69% | 51 252 |
| Waste water management | 8 599 | 19 209 | – | 718 | 2 215 | 4 802 | (2 587) | -54% | 19 209 |
| Waste management | 6 309 | 6 521 | – | 560 | 1 672 | 1 630 | 42 | 3% | 6 521 |
| <i>Other</i> | – | – | – | – | – | – | – | – | – |
| Total Revenue - Standard | 148 783 | 173 656 | – | 5 790 | 36 811 | 43 414 | (6 603) | -15% | 173 656 |
| Expenditure - Standard | | | | | | | | | |
| <i>Governance and administration</i> | 36 815 | 46 319 | – | 3 208 | 9 584 | 11 580 | (1 995) | -17% | 46 319 |
| Executive and council | 17 470 | 20 464 | – | 1 377 | 4 253 | 5 116 | (863) | -17% | 20 464 |
| Budget and treasury office | 13 658 | 20 270 | – | 1 313 | 3 807 | 5 068 | (1 261) | -25% | 20 270 |
| Corporate services | 5 687 | 5 584 | – | 518 | 1 524 | 1 396 | 128 | 9% | 5 584 |
| <i>Community and public safety</i> | 13 963 | 13 414 | – | 1 310 | 3 185 | 3 353 | (169) | -5% | 13 414 |
| Community and social services | 5 486 | 5 872 | – | 675 | 1 364 | 1 468 | (104) | -7% | 5 872 |
| Sport and recreation | 925 | 2 745 | – | 62 | 235 | 686 | (451) | -66% | 2 745 |
| Public safety | 7 034 | 4 135 | – | 515 | 1 447 | 1 034 | 413 | 40% | 4 135 |
| Housing | 518 | 661 | – | 58 | 138 | 165 | (27) | -16% | 661 |
| Health | – | – | – | – | – | – | – | – | – |
| <i>Economic and environmental services</i> | 16 286 | 11 080 | – | 856 | 2 678 | 2 770 | (92) | -3% | 11 080 |
| Planning and development | – | – | – | – | – | – | – | – | – |
| Road transport | 16 286 | 11 080 | – | 856 | 2 678 | 2 770 | (92) | -3% | 11 080 |
| Environmental protection | – | – | – | – | – | – | – | – | – |
| <i>Trading services</i> | 62 245 | 64 446 | – | 7 039 | 16 254 | 16 112 | 143 | 1% | 64 446 |
| Electricity | 23 576 | 27 466 | – | 3 396 | 7 086 | 6 866 | 220 | 3% | 27 466 |
| Water | 23 604 | 22 094 | – | 2 484 | 5 767 | 5 523 | 244 | 4% | 22 094 |
| Waste water management | 8 935 | 9 814 | – | 750 | 2 100 | 2 454 | (354) | -14% | 9 814 |
| Waste management | 6 130 | 5 073 | – | 408 | 1 301 | 1 268 | 33 | 3% | 5 073 |
| <i>Other</i> | – | – | – | – | – | – | – | – | – |
| Total Expenditure - Standard | 129 310 | 135 258 | – | 12 413 | 31 701 | 33 815 | (2 114) | -6% | 135 258 |
| Surplus/ (Deficit) for the year | 19 473 | 38 398 | – | (6 624) | 5 110 | 9 599 | (4 489) | -47% | 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)

NC072 Umsobomvu - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03

| Vote 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 Vote | | | | | | | | | |
| Vote 1 - EXECUTIVE & COUNCIL | 32 382 | 34 931 | - | - | 14 556 | 8 733 | 5 823 | 66.7% | 34 931 |
| Vote 2 - FINANCE & ADMIN | 15 135 | 15 669 | - | 667 | 6 211 | 3 917 | 2 294 | 58.6% | 15 669 |
| Vote 3 - COMMUNITY SERVICES | 13 637 | 6 087 | - | 611 | 2 044 | 1 521 | 522 | 34.3% | 6 087 |
| Vote 4 - TECHNICAL SERVICES | 87 629 | 116 969 | - | 4 511 | 14 000 | 29 242 | (15 242) | -52.1% | 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 | 148 783 | 173 656 | - | 5 790 | 36 811 | 43 414 | (6 603) | -15.2% | 173 656 |
| Expenditure by Vote | | | | | | | | | |
| Vote 1 - EXECUTIVE & COUNCIL | 17 470 | 20 464 | - | 1 377 | 4 253 | 5 116 | (863) | -16.9% | 20 464 |
| Vote 2 - FINANCE & ADMIN | 19 345 | 25 855 | - | 1 831 | 5 331 | 6 464 | (1 132) | -17.5% | 25 855 |
| Vote 3 - COMMUNITY SERVICES | 13 963 | 13 414 | - | 1 310 | 3 185 | 3 353 | (169) | -5.0% | 13 414 |
| Vote 4 - TECHNICAL SERVICES | 78 531 | 75 526 | - | 7 895 | 18 932 | 18 882 | 50 | 0.3% | 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 | 129 310 | 135 258 | - | 12 413 | 31 701 | 33 815 | (2 114) | -6.3% | 135 258 |
| Surplus/ (Deficit) for the year | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | (4 489) | -46.8% | 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) - M03 September

| 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 | | 553 | 3 172 | 2 029 | 1 143 | 56% | 8 117 |
| Property rates - penalties & collection charges | 208 | 179 | | 17 | 50 | 45 | 5 | 12% | 179 |
| Service charges - electricity revenue | 23 163 | 31 276 | | 1 825 | 6 029 | 7 819 | (1 790) | -23% | 31 276 |
| Service charges - water revenue | 12 260 | 13 110 | | 1 251 | 3 688 | 3 278 | 411 | 13% | 13 110 |
| Service charges - sanitation revenue | 7 816 | 8 259 | | 679 | 2 103 | 2 065 | 38 | 2% | 8 259 |
| Service charges - refuse revenue | 5 974 | 6 333 | | 530 | 1 587 | 1 583 | 4 | 0% | 6 333 |
| Service charges - other | - | - | | - | - | - | - | - | - |
| Rental of facilities and equipment | 1 046 | 1 103 | | 91 | 270 | 276 | (6) | -2% | 1 103 |
| Interest earned - external investments | 532 | 422 | | 42 | 120 | 106 | 14 | 14% | 422 |
| Interest earned - outstanding debtors | 1 980 | 1 806 | | 211 | 581 | 452 | 130 | 29% | 1 806 |
| Dividends received | - | - | | - | - | - | - | - | - |
| Fines | 4 685 | 2 521 | | 423 | 1 250 | 630 | 620 | 98% | 2 521 |
| Licences and permits | 2 774 | 757 | | 91 | 505 | 189 | 316 | 167% | 757 |
| Agency services | - | - | | - | - | - | - | - | - |
| Transfers recognised - operational | 35 708 | 39 356 | | - | 17 296 | 9 839 | 7 457 | 76% | 39 356 |
| Other revenue | 6 089 | 4 290 | | 76 | 159 | 1 073 | (913) | -85% | 4 290 |
| Gains on disposal of PPE | - | - | | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | 110 547 | 117 530 | - | 5 790 | 36 811 | 29 382 | 7 429 | 25% | 117 530 |
| Expenditure By Type | | | | | | | | | |
| Employee related costs | 34 412 | 40 680 | | 2 958 | 8 803 | 10 170 | (1 367) | -13% | 40 680 |
| Remuneration of councillors | 2 996 | 3 092 | | 244 | 732 | 773 | (41) | -5% | 3 092 |
| Debt impairment | 3 786 | 5 458 | | 435 | 1 306 | 1 365 | (59) | -4% | 5 458 |
| Depreciation & asset impairment | 28 622 | 23 844 | | 1 986 | 5 958 | 5 961 | (3) | 0% | 23 844 |
| Finance charges | 384 | 310 | | 27 | 81 | 78 | 3 | 4% | 310 |
| Bulk purchases | 18 731 | 21 284 | | 2 731 | 5 551 | 5 321 | 230 | 4% | 21 284 |
| Other materials | - | - | | - | - | - | - | - | - |
| Contracted services | - | - | | - | - | - | - | - | - |
| Transfers and grants | - | - | | - | - | - | - | - | - |
| Other expenditure | 40 263 | 40 589 | | 4 032 | 9 271 | 10 147 | (876) | -9% | 40 589 |
| Loss on disposal of PPE | 115 | 1 | | - | - | 0 | (0) | -100% | 1 |
| Total Expenditure | 129 310 | 135 258 | - | 12 413 | 31 701 | 33 815 | (2 114) | -6% | 135 258 |
| Surplus/(Deficit) | (18 763) | (17 728) | - | (6 624) | 5 110 | (4 432) | 9 542 | (0) | (17 728) |
| Transfers recognised - capital | 38 236 | 56 126 | | - | - | 14 032 | (14 032) | (0) | 56 126 |
| Contributions recognised - capital | - | - | | - | - | - | - | - | - |
| Contributed assets | - | - | | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | | | 38 398 |
| Taxation | - | - | | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | | | 38 398 |
| Attributable to minorities | - | - | | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | | | 38 398 |
| Share of surplus/ (deficit) of associate | - | - | | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 19 473 | 38 398 | - | (6 624) | 5 110 | 9 599 | | | 38 398 |

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 25% 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)

NC072 Umsobomvu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03
September

| Vote 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 | | | | | | | | | |
| Multi-Year expenditure appropriation | | | | | | | | | |
| Vote 1 - EXECUTIVE & COUNCIL | - | - | - | - | - | - | - | - | - |
| Vote 2 - FINANCE & ADMIN | 5 000 | - | - | - | - | - | - | - | - |
| Vote 3 - COMMUNITY SERVICES | - | - | - | - | - | - | - | - | - |
| Vote 4 - TECHNICAL SERVICES | 33 600 | - | - | - | - | - | - | - | - |
| 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 Capital Multi-year expenditure | 38 600 | - | - | - | - | - | - | - | - |
| Single Year expenditure appropriation | | | | | | | | | |
| Vote 1 - EXECUTIVE & COUNCIL | - | - | - | - | - | - | - | - | - |
| Vote 2 - FINANCE & ADMIN | 100 | 1 710 | - | - | - | - | - | - | 1 710 |
| Vote 3 - COMMUNITY SERVICES | - | - | - | - | - | - | - | - | - |
| Vote 4 - TECHNICAL SERVICES | 8 141 | 55 563 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 55 563 |
| 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 Capital single-year expenditure | 8 241 | 57 273 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 57 273 |
| Total Capital Expenditure | 46 841 | 57 273 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 57 273 |
| Capital Expenditure - Standard Classification | | | | | | | | | |
| Governance and administration | 100 | 1 710 | - | - | - | - | - | - | 1 710 |
| Executive and council | - | - | - | - | - | - | - | - | - |
| Budget and treasury office | 100 | 1 550 | - | - | - | - | - | - | 1 550 |
| Corporate services | - | 160 | - | - | - | - | - | - | 160 |
| Community and public safety | 5 000 | - | - | - | - | - | - | - | - |
| Community and social services | 5 000 | - | - | - | - | - | - | - | - |
| Sport and recreation | - | - | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - | - | - | - |
| Housing | - | - | - | - | - | - | - | - | - |
| Health | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | 6 641 | 1 000 | - | 138 | 267 | 267 | - | - | 1 000 |
| Planning and development | - | - | - | - | - | - | - | - | - |
| Road transport | 6 641 | 1 000 | - | 138 | 267 | 267 | - | - | 1 000 |
| Environmental protection | - | - | - | - | - | - | - | - | - |
| Trading services | 35 100 | 54 563 | - | 1 010 | 4 628 | 9 316 | (4 689) | -50% | 54 563 |
| Electricity | 1 500 | 7 000 | - | - | - | - | - | - | 7 000 |
| Water | 33 600 | 36 872 | - | 1 010 | 4 327 | 9 016 | (4 689) | -52% | 36 872 |
| Waste water management | - | 10 691 | - | - | 301 | 301 | - | - | 10 691 |
| Waste management | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Standard Classification | 46 841 | 57 273 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 57 273 |
| Funded by: | | | | | | | | | |
| National Government | 46 741 | 55 563 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 55 563 |
| Provincial Government | - | - | - | - | - | - | - | - | - |
| District Municipality | - | - | - | - | - | - | - | - | - |
| Other transfers and grants | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | 46 741 | 55 563 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 55 563 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 100 | 1 710 | - | - | - | - | - | - | 1 710 |
| Total Capital Funding | 46 841 | 57 273 | - | 1 148 | 4 895 | 9 583 | (4 689) | -49% | 57 273 |

Capital expenditure is 49% below the YTD budget at September 2015.

Table C6: Monthly Budget Statement - Financial Position

NC072 Umsobomvu - Table C6 Monthly Budget Statement - Financial Position - M03 September

| Description | 2014/15 | Budget Year 2015/16 | | | |
|--|-----------------|---------------------|-----------------|----------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | | | | | |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash | 12 505 | 20 040 | | 10 491 | 20 040 |
| Call investment deposits | 5 943 | 6 000 | | 6 036 | 6 000 |
| Consumer debtors | 43 345 | 28 697 | | 49 246 | 28 697 |
| Other debtors | 7 078 | | | 918 | |
| Current portion of long-term receivables | - | | | 3 | |
| Inventory | 394 | | | 394 | |
| Total current assets | 69 265 | 54 737 | - | 67 089 | 54 737 |
| Non current assets | | | | | |
| Long-term receivables | - | | | - | |
| Investments | - | | | - | |
| Investment property | 2 061 | 1 655 | | 2 061 | 1 655 |
| Investments in Associate | - | | | - | |
| Property, plant and equipment | 512 927 | 594 317 | | 513 837 | 594 317 |
| Agricultural | - | | | - | |
| Biological assets | - | | | - | |
| Intangible assets | 59 | 1 550 | | 64 | 1 550 |
| Other non-current assets | - | | | - | |
| Total non current assets | 515 047 | 597 522 | - | 515 962 | 597 522 |
| TOTAL ASSETS | 584 312 | 652 259 | - | 583 051 | 652 259 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Bank overdraft | - | | | - | |
| Borrowing | 911 | 800 | | - | 800 |
| Consumer deposits | 742 | | | 748 | |
| Trade and other payables | 33 735 | - | | 27 614 | - |
| Provisions | 941 | | | - | |
| Total current liabilities | 36 329 | 800 | - | 28 362 | 800 |
| Non current liabilities | | | | | |
| Borrowing | 2 279 | 2 857 | | 2 949 | 2 857 |
| Provisions | 23 909 | 19 596 | | 24 850 | 19 596 |
| Total non current liabilities | 26 188 | 22 453 | - | 27 799 | 22 453 |
| TOTAL LIABILITIES | 62 517 | 23 253 | - | 56 161 | 23 253 |
| NET ASSETS | 521 795 | 629 006 | - | 526 890 | 629 006 |
| COMMUNITY WEALTH/EQUITY | | | | | |
| Accumulated Surplus/(Deficit) | 521 795 | 629 006 | | 526 890 | 629 006 |
| Reserves | - | - | | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 521 795 | 629 006 | - | 526 890 | 629 006 |

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

Table C7: Monthly Budget Statement - Cash Flow

NC072 Umsobomvu - Table C7 Monthly Budget Statement - Cash Flow - M03 September

| 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 | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Property rates, penalties & collection charges | 8 117 | 8 295 | | 522 | 1 451 | 3 114 | (1 663) | -53% | 8 295 |
| Service charges | 40 814 | 50 096 | | 3 375 | 10 161 | 11 632 | (1 471) | -13% | 50 096 |
| Other revenue | 5 327 | 8 671 | | 9 237 | 11 106 | 2 042 | 9 064 | 444% | 8 671 |
| Government - operating | 36 664 | 39 919 | | | 17 296 | 11 976 | 5 320 | 44% | 39 919 |
| Government - capital | 46 841 | 55 563 | | - | 7 885 | 7 885 | - | | 55 563 |
| Interest | 5 289 | 2 228 | | 42 | 120 | 565 | (445) | -79% | 2 228 |
| Dividends | | - | | | | | - | | - |
| Payments | | | | | | | | | |
| Suppliers and employees | (92 298) | (96 678) | | (15 829) | (42 283) | (24 170) | 18 113 | -75% | (96 678) |
| Finance charges | (384) | (310) | | (27) | (81) | (78) | 3 | -4% | (310) |
| Transfers and Grants | | (8 967) | | (662) | (1 759) | (2 242) | (482) | 22% | (8 967) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | 50 371 | 58 818 | - | (3 343) | 3 897 | 10 725 | 6 829 | 64% | 58 818 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Proceeds on disposal of PPE | - | - | - | - | - | - | - | - | - |
| Decrease (Increase) in non-current debtors | - | - | - | - | - | - | - | - | - |
| Decrease (increase) other non-current receivables | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | - | - | - | - | - | - | - | - | - |
| Payments | | | | | | | | | |
| Capital assets | (39 289) | (50 007) | | (2 459) | (4 896) | (12 502) | (7 606) | 61% | (50 007) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | (39 289) | (50 007) | - | (2 459) | (4 896) | (12 502) | (7 606) | 61% | (50 007) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | |
| Receipts | | | | | | | | | |
| Short term loans | - | - | | - | - | - | - | - | - |
| Borrowing long term/refinancing | - | - | | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | - | 130 | | 10 | 29 | 32 | (3) | -10% | 130 |
| Payments | | | | | | | | | |
| Repayment of borrowing | (1 043) | (800) | | (80) | (241) | (200) | 41 | -20% | (800) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | (1 043) | (670) | - | (70) | (212) | (168) | 44 | -26% | (670) |
| NET INCREASE/ (DECREASE) IN CASH HELD | 10 038 | 8 141 | - | (5 872) | (1 211) | (1 944) | | | 8 141 |
| Cash/cash equivalents at beginning: | 19 947 | 9 310 | | 22 307 | 18 448 | - | | | 9 310 |
| Cash/cash equivalents at month/year end: | 29 985 | 17 452 | | 16 434 | 17 237 | (1 944) | | | 17 452 |

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R17. 237 million.

The municipality started the year with a positive cashbook balance of R18.448 million. The September closing balance is R17.237 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 - M03 September

| Description | NT Code | Budget Year 2015/16 | | | | | | | | | Total over 90 days | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o 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 | 459 | 1 037 | 993 | 601 | 29 360 | | | | 32 449 | 29 960 | | 14 844 |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | 1 402 | 610 | 350 | 240 | 3 275 | | | | 5 877 | 3 515 | | 1 988 |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | 313 | 238 | 1 470 | 198 | 5 864 | | | | 8 083 | 6 062 | | 2 839 |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | 557 | 471 | 434 | 362 | 13 686 | | | | 15 510 | 14 048 | | 7 349 |
| Receivables from Exchange Transactions - Waste Management | 1600 | 213 | 349 | 341 | 289 | 17 919 | | | | 19 111 | 18 208 | | 9 216 |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | (1) | 78 | 77 | 81 | 2 759 | | | | 2 995 | 2 841 | | 420 |
| Interest on Arrear Debtor Accounts | 1810 | - | - | - | - | 6 830 | | | | 6 830 | 6 830 | | - |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | | | | - | - | | - |
| Other | 1900 | (6) | 0 | 0 | 0 | 13 | | | | 8 | 13 | | 1 033 |
| Total By Income Source | 2000 | 2 937 | 2 784 | 3 666 | 1 772 | 79 705 | - | - | - | 90 864 | 81 477 | - | 37 690 |
| 2014/15 - totals only | | | | | | | | | | | | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 458 | 360 | 1 105 | 180 | 1 134 | | | | 3 237 | 1 313 | | - |
| Commercial | 2300 | 1 358 | 715 | 564 | 141 | 3 356 | | | | 6 134 | 3 497 | | - |
| Households | 2400 | 1 121 | 1 709 | 1 997 | 1 451 | 75 216 | | | | 81 493 | 76 667 | | 37 690 |
| Other | 2500 | - | - | - | - | - | | | | - | - | | - |
| Total By Customer Group | 2600 | 2 937 | 2 784 | 3 666 | 1 772 | 79 705 | - | - | - | 90 864 | 81 477 | - | 37 690 |

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% |

Summary of Debtors Age Analysis

| MONTH | < 30 Days | < 60 Days | < 90 Days | < 120 Days | < 150 Days | <180 Days | <365 Days | >365 Days | Total - | Older than 30 Days | Older than 90 days |
|----------------|-----------|-----------|-----------|------------|------------|-----------|-----------|-----------|------------|--------------------|--------------------|
| 2015/16 | | | | | | | | | | | |
| July | 4 384 900 | 2 222 704 | 1 987 809 | 1 926 556 | 76 806 362 | | | | 87 328 332 | 2 222 704 | 78 732 919 |
| 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 | | | | | | | | | 0 | 0 | 0 |
| November | | | | | | | | | 0 | 0 | 0 |
| December | | | | | | | | | 0 | 0 | 0 |
| January | | | | | | | | | 0 | 0 | 0 |
| February | | | | | | | | | 0 | 0 | 0 |
| March | | | | | | | | | 0 | 0 | 0 |
| April | | | | | | | | | 0 | 0 | 0 |
| May | | | | | | | | | 0 | 0 | 0 |
| June | | | | | | | | | 0 | 0 | 0 |

Creditors' analysis

Supporting Table SC4

NC072 Umsobomvu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

| Description | NT Code | Budget Year 2015/16 | | | | | | | | 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 | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | |
| Bulk Electricity | 0100 | 1 807 | | | | | | | | 1 807 |
| Bulk Water | 0200 | - | | | | | | | | - |
| PAYE deductions | 0300 | - | | | | | | | | - |
| VAT (output less input) | 0400 | - | | | | | | | | - |
| Pensions / Retirement deductions | 0500 | - | | | | | | | | - |
| Loan repayments | 0600 | - | | | | | | | | - |
| Trade Creditors | 0700 | - | | | | | | | | - |
| Auditor General | 0800 | - | | | | | | | | - |
| Other | 0900 | 782 | | | | | | | | 782 |
| Total By Customer Type | 1000 | 2 590 | - | - | - | - | - | - | - | 2 590 |

Supporting Table SC4 reflects current creditors at the end of September 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 - M03 September

| 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 |
|--|-------------------------|-----------------------|---------------------------------|--------------------------------------|---------------------------------|--|------------------------------|---|
| R thousands | Yrs/Months | | | | | | | |
| 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 | 2 | | 122 | 2 | 124 |
| CAPITAL REPLACEMENT | Call | Notice | Call | 0 | | 11 | 0 | 11 |
| CAPITAL REPLACEMENT 5 | Call | Notice | Call | 2 | | 390 | 2 | 392 |
| 20-7482-3674 | Call | Notice | Call | 28 | | 5 221 | 28 | 5 249 |
| Municipality sub-total | | | | 32 | | 6 004 | 32 | 6 036 |
| TOTAL INVESTMENTS AND INTEREST | | | | 32 | | 6 004 | 32 | 6 036 |

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 - M03 September

| 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 | 4 196 | 13 100 | 312.2% | 38 234 |
| Equitable share | 32 382 | 34 931 | | - | 14 556 | 1 456 | 13 100 | 900.0% | 34 931 |
| FINANCE MANAGEMENT | 1 800 | 1 800 | | - | 1 800 | 1 800 | - | | 1 800 |
| MSIG | 934 | 940 | | - | 940 | 940 | | | 940 |
| MIG ADMIN - PMU | 557 | 563 | | | | | | | 563 |
| Energy Efficiency and Demand Management | | - | | | | | - | | - |
| SUBSIDY STATE | | | | | | | - | | - |
| Other transfers and grants [insert description] | | | | | | | - | | - |
| Provincial Government: | 991 | 1 685 | - | - | - | - | - | | 1 685 |
| DEPT ART & CULTURE (LIBRARY) | 991 | 1 685 | | | | | - | | 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 Transfers and Grants | 36 664 | 39 919 | - | - | 17 296 | 4 196 | 13 100 | 312.2% | 39 919 |
| Capital Transfers and Grants | | | | | | | | | |
| National Government: | 43 091 | 55 563 | - | - | 1 761 | 1 761 | - | | 55 563 |
| RBIG - DWAF | 30 000 | 36 872 | | | | | - | | 36 872 |
| HOUSING PROJECTS | | - | | | | | | | - |
| EEDG | - | 7 000 | | | | | | | 7 000 |
| MIG - CAPITAL | 10 591 | 10 691 | | - | 1 761 | 1 761 | | | 10 691 |
| INEP | 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 | - | - | 1 763 | 1 761 | 2 | 0.1% | 55 563 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 79 755 | 95 482 | - | - | 19 059 | 5 957 | 13 102 | 220.0% | 95 482 |

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 - M03 September

| 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 | - | 1 036 | 3 057 | (944) | 4 001 | -423.7% | 38 234 |
| Equitable share | 32 382 | 34 931 | | 662 | 1 759 | (2 242) | 4 001 | -178.5% | 34 931 |
| FINANCE MANAGEMENT | 1 800 | 1 800 | | | | | - | | 1 800 |
| MSIG | 934 | 940 | | 54 | 573 | 573 | - | | 940 |
| MIG ADMIN - PMU | 557 | 563 | | 320 | 724 | 724 | - | | 563 |
| Energy Efficiency and Demand Management | | - | | | | | - | | - |
| SUBSIDY STATE | | | | | | | - | | |
| Other transfers and grants [insert description] | | | | | | | - | | |
| Provincial Government: | - | 1 685 | - | - | - | - | - | | 1 685 |
| DEPT ART & CULTURE (LIBRARY) | | 1 685 | | | | | - | | 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 | - | 1 036 | 3 057 | (944) | 4 001 | -423.7% | 39 919 |
| Capital expenditure of Transfers and Grants | | | | | | | | | |
| National Government: | 43 091 | 55 563 | - | 2 900 | 4 917 | 4 917 | - | | 55 563 |
| RBIG - DWAF | 30 000 | 36 872 | | | | | - | | 36 872 |
| HOUSING PROJECTS | | - | | | | | - | | - |
| EEDG | - | 7 000 | | | | | - | | 7 000 |
| MIG - CAPITAL | 10 591 | 10 691 | | 2 692 | 4 548 | 4 548 | - | | 10 691 |
| INEP | 1 500 | - | | | | | - | | - |
| EPWP | 1 000 | 1 000 | | 208 | 369 | 369 | - | | 1 000 |
| Provincial Government: | - | - | - | - | - | - | - | | - |
| DISASTER | | | | | | | - | | |
| DEPRT OF SAFETY | | | | | | | - | | |
| EPWP | | | | | | | - | | |
| District Municipality: | - | - | - | - | - | - | - | | - |
| | | | | | | | - | | |
| | | | | | | | - | | |
| Other grant providers: | - | - | - | - | - | - | - | | - |
| Kgotso Pula Nala | | | | | | | - | | |
| | | | | | | | - | | |
| Total capital expenditure of Transfers and Grants | 43 091 | 55 563 | - | 2 900 | 4 917 | 4 917 | - | | 55 563 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | 78 764 | 95 482 | - | 3 937 | 7 974 | 3 973 | 4 001 | 100.7% | 95 482 |

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). Awaiting approval from National Treasury.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

NC072 Umsobomvu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

| 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 |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | |
| Basic Salaries and Wages | 2 563 | 3 092 | 3 092 | 212 | 637 | 773 | (135) | -18% | 3 092 |
| Pension and UIF Contributions | - | - | - | - | - | - | - | - | - |
| Medical Aid Contributions | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | 224 | - | - | 14 | 42 | - | 42 | #DIV/0! | - |
| Cellphone Allowance | 209 | - | - | 17 | 52 | - | 52 | #DIV/0! | - |
| Housing Allowances | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | - | - | - | - | - | - | - | - | - |
| Sub Total - Councillors | 2 996 | 3 092 | 3 092 | 244 | 732 | 773 | (41) | -5% | 3 092 |
| % increase | | 3.2% | 3.2% | | | | | | 3.2% |
| Senior Managers of the Municipality | | | | | | | | | |
| 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 | | | | | | | | | |
| Other Municipal Staff | | | | | | | | | |
| Basic Salaries and Wages | 25 244 | 29 600 | 29 600 | 2 218 | 6 662 | 7 400 | (738) | -10% | 29 600 |
| Pension and UIF Contributions | 3 674 | 4 474 | 4 474 | 332 | 977 | 1 118 | (142) | -13% | 4 474 |
| Medical Aid Contributions | 736 | 894 | 894 | 57 | 169 | 224 | (55) | -25% | 894 |
| Overtime | 1 307 | 1 050 | 1 050 | 109 | 322 | 263 | 60 | 23% | 1 050 |
| Performance Bonus | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | 462 | 438 | 438 | 38 | 114 | 109 | 5 | 4% | 438 |
| Cellphone Allowance | - | - | - | - | - | - | - | - | - |
| Housing Allowances | 48 | 13 | 13 | 3 | 10 | 3 | 7 | 233% | 13 |
| Other benefits and allowances | 2 533 | 3 871 | 3 871 | 200 | 548 | 968 | (419) | -43% | 3 871 |
| Payments in lieu of leave | - | - | - | - | - | - | - | - | - |
| Long service awards | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | 298 | 201 | 201 | - | - | 50 | (50) | -100% | 201 |
| Sub Total - Other Municipal Staff | 34 302 | 40 540 | 40 540 | 2 958 | 8 803 | 10 135 | (1 332) | -13% | 40 540 |
| % increase | | 18.2% | 18.2% | | | | | | 18.2% |
| Total Parent Municipality | 37 298 | 43 631 | 43 631 | 3 202 | 9 535 | 10 908 | (1 373) | -13% | 43 631 |
| Unpaid salary, allowances & benefits in arrears: | | | | | | | | | |
| Total Municipal Entities | - | - | - | - | - | - | - | - | - |
| TOTAL SALARY, ALLOWANCES & BENEFITS | 37 298 | 43 631 | 43 631 | 3 202 | 9 535 | 10 908 | (1 373) | -13% | 43 631 |
| % increase | | 17.0% | 17.0% | | | | | | 17.0% |
| TOTAL MANAGERS AND STAFF | 34 302 | 40 540 | 40 540 | 2 958 | 8 803 | 10 135 | (1 332) | -13% | 40 540 |

SDBIP

The results of the SDBIP for the fourth quarter ended 30 September 2015 will be included in a separate comprehensive report to be tabled in Council in November 2015.

Financial Performance

Supporting Table SC2

NC072 Umsobomvu - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

| 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% | 0.0% | 0.3% | 2.5% |
| Borrowed funding of 'own' capital expenditure | Borrowings/Capital expenditure excl. 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% | 5.8% | 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% | 236.5% | 6841.0% |
| Liquidity Ratio | Monetary Assets/Current Liabilities | 50.8% | 3254.5% | 0.0% | 58.3% | 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% | 136.3% | 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 | | | | 25.0% | |
| Water Distribution Losses | % Volume (units purchased and own source less units sold)/Total units purchased and own source | | | | 43.5% | |
| Employee costs | Employee costs/Total Revenue - capital revenue | 31.1% | 34.6% | 0.0% | 23.9% | 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% | 0.0% | 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 | | 16 527 | 26 040 |
| Total Revenue (excluding capital transfers and contributions) | | 110 547 | 117 530 | | 36 811 | 117 530 |
| Transfers recognised - operational | | 35 708 | 39 356 | | 17 296 | 39 356 |
| Transfers recognised - capital | | 38 236 | 56 126 | | | 56 126 |
| Debt service payments | | 4 246 | 1 428 | | (322) | (1 110) |
| Outstanding debtors (receivables) | | 50 423 | 28 697 | | 50 168 | 28 697 |
| Annual services revenue | | 49 213 | 58 979 | | 13 407 | |
| Cash + investments | Including LT investments | 18 448 | 26 040 | | 16 527 | 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 - M03 September

| 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 | | | 12 750 | - | | |
| 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 | 4 895 | | | | | |

Other supporting documentation

Supporting Table SC13a

NC072 Umsobomvu - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

| 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 | - | 1 148 | 4 895 | 11 083 | 6 189 | 55.8% | 55 563 |
| Infrastructure - Road transport | 6 641 | 1 000 | - | 138 | 267 | 267 | - | | 1 000 |
| Roads, Pavements & Bridges | 6 641 | 1 000 | - | 138 | 267 | 267 | - | | 1 000 |
| Storm water | - | - | - | - | - | - | - | | - |
| Infrastructure - Electricity | 1 500 | 7 000 | - | - | - | 1 500 | 1 500 | 100.0% | 7 000 |
| Generation | - | - | - | - | - | - | - | | - |
| Transmission & Reticulation | 1 500 | 7 000 | - | - | - | 1 500 | 1 500 | 100.0% | 7 000 |
| Street Lighting | - | - | - | - | - | - | - | | - |
| Infrastructure - Water | 33 600 | 36 872 | - | 1 010 | 4 327 | 9 016 | 4 689 | 52.0% | 36 872 |
| Dams & Reservoirs | - | - | - | - | - | - | - | | - |
| Water purification | 33 600 | 36 872 | - | 1 010 | 4 327 | 9 016 | 4 689 | 52.0% | 36 872 |
| Reticulation | - | - | - | - | - | - | - | | - |
| Infrastructure - Sanitation | - | 10 691 | - | - | 301 | 301 | - | | 10 691 |
| Reticulation | - | - | - | - | - | - | - | | - |
| Sewerage purification | - | 10 691 | - | - | 301 | 301 | - | | 10 691 |
| 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 | - | - | - | - | - | | 160 |
| General vehicles | - | 160 | - | - | - | - | - | | 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 | 1 550 | 100.0% | 1 550 |
| Computers - software & programming | - | - | - | - | - | - | - | | - |
| Other | 15 | 1 550 | - | - | - | 1 550 | 1 550 | 100.0% | 1 550 |
| Total Capital Expenditure on new assets | 46 841 | 57 273 | - | 1 148 | 4 895 | 12 633 | 7 739 | 61.3% | 57 273 |

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 - M12 June

| Description | 2013/14 | Budget Year 2014/15 | | | | | | | |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|----------------|----------------|--------------------|
| | 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 | 1 503 | 1 034 | 1 613 | 106 | 1 844 | 1 034 | (810) | -78.4% | 1 613 |
| Infrastructure - Road transport | 217 | 26 | 300 | 12 | 422 | 26 | (396) | -1548.5% | 300 |
| Roads, Pavements & Bridges | 217 | 26 | 300 | 12 | 422 | 26 | (396) | -1548.5% | 300 |
| Storm water | - | - | - | - | - | - | - | - | - |
| Infrastructure - Electricity | 624 | 621 | 726 | 20 | 848 | 621 | (227) | -36.5% | 726 |
| Generation | - | - | - | - | - | - | - | - | - |
| Transmission & Reticulation | 495 | 421 | 526 | 20 | 713 | 421 | (292) | -69.5% | 526 |
| Street Lighting | 129 | 200 | 200 | 0 | 134 | 200 | 66 | 32.8% | 200 |
| Infrastructure - Water | 599 | 337 | 337 | 75 | 351 | 337 | (13) | -4.0% | 337 |
| Dams & Reservoirs | - | - | - | - | - | - | - | - | - |
| Water purification | - | - | - | - | - | - | - | - | - |
| Reticulation | 599 | 337 | 337 | 75 | 351 | 337 | (13) | -4.0% | 337 |
| Infrastructure - Sanitation | 63 | 50 | 250 | - | 224 | 50 | (174) | -347.2% | 250 |
| Reticulation | - | - | - | - | - | - | - | - | - |
| Sewerage purification | 63 | 50 | 250 | - | 224 | 50 | (174) | -347.2% | 250 |
| Infrastructure - Other | - | - | - | - | - | - | - | - | - |
| Waste Management | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - |
| Gas | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Community | 48 | 5 | 5 | 1 | 9 | 199 | 190 | 95.2% | 5 |
| Parks & gardens | 29 | 5 | 5 | 1 | 6 | 5 | (1) | -28.6% | 5 |
| Sportsfields & stadia | - | - | - | - | - | - | - | - | - |
| Swimming pools | - | - | - | - | - | - | - | - | - |
| Community halls | - | - | - | - | - | - | - | - | - |
| Libraries | - | - | - | - | - | - | - | - | - |
| Recreational facilities | - | - | - | - | - | - | - | - | - |
| Fire, safety & emergency | 19 | - | - | - | 3 | 194 | 191 | 98.4% | - |
| Security and policing | - | - | - | - | - | - | - | - | - |
| Buses | - | - | - | - | - | - | - | - | - |
| Clinics | - | - | - | - | - | - | - | - | - |
| Museums & Art Galleries | - | - | - | - | - | - | - | - | - |
| Cemeteries | - | - | - | - | - | - | - | - | - |
| Social rental housing | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Heritage assets | - | - | - | - | - | - | - | - | - |
| Buildings | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Investment properties | - | - | - | - | - | - | - | - | - |
| Housing development | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Other assets | 890 | 1 236 | 2 060 | 138 | 1 813 | 1 204 | (609) | -50.6% | 2 060 |
| General vehicles | 501 | 817 | 978 | 47 | 681 | 784 | 103 | 13.1% | 978 |
| Specialised vehicles | - | - | - | - | - | - | - | - | - |
| Plant & equipment | 71 | 353 | 270 | 58 | 167 | 353 | 185 | 52.6% | 270 |
| Computers - hardware/equipment | - | - | - | - | - | - | - | - | - |
| Furniture and other office equipment | 6 | 59 | 56 | 2 | 9 | 59 | 50 | 85.3% | 56 |
| Abattoirs | - | - | - | - | - | - | - | - | - |
| Markets | - | - | - | - | - | - | - | - | - |
| Civic Land and Buildings | - | - | 753 | - | - | - | - | - | 753 |
| Other Buildings | 310 | - | - | 31 | 954 | - | (954) | #DIV/0! | - |
| Other Land | 1 | 8 | 3 | - | 1 | 8 | 6 | 84.5% | 3 |
| Surplus Assets - (Investment or Inventory) | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Agricultural assets | - | - | - | - | - | - | - | - | - |
| List sub-class | - | - | - | - | - | - | - | - | - |
| Biological assets | - | - | - | - | - | - | - | - | - |
| List sub-class | - | - | - | - | - | - | - | - | - |
| Intangibles | - | - | - | - | - | - | - | - | - |
| Computers - software & programming | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 2 440 | 2 275 | 3 678 | 246 | 3 666 | 2 436 | (1 230) | -50.5% | 3 678 |

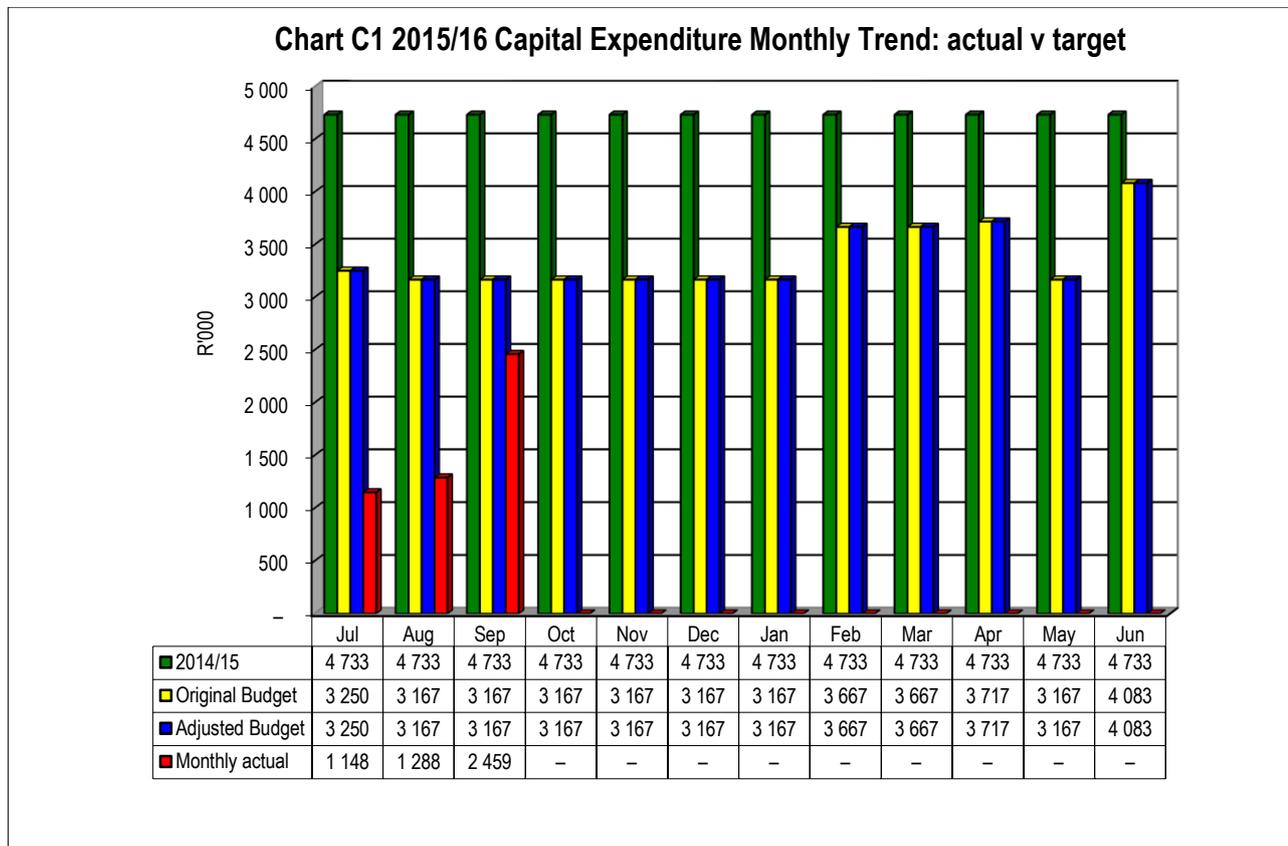
Supporting Table SC13d

NC072 Umsobomvu - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03

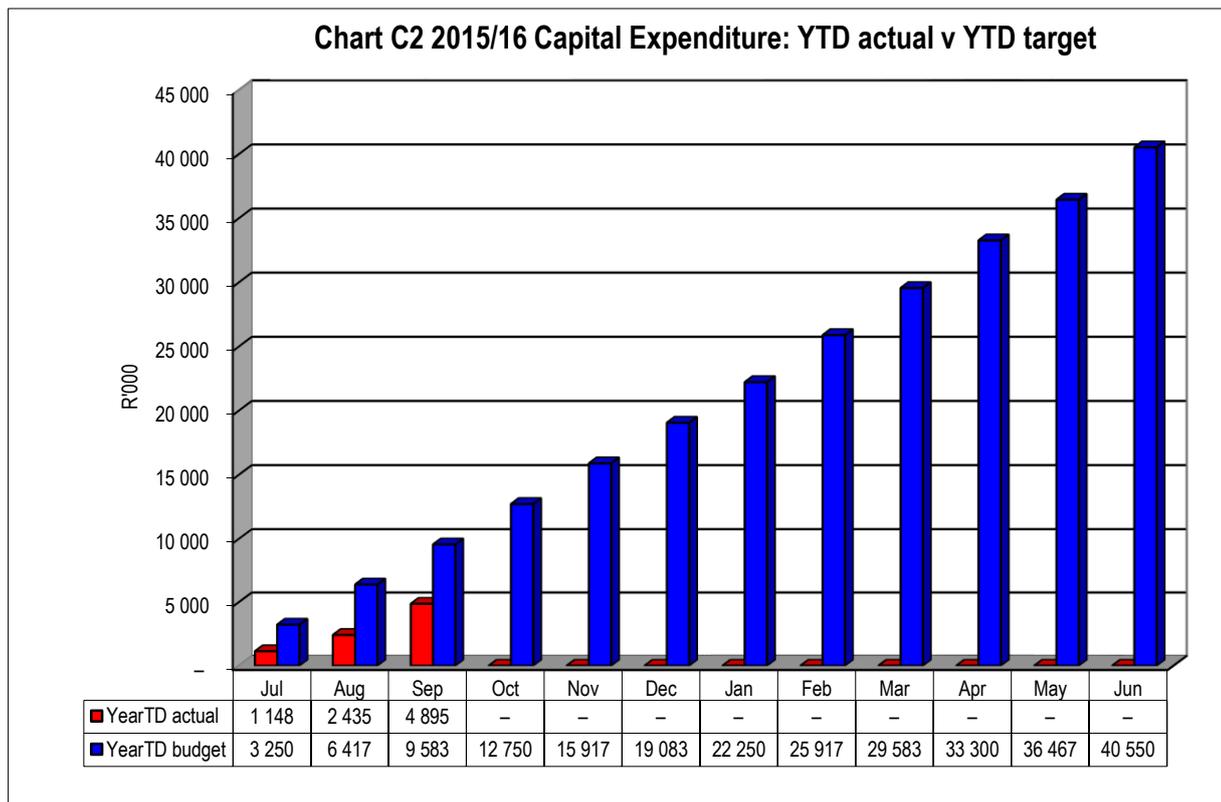
| Description | 2014/15 | Budget Year 2015/16 | | | | | | | |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | 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 | 246 | 351 | 458 | 107 | 23.3% | 1 831 |
| Infrastructure - Road transport | 422 | 370 | 370 | 27 | 87 | 93 | 6 | 6.5% | 370 |
| Roads, Pavements & Bridges | 422 | 370 | 370 | 27 | 87 | 93 | 6 | 6.5% | 370 |
| Storm water | - | - | - | - | - | - | - | - | - |
| Infrastructure - Electricity | 1 050 | 811 | 811 | 224 | 251 | 203 | (48) | -23.8% | 811 |
| Generation | - | - | - | - | - | - | - | - | - |
| Transmission & Reticulation | 916 | 591 | 591 | 224 | 251 | 148 | (103) | -69.9% | 591 |
| Street Lighting | 134 | 220 | 220 | - | - | 55 | 55 | 100.0% | 220 |
| Infrastructure - Water | 351 | 350 | 350 | (10) | 3 | 88 | 85 | 96.8% | 350 |
| Dams & Reservoirs | - | - | - | - | - | - | - | - | - |
| Water purification | - | - | - | - | - | - | - | - | - |
| Reticulation | 351 | 350 | 350 | (10) | 3 | 88 | 85 | 96.8% | 350 |
| Infrastructure - Sanitation | 224 | 300 | 300 | 5 | 11 | 75 | 64 | 85.7% | 300 |
| Reticulation | - | - | - | - | - | - | - | - | - |
| Sewerage purification | 224 | 300 | 300 | 5 | 11 | 75 | 64 | 85.7% | 300 |
| Infrastructure - Other | - | - | - | - | - | - | - | - | - |
| Waste Management | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - |
| Gas | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Community | 9 | 30 | 30 | 1 | 2 | 7 | 5 | 73.7% | 30 |
| Parks & gardens | 6 | 10 | 10 | - | 1 | 3 | 2 | 61.6% | 10 |
| Sportsfields & stadia | - | - | - | - | - | - | - | - | - |
| Swimming pools | - | - | - | - | - | - | - | - | - |
| Community halls | - | - | - | - | - | - | - | - | - |
| Libraries | - | - | - | - | - | - | - | - | - |
| Recreational facilities | - | - | - | - | - | - | - | - | - |
| Fire, safety & emergency | 3 | 20 | 20 | 1 | 1 | 5 | 4 | 79.8% | 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 | 8 | 357 | 341 | (16) | -4.6% | 1 364 |
| General vehicles | 686 | 854 | 854 | (14) | 255 | 214 | (42) | -19.5% | 854 |
| Specialised vehicles | - | - | - | - | - | - | - | - | - |
| Plant & equipment | 167 | 298 | 298 | 2 | 17 | 74 | 57 | 76.6% | 298 |
| Computers - hardware/equipment | - | - | - | - | - | - | - | - | - |
| Furniture and other office equipment | 9 | 44 | 44 | - | (0) | 11 | 11 | 100.0% | 44 |
| Abattoirs | - | - | - | - | - | - | - | - | - |
| Markets | - | - | - | - | - | - | - | - | - |
| Civic Land and Buildings | - | - | - | - | - | - | - | - | - |
| Other Buildings | 955 | 165 | 165 | 21 | 84 | 41 | (43) | -103.5% | 165 |
| Other Land | 1 | 3 | 3 | - | - | 1 | 1 | 100.0% | 3 |
| Surplus Assets - (Investment or Inventory) | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Agricultural assets | | | | | | | | | |
| List sub-class | - | - | - | - | - | - | - | - | - |
| Biological assets | | | | | | | | | |
| List sub-class | - | - | - | - | - | - | - | - | - |
| Intangibles | | | | | | | | | |
| Computers - software & programming | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - |
| Total Repairs and Maintenance Expenditure | 3 874 | 3 225 | 3 225 | 255 | 710 | 806 | 97 | 12.0% | 3 225 |

Other supporting documentation Section 71 charts

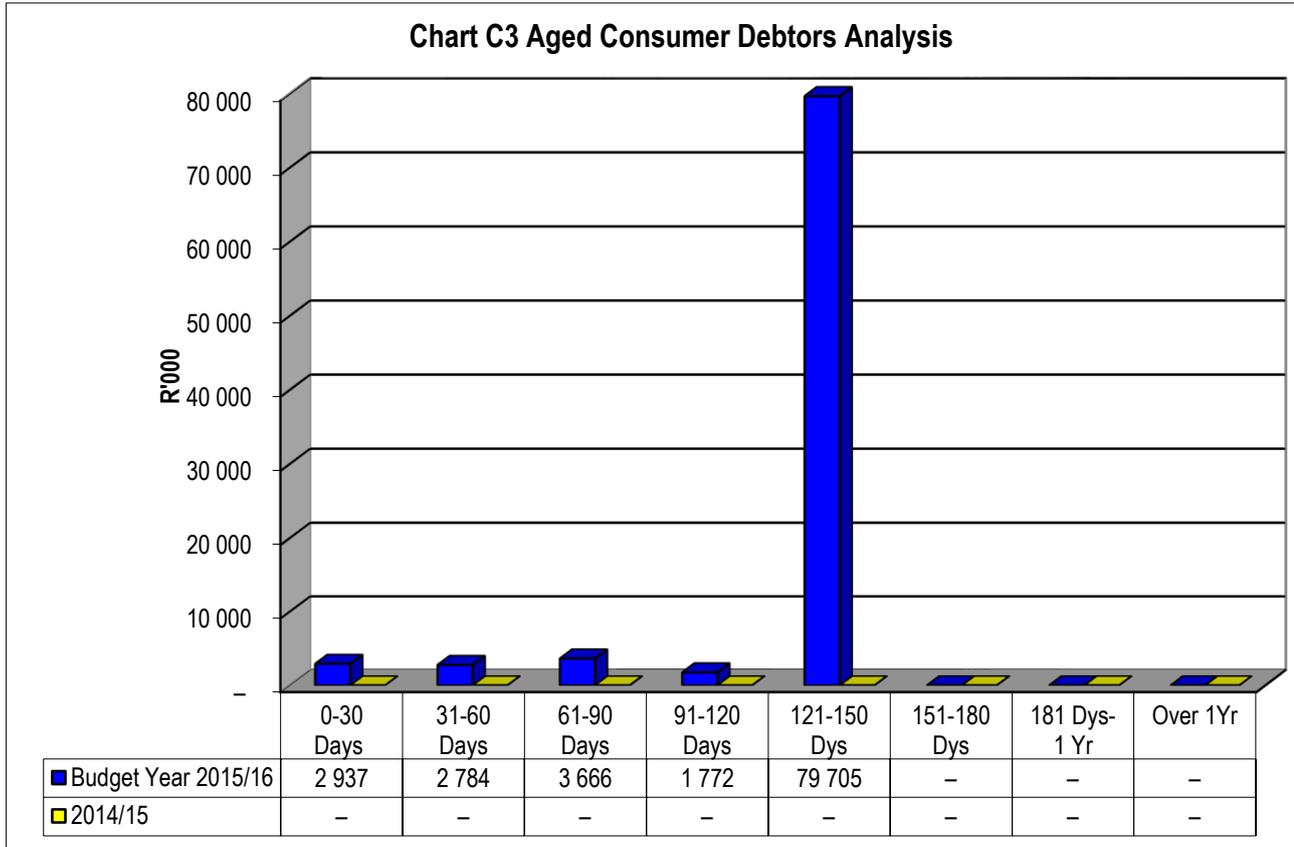
Capital expenditure monthly trend - actual vs target



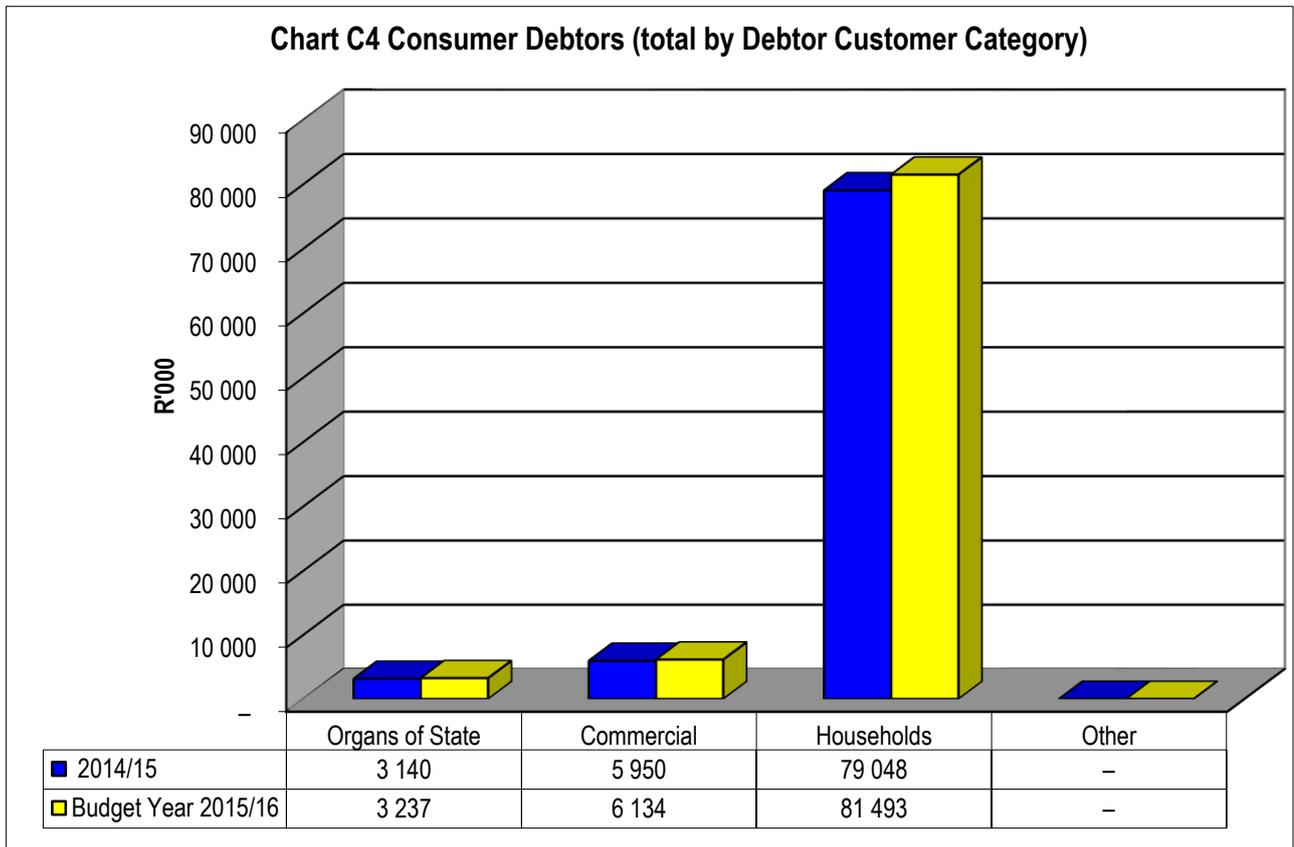
Capital expenditure – YTD actual vs YTD trend



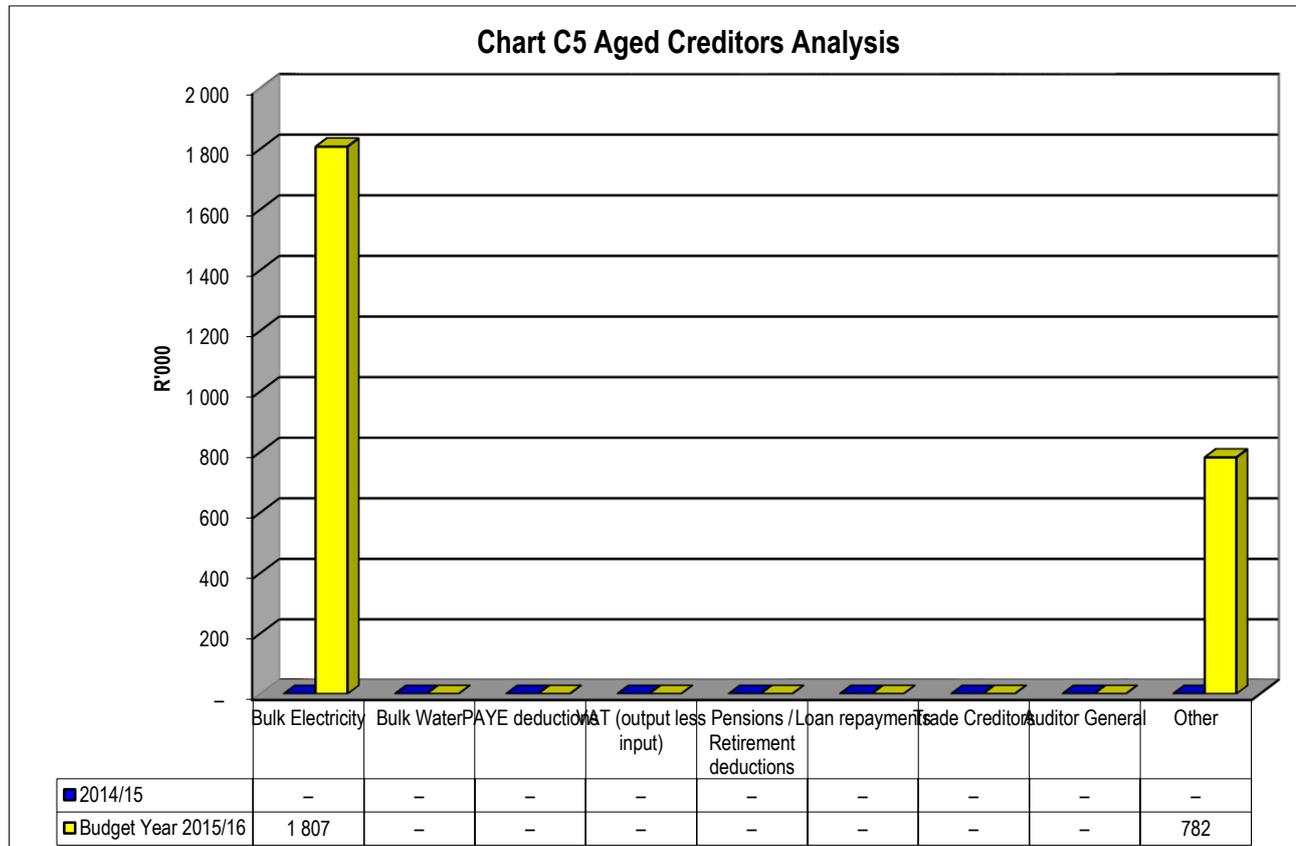
Debtors Age Analysis



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)

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

For the quarter ending 30 September 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: 15 OCTOBER 2015