

LAINGSBURGMUNICIPALITY

SECTION 52 REPORT

QUARTERLY PERFORMANCE

2017/18 ASSESSMENT REPORT- Q 1

01 July 2017 – 30 September 2017

A municipality that works



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QUALITY CERTIFICATE

I, Stephanus Pieterse the municipal manager of Laingsburg Local Municipality, here certify that quarterly report on the implementation of the budget and financial state affairs

For the period of 1 July 2017 until 30 September 2017 has been prepared in accordance of the Municipal Finance Management Act and regulations made under the Act.



SC PIETERSE
MUNICIPAL MANAGER
24 October 2017

SECTION 1 - INTRODUCTION

The purpose of this report is firstly to comply with section 52(d) of the Municipal Finance Management Act (MFMA), by submission of a report to the Council on the implementation of the budget.

The report provides a quarterly overview of the financial performance of the municipality, whilst it also provides a monitoring tool for Council on the non-financial indicators which is part of the service delivery and budget implementation plan.

The reports strategic objective is to ensure good governance, provide a monitor tool for financial viability as well as to provide Council with the necessary information to make informed decisions.

Section 52 (d) of the MFMA requires that:

“the mayor of a municipality must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.”

Section 75 (1) (k) of the MFMA requires that one should place the following documents of the municipality on the website:

“all quarterly reports tabled in the council in terms of section 52 (d).”

Council must therefore take note that this report will be published on the official website of the Municipality.

The report provides a quarterly overview of the municipal financial and non-financial performance to give council a monitoring tool to review performance as part of the Service Delivery and Budget Implementation plan (SDBIP) regarding the progress made with the implementation of Key Performance Indicators (KPI's) in the realisation of the developmental priorities and strategic objectives as determined in the Municipality's Integrated Development Plan (IDP) as well as in the Top Layer (TL) Service Delivery and Budget Implementation Plan (SDBIP) for the first quarter (01 July 2017 – 30 September 2017) of the 2017/2018 financial year.

SECTION 2 – EXECUTIVE MAYOR’S REPORT

Schedule C (In-Year Reports of Municipalities) of the Local Government: Municipal Finance Management Act Municipal Budget and Reporting Regulations, relating to the Mayor’s report states that:

“3. Mayor’s report. - The mayor’s report accompanying an in-year must provide-

- a) **A summary of whether the municipality’s budget is being implemented in accordance with the service delivery and budget implementation plan and any service delivery agreements with municipal entities;”**

Refer to Section 3 – Executive summary for the measurement of financial (Section 3.1) and non-financial (Section 3.2) key performance indicators.

- b) **“A summary of any financial problems or risks facing the municipality or any such entity; and”**

I am not aware of any financial problems or risks facing the municipality.

- c) ***“Any other information considered relevant by the mayor.”***

There are no other information considered to be relevant.

SECTION 3 – RESOLUTIONS

The draft resolution tabled to Council by the Executive Mayor for consideration regarding the Section 52 report is:

- That Council takes cognisance of the Finance Management Report (MFMA Section 52 report) for the quarter ending 30 September 2017 on the implementation of the budget and the financial state of affairs of the municipality.

SECTION 4 – EXECUTIVE SUMMARY

The quarterly report, the so called MFMA Section 52 report, is a monitoring tool for the approved service delivery and budget implementation plan, which can be divided into two parts namely the financial and non-financial key performance indicators.

4.1 Financial problems or risks facing the Municipality

The Municipality is currently experiencing financial difficulties in its cash flow. The operating revenue and expenditure to date are however within the budget limits. This is due to operating grants that were received during the first quarter. Payment for debtors for the first quarter was only 30% of the total amount billed for services and rates for this period. Annual rates are levied during July for the financial year.

4.2 Other relevant information

Year-to-date revenue raised is 77.26% of the projected year-to-date budget for the first quarter. Operating expenditure incurred amounts to 37.56% of year-to-date budget. The depreciation and annual journals will be processed at the end of the second quarter after the finalization of the audit.

4.3 Operating Revenue

The Municipality have generated 18.75% or R14, 266 million of the Budgeted Revenue to date which is lower than the budgeted amounts. During the financial year operating grants totaling R5, 665 million were received. The largest part of the grants received forms part of the Equitable Share Allocation for the financial year.

4.4 Operating Expenditure

For the quarter ending September 2017, the Municipality managed to spend within the budgeted norms. An amount of R R8, 092 million or 37, 56% have been spent to date. As mentioned above the depreciation and annual journals

will be processed at the end of the second quarter after the finalization of the audit.

4.5 Capital Expenditure

The Municipality has incurred R672 000 or 7.38% of the external funded Capital Budget to date. The MIG spending for the first quarter totals to R672 000 to date.

4.6 Cash Flow

The Municipality started off with a cash flow balance of R2, 299 million at the beginning of the year and increased it with R5, 373 million. The closing balance for this quarter is R7, 672 million. The increase in cash flow is due to the receipt of the operational grants. The Municipal Cash flow is mainly from Operating Activities as no Borrowing or Investments are budgeted for the 2017/2018 financial year.

4.7 Debtors

The Outstanding Debtors of the Municipality amounts to R R9, 501 million for the quarter ending September 2017. The outstanding debt for more than 90 days amounts to 42.35%. The payment rate for 2016/2017 financial year was 63.47%. This calculation includes cash collections and excludes the accounts written off during the financial year. For the financial year to date the payment rate is 30.07% on services and rates.

The Municipality is fully implementing the Debt Collection and Credit Control Policy. It should be noted that the Municipal debt collection and credit control policy was revised during August 2013. Outstanding amounts in the areas where the Municipality is not the supplier of electricity are increasing rapidly. During the end of May two external collectors were appointed on a commission basis to make payment agreement with debtors that are outstanding for 90 days or more.

This process has had little success so far. For the period from June 2017 a total

outstanding amount of R1, 978 million was handed over to the collectors for succession and an amount of R11 940 was paid by the contacted debtors to date.

4.8 Creditors

Total outstanding creditors amount to R89, 455 for the quarter ending September 2017. All the outstanding amounts are within the 30 days outstanding categories which is compliant with Section 65 of the MFMA. Cases occur where suppliers issue their 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.

SECTION 5 - FINANCIAL KEY PERFORMANCE INDICATORS

The financial performance indicators as prescribed by National Treasury is provided in Table SC 2.

Table SC2 – Financial Performance indicators

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

W051 Langsburg - Table 02 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter										
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		30 949	27 303	-	7 991	7 991	7 280	711	10%	27 303
Ex ecutive and council		21 375	3 636	-	3 673	3 673	909	2 765	304%	3 636
Finance and administration		9 575	23 667	-	4 318	4 318	6 371	(2 053)	-32%	23 667
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		24 343	34 720	-	351	350	8 488	(8 137)	-96%	34 720
Community and social serv ices		995	1 077	-	2	2	269	(267)	-99%	1 077
Sport and recreation		16	24	-	-	0	6	(6)	-99%	24
Public safety		23 323	33 606	-	347	347	8 211	(7 863)	-96%	33 606
Housing		10	11	-	2	1	2	(1)	-37%	11
Health		0	0	-	0	0	-	0	#DIV/0!	0
		1 066	1 097	-	5	5	275	(269)	-98%	1 097
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and dev elopment		1 066	1 097	-	5	5	275	(269)	-98%	1 097
Road transport		-	-	-	-	-	-	-	-	-
Env ironmental protection		19 515	21 634	-	3 923	3 923	4 586	(663)	-14%	21 634
Trading services		12 190	13 678	-	2 720	2 720	2 666	54	2%	13 678
Energy sources		2 691	3 389	-	394	394	967	(573)	-59%	3 389
Water management		2 538	2 502	-	437	437	522	(85)	-16%	2 502
Waste w ater management		2 097	2 066	-	372	372	431	(59)	-14%	2 066
Waste management	4	-	-	-	-	-	-	-	-	-
Other										
Total Revenue - Functional	2	75 874	84 754	-	12 270	12 269	20 628	(8 358)	-41%	84 754
Expenditure - Functional										
Governance and administration		31 231	25 703	-	5 115	5 117	7 598	(2 482)	-33%	25 703
Ex ecutive and council		9 531	8 704	-	2 136	2 136	2 282	(146)	-6%	8 704
Finance and administration		21 700	17 000	-	2 979	2 981	5 316	(2 335)	-44%	17 000
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		23 316	34 634	-	950	950	8 586	(7 635)	-89%	34 634
Community and social serv ices		2 116	1 738	-	158	158	249	(91)	-36%	1 738
Sport and recreation		30	26	-	7	7	7	0	3%	26
Public safety		20 995	32 683	-	786	786	8 324	(7 538)	-91%	32 683
Housing		171	183	-	(1)	(1)	5	(6)	-122%	183
Health		3	4	-	(0)	(0)	1	(1)	-101%	4
		2 945	3 368	-	446	446	741	(295)	-40%	3 368
Economic and environmental services		1 079	1 241	-	148	148	299	(150)	-50%	1 241
Planning and dev elopment		1 866	2 127	-	297	297	442	(145)	-33%	2 127
Road transport		-	-	-	-	-	-	-	-	-
Env ironmental protection		23 211	22 312	-	1 579	1 579	4 620	(3 041)	-66%	22 312
Trading services		9 045	7 503	-	548	548	2 383	(1 834)	-77%	7 503
Energy sources		2 107	2 628	-	25	25	482	(457)	-95%	2 628
Water management		10 349	10 828	-	946	946	1 472	(526)	-36%	10 828
Waste management		1 709	1 354	-	61	61	285	(224)	-79%	1 354
Waste w ater management		19	8	-	-	-	2	(2)	-100%	8
Waste management										
Other										
Total Expenditure - Functional	3	80 722	86 025	-	8 091	8 092	21 547	(13 455)	-62%	86 025
Surplus/ (Deficit) for the year		(4 848)	(1 271)	-	4 180	4 177	(919)	5 096	-554%	(1 271)

The other financial performance indicators are discussed below:

Table 5.1 provides a high level summary of the municipality's performance on the capital and operational revenue and expenditure measured against the budget as at 30 September 2017.

Table 5.1 High Level Summary

Description	Operating Revenue	Operating Expenditure	Capital Expenditure
	R'000	R'000	R'000
Year-to-date budget 2017/18	18 465 600	21 546 800	672 410
Actuals as at 30 September 2017	14 265 697	8 092 258	672 410
Variance between YTD Budget and YTD Actuals	4 199 903	13 454 542	-
Variance %	22.74	62.44	100.00

Table 5. 2 Actual Budget Spending

Description	Operating Revenue	Operating Expenditure	Capital Expenditure
	R'000	R'000	R'000
Annual Budget	76 099 700	86 024 700	9 115 000
Actuals as at 30 September 2017	14 265 697	8 092 258	672 410
Actual as % of total Budget	18.75	9.41	7.38

5.1 Key Financial Indicators

Table 3 provide the key financial indicators, comparing the 2016/17 financial performance of the municipality to the 2017/18 year to date figures as at 30 September 2017.

Table 5.3 Ration Description

RATION DESCRIPTION	2017/18	2016/17
<u>Revenue Management</u>		
Level of reliance on Government grants	23.42	23.42
Actual income vs Budgeted Income	77.26	86.88
<u>Expenditure Management</u>		
Personnel Costs to total Expenditure	33.35	23.71
Actual expenditure vs Budgeted Expenditure	37.56	81.99
Interest Paid as a percentage of total expenditure	-	-

RATION DESCRIPTION	2017/18	2016/17
Repairs and maintenance / PPE (carry amount)	0.06	1.08
Repairs and maintenance / total expenditure	1.13	2.21
<u>Asset Management</u>		
Actual versus Budgeted Capital Expenditure	7.38	82.53
Stockholding period(Days)		
Debt Management		
Creditors payment period (Days)	30	30
Arrear debtors collection period (Days)	273	84
<u>Liquidity</u>		
Current ratio	97.69	68.31
Acid Test ratio	87.81	54.49
Turnover of accounts receivable	1.12	8.68
Cash to interest	0	0
Debt to cash	0.29	0.04
CASH TO income	0.90	-0.04
Total Liabilities / Total Assets	10.04	8.20

5.2 Borrowing, funding and reserves policy

The borrowing, funding and reserves policy makes the measurement of the following ratios compulsory:

- a) Interest paid to total expenditure

5.2.1 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the interest paid to total expenditure may not exceed 5%.

5.2.2 Interpretation of Results

Interest paid to total expenditure is well within the norm of 5% Interest payments are currently made bi-annually.

- b) Total long term debt to total operating revenue

5.2.3 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the total long term debt to total operating revenue (excluding conditional grants and transfers) must not exceed

45%. Table 5.4 provide the year to date measurement against the results of 2016/17.

Table 5.4 Long Term Revenue

DESCRIPTION	2017/18	2016/17
Total long term debt to total operating revenue (excluding conditional grants and transfers)	0	0
Total Long-term Debt		
Total Operating Revenue (Excluding conditional grants and transfers)	8 600 287	49 938 202

5.2.4 Interpretation of Results

This percentage of long-term debt to operating revenue is well within the approved policy of Council of 45%.

- c) Cash generation from operating activities

5.2.5 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the cash generation from operating activities must at least cover the annual loan repayments 1 time. Table 5.5 provide the year to date measurement against the results of 2016/17.

Table 5.5 Loan Repayments Vs Cash

Description	2017/18	2016/17
Coverage of Annual Loan Repayments by cash generated from operating	0	0
Cash generated from operating activities	5 623 440	-1 142 603
Annual Loan Repayments	0	0

5.2.6 Interpretation of Results

Laingsburg Municipality does not have a high reliance on loans. Thus the ratio will always be favorable. The coverage of cash generated from operating activities to the annual loan repayment is well above the norm of 1 time.

- d) Percentage of annual loan repayment to total operating expenditure

5.2.7 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the percentage of total annual loan repayment (Capital and Interest) to total operating expenditure must not be more than 10%. Table 5.6 provide the year to date measurement against the results of 2016/17.

Table 5.6 Loan Repayments

Description	2017/18	2016/17
Percentage of annual loan repayments to total operating expenditure	0	0
Annual loan repayments (interest & Capital)	0	0
Total Operating Expenditure	8 092 258	78 376 981.77

5.2.8 Interpretation of Results

Laingsburg Municipality does not have a high reliance on loans and thus the amount relating to repayment of loans are low. Thus the ratio will always be favorable. The percentage of annual loan repayment to total operating expenditure is well within the norm of 10%.

5.3 Liquidity policy

The liquidity policy makes the measurement of the following ratios compulsory:

- a) Cash/Cost Coverage Ratio

5.3.1 Purpose/ Use of the Ratio and Norm

The approved policy by Council determines that the Cash/Cost Coverage Ratio (Excluding Unspent Conditional Grants) must be calculated as ((Cash and Cash Equivalents – Unspent Conditional Grants - Overdraft) + Short Term Investment)/ Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss on Disposal of Assets) and that a coverage of 1-3 times is acceptable.

Table 5.7 provide the measurement based on the last month of the quarter measured against the last month of 2016/17.

Table 5.7 Cash and Cash Equivalents

DESCRIPTION	2017/18	2016/17
<u>Cash/Cost Coverage Ratio (Times)</u>		
Cash and Cash equivalents	7 320 528	-759 700
Monthly Fixed Operational Expenditure	3 028 341	2 938 008
<u>Cash and Cash Equivalents:</u>		
Petty Cash and bank Balances	5 826 382	452 984
Less:		
Unspent Conditional Grants	9 514 640	2 943 937
Overdraft	0	0
Plus:		
Short-term investments	1 445 425	1 845 425
<u>Monthly Fixed Operational Expenditure</u>		
Total average monthly expenditure for the year	7 168 725	6 531 415
Less:		
Depreciation & Amortisation	840 967	547 813
Provision for bad debt	2 196 567	1 931 030
Impairment and loss on Disposal of Assets	0	0
Fair Value Adjustments	0	0

5.3.2 Interpretation of Results

The cash/cost coverage ratio is less than the norm of 1-3 times as per liquidity policy and improved from 2016/17 to 2017/18 mainly because of the increase in "Short-term investments".

b) Current ratio

5.3.3 Purpose/ Use of the Ratio and Norm

The purpose of this ratio is to measure the Municipality's ability to meets its short-term commitments.

The higher the current Ratio, the more capable the Municipality will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the

Municipality would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely liquidity problems i.e. insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

The approved policy by Council determines that the current ratio must be between 1.5:1 and 2:1. Table 5.8 provides the calculated current year ratio.

Table 5.8 Current Assets and Liabilities

Description	2017/18	2016/17
Current Ratio	97.69	68.31
Current Assets	13 625 951	9 802 850
Current Liabilities	13 947 839	14 349 675

5.3.4 Interpretation of Results

The municipality operates above the norm set by Council. The ratio improved since the end of the previous year.

The liquidity policy goes a step further and prescribes the calculation formula to determine a minimum liquidity requirement, it differs from the normal generally recognised calculation method as used above. Table 5.9 provides the measurement method as prescribed in the policy, it measures the year to date results against the results of 2016/17.

Table 5.9 Liquidity Requirement Calculation

Liquidity Requirement Calculation	2017/18 R	2016/17 R
All earmarked and/or conditional grants received but not yet utilised	0	0
Value of the provisions held in cash for the clearing of alien vegetation and the rehabilitation of landfill sites to the extent that these funds are required within the following 5 years	0	0
Value of legally entrenched short term rights and benefits of employees related to Medical benefits & Retirement benefits	3 509 000	3 509 000.0

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Liquidity Requirement Calculation	2017/18 R	2016/17 R
Unspent Loan Funds	0	0
Funds held for agency services not yet performed	0	0
Reserve funds reflected in Statement of Financial Position that are assumed to be held in cash	1 260 637	1 260 637
Capital redemption and interest payments on external loans not reflected as part of normal operational expenditure	0	0
1 months operational expenditure excluding non-cash items		
Consumer Deposits	3 028 342	2 938 008
Other Deposits and Other Advance Payments:	466 756	484 975
- Retentions		
- Payments Received in Advance	0	0
- Other Deposits	0	0
Non-current Deposit: Pavilion	0	0
Commitments resulting from contracts concluded as part of Capex Programme, not reflected in operational budget	0	0
TOTAL LIQUIDITY REQUIREMENT	6 162 844	8 794 844

Table 5.10 Actual Liquidity

Actual available liquidity held [reference paragraph 4.2.]	2017/18 R	2016/17 R
Bank Balance at e.g.:		
- ABSA, FNB, Standard Bank, Nedbank, Investec, Money Market		
Bank balance sub total	5 824 832	451 434
95% of all other term investments with Banks	1 373 154	1 753 154
90% of Market value of all Bonds on the JSE that are held	0	0
Consumer debtors (current – 60 days)	5 369 324	1 067 826
Other reserves held in cash not reflected in bank balances mentioned above for e.g.:	0	0
- Unspent conditional grants	0	0
- Payments received for agency functions not yet performed	0	0
- The cash value of reserves held	0	0
- Cash deposits held as part of loan covenants or ceded	0	0
- Undrawn bank overdraft facility or committed liquidity lines available	0	0
TOTAL LIQUIDITY AVAILABLE	12 567 310	7 573 911
LIQUIDITY SURPLUS (SHORT FALL)		
SURPLUS THAT COULD BE APPROPRIATED TO CAPITAL REPLACEMENT RESERVE		

(See Borrowing, Funds and Reserves Policy)

5.3.5 Interpretation of Results

It is clear from above that the Municipality does meet the minimum level set by the approved policy. The liquidity surplus improved measured against the result of the last financial year.

5.4 Other ratios of importance

The following ratios is important within this quarterly report.

- Debtors collection period in days

5.4.1 Purpose/ Use of the Ratio and Norm

This ratio reflects the collection period. The debtor days refers to the average number of days required for the Municipality to receive payment from its consumers for bills/invoices issued to them for services.

The ratio is also a good indication of the effectiveness of credit control procedures within the Municipality. If the ratio is above the norm, it indicates that the Municipality is exposed to significant cash flow risk.

This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition, this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

Table 5.11 Debt Collection

Description	2017/18	2016/17
Debtors collection period (days)		
Consumer debtors*365	273	84
Rates revenue + Services revenue + Debtors income		

5.4.2 Interpretation of Results

The municipality does not operate within the norm. The ratio has weakened measured against the result of the last financial year. The reason for the increase in the collection period is due to raising of annual rates in the first quarter of the financial year for the financial period as a whole.

b) Level of reliance on government grants

5.4.3 Purpose/ Use of the Ratio and Norm

The Ratio measures the extent to which the municipality's Expenditure is funded through Government grants and subsidies.

No norm is proposed at this time by National Treasury. It must be mentioned that National Treasury does promote a healthy balance of funding sources.

Table 5.12 Grant Reliance

Description	2017/18	2016/17
Level of reliance on government grants	23.42	23.42
Government Grants and subsidies	5 665 409.32	18 429 300.00
Total Revenue	14 265 696.81	68 367 501.58

5.4.4 Interpretation of Results

The results indicates that the municipality is dependent on grant funding to run its normal operations.

c) Implementation of the Capital program

5.4.5 Purpose/ Use of the Ratio and Norm

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation.

The ratio also assesses whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget. Any variance above 5% indicates discrepancies in planning and budgeting which should be investigated and corrective measures implemented. Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects.

Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programs and/or projects. Overspending may also indicate inaccurate budgeting or poor financial management control.

The norm range between 0% and 5% variance

Table 5.13 Actual Budget Spending

Description	2017/18	2016/17
Actual versus Budgeted Capital Expenditure	672 410	9 675 679
Actual Capital Expenditure – Budgeted Capital Expenditure	0.07	0.83
Budgeted Capital Expenditure	9 115 000	11 723 941

5.4.6 Interpretation of Results

The Municipality is functioning within the norm and is on track as per the YTD Budget allocation.

d) Implementation: Operational Revenue

5.4.7 Purpose/ Use of the Ratio and Norm

This ratio measures the extent of actual operating revenue (Excl. Capital Grant Revenue) received in relation to budgeted operating revenue during the financial year, under review.

A ratio outside the norm indicates either a challenge in capacity to implement, ineffective billing and credit control, weakness in compilation of budgets or issues of financial controls and management of the Municipality.

The norm range between 0% and 5% variance.

Table 5.14 Actual Budget Spending

Description	2017/18	2016/17
Actual versus Budgeted Capital Expenditure	672 410	9 675 679
Actual Capital Expenditure – Budgeted Capital Expenditure	0.07	0.83
Budgeted Capital Expenditure	9 115 000	11 723 941

5.4.8 Interpretation of Results

With the conversion from old vote numbers used in the old chart of accounts to the new mSCOA short codes and especially the new mSCOA item segment it was difficult to budget monthly projections for the 2016/17 budget with no available history on this new chart of accounts. The budget was therefor only divided equally amongst the 12 months on the financial system. The municipality will only have a more reliable budget per month with the next budget period. It can be mentioned that the actual income collection is in line with previous year actuals and projected collection rates.

e) Implementation: Operational Expenditure

4.5.9 Purpose/ Use of the Ratio and Norm

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assesses whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget. Any variance outside the norm either indicate a challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible cash flow difficulties or capacity challenges to undertake budgeted/ planned service delivery, and/ or does not prepare accurate and credible budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programs and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

The norm range between 0% and 5% variance.

Table 5.15 Budget Expenditure

Description	2017/18	2016/17
Actual operating expenditure VS Budgeted operating expenditure	14 265 697	68 367 502
Actual Expenditure – Budgeted Expenditure	0.77	0.86
Budgeted Expenditure	18 465 600	79 256 624

4.5.10 Interpretation of Results

The Municipality is functioning outside the norm. With the conversion from old vote numbers used in the old chart of accounts to the new mSCOA short codes and especially the new mSCOA item segment it was difficult to budget monthly projections for the 2017/18 budget with no available history on this new chart of accounts. The budget was therefore only divided equally amongst the 12 months on the financial system. The municipality will only have a more reliable budget per month with the next budget period.

SECTION 6 - NON - FINANCIAL PERFORMANCE REPORT

6.1 Background

6.1.1 Legislative Requirements

The Municipal Systems Act (MSA), 2000 requires municipalities to establish a performance management system. Further, the MSA and the Municipal Finance Management Act (MFMA) requires the Integrated Development Plan (IDP) to be aligned to the municipal budget and to be monitored for the performance of the budget against the IDP via the Service Delivery and the Budget Implementation Plan (SDBIP).

In addition, Regulation 7 (1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that "A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role players." Performance management is not only relevant to the organisation as a whole, but also to the individuals employed in the organization as well as the external service providers and the Municipal Entities. This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

6.1.2 Definition of Performance Management

Performance management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

6.1.3 Institutionalising Performance Management

At local government level performance management is institutionalized through the legislative requirements on the performance management process for Local Government. Performance management provides the mechanism to measure whether the strategic goals, set by the organisation and its employees, are met.

The constitution of S.A (1996), section 152, dealing with the objectives of local government paves the way for performance management with the requirements for an “accountable government”. The democratic values and principles in terms of section 195 (1) are also linked with the concept of performance management, with reference to the principles of inter alia:

- the promotion of efficient, economic and effective use of resources,
- accountable public administration
- to be transparent by providing information,
- to be responsive to the needs of the community, and
- to facilitate a culture of public service and accountability amongst staff.

6.1.4 Strategic Performance

This report highlight the strategic performance in terms of the municipality's Top Layer Service Delivery Budget Implementation Plan (SDBIP), high level performance in terms of the IDP Strategic objectives, performance on the National Key Performance Indicators prescribed in terms of Regulation 796. Details regarding specific basic service delivery targets, achievements and challenges will be included in the Annual Report of the municipality.

6.1.5 Definition of Service Delivery Budget Implementation Plan

The SDBIP is defined in terms of Section 1 of the Municipal Finance Management Act (MFMA), no. 56 of 2003, and the format of the SDBIP is prescribed by MFMA Circular 13.

Section 41(1) (e) of the Municipal Systems Act (MSA), no 32 of 2000, prescribes that a process must be established of regular reporting to Council.

The Report is a requirement in terms of section 52 of the Local Government: Municipal Financial Management Act, no. 56 of 2003 which provide for:

- a) The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality;
- b) The Accounting Officer, while conducting the above, must take into account:
 - Section 71 Reports;
 - Performance in line with the Service Delivery & Budget Implementation Plans.

6.1.6 The IDP and the Budget

The draft IDP, the draft budget and the draft SDBIP for 2017/2022 were approved by Council on 29 March 2017. The IDP process and the performance management process are integrated. The IDP fulfils the planning stage of performance management. Performance management in turn, fulfils the implementation management, monitoring and evaluation of the IDP.

6.1.7 Municipal Scorecard

The municipal scorecard (Top Layer SDBIP) consolidate service delivery targets set by Council / senior management and provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. Components of the Top Layer SDBIP include:

- One-year detailed plan, but should include a three-year capital plan
- The 5 necessary components includes:
- Monthly projections of revenue to be collected for each source
- Expected revenue to be collected NOT billed
- Monthly projections of expenditure (operating and capital) and revenue for each vote
- Section 71 format (Monthly budget statements)
- Quarterly projections of service delivery targets and performance indicators for each vote
- Non-financial measurable performance objectives in the form of targets and indicators
- Output not input / internal management objectives
- Level and standard of service being provided to the community
- Ward information for expenditure and service delivery

- Detailed capital project plan broken down by ward over three years

6.1.8 Background to the format of SDBIP

The Municipality's SDBIP consists of a Top Layer (TL) as well as a Departmental Plan for each individual Department. For purposes of reporting, the TL SDBIP is used to report to Council and the Community on the organisational performance of the Municipality. The TL SDBIP measure the achievement of performance indicators with regards to the provision of basic services as prescribed in Section 10 of the Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Strategic Objectives as detailed in the Integrated Development Plan (IDP) of the Laingsburg Local Municipality (LLM).

The Top Layer SDBIP was approved by the Mayor on the 19th of June 2017. The Departmental SDBIP's measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer SDBIP. The Departmental Plans have been approved by the Municipal Manager. This Quarterly Performance Assessment Report are based on the seven (7) Strategic Objectives of the municipality.

The overall assessment of actual performance against targets set for the key performance indicators as documented in the SDBIP is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

Table 3. 1 : SDBIP Measurement Categories

The Performance Management System is an internet based system and it uses the Service Delivery Budget Implementation Plan (SDBIP) which is

approved as its basis. The SDBIP is a layered plan comprising Top Layer SDBIP and Departmental SDBIPs. The performance reporting on the top layer SDBIP is done to Council on a quarterly, half yearly (Mid-year Budget and Performance Assessment Report) and annual basis. Annual amendments to the Top Layer SDBIP must be approved by Council following the submission of the Mid-year Budget and Performance Assessment Report as well as the approved adjustment budget.

This non-financial part of the report is based on the Top Layer SDBIP and comprises the following;

- Summary of the quarterly performance of the Municipality in terms of the seven
(7) Municipal Strategic Objective; and
- A detailed performance review per Municipaldirectorate.

6.1.9 Monitoring and Evaluation

The performance is monitored and evaluated via the SDBIP system. The web based system sent automated e-mails to the users of the system as a reminder to all staff responsible for updating their actual performance against key performance indicator targets every month for the previous month's performance.

The system close every month between the 10th to the 15th day for updates of the previous month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis. No access is available to a month's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting take place. Departments must motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.

The system provides management information in tables and graphs, indicating actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.

The system requires key performance indicator owners to update performance comment for each actual captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence for audit purposes.

In terms of Section 46(1) (a) (iii) of the Municipal Systems Act the Municipality must reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved.

6.2 Actual Performance for the 1st Quarter

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents. (IDP, Budget and Performance Agreements)

The Top Layer SDBIP contains performance indicators per Municipal Key Performance Area and comments with corrective measures with regard to indicators not achieved. A detailed analysis of actual performance for the 1st quarter of the financial year 2017/2018 is provided for in section 6 of this report.

Overall performance (dashboard) per National and Municipal Key Performance Area will be provided for in this report.

6.2.1 Overall Performance of the Municipality

The following graphs illustrate the overall performance of the LLM measured in terms of the Top Layer (strategic) SDBIP 2016/2017(3rd quarter).

The performance is also measured and reported on; per National and Municipal Key Performance Area.

The following graphs and tables give an overview on Top Level performance per Pre-Determined Objective(PDO's) for the term under review (01 July 2017 to 31 October 2017).

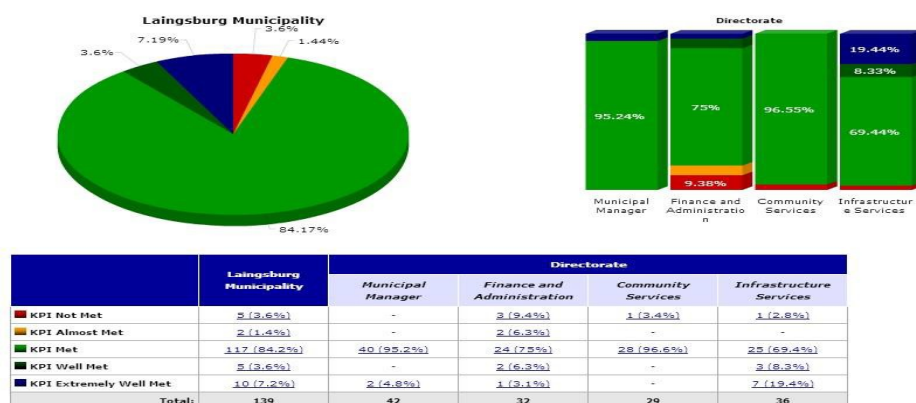


Diagram 6.1 Departmental KPI's Performance

The following table shows the top level key performance indicators (KPIs), what the target was for each KPI and what the actual performance was for the quarter.

Table 6.1 Top layer SDBIP 2017/18 Financial Year

Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	Year-To-Date As At September 2017		
					Target	Actual	R
TL1	Provision of infrastructure to deliver improved services to all residents and business	Number of formal residential properties which receives piped water (Laingsburg credit and pre-paid water meters) and is connected to the municipal water infrastructure network as at 30 June 2018	Number of residential accounts which are billed/purchased water as at 30 June 2018	1,206	0	0	N/A
TL2	Provision of infrastructure to deliver improved services to all residents and business	Number of formal residential properties connected to the municipal electrical infrastructure network (Laingsburg credit and pre-paid electrical meters)(Excluding Eskom areas) as at 30 June 2018	Number of residential accounts which are billed/purchased electricity (Excluding Eskom areas) as at 30 June 2017 as at 30 June 2018	766	0	0	N/A
TL3	Provision of infrastructure to deliver improved services to all residents and business	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) as at 30 June 2018	Number of residential accounts which are billed for sewerage as at 30 June 2018	1,206	0	0	N/A
TL4	Provision of infrastructure to deliver improved services to all residents and business	Number of formal residential properties for which refuse is removed once per week as at 30 June 2018	Number of residential accounts which are billed for refuse removal as at 30 June 2018	1,206	0	0	N/A
TL5	Improve the standards of living of all people in Laingsburg	Provide 6kl free basic water to registered indigent accountholders in terms of the equitable share requirements as at 30 June 2018	Number of registered indigent accounts receiving free basic water as at 30 June 2018	699	0	0	N/A
TL6	Improve the standards of living of all people in Laingsburg	Provide 50kwh free basic electricity to registered indigent accountholders in terms of the equitable share requirements (excluding ESKOM area) as at 30 June 2018	Number of registered indigent accounts receiving free basic electricity as at 30 June 2018	367	0	0	N/A
TL7	Improve the standards of living of all people in Laingsburg	Provide free basic sanitation to registered indigent accountholders in terms of the equitable share requirements as at 30 June 2018	Number of registered indigent accounts receiving free basic sanitation as at 30 June 2018	699	0	0	N/A
TL8	Improve the standards of living of all people in Laingsburg	Provide free basic refuse removal to registered indigent accountholders in terms of the equitable share requirements as at 30 June 2018	Number of registered indigent accounts receiving free basic refuse removal as at 30 June 2018	699	0	0	N/A

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Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	Year-To-Date As At September 2017		
					Target	Actual	R
TL9	Provision of infrastructure to deliver improved services to all residents and business	The percentage of the municipal capital budget actually spent on capital projects by 30 June 2017 (Actual amount spent on capital projects /Total amount budgeted for capital projects)X100 by 30 June 2018	{Actual amount spent on capital projects /Total amount budgeted for capital projects}X100} by 30 June 2018	80%	20%	7.40%	R
TL10	Create an environment conducive for economic development	Create job opportunities through EPWP projects by 30 June 2018	Number of job opportunities created by 30 June 2018	114	0	0	N/A
TL11	To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	People employed from employment equity target groups in the three highest levels of management in compliance with a municipality's approved employment equity plan	Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	8	0	0	N/A
TL12	To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	Percentage of municipality's personnel budget actually spent on training by 30 June 2018 ((Total Actual Training Expenditure/ Total personnel Budget)x100))	(Total expenditure on training/total personnel budget)/100	1%	0%	0%	N/A
TL13	To achieve financial viability in order to render affordable services to residents	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations at 30 June 2018 {Debt to Revenue (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant}	Debt coverage ratio as at 30 June 2017	200%	0%	0%	N/A
TL14	To achieve financial viability in order to render affordable services to residents	Financial viability measured in % in terms of the total amount of outstanding service debtors in comparison with total revenue received for services at 30 June 2017 {Net Service debtors to revenue – (Total outstanding service debtors minus provision for bad debt)/ (revenue received for services) x100}	% outstanding service debtors at 30 June 2017	10%	0%	0%	N/A
TL15	To achieve financial viability in order to render affordable services to residents	Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June 2017 {Cost coverage ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))}	Cost coverage ratio as at 30 June 2017	3%	0%	0%	N/A

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Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	Year-To-Date As At September 2017		
					Target	Actual	R
TL16	To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	Limit vacancy rate to less than 5% of budgeted posts by 30 June 2018 [(Number of funded posts vacant / total number of funded posts)x100]	% vacancy rate of budgeted posts by 30 June 2018 (Number of funded posts vacant / total number of funded posts)x100	5%	0%	0%	N/A
TL17	To create an institution with skilled employees to provide a professional service to its clientele guided by municipal values	Develop a Risk Based Audit Plan and submit to the audit committee for consideration by 30 June 2018	RBAP submitted to the audit committee by 30 June 2018	1	0	0	N/A
TL18	Create an environment conducive for economic development	Assist SMME's with business and/or CIDB registration by 30 June 2018	Number of SMME's assisted by 30 June 2018	4	0	1	B
TL19	Developing a safe, clean, healthy and sustainable environment for communities	Implement IDP-approved greening and cleaning initiatives by 30 June 2018	Number of Initiatives implemented by 30 June 2018	5	1	4	B
TL20	Create an environment conducive for economic development	Host events as identified in the IDP in support of promotion of LED within the Municipal area by 30 June 2018	Number of events hosted by 30 June 2018	3	0	1	B
TL21	Create an environment conducive for economic development	Provide financial assistance via Municipal financial aid scheme to accepted tertiary student candidates by 31 March 2018	Number of candidates assisted via Municipal financial aid scheme by 30 June 2018	19	0	0	N/A
TL22	To achieve financial viability in order to render affordable services to residents	Collect percentage of the 2015/16 financial years billed revenue by 30 June 2018 {Debtors payments received during period/Billed Revenue for period x 100}	% of Billed Revenue collected by 30 June 2018 {Debtors payments received during period/Billed Revenue for period x 100}	60%	60%	30.07%	R
TL23	Developing a safe, clean, healthy and sustainable environment for communities	Participate in the provincial traffic department public safety initiatives as approved in the IDP by 30 June 2018	Number of provincial traffic department public safety initiatives participated in by 30 June 2018	4	0	0	N/A
TL24	Effective Maintenance and manage of municipal assets and natural resources	Percentage of the total approved repair and maintenance budget spent by 30 June 2018 [(Actual amount spent on repair and maintenance of assets/ Total amount budgeted for asset repair and maintenance)x100]	% of the total approved repair and maintenance budget spent by 30 June 2018 (Actual amount spent on repair and maintenance of assets/ Total amount budgeted for asset repair and maintenance)x100	80%	20%	75.52%	B

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Ref	Strategic Objective	KPI	Unit of Measurement	Annual Target	Year-To-Date As At September 2017		
					Target	Actual	R
TL25	Effective Maintenance and manage of municipal assets and natural resources	Limit the % electricity unaccounted for to less than 15% by 30 June 2018 [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased) × 100]	% electricity unaccounted for by 30 June 2018 (Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased) × 100	15%	15%	15%	G
TL26	Effective Maintenance and manage of municipal assets and natural resources	Obtained compliance of waste water discharge quality in terms of Green Drop Requirements for Effluent Quality Compliance by 30 June 2018	% compliance of waste water discharge Lab results with Green Drop requirements by 30 June 2018	91%	91%	100%	G2
TL27	Effective Maintenance and manage of municipal assets and natural resources	Limit the % water unaccounted for to less than 50% by 30 June 2018 [(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / (Number of Kilolitres Water Purchased or Purified) × 100]	% water unaccounted for by 30 June 2018 (Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / (Number of Kilolitres Water Purchased or Purified) × 100	50%	60%	60%	G
TL28	Effective Maintenance and manage of municipal assets and natural resources	Obtain compliance of water quality in terms of SANS 241 - Water Quality criteria by 30 June 2018	% compliance of water quality lab results with SANS 241 - Water Quality criteria by 30 June 2018	87%	87%	91.70%	G2

The above diagram illustrates that 5 KPI's out of 139 KPI's which counts for 3.6% of KPI's was not met and Table 6.1 which is the report of the Top Layer SDBIP states that only two KPI's which is applicable to the period under review was not met. The municipality further performed exceptional in line with the Developmental and Top level Key Performance Indicator targets. This report will be used in the municipal informal performance reviews to put mitigation measures in place to improve performance outcomes. This report will be submitted to the Internal Auditor for auditing purpose.

The internal audit division will thereafter submit a report to the Audit Committee who will use the opportunity to highlight problems for Council to rectify.

SECTION 7 – IN-YEAR BUDGET STATEMENT TABLES

The tables included in section 4 of this report are from the C Schedule Monthly Budget Statements legislated as part of the Municipal Budget and Reporting Regulations (MBRR) and reflects the figures of last month of the quarter. All material variances, in other words variances of more than 10%, regarding the financial performance as per table C4; Capital expenditure table as per C5; Financial Position as per table C6 and/or Cash flow as per table C7 are listed with reasons and remedial/corrective measures in table SC1 following table C7.

Table C1: Monthly Budget Statement Summary

WC051 Laingsburg - Table C1 Monthly Budget Statement Summary - Q1 First Quarter

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	3 571	4 151	–	3 797	3 797	1 494	2 302	154%	4 151
Service charges	16 908	18 608	–	3 931	3 931	3 822	109	3%	18 608
Investment revenue	818	818	–	34	34	204	(170)	-83%	818
Transfers and subsidies	17 034	17 823	–	5 665	5 665	4 462	1 203	27%	17 823
Other own revenue	25 201	34 699	–	839	839	8 483	(7 644)	-90%	34 699
Total Revenue (excluding capital transfers and contributions)	63 532	76 100	–	14 266	14 266	18 466	(4 200)	-23%	76 100
Employee costs	19 038	22 885	–	2 699	2 699	5 255	(2 556)	-49%	22 885
Remuneration of Councillors	2 507	2 606	–	414	414	638	(225)	-35%	2 606
Depreciation & asset impairment	9 696	10 092	–	388	388	494	(106)	-21%	10 092
Finance charges	–	–	–	–	–	–	–	–	–
Materials and bulk purchases	8 155	6 854	–	1 897	1 897	2 270	(373)	-16%	6 854
Transfers and subsidies	4 083	2 485	–	1 223	1 223	2 485	(1 262)	-51%	2 485
Other expenditure	37 244	41 103	–	1 470	1 471	10 404	(8 933)	-86%	41 103
Total Expenditure	80 722	86 025	–	8 091	8 092	21 547	(13 455)	-62%	86 025
Surplus/(Deficit)	(17 190)	(9 925)	–	6 175	6 173	(3 081)	9 255	-300%	(9 925)
Transfers and subsidies - capital (monetary alloc	12 343	8 654	–	(1 995)	(1 995)	2 163	(4 158)	-192%	8 654
Contributions & contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(4 848)	(1 271)	–	4 180	4 178	(918)	5 097	-555%	(1 271)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(4 848)	(1 271)	–	4 180	4 178	(918)	5 097	-555%	(1 271)
Capital expenditure & funds sources									
Capital expenditure	23 672	9 115	–	672	672	–	672	#DIV/0!	9 115
Capital transfers recognised	22 057	14 642	–	–	–	–	–	–	14 642
Public contributions & donations	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	425	794	–	672	672	–	672	#DIV/0!	794
Total sources of capital funds	22 482	15 436	–	672	672	–	672	#DIV/0!	15 436
Financial position									
Total current assets	10 052	5 403	5 403	–	13 626	–	–	–	5 403
Total non current assets	164 608	164 622	164 622	–	165 294	–	–	–	164 622
Total current liabilities	9 024	9 231	9 231	–	13 948	–	–	–	9 231
Total non current liabilities	8 850	4 008	4 008	–	4 008	–	–	–	4 008
Community wealth/Equity	156 786	156 786	156 786	–	160 964	–	–	–	156 786
Cash flows									
Net cash from (used) operating	(1 143)	6 843	6 843	5 623	5 623	(621)	(6 245)	1005%	6 843
Net cash from (used) investing	(9 676)	(9 115)	(9 115)	(272)	(272)	(3 224)	(2 952)	92%	(6 071)
Net cash from (used) financing	94	24	24	22	22	6	(16)	-273%	16 603
Cash/cash equivalents at the month/year end	(8 425)	51	51	–	7 672	(1 540)	(9 213)	598%	19 674
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	3 929	1 440	108	96	166	97	154	3 511	9 501
Debtors Age Analysis									
Total Creditors	12	77	–	–	–	–	–	–	89

Table C2: Financial Performance (Standard Classification)

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter

Description	Ref	2016/17	Budget Year 2017/18							
		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>		30 949	27 303	–	7 991	7 991	7 280	711	10%	27 303
Ex ecutiv e and council		21 375	3 636	–	3 673	3 673	909	2 765	304%	3 636
Finance and administration		9 575	23 667	–	4 318	4 318	6 371	(2 053)	-32%	23 667
Internal audit		–	–	–	–	–	–	–		–
<i>Community and public safety</i>		24 343	34 720	–	351	350	8 488	(8 137)	-96%	34 720
Community and social serv ices		995	1 077	–	2	2	269	(267)	-99%	1 077
Sport and recreation		16	24	–	–	0	6	(6)	-99%	24
Public safety		23 323	33 606	–	347	347	8 211	(7 863)	-96%	33 606
Housing		10	11	–	2	1	2	(1)	-37%	11
Health		0	0	–	0	0	–	0	#DIV/0!	0
<i>Economic and environmental services</i>		1 066	1 097	–	5	5	275	(269)	-98%	1 097
Planning and dev elopment		–	–	–	–	–	–	–		–
Road transport		1 066	1 097	–	5	5	275	(269)	-98%	1 097
Env ironmental protection		–	–	–	–	–	–	–		–
<i>Trading services</i>		19 515	21 634	–	3 923	3 923	4 586	(663)	-14%	21 634
Energy sources		12 190	13 678	–	2 720	2 720	2 666	54	2%	13 678
Water management		2 691	3 389	–	394	394	967	(573)	-59%	3 389
Waste w ater management		2 538	2 502	–	437	437	522	(85)	-16%	2 502
Waste management		2 097	2 066	–	372	372	431	(59)	-14%	2 066
<i>Other</i>	4	–	–	–	–	–	–	–		–
Total Revenue - Functional	2	75 874	84 754	–	12 270	12 269	20 628	(8 358)	-41%	84 754
Expenditure - Functional										
<i>Governance and administration</i>		31 231	25 703	–	5 115	5 117	7 598	(2 482)	-33%	25 703
Ex ecutiv e and council		9 531	8 704	–	2 136	2 136	2 282	(146)	-6%	8 704
Finance and administration		21 700	17 000	–	2 979	2 981	5 316	(2 335)	-44%	17 000
Internal audit		–	–	–	–	–	–	–		–
<i>Community and public safety</i>		23 316	34 634	–	950	950	8 586	(7 635)	-89%	34 634
Community and social serv ices		2 116	1 738	–	158	158	249	(91)	-36%	1 738
Sport and recreation		30	26	–	7	7	7	0	3%	26
Public safety		20 995	32 683	–	786	786	8 324	(7 538)	-91%	32 683
Housing		171	183	–	(1)	(1)	5	(6)	-122%	183
Health		3	4	–	(0)	(0)	1	(1)	-101%	4
<i>Economic and environmental services</i>		2 945	3 368	–	446	446	741	(295)	-40%	3 368
Planning and dev elopment		1 079	1 241	–	148	148	299	(150)	-50%	1 241
Road transport		1 866	2 127	–	297	297	442	(145)	-33%	2 127
Env ironmental protection		–	–	–	–	–	–	–		–
<i>Trading services</i>		23 211	22 312	–	1 579	1 579	4 620	(3 041)	-66%	22 312
Energy sources		9 045	7 503	–	548	548	2 383	(1 834)	-77%	7 503
Water management		2 107	2 628	–	25	25	482	(457)	-95%	2 628
Waste w ater management		10 349	10 828	–	946	946	1 472	(526)	-36%	10 828
Waste management		1 709	1 354	–	61	61	285	(224)	-79%	1 354
<i>Other</i>		19	8	–	–	–	2	(2)	-100%	8
Total Expenditure - Functional	3	80 722	86 025	–	8 091	8 092	21 547	(13 455)	-62%	86 025
Surplus/ (Deficit) for the year		(4 848)	(1 271)	–	4 180	4 177	(919)	5 096	-554%	(1 271)

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) - Q1 First Quarter

Vote Description	Ref	2016/17	Budget Year 2017/18							
		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		21 375	3 636	-	3 673	3 673	909	2 765	304.2%	3 636
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		3 095	1 741	-	495	495	434	61	14.1%	1 741
Vote 4 - BUDGET & TREASURY		6 472	21 925	-	3 822	3 822	5 937	(2 115)	-35.6%	21 925
Vote 5 - PLANNING AND DEVEOLPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		995	1 078	-	2	2	269	(267)	-99.4%	1 078
Vote 7 - SPORTS AND RECREATION		16	24	-	0	0	6	(6)	-98.5%	24
Vote 8 - HOUSING		10	11	-	2	2	3	(0)	-15.8%	11
Vote 9 - PUBLIC SAFETY		23 323	33 606	-	347	347	8 211	(7 863)	-95.8%	33 606
Vote 10 - ROAD TRANSPORT		1 113	1 115	-	6	6	279	(272)	-97.7%	1 115
Vote 11 - WASTE MANAGEMENT		1 903	2 066	-	372	372	431	(59)	-13.6%	2 066
Vote 12 - WASTE WATER MANAGEMENT		2 490	2 485	-	436	436	518	(82)	-15.9%	2 485
Vote 13 - WATER		2 691	3 389	-	394	394	967	(573)	-59.3%	3 389
Vote 14 - ELECTRICITY		12 190	13 678	-	2 720	2 720	2 666	54	2.0%	13 678
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	75 672	84 754	-	12 270	12 270	20 629	(8 358)	-40.5%	84 754
Expenditure by Vote	1									
Vote 1 - MAYORAL & COUNCIL		6 540	5 127	-	1 734	1 734	1 531	203	13.3%	5 127
Vote 2 - MUNICIPAL MANAGER		2 991	3 577	-	402	402	751	(350)	-46.5%	3 577
Vote 3 - CORPORATE SERVICES		5 987	6 099	-	1 545	1 545	1 409	137	9.7%	6 099
Vote 4 - BUDGET & TREASURY		15 705	10 900	-	1 434	1 436	3 908	(2 472)	-63.3%	10 900
Vote 5 - PLANNING AND DEVEOLPMENT		1 079	1 241	-	148	148	299	(150)	-50.3%	1 241
Vote 6 - COMMUNITY AND SOCIAL SERV		1 287	1 247	-	135	135	215	(80)	-37.2%	1 247
Vote 7 - SPORTS AND RECREATION		881	529	-	30	30	43	(13)	-30.4%	529
Vote 8 - HOUSING		171	183	-	(1)	(1)	5	(6)	-122.3%	183
Vote 9 - PUBLIC SAFETY		20 995	32 683	-	786	786	8 324	(7 538)	-90.6%	32 683
Vote 10 - ROAD TRANSPORT		10 208	10 724	-	1 276	1 276	1 577	(302)	-19.1%	10 724
Vote 11 - WASTE MANAGEMENT		1 515	1 354	-	61	61	285	(224)	-78.6%	1 354
Vote 12 - WASTE WATER MANAGEMENT		2 007	2 231	-	(32)	(32)	336	(368)	-109.7%	2 231
Vote 13 - WATER		2 107	2 628	-	25	25	482	(457)	-94.9%	2 628
Vote 14 - ELECTRICITY		9 045	7 503	-	548	548	2 383	(1 834)	-77.0%	7 503
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	80 519	86 025	-	8 091	8 092	21 547	(13 455)	-62.4%	86 025
Surplus/ (Deficit) for the year	2	(4 848)	(1 271)	-	4 180	4 178	(918)	5 097	-555.0%	(1 271)

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		3 571	4 151	–	3 797	3 797	1 494	2 302	154%	4 151
Serv ice charges - electricity rev enue		11 852	13 369	–	2 720	2 720	2 589	131	5%	13 369
Serv ice charges - w ater rev enue		1 866	1 327	–	394	394	451	(58)	-13%	1 327
Serv ice charges - sanitation rev enue		1 660	2 485	–	436	436	518	(82)	-16%	2 485
Serv ice charges - refuse rev enue		1 441	1 313	–	372	372	235	137	58%	1 313
Serv ice charges - other		89	114	–	9	9	28	(19)	-67%	114
Rental of facilities and equipment		1 271	718	–	391	391	179	212	118%	718
Interest earned - ex ternal inv estments		818	818	–	34	34	204	(170)	-83%	818
Interest earned - outstanding debtors		48	40	–	50	50	10	40	403%	40
Div idends receiv ed		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		22 198	32 532	–	1	1	7 943	(7 942)	-100%	32 532
Licences and permits		1 134	1 082	–	347	347	270	77	28%	1 082
Agency serv ices		127	123	–	27	27	31	(3)	-11%	123
Transfers and subsidies		17 034	17 823	–	5 665	5 665	4 462	1 203	27%	17 823
Other rev enue		422	204	–	23	23	51	(28)	-54%	204
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		63 532	76 100	–	14 266	14 266	18 466	(4 200)	-23%	76 100
Expenditure By Type										
Employ ee related costs		19 038	22 885	–	2 699	2 699	5 255	(2 556)	-49%	22 885
Remuneration of councillors		2 507	2 606	–	414	414	638	(225)	-35%	2 606
Debt impairment		21 335	26 359	–	(1 543)	(1 543)	6 430	(7 972)	-124%	26 359
Depreciation & asset impairment		9 696	10 092	–	388	388	494	(106)	-21%	10 092
Finance charges		–	–	–	–	–	–	–	–	–
Bulk purchases		8 155	6 854	–	1 897	1 897	2 270	(373)	-16%	6 854
Other materials		–	–	–	–	–	–	–	–	–
Contracted serv ices		3 084	3 064	–	28	28	953	(925)	-97%	3 064
Transfers and subsidies		4 083	2 485	–	1 223	1 223	2 485	(1 262)	-51%	2 485
Other ex penditure		12 825	11 680	–	2 985	2 986	3 022	(35)	-1%	11 680
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–
Total Expenditure		80 722	86 025	–	8 091	8 092	21 547	(13 455)	-62%	86 025
Surplus/(Deficit)		(17 190)	(9 925)	–	6 175	6 173	(3 081)	9 255	(0)	(9 925)
Transfers and subsidies - capital (monetary allocations) (National / Prov incial and District)		12 343	8 654	–	(1 995)	(1 995)	2 163	(4 158)	(0)	8 654
(National / Prov incial Departmental Agencies, Households, Non-profit Institutions, Priv ate Enterprises, Public Corporatons, Higher Educational Institutions)								–		
Transfers and subsidies - capital (in-kind - all)								–		
Surplus/(Deficit) after capital transfers & contributions		(4 848)	(1 271)	–	4 180	4 178	(918)			(1 271)
Tax ation								–		
Surplus/(Deficit) after taxation		(4 848)	(1 271)	–	4 180	4 178	(918)			(1 271)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(4 848)	(1 271)	–	4 180	4 178	(918)			(1 271)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(4 848)	(1 271)	–	4 180	4 178	(918)			(1 271)

The Municipality have generated 18.75% or R14, 266 million of the Budgeted Revenue to date which is lower than the budgeted amounts. During the financial year operating grants totalling R5, 665 million were received. The largest part of the grants received forms part of the Equitable Share Allocation for the financial year.

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) - Q1 First Quarter

Vote Description	Ref	2016/17	Budget Year 2017/18							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Single Year expenditure appropriation	2									
Vote 1 - MAYORAL & COUNCIL		-	-	-	-	-	-	-		-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-		-
Vote 3 - CORPORATE SERVICES		11	44	-	672	672	-	672	#DIV/0!	44
Vote 4 - BUDGET & TREASURY		-	30	-	-	-	-	-		30
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-		-
Vote 6 - COMMUNITY AND SOCIAL SERV		1 276	280	-	-	-	-	-		280
Vote 7 - SPORTS AND RECREATION		1 360	140	-	-	-	-	-		140
Vote 8 - HOUSING		1 216	-	-	-	-	-	-		-
Vote 9 - PUBLIC SAFETY		-	50	-	-	-	-	-		50
Vote 10 - ROAD TRANSPORT		2 574	770	-	-	-	-	-		770
Vote 11 - WASTE MANAGEMENT		-	-	-	-	-	-	-		-
Vote 12 - WASTE WATER MANAGEMENT		1 989	160	-	-	-	-	-		160
Vote 13 - WATER		5 557	5 641	-	-	-	-	-		5 641
Vote 14 - ELECTRICITY		9 690	2 000	-	-	-	-	-		2 000
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	23 672	9 115	-	672	672	-	672	#DIV/0!	9 115
Total Capital Expenditure		23 672	9 115	-	672	672	-	672	#DIV/0!	9 115
Capital Expenditure - Functional Classification										
<i>Governance and administration</i>		11	74	-	672	672	-	672	#DIV/0!	74
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		-	30	-	-	-	-	-		30
Internal audit		11	44	-	672	672	-	672	#DIV/0!	44
<i>Community and public safety</i>		3 851	470	-	-	-	-	-		470
Community and social services		1 276	-	-	-	-	-	-		-
Sport and recreation		1 360	140	-	-	-	-	-		140
Public safety		-	50	-	-	-	-	-		50
Housing		1 216	-	-	-	-	-	-		-
Health		-	280	-	-	-	-	-		280
<i>Economic and environmental services</i>		2 574	770	-	-	-	-	-		770
Planning and development		-	-	-	-	-	-	-		-
Road transport		2 574	770	-	-	-	-	-		770
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		17 237	7 801	-	-	-	-	-		7 801
Energy sources		9 690	2 000	-	-	-	-	-		2 000
Water management		5 557	5 641	-	-	-	-	-		5 641
Waste water management		1 989	160	-	-	-	-	-		160
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	23 672	9 115	-	672	672	-	672	#DIV/0!	9 115
Funded by:										
National Government		22 057	8 321	-	-	-	-	-		8 321
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		-	-	-	-	-	-	-		-
Transfers recognised - capital		22 057	8 321	-	-	-	-	-		8 321
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		425	794	-	672	672	-	672	#DIV/0!	794
Total Capital Funding		22 482	9 115	-	672	672	-	672	#DIV/0!	9 115

The Municipality has incurred R672 000 or 7.38% of the external funded Capital Budget to date. The MIG spending for the first quarter totals to R672 000 to date.

Table C6: Financial Position

WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		2 299	2 299	2 299	7 321	2 299
Call inv estment deposits		–	–	–	–	–
Consumer debtors		1 897	20 291	20 291	24 833	20 291
Other debtors		4 477	(18 565)	(18 565)	(19 905)	(18 565)
Current portion of long-term receiv ables		1	–	–	–	–
Inv entory		1 378	1 378	1 378	1 378	1 378
Total current assets		10 052	5 403	5 403	13 626	5 403
Non current assets						
Long-term receiv ables		–	–	–	–	–
Inv estments		–	–	–	–	–
Inv estment property		4 273	4 273	4 273	4 273	4 273
Inv estments in Associate		–	–	–	–	–
Property , plant and equipment		159 771	159 814	159 814	160 487	159 814
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		522	522	522	522	522
Other non-current assets		43	13	13	13	13
Total non current assets		164 608	164 622	164 622	165 294	164 622
TOTAL ASSETS		174 660	170 024	170 024	178 920	170 024
<u>LIABILITIES</u>						
Current liabilities						
Bank ov erdraft		–	–	–	–	–
Borrow ing		–	–	–	–	–
Consumer deposits		485	485	485	503	485
Trade and other pay ables		7 794	1 608	1 608	6 315	1 608
Prov isions		745	7 138	7 138	7 130	7 138
Total current liabilities		9 024	9 231	9 231	13 948	9 231
Non current liabilities						
Borrow ing		–	–	–	–	–
Prov isions		8 850	4 008	4 008	4 008	4 008
Total non current liabilities		8 850	4 008	4 008	4 008	4 008
TOTAL LIABILITIES		17 874	13 239	13 239	17 956	13 239
NET ASSETS	2	156 786	156 786	156 786	160 964	156 786
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		120 340	120 340	120 340	124 519	120 340
Reserv es		36 445	36 445	36 445	36 445	36 445
TOTAL COMMUNITY WEALTH/EQUITY	2	156 786	156 786	156 786	160 964	156 786

Explanatory notes to Table C6 – Financial Position

Current Assets

It must be noted that the classification requirements (As per the tables in Section 4) as prescribe by National Treasury in terms of the MBRR, does not fully

comply with GRAP. The current assets amounted to R 13 626 as at 30 September 2017 (R 10 052 as at 30 June 2017), the classification below complies with the GRAP disclosure format.

Inventory	1 378
Receivables from Exchange transactions	-
Current portion of long-term receivables	-
Cash and Cash Equivalents	7 321
Operating Lease Assets	-
Unpaid conditional grants and receipts	-
VAT Receivable	-
	8 699

It must be noted that the Receivables from Exchange and non-exchange transactions are still to be impaired as per GRAP Standards. Cash and cash equivalents is made up by a positive bank balance of R 7 321 000 as at 30 September 2017.

Non-Current Assets

The classification requirements are almost aligned to the GRAP requirements. The depreciation and amortisation run on all applicable capital assets still needs to be performed.

Current Liabilities

Current Liabilities are those liabilities of the municipality due and payable in the short-term (less than 12 months). There is no known reason as to why the municipality will not be able to meet its obligations. Current Liabilities amounted to R 13, 948 mil as at 30 September 2017 (R 14, 349 mil as at 30 June 2017).

Non-Current Liabilities

The non-current provisions are created in order to enable the municipality to be in a position to fulfill its known legal obligations when they become due and payable. Non -current provisions (R 4 008), National Treasury's budget formats do not provide for a line item where non-current deposits can be accounted for and thus was included in non-current provisions.

Community wealth/Equity

The reserves amount is represented by the Capital Replacement Reserve as at 30 September 2017 amounted to R 36 445 (R 36 445 as at 30 June 2017).

The Capital Replacement Reserve is a cash-backed reserve established to enable the municipality to finance future capital expenditure. Cash

contributions, depending on the availability thereof, are made annually to the reserve. The municipality is not able to finance its annual infrastructure capital program by means of this reserve.

Table C7: Cash Flow

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - Q1 First Quarter

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		3 044	4 151	4 151	64	64	1 494	(1 430)	-96%	4 151
Serv ice charges		16 380	18 481	18 481	3 489	3 489	3 778	(289)	-8%	18 481
Other rev enue		21 499	43 290	43 290	8 524	8 524	10 817	(2 293)	-21%	43 290
Gov ernment - operating		12 941	17 973	17 973	8 082	8 082	4 492	3 589	80%	17 973
Gov ernment - capital		-	-	-	-	-	-	-	-	-
Interest		371	860	860	84	84	215	(131)	-61%	860
Div idends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employ ees		(55 115)	(77 464)	(77 464)	(14 103)	(14 103)	(20 989)	(6 886)	33%	(77 464)
Finance charges		-	-	-	-	-	-	-	-	-
Transfers and Grants		(263)	(447)	(447)	(517)	(517)	(428)	88	-21%	(447)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(1 143)	6 843	6 843	5 623	5 623	(621)	(6 245)	1005%	6 843
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (Increase) other non-current receiv ables		-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current inv estments		-	-	-	400	400	-	400	#DIV/0!	3 044
Payments										
Capital assets		(9 676)	(9 115)	(9 115)	(672)	(672)	(3 224)	(2 552)	79%	(9 115)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9 676)	(9 115)	(9 115)	(272)	(272)	(3 224)	(2 952)	92%	(6 071)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	4 151
Borrow ing long term/refinancing		-	-	-	-	-	-	-	-	4 151
Increase (decrease) in consumer deposits		94	24	24	22	22	6	16	273%	4 151
Payments										
Repay ment of borrow ing		-	-	-	-	-	-	-	-	4 151
NET CASH FROM/(USED) FINANCING ACTIVITIES		94	24	24	22	22	6	(16)	-273%	16 603
NET INCREASE/ (DECREASE) IN CASH HELD		(10 724)	(2 248)	(2 248)	5 373	5 373	(3 839)			17 375
Cash/cash equiv alents at beginning:		2 299	2 299	2 299		2 299	2 299			2 299
Cash/cash equiv alents at month/ year end:		(8 425)	51	51		7 672	(1 540)			19 674

The Municipality started off with a cash flow balance of R2, 299 million at the beginning of the year and increased it with R5, 373 million. The closing balance for this quarter is R7, 672 million. The increase in cash flow is due to the receipt of the operational grants. The Municipal Cash flow is mainly from Operating Activities as no Borrowing or Investments are budgeted for the 2017/2018 financial year.

Table SC1 Material variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - Q1 First Quarter

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue By Source</u>			
	Property rates	2 302	Property rates are billed on an annual basis	0
	0	-	0	0
	0	-	0	0
	0	-	0	0
2	<u>Expenditure By Type</u>			
	Debt impairment	(7 972)	Calculation to be performed	Nex t accounting period calculation w ill be performed
	Employ ee related cost	(2 556)	Due to mSCOA conv ersion salaries only reflect in August.	Nex t reporting period w ill show figures.
	Remuneration of councillors	(225)	Due to mSCOA conv ersion salaries only reflect in August.	Nex t reporting period w ill show figures.
	0	-	0	0
3	<u>Capital Expenditure</u>			
	All	-	No capital ex penditure has been incurred currently .	0
	0	-	0	0
	0	-	0	0
	0	-	0	0
4	<u>Financial Position</u>			
	0	-	0	0
	0	-	0	0
	0	-	0	0
	0	-	0	0
5	<u>Cash Flow</u>			
	Suppliers and employ ees	(6 886)	Due to mSCOA conv ersion salaries only reflect in August.	Nex t reporting period w ill show figures.
	0	-	0	0
	0	-	0	0
	0	-	0	0
6	<u>Measureable performance</u>			
	0	-	0	0
	0	-	0	0
	0	-	0	0
	0	-	0	0
7	<u>Municipal Entities</u>			
	0	-	0	0
	0	-	0	0
	0	-	0	0
	0	-	0	0
	0	-	0	0
	0	-	0	0

SECTION 8 – DEBTOR ANALYSIS

Table SC3 provides an age analysis of consumer debtors as at 30 September 2017.

Table SC3 Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

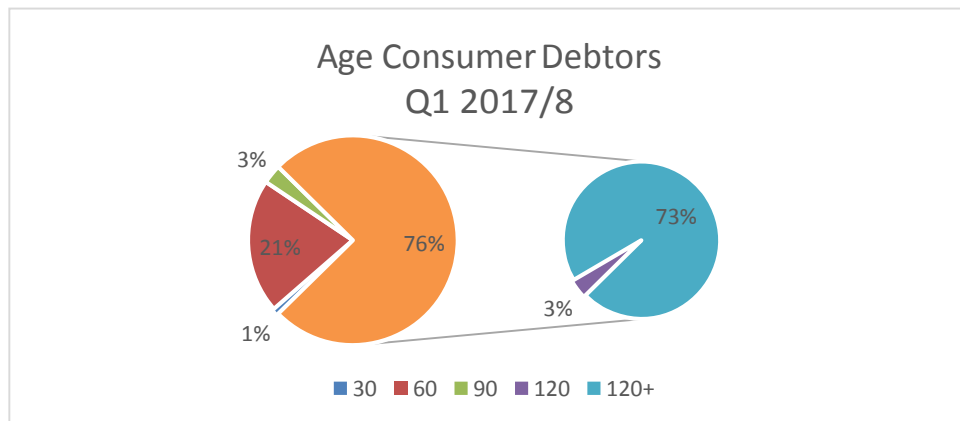
Description	NT Code	Budget Year 2017/18									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Ex change Transactions - Water	1200	162	28	61	18	23	18	19	311	640	390	-	-
Trade and Other Receivables from Ex change Transactions - Electricity	1300	778	602	26	11	71	17	14	242	1 762	356	-	-
Receivables from Non-ex change Transactions - Property Rates	1400	2 684	36	68	13	13	12	10	1 709	4 545	1 757	-	-
Receivables from Ex change Transactions - Waste Water Management	1500	(19)	26	62	22	24	22	19	389	545	477	-	-
Receivables from Ex change Transactions - Waste Management	1600	134	17	36	12	16	13	14	126	369	181	-	-
Receivables from Ex change Transactions - Property Rental Debtors	1700	179	18	84	19	18	13	7	351	689	408	-	-
Interest on Arrear Debtor Accounts	1810	-	867	-	-	-	-	-	-	867	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	12	(154)	(230)	0	0	0	71	384	83	456	-	-
Total By Income Source	2000	3 929	1 440	108	96	166	97	154	3 511	9 501	4 024	-	-
2016/17 - totals only		35 981	1 031 845	135 650	141 386	107 720	107 420	418 783	2 991 957	4 971	3 767	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	271	23	11	13	34	10	59	1 020	1 441	1 136	-	-
Commercial	2300	901	55	15	13	48	13	32	47	1 125	153	-	-
Households	2400	2 327	754	76	66	72	64	59	2 278	5 695	2 538	-	-
Other	2500	429	609	6	4	12	9	4	166	1 239	195	-	-
Total By Customer Group	2600	3 929	1 440	108	96	166	97	154	3 511	9 501	4 024	-	-

Table C6 (Statement of Financial Position) as at 30 September 2017 shows the total outstanding debtors is R 9, 501 mil.

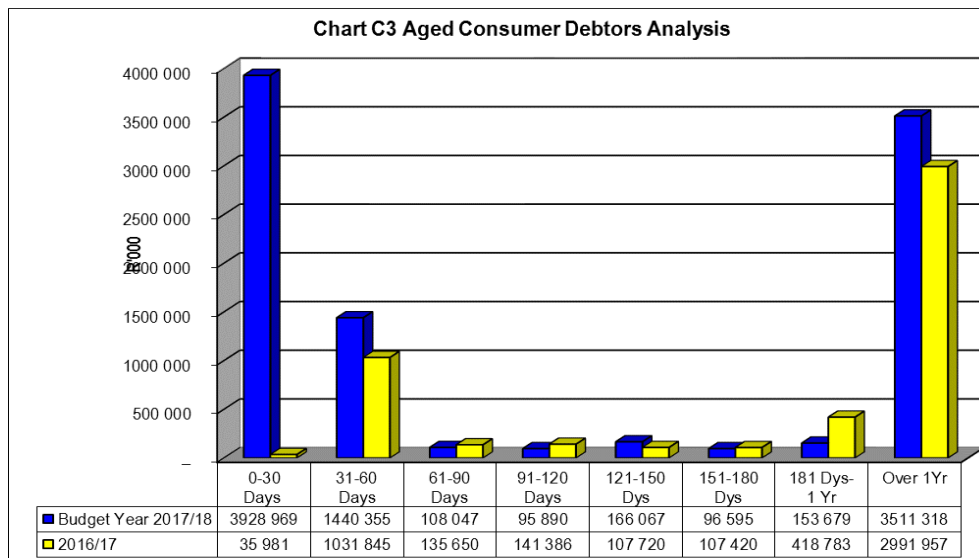
The Outstanding Debtors of the Municipality amounts to R R9, 501 million for the quarter ending September 2017. The outstanding debt for more than 90 days amounts to 42.35%. The payment rate for 2016/2017 financial year was 63.47%. This calculation includes cash collections and excludes the accounts written off during the financial year. For the financial year to date the payment rate is 30.07% on services and rates.

The Municipality is fully implementing the Debt Collection and Credit Control Policy. It should be noted that the Municipal debt collection and credit control policy was revised during August 2013. Outstanding amounts in the areas where the Municipality is not the supplier of electricity are increasing rapidly. During the end of May two external collectors were appointed on a commission basis to make payment agreement with debtors that are outstanding for 90 days or more. This process has had little success so far. For the period from June 2017 a total outstanding amount of R1, 978 million was handed over to the collectors for succession and an amount of R11 940 was paid by the contacted debtors to date.

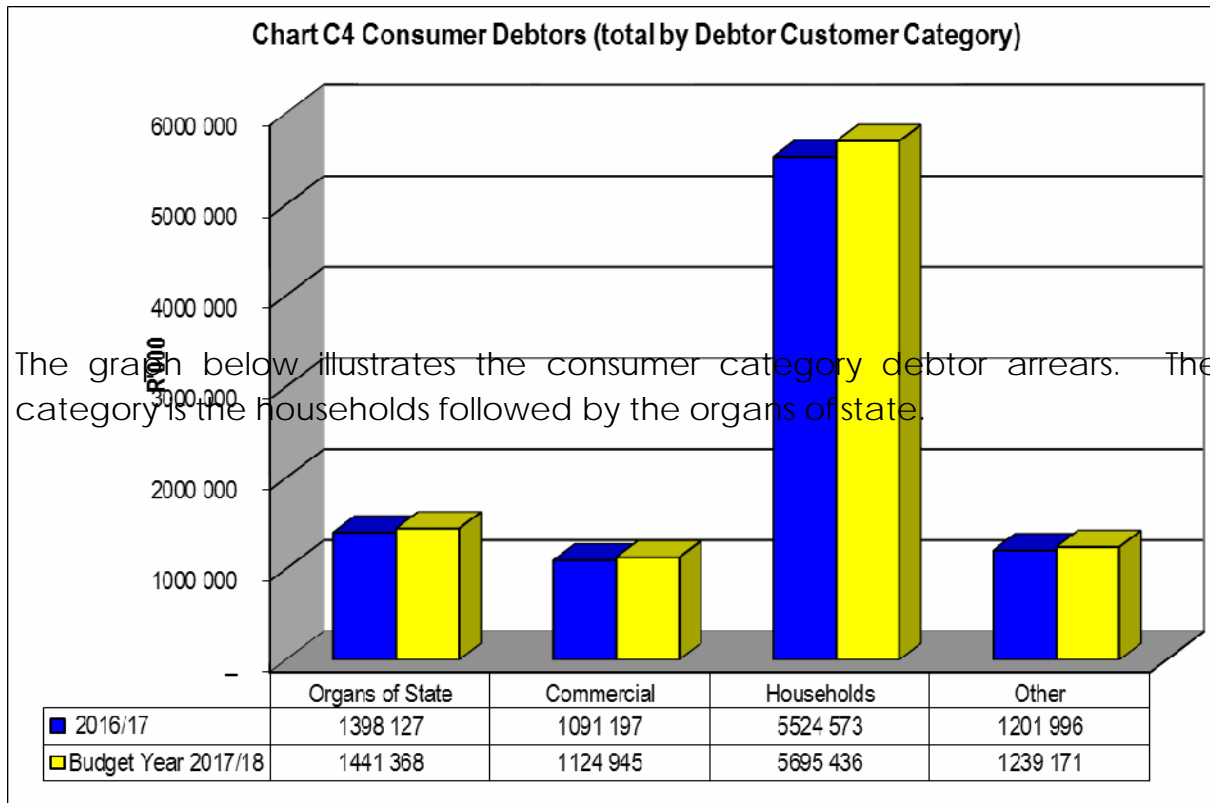
The graph below provides the debtor arrear amounts as at 30 September 2017 as per the days outstanding:



The graph below illustrate the aged consumer debt analysis at 30 September 2017 date.



The graph indicates that the outstanding debt are increasing on a monthly basis but it is slightly higher than 2016/17 financial year, indicating the municipality must put measures in place to prevent it from escalating as the municipality is experiencing cash flow problems.



The above graph illustrates that the debtor arrears has from July 2014 up to the end of 30 September 2016. The debtor arrears have with R 22.4million from June 2015 (R21.2m) to 30 September 2016 (R22.0m). The reason for this is the Council decision taken to write off all outstanding debt on residential property values less than R65 000 and vacant erven values less than R50 000.

Until the end of 30 September 2016, the municipality has written off a total of R 35 788 for the 2016/17 financial year. The municipality have written off a total of R 31 070 152 debt during the 2015/16 financial year, R 10 208 515 during the 2014/15 financial year and R 7 199 519 during the 2013/14 financial year.

SECTION 9 – CREDITOR ANALYSIS (TRADE AND OTHER PAYABLES)

Table SC4 provide an age analysis of the creditors (Trade payables) as at 30 September 2017.

Table SC4 Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2017/18									Prior year
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	totals for chart (same period)
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 repay ments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	12	77	-	-	-	-	-	-	89	64
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	12	77	-	-	-	-	-	-	89	64

Total outstanding creditors amount to R89, 455 for the quarter ending September 2017. All the outstanding amounts are within the 30 days outstanding categories which is compliant with Section 65 of the MFMA. Cases occur where suppliers issue their 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.

SECTION 10 – INVESTMENT PORTFOLIO

Table SC5 provides the investment portfolio in the prescribed format of National Treasury. It includes all investments except call deposits. It does not reconcile with the values as per Table C6, the reason being that values in table SC5 is measured at market value. The Municipality normally invest money with interest at maturity. This interest, with the exception of those on a call deposits, is only recognised on date of maturity or the accrued interest as on 30 June of each year. Even with this recognition of accrued interest, the accrual is classified in terms of GRAP as other receivables and not as part of the investments or call deposits.

In order to be classified as an Investment in terms of GRAP the investment must be made for a period longer than 12 months, otherwise it is classified as cash and cash equivalents. Laingsburg Municipality does have monetary investments at present. For the purpose of this section, investments held for a period until maturity are also viewed as investments.

Table SC5 Investment Portfolio

WC051 Laingsburg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
<u>Municipality</u>									
Laingsburg		0	Call	-	7	0.0%	1 528	-	1 535
Municipality sub-total					7		1 528	-	1 535
<u>Entities</u>									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				7		1 528	-	1 535

Table SC5 above shows the investment portfolio per month of September 2017. The table indicates that the investment portfolio has increase from August 2017 to September 2017. The total investment portfolio at 30 September 2017 of R 1 535 000 is R6 000 more at the 1st of September 2017.

SECTION 11 - COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS

Table SC 8 provides the councilor and staff benefits per employee related cost type.

Table SC 8 Councilor and staff benefits

WC051 Laingsburg - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		1 949	2 606	2 606	168	516	651	(135)	-21%	2 606
Pension and UIF Contributions		2	-	-	-	-	-	-	-	-
Medical Aid Contributions		13	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		533	-	-	39	104	-	104	#DIV/0!	-
Cellphone Allowance		-	185	185	-	-	46	(46)	-100%	185
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		2 497	2 790	2 790	207	620	698	(77)	-11%	2 790
% increase	4		11.7%	11.7%						11.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		2 287	2 858	2 858	97	290	714	(425)	-59%	2 858
Pension and UIF Contributions		194	262	262	18	53	66	(13)	-19%	262
Medical Aid Contributions		126	109	109	10	28	27	1	4%	109
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		290	290	290	29	88	72	16	22%	290
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		19	-	-	1	2	-	2	#DIV/0!	-
Other benefits and allowances		260	-	-	28	83	-	83	#DIV/0!	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		66	-	-	6	18	-	18	#DIV/0!	-
Sub Total - Senior Managers of Municipality		3 242	3 519	3 519	188	562	880	(318)	-36%	3 519
% increase	4		8.6%	8.6%						8.6%
Other Municipal Staff										
Basic Salaries and Wages		12 270	13 950	13 950	1 029	3 097	3 487	(390)	-11%	13 950
Pension and UIF Contributions		1 691	1 915	1 915	148	461	479	(17)	-4%	1 915
Medical Aid Contributions		461	1 219	1 219	40	119	305	(186)	-61%	1 219
Overtime		446	682	682	39	110	171	(60)	-35%	682
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		638	638	638	75	224	160	64	40%	638
Cellphone Allowance		20	-	-	2	6	-	6	#DIV/0!	-
Housing Allowances		125	153	153	10	30	38	(8)	-22%	153
Other benefits and allowances		420	134	134	32	99	34	65	194%	134
Payments in lieu of leave		-	19	19	-	-	5	(5)	-100%	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		4	-	-	1	2	-	2	#DIV/0!	-
Sub Total - Other Municipal Staff		16 074	18 710	18 710	1 376	4 148	4 678	(530)	-11%	18 692
% increase	4		16.4%	16.4%						16.3%
Total Parent Municipality		21 813	25 020	25 020	1 770	5 330	6 255	(924)	-15%	25 001
TOTAL SALARY, ALLOWANCES & BENEFITS		21 813	25 020	25 020	1 770	5 330	6 255	(924)	-15%	25 001
% increase	4		14.7%	14.7%						14.6%
TOTAL MANAGERS AND STAFF		19 316	22 229	22 229	1 563	4 710	5 557	(847)	-15%	22 211

SECTION 12 - RECEIPT AND EXPENDITURE ON GRANT PROGRAMMES

The measurement of actual versus planned receipting of transfers and grants are provided in Table SC 6.

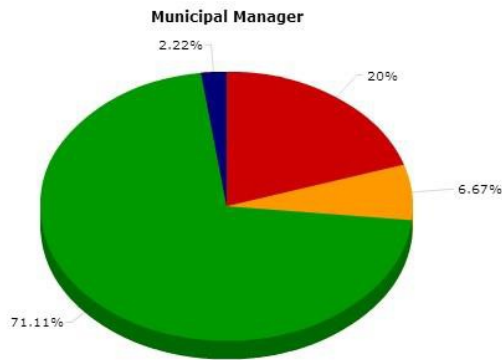
SC6 Transfers and Grant Receipts

WC051 Laingsburg - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

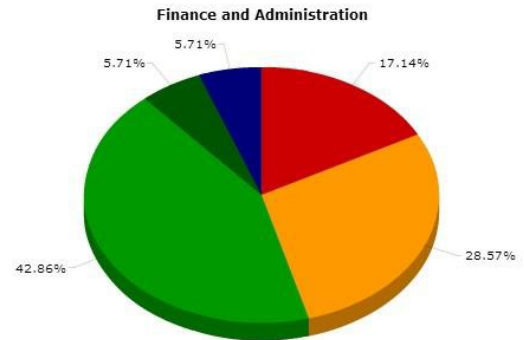
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		12 604	13 263	13 263	(2)	5 655	4 101	2 265	55.2%	13 263
Local Gov ernment Equitable Share		9 889	10 432	10 432	-	5 659	3 394	2 265	66.8%	10 432
Finance Management		1 723	1 800	1 800	(2)	(4)	450			1 800
Municipal Sy stems Impro vement		(7)	-	-	-	-	-			-
EPWP Incentiv e		1 000	1 031	1 031	-	-	258			1 031
Integrated National Electrification Programme		-	-	-	-	-	-			-
GRANT - WORKFORCE	3	-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		1 281	1 446	1 446	-	-	361	(338)	-93.6%	1 446
Sport and Recreation		981	1 063	1 063	-	-	266	(266)	-100.0%	1 063
CDW		75	93	93	-	-	23			93
LGSETA		164	-	-	-	-	-	-		-
MAIN ROAD SUBSIDY	4	49	50	50	-	-	13	(13)	-100.0%	50
MSG		-	-	-	-	-	-	-		-
GRANT - WCFMSG: mSCOA		11	-	-	-	-	-	-		-
GRANT - SUPPORT		-	240	240	-	-	60	(60)	-100.0%	240
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	13 885	14 709	14 709	(2)	5 655	4 462	1 927	43.2%	14 709
Capital Transfers and Grants										
National Government:		9 642	8 654	8 654	-	(1 995)	2 163	(4 158)	-192.2%	8 654
Municipal Infrastructure Grant (MIG)		7 643	6 654	6 654	-	-	1 663	(1 663)	-100.0%	6 654
GRANT - FMG CAPITAL		-	-	-	-	-	-	-		-
GRANT - MIG UNSPEND ROLLOVER		-	-	-	-	-	-	-		-
FLOOD DAMAGES		-	-	-	-	-	-	-		-
SEWER MASTER PLAN		-	-	-	-	-	-	-		-
FLOOD DAMAGES		-	-	-	-	-	-	-		-
SPATIAL DEV INVESTIGATION		-	-	-	-	-	-	-		-
GRANT - DEPT OF WATER AFFAIRS		-	-	-	-	-	-	-		-
GRANT - INEP ELEC		1 999	2 000	2 000	-	(1 995)	500	(2 495)	-499.0%	2 000
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		566	-	-	-	-	-	-		-
Housing		566	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	10 207	8 654	8 654	-	(1 995)	2 163	(4 158)	-192.2%	8 654
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	24 092	23 363	23 363	(2)	3 660	6 625	(2 231)	-33.7%	23 363

SECTION 13 – MATERIAL VARIANCES TO THE SDBIP

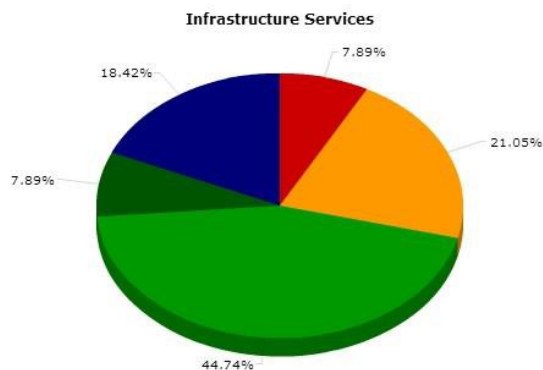
The following graphs provides the Top Level key performance indicators of the municipality per directorate and whether these KPI's were met for the quarter ending September 2017.



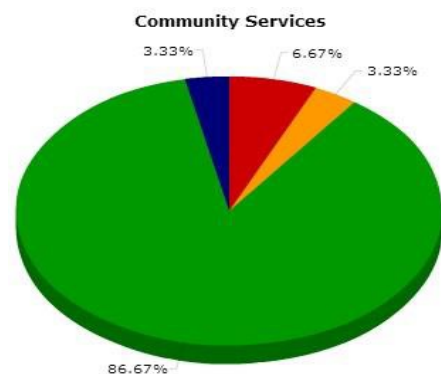
	Municipal Manager
KPI Not Met	9 (20%)
KPI Almost Met	3 (6.7%)
KPI Met	32 (71.1%)
KPI Well Met	-
KPI Extremely Well Met	1 (2.2%)
Total:	45



	Finance and Administration
KPI Not Met	6 (17.1%)
KPI Almost Met	10 (28.6%)
KPI Met	15 (42.9%)
KPI Well Met	2 (5.7%)
KPI Extremely Well Met	2 (5.7%)
Total:	35



	Infrastructure Services
KPI Not Met	3 (7.9%)
KPI Almost Met	8 (21.1%)
KPI Met	17 (44.7%)
KPI Well Met	3 (7.9%)
KPI Extremely Well Met	7 (18.4%)
Total:	38



	Community Services
KPI Not Met	2 (6.7%)
KPI Almost Met	1 (3.3%)
KPI Met	26 (86.7%)
KPI Well Met	-
KPI Extremely Well Met	1 (3.3%)
Total:	30

No material variances have occurred. For explanations and corrective measures of all immaterial variances to the financial and non-financial indicators please refer to Sections 6.

SECTION 14 – CAPITAL PROGRAMME PERFORMANCE

The measurement of actual versus planned capital expenditure are provided Table SC 12. The year to date values and percentage variances are also indicated.

Table SC12 – Capital expenditure trend

WC051 Laingsburg - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July	24	154	154	0	0	154	154	100.0%	0%
August	27	772	772	0	0	926	926	100.0%	0%
September	1 862	1 389	1 389	672	672	2 315	1 643	71.0%	4%
October	2 003	1 081	1 081			3 396	-		
Nov ember	3 868	1 544	1 544			4 940	-		
December	4 889	2 007	2 007			6 946	-		
January	4 902	309	309			7 255	-		
February	4 995	1 235	1 235			8 490	-		
March	5 308	1 698	1 698			10 188	-		
April	5 595	1 698	1 698			11 886	-		
May	6 124	1 235	1 235			13 121	-		
June	9 676	2 315	2 315			15 436	-		
Total Capital expenditure	49 274	15 436	15 436	672					

The following graph indicates the year-to-date capital expenditure per month, comparing the year-to-date budget with the expenditure as at 30 September 2017.

SECTION 15 – OTHER SUPPORTING DOCUMENTATION

Other National Treasury prescribed supporting documentation not used elsewhere in this document is listed below.

Table SC9 – Cash flow per month by source of revenue and type of expenditure

WC051 Laingsburg - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2017/18												2017/18 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2017/18	+ 2018/19	+ 2019/20
Cash Receipts By Source																
Property rates		174	(110)	-	415	208	166	166	249	257	182	298	2 146	4 151	4 566	4 931
Serv ice charges - electricity rev enue		744	787	890	1 009	915	923	951	990	1 013	960	975	3 212	13 369	14 706	15 883
Serv ice charges - w ater rev enue		103	120	168	159	154	158	153	141	144	139	139	725	2 303	2 534	2 736
Serv ice charges - sanitation rev enue		89	123	115	92	92	92	92	92	92	92	92	452	1 511	1 662	1 795
Serv ice charges - refuse		95	101	120	80	80	80	80	80	80	80	80	342	1 297	1 427	1 541
Serv ice charges - other		15	3	17	-	-	-	-	-	-	-	-	(35)	-	-	-
Rental of facilities and equipment		60	52	92	61	61	61	61	61	61	61	61	41	733	806	870
Interest earned - ex ternal inv estments		-	34	-	68	68	68	68	68	68	68	68	239	820	902	974
Interest earned - outstanding debtors		9	14	27	3	3	3	3	3	3	3	3	(36)	40	44	47
Div idends receiv ed		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	-	1	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	10 852	32 532	35 785	38 648
Licences and permits		113	96	138	90	90	90	90	90	90	90	90	12	1 077	1 184	1 279
Agency serv ices		-	-	-	10	10	10	10	10	10	10	10	41	123	135	146
Transfer receipts - operating		5 219	2 852	10	752	2 988	752	752	2 988	752	752	2 988	(2 834)	17 973	19 770	21 352
Other rev enue		1 532	591	1 857	14	14	14	14	14	14	14	14	(3 920)	172	189	204
Cash Receipts by Source		8 152	4 664	3 434	5 464	7 393	5 127	5 150	7 496	5 293	5 160	7 529	11 237	76 100	83 710	90 406
Other Cash Flows by Source																
Transfer receipts - capital		3 141	852	-	554	1 554	554	554	1 054	554	554	554	(1 273)	8 654	9 519	10 281
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrow ing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		1	16	5	2	2	2	2	2	2	2	2	(14)	24	26	29
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receiv ables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current inv estments		-	400	-	-	-	-	-	-	-	-	-	(400)	-	-	-
Total Cash Receipts by Source		11 294	5 933	3 439	6 020	8 950	5 683	5 706	8 552	5 850	5 716	8 085	9 550	84 778	93 255	100 716
Cash Payments by Type																
Employ ee related costs		1 449	(35)	1 336	1 889	3 030	1 889	1 889	1 889	1 889	1 889	1 889	4 815	23 819	26 200	28 296
Remuneration of councillors		204	3	207	228	228	228	228	239	239	239	239	510	2 790	3 069	3 315
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Electricity		819	58	1 020	472	468	477	523	530	505	472	458	1 053	6 854	7 540	8 143
Bulk purchases - Water & Sew er		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		6	(4)	111	79	79	79	79	79	79	79	79	208	951	1 047	1 130
Contracted serv ices		52	(24)	-	369	369	369	369	369	369	369	369	2 619	5 603	6 163	6 656
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		108	338	71	2	2	2	2	2	2	2	2	(86)	447	492	531
General ex penses		997	5 892	2 013	3 065	3 065	3 065	3 065	3 065	3 065	3 065	3 065	4 028	37 446	41 191	44 486
Cash Payments by Type		3 634	6 227	4 759	6 104	7 241	6 109	6 155	6 173	6 148	6 114	6 101	13 146	77 911	85 702	92 558
Other Cash Flows/Payments by Type																
Capital assets		24	(24)	672	1 715	1 620	655	35	545	1 091	160	70	2 552	9 115	10 027	10 829
Repay ment of borrow ing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flow s/Pay ments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		3 659	6 202	5 431	7 819	8 861	6 764	6 190	6 718	7 239	6 274	6 171	15 698	87 026	95 728	103 387
NET INCREASE/(DECREASE) IN CASH HELD																
Cash/cash equiv alents at the monthly ear beginning:		2 299	9 934	9 664	7 672	5 874	5 962	4 881	4 397	6 232	4 843	4 285	6 199	2 299	51	(2 422)
Cash/cash equiv alents at the monthly ear end:		9 934	9 664	7 672	5 874	5 962	4 881	4 397	6 232	4 843	4 285	6 199	51	51	(2 422)	(5 093)

Table SC13 a – Capital expenditure on new assets by asset class

WC051 Laingsburg - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		20 354	-	-	-	-	-	-	-	-
Roads Infrastructure		1 117	-	-	-	-	-	-	-	-
Roads		1 117	-	-	-	-	-	-	-	-
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		1 053	-	-	-	-	-	-	-	-
Drainage Collection		1 053	-	-	-	-	-	-	-	-
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		11 309	-	-	-	-	-	-	-	-
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations		11 309	-	-	-	-	-	-	-	-
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		5 676	-	-	-	-	-	-	-	-
Dams and Weirs		4 298	-	-	-	-	-	-	-	-
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution		1 378	-	-	-	-	-	-	-	-
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure		1 199	-	-	-	-	-	-	-	-
Pump Station		1 199	-	-	-	-	-	-	-	-
Reticulation										
		2 577	-	-	-	-	-	-	-	-
Community Assets		1 217	-	-	-	-	-	-	-	-
Community Facilities		24	-	-	-	-	-	-	-	-
Libraries		1 193	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		1 360	-	-	-	-	-	-	-	-
Sport and Recreation Facilities										
Indoor Facilities		1 360	-	-	-	-	-	-	-	-
Outdoor Facilities		69	-	-	-	-	-	-	-	69
Other assets		69	-	-	-	-	-	-	-	69
Operational Buildings		69	-	-	-	-	-	-	-	69
Municipal Offices		-	9 115	-	672	672	-	(672)	#DIV/0!	-
Furniture and Office Equipment		-	9 115	-	672	672	-	(672)	#DIV/0!	-
Furniture and Office Equipment		671	-	-	-	-	-	-	-	-
Machinery and Equipment		671	-	-	-	-	-	-	-	-
Machinery and Equipment										
Total Capital Expenditure on new assets	1	23 672	9 115	-	672	672	-	(672)	#DIV/0!	69

Table SC13 c – Expenditure on Repairs and Maintenance by asset class

WC051 Laingsburg - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		678	757	-	-	(169)	-	169	#DIV/0!	-
Roads Infrastructure		10	12	-	-	-	-	-	-	-
Roads		10	12	-	-	-	-	-	-	-
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		454	348	-	-	13	-	(13)	#DIV/0!	-
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations		381	287	-	-	4	-	(4)	#DIV/0!	-
MV Switching Stations										
MV Networks		73	61	-	-	8	-	(8)	#DIV/0!	-
LV Networks										
Capital Spares		72	76	-	-	2	-	(2)	#DIV/0!	-
Water Supply Infrastructure		10	10	-	-	-	-	-	-	-
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains		62	65	-	-	2	-	(2)	#DIV/0!	-
Distribution										
Distribution Points										
PRV Stations										
Capital Spares		142	322	-	-	-	-	-	-	-
Sanitation Infrastructure		128	300	-	-	-	-	-	-	-
Pump Station		14	22	-	-	-	-	-	-	-
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities		0	-	-	-	(184)	-	184	#DIV/0!	-
Capital Spares										
Solid Waste Infrastructure		0	-	-	-	(184)	-	184	#DIV/0!	-
Landfill Sites		234	272	-	1	86	-	(86)	#DIV/0!	-
Waste Transfer Stations		234	272	-	1	86	-	(86)	#DIV/0!	-
Investment properties										
Revenue Generating		234	272	-	1	86	-	(86)	#DIV/0!	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property										
Non-revenue Generating										
Improved Property		18	23	-	-	(22)	-	22	#DIV/0!	-
Unimproved Property		4	6	-	-	(21)	-	21	#DIV/0!	-
Other assets		4	6	-	-	(21)	-	21	#DIV/0!	-
Operational Buildings		14	17	-	-	(1)	-	1	#DIV/0!	-
Municipal Offices										
Housing		14	17	-	-	(1)	-	1	#DIV/0!	-
Staff Housing		302	296	-	59	104	-	(104)	#DIV/0!	-
Social Housing		302	296	-	59	104	-	(104)	#DIV/0!	-
Furniture and Office Equipment		100	66	-	10	11	-	(11)	#DIV/0!	-
Furniture and Office Equipment		100	66	-	10	11	-	(11)	#DIV/0!	-
Machinery and Equipment		678	561	-	80	81	-	(81)	#DIV/0!	-
Machinery and Equipment		678	561	-	80	81	-	(81)	#DIV/0!	-
Transport Assets										
Transport Assets										
Total Repairs and Maintenance Expenditure	1	2 011	1 978	-	150	91	-	(91)	#DIV/0!	-

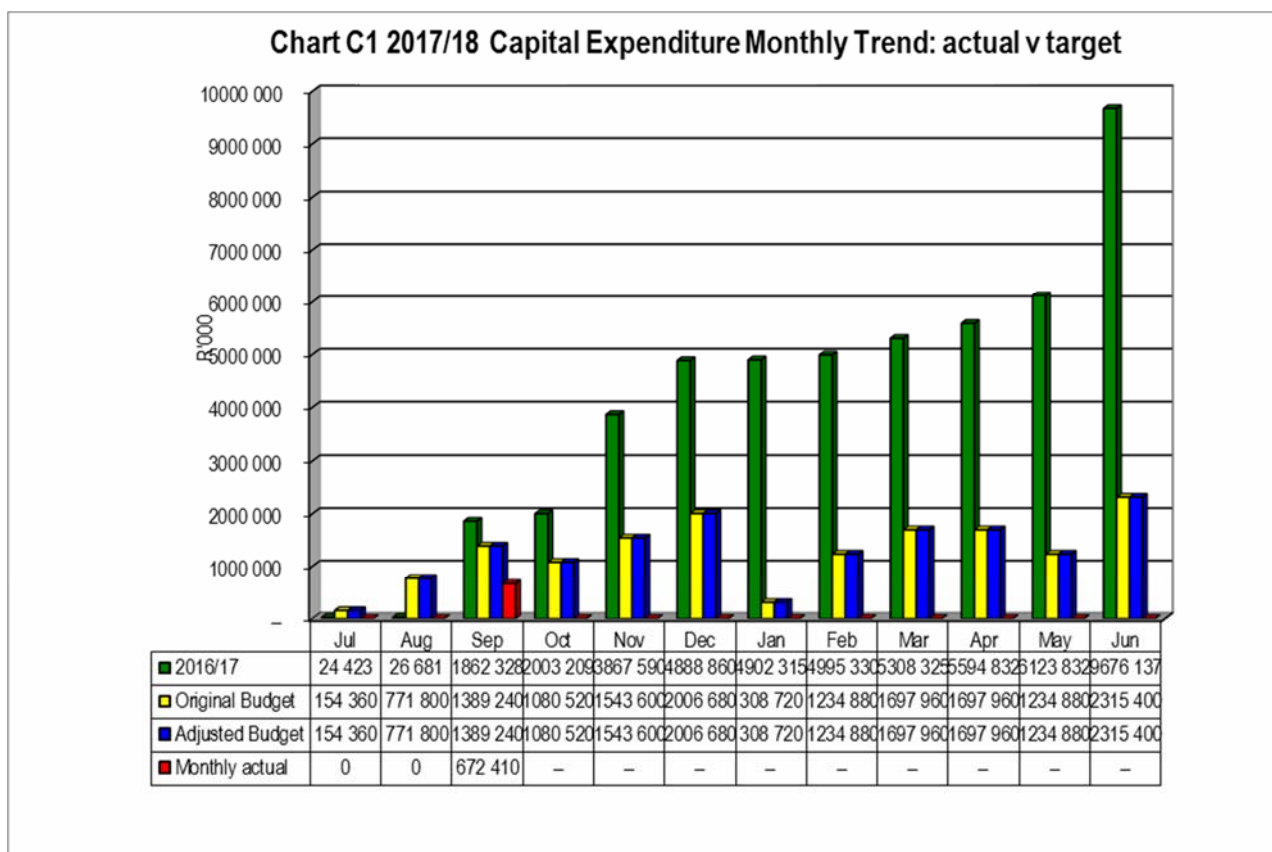
Table SC13 d – Depreciation charges by asset class

WC051 Laingsburg - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

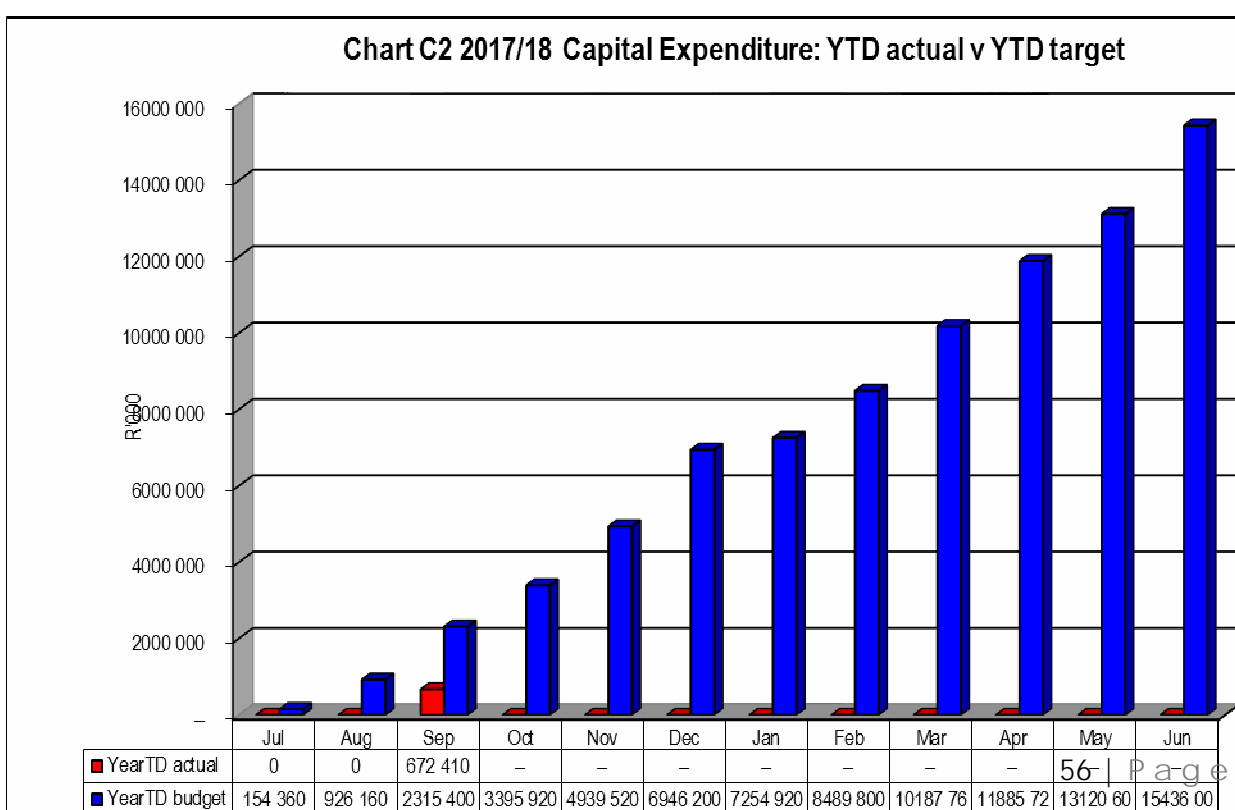
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Depreciation by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		5 645	5 721	–	–	6	–	(6)	#DIV/0!	–
Roads Infrastructure		3 888	3 864	–	–	6	–	(6)	#DIV/0!	–
Roads		3 888	3 864	–	–	6	–	(6)	#DIV/0!	–
Electrical Infrastructure		181	199	–	–	–	–	–		–
MV Substations		181	199	–	–	–	–	–		–
Water Supply Infrastructure		585	627	–	–	–	–	–		–
Distribution		585	627	–	–	–	–	–		–
Sanitation Infrastructure		785	845	–	–	–	–	–		–
Pump Station		785	845	–	–	–	–	–		–
Solid Waste Infrastructure		205	187	–	–	–	–	–		–
Landfill Sites										
Waste Transfer Stations		205	187	–	–	–	–	–		–
Community Assets		625	684	–	–	20	–	(20)	#DIV/0!	–
Community Facilities		625	684	–	–	20	–	(20)	#DIV/0!	–
Halls		–	–	–	–	15	–	(15)	#DIV/0!	–
Libraries		25	31	–	–	2	–	(2)	#DIV/0!	–
Cemeteries/Crematoria		274	303	–	–	(0)	–	0	#DIV/0!	–
Police										
Parks		326	350	–	–	4	–	(4)	#DIV/0!	–
Public Open Space		119	119	–	–	–	–	–		–
Investment properties		119	119	–	–	–	–	–		–
Revenue Generating										
Improved Property		119	119	–	–	–	–	–		–
Unimproved Property										
<u>Other assets</u>		148	163	–	–	–	–	–		–
Housing		148	163	–	–	–	–	–		–
Staff Housing										
Social Housing		148	163	–	–	–	–	–		–
Computer Equipment		118	284	–	–	0	–	(0)	#DIV/0!	–
Computer Equipment		118	284	–	–	0	–	(0)	#DIV/0!	–
<u>Furniture and Office Equipment</u>		1 030	1 143	–	–	362	–	(362)	#DIV/0!	–
Furniture and Office Equipment		1 030	1 143	–	–	362	–	(362)	#DIV/0!	–
Total Depreciation	1	7 685	8 114	–	–	388	–	(388)	#DIV/0!	

Schedule C – National Treasury Formats graphs

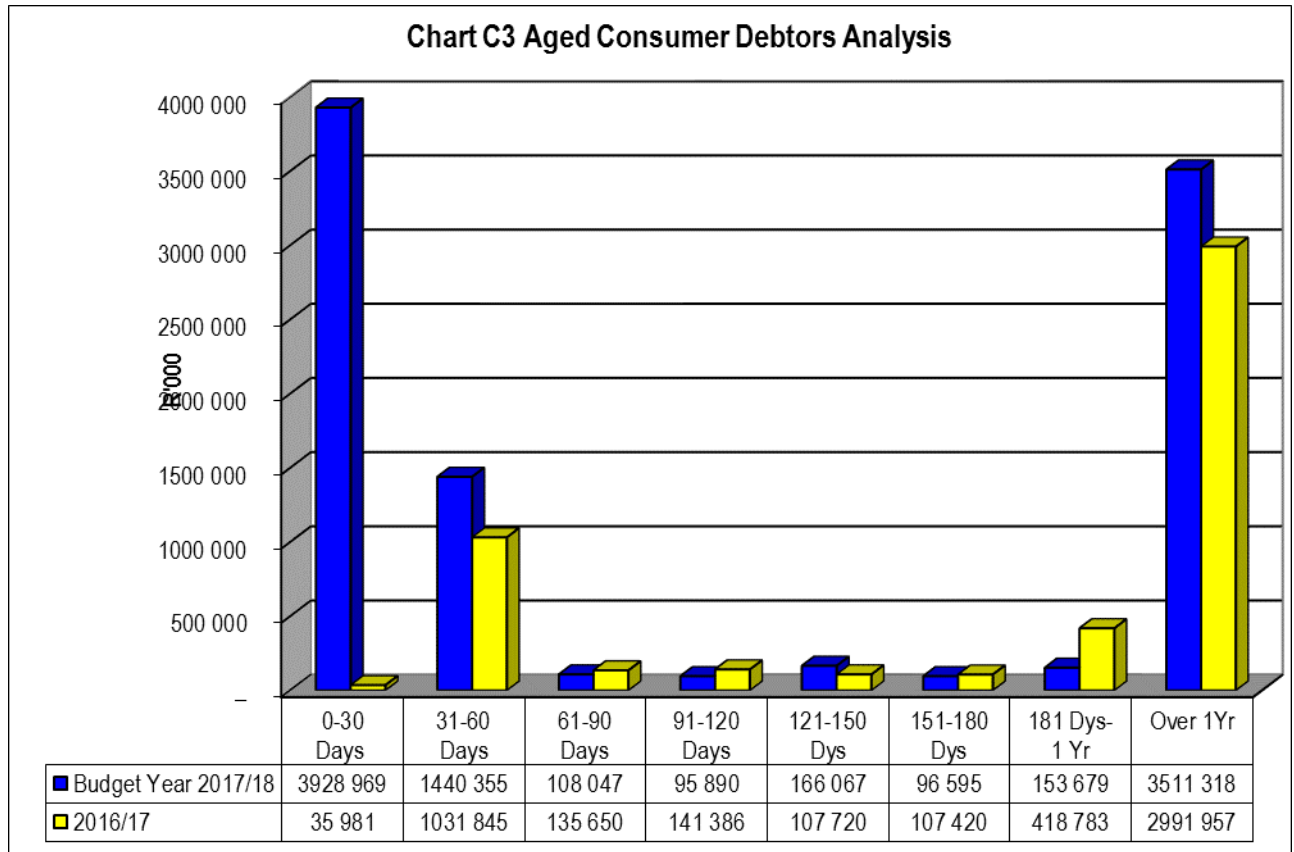
Capital Expenditure monthly trend: Actual VS Target



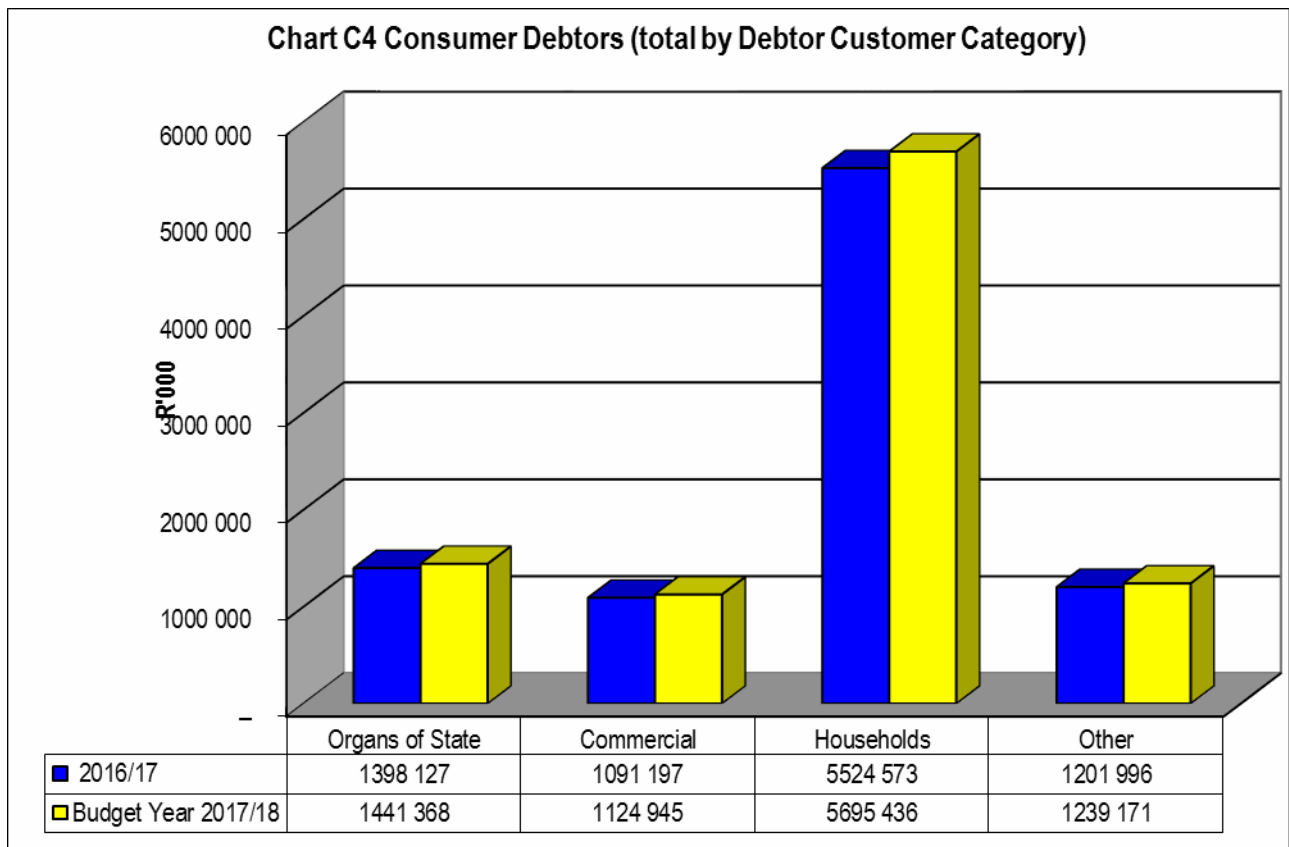
Capital Expenditure: YTD Actual VS YTD Target



Aged Consumer Debtors analysis



Aged Creditors analysis



SECTION 16 - WARD COMMITTEES

The municipal public participation policy and ward committee policy is in place. All four (4) ward committees are established and in fully functional. Monthly ward committee meetings take place and ward committee members are working within their wards as per their assigned portfolios.

There is currently no vacancies in ward committees within the municipality.

SECTION 17 - RECOMMENDATIONS

- (a) That Council notes the contents of this report and supporting documentations for the 1st quarter of 2017/2018 financial year.
- (b) That the Managers ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and spending of funds, and that revenue collection proceeds in accordance with the budget were possible in line with the current moratorium.
- (c) That departments must give its full support in the collection of outstanding Portfolios of Evidence.

SECTION 18 - CONCLUSION

The above-mentioned report outline the performance of the municipality with regards to the overall Performance of the municipality, Financial Performance as well as Non- financial Performance with regards legislative compliance. The overall performance was good, but there are still areas that requires intervention and mitigation measures to prevent it in the following quarters of the year as well as improve the reporting on the system.

The municipal manager will conduct a quarterly review and the outcome of the Performance Review will be recorded to rectify non-performance to ensure that that all targets can be achieved before year-end.