

LAINGSBURG MUNICIPALITY



**MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING
SEPTEMBER 2021**

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1. Mayors Report

The monthly budget statement for September 2021 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The September 2021 Monthly budget statement is the Third report for the 2021/22 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 2021.

Operating Budget				
R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	107 234 824	-	31 472 276	29.35
Total Expenditure	99 468 746	-	23 095 504	23.22
Surplus (Deficit) (Incl Capital transfers)	7 766 078	-	8 376 772	107.86
Capital Budget				
R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Capital expenditure	10 005 550	25 421 515	504 320	5.04
Sources of Finance				#DIV/0!
<i>National Government - MIG</i>	6 278 550	-	-	-
<i>National Government - WSIG</i>	-	-	15 720	#DIV/0!
<i>Municipal Interventions Grant</i>	-	-	488 600	#DIV/0!
<i>Provincial Government - SMME Booster Funds</i>	1 110 000	-	-	-
<i>Provincial Government - Cultural Affairs and Sport</i>	717 000	-	-	-
<i>Provincial Government - Municipal Drought Relief</i>	1 900 000	-	-	-
Total Funding Sources of Capital	10 005 550	-	504 320	5.04

Operating Revenue

The Municipality have generated 29.35% or R 31,472 million of the Budgeted Revenue to date which is higher than the budgeted amount. Year-to-date operating revenue is at 74,30% of the year-to-date budget. The projected budgeted revenue for the full financial year amounts to R 107,235 million. The actual revenue as at the end of September 2021 was R 2,296 million under the budget.

Operating Expenditure

Operating expenditure of R 23,096 million for the period up to the end of September 2021 does not include part of the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R1,568 million. That will bring the total expenditure effectively at R 24,664 million to date. The expenditure to date is in line with the budget year-to-date amount and stands on 0,20% under.

Capital Expenditure

The total capital payments done during September 2021 amounted to R nil.

Cash Flow

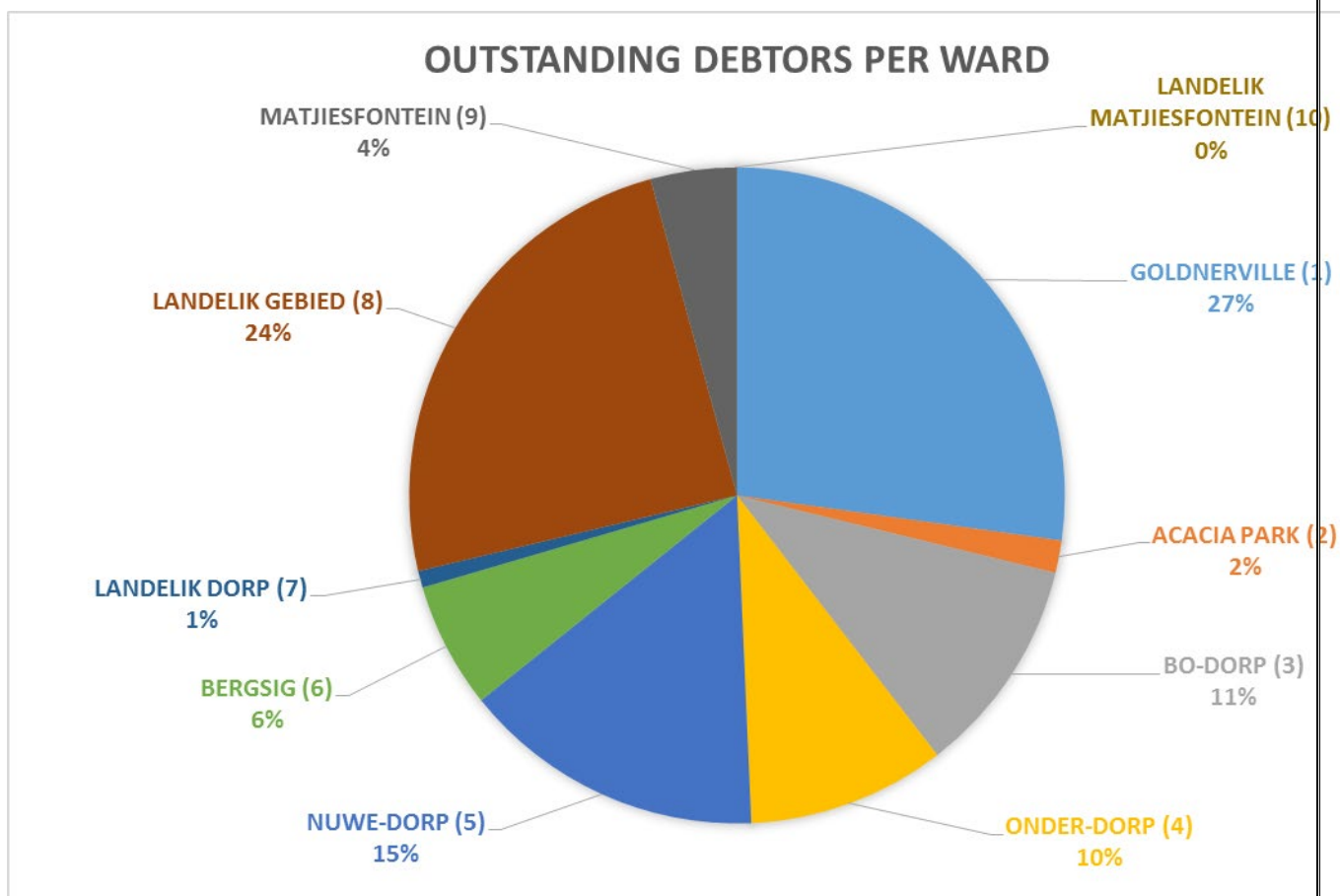
The Municipality started off with a cash flow balance of R 9,464 million at the beginning of the year after corrections and increased with R 6,291. The closing balance for the month ended September 2021 is R15,754 million. The Municipal Cash flow is mainly from Operating Activities and Grants as no Borrowing or Investments are budgeted for the 2021/2022 financial year. The equitable share for the first quarter was received during the month.

During the budget process assumptions were made that the payment ratio for all debtors will be at 95%.

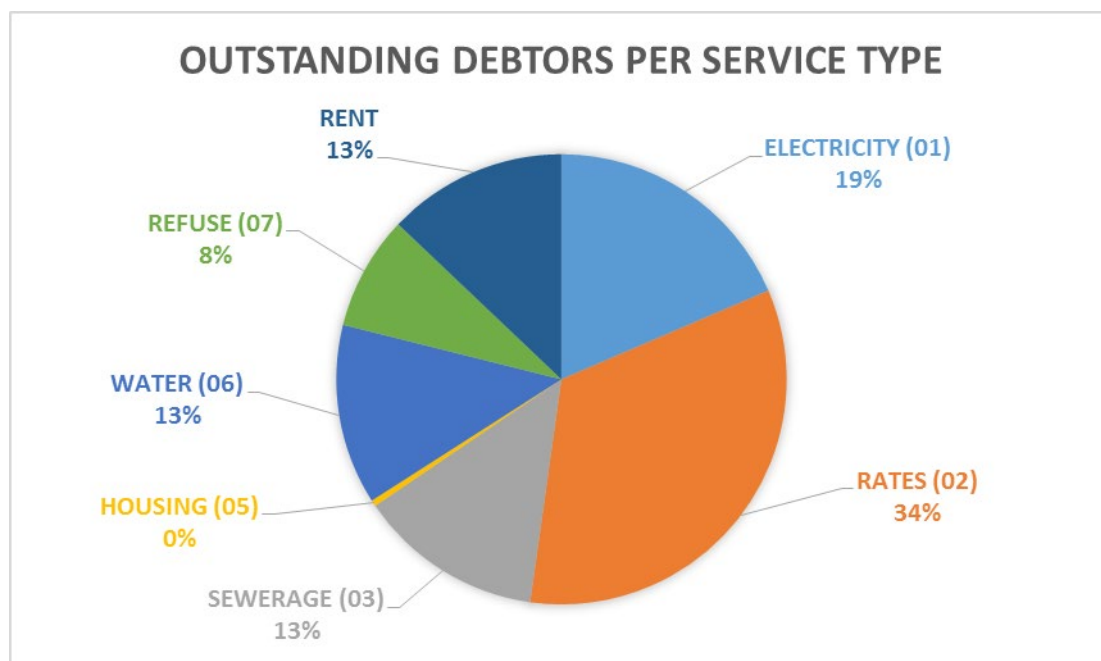
Debtors

The Outstanding Debtors of the Municipality amounts to R 11,733 million for the month ended September 2021, (R 12,236 million previous month). There was a decrease of R 0.503 million in the total outstanding amount since the previous month (decrease of R 2,746 million previous month). The payment rate for 2020/2021 financial year was 99,67%. At the end of September 2021 the payment rate was 77.83% (previous month 89.99%). The total amount outstanding for longer than 12 months is R 6,440 million and this amounts to 54,88% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 days amount to R 6,864 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 2021:



The following graph shows the the outstanding debtors per service type as at the end of September 2021:



Creditors

Total outstanding creditors amount to R 0 for the month ending September 2021. 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 August 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 August 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.

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	9 511 932	792 661	2 377 983	1 066 641	1 290 830	273 980	(1 087 153)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	546 216	45 518	136 554	60 993	125 997	15 475	(10 557)
Domestic accommodation	393 372	32 781	98 343	15 848	28 631	(16 933)	(69 712)
Sponsorships, events and catering	69 480	5 790	17 370	3 445	5 812	(2 345)	(11 558)
Communication	528 588	44 049	132 147	17 357	68 569	(26 692)	(63 578)
Overtime	719 688	59 974	179 922	67 203	262 254	7 229	82 332
Total	R 11 769 276	R 980 773	R 2 942 319	R 1 231 487	R 1 782 091	250 714	(1 160 228)

Red flagged amounts are items that exceed the budgeted amount. No problem areas for September 2021.

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	Budget Year 2020/21								
	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	4 505	4 914	-	8	4 688	1 229	3 460	282%	4 914
Service charges	20 173	23 343	-	2 426	7 333	5 836	1 497	26%	23 343
Investment revenue	366	673	-	50	139	168	(29)	-17%	673
Transfers and subsidies	29 142	29 002	-	502	8 406	7 250	1 156	16%	29 002
Other own revenue	22 598	35 424	-	3 654	10 890	8 856	2 034	23%	35 424
Total Revenue (excluding capital transfers and contributions)	76 785	93 356	-	6 639	31 457	23 339	8 118	35%	93 356
Employee costs	29 731	29 911	-	2 538	6 870	7 478	(608)	-8%	29 911
Remuneration of Councillors	3 104	3 300	-	304	828	825	3	0%	3 300
Depreciation & asset impairment	6 356	6 053	-	504	1 513	1 513	(1)	-0%	6 053
Finance charges	1 083	-	-	-	-	-	-	-	-
Materials and bulk purchases	10 238	10 463	-	1 553	2 963	2 616	347	13%	10 463
Transfers and subsidies	336	449	-	460	1 156	112	1 043	930%	449
Other expenditure	42 673	49 292	-	3 762	9 767	12 323	(2 556)	-21%	49 292
Total Expenditure	93 521	99 469	-	9 120	23 096	24 867	(1 771)	-7%	99 469
Surplus/(Deficit)	(16 737)	(6 113)	-	(2 481)	8 360	(1 528)	9 888	-647%	(6 113)
Transfers and subsidies - capital (monetary alloc	21 200	13 879	-	-	16	3 470	(3 454)	-100%	13 879
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	4 463	7 766	-	(2 481)	8 376	1 942	6 434	331%	7 766
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	4 463	7 766	-	(2 481)	8 376	1 942	6 434	331%	7 766
Capital expenditure & funds sources									
Capital expenditure	28 105	14 662	-	489	504	3 666	(3 161)	-86%	14 662
Capital transfers recognised	28 052	14 662	-	489	504	-	504	#DIV/0!	14 662
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	52	-	-	-	-	-	-	-	-
Total sources of capital funds	28 105	14 662	-	489	504	-	504	#DIV/0!	14 662
Financial position									
Total current assets	30 561	27 008	-	-	43 255	-	-	-	27 008
Total non current assets	199 936	186 958	-	-	198 928	-	-	-	186 958
Total current liabilities	24 238	43 195	-	-	44 733	-	-	-	43 195
Total non current liabilities	33 639	4 354	-	-	13 120	-	-	-	4 354
Community wealth/Equity	172 620	166 417	-	-	184 330	-	-	-	166 417
Cash flows									
Net cash from (used) operating	13 891	10 524	-	(1 826)	6 766	2 574	(4 192)	-163%	10 524
Net cash from (used) investing	(16 639)	(6 338)	-	-	(504)	(1 585)	(1 080)	68%	(6 338)
Net cash from (used) financing	120	-	-	13	29	-	(29)	#DIV/0!	-
Cash/cash equivalents at the month/year end	6 836	13 650	9 464	-	15 754	10 453	(5 301)	-51%	13 650
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	4 146	439	284	160	142	123	6 440	-	11 733
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) - M03 September

Description	Ref	2019/20	Budget Year 2020/21							
		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>		38 473	42 872	-	287	13 187	10 718	2 469	23%	42 872
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		38 473	42 872	-	287	13 187	10 718	2 469	23%	42 872
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		22 773	34 934	-	3 833	10 672	8 734	1 939	22%	34 934
Community and social services		2 222	1 583	-	392	401	396	5	1%	1 583
Sport and recreation		0	4	-	-	-	1	(1)	-100%	4
Public safety		20 533	33 335	-	3 440	10 267	8 334	1 934	23%	33 335
Housing		18	12	-	2	5	3	2	53%	12
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 419	1 183	-	93	281	296	(15)	-5%	1 183
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 419	1 183	-	93	281	296	(15)	-5%	1 183
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		35 320	28 245	-	2 425	7 332	7 061	271	4%	28 245
Energy sources		19 440	18 604	-	1 504	4 697	4 651	46	1%	18 604
Water management		10 011	4 193	-	349	1 031	1 048	(17)	-2%	4 193
Waste water management		3 107	3 187	-	277	826	797	30	4%	3 187
Waste management		2 763	2 261	-	297	778	565	213	38%	2 261
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	97 985	107 235	-	6 639	31 472	26 809	4 664	17%	107 235
Expenditure - Functional										
<i>Governance and administration</i>		38 051	33 890	-	2 981	7 347	8 473	(1 126)	-13%	33 890
Executive and council		8 001	8 653	-	1 183	3 127	2 163	964	45%	8 653
Finance and administration		30 050	25 237	-	1 798	4 219	6 309	(2 090)	-33%	25 237
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 163	33 719	-	2 752	7 975	8 430	(454)	-5%	33 719
Community and social services		1 585	1 709	-	188	471	427	44	10%	1 709
Sport and recreation		53	51	-	1	7	13	(6)	-49%	51
Public safety		21 461	31 639	-	2 539	7 428	7 910	(481)	-6%	31 639
Housing		7	299	-	23	70	75	(4)	-6%	299
Health		57	21	-	(0)	(1)	5	(6)	-116%	21
<i>Economic and environmental services</i>		12 614	12 613	-	1 121	2 953	3 153	(200)	-6%	12 613
Planning and development		628	1 029	-	56	150	257	(107)	-42%	1 029
Road transport		11 987	11 583	-	1 065	2 802	2 896	(94)	-3%	11 583
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		19 677	19 234	-	2 265	4 818	4 809	9	0%	19 234
Energy sources		11 346	11 635	-	1 635	3 169	2 909	261	9%	11 635
Water management		4 160	3 721	-	269	789	930	(141)	-15%	3 721
Waste water management		2 190	1 787	-	204	428	447	(19)	-4%	1 787
Waste management		1 981	2 092	-	157	431	523	(92)	-18%	2 092
<i>Other</i>		16	12	-	1	3	3	-	-	12
Total Expenditure - Functional	3	93 521	99 469	-	9 120	23 096	24 867	(1 772)	-7%	99 469
Surplus/ (Deficit) for the year		4 463	7 766	-	(2 481)	8 377	1 942	6 435	331%	7 766

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	2019/20		Budget Year 2020/21						
		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		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		2 192	2 616	-	237	703	654	49	7.5%	2 616
Vote 4 - BUDGET & TREASURY		36 281	40 257	-	50	12 483	10 064	2 419	24.0%	40 257
Vote 5 - PLANNING AND DEVEOLPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		1 504	1 583	-	392	401	396	5	1.2%	1 583
Vote 7 - SPORTS AND RECREATION		718	4	-	-	-	1	(1)	-100.0%	4
Vote 8 - HOUSING		18	12	-	2	5	3	2	53.3%	12
Vote 9 - PUBLIC SAFETY		20 533	33 335	-	3 440	10 267	8 334	1 934	23.2%	33 335
Vote 10 - ROAD TRANSPORT		1 419	1 183	-	93	281	296	(15)	-4.9%	1 183
Vote 11 - WASTE MANAGEMENT		2 763	2 261	-	297	778	565	213	37.6%	2 261
Vote 12 - WASTE WATER MANAGEMENT		3 107	3 187	-	277	826	797	30	3.7%	3 187
Vote 13 - WATER		10 011	4 193	-	349	1 031	1 048	(17)	-1.6%	4 193
Vote 14 - ELECTRICITY		19 440	18 604	-	1 504	4 697	4 651	46	1.0%	18 604
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	97 985	107 235	-	6 639	31 472	26 809	4 664	17.4%	107 235
Expenditure by Vote	1									
Vote 1 - MAYORAL & COUNCIL		4 179	5 183	-	902	2 322	1 296	1 026	79.2%	5 183
Vote 2 - MUNICIPAL MANAGER		3 822	3 469	-	282	806	867	(62)	-7.1%	3 469
Vote 3 - CORPORATE SERVICES		8 297	7 742	-	445	1 524	1 936	(411)	-21.3%	7 742
Vote 4 - BUDGET & TREASURY		21 753	17 495	-	1 353	2 695	4 374	(1 679)	-38.4%	17 495
Vote 5 - PLANNING AND DEVEOLPMENT		628	1 029	-	56	150	257	(107)	-41.5%	1 029
Vote 6 - COMMUNITY AND SOCIAL SERV		1 436	1 525	-	166	423	381	42	10.9%	1 525
Vote 7 - SPORTS AND RECREATION		275	269	-	25	57	67	(10)	-15.2%	269
Vote 8 - HOUSING		7	299	-	23	70	75	(4)	-6.0%	299
Vote 9 - PUBLIC SAFETY		21 461	31 639	-	2 539	7 428	7 910	(481)	-6.1%	31 639
Vote 10 - ROAD TRANSPORT		11 987	11 583	-	1 065	2 802	2 896	(94)	-3.2%	11 583
Vote 11 - WASTE MANAGEMENT		1 981	2 092	-	157	431	523	(92)	-17.5%	2 092
Vote 12 - WASTE WATER MANAGEMENT		2 190	1 787	-	204	428	447	(19)	-4.2%	1 787
Vote 13 - WATER		4 160	3 721	-	269	789	930	(141)	-15.2%	3 721
Vote 14 - ELECTRICITY		11 346	11 635	-	1 635	3 169	2 909	261	9.0%	11 635
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	93 521	99 469	-	9 120	23 096	24 867	(1 772)	-7.1%	99 469
Surplus/ (Deficit) for the year	2	4 463	7 766	-	(2 481)	8 377	1 942	6 435	331.5%	7 766

Table C4: Financial Performance (Revenue and Expenditure)

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

Description	Ref	Budget Year 2020/21								Full Year Forecast
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		4 505	4 914	–	8	4 688	1 229	3 460	282%	4 914
Service charges - electricity revenue		14 591	17 391	–	1 504	4 697	4 348	349	8%	17 391
Service charges - water revenue		2 203	2 926	–	349	1 031	731	300	41%	2 926
Service charges - sanitation revenue		1 753	1 861	–	277	828	465	362	78%	1 861
Service charges - refuse revenue		1 626	1 166	–	296	778	291	486	167%	1 166
Service charges - other		–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		1 624	1 212	–	132	398	303	95	31%	1 212
Interest earned - external investments		366	673	–	50	139	168	(29)	-17%	673
Interest earned - outstanding debtors		53	559	–	42	113	140	(27)	-19%	559
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		20 170	32 410	–	3 398	10 145	8 103	2 042	25%	32 410
Licences and permits		363	927	–	42	122	232	(109)	-47%	927
Agency services		180	166	–	29	62	42	20	49%	166
Transfers and subsidies		29 142	29 002	–	502	8 406	7 250	1 156	16%	29 002
Other revenue		206	150	–	11	49	37	12	32%	150
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		76 785	93 356	–	6 639	31 457	23 339	8 118	35%	93 356
Expenditure By Type										
Employee related costs		29 731	29 911	–	2 538	6 870	7 478	(608)	-8%	29 911
Remuneration of councillors		3 104	3 300	–	304	828	825	3	0%	3 300
Debt impairment		16 630	25 958	–	2 161	6 482	6 489	(8)	0%	25 958
Depreciation & asset impairment		6 356	6 053	–	504	1 513	1 513	(1)	0%	6 053
Finance charges		1 083	–	–	–	–	–	–	–	–
Bulk purchases		10 238	10 463	–	1 553	2 963	2 616	347	13%	10 463
Other materials		–	–	–	–	–	–	–	–	–
Contracted services		7 813	6 502	–	894	1 028	1 626	(597)	-37%	6 502
Transfers and subsidies		336	449	–	460	1 156	112	1 043	930%	449
Other expenditure		17 967	16 833	–	707	2 257	4 208	(1 951)	-46%	16 833
Loss on disposal of PPE		263	–	–	–	–	–	–	–	–
Total Expenditure		93 521	99 469	–	9 120	23 096	24 867	(1 771)	-7%	99 469
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		(16 737)	(6 113)	–	(2 481)	8 360	(1 528)	9 888	(0)	(6 113)
(National / Provincial and District)		21 200	13 879	–	–	16	3 470	(3 454)	(0)	13 879
(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		4 463	7 766	–	(2 481)	8 376	1 942			7 766
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		4 463	7 766	–	(2 481)	8 376	1 942			7 766
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		4 463	7 766	–	(2 481)	8 376	1 942			7 766
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		4 463	7 766	–	(2 481)	8 376	1 942			7 766

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	2019/20	Budget Year 2020/21							
		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	-	-	48	48	-	48	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		35	-	-	48	48	-	48	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		14	-	-	94	94	-	94	#DIV/0!	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		14	-	-	94	94	-	94	#DIV/0!	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		238	1 448	-	255	255	362	(108)	-30%	1 448
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		238	1 448	-	255	255	362	(108)	-30%	1 448
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		27 806	13 214	-	92	108	3 304	(3 196)	-97%	13 214
Energy sources		8 424	582	-	-	-	145	(145)	-100%	582
Water management		19 383	8 636	-	-	8	2 159	(2 151)	-100%	8 636
Waste water management		-	3 996	-	-	8	999	(991)	-99%	3 996
Waste management		-	-	-	92	92	-	92	#DIV/0!	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	28 094	14 662	-	489	504	3 666	(3 161)	-86%	14 662
Funded by:										
National Government		10 584	14 662	-	-	16	-	16	#DIV/0!	14 662
Provincial Government		17 468	-	-	489	489	-	489	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		28 052	14 662	-	489	504	-	504	#DIV/0!	14 662
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		52	-	-	-	-	-	-	-	-
Total Capital Funding		28 105	14 662	-	489	504	-	504	#DIV/0!	14 662

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

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9 617	12 092	-	15 907	12 092
Call investment deposits		-	-	-	-	-
Consumer debtors		14 981	11 785	-	18 270	11 785
Other debtors		5 316	2 489	-	8 430	2 489
Current portion of long-term receivables		-	1	-	-	1
Inventory		647	641	-	648	641
Total current assets		30 561	27 008	-	43 255	27 008
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		23 480	23 544	-	23 480	23 544
Investments in Associate		-	-	-	-	-
Property, plant and equipment		176 253	163 084	-	175 245	163 084
Agricultural		-	-	-	-	-
Biological		-	-	-	-	-
Intangible		202	286	-	202	286
Other non-current assets		-	43	-	-	43
Total non current assets		199 936	186 958	-	198 928	186 958
TOTAL ASSETS		230 497	213 966	-	242 183	213 966
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1	6	-	(0)	6
Consumer deposits		800	715	-	810	715
Trade and other payables		20 877	18 631	-	20 847	18 631
Provisions		2 560	23 843	-	23 077	23 843
Total current liabilities		24 238	43 195	-	44 733	43 195
Non current liabilities						
Borrowing		-	-	-	-	-
Provisions		33 639	4 354	-	13 120	4 354
Total non current liabilities		33 639	4 354	-	13 120	4 354
TOTAL LIABILITIES		57 876	47 549	-	57 853	47 549
NET ASSETS	2	172 620	166 417	-	184 330	166 417
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		172 620	166 417	-	184 330	166 417
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	172 620	166 417	-	184 330	166 417

Table C7: Cash Flow

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

Description	Ref	2019/20	Budget Year 2020/21							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		3 706	4 792	-	392	1 104	1 198	(94)	-8%	4 792
Service charges		25 893	23 225	-	2 573	7 439	5 806	1 632	28%	23 225
Other revenue		22 823	9 082	-	521	4 177	2 270	1 907	84%	9 082
Government - operating		27 000	24 103	-	13	11 302	6 026	5 277	88%	24 103
Government - capital		2 799	13 879	-	1 634	1 718	3 470	(1 752)	-50%	13 879
Interest		218	673	-	63	169	168	1	1%	673
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(67 975)	(64 007)	-	(6 325)	(18 392)	(16 059)	2 332	-15%	(64 007)
Finance charges		-	(773)	-	-	-	(193)	(193)	100%	(773)
Transfers and Grants		(571)	(449)	-	(697)	(753)	(112)	640	-571%	(449)
NET CASH FROM/(USED) OPERATING ACTIVITIES		13 891	10 524	-	(1 826)	6 766	2 574	(4 192)	-163%	10 524
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(16 639)	(6 338)	-	-	(504)	(1 585)	(1 080)	68%	(6 338)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16 639)	(6 338)	-	-	(504)	(1 585)	(1 080)	68%	(6 338)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		120	-	-	13	29	-	29	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		120	-	-	13	29	-	(29)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(2 628)	4 186	-	(1 813)	6 291	989			4 186
Cash/cash equivalents at beginning:		9 464	9 464	9 464		9 464	9 464			9 464
Cash/cash equivalents at month/year end:		6 836	13 650	9 464		15 754	10 453			13 650

4. Supporting Documentation

Variance explanations

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

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	282%	Levied during July for full financial year	Will equal during the year
	Service charges - water revenue	41%	Normal consumption periods - no water restrictions	Consumption will lower during water restriction periods
	Service charges - sanitation revenue	78%	Extra sewer dumpings by wind farms	Will be adjusted in first adj budget
	Service charges - refuse revenue	167%	Annual levies added during July	Will equal during the year
2	Expenditure By Type			
	Contracted services	-37%	First payments to consultants compiling AFS will be paid	Will equal during the year
	Transfers and subsidies	930%	Transfers from eq share to indigent households are included	Will be corrected at year end
3	Capital Expenditure			
			Capital projects for the year just started	First payment will be during Oct
4	Financial Position			
		0	-	0
5	Cash Flow			
	Government - operating	88%	Eq grant was received during first quarter	
	Government - capital	-50%	MIG started slow -	Projects will accelerate during October
6	Measureable performance			
7	Municipal Entities			

Debtors Analysis

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

Description	NT Code	Budget Year 2020/21										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.O Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total				
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	187	78	67	32	32	30	886	-	1 313	980	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 017	171	49	38	23	9	614	-	1 920	684	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	2 533	54	44	20	30	31	2 501	-	5 214	2 583	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	166	64	54	27	26	23	914	-	1 276	991	-	-	
Receivables from Exchange Transactions - Waste Management	1600	162	53	44	20	19	15	501	-	814	555	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	73	17	22	21	12	15	930	-	1 090	977	-	-	
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	8	2	3	1	1	0	92	-	108	95	-	-	
Total By Income Source	2000	4 146	439	284	160	142	123	6 440	-	11 733	6 864	-	-	
2019/20 - totals only		1381815	235224	187114	202731	132708	132551	6952566	0	9 225	7 421			
Debtors Age Analysis By Customer Group														
Organs of State	2200	259	89	38	21	8	13	729	-	1 157	771	-	-	
Commercial	2300	2 401	90	37	36	28	21	2 276	-	4 890	2 362	-	-	
Households	2400	1 487	260	209	102	106	89	3 435	-	5 687	3 732	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
Total By Customer Group	2600	4 146	439	284	160	142	123	6 440	-	11 733	6 864	-	-	

Creditors Analysis

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

Description	NT Code	Budget Year 2020/21								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	-	-	-	-	-	-	-	-	-

Performance Indicators

WC051 Laingsburg - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	Ref	2019/20	Budget Year 2020/21			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		1.2%	6.1%	0.0%	0.0%	3.3%
Borrowed funding of 'own n' capital expenditure	Borrowings/Capital expenditure ex cl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		12.1%	11.2%	0.0%	11.3%	11.2%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	126.1%	62.5%	0.0%	96.7%	62.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		39.7%	28.0%	0.0%	35.6%	28.0%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		26.4%	15.3%	0.0%	84.9%	15.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	100.0%	100.0%	100.0%
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	11.2%	7.0%	7.0%	7.0%	7.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	64.3%	55.0%	55.0%	40.0%	30.0%
Employee costs	Employee costs/Total Revenue - capital revenue		38.7%	32.0%	0.0%	21.8%	32.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.9%	2.1%	0.0%	0.9%	2.1%
Interest & Depreciation	I&D/Total Revenue - capital revenue		9.7%	6.5%	0.0%	0.0%	3.5%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		234.7%	450.9%	#DIV/0!		
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		60.7%	41.7%	#DIV/0!	152.0%	41.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		9.7%	9.1%		0.0%	9.1%

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:

Munisipaliteit • LAINGSBURG • Municipality

Munisipale-geboue, Van Riebeeckstraat

PRIVAATSAK X4
LAINGSBURG
6900



Municipal Buildings, Van Riebeeck Street

PRIVATE BAG X4
LAINGSBURG
6900

OFFICE OF THE MUNICIPAL MANAGER

VERWYSINGSNOMMER:
REFERENCE NUMBER:
NAVRAE:
ENQUIRIES:

Tel. (023) 551 1019
Faks/Fax (023) 5511019

QUALITY CERTIFICATE

I, Alida Groenewald, Senior Manager Finance and Corporate Services of Laingsburg Municipality, hereby certify that –

- 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 September 2021 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Ms. Alida Groenewald

for: Municipal Manager of Laingsburg Municipality (WC051)

Signature *Alida Groenewald*

Date 2021-10-14

6. Recommendation

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