

LAINGSBURG MUNICIPALITY



**MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING
DECEMBER 2019**

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1. Mayors Report

The monthly budget statement for December 2019 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The December 2019 Monthly budget statement is the sixth 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 December 2019.

R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	94 630	94 630	50 207	53.06
Total Expenditure	94 052	94 052	46 654	49.60
Depreciation	11 752	11 752	4 055	34.51
Surplus (Deficit) (Incl Capital transfers)	577	577	3 553	615.41

Capital Expenditure				
Sources of Finance				
Transfers from Grants	10 436	10 436	4 212	40.36
Government	10 436	10 436	4 212	40.36
Transfers from Internal funds	-	-	-	-
Capital Expenditure	10 436	10 436	4 212	40.36

Operating Revenue

The Municipality have generated 51.09% or R50,207 million of the Budgeted Revenue to date which is higher than the budgeted amounts. Year-to-date operating revenue is 2,19% over than the year-to-date budget and stands on 102,19%. The projected revenue amounted to R49,131 million and the actual revenue as at the end of December 2019 amounted to R50,207 million. This amount includes the operational grants to date.

Operating Expenditure

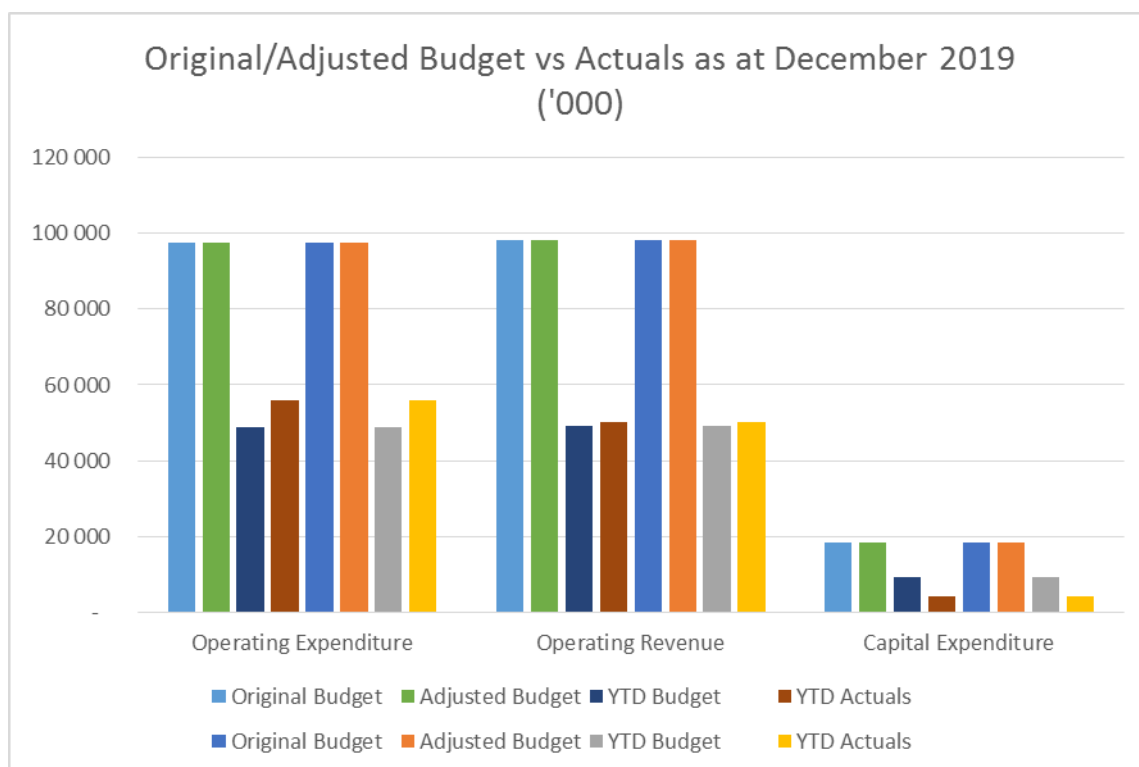
Operating expenditure of R46,654 million for the period up to December 2019 does not include part of the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R9,238 million. That will bring the total expenditure effectively at R55,892 million to date. The expenditure to date is higher than the budget year-to-date amount and stands on 114,43%. This means that the Municipality has spent 14.43% over the budget.

Capital Expenditure

Year-to-date capital expenditure is lower than the year-to-date budget and stands on 22,78%.

The projected year-to-date capital expenditure amounted to R9,247 million and the actual expenditure as at the end of December 2019 amounted to R4,212 million.

The following graph shows the performance of the municipality against the Budget (Operating and Capital) as at the end of December 2019:



Cash Flow

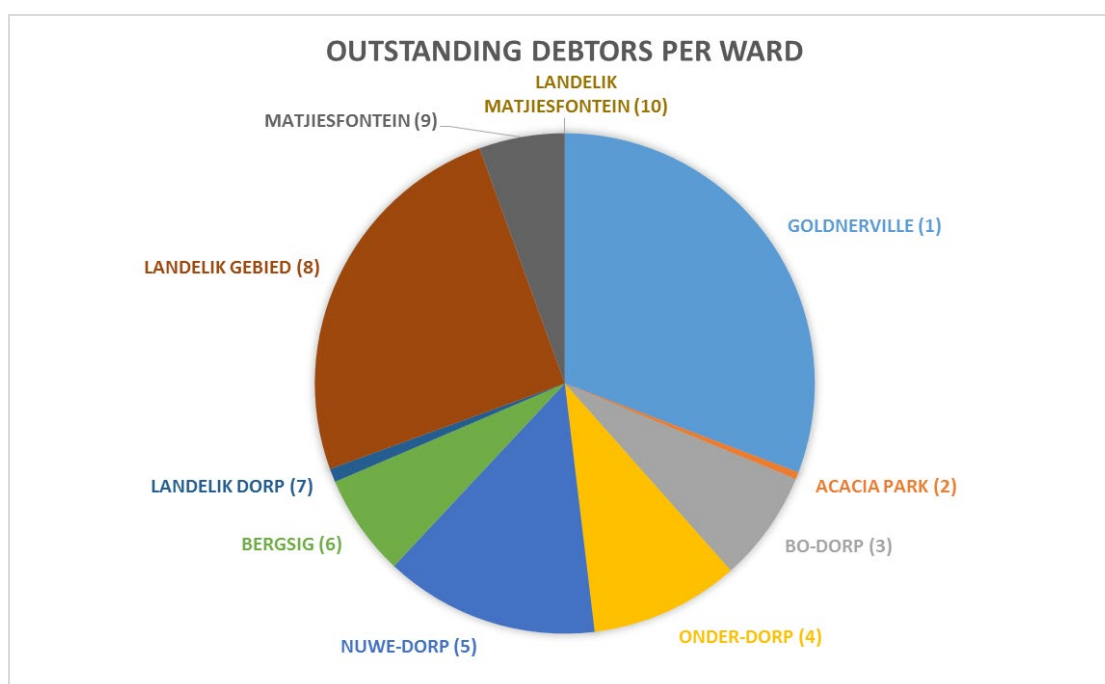
The Municipality started off with a cash flow balance of R6,552 million at the beginning of the year after corrections and increased with R1,164 million. The closing balance for the month ended December 2019 is R7,715 million. That is a nett cash inflow of R80 795 from the previous month. The Municipal 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 82.64% and way below the target. That means that the inflow of cash flow is much lower as the assumptions. The total value of accounts sent out during November was just over R2,167 million. The total amount collected on those accounts amounted to R2,061 million. That leaves an under collection of just under R106 000. The total amount that is under collected since the beginning of this financial year amounts to more than R1,108 million. At the current spending pattern and the under collection the municipality can experience severe cash flow problems before the end of the financial year.

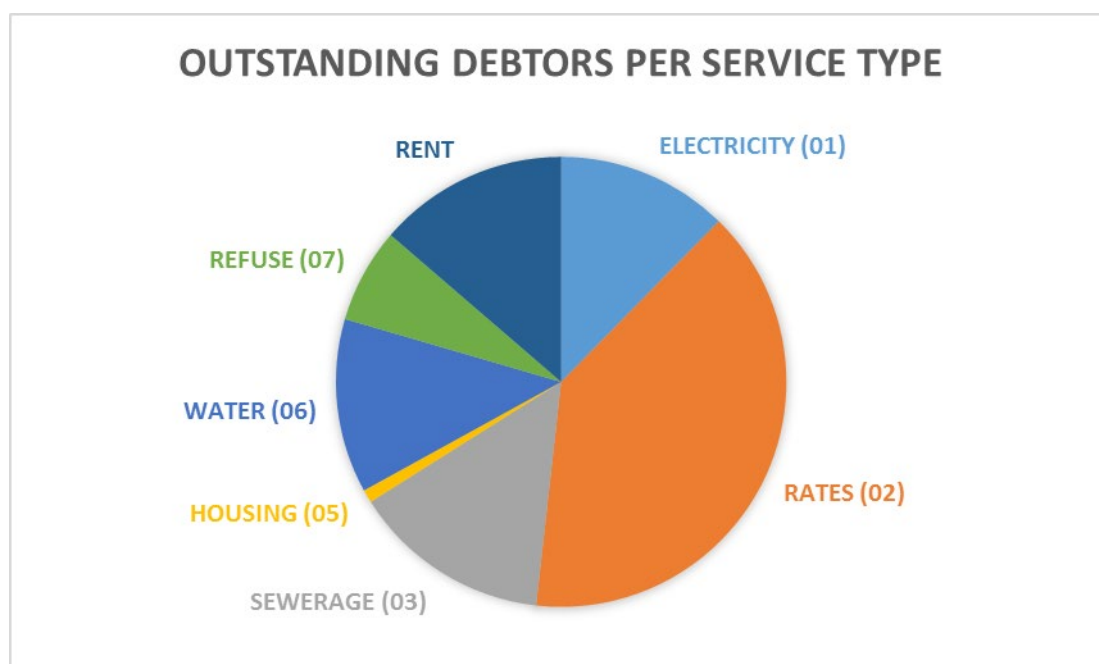
Debtors

The Outstanding Debtors of the Municipality amounts to R9,543 million for the month ended December 2019, (R9,439 million previous month). There was an increase of R0.106 million in the total outstanding amount since the previous month (increase of R0.260 million previous month). The payment rate for 2018/2019 financial year was 89%. The total amount outstanding for longer than 12 months is R4,508 million and this amounts to 44,10% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 Days amount to R5,855 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 December 2019:



The following graph shows the the outstanding debtors per service type as at the end of December 2019:



Creditors

Total outstanding creditors amount to R0 for the month ending December 2019. 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	4 274 175	690 517	3 463 730	215 609	(810 445)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	1 068 900	89 075	534 450	27 151	765 868	(61 924)	231 418
Domestic accommodation	279 500	23 292	139 750	500	270 633	(22 792)	130 883
Sponsorships, events and catering	168 700	14 058	84 350	4 944	62 840	(9 114)	(21 510)
Communication	620 000	51 667	310 000	39 464	222 110	(12 203)	(87 890)
Other related expenditure items		-	-			-	-
Total	R 7 836 000	R 653 000	R 5 342 725	R 762 577	R 4 785 181	109 577	(557 544)

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 43.3% and accommodation exceeds with 93.6%. At this trend the total budget for the financial year will be depleted by the end of February 2020.

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 - M06 December

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	4 656	26	4 241	1 940	2 301	119%	4 656
Service charges	17 178	20 941	20 941	1 950	11 972	8 726	3 246	37%	20 941
Investment revenue	146	811	811	65	461	338	124	37%	811
Transfers and subsidies	21 464	21 623	21 623	4 922	11 840	9 010	2 830	31%	21 623
Other own revenue	35 451	34 544	34 544	2 840	17 481	14 393	3 087	21%	34 544
Total Revenue (excluding capital transfers and contributions)	78 229	82 575	82 575	9 804	45 995	34 406	11 588	34%	82 575
Employee costs	20 912	26 131	26 131	1 933	12 367	10 888	1 480	14%	26 131
Remuneration of Councillors	2 770	2 801	2 801	227	1 361	1 167	194	17%	2 801
Depreciation & asset impairment	8 667	11 752	11 752	—	4 055	4 897	(841)	-17%	11 752
Finance charges	—	—	—	—	—	—	—	—	—
Materials and bulk purchases	7 899	7 923	7 923	679	4 375	3 301	1 073	33%	7 923
Transfers and subsidies	4 113	2 522	2 522	57	1 953	1 051	902	86%	2 522
Other expenditure	43 900	42 924	42 924	3 594	22 542	17 885	4 658	26%	42 924
Total Expenditure	88 261	94 052	94 052	6 489	46 654	39 188	7 465	19%	94 052
Surplus/(Deficit)	(10 033)	(11 477)	(11 477)	3 314	(659)	(4 782)	4 123	-86%	(11 477)
Transfers and subsidies - capital (monetary alloc	19 268	12 054	12 054	2 788	4 212	5 023	(810)	-16%	12 054
Contributions & Contributed assets	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	9 235	577	577	6 102	3 553	241	3 312	1377%	577
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	9 235	577	577	6 102	3 553	241	3 312	1377%	577
Capital expenditure & funds sources									
Capital expenditure	28 105	8 064	8 064	1 912	4 212	—	4 212	#DIV/0!	8 064
Capital transfers recognised	16 764	10 436	10 436	1 912	4 212	—	4 212	#DIV/0!	10 436
Public contributions & donations	—	—	—	—	—	—	—	—	—
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	18	—	—	—	—	—	—	—	—
Total sources of capital funds	16 781	10 436	10 436	1 912	4 212	—	4 212	#DIV/0!	10 436
Financial position									
Total current assets	21 864	21 864	21 864		25 627				21 864
Total non current assets	192 687	192 687	192 687		192 845				192 687
Total current liabilities	14 112	14 112	14 112		14 502				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		189 480				185 950
Cash flows									
Net cash from (used) operating	(2 752)	10 455	10 455	1 987	4 926	6 962	2 036	29%	10 455
Net cash from (used) investing	(3 035)	(11 976)	(11 976)	(1 912)	(3 799)	—	3 799	#DIV/0!	(11 976)
Net cash from (used) financing	91	34	34	6	37	17	(19)	-112%	34
Cash/cash equivalents at the month/year end	856	5 065	5 065	—	7 715	13 531	5 816	43%	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	2 018	1 472	197	1 297	191	159	3 331	877	9 543
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) - M06 December

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	34 585	7 029	20 909	14 411	6 498	45%	34 585
Executive and council		905	2 521	2 521	12	446	1 050	(604)	-58%	2 521
Finance and administration		38 298	32 065	32 065	7 018	20 463	13 360	7 103	53%	32 065
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		34 965	34 140	34 140	2 655	16 363	14 225	2 138	15%	34 140
Community and social services		1 274	1 265	1 265	2	9	527	(518)	-98%	1 265
Sport and recreation		4	24	24	—	1	10	(9)	-92%	24
Public safety		33 670	32 839	32 839	2 652	16 346	13 683	2 664	19%	32 839
Housing		16	11	11	1	6	5	2	35%	11
Health		2	0	0	—	0	0	(0)	-50%	1
<i>Economic and environmental services</i>		1 013	1 304	1 304	955	960	543	416	77%	1 304
Planning and development		—	—	—	—	—	—	—	—	—
Road transport		1 013	1 304	1 304	955	960	543	416	77%	1 304
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		22 429	24 600	24 600	1 952	11 975	10 250	1 725	17%	24 600
Energy sources		14 443	15 414	15 414	1 221	7 640	6 422	1 217	19%	15 414
Water management		2 922	4 009	4 009	290	1 655	1 670	(15)	-1%	4 009
Waste water management		2 818	2 793	2 793	240	1 457	1 164	293	25%	2 793
Waste management		2 247	2 385	2 385	201	1 224	994	230	23%	2 385
<i>Other</i>	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	97 610	94 630	94 630	12 591	50 207	39 429	10 778	27%	94 630
Expenditure - Functional										
<i>Governance and administration</i>		28 723	28 259	28 259	1 938	15 338	11 774	3 564	30%	28 259
Executive and council		8 078	9 682	9 682	638	5 981	4 034	1 947	48%	9 682
Finance and administration		20 645	18 577	18 577	1 300	9 357	7 740	1 617	21%	18 577
Internal audit		—	—	—	—	—	—	—	—	—
<i>Community and public safety</i>		32 769	36 208	36 208	2 782	16 844	15 087	1 758	12%	36 208
Community and social services		1 340	2 188	2 188	96	1 025	912	114	12%	2 188
Sport and recreation		9	26	26	3	22	11	11	106%	26
Public safety		31 207	33 784	33 784	2 682	15 716	14 076	1 639	12%	33 784
Housing		209	207	207	0	80	86	(7)	-8%	207
Health		4	4	4	—	2	2	0	13%	4
<i>Economic and environmental services</i>		1 583	3 556	3 556	197	1 422	1 481	(59)	-4%	3 556
Planning and development		329	1 324	1 324	33	279	552	(273)	-50%	1 324
Road transport		1 254	2 231	2 231	163	1 143	930	214	23%	2 231
Environmental protection		—	—	—	—	—	—	—	—	—
<i>Trading services</i>		25 187	26 022	26 022	1 572	13 046	10 843	2 203	20%	26 022
Energy sources		8 511	9 270	9 270	736	5 014	3 863	1 152	30%	9 270
Water management		4 535	2 933	2 933	218	1 525	1 222	303	25%	2 933
Waste water management		10 453	12 195	12 195	521	5 729	5 081	648	13%	12 195
Waste management		1 688	1 625	1 625	97	777	677	100	15%	1 625
<i>Other</i>		—	7	7	1	4	3	1	20%	7
Total Expenditure - Functional	3	88 261	94 052	94 052	6 489	46 654	39 188	7 465	19%	94 052
Surplus/ (Deficit) for the year		9 349	577	577	6 102	3 553	241	3 312	1377%	578

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) - M06 December**

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	1									
Vote 1 - MAYORAL & COUNCIL		905	2 521	2 521	12	446	1 050	(604)	-57.5%	2 521
Vote 2 - MUNICIPAL MANAGER		—	—	—	—	—	—	—	—	—
Vote 3 - CORPORATE SERVICES		1 770	1 632	1 632	228	1 458	680	778	114.4%	1 632
Vote 4 - BUDGET & TREASURY		36 529	30 433	30 433	6 790	19 005	12 680	6 325	49.9%	30 433
Vote 5 - PLANNING AND DEVELOPMENT		—	—	—	—	—	—	—	—	—
Vote 6 - COMMUNITY AND SOCIAL SERV		1 276	1 266	1 266	2	9	527	(518)	-98.3%	1 266
Vote 7 - SPORTS AND RECREATION		4	24	24	—	1	10	(9)	-91.5%	24
Vote 8 - HOUSING		16	11	11	1	6	5	2	34.6%	11
Vote 9 - PUBLIC SAFETY		33 670	32 839	32 839	2 652	16 346	13 683	2 664	19.5%	32 839
Vote 10 - ROAD TRANSPORT		1 100	1 321	1 321	955	960	551	410	74.4%	1 321
Vote 11 - WASTE MANAGEMENT		2 247	2 385	2 385	201	1 224	994	230	23.1%	2 385
Vote 12 - WASTE WATER MANAGEMENT		2 731	2 776	2 776	240	1 457	1 157	300	26.0%	2 776
Vote 13 - WATER		2 922	4 009	4 009	290	1 655	1 670	(15)	-0.9%	4 009
Vote 14 - ELECTRICITY		14 443	15 414	15 414	1 221	7 640	6 422	1 217	19.0%	15 414
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Revenue by Vote	2	97 610	94 630	94 630	12 591	50 207	39 429	10 778	27.3%	94 630
Expenditure by Vote	1									
Vote 1 - MAYORAL & COUNCIL		5 043	6 339	6 339	408	4 240	2 641	1 599	60.5%	6 339
Vote 2 - MUNICIPAL MANAGER		3 035	3 343	3 343	230	1 741	1 393	348	25.0%	3 343
Vote 3 - CORPORATE SERVICES		7 705	6 738	6 738	429	2 989	2 808	182	6.5%	6 738
Vote 4 - BUDGET & TREASURY		12 940	11 838	11 838	871	6 368	4 933	1 435	29.1%	11 838
Vote 5 - PLANNING AND DEVELOPMENT		329	1 324	1 324	33	279	552	(273)	-49.5%	1 324
Vote 6 - COMMUNITY AND SOCIAL SERV		1 184	1 619	1 619	85	776	675	102	15.1%	1 619
Vote 7 - SPORTS AND RECREATION		169	606	606	15	277	253	24	9.6%	606
Vote 8 - HOUSING		209	207	207	0	80	86	(7)	-7.9%	207
Vote 9 - PUBLIC SAFETY		31 207	33 784	33 784	2 682	15 716	14 076	1 639	11.6%	33 784
Vote 10 - ROAD TRANSPORT		9 673	11 913	11 913	601	5 827	4 964	863	17.4%	11 913
Vote 11 - WASTE MANAGEMENT		1 688	1 625	1 625	97	777	677	100	14.7%	1 625
Vote 12 - WASTE WATER MANAGEMENT		2 034	2 513	2 513	83	1 046	1 047	(1)	-0.1%	2 513
Vote 13 - WATER		4 535	2 933	2 933	218	1 525	1 222	303	24.8%	2 933
Vote 14 - ELECTRICITY		8 511	9 270	9 270	736	5 014	3 863	1 152	29.8%	9 270
Vote 15 - [NAME OF VOTE 15]		—	—	—	—	—	—	—	—	—
Total Expenditure by Vote	2	88 261	94 052	94 052	6 489	46 654	39 188	7 465	19.1%	94 052
Surplus/ (Deficit) for the year	2	9 349	577	577	6 102	3 553	241	3 312	1377.0%	577

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

W051 Lambsburg - Table C-4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - 000 December										
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 Source										
Property rates		3 990	4 656	4 656	26	4 241	1 940	2 301	119%	4 656
Service charges - electricity revenue		11 861	15 055	15 055	1 221	7 640	6 273	1 367	22%	15 055
Service charges - water revenue		1 096	1 628	1 628	290	1 655	678	977	144%	1 628
Service charges - sanitation revenue		2 731	2 776	2 776	240	1 457	1 157	300	26%	2 776
Service charges - refuse revenue		1 490	1 483	1 483	199	1 220	618	602	97%	1 483
Service charges - other		—	—	—	—	—	—	—	—	—
Rental of facilities and equipment		1 354	711	711	120	714	296	418	141%	711
Interest earned - external investments		146	811	811	65	461	338	124	37%	811
Interest earned - outstanding debtors		282	40	40	43	241	16	224	1363%	40
Dividends received		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		33 342	31 775	31 775	2 649	15 889	13 239	2 650	20%	31 775
Licences and permits		228	1 072	1 072	4	462	447	15	3%	1 072
Agency services		151	122	122	6	74	51	24	47%	122
Transfers and subsidies		21 464	21 623	21 623	4 922	11 840	9 010	2 830	31%	21 623
Other revenue		94	825	825	19	100	344	(244)	-71%	825
Gains on disposal of PPE		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and contributions)		78 229	82 575	82 575	9 804	45 995	34 406	11 588	34%	82 575
Expenditure By Type										
Employee related costs		20 912	26 131	26 131	1 933	12 367	10 888	1 480	14%	26 131
Remuneration of councillors		2 770	2 801	2 801	227	1 361	1 167	194	17%	2 801
Debt impairment		25 618	26 442	26 442	2 144	12 865	11 018	1 848	17%	26 442
Depreciation & asset impairment		8 667	11 752	11 752	—	4 055	4 897	(841)	-17%	11 752
Finance charges		—	—	—	—	—	—	—	—	—
Bulk purchases		7 899	7 923	7 923	679	4 375	3 301	1 073	33%	7 923
Other materials		—	—	—	—	—	—	—	—	—
Contracted services		2 445	3 813	3 813	266	903	1 589	(685)	-43%	3 813
Transfers and subsidies		4 113	2 522	2 522	57	1 953	1 051	902	86%	2 522
Other expenditure		15 837	12 669	12 669	1 184	8 774	5 279	3 495	66%	12 669
Loss on disposal of PPE		—	—	—	—	—	—	—	—	—
Total Expenditure		88 261	94 052	94 052	6 489	46 654	39 188	7 465	19%	94 052
Surplus/(Deficit)		(10 033)	(11 477)	(11 477)	3 314	(659)	(4 782)	4 123	(0)	(11 477)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		19 268	12 054	12 054	2 788	4 212	5 023	(810)	(0)	12 054
(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	577	6 102	3 553	241			577
Taxation		—	—	—	—	—	—	—		—
Surplus/(Deficit) after taxation		9 235	577	577	6 102	3 553	241			577
Attributable to minorities		—	—	—	—	—	—			—
Surplus/(Deficit) attributable to municipality		9 235	577	577	6 102	3 553	241			577
Share of surplus/ (deficit) of associate		—	—	—	—	—	—			—
Surplus/ (Deficit) for the year		9 235	577	577	6 102	3 553	241			577

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) - M06
December

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

R thousands

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	-	-	-	-	-	-		-
Planning and development		-	-	-	-	-	-	-		-
Road transport		238	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		27 806	8 064	8 064	1 912	4 212	-	4 212	#DIV/0!	8 064
Energy sources		8 424	-	-	-	413	-	413	#DIV/0!	-
Water management		19 383	6 064	6 064	1 912	3 799	-	3 799	#DIV/0!	6 064
Waste water management		-	2 000	2 000	-	-	-	-		2 000
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	28 105	8 064	8 064	1 912	4 212	-	4 212	#DIV/0!	8 064
Funded by:										
National Government		(832)	10 436	10 436	1 912	4 212	-	4 212	#DIV/0!	10 436
Provincial Government		17 596	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
Transfers recognised - capital		16 764	10 436	10 436	1 912	4 212	-	4 212	#DIV/0!	10 436
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		18	-	-	-	-	-	-		-
Total Capital Funding		16 781	10 436	10 436	1 912	4 212	-	4 212	#DIV/0!	10 436

Table C6: Financial Position**WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - M06 December**

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	7 710	6 552
Call investment deposits		–	–	–	–	–
Consumer debtors		10 509	10 509	10 509	33	10 509
Other debtors		3 915	3 915	3 915	17 093	3 915
Current portion of long-term receivables		0	0	0	0	0
Inventory		889	889	889	790	889
Total current assets		21 864	21 864	21 864	25 627	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	167 687	167 473
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		370	370	370	370	370
Other non-current assets		43	43	43	44	43
Total non current assets		192 687	192 687	192 687	192 845	192 687
TOTAL ASSETS		214 551	214 551	214 551	218 472	214 551
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		17	17	17	17	17
Consumer deposits		674	674	674	685	674
Trade and other payables		12 262	12 262	12 262	12 677	12 262
Provisions		1 159	1 159	1 159	1 123	1 159
Total current liabilities		14 112	14 112	14 112	14 502	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	28 991	28 601
NET ASSETS	2	185 950	185 950	185 950	189 480	185 950
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		185 950	185 950	185 950	189 480	185 950
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	185 950	185 950	185 950	189 480	185 950

Table C7: Cash Flow

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		4 237	3 846	3 846	193	2 649	2 165	484	22%	3 846
Service charges		16 072	19 696	19 696	1 722	9 107	10 384	(1 277)	-12%	19 696
Other revenue		23 281	8 263	8 263	843	12 087	3 917	8 170	209%	8 263
Government - operating		15 542	22 612	22 612	3 968	13 413	11 359	2 053	18%	22 612
Government - capital		8 476	11 723	11 723	-	-	6 365	(6 365)	-100%	11 723
Interest		911	1 195	1 195	75	505	590	(85)	-14%	1 195
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(74 809)	(56 874)	(56 874)	(4 797)	(32 731)	(27 815)	4 916	-18%	(56 874)
Finance charges		-	(7)	(7)	-	-	(3)	(3)	100%	(7)
Transfers and Grants		3 537	-	-	(17)	(105)	-	105	#DIV/0!	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(2 752)	10 455	10 455	1 987	4 926	6 962	2 036	29%	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)	(1 912)	(3 799)	-	3 799	#DIV/0!	(11 976)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3 035)	(11 976)	(11 976)	(1 912)	(3 799)	-	3 799	#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	6	37	17	19	112%	34
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		91	34	34	6	37	17	(19)	-112%	34
NET INCREASE/ (DECREASE) IN CASH HELD		(5 696)	(1 486)	(1 486)	81	1 164	6 979			(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		7 715	13 531			5 065

4. Supporting Documentation

Variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	119%	Property rates are levied in July for the financial year	Will balance out to end of financial year
	Service charges - water revenue	144%	Consumers move into the higher price brackets with consum	Will have to investigate
2	Expenditure By Type			
	Transfers and subsidies	86%	More transfers to indigent consumers	
3	Capital Expenditure			
	Water management	45%	Project are in process	Payment will accelerate in the third quarter
4	Financial Position			
	0	-	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 - M06 December

Description		Budget Year 2019/20													
	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy		
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	48	69	39	37	30	31	432	215	901	745	-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	951	142	49	281	25	28	273	112	1 861	719	-	-		
Receivables from Non-exchange Transactions - Property Rates	1400	648	46	21	897	15	14	1 236	80	2 956	2 242	-	-		
Receivables from Exchange Transactions - Waste Water Management	1500	174	53	34	33	28	31	505	243	1 102	840	-	-		
Receivables from Exchange Transactions - Waste Management	1600	189	41	30	26	19	21	204	148	678	418	-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	6	38	23	22	21	32	610	77	829	762	-	-		
Interest on Arrear Debtor Accounts	1810	-	1 082	-	-	-	-	-	-	1 082	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-		
Other	1900	0	1	2	1	53	2	72	1	134	130	-	-		
Total By Income Source	2000	2 018	1 472	197	1 297	191	159	3 331	877	9 543	5 855	-	-		
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	120	135	46	282	16	13	424	-	1 035	734	-	-		
Commercial	2300	722	551	25	869	12	46	1 091	147	3 463	2 166	-	-		
Households	2400	1 176	786	127	146	163	101	1 816	730	5 045	2 956	-	-		
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-		
Total By Customer Group	2600	2 018	1 472	197	1 297	191	159	3 331	877	9 543	5 855	-	-		

Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2019/20								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
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, Alida Groenewald, the Senior Manager Finance and Corporate Services 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 December 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: A S Groenewald

Municipal Manager of Laingsburg Municipality (WC051)

Signature 

Date



6. Recommendation

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