

# LAINGSBURG MUNICIPALITY



MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING  
SEPTEMBER 2019

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## 1. Mayors Report

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

R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	94 630	94 630	19 726	20.85
Total Expenditure	94 052	94 052	12 806	13.62
Depreciation	11 752	11 752	-	-
Surplus (Deficit) (Incl Capital transfers)	577	577	6 920	1 198.70

Capital Expenditure				
<i>Sources of Finance</i>				
Transfers from Grants	8 064	8 064	1 011	12.54
<i>Government</i>	<i>8 064</i>	<i>8 064</i>	<i>1 011</i>	<i>12.54</i>
Transfers from Internal funds	-	-	-	-
Capital Expenditure	8 064	8 064	1 011	12.54

### Operating Revenue

The Municipality have generated 20.1% or R19,726 million of the Budgeted Revenue to date which is higher than the budgeted amounts. This amount includes the operational grants to date.

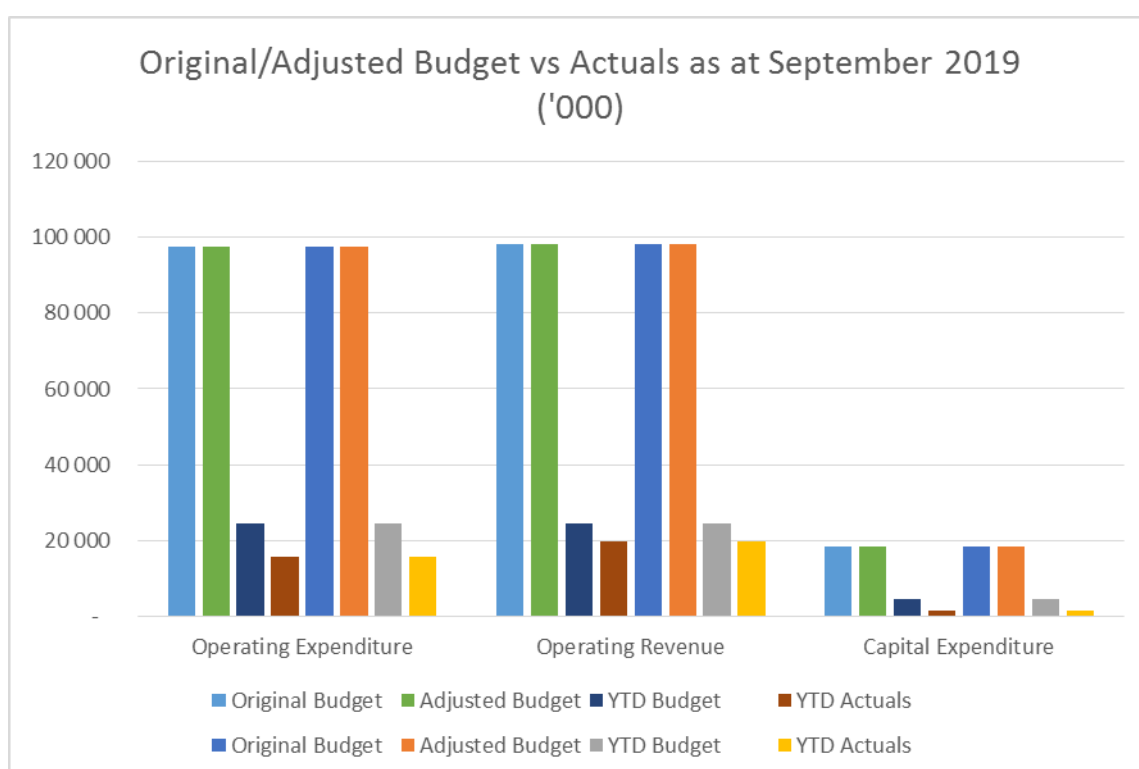
### Operating Expenditure

Operating expenditure of R12,806 million for the period up to September 2019 does not include part of the depreciation costs, annual bonuses and exclude the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R2,869 million. That will bring the total expenditure effectively at R15,675 million to date. The expenditure to date is lower than the budget year-to-date amount with R8,746 million. This means that the Municipality has spent 13.11% to date and is in fact 2.94% under the budget.

### Capital Expenditure

No capital expenditure payments were done during September 2019.

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



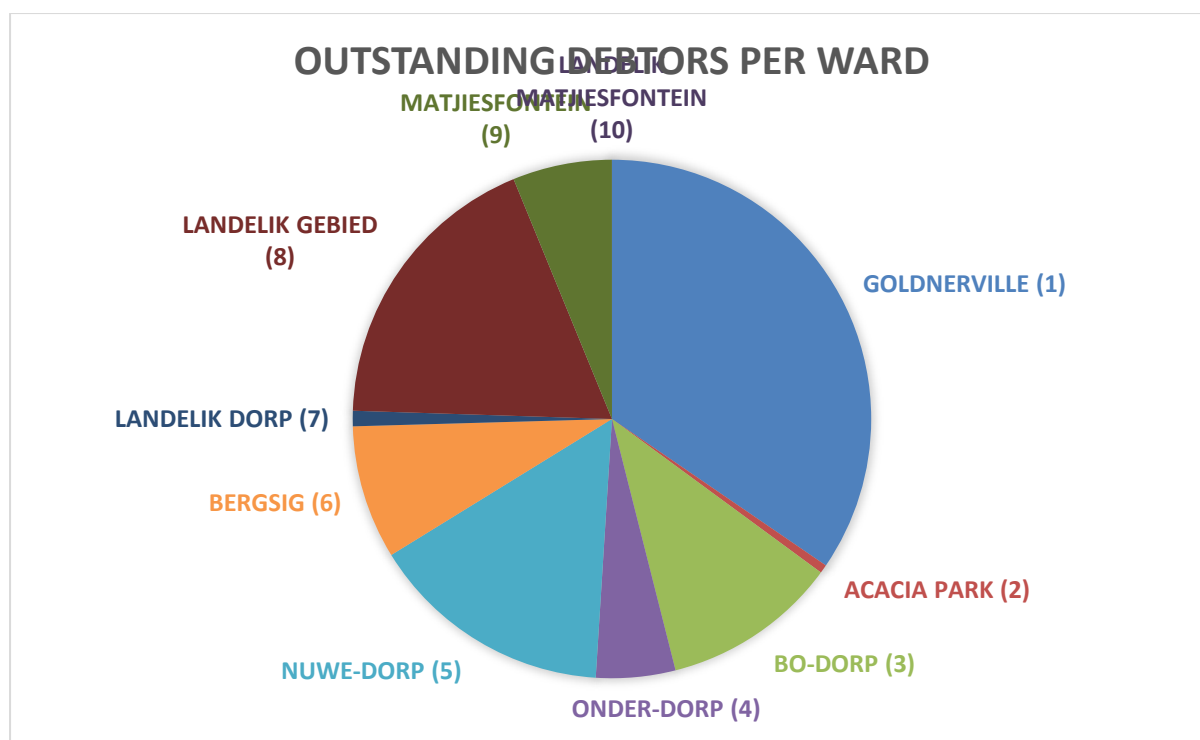
### Cash Flow

The Municipality started off with a cash flow balance of R6,552 million at the beginning of the year after corrections and increased with R7,233 million. The closing balance for the month ended September 2019 is R13,785 million. That is a nett cash outflow of R1,443 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. The equitable share grant was received during this month.

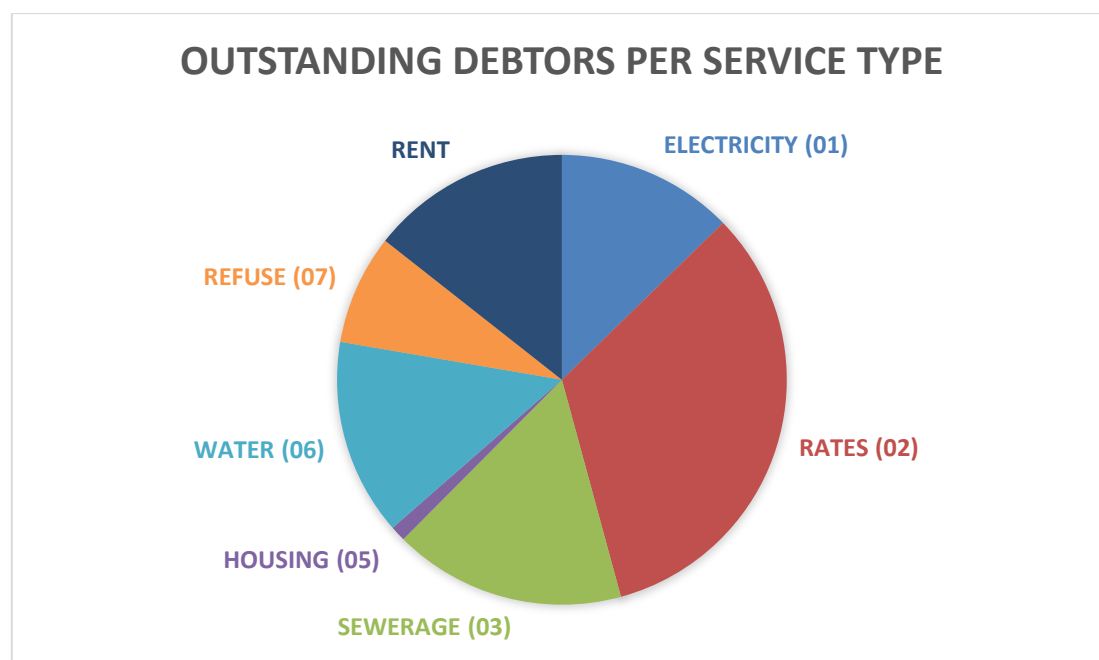
## Debtors

The Outstanding Debtors of the Municipality amounts to R10,155 million for the month ended September 2019. There was a increase of R0,105 million in the total outstanding amount since the previous month. This is due to the levying of the annual property rates during July and recovered in installments over the remainder of the financial year. The payment rate for 2018/2019 financial year was 89%. The total amount outstanding for longer than 12 months is R4,193 million and this amounts to 41,29% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 Days amount to R4,598 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 September 2019:



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



### Creditors

Total outstanding creditors amount to R0 for the month ending September 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 September 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 31 September 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	1 424 725	614 519	743 207	139 611	(681 519)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	1 068 900	89 075	267 225	162 274	385 091	73 199	117 866
Domestic accommodation	279 500	23 292	69 875	50 219	130 114	26 928	60 239
Sponsorships, events and catering	168 700	14 058	42 175	3 163	4 804	(10 895)	(37 371)
Communication	620 000	51 667	155 000	38 162	102 629	(13 505)	(52 371)
Other related expenditure items		-	-			-	-
<b>Total</b>	<b>R 7 836 000</b>	<b>R 653 000</b>	<b>R 1 959 000</b>	<b>R 868 338</b>	<b>R 1 365 845</b>	<b>215 338</b>	<b>(593 155)</b>

September is the second month of this budget period and account statements are only received at the end of the period and are payable in the following period. The saving on items for this period amounts to R593 155. During the second quarter the financial picture will begin to change and influence of the expenses will become more clear and meaningful.

### 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 - M03 September

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	3 847	4 656	4 656	18	4 149	3 880	268	7%	4 656
Service charges	1 767	20 941	20 941	2 236	6 164	17 451	(11 287)	-65%	20 941
Investment revenue	49	811	811	55	132	676	(544)	-80%	811
Transfers and subsidies	6 298	21 623	21 623	12	6 918	18 019	(11 101)	-62%	21 623
Other own revenue	244	34 544	34 544	308	939	28 787	(27 848)	-97%	34 544
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 205</b>	<b>82 575</b>	<b>82 575</b>	<b>2 629</b>	<b>18 302</b>	<b>68 813</b>	<b>(50 511)</b>	<b>-73%</b>	<b>82 575</b>
Employee costs	136	26 131	26 131	1 758	5 314	21 776	(16 462)	-76%	26 131
Remuneration of Councillors	-	2 801	2 801	227	681	2 334	(1 653)	-71%	2 801
Depreciation & asset impairment	20	11 752	11 752	-	-	9 793	(9 793)	-100%	11 752
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	7 923	7 923	1 164	2 168	6 603	(4 435)	-67%	7 923
Transfers and subsidies	358	2 522	2 522	334	1 090	2 102	(1 012)	-48%	2 522
Other expenditure	608	42 924	42 924	1 588	3 554	35 770	(32 215)	-90%	42 924
<b>Total Expenditure</b>	<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 072</b>	<b>12 806</b>	<b>78 377</b>	<b>(65 571)</b>	<b>-84%</b>	<b>94 052</b>
<b>Surplus/(Deficit)</b>	<b>11 083</b>	<b>(11 477)</b>	<b>(11 477)</b>	<b>(2 443)</b>	<b>5 496</b>	<b>(9 564)</b>	<b>15 060</b>	<b>-157%</b>	<b>(11 477)</b>
Transfers and subsidies - capital (monetary alloc	-	12 054	12 054	1 425	1 425	10 045	(8 620)	-86%	12 054
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(1 018)</b>	<b>6 920</b>	<b>481</b>	<b>6 439</b>	<b>1338%</b>	<b>577</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(1 018)</b>	<b>6 920</b>	<b>481</b>	<b>6 439</b>	<b>1338%</b>	<b>577</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>16 781</b>	<b>8 064</b>	<b>8 064</b>	<b>342</b>	<b>1 011</b>	<b>-</b>	<b>1 011</b>	<b>#DIV/0!</b>	<b>8 064</b>
Capital transfers recognised	16 688	8 064	8 064	342	1 011	-	1 011	#DIV/0!	8 064
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	94	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>16 781</b>	<b>8 064</b>	<b>8 064</b>	<b>342</b>	<b>1 011</b>	<b>-</b>	<b>1 011</b>	<b>#DIV/0!</b>	<b>8 064</b>
<b>Financial position</b>									
Total current assets	14 599	37 049	37 049		45 996				37 049
Total non current assets	163 379	181 464	181 464		182 890				181 464
Total current liabilities	13 718	30 371	30 371		33 834				30 371
Total non current liabilities	8 795	4 389	4 389		4 389				4 389
Community wealth/Equity	155 467	183 753	183 753		190 663				183 753
<b>Cash flows</b>									
Net cash from (used) operating	(2 752)	10 455	10 455	(1 105)	8 227	2 304	(5 922)	-257%	10 455
Net cash from (used) investing	(3 035)	(11 976)	(11 976)	(342)	(1 011)	-	1 011	#DIV/0!	(11 976)
Net cash from (used) financing	91	34	34	4	18	9	(9)	-108%	34
<b>Cash/cash equivalents at the month/year end</b>	<b>856</b>	<b>5 065</b>	<b>5 065</b>	<b>-</b>	<b>13 785</b>	<b>8 865</b>	<b>(4 920)</b>	<b>-56%</b>	<b>5 065</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	3 941	1 335	281	186	115	104	3 287	906	10 155
<b>Creditors Age Analysis</b>									
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) - M03 September**

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
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		10 326	34 585	34 585	1 690	13 169	28 821	(15 652)	-54%	34 585
Executive and council	(5)	2 521	2 521	2 521	413	413	2 101	(1 687)	-80%	2 521
Finance and administration	10 330	32 065	32 065	32 065	1 277	12 755	26 721	(13 965)	-52%	32 065
Internal audit	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		120	34 140	34 140	127	389	28 450	(28 061)	-99%	34 140
Community and social services	0	1 265	1 265	1 265	5	6	1 054	(1 049)	-99%	1 265
Sport and recreation	1	24	24	24	-	0	20	(19)	-98%	24
Public safety	118	32 839	32 839	32 839	121	379	27 366	(26 987)	-99%	32 839
Housing	1	11	11	11	1	3	9	(6)	-66%	11
Health	-	0	0	0	-	0	0	(0)	-75%	1
<i>Economic and environmental services</i>		1	1 304	1 304	-	3	1 087	(1 083)	-100%	1 304
Planning and development	-	-	-	-	-	-	-	-	-	-
Road transport	1	1 304	1 304	1 304	-	3	1 087	(1 083)	-100%	1 304
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 761	24 600	24 600	2 237	6 166	20 500	(14 335)	-70%	24 600
Energy sources	1 109	15 414	15 414	15 414	1 508	4 015	12 845	(8 830)	-69%	15 414
Water management	223	4 009	4 009	4 009	269	790	3 340	(2 551)	-76%	4 009
Waste water management	231	2 793	2 793	2 793	245	731	2 327	(1 596)	-69%	2 793
Waste management	199	2 385	2 385	2 385	215	630	1 988	(1 358)	-68%	2 385
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>12 209</b>	<b>94 630</b>	<b>94 630</b>	<b>4 054</b>	<b>19 726</b>	<b>78 858</b>	<b>(59 132)</b>	<b>-75%</b>	<b>94 630</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		832	28 259	28 259	2 408	6 164	23 549	(17 385)	-74%	28 259
Executive and council	536	9 682	9 682	9 682	905	2 730	8 068	(5 339)	-66%	9 682
Finance and administration	296	18 577	18 577	18 577	1 503	3 434	15 481	(12 046)	-78%	18 577
Internal audit	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		118	36 208	36 208	636	1 703	30 174	(28 471)	-94%	36 208
Community and social services	2	2 188	2 188	2 188	92	292	1 823	(1 531)	-84%	2 188
Sport and recreation	3	26	26	26	-	7	22	(15)	-67%	26
Public safety	113	33 784	33 784	33 784	544	1 402	28 153	(26 751)	-95%	33 784
Housing	-	207	207	207	-	-	173	(173)	-100%	207
Health	-	4	4	4	-	2	3	(1)	-43%	4
<i>Economic and environmental services</i>		24	3 556	3 556	201	549	2 963	(2 414)	-81%	3 556
Planning and development	2	1 324	1 324	1 324	33	179	1 104	(925)	-84%	1 324
Road transport	22	2 231	2 231	2 231	168	370	1 859	(1 489)	-80%	2 231
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		148	26 022	26 022	1 827	4 390	21 685	(17 295)	-80%	26 022
Energy sources	-	9 270	9 270	9 270	1 182	2 206	7 725	(5 519)	-71%	9 270
Water management	4	2 933	2 933	2 933	110	437	2 444	(2 007)	-82%	2 933
Waste water management	144	12 195	12 195	12 195	494	1 583	10 162	(8 579)	-84%	12 195
Waste management	-	1 625	1 625	1 625	40	165	1 355	(1 189)	-88%	1 625
<i>Other</i>		-	7	7	-	-	6	(6)	-100%	7
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 072</b>	<b>12 806</b>	<b>78 377</b>	<b>(65 571)</b>	<b>-84%</b>	<b>94 052</b>
<b>Surplus/ (Deficit) for the year</b>		<b>11 087</b>	<b>577</b>	<b>577</b>	<b>(1 018)</b>	<b>6 920</b>	<b>481</b>	<b>6 439</b>	<b>1338%</b>	<b>578</b>

**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) - M03 September

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - MAYORAL & COUNCIL		(5)	2 521	2 521	413	413	2 101	(1 687)	-80.3%	2 521
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		173	1 632	1 632	226	636	1 360	(724)	-53.2%	1 632
Vote 4 - BUDGET & TREASURY		10 157	30 433	30 433	1 051	12 119	25 361	(13 242)	-52.2%	30 433
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		0	1 266	1 266	5	6	1 055	(1 049)	-99.4%	1 266
Vote 7 - SPORTS AND RECREATION		1	24	24	-	0	20	(19)	-97.5%	24
Vote 8 - HOUSING		1	11	11	1	3	9	(6)	-66.3%	11
Vote 9 - PUBLIC SAFETY		118	32 839	32 839	121	379	27 366	(26 987)	-98.6%	32 839
Vote 10 - ROAD TRANSPORT		1	1 321	1 321	-	3	1 101	(1 098)	-99.7%	1 321
Vote 11 - WASTE MANAGEMENT		199	2 385	2 385	215	630	1 988	(1 358)	-68.3%	2 385
Vote 12 - WASTE WATER MANAGEMENT		231	2 776	2 776	245	731	2 313	(1 582)	-68.4%	2 776
Vote 13 - WATER		223	4 009	4 009	269	790	3 340	(2 551)	-76.4%	4 009
Vote 14 - ELECTRICITY		1 109	15 414	15 414	1 508	4 015	12 845	(8 830)	-68.7%	15 414
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>12 209</b>	<b>94 630</b>	<b>94 630</b>	<b>4 054</b>	<b>19 726</b>	<b>78 858</b>	<b>(59 132)</b>	<b>-75.0%</b>	<b>94 630</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - MAYORAL & COUNCIL		386	6 339	6 339	652	2 014	5 282	(3 268)	-61.9%	6 339
Vote 2 - MUNICIPAL MANAGER		151	3 343	3 343	253	716	2 786	(2 070)	-74.3%	3 343
Vote 3 - CORPORATE SERVICES		205	6 738	6 738	355	1 226	5 615	(4 389)	-78.2%	6 738
Vote 4 - BUDGET & TREASURY		91	11 838	11 838	1 148	2 208	9 865	(7 657)	-77.6%	11 838
Vote 5 - PLANNING AND DEVELOPMENT		2	1 324	1 324	33	179	1 104	(925)	-83.8%	1 324
Vote 6 - COMMUNITY AND SOCIAL SERV		1	1 619	1 619	80	256	1 349	(1 093)	-81.1%	1 619
Vote 7 - SPORTS AND RECREATION		4	606	606	13	46	505	(459)	-91.0%	606
Vote 8 - HOUSING		-	207	207	-	-	173	(173)	-100.0%	207
Vote 9 - PUBLIC SAFETY		113	33 784	33 784	544	1 402	28 153	(26 751)	-95.0%	33 784
Vote 10 - ROAD TRANSPORT		166	11 913	11 913	591	1 671	9 927	(8 256)	-83.2%	11 913
Vote 11 - WASTE MANAGEMENT		-	1 625	1 625	40	165	1 355	(1 189)	-87.8%	1 625
Vote 12 - WASTE WATER MANAGEMENT		-	2 513	2 513	70	282	2 094	(1 812)	-86.5%	2 513
Vote 13 - WATER		4	2 933	2 933	110	437	2 444	(2 007)	-82.1%	2 933
Vote 14 - ELECTRICITY		-	9 270	9 270	1 182	2 206	7 725	(5 519)	-71.4%	9 270
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 072</b>	<b>12 806</b>	<b>78 377</b>	<b>(65 571)</b>	<b>-83.7%</b>	<b>94 052</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>11 087</b>	<b>577</b>	<b>577</b>	<b>(1 018)</b>	<b>6 920</b>	<b>481</b>	<b>6 439</b>	<b>1338.4%</b>	<b>577</b>

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - M03 September										
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										
<b>Revenue By Source</b>										
Property rates		3 847	4 656	4 656	18	4 149	3 880	268	7%	4 656
Service charges - electricity revenue		1 109	15 055	15 055	1 508	4 015	12 546	(8 531)	-68%	15 055
Service charges - water revenue		228	1 628	1 628	269	790	1 357	(567)	-42%	1 628
Service charges - sanitation revenue		231	2 776	2 776	245	731	2 313	(1 582)	-68%	2 776
Service charges - refuse revenue		199	1 483	1 483	215	629	1 236	(607)	-49%	1 483
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		110	711	711	119	358	592	(235)	-40%	711
Interest earned - external investments		49	811	811	55	132	676	(544)	-80%	811
Interest earned - outstanding debtors		16	40	40	39	117	33	84	255%	40
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	31 775	31 775	0	1	26 479	(26 478)	-100%	31 775
Licences and permits		117	1 072	1 072	121	379	893	(514)	-58%	1 072
Agency services		11	122	122	18	45	102	(56)	-56%	122
Transfers and subsidies		6 298	21 623	21 623	12	6 918	18 019	(11 101)	-62%	21 623
Other revenue		(10)	825	825	11	39	688	(649)	-94%	825
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		12 205	82 575	82 575	2 629	18 302	68 813	(50 511)	-73%	82 575
<b>Expenditure By Type</b>										
Employee related costs		136	26 131	26 131	1 758	5 314	21 776	(16 462)	-76%	26 131
Remuneration of councillors		-	2 801	2 801	227	681	2 334	(1 653)	-71%	2 801
Debt impairment		-	26 442	26 442	-	-	22 035	(22 035)	-100%	26 442
Depreciation & asset impairment		20	11 752	11 752	-	-	9 793	(9 793)	-100%	11 752
Finance charges		-	-	-	-	-	-	-	-	-
Bulk purchases		-	7 923	7 923	1 164	2 168	6 603	(4 435)	-67%	7 923
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		2	3 813	3 813	148	322	3 177	(2 855)	-90%	3 813
Transfers and subsidies		358	2 522	2 522	334	1 090	2 102	(1 012)	-48%	2 522
Other expenditure		606	12 669	12 669	1 440	3 232	10 557	(7 325)	-69%	12 669
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		1 122	94 052	94 052	5 072	12 806	78 377	(65 571)	-84%	94 052
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (financial contributions)		11 083	(11 477)	(11 477)	(2 443)	5 496	(9 564)	15 060	(0)	(11 477)
(National / Provincial and District)		-	12 054	12 054	1 425	1 425	10 045	(8 620)	(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		11 083	577	577	(1 018)	6 920	481			577
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		11 083	577	577	(1 018)	6 920	481			577
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		11 083	577	577	(1 018)	6 920	481			577
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		11 083	577	577	(1 018)	6 920	481			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) - M03  
September

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

<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		(3)	-	-	-	-	-	-		-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		-	-	-	-	-	-	-		-
Internal audit		(3)	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 391	-	-	-	-	-	-		-
Community and social services		1 067	-	-	-	-	-	-		-
Sport and recreation		318	-	-	-	-	-	-		-
Public safety		6	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		1 019	-	-	-	-	-	-		-
Planning and development		-	-	-	-	-	-	-		-
Road transport		1 019	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		14 374	8 064	8 064	342	1 011	-	1 011	#DIV/0!	8 064
Energy sources		7 192	-	-	-	-	-	-		-
Water management		6 558	6 064	6 064	342	1 011	-	1 011	#DIV/0!	6 064
Waste water management		623	2 000	2 000	-	-	-	-		2 000
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Functional Classification</b>	3	16 781	8 064	8 064	342	1 011	-	1 011	#DIV/0!	8 064
<b>Funded by:</b>										
National Government		15 162	8 064	8 064	342	1 011	-	1 011	#DIV/0!	8 064
Provincial Government		1 525	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
Transfers recognised - capital		16 688	8 064	8 064	342	1 011	-	1 011	#DIV/0!	8 064
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		94	-	-	-	-	-	-		-
<b>Total Capital Funding</b>		16 781	8 064	8 064	342	1 011	-	1 011	#DIV/0!	8 064

**Table C6: Financial Position**

WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		5 875	23 011	23 011	30 244	23 011
Call investment deposits		–	–	–	–	–
Consumer debtors		3 499	9 018	9 018	12 043	9 018
Other debtors		3 846	4 157	4 157	2 846	4 157
Current portion of long-term receivables		1	–	–	–	–
Inventory		1 378	864	864	864	864
<b>Total current assets</b>		<b>14 599</b>	<b>37 049</b>	<b>37 049</b>	<b>45 996</b>	<b>37 049</b>
<b>Non current assets</b>						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		4 273	25 050	25 050	24 992	25 050
Investments in Associate		–	–	–	–	–
Property, plant and equipment		158 542	155 961	155 961	157 443	155 961
Agricultural		–	–	–	–	–
Biological		–	–	–	–	–
Intangible		522	442	442	442	442
Other non-current assets		43	12	12	13	12
<b>Total non current assets</b>		<b>163 379</b>	<b>181 464</b>	<b>181 464</b>	<b>182 890</b>	<b>181 464</b>
<b>TOTAL ASSETS</b>		<b>177 979</b>	<b>218 514</b>	<b>218 514</b>	<b>228 886</b>	<b>218 514</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		–	–	–	–	–
Consumer deposits		485	507	507	514	507
Trade and other payables		12 487	19 815	19 815	23 271	19 815
Provisions		745	10 049	10 049	10 049	10 049
<b>Total current liabilities</b>		<b>13 718</b>	<b>30 371</b>	<b>30 371</b>	<b>33 834</b>	<b>30 371</b>
<b>Non current liabilities</b>						
Borrowing		–	–	–	–	–
Provisions		8 795	4 389	4 389	4 389	4 389
<b>Total non current liabilities</b>		<b>8 795</b>	<b>4 389</b>	<b>4 389</b>	<b>4 389</b>	<b>4 389</b>
<b>TOTAL LIABILITIES</b>		<b>22 512</b>	<b>34 760</b>	<b>34 760</b>	<b>38 223</b>	<b>34 760</b>
<b>NET ASSETS</b>	2	<b>155 467</b>	<b>183 753</b>	<b>183 753</b>	<b>190 663</b>	<b>183 753</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		155 467	147 308	147 308	154 217	147 308
Reserves		–	36 445	36 445	36 445	36 445
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>155 467</b>	<b>183 753</b>	<b>183 753</b>	<b>190 663</b>	<b>183 753</b>

Table C7: Cash Flow

## WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		4 237	3 846	3 846	383	1 748	1 306	442	34%	3 846
Service charges		16 072	19 696	19 696	1 503	4 209	5 418	(1 209)	-22%	19 696
Other revenue		23 281	8 263	8 263	2 072	7 731	1 906	5 825	306%	8 263
Government - operating		15 542	22 612	22 612	12	9 445	6 194	3 251	52%	22 612
Government - capital		8 476	11 723	11 723	-	-	1 061	(1 061)	-100%	11 723
Interest		911	1 195	1 195	94	249	276	(28)	-10%	1 195
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(74 809)	(56 874)	(56 874)	(5 151)	(15 100)	(13 855)	1 246	-9%	(56 874)
Finance charges		-	(7)	(7)	-	-	(2)	(2)	100%	(7)
Transfers and Grants		3 537	-	-	(18)	(54)	-	54	#DIV/0!	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(2 752)</b>	<b>10 455</b>	<b>10 455</b>	<b>(1 105)</b>	<b>8 227</b>	<b>2 304</b>	<b>(5 922)</b>	<b>-257%</b>	<b>10 455</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
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	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(11 035)	(11 976)	(11 976)	(342)	(1 011)	-	1 011	#DIV/0!	(11 976)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(3 035)</b>	<b>(11 976)</b>	<b>(11 976)</b>	<b>(342)</b>	<b>(1 011)</b>	<b>-</b>	<b>1 011</b>	<b>#DIV/0!</b>	<b>(11 976)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		91	34	34	4	18	9	9	108%	34
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>91</b>	<b>34</b>	<b>34</b>	<b>4</b>	<b>18</b>	<b>9</b>	<b>(9)</b>	<b>-108%</b>	<b>34</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(5 696)</b>	<b>(1 486)</b>	<b>(1 486)</b>	<b>(1 443)</b>	<b>7 233</b>	<b>2 313</b>			<b>(1 486)</b>
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		13 785	8 865			5 065

## 4. Supporting Documentation

### Variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<u>Revenue By Source</u>			
2	<u>Expenditure By Type</u> Depreciation & asset impairment			Will be processed on YE
3	<u>Capital Expenditure</u> 0	-	0	0
4	<u>Financial Position</u> 0	-	0	0
5	<u>Cash Flow</u> 0	-	0	0
6	<u>Measureable performance</u>			
7	<u>Municipal Entities</u>			

### Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description		Budget Year 2019/20												
R thousands	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.L.O. Council Policy	
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	142	47	44	38	21	20	391	221	923	690	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 204	106	98	56	26	21	323	117	1 952	544	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	2 342	27	23	3	15	12	1 286	85	3 793	1 401	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	101	52	49	42	18	18	471	250	1 001	799	-	-	
Receivables from Exchange Transactions - Waste Management	1600	131	33	33	29	12	13	190	153	594	397	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	20	23	32	17	15	17	564	78	766	691	-	-	
Interest on Arrear Debtor Accounts	1810	-	993	-	-	-	-	-	-	993	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	0	54	3	2	8	3	62	2	133	76	-	-	
Total By Income Source	2000	3 941	1 335	281	186	115	104	3 287	906	10 155	4 599	-	-	
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	467	143	53	38	10	21	423	-	1 156	492	-	-	
Commercial	2300	2 306	417	75	25	36	12	1 135	151	4 157	1 359	-	-	
Households	2400	1 168	775	152	123	69	71	1 729	755	4 842	2 748	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	3 941	1 335	281	186	115	104	3 287	906	10 155	4 599	-	-	

## Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Budget Year 2019/20												Prior year totals for chart (same period)
Description	NT Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total		
R thousands		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year			
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:

## 6. Recommendation

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



## QUALITY CERTIFICATE

I, PA Williams, the 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 Second Quarter ending September 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name Peta Ann Williams

Municipal Manager of Laingsburg Municipality (WC051)

Signature 

Date 2019-10-11