

LAINGSBURG MUNICIPALITY



**MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING
FEBRUARY 2022**

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1. Mayors Report

The monthly budget statement for February 2022 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The February 2022 Monthly budget statement is the Eighth 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 February 2022.

Operating Budget				
R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	107 234 824	-	72 750 841	67.84
Total Expenditure	99 468 746	-	66 396 735	66.75
Surplus (Deficit) (Incl Capital transfers)	7 766 078	-	6 354 106	81.82
Capital Budget				
R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Capital expenditure	13 879 050	-	1 871 151	13.48
Sources of Finance				
<i>National Government - MIG</i>	6 383 050	-	696 216	10.91
<i>National Government - WSIG</i>	7 496 000	-	686 335	9.16
<i>Municipal Interventions Grant</i>	-	-	488 600	-
Total Funding Sources of Capital	13 879 050	-	1 871 151	13.48

Operating Revenue

The Municipality have generated 67.84% or R 72,751 million of the Budgeted Revenue to date which is higher than the budgeted amount. Year-to-date operating revenue is at 101,76% 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 February 2022 was R 2,241 million under the budget.

Operating Expenditure

Operating expenditure of R 66,397 million for the period up to the end of February 2022 does not include part of the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R4,182 million. That will bring the total expenditure effectively at R 70,579 million to date. The expenditure to date is over the budget year-to-date amount and stands on 6,43% over.

Capital Expenditure

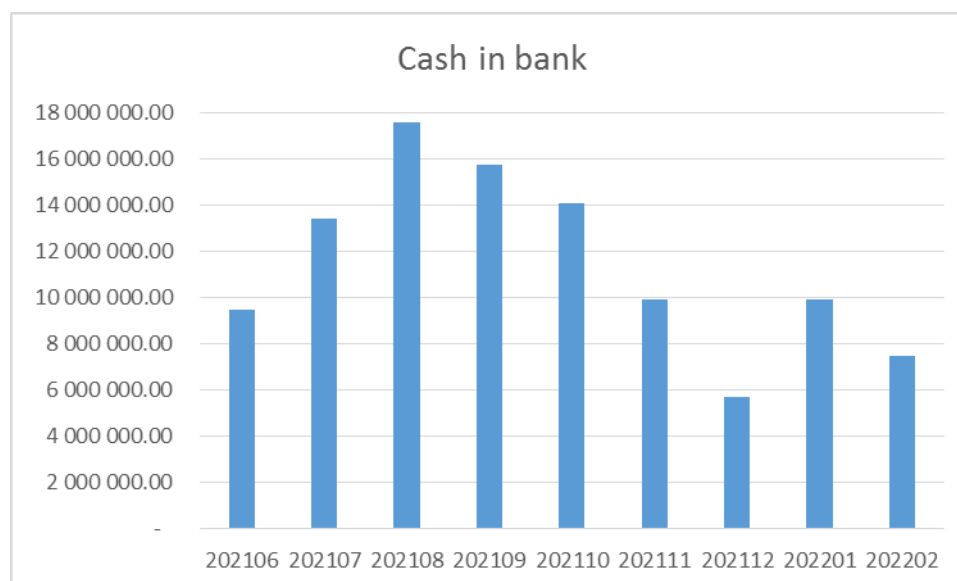
The total capital payments done during February 2022 amounted to R 504 320. The year-to-date total capital expenditure amounts to R1.871 million 19.41% of the total annual capital budget.

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 decreased with R 1,990. The closing balance for the month ended February 2022 is R7,474 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.

During the budget process assumptions were made that the payment ratio for all debtors will be at 95%. The target could not yet be achieved during this financial year. This causes serious budget strains on the planned budget spending on essential maintenance and repairs.

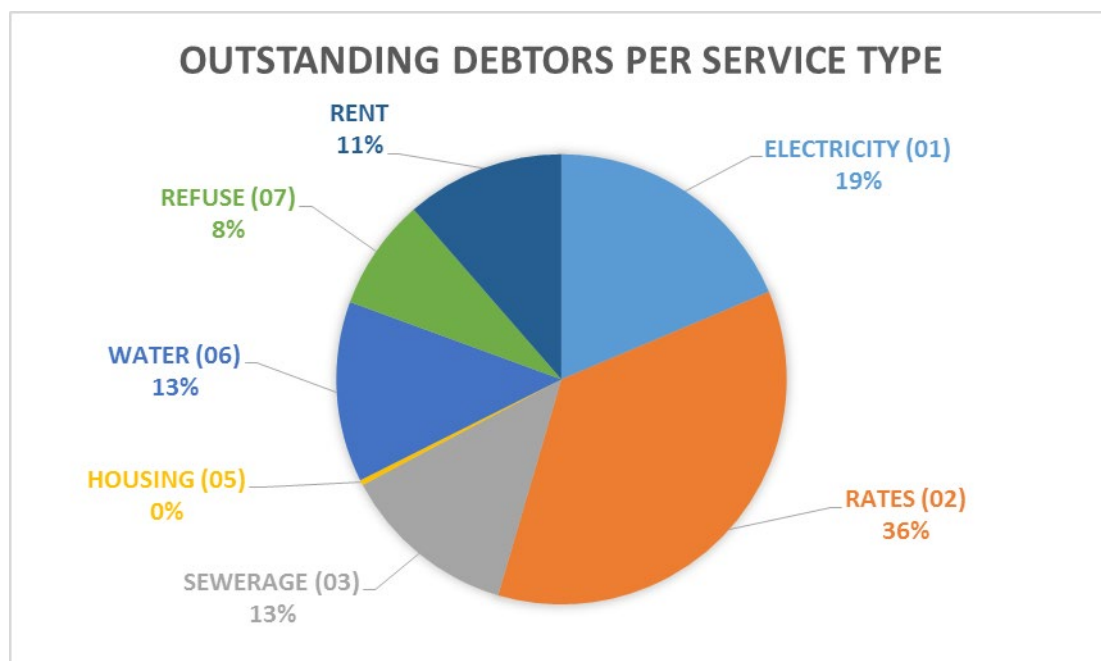
The following graph shows the movement in the monthly cash available:



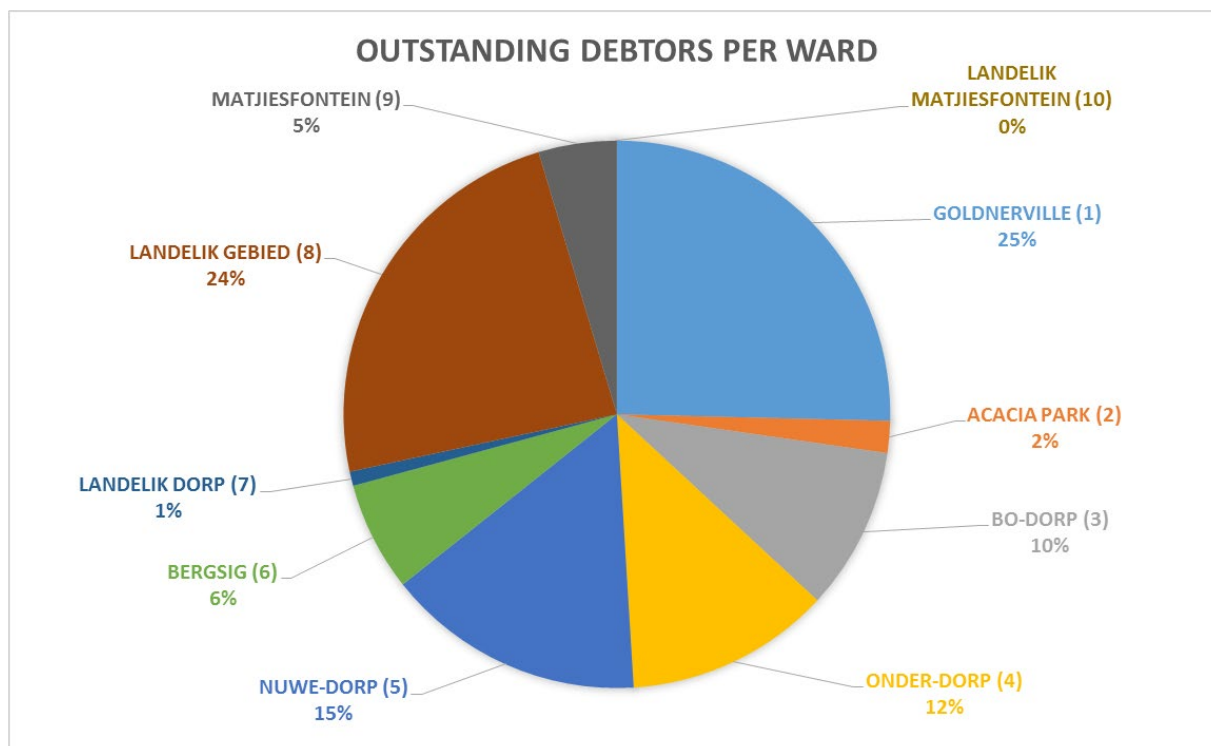
Debtors

The Outstanding Debtors of the Municipality amounts to R 11,634 million for the month ended February 2022, (R 11,960 million previous month). There was a decrease of R 0.326 million in the total outstanding amount since the previous month (increase of R 0,369 million previous month). The payment rate for 2020/2021 financial year was 99,67%. At the end of February 2022 the payment rate was 89.03% (previous month 86.52%). The total amount outstanding for longer than 12 months is R 7,668 million and this amounts to 65,91% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 days amount to R 9,072 million. The Municipality is implementing the Debt Collection and Credit Control Policy. Outstanding amounts in the areas where the Municipality is not the supplier of electricity are increasing rapidly.

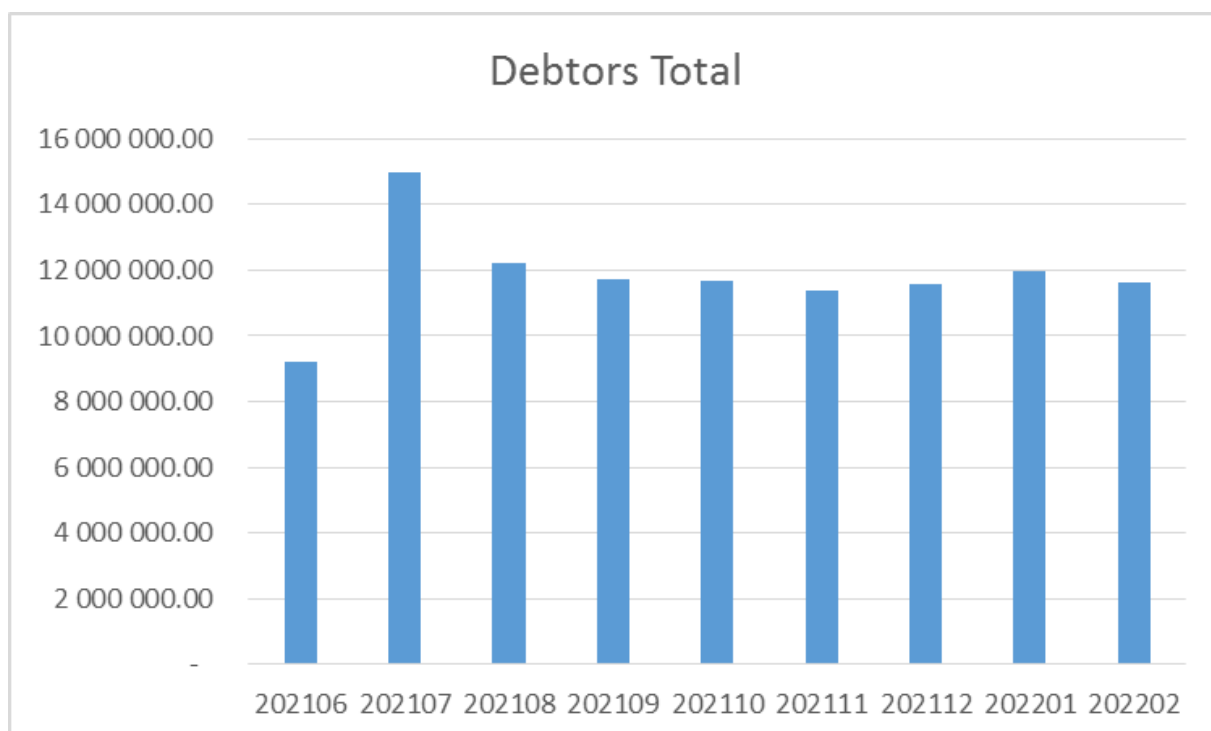
The following graph shows the the outstanding debtors per ward as at the end of February 2022:



The following graph shows the the outstanding debtors per service type as at the end of February 2022:



The following graphs shows the level of the incline in the total debtors over the year-to-date period:

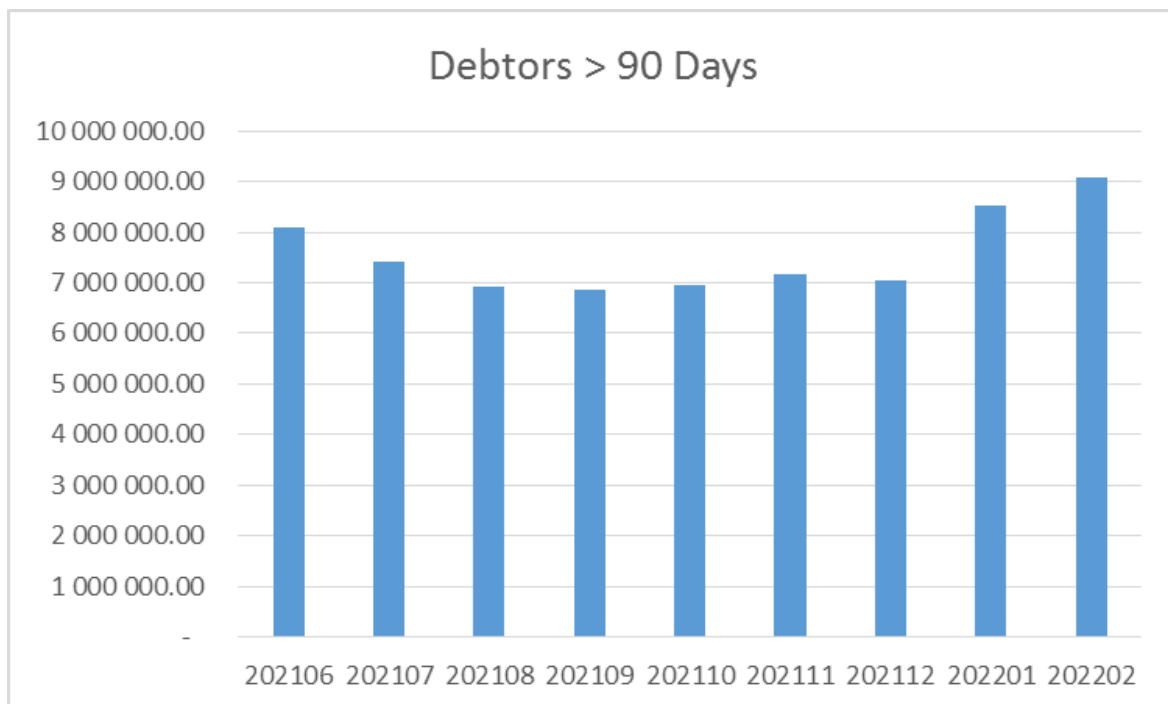


If it is taken into account that the annual rates are levied in July 2021 and the monthly instalment are paid over the remainder of the financial year there should be a monthly decrease in the total debtors amount. The opposite is clearly visible.

The following graph shows the level of the total outstanding longer than one year:

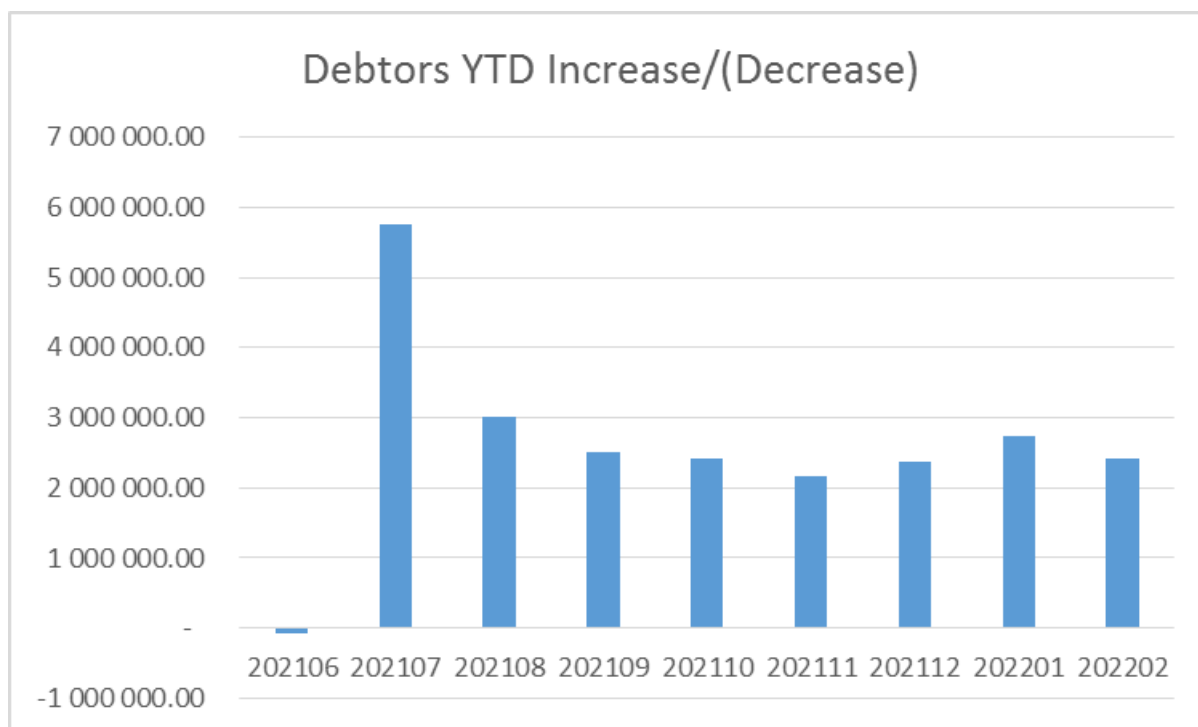


The following graph shows the level of the total outstanding amounts longer than 90 days:



There was a decline in old outstanding amounts between June 2021 and September 2021 but thereafter the opposite effect started to occur.

The following graph shows the decrease and increase in the monthly total outstanding debtors:



The ideal position of the movement must move below the zero line, which means that arrears are paid on but the trend has changed since November 2021.

Creditors

Total outstanding creditors amount to R 0 for the month ending February 2022. 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	6 341 288	344 473	4 222 390	(448 188)	(2 118 898)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	546 216	45 518	364 144	35 524	297 044	(9 994)	(67 100)
Domestic accommodation	393 372	32 781	262 248	7 455	88 240	(25 326)	(174 008)
Sponsorships, events and catering	69 480	5 790	46 320	2 279	23 701	(3 511)	(22 619)
Communication	528 588	44 049	352 392	2 870	161 707	(41 179)	(190 685)
Overtime	719 688	59 974	479 792	-	598 433	(59 974)	118 641
Total	R 11 769 276	R 980 773	R 7 846 184	R 392 600	R 5 391 516	(588 173)	(2 454 669)

Red flagged amounts are items that exceed the budgeted amount. Overtime management is currently the biggest item that needs urgent attention. At the current trend the budgeted amount will be overspent with nearly 50%.

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

Table C1: Summary

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

Description	Budget Year 2021/22								
	2020/21 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	-	30	4 833	3 276	1 557	48%	4 914
Service charges	20 173	23 343	-	2 187	19 142	15 562	3 580	23%	23 343
Investment revenue	366	673	-	35	312	448	(136)	-30%	673
Transfers and subsidies	29 142	29 002	-	276	17 344	19 335	(1 991)	-10%	29 002
Other own revenue	22 598	35 424	-	3 625	29 249	23 616	5 634	24%	35 424
Total Revenue (excluding capital transfers and contributions)	76 785	93 356	-	6 154	70 880	62 237	8 643	14%	93 356
Employee costs	29 731	29 911	-	2 416	20 411	19 941	470	2%	29 911
Remuneration of Councillors	3 104	3 300	-	262	2 149	2 200	(51)	-2%	3 300
Depreciation & asset impairment	6 356	6 053	-	504	4 034	4 035	(1)	-0%	6 053
Finance charges	1 083	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	10 238	10 463	-	861	7 544	6 975	569	8%	10 463
Transfers and subsidies	336	449	-	657	3 291	299	2 992	999%	449
Other expenditure	42 673	49 292	-	3 425	28 967	32 862	(3 894)	-12%	49 292
Total Expenditure	93 521	99 469	-	8 124	66 397	66 312	84	0%	99 469
Surplus/(Deficit)	(16 737)	(6 113)	-	(1 970)	4 483	(4 075)	8 558	-210%	(6 113)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	21 200	13 879	-	542	1 871	9 253	###	-80%	13 879
Transfers and subsidies - capital (monetary allocations) (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	-	(1 429)	6 354	5 177	1 177	23%	7 766
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	4 463	7 766	-	(1 429)	6 354	5 177	1 177	23%	7 766
Capital expenditure & funds sources									
Capital expenditure	28 105	14 662	-	542	1 871	9 775	(7 904)	-81%	14 662
Capital transfers recognised	28 052	14 662	-	542	1 871	9 775	(7 904)	-81%	14 662
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	28 052	14 662	-	542	1 871	9 775	(7 904)	-81%	14 662
Financial position									
Total current assets	30 561	27 008	-	-	34 994	-	-	-	27 008
Total non current assets	199 936	186 958	-	-	198 765	-	-	-	186 958
Total current liabilities	24 238	43 195	-	-	34 697	-	-	-	43 195
Total non current liabilities	33 639	4 354	-	-	13 119	-	-	-	4 354
Community wealth/Equity	172 620	166 417	-	-	185 943	-	-	-	166 417
Cash flows									
Net cash from (used) operating	13 891	10 524	-	(1 907)	(3 195)	6 863	10 058	147%	10 524
Net cash from (used) investing	(16 639)	(6 338)	-	(542)	1 129	(4 226)	(5 354)	127%	(6 338)
Net cash from (used) financing	120	-	-	9	76	-	(76)	#DIV/0!	-
Cash/cash equivalents at the month/year end	6 836	13 650	9 464	-	7 474	12 102	4 628	38%	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	2 559	3	0	970	230	203	7 668	-	11 634
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Table C2: Financial Performance (Standard Classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Financed Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structure used by the different institutions.

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

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

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

Description	Ref	2020/21	Budget Year 2021/22							
		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	-	917	24 655	28 582	(3 927)	-14%	42 872
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		38 473	42 872	-	917	24 655	28 582	(3 927)	-14%	42 872
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		22 773	34 934	-	3 578	28 663	23 289	5 373	23%	34 934
Community and social services		2 222	1 583	-	131	1 056	1 056	0	0%	1 583
Sport and recreation		0	4	-	-	2	3	(0)	-15%	4
Public safety		20 533	33 335	-	3 446	27 591	22 223	5 368	24%	33 335
Housing		18	12	-	2	12	8	4	53%	12
Health		-	-	-	-	1	-	1	#DIV/0!	-
<i>Economic and environmental services</i>		1 419	1 183	-	13	301	789	(488)	-62%	1 183
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 419	1 183	-	13	301	789	(488)	-62%	1 183
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		35 320	28 245	-	2 187	19 133	18 830	303	2%	28 245
Energy sources		19 440	18 604	-	1 343	12 040	12 403	(362)	-3%	18 604
Water management		10 011	4 193	-	355	2 898	2 796	102	4%	4 193
Waste water management		3 107	3 187	-	272	2 169	2 125	44	2%	3 187
Waste management		2 763	2 261	-	217	2 026	1 507	519	34%	2 261
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	97 985	107 235	-	6 695	72 751	71 490	1 261	2%	107 235
Expenditure - Functional										
<i>Governance and administration</i>		38 051	33 890	-	2 539	22 313	22 593	(280)	-1%	33 890
Executive and council		8 001	8 653	-	1 189	8 444	5 768	2 675	46%	8 653
Finance and administration		30 050	25 237	-	1 349	13 870	16 825	(2 955)	-18%	25 237
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 163	33 719	-	2 702	21 800	22 479	(680)	-3%	33 719
Community and social services		1 585	1 709	-	139	1 259	1 139	120	11%	1 709
Sport and recreation		53	51	-	-	21	34	(13)	-39%	51
Public safety		21 461	31 639	-	2 540	20 334	21 093	(758)	-4%	31 639
Housing		7	299	-	23	186	200	(14)	-7%	299
Health		57	21	-	-	-	14	(14)	-100%	21
<i>Economic and environmental services</i>		12 614	12 613	-	1 141	9 023	8 409	615	7%	12 613
Planning and development		628	1 029	-	49	448	686	(238)	-35%	1 029
Road transport		11 987	11 583	-	1 092	8 575	7 722	853	11%	11 583
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		19 677	19 234	-	1 742	13 256	12 823	433	3%	19 234
Energy sources		11 346	11 635	-	1 021	8 463	7 756	706	9%	11 635
Water management		4 160	3 721	-	445	2 329	2 481	(152)	-6%	3 721
Waste water management		2 190	1 787	-	122	1 151	1 191	(40)	-3%	1 787
Waste management		1 981	2 092	-	153	1 313	1 394	(81)	-6%	2 092
<i>Other</i>		16	12	-	-	4	8	(4)	-50%	12
Total Expenditure - Functional	3	93 521	99 469	-	8 124	66 397	66 312	84	0%	99 469
Surplus/ (Deficit) for the year		4 463	7 766	-	(1 429)	6 354	5 177	1 177	23%	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) - M08 February

Vote Description	Ref	Budget Year 2021/22								
		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	-	168	1 768	1 744	24	1.4%	2 616
Vote 4 - BUDGET & TREASURY		36 281	40 257	-	749	22 887	26 838	(3 951)	-14.7%	40 257
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		1 504	1 583	-	131	1 057	1 056	2	0.2%	1 583
Vote 7 - SPORTS AND RECREATION		718	4	-	-	2	3	(0)	-14.9%	4
Vote 8 - HOUSING		18	12	-	2	12	8	4	53.3%	12
Vote 9 - PUBLIC SAFETY		20 533	33 335	-	3 446	27 591	22 223	5 368	24.2%	33 335
Vote 10 - ROAD TRANSPORT		1 419	1 183	-	13	301	789	(488)	-61.8%	1 183
Vote 11 - WASTE MANAGEMENT		2 763	2 261	-	217	2 026	1 507	519	34.4%	2 261
Vote 12 - WASTE WATER MANAGEMENT		3 107	3 187	-	272	2 169	2 125	44	2.1%	3 187
Vote 13 - WATER		10 011	4 193	-	355	2 898	2 796	102	3.7%	4 193
Vote 14 - ELECTRICITY		19 440	18 604	-	1 343	12 040	12 403	(362)	-2.9%	18 604
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	97 985	107 235	-	6 695	72 751	71 490	1 261	1.8%	107 235
Expenditure by Vote	1									
Vote 1 - MAYORAL & COUNCIL		4 179	5 183	-	918	6 172	3 456	2 717	78.6%	5 183
Vote 2 - MUNICIPAL MANAGER		3 822	3 469	-	271	2 272	2 313	(41)	-1.8%	3 469
Vote 3 - CORPORATE SERVICES		8 297	7 742	-	605	4 394	5 162	(768)	-14.9%	7 742
Vote 4 - BUDGET & TREASURY		21 753	17 495	-	744	9 476	11 663	(2 188)	-18.8%	17 495
Vote 5 - PLANNING AND DEVELOPMENT		628	1 029	-	49	448	686	(238)	-34.7%	1 029
Vote 6 - COMMUNITY AND SOCIAL SERV		1 436	1 525	-	126	1 129	1 016	112	11.0%	1 525
Vote 7 - SPORTS AND RECREATION		275	269	-	13	155	179	(24)	-13.4%	269
Vote 8 - HOUSING		7	299	-	23	186	200	(14)	-6.8%	299
Vote 9 - PUBLIC SAFETY		21 461	31 639	-	2 540	20 334	21 093	(758)	-3.6%	31 639
Vote 10 - ROAD TRANSPORT		11 987	11 583	-	1 092	8 575	7 722	853	11.0%	11 583
Vote 11 - WASTE MANAGEMENT		1 981	2 092	-	153	1 313	1 394	(81)	-5.8%	2 092
Vote 12 - WASTE WATER MANAGEMENT		2 190	1 787	-	122	1 151	1 191	(40)	-3.4%	1 787
Vote 13 - WATER		4 160	3 721	-	445	2 329	2 481	(152)	-6.1%	3 721
Vote 14 - ELECTRICITY		11 346	11 635	-	1 021	8 463	7 756	706	9.1%	11 635
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	93 521	99 469	-	8 124	66 397	66 312	84	0.1%	99 469
Surplus/ (Deficit) for the year	2	4 463	7 766	-	(1 429)	6 354	5 177	1 177	22.7%	7 766

Table C4: Financial Performance (Revenue and Expenditure)

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

Description	Ref	Budget Year 2021/22								
		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 Source										
Property rates		4 505	4 914	–	30	4 833	3 276	1 557	48%	4 914
Service charges - electricity revenue		14 591	17 391	–	1 343	12 040	11 594	446	4%	17 391
Service charges - water revenue		2 203	2 926	–	355	2 898	1 950	947	49%	2 926
Service charges - sanitation revenue		1 753	1 861	–	273	2 178	1 241	938	76%	1 861
Service charges - refuse revenue		1 626	1 166	–	217	2 026	777	1 249	161%	1 166
Rental of facilities and equipment		1 624	1 212	–	145	1 127	808	320	40%	1 212
Interest earned - external investments		366	673	–	35	312	448	(136)	-30%	673
Interest earned - outstanding debtors		53	559	–	(1)	284	373	(88)	-24%	559
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		20 170	32 410	–	3 393	27 283	21 607	5 676	26%	32 410
Licences and permits		363	927	–	54	309	618	(309)	-50%	927
Agency services		180	166	–	19	145	111	34	31%	166
Transfers and subsidies		29 142	29 002	–	276	17 344	19 335	(1 991)	-10%	29 002
Other revenue		206	150	–	16	101	100	1	1%	150
Gains		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		76 785	93 356	–	6 154	70 880	62 237	8 643	14%	93 356
Expenditure By Type										
Employee related costs		29 731	29 911	–	2 416	20 411	19 941	470	2%	29 911
Remuneration of councillors		3 104	3 300	–	262	2 149	2 200	(51)	-2%	3 300
Debt impairment		16 630	25 958	–	2 161	17 284	17 305	(21)	0%	25 958
Depreciation & asset impairment		6 356	6 053	–	504	4 034	4 035	(1)	0%	6 053
Finance charges		1 083	–	–	–	–	–	–	–	–
Bulk purchases - electricity		10 238	10 463	–	861	7 544	6 975	569	8%	10 463
Inventory consumed		–	–	–	–	–	–	–	–	–
Contracted services		7 813	6 502	–	255	3 497	4 335	(838)	-19%	6 502
Transfers and subsidies		336	449	–	657	3 291	299	2 992	999%	449
Other expenditure		17 967	16 833	–	1 010	8 186	11 222	(3 036)	-27%	16 833
Losses		263	–	–	–	–	–	–	–	–
Total Expenditure		93 521	99 469	–	8 124	66 397	66 312	84	0%	99 469
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(16 737)	(6 113)	–	(1 970)	4 483	(4 075)	8 558	(0)	(6 113)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		21 200	13 879	–	542	1 871	9 253	(7 382)	(0)	13 879
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		4 463	7 766	–	(1 429)	6 354	5 177			7 766
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		4 463	7 766	–	(1 429)	6 354	5 177			7 766
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		4 463	7 766	–	(1 429)	6 354	5 177			7 766
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		4 463	7 766	–	(1 429)	6 354	5 177			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) - M08
February**

Vote Description	Ref	2020/21	Budget Year 2021/22							
		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		69	-	-	-	96	-	96	#DIV/0!	-
Executive and council		35	-	-	-	48	-	48	#DIV/0!	-
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		35	-	-	-	48	-	48	#DIV/0!	-
Community and public safety		-	-	-	-	195	-	195	#DIV/0!	-
Community and social services		-	-	-	-	98	-	98	#DIV/0!	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	4	-	4	#DIV/0!	-
Housing		-	-	-	-	94	-	94	#DIV/0!	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	2 897	-	579	1 434	1 931	(497)	-26%	2 897
Planning and development		-	1 448	-	290	717	966	(249)	-26%	1 448
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	1 448	-	290	717	966	(249)	-26%	1 448
Trading services		38 765	26 428	-	504	1 925	17 619	(15 694)	-89%	26 428
Energy sources		19 383	13 214	-	252	1 009	8 809	(7 801)	-89%	13 214
Water management		-	582	-	-	126	388	(262)	-67%	582
Waste water management		19 383	8 636	-	92	412	5 757	(5 345)	-93%	8 636
Waste management		-	3 996	-	160	378	2 664	(2 286)	-86%	3 996
Other		-	-	-	-	92	-	92	#DIV/0!	-
Total Capital Expenditure - Functional Classification	3	38 835	29 325	-	1 083	3 742	19 550	(15 808)	-81%	29 325
Funded by:										
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		10 584	14 662	-	542	1 383	9 775	(8 392)	-86%	14 662
District Municipality		17 468	-	-	-	489	-	489	#DIV/0!	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		28 052	14 662	-	542	1 871	9 775	(7 904)	-81%	14 662
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
Total Capital Funding		28 052	14 662	-	542	1 871	9 775	(7 904)	-81%	14 662

Table C6: Financial Position

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

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9 617	12 092	-	4 627	12 092
Call investment deposits		-	-	-	-	-
Consumer debtors		14 981	11 785	-	19 760	11 785
Other debtors		5 316	2 489	-	9 954	2 489
Current portion of long-term receivables		-	1	-	-	1
Inventory		647	641	-	652	641
Total current assets		30 561	27 008	-	34 994	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	-	175 039	163 084
Biological		-	-	-	-	-
Intangible		202	286	-	202	286
Other non-current assets		-	43	-	43	43
Total non current assets		199 936	186 958	-	198 765	186 958
TOTAL ASSETS		230 497	213 966	-	233 758	213 966
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1	6	-	(0)	6
Consumer deposits		800	715	-	823	715
Trade and other payables		20 877	18 631	-	10 853	18 631
Provisions		2 560	23 843	-	23 021	23 843
Total current liabilities		24 238	43 195	-	34 697	43 195
Non current liabilities						
Borrowing		-	-	-	-	-
Provisions		33 639	4 354	-	13 119	4 354
Total non current liabilities		33 639	4 354	-	13 119	4 354
TOTAL LIABILITIES		57 876	47 549	-	47 816	47 549
NET ASSETS	2	172 620	166 417	-	185 943	166 417
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		172 620	166 417	-	185 943	166 417
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	172 620	166 417	-	185 943	166 417

Table C7: Cash Flow

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

Description	Ref	2020/21	Budget Year 2021/22							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	-	106	1 714	3 194	(1 480)	-46%	4 792
Service charges		25 893	23 225	-	2 577	20 156	15 483	4 673	30%	23 225
Other revenue		22 823	9 082	-	706	12 951	6 055	6 896	114%	9 082
Transfers and Subsidies - Operational		27 000	24 103	-	220	12 565	16 069	(3 504)	-22%	24 103
Transfers and Subsidies - Capital		2 799	13 879	-	-	1 718	9 253	(7 535)	-81%	13 879
Interest		218	673	-	5	375	448	(74)	-16%	673
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(67 975)	(64 007)	-	(5 505)	(50 594)	(42 824)	(7 770)	18%	(64 007)
Finance charges		-	(773)	-	-	-	(515)	515	-100%	(773)
Transfers and Grants		(571)	(449)	-	(15)	(2 080)	(299)	(1 781)	595%	(449)
NET CASH FROM/(USED) OPERATING ACTIVITIES		13 891	10 524	-	(1 907)	(3 195)	6 863	10 058	147%	10 524
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	3 000	-	3 000	#DIV/0!	-
Payments										
Capital assets		(16 639)	(6 338)	-	(542)	(1 871)	(4 226)	2 354	-56%	(6 338)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16 639)	(6 338)	-	(542)	1 129	(4 226)	(5 354)	127%	(6 338)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		120	-	-	9	76	-	76	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		120	-	-	9	76	-	(76)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(2 628)	4 186	-	(2 440)	(1 990)	2 638			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		7 474	12 102			13 650

4. Supporting Documentation

Variance explanations

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

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	1 557	Levied during July for full financial year	Will equal during the year
	Service charges - water revenue	947	Normal consumption periods - no water restrictions	Consumption will lower during water restriction periods
	Service charges - sanitation revenue	938	Extra sewer dumpings by wind farms	Will be adjusted in first adj budget
	Service charges - refuse revenue	1 249	Annual levies added during July	Will equal during the year
2	Expenditure By Type			
	Contracted services	(838)	First payments to consultants compiling AFS will be paid	Will equal during the year
	Transfers and subsidies	2 992	Transfers from eq share to indigent households are included	Will be corrected at year end
	Bulk purchases - electricity	569	Winter consumption higher than average	Will level out during summer period
3	Capital Expenditure			
			Capital projects for the year just started late	First payment will be during Nov
4	Financial Position			
	Consumer debtors	19 760	Includes the outstanding traffic fines	Will equal during the year
5	Cash Flow			
	Government - capital	(7 535)	Capital projects still in beginning fase	
6	Measureable performance			
7	Municipal Entities			

Debtors Analysis

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

Description	NT Code	Budget Year 2021/22									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	227	0	-	209	45	46	983	-	1 510	1 283		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 230	0	-	301	24	30	584	-	2 169	939		
Receivables from Non-exchange Transactions - Property Rates	1400	596	1	0	107	42	35	3 395	-	4 176	3 579		
Receivables from Exchange Transactions - Waste Water Management	1500	195	1	-	140	40	43	1 056	-	1 474	1 279		
Receivables from Exchange Transactions - Waste Management	1600	192	0	-	117	29	32	563	-	934	742		
Receivables from Exchange Transactions - Property Rental Debtors	1700	113	-	-	90	48	16	988	-	1 254	1 141		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	6	-	-	7	2	1	99	-	116	109		
Total By Income Source	2000	2 559	3	0	970	230	203	7 668	-	11 634	9 072	-	-
2020/21 - totals only		934762	395801	445737	396926	321119	268103	6366770	0	9 133	7 353		
Debtors Age Analysis By Customer Group													
Organs of State	2200	172	-	-	87	9	6	827	-	1 102	929		
Commercial	2300	1 307	1	-	299	81	44	2 998	-	4 729	3 421		
Households	2400	1 080	2	0	584	140	153	3 844	-	5 803	4 721		
Other	2500	-	-	-	-	-	-	-	-	-	-		
Total By Customer Group	2600	2 559	3	0	970	230	203	7 668	-	11 634	9 072	-	-

Creditors Analysis

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

Description	NT Code	Budget Year 2021/22									Total	Prior year totals for chart (same period)
		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 - M08 February

Description of financial indicator	Basis of calculation	Ref	2020/21	Budget Year 2021/22			
			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' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		12.1%	11.2%	0.0%	5.8%	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%	100.9%	62.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		39.7%	28.0%	0.0%	13.3%	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%	41.9%	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%	28.8%	32.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.9%	2.1%	0.0%	0.4%	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, Jafta Booysen, Municipal Manager 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 February 2022 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Mr. Jafta Booysen

Municipal Manager of Laingsburg Municipality (WC051)

Signature 

Date *14/03/2022*

6. Recommendation

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