

# LAINGSBURG MUNICIPALITY



MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING  
OCTOBER 2019

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## 1. Mayors Report

The monthly budget statement for October 2019 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The October 2019 Monthly budget statement is the fourth report for the 2019/20 financial year. The audit process for the 2018/2019 financial year is almost completed. To the end of October a total of 58 Comafs were issued which points out many deficiencies in controls.

## 2. Executive Summary

Section 71 of the MFMA states that the Accounting Officer of a Municipality must by no later than 10 working days after the end of each month submit to the Mayor of the Municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the Municipality's budget.

This report presents the current state of the budget implementation and reasons for variances and possible action to be taken. Section 54 of the MFMA states that the Mayor of the Municipality must consider and check whether the approved budget is implemented in accordance with the Service Delivery and Budget Implementation Plan (SDBIP), and consider revisions.

The Table below illustrates an overview of the Budget implementation of Laingsburg Municipality for the month ended October 2019.

R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	94 630	94 630	21 799	23.04
Total Expenditure	94 052	94 052	18 695	19.88
Depreciation	11 752	11 752	-	-
Surplus (Deficit) (Incl Capital transfers)	577	577	3 103	537.55

Capital Expenditure				
<i>Sources of Finance</i>				
Transfers from Grants	8 064	8 064	1 425	17.67
<i>Government</i>	<i>8 064</i>	<i>8 064</i>	<i>1 425</i>	<i>17.67</i>
Transfers from Internal funds	-	-	-	-
Capital Expenditure	8 064	8 064	1 425	17.67

## Operating Revenue

The Municipality have generated 22.8% or R21,799 million of the Budgeted Revenue to date which is lower than the budgeted amounts. This amount includes the operational grants to date.

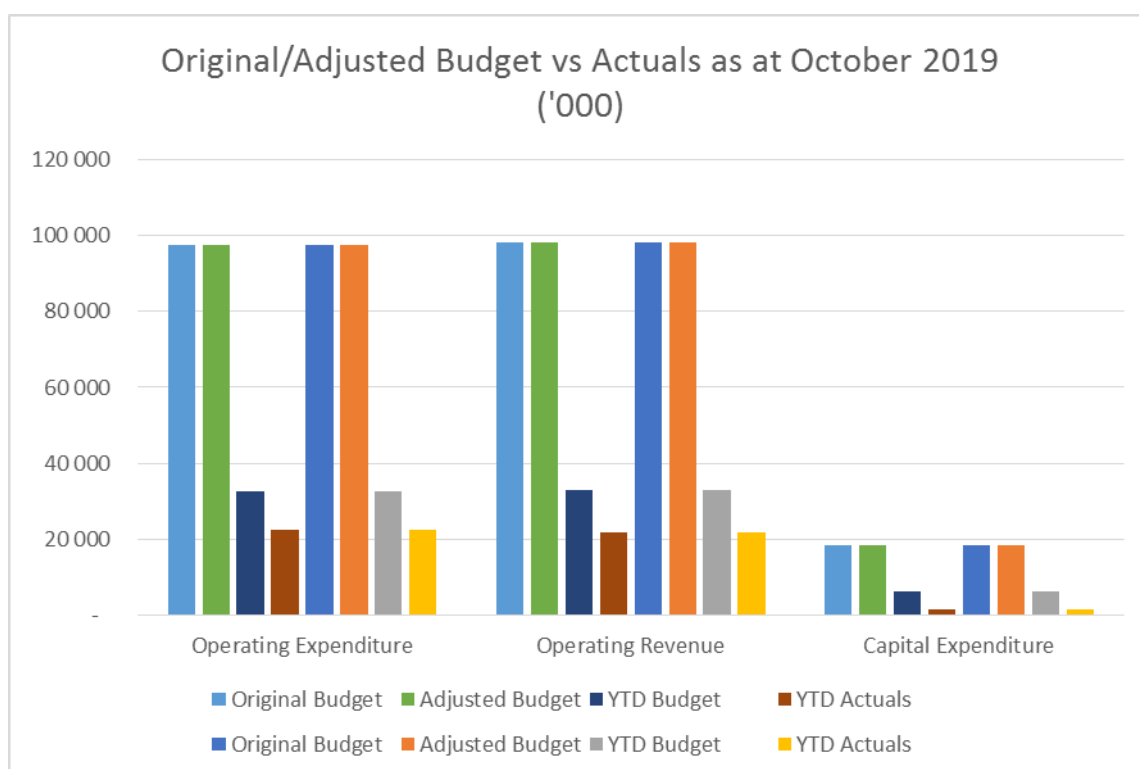
## Operating Expenditure

Operating expenditure of R18,695 million for the period up to October 2019 does not include part of the depreciation costs, annual bonuses and exclude the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R3,825 million. That will bring the total expenditure effectively at R22,521 million to date. The expenditure to date is lower than the budget year-to-date amount with R10,521 million. This means that the Municipality has spent 19.14% to date and is in fact 3.92% under the budget. The main reason for the difference is outstanding payments for computer services, audit fees and consultants that were not paid at 30 October 2019.

## Capital Expenditure

No capital expenditure payments were done during October 2019.

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



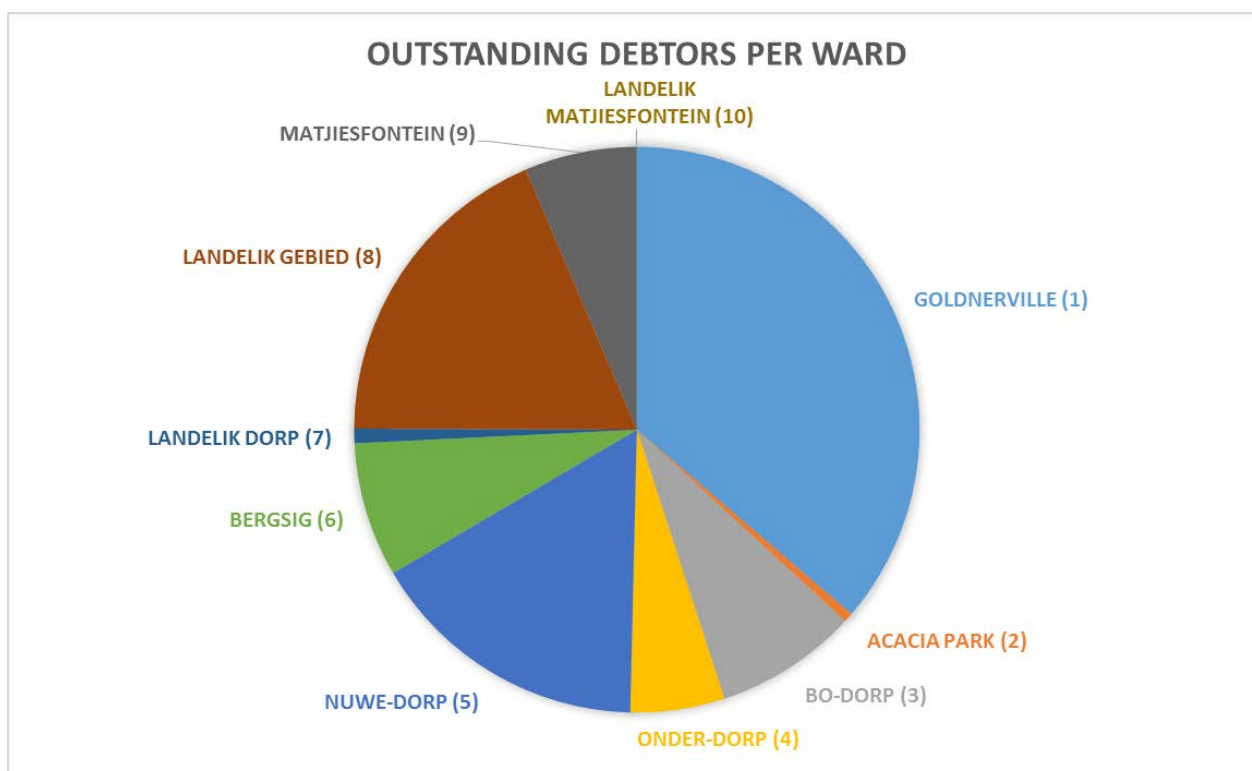
## Cash Flow

The Municipality started off with a cash flow balance of R6,552 million at the beginning of the year after corrections and increased with R5,088 million. The closing balance for the month ended October 2019 is R11,639 million. That is a nett cash outflow of R2,145 from the previous month. The Municipal Cash flow is mainly from Operating Activities and Grants as no Borrowing or Investments are budgeted for the 2019/2020 financial year. The equitable share grant was received during this month.

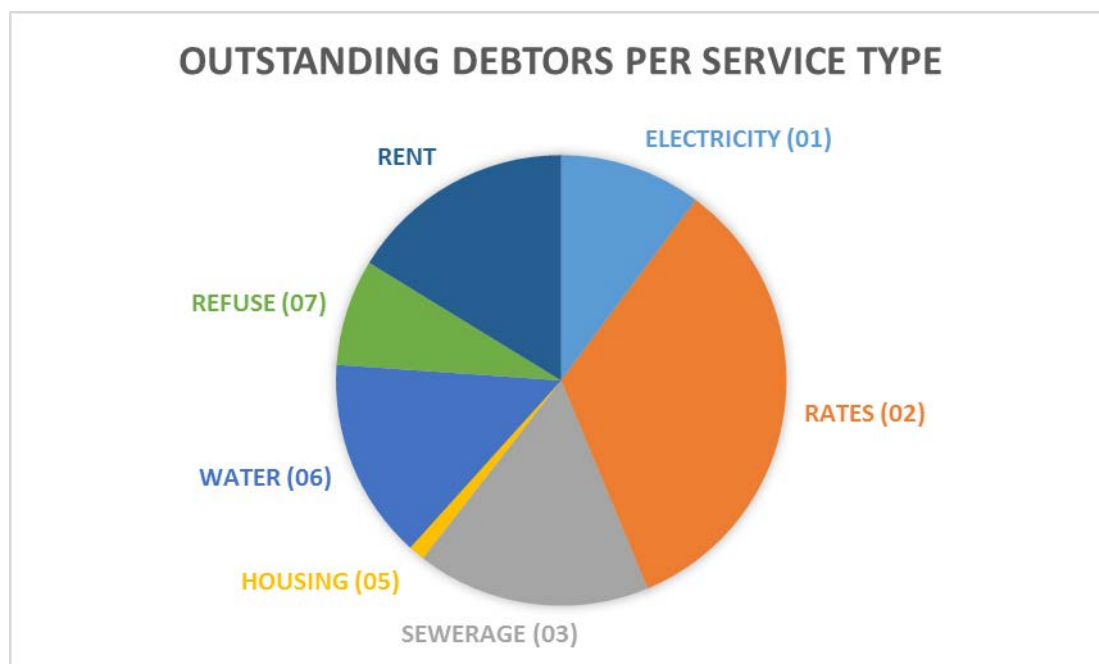
## Debtors

The Outstanding Debtors of the Municipality amounts to R9,180 million for the month ended October 2019. There was a decrease of R0.974 million in the total outstanding amount since the previous month. The payment rate for 2018/2019 financial year was 89%. The total amount outstanding for longer than 12 months is R4,079 million and this amounts to 48,6% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 Days amount to R4,462 million. The Municipality is implementing the Debt Collection and Credit Control Policy. Outstanding amounts in the areas where the Municipality is not the supplier of electricity are increasing rapidly.

The following graph shows the the outstanding debtors per ward as at the end of October 2019:



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



### Creditors

Total outstanding creditors amount to R112 409 for the month ending October 2019. All the outstanding amounts are within the 30 days outstanding categories which is compliant with Section 65 of the MFMA. One case occurred where a supplier issued invoices more than 30 days after the date of the invoice for payment, but in most cases the payments are made at presentation of the invoices.

### Cost Containment Measures

The Local Government: Municipal Cost Containment Regulations (MCCR), were promulgated on 7 June 2019, and came into effect on 1 October 2019.

Sections 62(1)(a) and 95(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality or municipal entity is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of MFMA Circular 97 issued on 31 October 2019 municipalities are required to utilise existing reporting requirements, to report internally and externally on cost saving measures.

The following table summarizes the main items as prescribed in the circular and MCCR.

Total cost saving disclosure in the In-Year Reoprt							
Cost Containment In-Year Reoprt							
Cost containment Measures	ANNUAL BUDGET	MONTHLY BUDGET	BUDGET YTD	EXPENCE THIS PERIOD	EXPENCE YTD	OVER OR (SAVINGS) THIS PERIOD	OVER OR (SAVINGS) YTD
	R'	R'	R'	R'	R'	R'	R'
Use of consultants	5 698 900	474 908	1 899 633	721 800	1 465 007	246 892	(434 626)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	1 068 900	89 075	356 300	143 020	468 900	53 945	112 600
Domestic accommodation	279 500	23 292	93 167	78 443	208 557	55 151	115 390
Sponsorships, events and catering	168 700	14 058	56 233	14 366	28 762	308	(27 471)
Communication	620 000	51 667	206 667	56 318	196 493	4 652	(10 174)
Other related expenditure items		-	-			-	-
<b>Total</b>	<b>R 7 836 000</b>	<b>R 653 000</b>	<b>R 2 612 000</b>	<b>R 1 013 947</b>	<b>R 2 367 719</b>	<b>360 947</b>	<b>(244 281)</b>

Red flagged amount are items that exceed the budgeted amount. The main problem areas are travel and subsistence and accommodation. The travel claims exceeds the ytd budget amount with 31% and accommodation exceeds with 24%. At this trent the total budget for the finacial year will be depleted by the end of February 2020.

### 3. In year Budget Statement Tables

If a municipality does not have any municipal entities, the in-year budget statement tables must consist of the tables in First Attachment to this Schedule, namely-

- (a) Table C1 Monthly Budget Statement Summary
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Tale C3 Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)
- (d) Table C4 Monthly Budget Statement-Financial Performance (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement- Financial Position
- (g) Table C7 Monthly Budget Statement Cash Flow

## Table C1: Summary

### WC051 Laingsburg - Table C1 Monthly Budget Statement Summary - M04 October

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	3 847	4 656	4 656	15	4 164	3 880	283	7%	4 656
Service charges	1 767	20 941	20 941	1 783	7 947	17 451	(9 504)	-54%	20 941
Investment revenue	49	811	811	55	187	676	(488)	-72%	811
Transfers and subsidies	6 298	21 623	21 623	-	6 918	18 019	(11 101)	-62%	21 623
Other own revenue	244	34 544	34 544	219	1 158	28 787	(27 628)	-96%	34 544
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>12 205</b>	<b>82 575</b>	<b>82 575</b>	<b>2 072</b>	<b>20 374</b>	<b>68 813</b>	<b>(48 439)</b>	<b>-70%</b>	<b>82 575</b>
Employee costs	136	26 131	26 131	1 819	7 133	21 776	(14 642)	-67%	26 131
Remuneration of Councillors	-	2 801	2 801	227	907	2 334	(1 427)	-61%	2 801
Depreciation & asset impairment	20	11 752	11 752	-	-	9 793	(9 793)	-100%	11 752
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	7 923	7 923	1 528	3 696	6 603	(2 907)	-44%	7 923
Transfers and subsidies	358	2 522	2 522	461	1 550	2 102	(552)	-26%	2 522
Other expenditure	608	42 924	42 924	1 854	5 409	35 770	(30 361)	-85%	42 924
<b>Total Expenditure</b>	<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 889</b>	<b>18 695</b>	<b>78 377</b>	<b>(59 682)</b>	<b>-76%</b>	<b>94 052</b>
<b>Surplus/(Deficit)</b>	<b>11 083</b>	<b>(11 477)</b>	<b>(11 477)</b>	<b>(3 817)</b>	<b>1 679</b>	<b>(9 564)</b>	<b>11 243</b>	<b>-118%</b>	<b>(11 477)</b>
Transfers and subsidies - capital (monetary alloc	-	12 054	12 054	-	1 425	10 045	(8 620)	-86%	12 054
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>	<b>2 622</b>	<b>545%</b>	<b>577</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>	<b>2 622</b>	<b>545%</b>	<b>577</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>16 781</b>	<b>8 064</b>	<b>8 064</b>	<b>413</b>	<b>1 425</b>	<b>-</b>	<b>1 425</b>	<b>#DIV/0!</b>	<b>8 064</b>
Capital transfers recognised	16 688	10 436	10 436	-	1 425	-	1 425	#DIV/0!	10 436
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	94	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>16 781</b>	<b>10 436</b>	<b>10 436</b>	<b>-</b>	<b>1 425</b>	<b>-</b>	<b>1 425</b>	<b>#DIV/0!</b>	<b>10 436</b>
<b>Financial position</b>									
Total current assets	14 599	37 049	37 049	-	42 084	-	-	-	37 049
Total non current assets	163 379	181 464	181 464	-	182 890	-	-	-	181 464
Total current liabilities	13 718	30 371	30 371	-	33 739	-	-	-	30 371
Total non current liabilities	8 795	4 389	4 389	-	4 389	-	-	-	4 389
Community wealth/Equity	155 467	183 753	183 753	-	186 846	-	-	-	183 753
<b>Cash flows</b>									
Net cash from (used) operating	(2 752)	10 455	10 455	(2 151)	6 075	5 122	(953)	-19%	10 455
Net cash from (used) investing	(3 035)	(11 976)	(11 976)	-	(1 011)	-	1 011	#DIV/0!	(11 976)
Net cash from (used) financing	91	34	34	6	24	11	(12)	-108%	34
<b>Cash/cash equivalents at the month/year end</b>	<b>856</b>	<b>5 065</b>	<b>5 065</b>	<b>-</b>	<b>11 639</b>	<b>11 685</b>	<b>46</b>	<b>0%</b>	<b>5 065</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	2 006	2 492	221	186	105	91	3 190	889	9 180
<b>Creditors Age Analysis</b>									
Total Creditors	112	-	-	-	-	-	-	-	112



## Table C2: Financial Performance (Standard Classification)

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

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

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

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		10 326	34 585	34 585	231	13 400	28 821	(15 422)	-54%	34 585
Executive and council	(5)		2 521	2 521	-	413	2 101	(1 687)	-80%	2 521
Finance and administration	10 330	32 065	32 065	32 065	231	12 986	26 721	(13 735)	-51%	32 065
Internal audit	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		120	34 140	34 140	57	446	28 450	(28 004)	-98%	34 140
Community and social services	0	1 265	1 265	1 265	1	7	1 054	(1 048)	-99%	1 265
Sport and recreation	1	24	24	24	-	0	20	(19)	-98%	24
Public safety	118	32 839	32 839	32 839	56	435	27 366	(26 931)	-98%	32 839
Housing	1	11	11	11	1	4	9	(5)	-55%	11
Health	-	0	0	0	-	0	0	(0)	-75%	1
<i>Economic and environmental services</i>		1	1 304	1 304	1	4	1 087	(1 083)	-100%	1 304
Planning and development	-	-	-	-	-	-	-	-	-	-
Road transport	1	1 304	1 304	1 304	1	4	1 087	(1 083)	-100%	1 304
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		1 761	24 600	24 600	1 783	7 949	20 500	(12 551)	-61%	24 600
Energy sources	1 109	15 414	15 414	15 414	1 092	5 107	12 845	(7 738)	-60%	15 414
Water management	223	4 009	4 009	4 009	272	1 062	3 340	(2 279)	-68%	4 009
Waste water management	231	2 793	2 793	2 793	241	972	2 327	(1 356)	-58%	2 793
Waste management	199	2 385	2 385	2 385	178	808	1 988	(1 180)	-59%	2 385
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	<b>2</b>	<b>12 209</b>	<b>94 630</b>	<b>94 630</b>	<b>2 072</b>	<b>21 799</b>	<b>78 858</b>	<b>(57 059)</b>	<b>-72%</b>	<b>94 630</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		832	28 259	28 259	2 386	8 550	23 549	(14 999)	-64%	28 259
Executive and council	536	9 682	9 682	9 682	1 027	3 757	8 068	(4 311)	-53%	9 682
Finance and administration	296	18 577	18 577	18 577	1 359	4 793	15 481	(10 688)	-69%	18 577
Internal audit	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		118	36 208	36 208	533	2 236	30 174	(27 938)	-93%	36 208
Community and social services	2	2 188	2 188	2 188	138	430	1 823	(1 393)	-76%	2 188
Sport and recreation	3	26	26	26	8	15	22	(7)	-31%	26
Public safety	113	33 784	33 784	33 784	388	1 789	28 153	(26 364)	-94%	33 784
Housing	-	207	207	207	-	-	173	(173)	-100%	207
Health	-	4	4	4	-	2	3	(1)	-43%	4
<i>Economic and environmental services</i>		24	3 556	3 556	226	775	2 963	(2 188)	-74%	3 556
Planning and development	2	1 324	1 324	1 324	33	212	1 104	(892)	-81%	1 324
Road transport	22	2 231	2 231	2 231	193	563	1 859	(1 296)	-70%	2 231
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		148	26 022	26 022	2 744	7 134	21 685	(14 551)	-67%	26 022
Energy sources	-	9 270	9 270	9 270	1 574	3 780	7 725	(3 945)	-51%	9 270
Water management	4	2 933	2 933	2 933	262	699	2 444	(1 745)	-71%	2 933
Waste water management	144	12 195	12 195	12 195	607	2 190	10 162	(7 973)	-78%	12 195
Waste management	-	1 625	1 625	1 625	301	466	1 355	(888)	-66%	1 625
<i>Other</i>		-	7	7	-	-	6	(6)	-100%	7
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 889</b>	<b>18 695</b>	<b>78 377</b>	<b>(59 682)</b>	<b>-76%</b>	<b>94 052</b>
<b>Surplus/ (Deficit) for the year</b>		<b>11 087</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>	<b>2 622</b>	<b>545%</b>	<b>578</b>

**Table C3: Financial Performance (Revenue and Expenditure by Municipal Vote)**

WC051 Laingsburg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>										
Vote 1 - MAYORAL & COUNCIL	1	(5)	2 521	2 521	-	413	2 101	(1 687)	-80.3%	2 521
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		173	1 632	1 632	203	839	1 360	(521)	-38.3%	1 632
Vote 4 - BUDGET & TREASURY		10 157	30 433	30 433	28	12 147	25 361	(13 214)	-52.1%	30 433
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		0	1 266	1 266	1	7	1 055	(1 048)	-99.4%	1 266
Vote 7 - SPORTS AND RECREATION		1	24	24	-	0	20	(19)	-97.5%	24
Vote 8 - HOUSING		1	11	11	1	4	9	(5)	-55.1%	11
Vote 9 - PUBLIC SAFETY		118	32 839	32 839	56	435	27 366	(26 931)	-98.4%	32 839
Vote 10 - ROAD TRANSPORT		1	1 321	1 321	1	4	1 101	(1 097)	-99.6%	1 321
Vote 11 - WASTE MANAGEMENT		199	2 385	2 385	178	808	1 988	(1 180)	-59.3%	2 385
Vote 12 - WASTE WATER MANAGEMENT		231	2 776	2 776	241	972	2 313	(1 341)	-58.0%	2 776
Vote 13 - WATER		223	4 009	4 009	272	1 062	3 340	(2 279)	-68.2%	4 009
Vote 14 - ELECTRICITY		1 109	15 414	15 414	1 092	5 107	12 845	(7 738)	-60.2%	15 414
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	<b>2</b>	<b>12 209</b>	<b>94 630</b>	<b>94 630</b>	<b>2 072</b>	<b>21 799</b>	<b>78 858</b>	<b>(57 059)</b>	<b>-72.4%</b>	<b>94 630</b>
<b>Expenditure by Vote</b>										
Vote 1 - MAYORAL & COUNCIL	1	386	6 339	6 339	791	2 805	5 282	(2 478)	-46.9%	6 339
Vote 2 - MUNICIPAL MANAGER		151	3 343	3 343	237	952	2 786	(1 834)	-65.8%	3 343
Vote 3 - CORPORATE SERVICES		205	6 738	6 738	581	1 807	5 615	(3 808)	-67.8%	6 738
Vote 4 - BUDGET & TREASURY		91	11 838	11 838	778	2 986	9 865	(6 879)	-69.7%	11 838
Vote 5 - PLANNING AND DEVELOPMENT		2	1 324	1 324	33	212	1 104	(892)	-80.8%	1 324
Vote 6 - COMMUNITY AND SOCIAL SERV		1	1 619	1 619	126	381	1 349	(968)	-71.7%	1 619
Vote 7 - SPORTS AND RECREATION		4	606	606	19	65	505	(440)	-87.1%	606
Vote 8 - HOUSING		-	207	207	-	-	173	(173)	-100.0%	207
Vote 9 - PUBLIC SAFETY		113	33 784	33 784	388	1 789	28 153	(26 364)	-93.6%	33 784
Vote 10 - ROAD TRANSPORT		166	11 913	11 913	682	2 353	9 927	(7 574)	-76.3%	11 913
Vote 11 - WASTE MANAGEMENT		-	1 625	1 625	301	466	1 355	(888)	-65.6%	1 625
Vote 12 - WASTE WATER MANAGEMENT		-	2 513	2 513	118	400	2 094	(1 694)	-80.9%	2 513
Vote 13 - WATER		4	2 933	2 933	262	699	2 444	(1 745)	-71.4%	2 933
Vote 14 - ELECTRICITY		-	9 270	9 270	1 574	3 780	7 725	(3 945)	-51.1%	9 270
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	<b>2</b>	<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 889</b>	<b>18 695</b>	<b>78 377</b>	<b>(59 682)</b>	<b>-76.1%</b>	<b>94 052</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>11 087</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>	<b>2 622</b>	<b>545.1%</b>	<b>577</b>

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue By Source</b>										
Property rates		3 847	4 656	4 656	15	4 164	3 880	283	7%	4 656
Service charges - electricity revenue		1 109	15 055	15 055	1 092	5 107	12 546	(7 438)	-59%	15 055
Service charges - water revenue		228	1 628	1 628	272	1 062	1 357	(295)	-22%	1 628
Service charges - sanitation revenue		231	2 776	2 776	241	972	2 313	(1 341)	-58%	2 776
Service charges - refuse revenue		199	1 483	1 483	177	806	1 236	(430)	-35%	1 483
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		110	711	711	121	479	592	(114)	-19%	711
Interest earned - external investments		49	811	811	55	187	676	(488)	-72%	811
Interest earned - outstanding debtors		16	40	40	16	133	33	100	305%	40
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		2	31 775	31 775	1	2	26 479	(26 477)	-100%	31 775
Licences and permits		117	1 072	1 072	57	437	893	(457)	-51%	1 072
Agency services		11	122	122	11	57	102	(45)	-44%	122
Transfers and subsidies		6 298	21 623	21 623	-	6 918	18 019	(11 101)	-62%	21 623
Other revenue		(10)	825	825	12	51	688	(636)	-93%	825
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>12 205</b>	<b>82 575</b>	<b>82 575</b>	<b>2 072</b>	<b>20 374</b>	<b>68 813</b>	<b>(48 439)</b>	<b>-70%</b>	<b>82 575</b>
<b>Expenditure By Type</b>										
Employee related costs		136	26 131	26 131	1 819	7 133	21 776	(14 642)	-67%	26 131
Remuneration of councillors		-	2 801	2 801	227	907	2 334	(1 427)	-61%	2 801
Debt impairment		-	26 442	26 442	-	-	22 035	(22 035)	-100%	26 442
Depreciation & asset impairment		20	11 752	11 752	-	-	9 793	(9 793)	-100%	11 752
Finance charges		-	-	-	-	-	-	-	-	-
Bulk purchases		-	7 923	7 923	1 528	3 696	6 603	(2 907)	-44%	7 923
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		2	3 813	3 813	166	488	3 177	(2 689)	-85%	3 813
Transfers and subsidies		358	2 522	2 522	461	1 550	2 102	(552)	-26%	2 522
Other expenditure		606	12 669	12 669	1 688	4 920	10 557	(5 637)	-53%	12 669
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1 122</b>	<b>94 052</b>	<b>94 052</b>	<b>5 889</b>	<b>18 695</b>	<b>78 377</b>	<b>(59 682)</b>	<b>-76%</b>	<b>94 052</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (interetary contributions) (National / Provincial and District)		11 083	(11 477)	(11 477)	(3 817)	1 679	(9 564)	11 243	(0)	(11 477)
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	12 054	12 054	-	1 425	10 045	(8 620)	(0)	12 054
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>			<b>577</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>			<b>577</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>			<b>577</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>11 083</b>	<b>577</b>	<b>577</b>	<b>(3 817)</b>	<b>3 103</b>	<b>481</b>			<b>577</b>

**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) - M04 October

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									

<b>Capital Expenditure - Functional Classification</b>										
<i>Governance and administration</i>		(3)	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	-	-	-	-	-	-	-	-
Internal audit		(3)	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 391	-	-	-	-	-	-	-	-
Community and social services		1 067	-	-	-	-	-	-	-	-
Sport and recreation		318	-	-	-	-	-	-	-	-
Public safety		6	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 019	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 019	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		14 374	8 064	8 064	413	1 425	-	1 425	#DIV/0!	8 064
Energy sources		7 192	-	-	413	413	-	413	#DIV/0!	-
Water management		6 558	6 064	6 064	-	1 011	-	1 011	#DIV/0!	6 064
Waste water management		623	2 000	2 000	-	-	-	-	-	2 000
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	16 781	8 064	8 064	413	1 425	-	1 425	#DIV/0!	8 064
<b>Funded by:</b>										
National Government		15 162	10 436	10 436	-	1 425	-	1 425	#DIV/0!	10 436
Provincial Government		1 525	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		16 688	10 436	10 436	-	1 425	-	1 425	#DIV/0!	10 436
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		94	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>		16 781	10 436	10 436	-	1 425	-	1 425	#DIV/0!	10 436

**Table C6: Financial Position****WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - M04 October**

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		5 875	23 011	23 011	28 099	23 011
Call investment deposits		-	-	-	-	-
Consumer debtors		3 499	9 018	9 018	11 067	9 018
Other debtors		3 846	4 157	4 157	2 208	4 157
Current portion of long-term receivables		1	-	-	-	-
Inventory		1 378	864	864	710	864
<b>Total current assets</b>		<b>14 599</b>	<b>37 049</b>	<b>37 049</b>	<b>42 084</b>	<b>37 049</b>
<b>Non current assets</b>						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		4 273	25 050	25 050	24 992	25 050
Investments in Associate		-	-	-	-	-
Property, plant and equipment		158 542	155 961	155 961	157 443	155 961
Agricultural		-	-	-	-	-
Biological		-	-	-	-	-
Intangible		522	442	442	442	442
Other non-current assets		43	12	12	13	12
<b>Total non current assets</b>		<b>163 379</b>	<b>181 464</b>	<b>181 464</b>	<b>182 890</b>	<b>181 464</b>
<b>TOTAL ASSETS</b>		<b>177 979</b>	<b>218 514</b>	<b>218 514</b>	<b>224 973</b>	<b>218 514</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		485	507	507	519	507
Trade and other payables		12 487	19 815	19 815	23 170	19 815
Provisions		745	10 049	10 049	10 049	10 049
<b>Total current liabilities</b>		<b>13 718</b>	<b>30 371</b>	<b>30 371</b>	<b>33 739</b>	<b>30 371</b>
<b>Non current liabilities</b>						
Borrowing		-	-	-	-	-
Provisions		8 795	4 389	4 389	4 389	4 389
<b>Total non current liabilities</b>		<b>8 795</b>	<b>4 389</b>	<b>4 389</b>	<b>4 389</b>	<b>4 389</b>
<b>TOTAL LIABILITIES</b>		<b>22 512</b>	<b>34 760</b>	<b>34 760</b>	<b>38 128</b>	<b>34 760</b>
<b>NET ASSETS</b>	2	<b>155 467</b>	<b>183 753</b>	<b>183 753</b>	<b>186 846</b>	<b>183 753</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		155 467	147 308	147 308	150 400	147 308
Reserves		-	36 445	36 445	36 445	36 445
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>155 467</b>	<b>183 753</b>	<b>183 753</b>	<b>186 846</b>	<b>183 753</b>

Table C7: Cash Flow

## WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	Budget Year 2019/20								
		2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		4 237	3 846	3 846	447	2 195	1 573	622	40%	3 846
Service charges		16 072	19 696	19 696	1 829	6 038	7 210	(1 173)	-16%	19 696
Other revenue		23 281	8 263	8 263	1 372	9 103	2 564	6 539	255%	8 263
Government - operating		15 542	22 612	22 612	-	9 445	6 307	3 138	50%	22 612
Government - capital		8 476	11 723	11 723	-	-	5 073	(5 073)	-100%	11 723
Interest		911	1 195	1 195	72	320	367	(46)	-13%	1 195
Dividends		-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees		(74 809)	(56 874)	(56 874)	(5 852)	(20 952)	(17 970)	2 983	-17%	(56 874)
Finance charges		-	(7)	(7)	-	-	(2)	(2)	100%	(7)
Transfers and Grants		3 537	-	-	(19)	(73)	-	73	#DIV/0!	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(2 752)</b>	<b>10 455</b>	<b>10 455</b>	<b>(2 151)</b>	<b>6 075</b>	<b>5 122</b>	<b>(953)</b>	<b>-19%</b>	<b>10 455</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		8 000	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets		(11 035)	(11 976)	(11 976)	-	(1 011)	-	1 011	#DIV/0!	(11 976)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(3 035)</b>	<b>(11 976)</b>	<b>(11 976)</b>	<b>-</b>	<b>(1 011)</b>	<b>-</b>	<b>1 011</b>	<b>#DIV/0!</b>	<b>(11 976)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		91	34	34	6	24	11	12	108%	34
<b>Payments</b>										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>91</b>	<b>34</b>	<b>34</b>	<b>6</b>	<b>24</b>	<b>11</b>	<b>(12)</b>	<b>-108%</b>	<b>34</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(5 696)</b>	<b>(1 486)</b>	<b>(1 486)</b>	<b>(2 145)</b>	<b>5 088</b>	<b>5 133</b>			<b>(1 486)</b>
Cash/cash equivalents at beginning:		6 552	6 552	6 552		6 552	6 552			6 552
Cash/cash equivalents at month/year end:		856	5 065	5 065		11 639	11 685			5 065

## 4. Supporting Documentation

### Variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - M04 October

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

### Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2019/20										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo 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				
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	126	43	33	32	28	18	392	217	889	687	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	763	314	42	43	11	9	265	115	1 562	443	-	-	
Receivables from Non-exchange Transactions - Property Rates	1400	922	1 049	20	21	3	14	1 243	83	3 356	1 364	-	-	
Receivables from Exchange Transactions - Waste Water Management	1500	79	39	31	33	26	17	468	246	938	789	-	-	
Receivables from Exchange Transactions - Waste Management	1600	118	34	20	22	19	11	178	150	552	379	-	-	
Receivables from Exchange Transactions - Property Rental Debtors	1700	(9)	26	21	32	17	15	580	77	759	722	-	-	
Interest on Arrear Debtor Accounts	1810	-	985	-	-	-	-	-	-	985	-	-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	
Other	1900	7	2	54	2	2	8	64	1	139	77	-	-	
<b>Total By Income Source</b>	<b>2000</b>	<b>2 006</b>	<b>2 492</b>	<b>221</b>	<b>186</b>	<b>105</b>	<b>91</b>	<b>3 190</b>	<b>889</b>	<b>9 180</b>	<b>4 462</b>	<b>-</b>	<b>-</b>	
<b>2018/19 - totals only</b>		<b>1214938</b>	<b>869849</b>	<b>180608</b>	<b>126680</b>	<b>205828</b>	<b>127452</b>	<b>3232686</b>	<b>886727</b>	<b>6 845</b>	<b>4 579</b>	<b>-</b>	<b>-</b>	
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	59	410	16	19	12	10	403	-	929	444	-	-	
Commercial	2300	953	1 360	32	56	7	20	1 081	149	3 658	1 313	-	-	
Households	2400	994	722	173	111	87	61	1 706	740	4 594	2 704	-	-	
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total By Customer Group</b>	<b>2600</b>	<b>2 006</b>	<b>2 492</b>	<b>221</b>	<b>186</b>	<b>105</b>	<b>91</b>	<b>3 190</b>	<b>889</b>	<b>9 180</b>	<b>4 462</b>	<b>-</b>	<b>-</b>	

## Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2019/20									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	112	-	-	-	-	-	-	-	-	112	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>112</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112</b>	<b>-</b>

## 5. Other Information or Documentation

### Municipal Manager’s Quality Certificate

The in-year report must be covered by a quality certificate in the format described below:



## QUALITY CERTIFICATE

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

(mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid-year budget and performance assessment

For the month of October 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: A S Groenewald *for* PA Williams

Municipal Manager of Laingsburg Municipality (WC051)

Signature *Alida Groenewald* .....

Date *2019-11-15* .....



## 6. Recommendation

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