

LAINGSBURG MUNICIPALITY



**MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING
FEBRUARY 2020**

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1. Mayors Report

The monthly budget statement for February 2020 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The February 2020 Monthly budget statement is the eight report for the 2019/20 financial year.

2. Executive Summary

Section 71 of the MFMA states that the Accounting Officer of a Municipality must by no later than 10 working days after the end of each month submit to the Mayor of the Municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the Municipality's budget.

This report presents the current state of the budget implementation and reasons for variances and possible action to be taken. Section 54 of the MFMA states that the Mayor of the Municipality must consider and check whether the approved budget is implemented in accordance with the Service Delivery and Budget Implementation Plan (SDBIP), and consider revisions.

The Table below illustrates an overview of the Budget implementation of Laingsburg Municipality for the month ended February 2020.

R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	94 630	98 494	61 753	62.70
Total Expenditure	94 052	96 496	62 819	65.10
Depreciation	11 752	11 985	7 299	60.90
Surplus (Deficit) (Incl Capital transfers)	577	1 998	-1 066	(53.35)

Capital Expenditure				
<i>Sources of Finance</i>				
Transfers from Grants	12 233	14 321	4 976	34.75
Government	12 233	14 321	4 976	34.75
Transfers from Internal funds	-	-	-	-
Capital Expenditure	12 233	14 321	4 976	34.75

Operating Revenue

The Municipality have generated 60.47% or R 61,753 million of the Budgeted Revenue to date which is lower than the budgeted amount. Year-to-date operating revenue is 9,3% lower than the year-to-date budget and stands at 90,7%. The projected budgeted revenue amounts to R 68,084 million. The actual revenue as at the end of February 2020 is thus R 6,331 million under the budget. This amount includes the operational grants to date.

Operating Expenditure

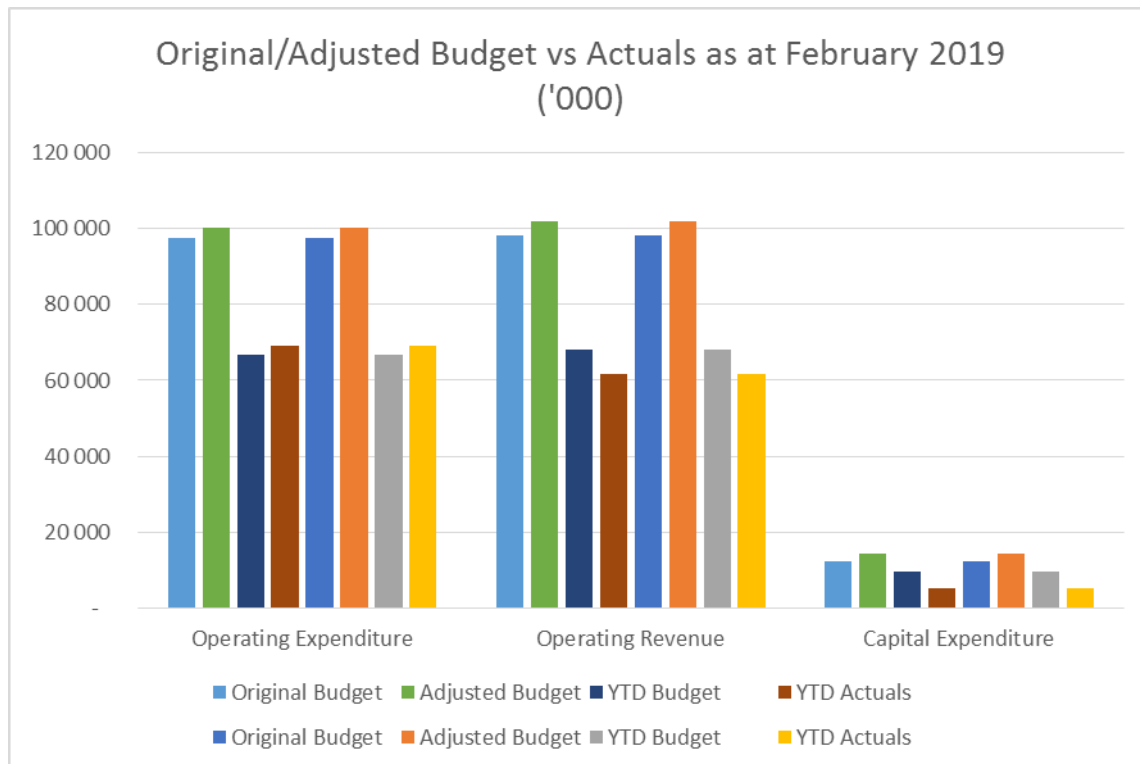
Operating expenditure of R 62,819 million for the period up to February 2020 does not include part of the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R 6,345 million. That will bring the total expenditure effectively at R 69,164 million to date. The expenditure to date is higher than the budget year-to-date amount and stands on 103,6%. This means that the Municipality has spent 6.34% over the budget.

Capital Expenditure

Year-to-date capital expenditure is lower than the year-to-date budget and stands on 34,75%.

The projected year-to-date capital expenditure amounted to R 9,548 million and the actual expenditure as at the end of February 2020 amounted to R 4,976 million.

The following graph shows the performance of the municipality against the Budget (Operating and Capital) as at the end of February 2020:



Cash Flow

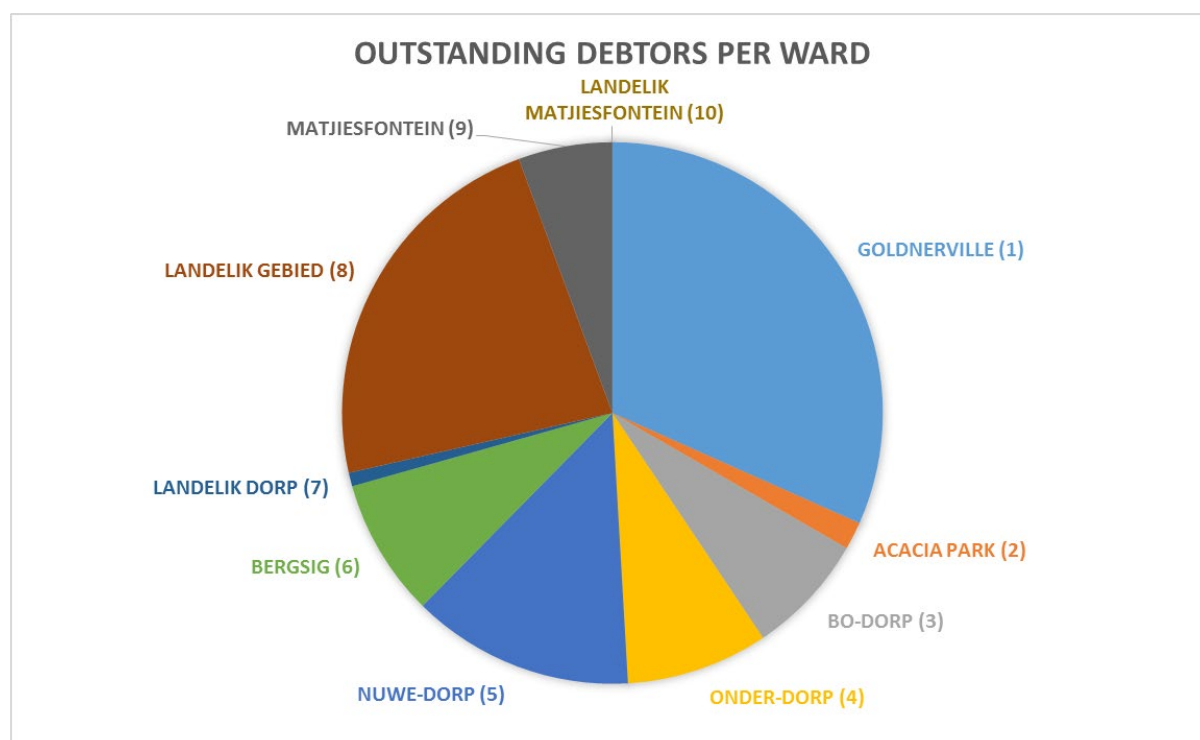
The Municipality started off with a cash flow balance of R 6,552 million at the beginning of the year after corrections and increased with R 1,976. The closing balance for the month ended February 2020 is R 8,528 million. The Municipal Cash flow is mainly from Operating Activities and Grants as no Borrowing or Investments are budgeted for the 2019/2020 financial year.

During the budget process assumptions were made that the payment ratio for all debtors will be at 95%. Currently the ratio is 83.58% and way below the target. That means that the inflow of cash is much lower as the assumptions. The total value of accounts sent out during this period was just over R 2,184 million. The total amount collected on those accounts amounted to R 1,969 million. That leaves an under collection of nearly R 215 000. The total amount that is under collected since the beginning of this financial year amounts to more than R 1,500 million. At the current spending pattern and the under collection the municipality is facing severe cash flow problems.

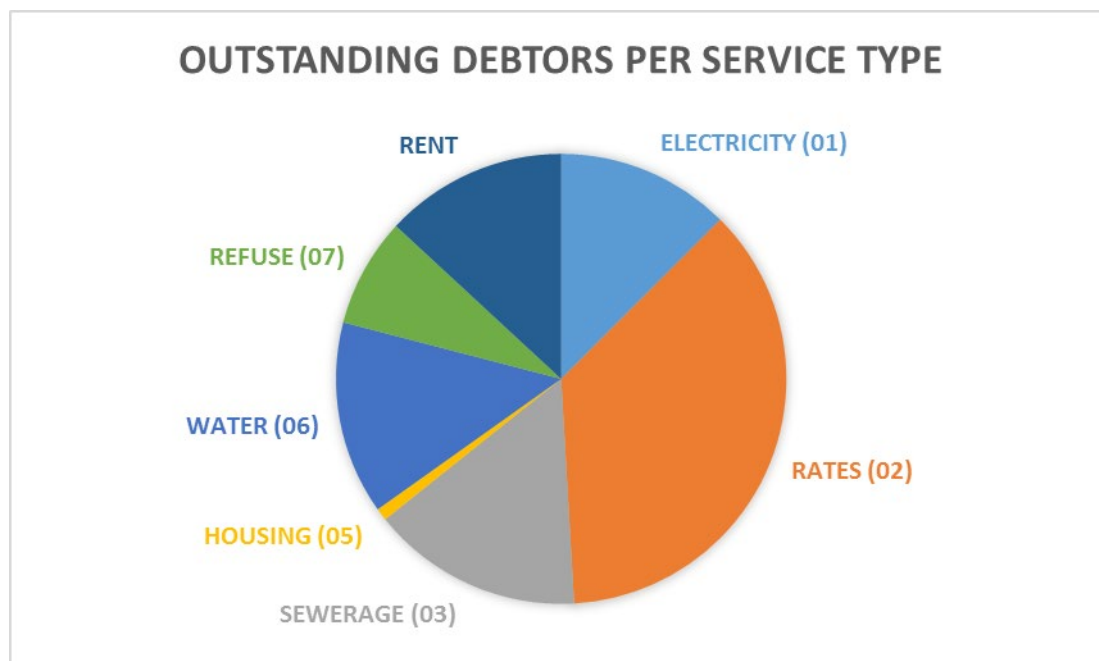
Debtors

The Outstanding Debtors of the Municipality amounts to R 10,248 million for the month ended February 2020, (R 9,758 million previous month). There was an increase of R 0.491 million in the total outstanding amount since the previous month (increase of R 0.215 million previous month). The payment rate for 2018/2019 financial year was 89%. The total amount outstanding for longer than 12 months is R 4,464 million and this amounts to 43,56% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 Days amount to R 5,963 million. The Municipality is implementing the Debt Collection and Credit Control Policy. Outstanding amounts in the areas where the Municipality is not the supplier of electricity are increasing rapidly.

The following graph shows the the outstanding debtors per ward as at the end of February 2020:



The following graph shows the the outstanding debtors per service type as at the end of February 2020:



Creditors

Total outstanding creditors amount to R 0 for the month ending February 2020. All the outstanding amounts are within the 30 days outstanding categories which is compliant with Section 65 of the MFMA. One case occurred where a supplier issued invoices more than 30 days after the date of the invoice for payment, but in most cases the payments are made at presentation of the invoices.

Cost Containment Measures

The Local Government: Municipal Cost Containment Regulations (MCCR), were promulgated on 7 June 2019, and came into effect on 1 July 2019.

Sections 62(1)(a) and 95(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality or municipal entity is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of MFMA Circular 97 issued on 1 July 2019 municipalities are required to utilise existing reporting requirements, to report internally and externally on cost saving measures.

The following table summarizes the main items as prescribed in the circular and MCCR.

Total cost saving disclosure in the In-Year Reoprt							
Cost Containment In-Year Reoprt							
Cost containment Measures	ANNUAL BUDGET	MONTHLY BUDGET	BUDGET YTD	EXPENCE THIS PERIOD	EXPENCE YTD	OVER OR (SAVINGS) THIS PERIOD	OVER OR (SAVINGS) YTD
	R'	R'	R'	R'	R'	R'	R'
Use of consultants	5 698 900	474 908	5 223 992	355 455	4 045 929	(119 453)	(1 178 063)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	1 068 900	89 075	712 600	98 522	934 463	9 447	221 863
Domestic accommodation	279 500	23 292	186 333	33 929	335 945	10 637	149 612
Sponsorships, events and catering	168 700	14 058	112 467	2 640	67 150	(11 418)	(45 317)
Communication	620 000	51 667	413 333	39 580	301 697	(12 087)	(111 636)
Other related expenditure items		-	-			-	-
Total	R 7 836 000	R 653 000	R 6 648 725	R 530 127	R 5 685 184	(122 873)	(963 541)

Red flagged amounts are items that exceed the budgeted amount. The main problem areas are travel and subsistence and accommodation. The travel claims exceeds the year-to-date budget amount with 31.1% and accommodation exceeds with 80.3%.

3. In year Budget Statement Tables

If a municipality does not have any municipal entities, the in-year budget statement tables must consist of the tables in First Attachment to this Schedule, namely-

- (a) Table C1 Monthly Budget Statement Summary
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Tale C3 Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)
- (d) Table C4 Monthly Budget Statement-Financial Performance (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement- Financial Position
- (g) Table C7 Monthly Budget Statement Cash Flow

Table C1: Summary

WC051 Laingsburg - Table C1 Monthly Budget Statement Summary - M08 February

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	3 990	4 656	4 319	26	4 293	1 800	2 494	139%	4 319
Service charges	17 178	20 941	20 821	2 061	15 994	8 676	7 318	84%	20 821
Investment revenue	146	811	841	76	570	350	220	63%	841
Transfers and subsidies	21 464	21 623	25 021	381	12 728	10 425	2 302	22%	25 021
Other own revenue	35 451	34 544	33 349	2 850	23 192	13 895	9 296	67%	33 349
Total Revenue (excluding capital transfers and contributions)	78 229	82 575	84 351	5 394	56 777	35 146	21 631	62%	84 351
Employee costs	20 650	26 131	25 042	1 783	15 835	10 434	5 401	52%	25 042
Remuneration of Councillors	3 032	2 801	3 128	252	2 020	1 303	716	55%	3 128
Depreciation & asset impairment	8 667	11 752	11 985	1 622	7 299	4 994	2 305	46%	11 985
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	7 899	7 923	8 423	719	5 749	3 510	2 239	64%	8 423
Transfers and subsidies	4 113	2 522	2 108	286	2 293	879	1 415	161%	2 108
Other expenditure	43 900	42 924	45 808	3 420	29 623	19 087	10 536	55%	45 808
Total Expenditure	88 261	94 052	96 496	8 083	62 819	40 206	22 613	56%	96 496
Surplus/(Deficit)	(10 033)	(11 477)	(12 145)	(2 690)	(6 042)	(5 060)	(982)	19%	(12 145)
Transfers and subsidies - capital (monetary alloc	19 268	12 054	14 143	704	4 976	5 893	(917)	-16%	14 143
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	9 235	577	1 998	(1 985)	(1 066)	833	(1 899)	-228%	1 998
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	9 235	577	1 998	(1 985)	(1 066)	833	(1 899)	-228%	1 998
Capital expenditure & funds sources									
Capital expenditure	28 105	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Capital transfers recognised	16 764	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	18	-	-	-	-	-	-	-	-
Total sources of capital funds	16 781	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Financial position									
Total current assets	21 864	21 864	21 864		27 217				21 864
Total non current assets	192 687	192 687	192 687		190 365				192 687
Total current liabilities	14 112	14 112	14 112		18 244				14 112
Total non current liabilities	14 490	14 490	14 490		14 490				14 490
Community wealth/Equity	185 950	185 950	185 950		184 848				185 950
Cash flows									
Net cash from (used) operating	(2 752)	10 455	10 455	2 368	6 493	1 952	(4 542)	-233%	10 455
Net cash from (used) investing	(3 035)	(11 976)	(11 976)	(704)	(4 562)	-	4 562	#DIV/0!	(11 976)
Net cash from (used) financing	91	34	34	3	45	23	(22)	-97%	34
Cash/cash equivalents at the month/year end	856	5 065	5 065	-	8 528	8 526	(2)	-0%	5 065
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	1 970	1 767	549	165	149	1 185	3 586	878	10 248
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Table C2: Financial Performance (Standard Classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Financed Statistics 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 structure used by the different institutions.

The main functions are Government and Administration, Community and Public Safety, Economic and Environmental Services, Trading Services and Other Services.

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

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		39 203	34 585	40 816	1 181	22 404	17 007	5 397	32%	40 816
Executive and council		905	2 521	2 431	-	446	1 013	(567)	-56%	2 431
Finance and administration		38 298	32 065	38 385	1 181	21 958	15 994	5 964	37%	38 385
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		34 965	34 140	31 893	2 765	22 521	13 289	9 232	69%	31 894
Community and social services		1 274	1 265	1 269	93	833	529	304	58%	1 269
Sport and recreation		4	24	4	0	1	2	(0)	-25%	4
Public safety		33 670	32 839	30 609	2 670	21 678	12 754	8 925	70%	30 609
Housing		16	11	11	1	8	5	4	80%	11
Health		2	0	0	-	0	0	(0)	-50%	1
<i>Economic and environmental services</i>		1 013	1 304	1 304	89	827	543	283	52%	1 304
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 013	1 304	1 304	89	827	543	283	52%	1 304
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		22 429	24 600	24 480	2 063	16 001	10 200	5 801	57%	24 480
Energy sources		14 443	15 414	15 414	1 316	10 203	6 422	3 780	59%	15 414
Water management		2 922	4 009	3 709	285	2 220	1 545	675	44%	3 709
Waste water management		2 818	2 793	2 913	244	1 941	1 214	727	60%	2 913
Waste management		2 247	2 385	2 445	217	1 638	1 019	619	61%	2 445
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	97 610	94 630	98 494	6 098	61 753	41 039	20 714	50%	98 494
Expenditure - Functional										
<i>Governance and administration</i>		28 723	28 259	31 136	2 156	19 657	12 973	6 683	52%	31 136
Executive and council		8 078	9 682	8 295	902	7 527	3 456	4 071	118%	8 295
Finance and administration		20 645	18 577	22 841	1 254	12 130	9 517	2 613	27%	22 841
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		32 769	36 208	33 820	2 841	22 429	14 092	8 338	59%	33 820
Community and social services		1 340	2 188	2 178	227	1 475	908	567	63%	2 178
Sport and recreation		9	26	46	4	26	19	7	38%	46
Public safety		31 207	33 784	31 382	2 567	20 773	13 076	7 697	59%	31 382
Housing		209	207	207	31	143	86	56	65%	207
Health		4	4	7	11	13	3	10	372%	7
<i>Economic and environmental services</i>		1 583	3 556	3 438	276	1 935	1 433	502	35%	3 438
Planning and development		329	1 324	1 008	29	333	420	(87)	-21%	1 008
Road transport		1 254	2 231	2 430	247	1 602	1 012	590	58%	2 430
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		25 187	26 022	28 095	2 809	18 793	11 706	7 087	61%	28 095
Energy sources		8 511	9 270	10 002	895	6 766	4 168	2 598	62%	10 002
Water management		4 535	2 933	3 468	286	2 183	1 445	738	51%	3 468
Waste water management		10 453	12 195	12 895	1 520	8 822	5 373	3 449	64%	12 895
Waste management		1 688	1 625	1 731	107	1 024	721	303	42%	1 731
<i>Other</i>		-	7	7	1	5	3	2	60%	7
Total Expenditure - Functional	3	88 261	94 052	96 496	8 083	62 819	40 206	22 613	56%	96 496
Surplus/ (Deficit) for the year		9 349	577	1 998	(1 985)	(1 066)	833	(1 899)	-228%	1 999

Table C3: Financial Performance (Revenue and Expenditure by Municipal Vote)

WC051 Laingsburg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	Ref	2018/19		Budget Year 2019/20						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - MAYORAL & COUNCIL	1	905	2 521	2 431	-	446	1 013	(567)	-56.0%	2 431
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		1 770	1 632	3 124	436	2 098	1 302	796	61.2%	3 124
Vote 4 - BUDGET & TREASURY		36 529	30 433	35 261	746	19 860	14 692	5 168	35.2%	35 261
Vote 5 - PLANNING AND DEVEOLPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		1 276	1 266	1 270	93	833	529	304	57.5%	1 270
Vote 7 - SPORTS AND RECREATION		4	24	4	0	1	2	(0)	-25.0%	4
Vote 8 - HOUSING		16	11	11	1	8	5	4	79.5%	11
Vote 9 - PUBLIC SAFETY		33 670	32 839	30 609	2 670	21 678	12 754	8 925	70.0%	30 609
Vote 10 - ROAD TRANSPORT		1 100	1 321	1 321	89	827	551	277	50.3%	1 321
Vote 11 - WASTE MANAGEMENT		2 247	2 385	2 445	217	1 638	1 019	619	60.8%	2 445
Vote 12 - WASTE WATER MANAGEMENT		2 731	2 776	2 896	244	1 940	1 207	734	60.8%	2 896
Vote 13 - WATER		2 922	4 009	3 709	285	2 220	1 545	675	43.7%	3 709
Vote 14 - ELECTRICITY		14 443	15 414	15 414	1 316	10 203	6 422	3 780	58.9%	15 414
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	97 610	94 630	98 494	6 098	61 753	41 039	20 714	50.5%	98 494
Expenditure by Vote										
Vote 1 - MAYORAL & COUNCIL	1	5 043	6 339	5 279	679	5 351	2 200	3 152	143.3%	5 279
Vote 2 - MUNICIPAL MANAGER		3 035	3 343	3 016	223	2 176	1 257	919	73.1%	3 016
Vote 3 - CORPORATE SERVICES		7 705	6 738	6 700	563	3 984	2 792	1 193	42.7%	6 700
Vote 4 - BUDGET & TREASURY		12 940	11 838	16 141	692	8 146	6 725	1 420	21.1%	16 141
Vote 5 - PLANNING AND DEVEOLPMENT		329	1 324	1 008	29	333	420	(87)	-20.8%	1 008
Vote 6 - COMMUNITY AND SOCIAL SERV		1 184	1 619	1 602	160	1 079	668	412	61.7%	1 602
Vote 7 - SPORTS AND RECREATION		169	606	636	83	440	265	175	66.1%	636
Vote 8 - HOUSING		209	207	207	31	143	86	56	64.9%	207
Vote 9 - PUBLIC SAFETY		31 207	33 784	31 382	2 567	20 773	13 076	7 697	58.9%	31 382
Vote 10 - ROAD TRANSPORT		9 673	11 913	12 664	1 518	8 833	5 277	3 556	67.4%	12 664
Vote 11 - WASTE MANAGEMENT		1 688	1 625	1 731	107	1 024	721	303	42.0%	1 731
Vote 12 - WASTE WATER MANAGEMENT		2 034	2 513	2 661	248	1 591	1 109	482	43.5%	2 661
Vote 13 - WATER		4 535	2 933	3 468	286	2 183	1 445	738	51.1%	3 468
Vote 14 - ELECTRICITY		8 511	9 270	10 002	895	6 766	4 168	2 598	62.3%	10 002
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	88 261	94 052	96 496	8 083	62 819	40 206	22 613	56.2%	96 496
Surplus/ (Deficit) for the year	2	9 349	577	1 998	(1 985)	(1 066)	833	(1 899)	-228.0%	1 998

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	Ref	Budget Year 2019/20								
		2018/19 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		3 990	4 656	4 319	26	4 293	1 800	2 494	139%	4 319
Service charges - electricity revenue		11 861	15 055	15 055	1 316	10 203	6 273	3 930	63%	15 055
Service charges - water revenue		1 096	1 628	1 328	285	2 220	553	1 667	301%	1 328
Service charges - sanitation revenue		2 731	2 776	2 896	244	1 940	1 207	734	61%	2 896
Service charges - refuse revenue		1 490	1 483	1 543	215	1 631	643	988	154%	1 543
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1 354	711	1 456	116	947	607	340	56%	1 456
Interest earned - external investments		146	811	841	76	570	350	220	63%	841
Interest earned - outstanding debtors		282	40	509	42	336	212	124	58%	509
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		33 342	31 775	29 736	2 651	21 189	12 390	8 798	71%	29 736
Licences and permits		228	1 072	882	19	495	367	128	35%	882
Agency services		151	122	157	5	97	65	32	49%	157
Transfers and subsidies		21 464	21 623	25 021	381	12 728	10 425	2 302	22%	25 021
Other revenue		94	825	610	17	129	254	(125)	-49%	610
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		78 229	82 575	84 351	5 394	56 777	35 146	21 631	62%	84 351
Expenditure By Type										
Employee related costs		20 650	26 131	25 042	1 783	15 835	10 434	5 401	52%	25 042
Remuneration of councillors		3 032	2 801	3 128	252	2 020	1 303	716	55%	3 128
Debt impairment		25 618	26 442	25 392	2 144	17 154	10 580	6 574	62%	25 392
Depreciation & asset impairment		8 667	11 752	11 985	1 622	7 299	4 994	2 305	46%	11 985
Finance charges		-	-	-	-	-	-	-	-	-
Bulk purchases		7 899	7 923	8 423	719	5 749	3 510	2 239	64%	8 423
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		2 445	3 813	2 183	230	1 227	909	318	35%	2 183
Transfers and subsidies		4 113	2 522	2 108	286	2 293	879	1 415	161%	2 108
Other expenditure		15 837	12 669	18 234	1 046	11 242	7 598	3 644	48%	18 234
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		88 261	94 052	96 496	8 083	62 819	40 206	22 613	56%	96 496
Surplus/(Deficit)		(10 033)	(11 477)	(12 145)	(2 690)	(6 042)	(5 060)	(982)	0	(12 145)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		19 268	12 054	14 143	704	4 976	5 893	(917)	(0)	14 143
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		9 235	577	1 998	(1 985)	(1 066)	833			1 998
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		9 235	577	1 998	(1 985)	(1 066)	833			1 998
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		9 235	577	1 998	(1 985)	(1 066)	833			1 998
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		9 235	577	1 998	(1 985)	(1 066)	833			1 998

Table C5: Capital Expenditure (Municipal Vote, Standard Classification and Funding)

WC051 Laingsburg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08
February

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									

Capital Expenditure - Functional Classification										
Governance and administration		35	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		35	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		25	-	-	-	-	-	-	-	-
Community and social services		11	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		14	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		238	2 045	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		238	2 045	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		27 806	10 188	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Energy sources		8 424	4 576	4 372	-	413	-	413	#DIV/0!	4 372
Water management		19 383	5 612	9 949	704	4 562	-	4 562	#DIV/0!	9 949
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	28 105	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Funded by:										
National Government		(832)	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Provincial Government		17 596	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		16 764	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		18	-	-	-	-	-	-	-	-
Total Capital Funding		16 781	12 233	14 321	704	4 976	-	4 976	#DIV/0!	14 321

Table C6: Financial Position**WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - M08 February**

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		6 552	6 552	6 552	8 523	6 552
Call investment deposits		-	-	-	-	-
Consumer debtors		10 509	10 509	10 509	(3 551)	10 509
Other debtors		3 915	3 915	3 915	21 431	3 915
Current portion of long-term receivables		0	0	0	0	0
Inventory		889	889	889	813	889
Total current assets		21 864	21 864	21 864	27 217	21 864
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		24 801	24 801	24 801	24 743	24 801
Investments in Associate		-	-	-	-	-
Property, plant and equipment		167 473	167 473	167 473	165 207	167 473
Agricultural		-	-	-	-	-
Biological		-	-	-	-	-
Intangible		370	370	370	370	370
Other non-current assets		43	43	43	45	43
Total non current assets		192 687	192 687	192 687	190 365	192 687
TOTAL ASSETS		214 551	214 551	214 551	217 582	214 551
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		17	17	17	17	17
Consumer deposits		674	674	674	687	674
Trade and other payables		12 262	12 262	12 262	16 417	12 262
Provisions		1 159	1 159	1 159	1 123	1 159
Total current liabilities		14 112	14 112	14 112	18 244	14 112
Non current liabilities						
Borrowing		6	6	6	6	6
Provisions		14 483	14 483	14 483	14 483	14 483
Total non current liabilities		14 490	14 490	14 490	14 490	14 490
TOTAL LIABILITIES		28 601	28 601	28 601	32 734	28 601
NET ASSETS	2	185 950	185 950	185 950	184 848	185 950
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		185 950	185 950	185 950	184 848	185 950
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	185 950	185 950	185 950	184 848	185 950

Table C7: Cash Flow

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		4 237	3 846	3 846	155	3 001	2 726	274	10%	3 846
Service charges		16 072	19 696	19 696	1 415	12 145	13 360	(1 215)	-9%	19 696
Other revenue		23 281	8 263	8 263	4 902	18 892	5 350	13 542	253%	8 263
Government - operating		15 542	22 612	22 612	200	13 613	11 437	2 176	19%	22 612
Government - capital		8 476	11 723	11 723	-	-	6 448	(6 448)	-100%	11 723
Interest		911	1 195	1 195	85	644	838	(194)	-23%	1 195
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(74 809)	(56 874)	(56 874)	(4 358)	(41 649)	(38 202)	3 447	-9%	(56 874)
Finance charges		-	(7)	(7)	-	-	(4)	(4)	100%	(7)
Transfers and Grants		3 537	-	-	(31)	(152)	-	152	#DIV/0!	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(2 752)	10 455	10 455	2 368	6 493	1 952	(4 542)	-233%	10 455
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		8 000	-	-	-	-	-	-		-
Payments										
Capital assets		(11 035)	(11 976)	(11 976)	(704)	(4 562)	-	4 562	#DIV/0!	(11 976)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3 035)	(11 976)	(11 976)	(704)	(4 562)	-	4 562	#DIV/0!	(11 976)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		91	34	34	3	45	23	22	97%	34
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		91	34	34	3	45	23	(22)	-97%	34
NET INCREASE/ (DECREASE) IN CASH HELD		(5 696)	(1 486)	(1 486)	1 667	1 976	1 975			(1 486)
Cash/cash equivalents at beginning:		6 552	6 552	6 552		6 552	6 552			6 552
Cash/cash equivalents at month/year end:		856	5 065	5 065		8 528	8 526			5 065

4. Supporting Documentation

Variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - M08 February

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	139%	Property rates are levied in July for the financial year	Will balance out to end of financial year
	Service charges - water revenue	301%	Consumers move into the higher price brackets with consum	Will have to investigate
2	Expenditure By Type			
	Transfers and subsidies	161%	More transfers to indigent consumers	
3	Capital Expenditure			
	Water management	14%	Project are in process	Payment will accelerate in the third quarter
4	Financial Position			
		0		0
5	Cash Flow			
	Service charges	-16%	Poor payment ratio from debtors	0
6	Measureable performance			
7	Municipal Entities			

Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2019/20									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	181	135	140	42	34	33	484	214	1 264	808	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 079	170	131	22	24	249	293	111	2 079	699	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	359	25	24	20	18	835	1 252	77	2 609	2 202	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	137	138	123	32	29	28	557	242	1 284	887	-	-	
Receivables from Exchange Transactions - Waste Management	1600	158	102	104	26	22	20	239	147	819	455	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	54	28	28	21	20	19	636	86	890	780	-	-	
Interest on Arrear Debtor Accounts	1810	-	1 168	-	-	-	-	-	-	1 168	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	3	1	0	1	2	1	126	1	135	131	-	-	
Total By Income Source	2000	1 970	1 767	549	165	149	1 185	3 586	878	10 248	5 963	-	-	
2018/19 - totals only		1214938	869849	180608	126680	205828	127452	3232686	886727	6 845	4 579			
Debtors Age Analysis By Customer Group														
Organs of State	2200	116	192	63	11	15	253	446	-	1 097	725	-	-	
Commercial	2300	1 012	480	25	21	21	803	1 099	146	3 607	2 090	-	-	
Households	2400	841	1 095	460	133	113	130	2 040	732	5 544	3 148	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	1 970	1 767	549	165	149	1 185	3 586	878	10 248	5 963	-	-	

Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2019/20									Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	
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	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	

5. Other Information or Documentation

Municipal Manager's Quality Certificate

The in-year report must be covered by a quality certificate in the format described below:

QUALITY CERTIFICATE

I, John Xolani Komanisi, the Acting Municipal Manager of Laingsburg Municipality, hereby certify that –

(mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid-year budget and performance assessment

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

Print name: JX Komanisi

Acting Municipal Manager of Laingsburg Municipality (WC051)

Signature



Date 12/03/2020

6. Recommendation

It is recommended that Council / Finance Committee take note of this report.