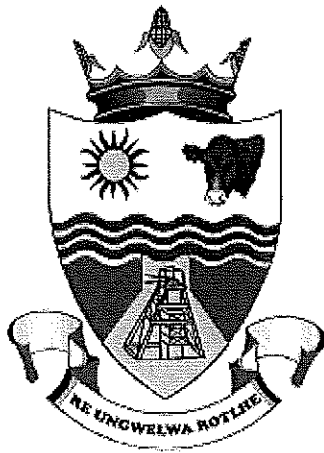


# JOE MOROLONG LOCAL MUNICIPALITY



JOE MOROLONG  
LOCAL MUNICIPALITY

(NC 451)

## In-Year Report of the Municipality

Prepared in terms of Local Government: Municipal Finance Management Act No.56 of 2003; Municipal Budget and Reporting Regulations

### Monthly Budget

### Statement

**JULY: 2016/17 F.Y**

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## **Glossary**

**Adjustments Budget** – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

**Allocations** – Money received from Provincial or National Government or other municipalities

**AFS**- Annual Financial Statements

**Budget** – The financial plan of the Municipality

**Budget Related Policy** – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy

**Capital Expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's Statement of Financial Performance

**Cash Flow Statement** – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period

**CFO** - Chief Financial Officer

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government

**Equitable Share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services

**Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities

**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared.

**IDP** – Integrated Development Plan. The main strategic planning document of the Municipality

**KPI's** – Key Performance Indicators. Measures of service output and/or outcome

**MFMA** – The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

**MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous three years and current years' financial position

**NT** – National Treasury

**Operating Expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages

**Rates** – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand

**R&M** – Repairs and maintenance on property, plant and equipment

**SCM** – Supply Chain Management

**SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Unauthorised expenditure** – Generally, spending without, or in excess of, an approved budget

**Vote** means one of the main segment into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and which specifies the total amount that is appropriated for the purpose of the department or functional area concerned.

**Zero Based Budgeting** means as opposed to incremental budgeting, zero-based budgeting means that each year's budget is drawn up independently from that of the previous year. This means that items are not included simply because they were in the previous budget. Each item has to be justified and motivated for and the purpose of each item is considered. All items in the capital are treated on a "zero-basis"

## PART 1

### Section 1: Mayor's Report

#### Purpose

The purpose of this report is to submit to the Council the Monthly Budget Statement and the implementation of 2016/17 Budget of Joe Morolong Local Municipality for the period ending 31<sup>st</sup> July 2016 in line with legislative requirement Section 71 of Municipal Finance Management Act.

#### Background

Section 71 of the MFMA No.56 of 2003 together with Municipal Budget and Reporting Regulations requires that financial affairs of the municipality be reported on within a prescribed format, hence we compile this report to comply with the legislative requirement.

Furthermore, section 71 of MFMA No.56 of 2003 requires the Accounting Officer of the municipality, that must no later than 10 working days after the end of each month submit to the Mayor of the Municipality, and the relevant Provincial and National Treasury, a statement in a prescribed format on the state of municipality's budget implementation in relation to that month of the reporting.

#### Overall Performance Information

The audited outcomes for 2015/16 is not yet available as the municipality is still compiling the Annual Financial Statements which must only be completed by 31 August 2015 at which time the unaudited final outcomes for 2014/15 will be known and included in the report

##### SUMMARY OF FINANCIAL INFORMATION

DESCRIPTION	ORIGINAL BUDGET R'(000)	YTD BUDGET R'(000)	YTD ACTUALS R'(000)	YTD ACTUALS VS BUDGET %	ACTUALS VS REVISED BUDGET %
TOTAL REVENUE	301,639	108,835	88,759	81.55%	29.43%
TOTAL OPERATING EXPENDITURE	160,945	13,693	14,980	109.40%	9.31%
TOTAL CAPITAL EXPENDITURE	137,376	10,695	13,827	129.28%	10.06%
SURPLUS/(DEFICIT)	3,318	84,448	59,952		

➤ **Revenue**

The revenue performance in terms of year-to-date actuals is 82%. The municipality received additional R3 million Housing Grant , R1 million South32(Kanana Water) and R4.9 million VAT for this month.

➤ **Operating Expenditure**

Current expenditure is almost at 109% of the year-to-date budget.

➤ **Capital Expenditure**

Current expenditure is 129%, which means the municipality is 29% or R 3.1 million above the year-to-date budget.

**Financial Problems or Risk Facing the Municipality**

Currently there are no financial problems affecting the municipality.

Monitoring and implementation of the capital project continues to receive attention. The municipal manager will continue to receive director's reports on each project to determine the project milestones and identify any possible risks for achieving the year end targets.

**Other relevant information**

The audited report for 2014/15 FY of the municipality is qualified as the previous financial year of 2013/14 FY.

## **Section 2: Resolutions**

### **IN-YEAR REPORTS 2016/17- JULY**

This is the resolution that will be presented to Council when the In-Year Report is tabled:

#### **RECOMMENDATION:**

That Council notes and approve the monthly budget statement and supporting documentation for July 2016.

## **Section 3: Executive Summary**

### **3.1 Introduction**

As stated in the Mayor's Report the audited report for 2014/15 FY of the municipality is qualified as the previous financial year of 2013/14 FY.

### **3.2 Performance**

#### **3.2.1 Against annual budget (original approved and latest adjustments)**

##### **Operating Revenue by Source**

The operating revenue performance in terms of year-to-date actuals is 82%, the annual billing for rates and fixed service charges will take place in August. Year-to-date revenue 18%, R 20 million below year-to-date budgeted projections for July 2016. Water Services Infrastructure Grant was not received on time as Grant Payment schedule.

##### **Operating expenditure by type**

Current expenditure is almost at 109% of the year-to-date budget.

Refer to Section 4 – Table C4 for further details on both revenue by source and expenditure by type.

## **Capital expenditure**

Year-to-date expenditure on capital expenditure amounts to R 3.1 million or 129% of year-to-date budget which is 29% above the year-to-date target for July 2016.

Refer to Section 4 – Table C5 for more detail.

## **Cash flows**

The municipality started the year with a positive cash & cash equivalents balance of R 24.6 million and increased this by R49.6 million during July resulting in a closing balance of R74.2 million. The increase resulted primarily from the receipt of conditional transfers from national and provincial government for 2016/17. Closing balance of R 74.2 million (R 42.4 million cash and R 31.8 million investments).

Refer to section 4 – Supporting Table SC5 & SC9 on Section 7 for more detail on the cash position

## **Material Variance from SDBIP**

No Comments for July 2016

## **Remedial or Corrective Steps**

No Comments for May 2016.

## **3.3 Conclusion**

Operating expenditure currently reflects a variance of 9% above YTD budget while capital expenditure is 29% above YTD budget.

Performance of revenue by source compared to budget is okay. Operating expenditure currently reflects a variance of 9% above YTD budget while capital expenditure is 29% above YTD budget.



## Section 4: In-year budget statement tables

### 4.1 Monthly budget statements

#### 4.1.1 Table C1: s71 Monthly Budget Statement Summary

NC451 Joe Morolong - Table C1 Monthly Budget Statement Summary - M01 July

Description	2015/16	Budget Year 2016/17			YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual					
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	20,745	12,863	-	303	303	-	303	#DIV/0!	12,863
Service charges	14,646	24,809	-	602	602	2,067	(1,466)	-71%	24,809
Investment revenue	912	-	-	-	-	-	-	-	-
Transfers recognised - operational	155,966	122,361	-	51,794	51,794	48,716	3,078	6%	122,361
Other own revenue	26,709	1,476	-	5,286	5,286	123	5,163	4198%	1,476
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>218,979</b>	<b>161,508</b>	<b>-</b>	<b>57,984</b>	<b>57,984</b>	<b>50,906</b>	<b>7,078</b>	<b>14%</b>	<b>161,508</b>
Employee costs	49,160	52,979	-	4,688	4,688	4,415	273	6%	52,979
Remuneration of Councillors	7,934	10,015	-	713	713	835	(121)	-15%	10,015
Depreciation & asset impairment	-	10,000	-	-	-	833	(833)	-100%	10,000
Finance charges	605	943	-	14	14	79	(65)	-83%	943
Materials and bulk purchases	8,064	12,085	-	1,312	1,312	1,007	305	30%	12,085
Transfers and grants	2,807	4,938	-	293	293	412	(119)	-29%	4,938
Other expenditure	83,017	69,985	-	7,961	7,961	6,113	1,848	30%	69,985
<b>Total Expenditure</b>	<b>151,588</b>	<b>160,945</b>	<b>-</b>	<b>14,980</b>	<b>14,980</b>	<b>13,693</b>	<b>1,287</b>	<b>9%</b>	<b>160,945</b>
<b>Surplus/(Deficit)</b>	<b>67,392</b>	<b>563</b>	<b>-</b>	<b>43,004</b>	<b>43,004</b>	<b>37,213</b>	<b>5,791</b>	<b>16%</b>	<b>563</b>
Transfers recognised - capital	152,790	140,131	-	30,775	30,775	57,930	(27,155)	-47%	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>220,182</b>	<b>140,694</b>	<b>-</b>	<b>73,779</b>	<b>73,779</b>	<b>95,143</b>	<b>(21,364)</b>	<b>-22%</b>	<b>563</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>220,182</b>	<b>140,694</b>	<b>-</b>	<b>73,779</b>	<b>73,779</b>	<b>95,143</b>	<b>(21,364)</b>	<b>-22%</b>	<b>563</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>142,267</b>	<b>137,376</b>	<b>-</b>	<b>13,827</b>	<b>13,827</b>	<b>10,695</b>	<b>3,132</b>	<b>29%</b>	<b>137,376</b>
Capital transfers recognised	127,732	129,377	-	13,523	13,523	10,781	2,742	25%	129,377
Public contributions & donations	11,191	-	-	221	221	-	221	#DIV/0!	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	3,344	7,999	-	82	82	665	(583)	-88%	7,999
<b>Total sources of capital funds</b>	<b>142,267</b>	<b>137,376</b>	<b>-</b>	<b>13,827</b>	<b>13,827</b>	<b>11,446</b>	<b>2,380</b>	<b>21%</b>	<b>137,376</b>
<b>Financial position</b>									
Total current assets	126,091	17,964	-	-	210,303	-	-	-	17,964
Total non current assets	13,853	1,644,589	-	-	13,827	-	-	-	1,644,589
Total current liabilities	54	14,525	-	-	572	-	-	-	14,525
Total non current liabilities	2,264	3,834	-	-	20,115	-	-	-	3,834
<b>Community wealth/Equity</b>	<b>137,626</b>	<b>1,644,194</b>	<b>-</b>	<b>-</b>	<b>203,442</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,644,194</b>
<b>Cash flows</b>									
Net cash from (used) operating	176,867	160,405	-	42,436	32,436	121,074	88,638	73%	160,405
Net cash from (used) investing	(153,909)	(149,310)	-	(13,827)	(13,827)	(12,442)	1,384	-11%	(149,310)
Net cash from (used) financing	(392)	(784)	-	-	-	-	-	-	(784)
<b>Cash/cash equivalents at the month/year end</b>	<b>24,580</b>	<b>34,150</b>	<b>-</b>	<b>-</b>	<b>42,448</b>	<b>132,471</b>	<b>90,022</b>	<b>68%</b>	<b>34,150</b>
<b>Debtors &amp; creditors analysis</b>									
	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>Debtors Age Analysis</b>									
Total By Income Source	2,211	3,334	1,921	2,577	4,996	9,829	21,762	87,030	133,660
<b>Creditors Age Analysis</b>									
Total Creditors	221	351	-	-	-	-	-	-	572

#### 4.1.2 Table C2: Monthly Budget Statement – Financial Performance (standard classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance 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 structures used by the different institutions. The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

NC451 Joe Morolong - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M01 July

Description R thousands	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		165,286	130,233		53,306	53,306	54,847	(1,541)	-3%	130,233
Executive and council		5,998	6,315		6,315	6,315	6,315			6,315
Budget and treasury office		158,942	123,606		46,887	46,887	48,506	(1,619)	-3%	123,606
Corporate services		346	312		104	104	26	78	299%	312
<i>Community and public safety</i>		17,973	2,754		3,853	3,853	784	3,068	391%	2,754
Community and social services		3,870	2,634		774	774	774	0	0%	2,634
Sport and recreation										
Public safety			120				10	(10)	-100%	120
Housing		14,103			3,078	3,078		3,078	#DIV/0!	
Health										
<i>Economic and environmental services</i>		74,423	57,929		29,775	29,775	29,781	(6)	0%	57,929
Planning and development		67,716	57,929		29,775	29,775	29,781	(6)	0%	57,929
Road transport		6,708								
Environmental protection										
<i>Trading services</i>		116,706	110,723		1,826	1,826	23,424	(21,598)	-92%	110,723
Electricity		6,761	7,038		339	339	587	(248)	-42%	7,038
Water		106,864	101,114		1,207	1,207	22,624	(21,416)	-95%	101,114
Waste water management		1,953	1,650		177	177	138	40	29%	1,650
Waste management		1,128	920		102	102	77	26	33%	920
<b>Total Revenue - Standard</b>	<b>2</b>	<b>374,389</b>	<b>301,639</b>		<b>88,759</b>	<b>88,759</b>	<b>108,835</b>	<b>(20,077)</b>	<b>-18%</b>	<b>301,639</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		69,604	70,882		7,386	7,386	5,907	1,479	25%	70,882
Executive and council		29,571	18,741		1,419	1,419	1,562	(143)	-9%	18,741
Budget and treasury office		26,056	38,125		4,331	4,331	3,177	1,154	36%	38,125
Corporate services		13,976	14,017		1,636	1,636	1,168	468	40%	14,017
<i>Community and public safety</i>		22,833	8,584		1,917	1,917	715	1,201	168%	8,584
Community and social services		8,976	7,643		565	565	637	(72)	-11%	7,643
Sport and recreation										
Public safety		625	940		43	43	78	(36)	-45%	940
Housing		13,332			1,309	1,309		1,309	#DIV/0!	
Health										
<i>Economic and environmental services</i>		7,795	9,749		655	655	812	(158)	-19%	9,749
Planning and development		7,795	9,749		655	655	812	(158)	-19%	9,749
Road transport										
Environmental protection										
<i>Trading services</i>		126,633	75,098		5,023	5,023	6,258	(1,235)	-20%	71,730
Electricity		7,785	10,185		646	646	849	(203)	-24%	10,185
Water		117,060	63,213		4,208	4,208	5,268	(1,060)	-20%	59,845
Waste water management		912	702		73	73	59	15	25%	702
Waste management		876	998		95	95	83	12	15%	998
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>226,864</b>	<b>164,313</b>		<b>14,980</b>	<b>14,980</b>	<b>13,693</b>	<b>1,287</b>	<b>9%</b>	<b>160,945</b>
<b>Surplus/ (Deficit) for the year</b>		<b>147,525</b>	<b>137,326</b>		<b>73,779</b>	<b>73,779</b>	<b>95,143</b>	<b>(21,364)</b>	<b>-22%</b>	<b>140,694</b>

#### 4.1.3 Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Executive & Council; Budget and Treasury Office; Corporate Support Services; Community Services;; Technical Services; Electrical Services; Water Unit and Planning & Development.

NC451 Joe Morolong - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

Vote Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive & Council		5,998	6,315	–	6,315	6,315	6,315	–		6,315
Vote 2 - Budget & Treasury Office		164,546	123,606	–	46,887	46,887	48,506	(1,619)	-3.3%	123,606
Vote 3 - Corporate Support Services		346	312	–	104	104	26	78	299.4%	312
Vote 4 - Community Services		21,052	5,325	–	4,132	4,132	998	3,134	313.9%	5,325
Vote 5 - Technical Services		70,900	57,929	–	29,775	29,775	29,781	(6)	0.0%	57,929
Vote 6 - Electricity Services		6,761	7,038	–	339	339	587	(248)	-42.2%	7,038
Vote 7 - Water Services		168,639	101,114	–	1,207	1,207	22,624	(21,416)	-94.7%	101,114
Vote 8 - Development & Town Planning Services		5	–	–	–	–	–	–		–
<b>Total Revenue by Vote</b>	2	<b>438,248</b>	<b>301,639</b>	<b>–</b>	<b>88,759</b>	<b>88,759</b>	<b>108,835</b>	<b>(20,077)</b>	<b>-18.4%</b>	<b>301,639</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive & Council		29,571	18,741	–	1,419	1,419	1,562	(143)	-9.2%	18,741
Vote 2 - Budget & Treasury Office		23,712	38,125	–	4,331	4,331	3,177	1,154	36.3%	38,125
Vote 3 - Corporate Support Services		13,976	14,017	–	1,636	1,636	1,168	468	40.1%	14,017
Vote 4 - Community Services		24,620	10,284	–	2,086	2,086	857	1,229	143.4%	10,284
Vote 5 - Technical Services		4,775	5,594	–	427	427	466	(39)	-8.3%	5,594
Vote 6 - Electricity Services		7,785	10,185	–	646	646	849	(203)	-23.9%	10,185
Vote 7 - Water Services		65,560	63,213	–	4,208	4,208	5,268	(1,060)	-20.1%	59,845
Vote 8 - Development & Town Planning Services		2,643	4,155	–	227	227	346	(119)	-34.4%	4,155
<b>Total Expenditure by Vote</b>	2	<b>172,644</b>	<b>164,313</b>	<b>–</b>	<b>14,980</b>	<b>14,980</b>	<b>13,693</b>	<b>1,287</b>	<b>9.4%</b>	<b>160,945</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>265,604</b>	<b>137,326</b>	<b>–</b>	<b>73,779</b>	<b>73,779</b>	<b>95,143</b>	<b>(21,364)</b>	<b>-22.5%</b>	<b>140,694</b>

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent.

The year-to-date actual revenue reflects 82% achievement while operating expenditure is 109% above year-to-date budget.

## 4.1.4 Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)

NC451 Joe Morolong - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	Budget Year 2016/17								
		2015/16 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 Source</b>										
Property rates		20,745	12,863		303	303		303	#DIV/0!	12,863
Property rates - penalties & collection charges										
Service charges - electricity revenue		3,268	7,038		127	127	587	(460)	-78%	7,038
Service charges - water revenue		8,297	15,200		196	196	1,267	(1,071)	-85%	15,200
Service charges - sanitation revenue		1,953	1,650		177	177	138	40	29%	1,650
Service charges - refuse revenue		1,128	920		102	102	77	26	33%	920
Service charges - other										
Rental of facilities and equipment		133	93		83	83	8	75	973%	93
Interest earned - external investments		912								
Interest earned - outstanding debtors			50		43	43	4	39	937%	50
Dividends received										
Fines										
Licences and permits										
Agency services			120				10	(10)	-100%	120
Transfers recognised - operational		155,966	122,361		51,794	51,794	48,716	3,078	6%	122,361
Other revenue		26,577	1,212		5,159	5,159	101	5,058	5007%	1,212
Gains on disposal of PPE										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>218,979</b>	<b>161,508</b>		<b>57,984</b>	<b>57,984</b>	<b>50,906</b>	<b>7,078</b>	<b>14%</b>	<b>161,508</b>
<b>Expenditure By Type</b>										
Employee related costs		49,160	52,979		4,688	4,688	4,415	273	6%	52,979
Remuneration of councillors		7,934	10,015		713	713	835	(121)	-15%	10,015
Debt impairment			3,053				254	(254)	-100%	3,053
Depreciation & asset impairment			10,000				833	(833)	-100%	10,000
Finance charges		605	943		14	14	79	(65)	-83%	943
Bulk purchases		8,064	12,085		1,312	1,312	1,007	305	30%	12,085
Other materials										
Contracted services		15,595	22,585		2,090	2,090	1,882	207	11%	22,585
Transfers and grants		2,807	4,938		293	293	412	(119)	-29%	4,938
Other expenditure		67,422	44,347		5,871	5,871	3,976	1,895	48%	44,347
Loss on disposal of PPE										
<b>Total Expenditure</b>		<b>151,588</b>	<b>160,945</b>		<b>14,980</b>	<b>14,980</b>	<b>13,693</b>	<b>1,287</b>	<b>9%</b>	<b>160,945</b>
<b>Surplus/(Deficit)</b>										
Transfers recognised - capital		152,790	140,131		30,775	30,775	57,930	(27,155)	(0)	
Contributions recognised - capital										
Contributed assets										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>220,182</b>	<b>140,694</b>		<b>73,779</b>	<b>73,779</b>	<b>95,143</b>			<b>563</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>220,182</b>	<b>140,694</b>		<b>73,779</b>	<b>73,779</b>	<b>95,143</b>			<b>563</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>220,182</b>	<b>140,694</b>		<b>73,779</b>	<b>73,779</b>	<b>95,143</b>			<b>563</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>220,182</b>	<b>140,694</b>		<b>73,779</b>	<b>73,779</b>	<b>95,143</b>			<b>563</b>

The year-to-date operating revenue actuals reflects an achievement of 114% of the year-to-date budget, 14% above the target.

Current expenditure is almost 109%, above year-to-date budget projections for July 2016

### 4.1.5 Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

NC451 Joe Morolong - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M01 July

Vote Description R thousands	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance%	Full Year Forecast
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive & Council										
Vote 2 - Budget & Treasury Office										
Vote 3 - Corporate Support Services										
Vote 4 - Community Services		25,443	17,412		1,321	1,321	1,451	(130)	-9%	17,412
Vote 5 - Technical Services		24,878	20,474		2,508	2,508	1,706	802	47%	20,474
Vote 6 - Electricity Services										
Vote 7 - Water Services		84,346	90,241		9,915	9,915	7,520	2,395	32%	90,241
Vote 8 - Development & Town Planning Services										
<b>Total Capital Multi-year expenditure</b>	4,7	134,667	128,127		13,745	13,745	10,677	3,067	29%	128,127
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive & Council			40							40
Vote 2 - Budget & Treasury Office		157	150							150
Vote 3 - Corporate Support Services		801	2,520		82	82		82	#DIV/0!	2,520
Vote 4 - Community Services		6,642	6,330							6,330
Vote 5 - Technical Services										
Vote 6 - Electricity Services										
Vote 7 - Water Services			209				17	(17)	-100%	209
Vote 8 - Development & Town Planning Services										
<b>Total Capital single-year expenditure</b>	4	7,600	9,249		82	82	17	65	371%	9,249
<b>Total Capital Expenditure</b>		142,267	137,376		13,827	13,827	10,695	3,132	29%	137,376
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		957	2,720		82	82		82	#DIV/0!	2,720
Executive and council			40							40
Budget and treasury office		157	150							150
Corporate services		801	2,530		82	82		82	#DIV/0!	2,530
<b>Community and public safety</b>		6,645	12,091				1,003	(1,003)	-100%	12,091
Community and social services		5,888	5,330				439	(439)	-100%	5,330
Sport and recreation			5,761				480	(480)	-100%	5,761
Public safety		757	1,000				83	(83)	-100%	1,000
Housing										
Health										
<b>Economic and environmental services</b>		24,878	20,474		2,508	2,508	1,706	802	47%	20,474
Planning and development										
Road transport		24,878	20,474		2,508	2,508	1,706	802	47%	20,474
Environmental protection										
<b>Trading services</b>		109,787	102,101		11,236	11,236	8,508	2,728	32%	102,101
Electricity										
Water		87,293	90,450		9,915	9,915	7,537	2,377	32%	90,450
Waste water management		22,494	11,652		1,321	1,321	971	351	36%	11,652
Waste management										
<b>Other</b>										
<b>Total Capital Expenditure - Standard Classification</b>	3	142,267	137,386		13,827	13,827	11,217	2,609	23%	137,386
<b>Funded by:</b>										
National Government		127,689	129,377		13,523	13,523	10,781	2,742	25%	129,377
Provincial Government		43								
District Municipality										
Other transfers and grants										
<b>Transfers recognised - capital</b>		127,732	129,377		13,523	13,523	10,781	2,742	25%	129,377
Public contributions & donations	5	11,191			221	221		221	#DIV/0!	
Borrowing	6									
Internally generated funds		3,344	7,999		82	82	665	(583)	-88%	7,999
<b>Total Capital Funding</b>		142,267	137,376		13,827	13,827	11,446	2,380	21%	137,376

#### 4.1.6 Table C6: Monthly Budget Statement - Financial Position

NC451 Joe Morolong - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	Budget Year 2016/17				
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		3,010	9,998		31,768	9,998
Call investment deposits		21,570	260		42,448	260
Consumer debtors		39,204	5,155		73,651	5,155
Other debtors		60,729			60,010	
Current portion of long-term receivables						
Inventory		1,578	2,550		2,426	2,550
<b>Total current assets</b>		<b>126,091</b>	<b>17,964</b>	-	<b>210,303</b>	<b>17,964</b>
<b>Non current assets</b>						
Long-term receivables						
Investments						
Investment property						
Investments in Associate						
Property, plant and equipment		13,853	1,644,189		13,827	1,644,189
Agricultural						
Biological assets						
Intangible assets			400			400
Other non-current assets						
<b>Total non current assets</b>		<b>13,853</b>	<b>1,644,589</b>	-	<b>13,827</b>	<b>1,644,589</b>
<b>TOTAL ASSETS</b>		<b>139,944</b>	<b>1,662,553</b>	-	<b>224,130</b>	<b>1,662,553</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Borrowing			784			784
Consumer deposits						
Trade and other payables		54	13,740		572	13,740
Provisions						
<b>Total current liabilities</b>		<b>54</b>	<b>14,525</b>	-	<b>572</b>	<b>14,525</b>
<b>Non current liabilities</b>						
Borrowing		2,264	2,124		1,938	2,124
Provisions			1,710		18,178	1,710
<b>Total non current liabilities</b>		<b>2,264</b>	<b>3,834</b>	-	<b>20,115</b>	<b>3,834</b>
<b>TOTAL LIABILITIES</b>		<b>2,318</b>	<b>18,359</b>	-	<b>20,687</b>	<b>18,359</b>
<b>NET ASSETS</b>	2	<b>137,626</b>	<b>1,644,194</b>	-	<b>203,442</b>	<b>1,644,194</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		137,626	1,644,194		203,442	1,644,194
Reserves						
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>137,626</b>	<b>1,644,194</b>	-	<b>203,442</b>	<b>1,644,194</b>

## 4.1.7 Table C7: Monthly Budget Statement - Cash Flow

NC451 Joe Morolong - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2015/16		Budget Year 2016/17						
		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, penalties & collection charges		5,601	12,219		73	73		73	#DIV/0!	12,219
Service charges		11,231	23,568		134	134	1,964	(1,831)	-93%	23,568
Other revenue		26,644	1,357		5,242	5,242	113	5,129	4535%	1,357
Government - operating		155,391	120,820		52,796	52,796	60,410	(7,614)	-13%	120,820
Government - capital		151,553	140,131		29,773	29,773	70,066	(40,293)	-58%	140,131
Interest		751	48		43	43		43	#DIV/0!	48
Dividends										
<b>Payments</b>										
Suppliers and employees		(171,122)	(97,266)		(45,319)	(55,319)	(10,988)	44,331	-403%	(97,266)
Finance charges		(668)	(943)		(14)	(14)	(79)	(65)	83%	(943)
Transfers and Grants		(2,513)	(39,529)		(293)	(293)	(412)	(119)	29%	(39,529)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>176,867</b>	<b>160,405</b>		<b>42,436</b>	<b>32,436</b>	<b>121,074</b>	<b>88,638</b>	<b>73%</b>	<b>160,405</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										
<b>Payments</b>										
Capital assets		(153,909)	(149,310)		(13,827)	(13,827)	(12,442)	1,384	-11%	(149,310)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(153,909)</b>	<b>(149,310)</b>		<b>(13,827)</b>	<b>(13,827)</b>	<b>(12,442)</b>	<b>1,384</b>	<b>-11%</b>	<b>(149,310)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
<b>Payments</b>										
Repayment of borrowing		(392)	(784)							(784)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(392)</b>	<b>(784)</b>							<b>(784)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>22,566</b>	<b>10,311</b>		<b>28,610</b>	<b>18,610</b>	<b>108,632</b>			<b>10,311</b>
Cash/cash equivalents at beginning:		2,014	23,839			23,839	23,839			23,839
Cash/cash equivalents at month/year end:		24,580	34,150			42,448	132,471			34,150

Table C7 includes the balance of the Cashbook and Current Investment Deposits.

Refer to section 7 and 10 for a more comprehensive picture of the cash position of the municipality which is short investment and available cash in primary bank account.

## PART 2 – SUPPORTING DOCUMENTATION

### Section 5 – Debtors' analysis

#### Supporting Table SC3

NC451 Joe Morolong - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2016/17									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			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	1,005	797	766	1,216	3,821	8,534	7,235	16,295	39,670	37,102		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	222	120	53	169	132	132	722	2,857	4,407	4,012		
Receivables from Non-exchange Transactions - Property Rates	1400	563	1,818	772	760	758	761	12,133	5,894	23,468	20,315		
Receivables from Exchange Transactions - Waste Water Management	1500	218	186	182	179	177	181	749	1,721	3,593	3,007		
Receivables from Exchange Transactions - Waste Management	1600	129	109	107	105	104	104	507	1,348	2,513	2,168		
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	75	304	41	138	5	117	415	58,915	60,010	59,589		
<b>Total By Income Source</b>	<b>2000</b>	<b>2,211</b>	<b>3,334</b>	<b>1,921</b>	<b>2,577</b>	<b>4,996</b>	<b>9,829</b>	<b>21,762</b>	<b>87,830</b>	<b>133,660</b>	<b>126,194</b>	-	-
2015/16 - totals only										-	-		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	3	130	39	60	42	42	2,541	166	3,024	2,852		
Commercial	2300	866	976	572	821	670	685	7,730	13,120	25,440	23,026		
Households	2400	1,269	2,015	1,234	1,604	4,206	9,032	10,995	72,763	103,117	98,599		
Other	2500	74	212	76	92	78	70	496	981	2,080	1,718		
<b>Total By Customer Group</b>	<b>2600</b>	<b>2,211</b>	<b>3,334</b>	<b>1,921</b>	<b>2,577</b>	<b>4,996</b>	<b>9,829</b>	<b>21,762</b>	<b>87,830</b>	<b>133,660</b>	<b>126,194</b>	-	-

### Section 6 – Creditors' analysis

#### Supporting Table SC4

NC451 Joe Morolong - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description	NT Code	Budget Year 2016/17									Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year				
R thousands													
<b>Creditors Age Analysis By Customer Type</b>													
Bulk Electricity	0100		351									351	
Bulk Water	0200											-	
PAYE deductions	0300											-	
VAT (output less input)	0400											-	
Pensions / Retirement deductions	0500											-	
Loan repayments	0600											-	
Trade Creditors	0700											-	
Auditor General	0800											-	
Other	0900	221										221	
<b>Total By Customer Type</b>	<b>1000</b>	<b>221</b>	<b>351</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>572</b>	<b>-</b>



## Section 7 – Investment portfolio analysis

### Supporting Table SC5

NC451 Joe Morolong - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

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
R thousands		Yrs/Months							
<b>Municipality</b>									
ABSA Bank-9288820487		Call Account	Call Deposit	Call Deposit	1		262		263
ABSA Bank-2073969801		Fixed Deposit	Fixed deposit		0		33		33
FNB-62247117709		Call Account	Call Deposit	Call Deposit	1		112		113
Standard Bank-548529973-003		Call Account	Money Market	Call Deposit	0		77		77
ABSA-9297200038		Depositor Plus	Depositor Plus	Depositor Plus	1		245		246
Standard Bank-548529973-002		Call Deposit	Call Deposit	Call Deposit	0		5		5
Standard Bank-508866243-001		Fixed Deposit	Fixed deposit		-		-		-
NedBank 7881112840/000002		Call Deposit	Call Deposit	Call Deposit	16		20,837	(20,000)	853
ABSA 2076158401		Call Account	Call Deposit	Call Deposit	178			30,000	30,178
<b>Municipality sub-total</b>					198		21,570	10,000	31,768
<b>Entities</b>									
<b>Entities sub-total</b>					-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2				198		21,570	10,000	31,768

## Section 8 – Allocation and grant receipts and expenditure

### 8.1 Supporting Table SC6 – Grant Receipts

NC451 Joe Morolong - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance%	Full Year Forecast
R thousands									%	
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		142,694	117,928	-	47,945	47,945	47,945	-		117,928
Local Government Equitable Share		115,253	115,068		47,945	47,945	47,945	-		115,068
Water Services Operating Subsidy		22,500								
Finance Management		1,675	1,810							1,810
Municipal Systems Improvement		930								
EPWP Incentive		2,336	1,050							1,050
<b>Provincial Government:</b>		15,280	1,541	-	771	771	771	-		1,541
Sport and Recreation		1,505	1,541		771	771	771	-		1,541
Housing		13,775								
<b>District Municipality:</b>										
[insert description]										
<b>Other grant providers:</b>										
[insert description]										
<b>Total Operating Transfers and Grants</b>	5	157,974	119,469	-	48,716	48,716	48,716	-		119,469
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		129,961	143,023	-	29,773	29,773	51,069	(21,296)	-41.7%	143,023
Municipal Infrastructure Grant (MIG)		63,599	67,839		29,773	29,773	29,773			67,839
Municipal Water Infrastructure Grant		60,000								
Regional Bulk Infrastructure		6,362								
Water Services Infrastructure Grant			85,184				21,296	(21,296)	-100.0%	85,184
<b>Provincial Government:</b>										
[insert description]										
<b>District Municipality:</b>										
[insert description]										
<b>Other grant providers:</b>		14,915								
South 32		6,390								
Kumba Iron Ore (Access Road)		8,525								
<b>Total Capital Transfers and Grants</b>	5	144,876	143,023	-	29,773	29,773	51,069	(21,296)	-41.7%	143,023
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	302,850	262,492	-	78,489	78,489	99,785	(21,296)	-21.3%	262,492

It should be noted that no provincial or national grants should be received during April to June of any year. This is to prevent confusion from the overlap of the national government and the local government financial years and the negative impact this has previously had on reporting.

## 8.2 Supporting Table SC7 (1) – Grant expenditure.

NC451 Joe Morolong - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	Ref	Budget Year 2016/17								
	2015/16	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		142,675	117,928	-	-	-	9,827	(9,827)	-100.0%	117,928
Local Government Equitable Share		115,253	115,068				9,589	(9,589)	-100.0%	115,068
Water Services Operating Subsidy		22,500								
Finance Management		1,635	1,810				151	(151)	-100.0%	1,810
Municipal Systems Improvement		951								
EPWP Incentive		2,336	1,050				88	(88)	-100.0%	1,050
Other transfers and grants [insert description]										
<b>Provincial Government:</b>		13,725	1,541	-	-	-	128	(128)	-100.0%	1,541
Sport and Recreation		1,505	1,541				128	(128)	-100.0%	1,541
Housing		12,220								
<b>District Municipality:</b>										
<b>Other grant providers:</b>										
<b>Total operating expenditure of Transfers and Grants:</b>		156,400	119,469	-	-	-	9,956	(9,956)	-100.0%	119,469
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		126,439	143,023	-	-	-	11,919	(11,919)	-100.0%	143,023
Municipal Infrastructure Grant (MIG)		63,530	57,839				4,820	(4,820)	-100.0%	57,839
Municipal Water Infrastructure Grant		60,003								
Regional Bulk Infrastructure		2,906								
Water Services Infrastructure Grant			85,184				7,099	(7,099)	-100.0%	85,184
<b>Provincial Government:</b>										
<b>District Municipality:</b>										
<b>Other grant providers:</b>		9,836								
South 32		3,254								
Kumba Iron Ore (Access Road)		6,582								
<b>Total capital expenditure of Transfers and Grants</b>		136,275	143,023	-	-	-	11,919	(11,919)	-100.0%	143,023
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		292,675	262,492	-	-	-	21,874	(21,874)	-100.0%	262,492

## Section 9 – Expenditure on councillors and board members allowances and employee benefits

### 9.1 Supporting Table SC8

**NC451 Joe Morolong - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July**

Summary of Employee and Councillor remuneration	Ref	2015/16	Budget Year 2016/17							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		4,068	6,114		409	409	509	(100)	-20%	6,114
Pension and UIF Contributions		668	917		72	72	76	(5)	-6%	917
Medical Aid Contributions								-		
Motor Vehicle Allowance		1,974	2,274		177	177	190	(12)	-6%	2,274
Cellphone Allowance		785	710		55	55	59	(4)	-7%	710
Housing Allowances								-		
Other benefits and allowances								-		
<b>Sub Total - Councillors</b>		<b>7,495</b>	<b>10,015</b>	<b>-</b>	<b>713</b>	<b>713</b>	<b>835</b>	<b>(121)</b>	<b>-15%</b>	<b>10,015</b>
<b>% increase</b>	4		<b>33.6%</b>							<b>33.6%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	2,976	2,945		262	262	227	35	15%	2,945
Pension and UIF Contributions		479	524		43	43	44	(1)	-1%	524
Medical Aid Contributions		333	150		12	12	12	(0)	-3%	150
Overtime		-	-		-	-	-	-		-
Performance Bonus		-	-		-	-	-	-		-
Motor Vehicle Allowance		1,280	1,655		111	111	138	(27)	-19%	1,655
Cellphone Allowance		54	97		7	7	8	(1)	-12%	97
Housing Allowances		594	518		59	59	43	16	36%	518
Other benefits and allowances		0	0		0	0	0	0	1113%	0
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations	2							-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>5,718</b>	<b>5,889</b>	<b>-</b>	<b>494</b>	<b>494</b>	<b>472</b>	<b>22</b>	<b>5%</b>	<b>5,889</b>
<b>% increase</b>	4		<b>3.0%</b>							<b>3.0%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		26,872	28,896		2,442	2,442	2,223	219	10%	28,896
Pension and UIF Contributions		4,714	5,481		441	441	457	(16)	-3%	5,481
Medical Aid Contributions		3,272	2,473		276	276	206	70	34%	2,473
Overtime		1,618	1,163		146	146	97	49	51%	1,163
Performance Bonus		2,002	2,392				2,392	(2,392)	-100%	2,392
Motor Vehicle Allowance		6,055	2,700		626	626	225	401	178%	2,700
Cellphone Allowance		484	1,105		37	37	92	(55)	-59%	1,105
Housing Allowances		2,233	2,465		181	181	205	(24)	-12%	2,465
Other benefits and allowances		503	416		43	43	35	8	24%	416
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations	2							-		
<b>Sub Total - Other Municipal Staff</b>		<b>47,754</b>	<b>47,090</b>	<b>-</b>	<b>4,193</b>	<b>4,193</b>	<b>5,931</b>	<b>(1,738)</b>	<b>-29%</b>	<b>47,090</b>
<b>% increase</b>	4		<b>-1.4%</b>							<b>-1.4%</b>

<b>Total Parent Municipality</b>		60,967	62,993	-	5,400	5,400	7,238	(1,838)	-25%	62,993
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>			3.3%							3.3%
<b>Board Members of Entities</b>										
Sub Total - Board Members of Entities	2	-	-	-	-	-	-	-		-
% increase	4									
<b>Senior Managers of Entities</b>										
Sub Total - Senior Managers of Entities	4	-	-	-	-	-	-	-		-
% increase	4									
<b>Other Staff of Entities</b>										
Sub Total - Other Staff of Entities	4	-	-	-	-	-	-	-		-
% increase	4									
<b>Total Municipal Entities</b>		-	-	-	-	-	-	-		-
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		60,967	62,993	-	5,400	5,400	7,238	(1,838)	-25%	62,993
% increase	4		3.3%							3.3%
<b>TOTAL MANAGERS AND STAFF</b>		53,472	52,979	-	4,687	4,687	6,403	(1,716)	-27%	52,979

**Section 10 – Actual and Revised Targets for Cash Receipts**

**9.1 Supporting Table SC9**

**NC451 Joe Morolong - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M01 July**

R thousands	Description	Ref	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework	
			July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2016/17	Budget Year +1 2017/18
	<b>Cash Receipts By Source</b>	1														
	Property rates		73											12,219		
	Property rates - penalties & collection charges		-											-		
	Service charges - electricity revenue		77											6,687		
	Service charges - water revenue		51											14,440		
	Service charges - sanitation revenue		1											1,568		
	Service charges - refuse		4											874		
	Service charges - other		-											-		
	Rental of facilities and equipment		83											5		
	Interest earned - external investments		43											(43)		
	Interest earned - outstanding debtors		-											48		
	Dividends received		-											-		
	Fines		-											-		
	Licences and permits		-											-		
	Agency services		-											-		
	Transfer receipts - operating		51,794											114		
	Other revenue		5,159											69,026		
			57,287											1,155		
	<b>Cash Receipts by Source</b>													100,726		
	<b>Other Cash Flows by Source</b>															
	Transfer receipts - capital		30,775											109,356		
	Contributions & Contributed assets		-											-		
	Proceeds on disposal of PPE		-											-		
	Short term loans		-											-		
	Borrowing long term/refinancing		-											-		
	Increase in consumer deposits		-											-		
	Receipt of non-current debtors		-											-		
	Receipt of non-current receivables		-											-		
	Change in non-current investments		-											-		
	<b>Total Cash Receipts by Source</b>		88,061											210,082		
	<b>Cash Payments by Type</b>															
	Employee related costs		4,688											48,687		
	Remuneration of councillors		713											8,508		
	Interest paid		14											930		
	Bulk purchases - Electricity		646											5,776		
	Bulk purchases - Water & Sewer		665											4,997		
	Other materials		-											-		
	Contracted services		2,080											20,496		
	Grants and subsidies paid - other municipalities		283											4,645		
	Grants and subsidies paid - other		-											34,590		
	General expenses		36,516											(36,516)		
	<b>Cash Payments by Type</b>		45,625											137,738		
	<b>Other Cash Flows/Payments by Type</b>															
	Capital assets		13,827											135,483		
	Repayment of borrowing		-											784		
	Other Cash Flows/Payments		10,000											(10,000)		
	<b>Total Cash Payments by Type</b>		69,452											216,361		
	<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		18,610											(6,299)		
	Cash/cash equivalents at the month/year beginning:		23,839											42,448		
	Cash/cash equivalents at the month/year end:		42,448											42,448		

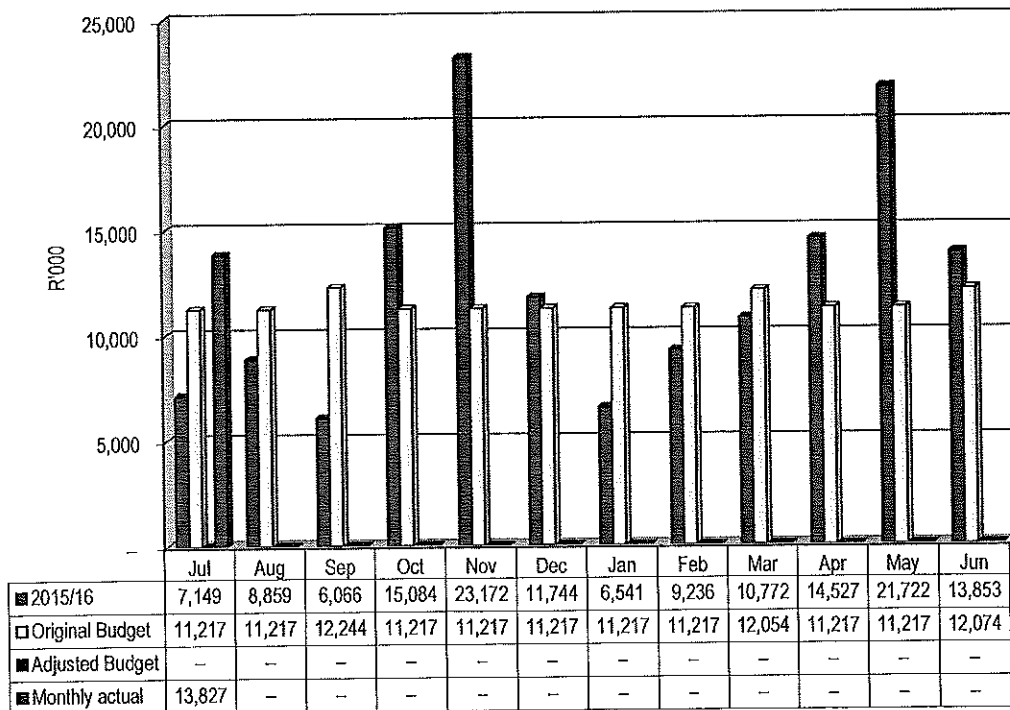
# Section 11 – Capital programme performance

## 11.1 Supporting Table SC12

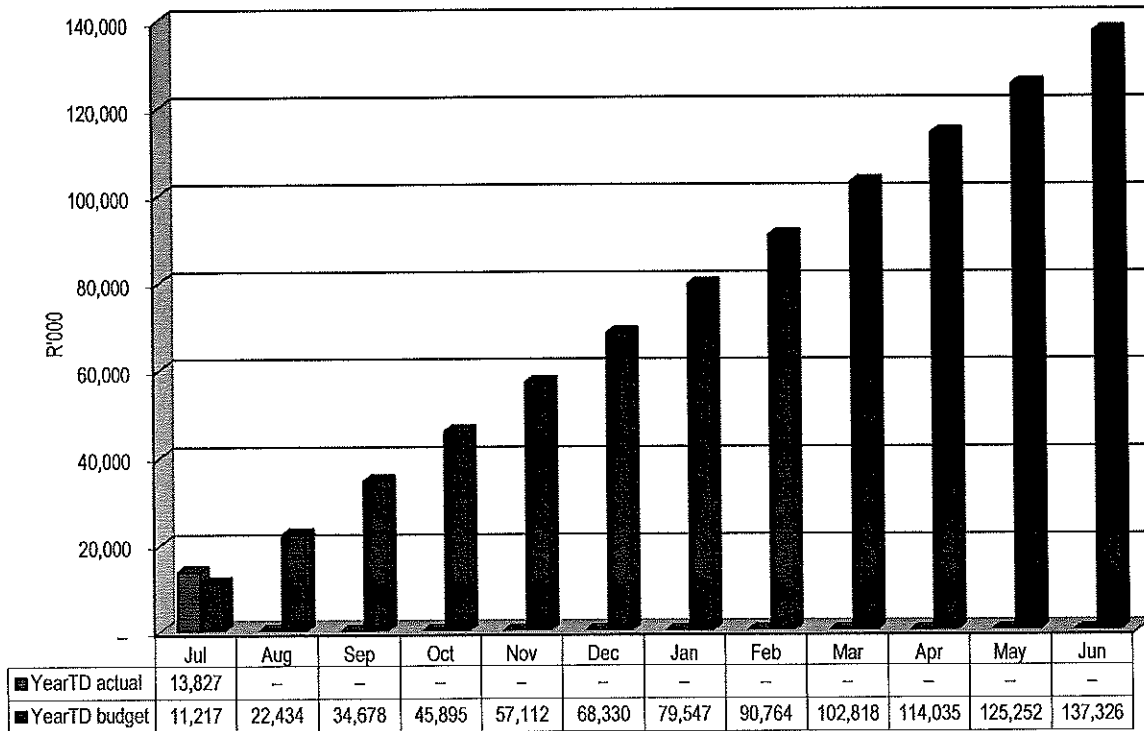
NC451 Joe Morolong - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<b>Monthly expenditure performance trend</b>									
July	7,149	11,217		13,827	13,827	11,217	(2,609)	-23.3%	10%
August	8,859	11,217				22,434	-		
September	6,066	12,244				34,678	-		
October	15,084	11,217				45,895	-		
November	23,172	11,217				57,112	-		
December	11,744	11,217				68,330	-		
January	6,541	11,217				79,547	-		
February	9,236	11,217				90,764	-		
March	10,772	12,054				102,818	-		
April	14,527	11,217				114,035	-		
May	21,722	11,217				125,252	-		
June	13,853	12,074				137,326	-		
<b>Total Capital expenditure</b>	<b>148,725</b>	<b>137,326</b>	<b>-</b>	<b>13,827</b>					

Chart C1 2016/17 Capital Expenditure Monthly Trend: actual v target



**Chart C2 2016/17 Capital Expenditure: YTD actual v YTD target**





## 11.2 Supporting Tables SC13

### 11.2.1 Supporting Table SC13a

NC451 Joe Morolong - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		125,896	122,575	-	13,745	13,745	10,215	(3,530)	-34.6%	122,575
Infrastructure - Road transport		17,716	20,474	-	2,508	2,508	1,706	(802)	-47.0%	20,474
<i>Roads, Pavements &amp; Bridges</i>		17,716	20,474		2,508	2,508	1,706	(802)	-47.0%	20,474
<i>Storm water</i>		-	-		-	-	-	-		-
Infrastructure - Electricity		-	-	-	-	-	-	-		-
<i>Generation</i>		-	-		-	-	-	-		-
<i>Transmission &amp; Reticulation</i>		-	-		-	-	-	-		-
<i>Street Lighting</i>		-	-		-	-	-	-		-
Infrastructure - Water		86,550	90,450	-	9,915	9,915	7,537	(2,377)	-31.5%	90,450
<i>Dams &amp; Reservoirs</i>		-	-		-	-	-	-		-
<i>Water purification</i>		-	-		-	-	-	-		-
<i>Reticulation</i>		86,550	90,450		9,915	9,915	7,537	(2,377)	-31.5%	90,450
Infrastructure - Sanitation		21,630	11,652	-	1,321	1,321	971	(351)	-36.1%	11,652
<i>Reticulation</i>		21,630	11,652		1,321	1,321	971	(351)	-36.1%	11,652
<i>Sewerage purification</i>		-	-		-	-	-	-		-
Infrastructure - Other		-	-	-	-	-	-	-		-
<i>Waste Management</i>		-	-		-	-	-	-		-
<i>Transportation</i>		-	-		-	-	-	-		-
<i>Gas</i>		-	-		-	-	-	-		-
<i>Other</i>		-	-		-	-	-	-		-
<b>Community</b>		5,873	10,831	-	-	-	480	480	100.0%	10,831
Parks & gardens		-	20		-	-	-	-		20
Sportsfields & stadia		-	5,761		-	-	480	480	100.0%	5,761
Swimming pools		-	-		-	-	-	-		-
Community halls		3,537	4,000		-	-	-	-		4,000
Libraries		-	-		-	-	-	-		-
Recreational facilities		-	-		-	-	-	-		-
Fire, safety & emergency		-	-		-	-	-	-		-
Security and policing		-	-		-	-	-	-		-
Buses		-	-		-	-	-	-		-
Clinics		-	-		-	-	-	-		-
Museums & Art Galleries		-	-		-	-	-	-		-
Cemeteries		2,338	1,050		-	-	-	-		1,050
Social rental housing		-	-		-	-	-	-		-
Other		-	-		-	-	-	-		-
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings		-	-		-	-	-	-		-
Other		-	-		-	-	-	-		-
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development		-	-		-	-	-	-		-
Other		-	-		-	-	-	-		-
<b>Other assets</b>		1,415	3,520	-	82	82	-	(82)	#DIV/0!	3,520
General vehicles		-	200		-	-	-	-		200
Specialised vehicles		-	-		-	-	-	-		-
Plant & equipment		-	80		-	-	-	-		80
Computers - hardware/equipment		385	440		82	82	-	(82)	#DIV/0!	440
Furniture and other office equipment		40	-		-	-	-	-		-
Abattoirs		-	-		-	-	-	-		-
Markets		-	-		-	-	-	-		-
Civic Land and Buildings		-	-		-	-	-	-		-
Other Buildings		990	2,800		-	-	-	-		2,800
Other Land		-	-		-	-	-	-		-
Surplus Assets - (Investment or Inventory)		-	-		-	-	-	-		-
Other		-	-		-	-	-	-		-
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class		-	-		-	-	-	-		-
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class		-	-		-	-	-	-		-
<b>Intangibles</b>		318	400	-	-	-	-	-		400
Computers - software & programming		318	400		-	-	-	-		400
Other		-	-		-	-	-	-		-
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>133,502</b>	<b>137,326</b>	<b>-</b>	<b>13,827</b>	<b>13,827</b>	<b>10,895</b>	<b>(3,132)</b>	<b>-29.3%</b>	<b>137,326</b>
<b>Specialised vehicles</b>		-	-	-	-	-	-	-		-
Refuse		-	-		-	-	-	-		-
Fire		-	-		-	-	-	-		-
Conservancy		-	-		-	-	-	-		-
Ambulances		-	-		-	-	-	-		-

## 11.2.2 Supporting Table SC13c

NC451 Joe Morolong - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		17,893	15,705	-	-	-	1,309	1,309	100.0%	15,705
Infrastructure - Road transport		-	126	-	-	-	11	11	100.0%	126
Roads, Pavements & Bridges			126				11	11	100.0%	126
Storm water										
Infrastructure - Electricity		189	630	-	-	-	53	53	100.0%	630
Generation										
Transmission & Reticulation		189	630				53	53	100.0%	630
Street Lighting										
Infrastructure - Water		17,575	14,804	-	-	-	1,234	1,234	100.0%	14,804
Dams & Reservoirs										
Water purification		651	450				38	38	100.0%	450
Reticulation		16,924	14,354				1,196	1,196	100.0%	14,354
Infrastructure - Sanitation		129	145	-	-	-	12	12	100.0%	145
Reticulation		129	145				12	12	100.0%	145
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-		-
Waste Management										
Transportation										
Gas										
Other										
<b>Community</b>		1	21	-	-	-	5	5	100.0%	21
Parks & gardens										
Sportsfields & stadia	1	1	21				5	5	100.0%	21
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings										
Other										
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development										
Other										
<b>Other assets</b>		757	503	-	9	5	42	37	88.7%	503
General vehicles		102	173		5	5	14	10	67.1%	173
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment										
Computers - hardware/equipment		184	80				7	7	100.0%	80
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		471	250		4		21	21	100.0%	250
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class										
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class										
<b>Intangibles</b>		-	-	-	-	-	-	-		-
Computers - software & programming										
Other										
<b>Total Repairs and Maintenance Expenditure</b>		<b>18,651</b>	<b>16,229</b>	<b>-</b>	<b>9</b>	<b>5</b>	<b>1,356</b>	<b>1,351</b>	<b>99.7%</b>	<b>16,229</b>
<b>Specialised vehicles</b>		-	-	-	-	-	-	-		-
Refuse										
Fire										
Conservancy										
Ambulances										

## **Section 12 – Parent municipality financial performance**

### **12.1 Supporting Table SC10**

The tables contained in this report are for Joe Morolong Local Municipality as the parent municipality only.

## **Section 13 – Municipal entity summary**

### **13.1 Supporting Table SC11**

Not applicable.

## **Section 14 – In-year reports of municipal entities attached to the municipality's in-year report**

### **14.1 Listing of in-year reports for municipal entities attached to this report**

Not applicable.

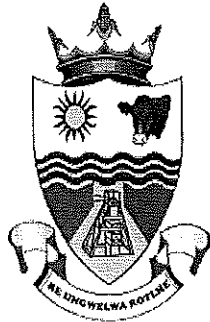
## **Section 15 – Other supporting documentation**

### **15.1 Other information**

None.

## Section 16: Municipal Manager's Quality Certificate

JOE MOROLONG LOCAL MUNICIPALITY



JOE MOROLONG  
LOCAL MUNICIPALITY

NC 451

### QUALITY CERTIFICATE

I, Tshepo Macdonald Bloom, Municipal Manager of Joe Morolong Local Municipality, hereby certify that-  
(mark as appropriate)

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

for the month of July 2016 of 2016/17 *FY* has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

PRINT NAME: Tshepo Macdonald Bloom

Municipal Manager of JOE MOROLONG LOCAL MUNICIPALITY (NC 451)

Signature: 

Date : 15/08/2016