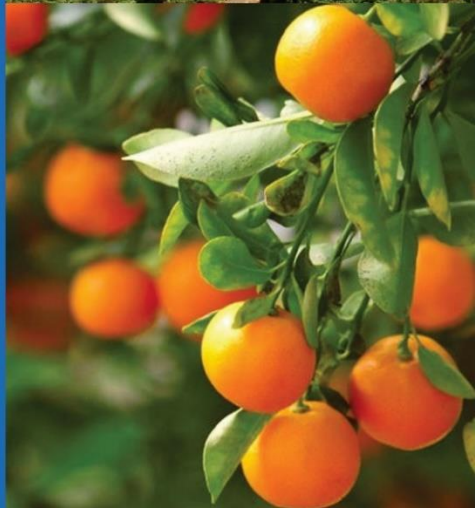
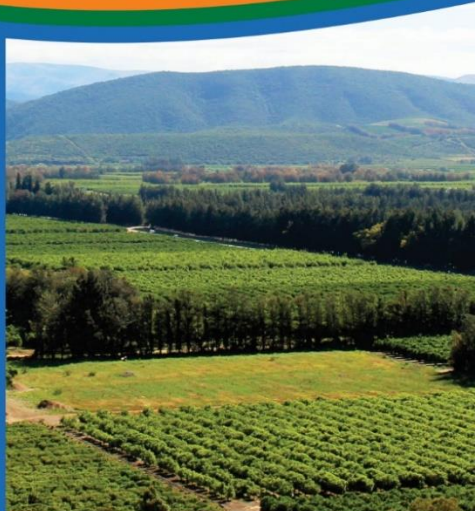




# SUNDAYS RIVER VALLEY MUNICIPALITY



## **In- year monitoring for the Municipality**

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009

## **MONTHLY BUDGET STATEMENT**

**September 2019**



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## Legislative framework

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- The Municipal Finance Management Act – No. 56 of 2003, Section 71,
- and The Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements. 28. The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

The objective of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

### **S71 Report – Accounting Officer's Report to the Executive Mayor**

In accordance with Section 71(1) of the Municipal Finance Management Act, the Accounting Officer submits the required statement on the state of Sundays River Valley Municipality's budget reflecting the particulars up until the end of July 2019.

Section 54(1) of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.



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## **Recommendations**

(a) That Finance and Administrative Committee notes the contents of the monthly S71 budget statement report and supporting documentations for September 2019.

(b) That the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and that spending of funds and that revenue collection proceeds in accordance with the budget.



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## Part 1: In-year budget statements tables

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

EC106 Sundays River Valley - Table C1 Monthly Budget Statement Summary - M03 September

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	-	42 154	-	2 074	20 544	10 538	10 006	95%	42 154
Service charges	-	51 883	-	3 451	11 630	12 971	(1 341)	-10%	51 883
Investment revenue	-	1 360	-	48	178	340	(162)	-48%	1 360
Transfers and subsidies	-	86 565	-	1 200	40 803	21 641	19 162	89%	86 565
Other own revenue	-	20 060	-	465	2 582	5 015	(2 432)	-49%	20 060
<b>Total Revenue (excluding capital transfers and contributions)</b>	-	<b>202 022</b>	-	<b>7 238</b>	<b>75 737</b>	<b>50 505</b>	<b>25 232</b>	<b>50%</b>	<b>202 022</b>
Employee costs	-	81 843	-	6 559	19 150	20 461	(1 311)	-6%	81 843
Remuneration of Councillors	-	7 441	-	529	1 628	1 860	(233)	-13%	7 441
Depreciation & asset impairment	-	26 366	-	-	-	6 592	(6 592)	-100%	26 366
Finance charges	-	2 830	-	90	305	707	(403)	-57%	2 830
Materials and bulk purchases	-	37 604	-	2 416	12 221	9 401	2 820	30%	37 604
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	87 705	-	2 049	9 662	21 926	(12 264)	-56%	87 705
<b>Total Expenditure</b>	-	<b>243 790</b>	-	<b>11 643</b>	<b>42 966</b>	<b>60 948</b>	<b>(17 982)</b>	<b>-30%</b>	<b>243 790</b>
<b>Surplus/(Deficit)</b>	-	<b>(41 768)</b>	-	<b>(4 405)</b>	<b>32 772</b>	<b>(10 442)</b>	<b>43 214</b>	<b>-414%</b>	<b>(41 768)</b>
Transfers and subsidies - capital (monetary alloc	-	68 420	-	71	12 118	17 105	(4 987)	-29%	68 420
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	-	<b>26 652</b>	-	<b>(4 334)</b>	<b>44 890</b>	<b>6 663</b>	<b>38 227</b>	<b>574%</b>	<b>26 652</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	-	<b>26 652</b>	-	<b>(4 334)</b>	<b>44 890</b>	<b>6 663</b>	<b>38 227</b>	<b>574%</b>	<b>26 652</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	-	<b>85 020</b>	-	<b>2 058</b>	<b>19 623</b>	<b>21 255</b>	<b>(1 632)</b>	<b>-8%</b>	<b>85 020</b>
Capital transfers recognised	-	67 139	-	1 773	13 941	16 785	(2 844)	-17%	67 139
Borrowing	-	8 950	-	-	-	2 238	(2 238)	-100%	8 950
Internally generated funds	-	8 930	-	285	5 682	2 233	3 450	155%	8 930
<b>Total sources of capital funds</b>	-	<b>85 020</b>	-	<b>2 058</b>	<b>19 623</b>	<b>21 255</b>	<b>(1 632)</b>	<b>-8%</b>	<b>85 020</b>
<b>Financial position</b>									
Total current assets	-	93 047	-	-	76 450	-	-	-	93 047
Total non current assets	-	741 339	-	-	729 831	-	-	-	741 339
Total current liabilities	-	39 772	-	-	60 884	-	-	-	39 772
Total non current liabilities	-	33 178	-	-	33 597	-	-	-	33 178
Community wealth/Equity	-	761 436	-	-	711 800	-	-	-	761 436
<b>Cash flows</b>									
Net cash from (used) operating	-	92 373	-	3 277	18 979	23 093	4 114	18%	92 373
Net cash from (used) investing	-	(84 290)	-	(2 058)	(17 174)	(21 072)	(3 899)	19%	(84 290)
Net cash from (used) financing	-	(4 459)	-	(110)	(221)	(1 115)	(894)	80%	(4 459)
<b>Cash/cash equivalents at the month/year end</b>	-	<b>7 763</b>	-	<b>-</b>	<b>1 789</b>	<b>5 045</b>	<b>3 256</b>	<b>65%</b>	<b>3 829</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	5 693	3 917	10 514	4 472	2 268	2 517	78 500	-	107 881
<b>Creditors Age Analysis</b>									
Total Creditors	6 194	5 700	5 738	-	-	14	249	-	17 896



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## **Explanatory Notes: Table C1: s71 Monthly Budget Statement Summary**

The summary statement of financial performance shows monthly actual operating revenue of R 7.3 million and monthly actual operating expenditure of R 11.6 Million.

The municipality had a net deficit of R 4.3 Million for the month ended on September 2019.

Actual capital expenditure for the month ended September 2019, is R 2.1 Million.

Cash and cash equivalents – Main bank amounted to R 1.8 Million as at 31 September 2019.

Outstanding debtors and creditors amounted to R 107.9 Million and R 17.9 Million respectively as at 31 September 2019.

The municipality's financial health although a positive bank balance is shown remains a concern. Financial sustainability if not monitored can negatively impact on service delivery.



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## 1.2 Table C2: Financial Performance (standard classification)

EC106 Sundays River Valley - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

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>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	75 796	-	1 675	31 076	18 949	12 127	64%	75 796
Executive and council		-	16 547	-	-	3 477	4 137	(660)	-16%	16 547
Finance and administration		-	59 249	-	1 675	27 599	14 812	12 787	86%	59 249
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	18 488	-	1 957	8 147	4 622	3 525	76%	18 488
Community and social services		-	10 338	-	596	5 784	2 585	3 200	124%	10 338
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	8 150	-	1 361	2 363	2 037	326	16%	8 150
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	34 100	-	3	14 655	8 525	6 130	72%	34 100
Planning and development		-	1 441	-	3	2 065	360	1 705	473%	1 441
Road transport		-	32 659	-	-	12 590	8 165	4 425	54%	32 659
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	140 603	-	3 675	33 977	35 151	(1 174)	-3%	140 603
Energy sources		-	59 720	-	1 961	19 433	14 930	4 503	30%	59 720
Water management		-	39 799	-	1 187	4 982	9 950	(4 968)	-50%	39 799
Waste water management		-	21 730	-	196	3 513	5 432	(1 920)	-35%	21 730
Waste management		-	19 354	-	330	6 050	4 839	1 211	25%	19 354
<i>Other</i>	4	-	1 455	-	-	-	364	(364)	-100%	1 455
<b>Total Revenue - Functional</b>	2	-	270 442	-	7 310	87 855	67 610	20 245	30%	270 442
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	86 003	-	4 041	13 668	21 501	(7 832)	-36%	86 003
Executive and council		-	16 133	-	1 001	2 503	4 033	(1 530)	-38%	16 133
Finance and administration		-	69 870	-	3 040	11 165	17 468	(6 302)	-36%	69 870
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	37 660	-	2 144	6 673	9 415	(2 741)	-29%	37 660
Community and social services		-	17 844	-	1 068	3 392	4 461	(1 069)	-24%	17 844
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	18 481	-	863	2 782	4 620	(1 838)	-40%	18 481
Housing		-	1 335	-	213	499	334	166	50%	1 335
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	14 955	-	534	1 668	3 739	(2 071)	-55%	14 955
Planning and development		-	8 934	-	310	1 012	2 233	(1 222)	-55%	8 934
Road transport		-	6 021	-	224	656	1 505	(849)	-56%	6 021
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	103 510	-	4 864	20 743	25 877	(5 134)	-20%	103 510
Energy sources		-	37 131	-	2 653	9 319	9 283	37	0%	37 131
Water management		-	33 357	-	1 284	7 951	8 339	(389)	-5%	33 357
Waste water management		-	15 063	-	409	1 866	3 766	(1 900)	-50%	15 063
Waste management		-	17 959	-	518	1 607	4 490	(2 883)	-64%	17 959
<i>Other</i>		-	1 663	-	59	213	416	(203)	-49%	1 663
<b>Total Expenditure - Functional</b>	3	-	243 790	-	11 643	42 966	60 948	(17 982)	-30%	243 790
<b>Surplus/ (Deficit) for the year</b>		-	26 652	-	(4 334)	44 890	6 663	38 227	574%	26 652

### Explanatory Notes: Table C2: Financial Performance (standard classification)

Table above provides a summary of financial performance by standard classification.



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### 1.3 Table C3: Financial Performance (revenue and expenditure by municipal vote)

EC106 Sundays River Valley - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Mayor and Council		-	7 520	-	-	1 526	1 880	(354)	-18.8%	7 520
Vote 2 - Municipal Manager		-	9 026	-	-	3 902	2 257	1 646	72.9%	9 026
Vote 3 - Finance		-	49 973	-	1 675	23 697	12 493	11 203	89.7%	49 973
Vote 4 - Corporate Service		-	9 276	-	-	3 902	2 319	1 583	68.3%	9 276
Vote 5 - Community Services		-	39 298	-	2 287	14 197	9 824	4 373	44.5%	39 298
Vote 6 - Technical Service		-	155 348	-	3 348	40 631	38 837	1 794	4.6%	155 348
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	<b>270 442</b>	-	<b>7 310</b>	<b>87 855</b>	<b>67 610</b>	<b>20 245</b>	<b>29.9%</b>	<b>270 442</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Mayor and Council		-	9 754	-	604	2 041	2 439	(397)	-16.3%	9 754
Vote 2 - Municipal Manager		-	11 074	-	701	1 350	2 768	(1 418)	-51.2%	11 074
Vote 3 - Finance		-	49 655	-	1 778	6 129	12 414	(6 284)	-50.6%	49 655
Vote 4 - Corporate Service		-	20 215	-	1 262	5 036	5 054	(18)	-0.4%	20 215
Vote 5 - Community Services		-	55 947	-	2 509	7 994	13 987	(5 993)	-42.8%	55 947
Vote 6 - Technical Service		-	97 146	-	4 790	20 415	24 286	(3 872)	-15.9%	97 146
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>243 790</b>	-	<b>11 643</b>	<b>42 966</b>	<b>60 948</b>	<b>(17 982)</b>	<b>-29.5%</b>	<b>243 790</b>
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>26 652</b>	-	<b>(4 334)</b>	<b>44 890</b>	<b>6 663</b>	<b>38 227</b>	<b>573.7%</b>	<b>26 652</b>

#### Explanatory Notes: Table C3: Financial Performance (revenue and expenditure by municipal vote)

Table above indicates the statement of financial performance by vote.



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## 1.4 Table C4: Financial Performance (revenue and expenditure)

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

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>Revenue By Source</b>											
Property rates			42 154		2 074	20 544	10 538	10 006	95%	42 154	
Service charges - electricity revenue			26 755		1 938	7 459	6 689	770	12%	26 755	
Service charges - w ater revenue			16 523		1 043	2 723	4 131	(1 408)	-34%	16 523	
Service charges - sanitation revenue			2 894		178	546	723	(177)	-24%	2 894	
Service charges - refuse revenue			5 711		292	902	1 428	(526)	-37%	5 711	
Rental of facilities and equipment			58		0	8	15	(7)	-48%	58	
Interest earned - external investments			1 360		48	178	340	(162)	-48%	1 360	
Interest earned - outstanding debtors			11 238		287	1 147	2 810	(1 662)	-59%	11 238	
Dividends received			-		-	-	-	-	-	-	
Fines, penalties and forfeits			3 328		-	61	281	832	(551)	-66%	3 328
Licences and permits			1 831		2	325	458	(133)	-29%	1 831	
Agency services			3 007		98	558	752	(194)	-26%	3 007	
Transfers and subsidies			86 565		1 200	40 803	21 641	19 162	89%	86 565	
Other revenue			597		17	264	149	115	77%	597	
Gains on disposal of PPE			-		-	-	-	-	-	-	
<b>Total Revenue (excluding capital transfers and contributions)</b>			-	202 022	-	7 238	75 737	50 505	25 232	50%	202 022
<b>Expenditure By Type</b>											
Employee related costs			81 843		6 559	19 150	20 461	(1 311)	-6%	81 843	
Remuneration of councillors			7 441		529	1 628	1 860	(233)	-13%	7 441	
Debt impairment			13 454			40	3 363	(3 324)	-99%	13 454	
Depreciation & asset impairment			26 366				6 592	(6 592)	-100%	26 366	
Finance charges			2 830		90	305	707	(403)	-57%	2 830	
Bulk purchases			29 523		2 094	11 243	7 381	3 862	52%	29 523	
Other materials			8 082		322	979	2 020	(1 042)	-52%	8 082	
Contracted services			40 771		1 039	4 880	10 193	(5 312)	-52%	40 771	
Transfers and subsidies			-		-	-	-	-	-	-	
Other expenditure			33 480		1 010	4 742	8 370	(3 628)	-43%	33 480	
Loss on disposal of PPE			-		-	-	-	-	-	-	
<b>Total Expenditure</b>			-	243 790	-	11 643	42 966	60 948	(17 982)	-30%	243 790
<b>Surplus/(Deficit)</b>											
Transfers and subsidies - capital (monetary allocations)			-	(41 768)	-	(4 405)	32 772	(10 442)	43 214	(0)	(41 768)
(National / Provincial and District)				68 420		71	12 118	17 105	(4 987)	(0)	68 420
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-	-		
Transfers and subsidies - capital (in-kind - all)								-	-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>			-	26 652	-	(4 334)	44 890	6 663			26 652
Taxation								-			
<b>Surplus/(Deficit) after taxation</b>			-	26 652	-	(4 334)	44 890	6 663			26 652
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>			-	26 652	-	(4 334)	44 890	6 663			26 652
Share of surplus/ (deficit) of associate											
<b>Surplus/ (Deficit) for the year</b>			-	26 652	-	(4 334)	44 890	6 663			26 652



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## Notes

Actual Deficit for the month is R 4.3 Million and the year to date surplus is R 44.9 Million.

Variances above 10% in the financial performance budget statement (above table C4) are explained below:

### Revenue

- Property rates- a variance of R 10 Million is a result of annual billing performed in July 2019 whereas the budget is spread evenly throughout the year.
- Service charges- a variance of R 1.3 Million is attributable to consumption variations.
- Interest earned- external investment: lower interest received than expected due to minimal short-term deposits.
- Interest earned- outstanding debtors: decreased due to debtors written-off during the financial year end.
- Licenses and permits: Failure to record financial transactions on time results to incomplete records and representation.
- Agency fees- Incomplete financial records resulted in this variance as the financial system is not updated for all days in the month.
- Fines, penalties and forfeits- no recording of accrued financial transactions on the system for the period reported.
- Transfer and subsidies- operational: Variance of R 19.2 Million is mainly attributable to recognition of equitable share received, however it should be noted that misallocations have occurred during the period and no revenue recognition has been raised as expected for accuracy and completeness of records.
- Transfer and subsidies- capital: Variance of R 5 Million is a direct result of failure to recognise revenue as required when conditions are met.

### Expenditure

- Employee cost- Although an immaterial variance of 6% is evident the following issues must be addressed:
  - Senior management allowances are incomplete as not all transactions are accounted for- i.e. rural allowances
  - Ward committee stipend overstate employee costs as these should be recorded separately in their specific operational cost account.
  - Overtime for the year to date has also been overstated as it includes June 2019 transactions therefore not adhering to cut offs as per accounting standards.
  - Misallocations are evident as MSCOA version changes have not been programmed to align with VIP payroll system.



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- Remuneration of councillors- Fringe benefits and allowances should be looked into as currently councillors are receiving taxable benefits in respect of "Right of use of motor vehicle" and car allowances simultaneously.
- Debt impairment- variances of R 3.3 Million results from no impairment nor debt writ-offs performed for the period.
- Depreciation- no depreciation accounted for as required as the sub ledger still needs to be updated to reflect prior year fixed assets register compiled outside the system.
- Finance charges- variances is attributed to interest on unwinding assets which will be recorded at year end.
- Bulk purchases- Invoice for the month of September has not been received for bulk water and excessive billing made in July results in the difference of R 3.9 Million.
- Other expenditure (inventory consumed, contracted services and general expenditure)- a variance of R 8.9 Million exists due to projects not yet implemented and late invoicing.

A cause for concern is warranted for the following income statement items:

- Depreciation- should be recorded every month as per updated assets register. CFO to ensure financial records are complete moving forward.
- Fines- should be recorded every month as per fines issued. CFO and Community Service Director to ensure billing is recorded timeously in the financial system.
- Agency fees and Licenses- should be recorded timeously as the information readily available. Community Service Director to ensure work is performed as per standard operating procedure and CFO to ensure completeness of financial records.
- Transfers and subsidies (operational and capital)- CFO to ensure all sections record transactions as and when they occur.
- Employee cost- Director Corporate Service and CFO should ensure payroll system is updated to correct the concerns raised.
- Remuneration of councillors- Director Corporate Service and CFO should ensure HR and payroll system are updated to correctly account for allowances



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## 1.5 Table C5: Capital Expenditure (municipal vote, standard classification and funding)

EC106 Sundays River Valley - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Finance		-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Service		-	-	-	-	-	-	-	-	-
Vote 5 - Community Services		-	-	-	-	-	-	-	-	-
Vote 6 - Technical Service		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Mayor and Council		-	600	-	-	-	150	(150)	-100%	600
Vote 2 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 3 - Finance		-	200	-	-	-	50	(50)	-100%	200
Vote 4 - Corporate Service		-	1 840	-	266	714	460	254	55%	1 840
Vote 5 - Community Services		-	5 710	-	5	2 486	1 428	1 058	74%	5 710
Vote 6 - Technical Service		-	76 670	-	1 786	16 423	19 167	(2 744)	-14%	76 670
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	-	85 020	-	2 058	19 623	21 255	(1 632)	-8%	85 020
<b>Total Capital Expenditure</b>		-	85 020	-	2 058	19 623	21 255	(1 632)	-8%	85 020
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	2 640	-	266	714	660	54	8%	2 640
Executive and council		-	600	-	-	-	150	(150)	-100%	600
Finance and administration		-	2 040	-	266	714	510	204	40%	2 040
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		-	4 750	-	5	2 486	1 188	1 298	109%	4 750
Community and social services		-	2 050	-	5	2 486	513	1 973	385%	2 050
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	2 700	-	-	-	675	(675)	-100%	2 700
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		-	27 446	-	14	5 737	6 861	(1 125)	-16%	27 446
Planning and development		-	200	-	14	2 482	50	2 432	4865%	200
Road transport		-	27 246	-	-	3 254	6 811	(3 557)	-52%	27 246
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		-	50 184	-	1 773	10 687	12 546	(1 859)	-15%	50 184
Energy sources		-	25 550	-	-	5 218	6 388	(1 170)	-18%	25 550
Water management		-	8 447	-	135	1 783	2 112	(328)	-16%	8 447
Waste water management		-	15 227	-	1 638	3 686	3 807	(121)	-3%	15 227
Waste management		-	960	-	-	-	240	(240)	-100%	960
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	-	85 020	-	2 058	19 623	21 255	(1 632)	-8%	85 020
<b>Funded by:</b>										
National Government		-	49 331	-	1 773	10 687	12 333	(1 646)	-13%	49 331
Provincial Government		-	17 808	-	-	3 254	4 452	(1 198)	-27%	17 808
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		-	67 139	-	1 773	13 941	16 785	(2 844)	-17%	67 139
<b>Borrowing</b>		-	8 950	-	-	-	2 238	(2 238)	-100%	8 950
<b>Internally generated funds</b>	6	-	8 930	-	285	5 682	2 233	3 450	155%	8 930
<b>Total Capital Funding</b>		-	85 020	-	2 058	19 623	21 255	(1 632)	-8%	85 020



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**Explanatory Notes: Table C5: Capital Expenditure (municipal vote, standard classification and funding)**

Table above depicts capital assets acquired during the period at R 2.1 Million for the month of September. An amount of R 1.8 Million is allocated to upgrading of existing infrastructure assets and the remaining of R 285 Thousand to new capital acquisitions. 86 % of the capital expenditure is funded from national grant allocation.

Capital asset acquisitions for the period have a completeness issue as not all invoices have been recorded timeously. This will inevitably impact negatively on financial reports as reliance can not be place on reports for decision making purposes.

CFO to ensure capital acquisitions update the fixed assets sub ledger and correct accounting principles are used at invoice stage to remedy the situation.



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## 1.6 Table C6: Financial Position

### EC106 Sundays River Valley - Table C6 Monthly Budget Statement - Financial Position - M03 September

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			7 763		12 191	7 763	
Call investment deposits							
Consumer debtors			85 068		64 005	85 068	
Other debtors							
Current portion of long-term receivables							
Inventory			216		254	216	
<b>Total current assets</b>			-	93 047	-	76 450	93 047
<b>Non current assets</b>							
Long-term receivables							
Investments							
Investment property			29 250		20 716	29 250	
Investments in Associate							
Property, plant and equipment			705 623		703 356	705 623	
Biological							
Intangible			6 144		5 437	6 144	
Other non-current assets			322		322	322	
<b>Total non current assets</b>			-	741 339	-	729 831	741 339
<b>TOTAL ASSETS</b>			-	834 386	-	806 281	834 386
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft							
Borrowing			3 478		723	3 478	
Consumer deposits			56		69	56	
Trade and other payables			36 237		60 092	36 237	
Provisions				-			
<b>Total current liabilities</b>			-	39 772	-	60 884	39 772
<b>Non current liabilities</b>							
Borrowing			6 956		490	6 956	
Provisions			26 222		33 107	26 222	
<b>Total non current liabilities</b>			-	33 178	-	33 597	33 178
<b>TOTAL LIABILITIES</b>			-	72 950	-	94 481	72 950
<b>NET ASSETS</b>	2		-	761 436	-	711 800	761 436
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			761 436		711 800	761 436	
Reserves							
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		-	761 436	-	711 800	761 436



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## **Explanatory Notes: Table C6: Financial Position**

Community wealth/equity is at R 711.8 Million.

Based on the current assets versus current liability analysis, the municipality may struggle to meet its short-term financial obligations. Better liquidity management strategies need to be employed by the municipality.

Based on net debtor days analysis, the municipality's ability to convert its billing to revenue is above the norm of 30 days. This implies that there is no improvement in the collection rate and credit control policy implementation. Better debtor management techniques are required and a financial recovery plan must be developed to improve the situation.

The municipality fails to adhere to legislative requirement of paying creditors within 30 days. This is a result of cash flow problems and late receipt of invoices from suppliers.

The following balance sheet items require remedial action from the CFO:

- Consumer debtors- Allocations in terms of consumer payments have not been recorded in the financial receivables sub ledger therefore will result in unnecessary billing queries and ballooned debtors control account if not done on time.
- Assets- Assets are capitalised even though they have not been delivered to the municipality, this not only overstates assets but hampers on the correctness of depreciation and residual value calculations. Amounts paid to creditors for purchases that are made on a 30 days credit term basis (prepayments) should be accounted for correctly and not capitalised.
- Cash and Cash equivalents- The variance of R 6 Million is directly linked to bank reconciliations not being performed on time. All short-term deposits have not been reconciled at reporting date. Unallocated deposits need to be attended to as per prescript as these are long outstanding.
- VAT- Efforts are being made to clear this re-occurring audit qualification as staff have been provided with on the job training. VAT reconciliation are however outstanding currently.
- Unspent grants- Although capital and operating expenditure has been incurred for the period, month end journals have not been processed to properly account for conditional grant transactions.



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## 1.7 Table C7: Cash Flow

EC106 Sundays River Valley - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2018/19	Budget Year 2019/20					YTD variance	YTD variance %	Full Year Forecast	
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget				
<b>R thousands</b>											
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates			36 123		33	8 379	9 031	(652)	-7%	36 123	
Service charges			44 460		45	3 124	11 115	(7 991)	-72%	44 460	
Other revenue			5 493		19 603	53 386	1 373	52 012	3787%	5 493	
Government - operating			86 565		1 200	37 575	21 641	15 934	74%	86 565	
Government - capital			68 420		-	20 102	17 105	2 997	18%	68 420	
Interest			1 360		48	178	340	(162)	-48%	1 360	
Dividends					-	-	-	-			
<b>Payments</b>											
Suppliers and employees			(149 549)		(17 652)	(103 697)	(37 387)	66 310	-177%	(149 549)	
Finance charges			(500)		(1)	(67)	(125)	(58)	46%	(500)	
Transfers and Grants								-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			<b>-</b>	<b>92 373</b>	<b>-</b>	<b>3 277</b>	<b>18 979</b>	<b>23 093</b>	<b>4 114</b>	<b>18%</b>	<b>92 373</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			(84 290)		(2 058)	(17 174)	(21 072)	(3 899)	19%	(84 290)	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			<b>-</b>	<b>(84 290)</b>	<b>-</b>	<b>(2 058)</b>	<b>(17 174)</b>	<b>(21 072)</b>	<b>(3 899)</b>	<b>19%</b>	<b>(84 290)</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			(4 459)		(110)	(221)	(1 115)	(894)	80%	(4 459)	
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			<b>-</b>	<b>(4 459)</b>	<b>-</b>	<b>(110)</b>	<b>(221)</b>	<b>(1 115)</b>	<b>(894)</b>	<b>80%</b>	<b>(4 459)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			<b>-</b>	<b>3 625</b>	<b>-</b>	<b>1 109</b>	<b>1 585</b>	<b>906</b>		<b>3 625</b>	
Cash/cash equivalents at beginning:			4 138			204	4 138			204	
Cash/cash equivalents at month/year end:			7 763			1 789	5 045			3 829	

### Explanatory Notes: Table C7: Cash Flow

Net increase in cash held is R 1.2 Million for the main bank.

CFO to ensure that revenue allocations are done promptly as we currently have not updated our trade receivables with monies received through the bank account.



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## 1.8 Supporting documentation

### 1.8.1 SC3: Debtors' Age Analysis

EC106 Sundays River Valley - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days			
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200										-	-		
Trade and Other Receivables from Exchange Transactions - Electricity	1300										-	-		
Receivables from Non-exchange Transactions - Property Rates	1400										-	-		
Receivables from Exchange Transactions - Waste Water Management	1500										-	-		
Receivables from Exchange Transactions - Waste Management	1600										-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700										-	-		
Interest on Arrear Debtor Accounts	1810										-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820										-	-		
Other	1900	5 693	3 917	10 514	4 472	2 268	2 517	78 500		107 881	87 757			
<b>Total By Income Source</b>	<b>2000</b>	<b>5 693</b>	<b>3 917</b>	<b>10 514</b>	<b>4 472</b>	<b>2 268</b>	<b>2 517</b>	<b>78 500</b>	<b>-</b>	<b>107 881</b>	<b>87 757</b>	<b>-</b>	<b>-</b>	
<b>2018/19 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200										-	-		
Commercial	2300										-	-		
Households	2400										-	-		
Other	2500	5 693	3 917	10 514	4 472	2 268	2 517	78 500	-	107 881	87 757			
<b>Total By Customer Group</b>	<b>2600</b>	<b>5 693</b>	<b>3 917</b>	<b>10 514</b>	<b>4 472</b>	<b>2 268</b>	<b>2 517</b>	<b>78 500</b>	<b>-</b>	<b>107 881</b>	<b>87 757</b>	<b>-</b>	<b>-</b>	



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## 1.8.2 SC4: Creditors Age Analysis

The creditor's age analysis only includes those creditors that fall due within the next 30 days.

**EC106 Sundays River Valley - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September**

Description R thousands	NT Code	Budget Year 2019/20								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			
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	2 492	3 005	1 047							6 544	
Bulk Water	0200		956	4 105							5 060	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	3 018	1 283	587			14	249			5 152	
Auditor General	0800	684	456								1 140	
Other	0900										-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>6 194</b>	<b>5 700</b>	<b>5 738</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>249</b>	<b>-</b>	<b>17 896</b>	<b>-</b>	



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### 1.8.3 SC6: Transfers and grants receipts

EC106 Sundays River Valley - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

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>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>	1,2									
<b>National Government:</b>		-	83 676	-	-	36 375	13 946	19 944	143.0%	83 676
Local Government Equitable Share			79 777		-	33 240	13 296	19 944	150.0%	79 777
EPWP Incentive			1 019			255	170			1 019
Finance Management			2 880			2 880	480			2 880
Municipal Systems Improvement						-	-			
Municipal Drought Relief						-	-			
	3					-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
<b>Provincial Government:</b>		-	1 200	-	1 200	1 200	200	1 000	500.0%	1 200
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
Audit Improvement and Library	4		1 200		1 200	1 200	200	1 000	500.0%	1 200
<b>District Municipality:</b>		-	1 439	-	-	-	240	(240)	-100.0%	1 439
Environmental Services			1 439			-	240	(240)	-100.0%	1 439
Fire						-	-			
<b>Other grant providers:</b>		-	250	-	-	-	42	(42)	-100.0%	250
LGSETA			250			-	42	(42)	-100.0%	250
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
<b>Total Operating Transfers and Grants</b>	5	-	86 565	-	1 200	37 575	14 428	20 662	143.2%	86 565
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	50 612	-	-	18 301	8 435	9 810	116.3%	25 612
Municipal Infrastructure Grant (MIG)			25 612		-	10 245	4 269	5 976	140.0%	25 612
						56	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
INEP			25 000		-	8 000	4 167	3 833	92.0%	
<b>Provincial Government:</b>		-	17 808	-	-	6 944	2 968	3 976	133.9%	17 808
Small Town Revitalization			17 808			6 944	2 968	3 976	133.9%	17 808
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
						-	-			
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
Environment services						-	-	-	-	-
						-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
Roads Infrastructure Grant						-	-	-	-	-
						-	-	-	-	-
						-	-	-	-	-
						-	-	-	-	-
						-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	-	68 420	-	-	25 244	11 403	13 785	120.9%	43 420
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	-	154 985	-	1 200	62 819	25 831	34 448	133.4%	129 985



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### 1.8.3.1 SC7(1): Transfers and grants expenditure

EC106 Sundays River Valley - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

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										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		-	83 676	-	-	33 403	13 946	19 457	139.5%	83 676
Local Government Equitable Share			79 777		-	33 240	13 296	19 944	150.0%	79 777
EPWP Incentive			1 019			81	170	(89)	-52.1%	1 019
Finance Management			2 880			81	480	(399)	-83.1%	2 880
Municipal Systems Improvement							-	-	-	
Municipal Drought Relief							-	-	-	
Provincial Government:		-	1 200	-	1 200	-	200	(200)	-100.0%	1 200
							-	-	-	
							-	-	-	
Audit Improvement and Library			1 200		1 200		200	(200)	-100.0%	1 200
District Municipality:		-	1 439	-	-	-	240	(240)	-100.0%	1 439
							-	-	-	
Environmental Services			1 439				240	(240)	-100.0%	1 439
Other grant providers:		-	250	-	-	-	42	(42)	-100.0%	250
							-	-	-	
LGSETA			250				42	(42)	-100.0%	250
<b>Total operating expenditure of Transfers and Grants:</b>		-	86 565	-	1 200	33 403	14 428	18 975	131.5%	86 565
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		-	50 612	-	-	9 374	8 435	939	11.1%	25 612
Municipal Infrastructure Grant (MIG)			25 612			3 374	4 269	(895)	-21.0%	25 612
							-	-	-	
							-	-	-	
INEP			25 000			6 000	4 167	1 834	44.0%	
Provincial Government:		-	17 808	-	-	4 830	2 968	1 862	62.7%	17 808
			17 808			4 830	2 968	1 862	62.7%	17 808
District Municipality:		-	-	-	-	-	-	-	-	-
							-	-	-	
Other grant providers:		-	-	-	-	-	-	-	-	-
							-	-	-	
<b>Total capital expenditure of Transfers and Grants</b>		-	68 420	-	-	14 204	11 403	2 800	24.6%	43 420
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		-	154 985	-	1 200	47 606	25 831	21 775	84.3%	129 985



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## 1.8.4 SC8: Councillor and staff benefits

EC106 Sundays River Valley - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	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		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages			6 267		434	1 362	1 045	318	30%	6 267
Pension and UIF Contributions							-	-		
Medical Aid Contributions							-	-		
Motor Vehicle Allowance							-	-		
Cellphone Allowance			653		51	153	109	44	41%	653
Housing Allowances			96		8	23	16	7	41%	96
Other benefits and allowances			425		37	90	71	19	27%	425
<b>Sub Total - Councillors</b>		-	7 441	-	529	1 628	1 240	388	31%	7 441
<b>% increase</b>	4		#DIV/0!							#DIV/0!
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages			4 096		230	832	683	150	22%	4 096
Pension and UIF Contributions			9		1	4	1	2	155%	9
Medical Aid Contributions							-	-		
Overtime							-	-		
Performance Bonus							-	-		
Motor Vehicle Allowance			613		58	174	102	72	70%	613
Cellphone Allowance			128		8	26	21	5	22%	128
Housing Allowances			511		40	120	85	35	41%	511
Other benefits and allowances			184		58	32	31	1	4%	184
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
<b>Sub Total - Senior Managers of Municipality</b>		-	5 542	-	394	1 188	924	265	29%	5 542
<b>% increase</b>	4		#DIV/0!							#DIV/0!
<b>Other Municipal Staff</b>										
Basic Salaries and Wages			49 465		4 239	12 696	8 244	4 452	54%	49 465
Pension and UIF Contributions			7 659		628	1 802	1 276	526	41%	7 659
Medical Aid Contributions			4 396		260	769	733	37	5%	4 396
Overtime			4 328		506	1 040	721	318	44%	4 328
Performance Bonus							-	-		
Motor Vehicle Allowance			3 559		325	962	593	369	62%	3 559
Cellphone Allowance			646		43	134	108	27	25%	646
Housing Allowances			325		28	143	54	89	165%	325
Other benefits and allowances			5 925		195	107	987	(881)	-89%	5 925
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
<b>Sub Total - Other Municipal Staff</b>		-	76 302	-	6 223	17 653	12 717	4 936	39%	76 302
<b>% increase</b>	4		#DIV/0!							#DIV/0!
<b>Total Parent Municipality</b>		-	89 285	-	7 146	20 469	14 881	5 588	38%	89 285



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## 1.8.5 SC9: Monthly targets for cash receipts and payments

EC106 Sundays River Valley - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August

Description	Ref	Budget Year 2019/20												2019/20 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 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousands</b>	1															
<b>Cash Receipts By Source</b>																
Property rates		71	8 275										27 777	36 123	38 089	40 179
Service charges - electricity revenue		45	2 412										24 219	26 676	29 229	32 082
Service charges - water revenue		23	292										10 801	11 115	12 179	13 368
Service charges - sanitation revenue		6	183										4 257	4 446	4 872	5 347
Service charges - refuse		9	110										2 104	2 223	2 436	2 674
Rental of facilities and equipment		2	2										53	58	61	65
Interest earned - external investments													1 251	1 251	1 376	1 514
Interest earned - outstanding debtors		1	12										96	109	120	132
Dividends received													-	-	-	-
Fines, penalties and forfeits		132	130										404	666	702	739
Licences and permits		176	148										1 507	1 831	1 930	2 034
Agency services		246	160										2 356	2 762	2 924	3 096
Transfer receipts - operating		33 240	3 135										50 190	86 565	92 860	100 932
Other revenue		19 317	13 587										(32 727)	177	173	169
<b>Cash Receipts by Source</b>		<b>53 267</b>	<b>28 446</b>	-	-	-	-	-	-	-	-	-	<b>92 289</b>	<b>174 002</b>	<b>186 951</b>	<b>202 330</b>
<b>Other Cash Flows by Source</b>																
Transfer receipts - capital		18 245	1 857										48 318	68 420	38 621	34 646
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>		<b>71 512</b>	<b>30 302</b>	-	-	-	-	-	-	-	-	-	<b>140 607</b>	<b>242 422</b>	<b>225 572</b>	<b>236 976</b>
<b>Cash Payments by Type</b>																
Employee related costs		3	5 787										76 054	81 843	87 150	92 728
Remuneration of councillors			574										6 867	7 441	7 918	8 424
Interest paid		15	52										433	500	527	555
Bulk purchases - Electricity			1 800										16 853	18 654	23 552	25 315
Bulk purchases - Water & Sewer													6 869	6 869	7 348	7 853
Other materials		147	48										4 386	4 582	4 930	5 030
Contracted services		464	753										15 054	16 271	20 574	23 405
Grants and subsidies paid - other municipalities													-	-	-	-
Grants and subsidies paid - other													-	-	-	-
General expenses		59 509	16 962										(62 583)	13 888	30 249	30 709
<b>Cash Payments by Type</b>		<b>60 139</b>	<b>25 977</b>	-	-	-	-	-	-	-	-	-	<b>63 933</b>	<b>150 049</b>	<b>182 248</b>	<b>194 018</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		3 026	12 090										69 174	84 290	37 278	33 214
Repayment of borrowing			110										4 348	4 459	5 018	5 288
Other Cash Flows/Payments													-	-	-	-
<b>Total Cash Payments by Type</b>		<b>63 165</b>	<b>38 177</b>	-	-	-	-	-	-	-	-	-	<b>137 455</b>	<b>238 797</b>	<b>224 543</b>	<b>232 520</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>8 347</b>	<b>(7 874)</b>	-	-	-	-	-	-	-	-	-	<b>3 152</b>	<b>3 625</b>	<b>1 029</b>	<b>4 456</b>
Cash/cash equivalents at the month/year beginning:		204	8 551	677	677	677	677	677	677	677	677	677	677	204	3 829	4 858
Cash/cash equivalents at the month/year end:		8 551	677	677	677	677	677	677	677	677	677	677	3 829	3 829	4 858	9 314



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**Quality certificate**

I, Mr S.S Fadi, the Municipal Manager of Sundays River Valley Municipality, hereby certify that the monthly Budget Statement for the month ending September 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Printed Name: .....

Municipal Manager: Sundays River Valley Municipality (EC106)

Signature: .....

Date: .....



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