

BUDGET AND TREASURY FINANCIAL REPORT FOR THE MONTH ENDED
OCTOBER 2018



SUNDAYS RIVER VALLEY MUNICIPALITY

BUDGET AND TREASURY

Monthly Financial Reports- October 2018

PURPOSE OF THIS REPORT

The purpose of this report is to inform Finance and Administration Committee on the implementation of the budget and financial status of the municipality, as per s71 of the Municipal Finance Management Act no 56 of 2003.

BACKGROUND

Sundays River Valley Municipality is highly dependent on grants. It cannot provide for daily operations and capital backlogs from its own revenue source. A review of policies and effective monitoring thereof is crucial to ensure the municipality is rewarded for services rendered.

Even though we have got limited resources we are striving in terms of spending according to our budget as per the requirement of MFMA and report in terms of our budget implementation.

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, Sections 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.

FINANCIAL IMPLICATION

None

LEGAL IMPLICATION

Adherence to the Municipal Finance Management Act – No. 56 of 2003, Sections 71 and the Municipal Budget and Reporting Regulations

RECOMMENDATION

- (a) That Finance and Administration Committee note the contents of this report.

1. Introduction

Section 71 of the Municipal Finance Management Act requires the accounting officer to, no later than 10 working days after the end of each month submit to the mayor and relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting a number of particulars including:

- Actual revenue, per revenue source
- Actual borrowings
- Actual expenditure, per vote
- Actual capital expenditure, per vote
- The amount of any allocations received
- Actual expenditure on those allocations, excluding expenditure on –
 - Its share of local government equitable share; and
 - Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- When necessary, an explanation of –
 - Any material variances from the municipality's projected revenue by source and from the municipality's expenditure projections per vote;
 - Any material variances from the service delivery and budget implementation plan; and
 - Any remedial or corrective taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.
- The statement must include-
 - A projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections
- The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the approved budget.

2. Overview

Financial Sustainability

The summary statement of financial performance shows actual operating revenue of R7.8 million and actual operating expenditure of R62.8 million. The municipality for the month ended October 2018, had a net deficit of R55 million.

Financial sustainability remains a concern.

3. Financial Performance- Revenue

An amount of R7.8 million has been recorded as revenue for the month.

The service charges and property rates are the highest contributors in the revenue basket at R3.7 million and R2.3 million respectively.

4. Financial Performance- Expenditure

The actual total expenditure for the month amounts to R62.8 million.

The largest contributors to the expenditure basket are debt impairment and employee costs at R52.1 million and R5.4 million respectively.

5. Borrowings

No borrowings have been budgeted for and none made for the month.

6. Other Matters

Roll-over application submitted to National Treasury as per circular guideline was rejected. Cost implication of roll-over is R2.1 million

6. Revenue Performance

Table below shows revenue recorded for the month ended October 2018:

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		48,950		2,312	24,792	16,317	8,475	52%	48,950
Property rates - penalties & collection charges					-	-	-		-
Service charges - electricity revenue		16,290		1,723	8,588	5,430	3,158	58%	16,290
Service charges - water revenue		14,067		1,078	4,809	4,689	120	3%	14,067
Service charges - sanitation revenue		5,812		301	1,215	1,937	(722)	-37%	5,812
Service charges - refuse revenue		9,027		576	2,302	3,009	(707)	-23%	9,027
Service charges - other				-	-	-	-		-
Rental of facilities and equipment		68	-	5	19	23	(4)	-18%	68
Interest earned - external investments		1,843		78	453	614	(162)	-26%	1,843
Interest earned - outstanding debtors		9,126		991	3,893	3,042	851	28%	9,126
Dividends received				-	-	-	-		-
Fines		3,169		37	138	1,056	(919)	-87%	3,169
Licences and permits		1,946		113	388	649	(260)	-40%	1,946
Agency services		2,859		249	776	953	(177)	-19%	2,859
Transfers recognised - operational		94,751		327	34,108	31,584	2,524	8%	94,751
Other revenue		559		53	188	186	2	1%	559
Gains on disposal of PPE				-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)	-	208,467	-	7,843	81,670	69,489	12,181	18%	208,467

Material Variance greater than 10 per cent explained:

- Property Rates have a material variance of 52%. The variance decrease when compared to last month reveals the mechanical natural correction as a result of the July annual billing being recorded. No remedial action required
- Rental of facilities and equipment have a 18% variance due to lower than anticipated rental received, no remedial action required
- Interest received- external has 26% variance. The variance results from lower than anticipated call account investments made by the institution.
- Interest received-internal has a 28% variance. This warrants concerns and the Chief Financial Officer and Municipal Manager must develop mechanisms/strategies which will increase revenue and decrease interest billed.
- Fines have a material variance of 87% due to no fines revenue being recorded in the financial system. This is a concern as it indicates monthly procedures are not performed, Community Services Director must ensure all month end procedures are adhered to for completion and representation purposes.
- Licences and permits have a material variance of 40%. Variance can be attributed lower than anticipated customers than anticipated.
- Agency fees have a material variance of 19%, no cause for concern can be noted and no remedial action required.

7. Expenditure Performance

Below table indicates financial expenditure performance for the month ended October 2018:

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Expenditure By Type									
Employee related costs		72,661		5,383	21,263	24,220	(2,957)	-12%	72,661
Remuneration of councillors		7,173		563	2,250	2,391	(141)	-6%	7,173
Debt impairment		25,098		52,119	52,146	8,366	43,780	523%	25,098
Depreciation & asset impairment		37,803		-	2	12,601	(12,599)	-100%	37,803
Finance charges		3,385		18	190	1,128	(938)	-83%	3,385
Bulk purchases		26,256		1,061	8,697	8,752	(55)	-1%	26,256
Other materials		4,827		341	1,217	1,609	(392)	-24%	4,827
Contracted services		29,897		1,409	6,888	9,966	(3,078)	-31%	29,897
Transfers and grants		-		-	-	-	-	-	-
Other expenditure		31,902		1,919	7,301	10,634	(3,333)	-31%	31,902
Loss on disposal of PPE		-		-	-	-	-	-	-
Total Expenditure	-	239,002	-	62,814	99,953	79,667	20,286	25%	239,002

Material Variance greater than 10 per cent explained:

- Employee cost has a variance of 12%. No cause of concerns regarding this item is warranted however Corporate Services Director to ensure close monitoring of these costs and ensure only posts budgeted for and in the organogram are filled.
- Depreciation have material variance; however, no concern is warranted as these items should only be record at year end as per municipal policy
- Debt impairment has a material variance due the consumer debt written off as a result of Indigent write offs effected. This item will be adjusted for come adjustment budget in February.
- Finance charges, no cause for concern warranted despite the 83% variance. Chief Financial Officer to continue with proper financial management techniques employed to reduced Fruitless and Wasteful expenditure.
- Contracted Services and Other Expenditure have material variance averaging 31%, despite this variance no cause for concern is warranted yet as these areas will pick up. All directorates to ensure project are implemented in the correct timeframes and aligned to the municipal procurement plan.

8. Capital Expenditure

The following capital acquisitions were incurred and recorded for the month ended October 2018 per category:

- Moveable assets at R23 thousand
- Intangible assets at R413 thousand
- Infrastructure work in progress was incurred at a cost of R4.2 million

The costs incurred for infrastructure were towards the following capital projects:

Project Name	Supplier	Purchase Price at Cost
Rural towns revitalisation programme- Kirkwood, bergsig,aqua park and moses mabida	Deranco Blocks	R737 450.00
Rural towns revitalisation programme- Kirkwood, bergsig,aqua park and moses mabida	Omega Civils	R1,017,050
Langbos Bulk Water Supply	SMEC	R305,309
Langbos Bulk Water Supply,Langbos waste water,Pumpstation and outfall Phase1	Amadwala Trading	R260,201
Augmentation F Bulk & Distribution Water Infrastructure - Enon Bersheba	LA Consulting Engineers	R170,258
Valencia Bulk water		R355,500
Paterson Bulk water		R1,196,558

The costs incurred for movable assets were towards the following categories:

Asset Category	Supplier	Purchase Price at Cost
Plant and Equipment	Sains Agencies	R22,500.00

The costs incurred for intangible assets were towards the following categories:

Asset Category	Supplier	Purchase Price at Cost
EDMS	GMT Trading	R412,500

9. Creditors

Below is a table that reflects details in terms of top creditors and age analysis as at 30 October 2018.

TOP TEN CREDITORS AS AT 30 October 2018

Supplier	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
ESK002 (ESKOM BULK)						1,000,000.00	1,221,946.06	2,221,946.06
AUD001 (AUDIT GENERAL SA)						580,459.61	1,200,262.98	1,780,722.59
ABE001 (ABECO TANKS)							1,178,060.00	1,178,060.00
OME001 (OMEGA CIVILS)							919,607.08	919,607.08
ESK001 (ESKOM HOLDINGS)				118,142.78		275,495.59	221,393.33	615,031.70
DUC001 (DUCHARME CONSULTING)						414,245.32	149,201.90	563,447.22
MAX001 (MAXIMUM PROFIT RECOVERY)							538,712.89	538,712.89
GEM001 (GEMINI MOON TRADING 6)						474,375.00		474,375.00
MET001 (METSU WATER SOLUTIONS)							325,684.60	325,684.60

Total outstanding creditors amount to 10.7 million as at end October 2018. The municipality is applying better financial strategies insofar as creditor management. We have less and lesser long outstanding creditors, positively enhancing supplier goodwill as confidence is boosted.

10. Staff Benefits

	EMPLOYEE EARNINGS	COMPANY CONTRIBUTION
Salary and Wages	4,384,485.10	
Overtime	269,233.37	
Unpaid leave	-9,546.79	
Long Service Bonus	30,390.79	
Travelling	169,891.86	
Acting Allowance	25,604.85	
Shift Allowance	4,721.44	
Night Shift Allowance	7,873.68	
Danger Allowance	378.00	
Allowance	47,050.00	
Telephone	84,306.26	
Housing Allowance	72,508.89	
Standby Allowance	35,858.81	
Reimbursement km	60,602.67	
Subsistence	15,300.00	
UIF		35,867.23
Skills		50,842.16
Pension Fund		265,098.02
Retirement Fund		140,416.01
Provident Fund		119,508.06
Medical Aid		230,374.11
Salgbc Council Levy		2,756.25
TOTALS	5,198,658.93	844,861.84

Table above reveals employee related costs for the month of October amounting to R6 144 823.

This amount is inclusive of remuneration of councillors

11. Debt Collection and Credit Control

Below are highlights of events with the credit control section in an attempt to improve collection levels:

- The following government departments have made payments during the period:
 - Health- R61 693.40
 - SANPARKS- R33 201.12
 - Life Health Care- R 342 806.30
 - Rural Development- R8 351 826.68

These payments all service current year debt and reconciliation are still in progress.

- Revco (Debt collectors) and Credit Control unit had an engagement for work to be performed within the second quarter. The scope of work will entail:
 - Confirmation of ownership based on the latest deeds dump
 - Confirmation of deceased properties, identify whether active or not
 - Confirmation of indigent properties, identify whether effected or not
 - Confirmation of RDP houses transfers so we can start collecting accordingly

12. Outstanding Debtors

The total amount owed by debtors as at October 2018 is R228.8 million

Below is a table of outstanding debtors as at 30 October 2018 per category.

Region	Department	Current	Interest	30 Days	60 Days	90 Days	120 Days +	Total	
Cacadu	Education	R 29,368.55	R 0.00	R 42,637.95	R 38,498.34	R 72,208.09	R 761,787.38	R 944,500.31	
	Education (S21)	R 12,221.88	R 0.00	R 9,821.53	R 14,543.55	R 13,677.28	R 490,735.14	R 540,999.38	
	Health	R 50,402.25	R 0.00	R (4,871.93)	R 100,394.14	R 100,487.07	R 276,527.28	R 522,938.81	
	Rural Dev and Land refo	R 8,122.34	R 0.00	R 21,780.51	R 24,595.27	R 1,352,742.54	R 1,314,479.54	R 2,721,720.20	
	Human Settlements	R 0.00	R 0.00	R 0.00	R 0.00	R 62,965.51	R 59,986.41	R 122,951.92	
	Roads & Public Works	R 70,101.61	R 0.00	R 68,934.01	R (191,383.30)	R 645,125.63	R 534,917.30	R 1,127,695.25	
	Residents	R (52,902,261.99)	R 0.00	R 4,361,737.66	R 3,992,987.09	R 5,164,422.72	R 229,016,993.78	R 189,633,879.27	
	Councillors	R 10,627.93	R 0.00	R 7,339.53	R 8,066.00	R 14,542.10	R 240,668.45	R 281,244.01	
	Municipal Officials	R 44,712.12	R 0.00	R 41,073.47	R 38,319.13	R 39,847.42	R 1,618,572.43	R 1,782,524.57	
	Industries	R 1,639,472.22	R 0.00	R 1,143,706.00	R 980,696.56	R 2,087,119.40	R 15,236,014.49	R 21,087,008.67	
	National Departments	R 32,499.13	R 0.00	R (6,002.27)	R (240,989.70)	R 3,426,293.33	R 6,776,321.04	R 9,988,121.53	
	Grand Total	R (51,004,733.95)	R 0.00	R 5,686,156.46	R 4,765,727.08	R 12,979,431.09	R 256,327,003.24	R 228,753,583.92	
	Region	Debt By Type	Residents	Councillors	Municipal Officials	Industries	Nat Depts	Prov Depts	Total
Cacadu	Water	R 69,555,830.02	R 152,966.98	R 741,258.76	R 1,668,026.69	R 544,519.76	R 294,198.96	R 72,956,801.17	
	Electricity	R 6,432,114.98	R 2,680.89	R 110,041.63	R 10,285,853.99	R 141,134.33	R 1,566,436.17	R 18,538,261.99	
	Sewerage	R 36,341,539.44	R 35,897.34	R 358,378.91	R 1,552,069.88	R 59,377.92	R 190,428.95	R 38,537,692.44	
	Refuse	R 16,625,121.10	R 22,740.81	R 164,227.85	R 322,997.82	R (21,456.15)	R 79,842.01	R 17,193,473.44	
	Rates	R 45,815,182.37	R 57,166.71	R 285,338.67	R 6,229,025.94	R 10,385,441.89	R 1,083,267.67	R 63,855,423.25	
	Other	R 14,864,091.36	R 9,791.28	R 123,278.75	R 1,029,034.35	R 1,600,823.98	R 44,911.91	R 17,671,931.63	
	Grand Total	R 189,633,879.27	R 281,244.01	R 1,782,524.57	R 21,087,008.67	R 12,709,841.73	R 3,259,085.67	R 228,753,583.92	
	% on Total Debt	82.90	0.12	0.78	9.22	5.56	1.42	100.00	

The long outstanding debtors (over 90 days) amount to R256.9 million. The norm for debtors' collection is 30 days, we as an institution need to assess the performance of collections holistically as this indicates the exposure to cash flow risks.

The municipality needs to improve its revenue and cash flow management to ensure sustainability. It is recommended that the credit control policy be workshopped and implemented correctly thereafter and fast track the development of a revenue enhancement plan.

Debt Collection and Credit Control

- The billing for the month of October has been finalised and the accounts were sent for printing.
- The following departments made payments during the month of October
 - National Public Works – R 41 754.05
 - San Parks – R 71 056.96
 - Life Healthcare – R 186 396.49
- Invoices to the Department of Rural Development and Reforms were sent in July to the value of R8.4 million, of which payment has been made by the department and further invoices were sent to the department for the bills relating to the period 2010-2014 to the value of R5.2 million during the month of October 2018.
- Revco is assisting with the collection on outstanding debtors especially on household as they have been issuing notices to customers.

Reconciliations

- Unallocated deposits reconciliation has been performed up until October, there are outstanding items where the reference or the supporting document is not known and available.
- Debtors reconciliations are underway, this is an extensive reconciliation as it has also to accommodate data cleansing issues.
 1. Deeds vs Billing system – accounts or properties that are not in the deeds office were identified, billing system to be amended so that erf no on the billing system and names the are the same with those on the deeds dump.
 2. Valuation Roll in billing system VS Valuation roll from the valuer – Variances were identified, amendments on the system to be effected.
 3. Property rates recalculation is underway as currently we are busy with the comparison of recalculation VS billing system
 4. Other services are not yet started as the previous process has to be finalised as it will inform what services should in each property.

Challenges

- The differences in data between billing system, valuation roll and deeds office make it difficult to perform the reconciliation as each document has its own format.
- The capacity of the actual computers used as the excel spreadsheet we are working on are big documents that results on the actual performing of the recons to be a bit slow as the computers are getting stuck now and again.

Valuation Roll

- The valuer has not yet been appointed the tender has been referred back to the tendering processes to start from the beginning.

REPORT ON FREE BASIC SERVICE.

- During the month of October, the department embarked on the process of effecting the write off on the approved indigents that resulted in the total debt owed to be reduced but the process is not yet done as the correction are still underway for the current year.
- Cost has been incurred to Eskom to the value of R182 826.79 during the month of October with 3070 beneficiaries.
- For prepaid electricity, total of 28 700 kwh has been consumed for the month of January with 574 beneficiaries.

13. Inventory

- The total value of inventory issued for October is R 27 170.92, purchases to the value of R 683.05 and value on hand amounted to R 123 437.97

14. Insurance

- Insurance claims for the month of October 2018.

ASSET DESCRIPTION	CUSTODIAN	CLAIM NO	CLAIM STATUS
Cell phone	D.Mpayise	CLCBP – 135620	Approved
Cell phone	S.Rune	CLCBP – 135612	Approved

15. Asset and Liability

As at 30 October 2018, unspent conditional grant is as follows:

GRANT	BUDGETED ALLOCATIONS	AMOUNT RECEIVED TO DATE	EXPENDITURE TO DATE	PERCENTAGE OF EXPENDITURE	BALANCE TO DATE
MIG	25 162 000	9 555 000	3,621,851	0.40	5,933,418
SMALL TOWN	37 320 000	10,803,851.53	11,053,851	1.23	250,000
FMG	2 415 000	2 415 000	1,406,050	0.58	1,010,172
EPWP	1 000 000	250 000	598,010	2.39	-348,010
INEP	16 731 000	9 731 000	6,124,398	0.63	3,606,602

Small Town- Overspent as we awaiting a claim which has been submitted to the office of the premier

EPWP- Municipality is overspent due to allocation which will only be received in December 2018 while we have employee paid under this grant. Expenditure must be monitored to ensure we remain within given amount.

Expenditure on conditional grants is envisaged to increase gradually during the year.

16. Cash and Investment management

The cash flow is managed on a daily basis and the CFO is informed on the daily current account balances and investment on call accounts.

The municipality had a main account had a closing bank balance of R2.6 million at 30 October 2018

Total investments as at 30 October 2018 amounts to R20 million as reflected below:

ACCOUNT	OPENING BALANCE	TRANSFERS IN	INTEREST RECEIVED	TRANSFERES OUT	CLOSING BALANCE
					-
ELECTRICITY ACCOUNT - 62027590589	876,601.49	2,731,000.00	6,947.75	6,947.75	3,607,601.49
SRVM-LIBRARY-62314004839	1,000.00	-	0.41	0.41	1,000.00
FMG - 62149457708	1,418,857.86	-	4,956.29	1,422,814.15	1,000.00
EPWP - 62387475009	1,000.00	-	23.64	23.64	1,000.00
MSIG - 62072234041	1,000.00	-	4.03	4.03	1,000.00
MIG - 62081228621	6,812,223.44	-	27,790.81	2,769,446.58	4,070,567.67
EMERGENCY RELIEF-62394071204	1,000.00	-	0.44	0.44	1,000.00
TOWN PLANNING-62178942580-SMALL TOWN	4,343,930.63	-	6,811.41	4,349,742.04	1,000.00
ENON BERSHEBA- 62408271211	1,000.00		0.41	0.41	1,000.00
INTERGRATED ZONING SCHEME-62161489086	1,000.00		0.41	0.41	1,000.00
SALARIES SRVM	2,801,912.70	1,300,000.00	11,069.88	4,111,069.88	1,912.70
ROADS & PUBLIC WORKS-62071406542	1,000.00	-	3.89	3.89	1,000.00
ADDO NOLUTHANDO/EQUITABLE-62134438284	1,804.86	-	0.74	-	1,805.60
TOA-74539338646	12,243,586.46		57,393.89	-	12,300,980.35
TOTAL	28,505,917.44	4,031,000.00	115,004.00	12,660,053.63	19,991,867.81

EC106 Sundays River Valley - Table C1 Monthly Budget Statement Summary - M04 October

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	48,950	-	2,312	24,792	16,317	8,475	52%	48,950
Service charges	-	45,196	-	3,678	16,915	15,065	1,850	12%	45,196
Investment revenue	-	1,843	-	78	453	614	(162)	-26%	1,843
Transfers recognised - operational	-	94,751	-	327	34,108	31,584	2,524	8%	94,751
Other own revenue	-	17,727	-	1,448	5,402	5,909	(506)	-9%	17,727
Total Revenue (excluding capital transfers and contributions)	-	208,467	-	7,843	81,670	69,489	12,181	18%	208,467
Employee costs	-	72,661	-	5,383	21,263	24,220	(2,957)	-12%	72,661
Remuneration of Councillors	-	7,173	-	563	2,250	2,391	(141)	-6%	7,173
Depreciation & asset impairment	-	37,803	-	-	2	12,601	(12,599)	-100%	37,803
Finance charges	-	3,385	-	18	190	1,128	(938)	-83%	3,385
Materials and bulk purchases	-	31,082	-	1,402	9,914	10,361	(447)	-4%	31,082
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	-	86,897	-	55,447	66,335	28,966	37,369	129%	86,897
Total Expenditure	-	239,002	-	62,814	99,953	79,667	20,286	25%	239,002
Surplus/(Deficit)	-	(30,535)	-	(54,971)	(18,284)	(10,178)	(8,105)	80%	(30,535)
Transfers recognised - capital	-	62,482	-	-	13,123	20,827	(7,705)	-37%	62,482
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	31,947	-	(54,971)	(5,161)	10,649	(15,810)	-148%	31,947
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	31,947	-	(54,971)	(5,161)	10,649	(15,810)	-148%	31,947
Capital expenditure & funds sources									
Capital expenditure	-	107,087	-	4,477	20,810	35,696	(14,886)	-42%	107,087
Capital transfers recognised	-	77,955	-	4,042	24,472	12,992	11,479	88%	77,955
Public contributions & donations	-	-	-	-	29	-	29	#DIV/0!	-
Borrowing	-	14,297	-	-	-	2,383	(2,383)	-100%	14,297
Internally generated funds	-	14,835	-	435	1,199	2,473	(1,274)	-52%	14,835
Total sources of capital funds	-	107,087	-	4,477	25,700	17,848	7,852	44%	107,087
Financial position									
Total current assets	-	83,378	-	-	53,812	-	-	-	83,378
Total non current assets	-	665,403	-	-	660,961	-	-	-	665,403
Total current liabilities	-	30,270	-	-	68,448	-	-	-	30,270
Total non current liabilities	-	32,401	-	-	16,982	-	-	-	32,401
Community wealth/Equity	-	686,110	-	-	644,747	-	-	-	686,110
Cash flows									
Net cash from (used) operating	-	111,563	-	5,718	26,583	27,891	1,308	5%	111,563
Net cash from (used) investing	-	(107,087)	-	(4,477)	(23,792)	(26,772)	(2,980)	11%	(107,087)
Net cash from (used) financing	-	(4,596)	-	(111)	(457)	(1,532)	(1,075)	70%	(4,596)
Cash/cash equivalents at the month/year end	-	1,889	-	-	2,648	1,597	(1,051)	-66%	193
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	(51,005)	5,686	4,766	12,979	5,884	4,901	245,542	-	228,754
Creditors Age Analysis									
Total Creditors	6,741	3,449	365	162	-	-	49	-	10,765

This table is a summary of budget verse actual as at 30 October 2018

EC106 Sundays River Valley - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Governance and administration	-	81,207	-	2,673	46,078	27,069	19,009	70%	81,207
Executive and council	-	7,524	-	-	3,137	2,508	629	25%	7,524
Budget and treasury office	-	65,236	-	2,673	39,800	21,745	18,055	83%	65,236
Corporate services	-	8,448	-	-	3,141	2,816	325	12%	8,448
Community and public safety	-	17,714	-	407	4,620	5,905	(1,284)	-22%	17,714
Community and social services	-	9,803	-	8	3,547	3,268	280	9%	9,803
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	7,911	-	399	1,073	2,637	(1,564)	-59%	7,911
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	-	59,377	-	6	8,307	19,792	(11,486)	-58%	59,377
Planning and development	-	5,610	-	6	2,069	1,870	199	11%	5,610
Road transport	-	53,768	-	-	6,238	17,923	(11,685)	-65%	53,768
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	-	111,162	-	4,430	35,132	37,054	(1,922)	-5%	111,162
Electricity	-	40,772	-	1,482	14,717	13,591	1,126	8%	40,772
Water	-	26,017	-	1,777	8,679	8,672	7	0%	26,017
Waste water management	-	24,041	-	395	4,006	8,014	(4,008)	-50%	24,041
Waste management	-	20,332	-	776	7,730	6,777	953	14%	20,332
Other	-	1,489	-	327	656	496	159	32%	1,489
Total Revenue - Standard	-	270,949	-	7,843	94,793	90,316	4,476	5%	270,949
Expenditure - Standard									
Governance and administration	-	87,184	-	15,653	41,067	29,061	12,006	41%	87,184
Executive and council	-	15,879	-	884	2,422	5,293	(2,871)	-54%	15,879
Budget and treasury office	-	52,225	-	13,982	36,359	17,408	18,951	109%	52,225
Corporate services	-	19,080	-	787	2,286	6,360	(4,074)	-64%	19,080
Community and public safety	-	29,140	-	2,084	4,561	9,713	(5,152)	-53%	29,140
Community and social services	-	13,200	-	750	1,506	4,400	(2,894)	-66%	13,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	15,316	-	1,218	2,752	5,105	(2,353)	-46%	15,316
Housing	-	624	-	115	303	208	95	46%	624
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	-	20,064	-	655	1,350	6,688	(5,338)	-80%	20,064
Planning and development	-	7,535	-	397	781	2,512	(1,731)	-69%	7,535
Road transport	-	12,529	-	258	569	4,176	(3,607)	-86%	12,529
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	-	101,172	-	44,321	52,765	33,724	19,041	56%	101,172
Electricity	-	29,876	-	2,928	7,823	9,959	(2,136)	-21%	29,876
Water	-	41,470	-	24,914	26,825	13,823	13,001	94%	41,470
Waste water management	-	13,782	-	5,624	6,130	4,594	1,536	33%	13,782
Waste management	-	16,045	-	10,855	11,988	5,348	6,640	124%	16,045
Other	-	1,442	-	101	210	481	(271)	-56%	1,442
Total Expenditure - Standard	-	239,002	-	62,814	99,953	79,667	20,286	25%	239,002
Surplus/ (Deficit) for the year	-	31,947	-	(54,971)	(5,161)	10,649	(15,810)	-148%	31,947

This tables shows the statement of financial performance using standard classification

EC106 Sundays River Valley - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Mayor and Council	-	3,301	-	-	1,376	1,100	276	25.1%	3,301
Vote 2 - Municipal Manager	-	8,446	-	-	3,521	2,815	705	25.1%	8,446
Vote 3 - Finance	-	65,236	-	2,673	39,800	21,745	18,055	83.0%	65,236
Vote 4 - Corporate Service	-	8,448	-	-	3,141	2,816	325	11.5%	8,448
Vote 5 - Community Services	-	39,535	-	1,511	13,006	13,178	(173)	-1.3%	39,535
Vote 6 - Technical Service	-	145,984	-	3,659	33,949	48,661	(14,712)	-30.2%	145,984
Vote 7 - Planningg & Development	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	-	270,949	-	7,843	94,793	90,316	4,476	5.0%	270,949
Expenditure by Vote									
Vote 1 - Mayor and Council	-	9,859	-	734	1,649	3,286	(1,638)	-49.8%	9,859
Vote 2 - Municipal Manager	-	10,640	-	537	1,511	3,547	(2,036)	-57.4%	10,640
Vote 3 - Finance	-	52,225	-	13,982	36,359	17,408	18,951	108.9%	52,225
Vote 4 - Corporate Service	-	19,080	-	787	2,286	6,360	(4,074)	-64.1%	19,080
Vote 5 - Community Services	-	46,002	-	12,925	16,456	15,334	1,122	7.3%	46,002
Vote 6 - Technical Service	-	101,195	-	33,850	41,692	33,732	7,961	23.6%	101,195
Vote 7 - Planningg & Development	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	-	239,002	-	62,814	99,953	79,667	20,286	25.5%	239,002
Surplus/ (Deficit) for the year	-	31,947	-	(54,971)	(5,161)	10,649	(15,810)	-148.5%	31,947

This table shows statement of financial performance by vote

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		48,950		2,312	24,792	16,317	8,475	52%	48,950
Property rates - penalties & collection charges					-	-	-		-
Service charges - electricity revenue		16,290		1,723	8,588	5,430	3,158	58%	16,290
Service charges - water revenue		14,067		1,078	4,809	4,689	120	3%	14,067
Service charges - sanitation revenue		5,812		301	1,215	1,937	(722)	-37%	5,812
Service charges - refuse revenue		9,027		576	2,302	3,009	(707)	-23%	9,027
Service charges - other					-	-	-		-
Rental of facilities and equipment		68	-	5	19	23	(4)	-18%	68
Interest earned - external investments		1,843		78	453	614	(162)	-26%	1,843
Interest earned - outstanding debtors		9,126		991	3,893	3,042	851	28%	9,126
Dividends received					-	-	-		-
Fines		3,169		37	138	1,056	(919)	-87%	3,169
Licences and permits		1,946		113	388	649	(260)	-40%	1,946
Agency services		2,859		249	776	953	(177)	-19%	2,859
Transfers recognised - operational		94,751		327	34,108	31,584	2,524	8%	94,751
Other revenue		559		53	188	186	2	1%	559
Gains on disposal of PPE					-	-	-		-
Total Revenue (excluding capital transfers and contributions)	-	208,467	-	7,843	81,670	69,489	12,181	18%	208,467
Expenditure By Type									
Employee related costs		72,661		5,383	21,263	24,220	(2,957)	-12%	72,661
Remuneration of councillors		7,173		563	2,250	2,391	(141)	-6%	7,173
Debt impairment		25,098		52,119	52,146	8,366	43,780	523%	25,098
Depreciation & asset impairment		37,803		-	2	12,601	(12,599)	-100%	37,803
Finance charges		3,385		18	190	1,128	(938)	-83%	3,385
Bulk purchases		26,256		1,061	8,697	8,752	(55)	-1%	26,256
Other materials		4,827		341	1,217	1,609	(392)	-24%	4,827
Contracted services		29,897		1,409	6,888	9,966	(3,078)	-31%	29,897
Transfers and grants		-		-	-	-	-		-
Other expenditure		31,902		1,919	7,301	10,634	(3,333)	-31%	31,902
Loss on disposal of PPE							-		-
Total Expenditure	-	239,002	-	62,814	99,953	79,667	20,286	25%	239,002
Surplus/(Deficit)	-	(30,535)	-	(54,971)	(18,284)	(10,178)	(8,105)	0	(30,535)
Transfers recognised - capital		62,482		-	13,123	20,827	(7,705)	(0)	62,482
Contributions recognised - capital							-		
Contributed assets							-		
Surplus/(Deficit) after capital transfers & contributions	-	31,947	-	(54,971)	(5,161)	10,649			31,947
Taxation							-		
Surplus/(Deficit) after taxation	-	31,947	-	(54,971)	(5,161)	10,649			31,947
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	-	31,947	-	(54,971)	(5,161)	10,649			31,947
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	31,947	-	(54,971)	(5,161)	10,649			31,947

This table shows statement of financial performance by item

EC106 Sundays River Valley - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M04 October

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
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 - Planning & Development	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation									
Vote 1 - Mayor and Council	-	915	-	-	238	305	(67)	-22%	915
Vote 2 - Municipal Manager	-	850	-	-	23	283	(260)	-92%	850
Vote 3 - Finance	-	550	-	-	-	183	(183)	-100%	550
Vote 4 - Corporate Service	-	4,950	-	413	869	1,650	(781)	-47%	4,950
Vote 5 - Community Services	-	7,842	-	-	332	2,614	(2,282)	-87%	7,842
Vote 6 - Technical Service	-	91,980	-	4,065	19,348	30,660	(11,312)	-37%	91,980
Vote 7 - Planning & Development	-	-	-	-	-	-	-	-	-
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]	-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	-	107,087	-	4,477	20,810	35,696	(14,886)	-42%	107,087
Total Capital Expenditure	-	107,087	-	4,477	20,810	35,696	(14,886)	-42%	107,087
Capital Expenditure - Standard Classification									
Governance and administration	-	7,265	-	413	1,131	1,816	(686)	-38%	7,265
Executive and council	-	1,765	-	-	261	441	(180)	-41%	1,765
Budget and treasury office	-	550	-	-	-	138	(138)	-100%	550
Corporate services	-	4,950	-	413	869	1,238	(368)	-30%	4,950
Community and public safety	-	5,303	-	-	332	1,548	(1,216)	-79%	5,303
Community and social services	-	2,640	-	-	315	660	(345)	-52%	2,640
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	2,663	-	-	17	888	(870)	-98%	2,663
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	-	52,995	-	1,755	10,506	17,665	(7,159)	-41%	52,655
Planning and development	-	340	-	-	29	113	(85)	-75%	340
Road transport	-	52,655	-	1,755	10,477	17,552	(7,074)	-40%	52,655
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	-	41,525	-	2,310	8,842	13,842	(5,000)	-36%	41,525
Electricity	-	18,066	-	-	5,128	6,022	(893)	-15%	18,066
Water	-	6,917	-	2,310	3,276	2,306	970	42%	6,917
Waste water management	-	14,002	-	-	438	4,667	(4,230)	-91%	14,002
Waste management	-	2,540	-	-	-	847	(847)	-100%	2,540
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	-	107,087	-	4,477	20,810	34,870	(14,060)	-40%	106,747

EC106 Sundays River Valley - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash		1,890		2,648	1,890
Call investment deposits		19,383		19,992	19,383
Consumer debtors		61,835		31,036	61,835
Other debtors				-	-
Current portion of long-term receivables				-	-
Inventory		270		136	270
Total current assets	-	83,378	-	53,812	83,378
Non current assets					
Long-term receivables				-	
Investments					
Investment property		29,250		29,250	29,250
Investments in Associate					
Property, plant and equipment		633,993		626,727	633,993
Agricultural					
Biological assets					
Intangible assets		1,838		4,661	1,838
Other non-current assets		322		322	322
Total non current assets	-	665,403	-	660,961	665,403
TOTAL ASSETS	-	748,781	-	714,773	748,781
LIABILITIES					
Current liabilities					
Bank overdraft		-			
Borrowing		4,596		813	4,596
Consumer deposits		56		69	56
Trade and other payables		25,618		63,648	25,618
Provisions				3,918	-
Total current liabilities	-	30,270	-	68,448	30,270
Non current liabilities					
Borrowing		14,054		1,579	14,054
Provisions		18,347		15,403	18,347
Total non current liabilities	-	32,401	-	16,982	32,401
TOTAL LIABILITIES	-	62,672	-	85,430	62,672
NET ASSETS	-	686,110	-	629,343	686,110
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		686,110		644,747	686,110
Reserves					
TOTAL COMMUNITY WEALTH/EQUITY	-	686,110	-	644,747	686,110

This tables shows balance sheet as at 30 October 2018

EC106 Sundays River Valley - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges		32,210		1,547	23,551	8,052	15,499	192%	32,210
Service charges		21,957		1,719	8,331	5,489	2,842	52%	21,957
Other revenue		74,475		17,528	59,698	18,619	41,079	221%	74,475
Government - operating		94,751		1,527	34,507	23,688	10,819	46%	94,751
Government - capital		62,482		2,731	24,113	15,621	8,492	54%	62,482
Interest		3,752		5	13	938	(925)	-99%	3,752
Dividends						-	-		-
Payments									
Suppliers and employees		(176,616)		(19,339)	(123,567)	(44,154)	79,413	-180%	(176,616)
Finance charges		(1,449)		-	(63)	(362)	(299)	83%	(1,449)
Transfers and Grants						-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	111,563	-	5,718	26,583	27,891	1,308	5%	111,563
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE							-		
Decrease (Increase) in non-current debtors							-		
Decrease (increase) other non-current receivables							-		
Decrease (increase) in non-current investments							-		
Payments									
Capital assets		(107,087)		(4,477)	(23,792)	(26,772)	(2,980)	11%	(107,087)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(107,087)	-	(4,477)	(23,792)	(26,772)	(2,980)	11%	(107,087)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-		
Borrowing long term/refinancing							-		
Increase (decrease) in consumer deposits							-		
Payments									
Repayment of borrowing		(4,596)		(111)	(457)	(1,532)	(1,075)	70%	(4,596)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	(4,596)	-	(111)	(457)	(1,532)	(1,075)	70%	(4,596)
NET INCREASE/ (DECREASE) IN CASH HELD	-	(121)	-	1,130	2,334	(413)			(121)
Cash/cash equivalents at beginning:		2,010			314	2,010			314
Cash/cash equivalents at month/year end:		1,889			2,648	1,597			193

This tables show cash flow statement as at 30 October 2018