

**BUDGET AND TREASURY FINANCIAL REPORT FOR THE MONTH
ENDED AUGUST 2018**



SUNDAYS RIVER VALLEY MUNICIPALITY

BUDGET AND TREASURY

Monthly Financial Reports- August 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 R13.3 million and actual operating expenditure of R7.1 million. The municipality for the month ended August 2018, had a net surplus of R6.2 million

Financial sustainability however remains a concern despite the surplus recorded.

3. Financial Performance- Revenue

An amount of R13.3 million has been recorded as revenue for the month.

The transfers recognised contributed a significant amount of R4.8 million, followed by service charges at R4.6 million and property rates at R2.3 million.

4. Financial Performance- Expenditure

The actual total expenditure for the month amounts to R7.1 million.

The largest contributor to the expenditure basket are bulk purchases and contracted services at R2.7 million and R2.1 million respectively.

5. Borrowings

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

6. Revenue Performance

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

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
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		2,314	19,788	8,158	11,629	143%	48,950	
Property rates - penalties & collection charges					-	-	-		-	
Service charges - electricity revenue		16,290		2,609	5,215	2,715	2,500	92%	16,290	
Service charges - water revenue		14,067		1,127	2,873	2,344	529	23%	14,067	
Service charges - sanitation revenue		5,812		301	443	969	(526)	-54%	5,812	
Service charges - refuse revenue		9,027		576	1,315	1,505	(189)	-13%	9,027	
Service charges - other				-	-	-	-		-	
Rental of facilities and equipment		68		4	8	11	(3)	-26%	68	
Interest earned - external investments		1,843		-	-	307	(307)	-100%	1,843	
Interest earned - outstanding debtors		9,126		1,134	2,092	1,521	571	38%	9,126	
Fines		3,169		35	57	528	(472)	-89%	3,169	
Licences and permits		1,946		88	89	324	(235)	-73%	1,946	
Agency services		2,859		177	356	476	(121)	-25%	2,859	
Transfers recognised - operational		94,751		946	31,272	15,792	15,480	98%	94,751	
Transfers recognised - capital		62,482		3,893	3,893	10,414	(6,520)	(0)	62,482	
Other revenue		559		77	85	93	(8)	-9%	559	
Total Revenue		-	270,949	-	13,280	67,487	45,158	22,329	(0)	270,949

Material Variance greater than 10 per cent explained:

- Property Rates have a material variance of 143% due to annual billing performed for Government departments, no cause for concern nor remedial action required as this will resolve itself as the year progresses.
- Service charges have a material variance of 48% due to consumption variations, no cause for concern yet as seasonal usage will neutralise the budget
- Rental of facilities and equipment have a 26% variance due to lower than anticipated rental received, no remedial action required
- Interest received- external has 100% variance due to no interest received from investment being recorded in the financial system. This is concerning and Finance Directorate to ensure all month end procedures are performed before reporting dates.
- Fines have a material variance of 89% 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 must ensure all month end procedures are adhered to.
- Licences and permits have a material variance of 73% as income from licenses was recorded late in July and lower than anticipated
- Agency fees have a material variance of 25%, no cause for concern can be noted and no remedial action required.
- Transfers recognised have a material variance as no capital asset recognition has been performed in the financial system. This is an

indication of poor month end controls. Finance to ensure all grant recognition is performed as required for effective monitoring.

7. Expenditure Performance

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

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		36	4,976	12,110	(7,134)	-59%	72,661	
Remuneration of councillors		7,173		-	563	1,196	(633)	-53%	7,173	
Debt impairment		25,098		-	26	4,183	(4,157)	-99%	25,098	
Depreciation & asset impairment		37,803		2	2	6,300	(6,298)	-100%	37,803	
Finance charges		3,385		27	55	564	(509)	-90%	3,385	
Bulk purchases		26,256		2,703	4,813	4,376	437	10%	26,256	
Other materials		4,827		453	457	804	(347)	-43%	4,827	
Contracted services		29,897		2,139	2,976	4,983	(2,007)	-40%	29,897	
Other expenditure		31,902		1,739	1,908	5,317	(3,409)	-64%	31,902	
Total Expenditure		-		-	7,100	15,777	39,834	(24,057)	-60%	239,002

Material Variance greater than 10 per cent explained:

- Material variance of 59% can be noted for employee cost due to salaries and wages not being recorded on the financial system for August. This is concerning as this item should easily be updated. Finance department to ensure that general ledger is updated timeously and all month end procedures performed.
- Remuneration of Councillors is a 53% variance as a result of the general ledger not being updated. This can be remedied using the above stated (Employee cost variance) solution
- Debt Impairment and Depreciation have material variance; however, no concern is warranted as these items should only be record at year end as per municipal policy
- Finance charges, no cause for concern warranted as a large variance is essential as this is an area for fruitless expenditure. Finance to ensure that creditors are managed according to maintain good relations. Other item for finance lease interest and landfill interest will be recorded at year end, therefore no mitigating action required
- Other material, Contracted Services and Other Expenditure have material variance averaging 49%, despite this variance no cause for concern is warranted yet as these areas will pick up. Finance department to however ensure all received invoices are captured and end user department to submit invoices timeously for better financial management.

8. Capital Expenditure

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

- Moveable assets at R612 thousand
- Infrastructure work in progress was incurred at a cost of R2,9 million

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

Description	Purchase price at cost
Rehabilitation of parks and playgrounds- Nomathamsanga and Msengeni	R141,413
Valencia bulk water supply	R98,720
Investigation, drilling and equipping of new boreholes	R221,800
Upgrading of Sewer Network	R23,911
Small Town	R727,155
Stabilisation of Electricity networks	R817,473
Upgrade of gravel Roads-Msengeni	R843,288

9. Creditors

Below is a table that reflects details in terms of top creditors and age analysis as at 31 August 2018.

Outstanding creditors to the value of R12.3 million existed at the end of August 2018.

TOP TEN CREDITORS AS AT 31 August 2018

Supplier	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
ESK002 (ESKOM BULK)						210,555.00	2,683,840.87	2,894,395.87
OME001 (OMEGA CIVILS)						1,430,727.40	275,028.77	1,705,756.17
ZAM002 (ZAMAZONDO CONSTRUCTION)							969,781.04	969,781.04
ASC001 (ASCA CONSULTING ENGINEERS)							940,094.01	940,094.01
KEI001 (Keith Simon Family Trust)					837,388.00			837,388.00
DEP002 (Water and Sanitation - National)							687,786.68	687,786.68
WAV001 (WAVELENGTHS CONSTRUCTION)						626,750.00		626,750.00
DER001 (DERANCO BLOCKS)							561,200.00	561,200.00
GEM001 (GEMINI MOON TRADING 6)							482,195.00	482,195.00
MET001 (METSU WATER SOLUTIONS)							327,363.60	327,363.60

The municipality is applying better financial strategies insofar as creditor management. We have less and lesser long outstanding creditors, positively enhances our supplier goodwill as confidence is boosted.

10. Staff Benefits

	EMPLOYEE EARNINGS	COMPANY CONTRIBUTION
Salary and Wages	4,200,981.04	
Overtime	299,573.30	
Unpaid leave	-7,770.13	
Long Service Bonus	34,497.36	
Leave Encashment	5,788.74	
Travelling	186,306.86	
Acting Allowance	42,489.79	
Shift Allowance	5,628.77	
Night Shift Allowance	7,511.16	
Danger Allowance	432.00	
Allowance	83,050.00	
Telephone	86,068.66	
Housing Allowance	74,755.26	
Standby Allowance	47,488.34	
Reimbursement km	45,631.72	
BP Normal	214,771.47	
BP Overtime	497.42	
Subsistence	2,900.00	
Lumpsum		
UIF		35,796.69
Skills		52,122.68
Pension Fund		274,539.68
Retirement Funding		157,503.05
Provident Fund		120608.18
Medical		225,716.15
Industrial Levy		2,642.50
TOTALS	5,330,601.76	868,928.93

Table above reveals employee related costs for the month of August amounting to R6 199 531.

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:
 - National Public Works- R 5 636 122.18
 - Provincial Public Works – R2 019 179.68
 - Health- R1 726.74
 - Education- R2 318.55
 - SANPARKS- R194 291.80
 - Life Health Care- R 661 303.83

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

- Department of education has highlighted that there are schools that they are not paying for of which as a department we are trying to contact those schools.
- Revco our Debt collectors are assisting with the contacting of customers through calling them and sending them section 129 reminders

12. Outstanding Debtors

The total amount owed by debtors as at August 2018 is R288.2 million

Below is a table of outstanding debtors by category as at 31 August 2018.

Department	Current	Interest	30 Days	60 Days	90 Days	120 Days +	Total
Education	R 39,029.35	R 0.00	R 74,144.66	R 104,058.87	R 45,311.16	R 590,548.06	R 853,092.10
Education (S21)	R 14,543.55	R 0.00	R 13,677.28	R 15,482.20	R 21,781.13	R 483,471.81	R 548,955.97
Health	R 101,085.99	R 0.00	R 101,190.24	R 95,485.76	R 23,740.93	R 158,965.22	R 480,468.14
Rural Dev and Land refo	R 26,759.37	R 0.00	R 2,690,386.46	R 26,746.70	R 26,745.94	R 8,212,860.65	R 10,983,499.12
Human Settlements	R 0.00	R 0.00	R 62,965.51	R 0.00	R 0.00	R 59,986.41	R 122,951.92
Roads & Public Works	R (189,249.63)	R 0.00	R 638,396.04	R (12,550.63)	R 230.80	R 540,028.69	R 976,855.27
Residents	R 4,923,338.96	R 0.00	R 6,063,320.48	R 4,226,179.89	R 4,265,634.14	R 222,407,829.43	R 241,886,302.90
Councillors	R 11,992.67	R 0.00	R 15,606.01	R 87,252.90	R 10,529.64	R 138,963.07	R 264,344.29
Municipal Officials	R 43,383.97	R 0.00	R 44,720.62	R 40,065.34	R 39,553.32	R 1,629,076.90	R 1,796,800.15
Industries	R 2,580,489.71	R 0.00	R 2,417,350.08	R 655,055.02	R 704,305.91	R 13,708,279.82	R 20,065,480.54
National Departments	R (226,073.25)	R 0.00	R 3,636,058.77	R 22,745.70	R 24,934.34	R 6,785,956.56	R 10,243,622.12
Grand Total	R 7,325,300.69	R 0.00	R 15,757,816.15	R 5,260,521.75	R 5,162,767.31	R 254,715,966.62	R 288,222,372.52

Debt By Type	Residents	Councillors	Municipal Officials	Industries	Nat Depts	Prov Depts	Total
Water	R 93,835,447.99	R 149,886.82	R 737,734.67	R 1,548,802.61	R 637,138.32	R 275,946.70	R 97,184,957.11
Electricity	R 8,183,666.22	R 2,719.57	R 112,057.92	R 11,299,632.29	R 151,524.29	R 1,264,293.53	R 21,013,893.82
Sewerage	R 45,624,525.13	R 31,392.58	R 363,012.62	R 1,457,138.53	R 57,660.52	R 781,682.53	R 48,315,411.91
Refuse	R 21,492,409.97	R 21,345.63	R 164,946.98	R 280,587.29	R (22,177.13)	R 105,394.06	R 22,042,506.80
Rates	R 53,086,815.84	R 51,577.21	R 304,336.01	R 4,276,086.95	R 17,225,139.25	R 323,560.49	R 75,267,515.75
Other	R 19,663,437.75	R 7,422.48	R 114,711.95	R 1,203,232.87	R 3,177,835.99	R 231,446.09	R 24,398,087.13
Grand Total	R 241,886,302.90	R 264,344.29	R 1,796,800.15	R 20,065,480.54	R 21,227,121.24	R 2,982,323.40	R 288,222,372.52

The long outstanding debtors (over 90 days) amount to R254,7 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.

REPORT ON FREE BASIC SERVICE.

- During the month of August an amount of R184 494.26 has been paid to Eskom with 3098 beneficiaries.
- For prepaid customers' 28600 kwh has been issued with 572 beneficiaries (registration is continuing on a daily basis for the incoming customers)

13. Inventory

- The inventory value on hand at the end of August 2018 amounts to R 171 893.

14. Insurance

- There were no insurance claims for the month of August 2018.

15. Asset and Liability

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

GRANT	BUDGETED ALLOCATIONS	AMOUNT RECEIVED TO DATE	EXPENDITURE TO DATE	PERCENTAGE OF EXPENDITURE	BALANCE TO DATE	RESPONSIBLE DEPARTMENT
MIG	25 162 000	9 555 000	2 489 894	26%	7 065 106	TECHNICAL
SMALL TOWN	37 320 000	5 460 725	5 438 216	99%	22 509	TECHNICAL
FMG	2 415 000	2 415 000	593 746	25%	1 821 254	FINANCE
EPWP	1 000 000	250 000	314 905	1.25%	-64 905	COMMUNITY
INEP	16 731 000.00	7 000 000	1 044 159	15%	7 000 000.00	TECHNICAL

Expenditure on conditional grants is envisaged to increase gradually during the year. No alarming factors or postponements of activities is foreseen moving forward as vacancies have been filled within procurement.

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 R653 359.40 at 31 August 2018

Total investments as at 31 August 2018 amounts to R33 million as reflected below:

Name of Account	Closing Balance R'000
Enon	1,000.00
Intergrated Zoning	1,000.00
Addo/Noluthando	1,804.07
TOA	12,186,460.35
Library	1,000.00
MSIG	1,000.00
Small town	2,448,609.67
Salaries	2,001,912.70
Roads	1,000.00
MIG	7,086,373.86
FMG	2,418,857.86
INEP	6,774,313.51
EPWP	94,440.87
Emergency	1,000.00
	33,018,772.89

EC106 Sundays River Valley - Table C1 Monthly Budget Statement Summary - M02 August

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	-	2,314	19,788	8,158	11,629	143%	48,950
Service charges	-	45,196	-	4,613	9,847	7,533	2,314	31%	45,196
Investment revenue	-	1,843	-	-	-	307	(307)	-100%	1,843
Transfers recognised - operational	-	94,751	-	946	31,272	15,792	15,480	98%	94,751
Other own revenue	-	17,727	-	1,514	2,687	2,954	(268)	-9%	17,727
Total Revenue (excluding capital transfers and contributions)	-	208,467	-	9,387	63,594	34,744	28,849	83%	208,467
Employee costs	-	72,661	-	36	4,976	12,110	(7,134)	-59%	72,661
Remuneration of Councillors	-	7,173	-	-	563	1,196	(633)	-53%	7,173
Depreciation & asset impairment	-	37,803	-	2	2	6,300	(6,298)	-100%	37,803
Finance charges	-	3,385	-	27	55	564	(509)	-90%	3,385
Materials and bulk purchases	-	31,082	-	3,156	5,270	5,180	90	2%	31,082
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	-	86,897	-	3,878	4,910	14,483	(9,573)	-66%	86,897
Total Expenditure	-	239,002	-	7,100	15,777	39,834	(24,057)	-60%	239,002
Surplus/(Deficit)	-	(30,535)	-	2,287	47,817	(5,089)	52,906	-1040%	(30,535)
Transfers recognised - capital	-	62,482	-	3,893	3,893	10,414	(6,520)	-63%	62,482
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	31,947	-	6,180	51,710	5,324	46,386	871%	31,947
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	31,947	-	6,180	51,710	5,324	46,386	871%	31,947
Capital expenditure & funds sources									
Capital expenditure	-	107,087	-	3,485	4,377	17,848	(13,471)	-75%	107,087
Capital transfers recognised	-	77,955	-	2,874	3,719	12,992	(9,273)	-71%	77,955
Public contributions & donations	-	-	-	-	29	-	29	#DIV/0!	-
Borrowing	-	14,297	-	-	-	2,383	(2,383)	-100%	14,297
Internally generated funds	-	14,835	-	612	628	2,473	(1,844)	-75%	14,835
Total sources of capital funds	-	107,087	-	3,485	4,377	17,848	(13,471)	-75%	107,087
Financial position									
Total current assets	-	83,378	-	-	69,947	-	-	-	83,378
Total non current assets	-	665,403	-	-	647,981	-	-	-	665,403
Total current liabilities	-	30,270	-	-	51,733	-	-	-	30,270
Total non current liabilities	-	32,401	-	-	15,150	-	-	-	32,401
Community wealth/Equity	-	686,110	-	-	651,046	-	-	-	686,110
Cash flows									
Net cash from (used) operating	-	111,563	-	3,229	13,881	18,594	4,713	25%	111,563
Net cash from (used) investing	-	(107,087)	-	(3,485)	(13,306)	(17,848)	(4,542)	25%	(107,087)
Net cash from (used) financing	-	(4,596)	-	(111)	(235)	(766)	(531)	69%	(4,596)
Cash/cash equivalents at the month/year end	-	1,889	-	-	653	1,990	1,337	67%	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	7,322	15,704	5,223	5,128	5,027	4,824	244,995	-	288,223
Creditors Age Analysis									
Total Creditors	7,944	3,498	622	-	36	2	13	-	12,113

This table is a summary of budget verse actual as at 31 August 2018

EC106 Sundays River Valley - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

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									
<i>Governance and administration</i>	-	81,207	-	3,293	31,203	13,535	17,669	131%	81,207
Executive and council	-	7,524	-	-	3,137	1,254	1,883	150%	7,524
Budget and treasury office	-	65,236	-	3,293	28,067	10,873	17,194	158%	65,236
Corporate services	-	8,448	-	-	-	1,408	(1,408)	-100%	8,448
<i>Community and public safety</i>	-	17,714	-	305	4,034	2,952	1,082	37%	17,714
Community and social services	-	9,803	-	6	3,534	1,634	1,900	116%	9,803
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	7,911	-	299	500	1,319	(818)	-62%	7,911
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	59,377	-	2,879	8,158	9,896	(1,738)	-18%	59,377
Planning and development	-	5,610	-	295	2,056	935	1,121	120%	5,610
Road transport	-	53,768	-	2,583	6,103	8,961	(2,859)	-32%	53,768
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	-	111,162	-	6,803	19,972	18,527	1,445	8%	111,162
Electricity	-	40,772	-	1,515	1,515	6,795	(5,280)	-78%	40,772
Water	-	26,017	-	4,129	9,059	4,336	4,723	109%	26,017
Waste water management	-	24,041	-	391	3,217	4,007	(790)	-20%	24,041
Waste management	-	20,332	-	768	6,181	3,389	2,792	82%	20,332
<i>Other</i>	-	1,489	-	0	328	248	80	32%	1,489
Total Revenue - Standard	-	270,949	-	13,280	63,695	45,158	18,537	41%	270,949
Expenditure - Standard									
<i>Governance and administration</i>	-	87,184	-	2,243	5,183	14,531	(9,347)	-64%	87,184
Executive and council	-	15,879	-	253	1,441	2,646	(1,206)	-46%	15,879
Budget and treasury office	-	52,225	-	1,215	2,386	8,704	(6,319)	-73%	52,225
Corporate services	-	19,080	-	775	1,357	3,180	(1,823)	-57%	19,080
<i>Community and public safety</i>	-	29,140	-	491	2,161	4,857	(2,696)	-56%	29,140
Community and social services	-	13,200	-	85	704	2,200	(1,496)	-68%	13,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	15,316	-	405	1,271	2,553	(1,281)	-50%	15,316
Housing	-	624	-	1	186	104	82	79%	624
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	-	20,064	-	245	583	3,344	(2,761)	-83%	20,064
Planning and development	-	7,535	-	181	272	1,256	(984)	-78%	7,535
Road transport	-	12,529	-	64	311	2,088	(1,777)	-85%	12,529
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	-	101,172	-	4,085	7,751	16,862	(9,111)	-54%	101,172
Electricity	-	29,876	-	2,391	4,605	4,979	(374)	-8%	29,876
Water	-	41,470	-	1,154	1,723	6,912	(5,188)	-75%	41,470
Waste water management	-	13,782	-	78	433	2,297	(1,864)	-81%	13,782
Waste management	-	16,045	-	463	990	2,674	(1,684)	-63%	16,045
<i>Other</i>	-	1,442	-	36	98	240	(142)	-59%	1,442
Total Expenditure - Standard	-	239,002	-	7,100	15,777	39,834	(24,057)	-60%	239,002
Surplus/ (Deficit) for the year	-	31,947	-	6,180	47,919	5,324	42,594	800%	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) - M02

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	550	826	150.2%	3,301
Vote 2 - Municipal Manager	-	8,446	-	-	3,521	1,408	2,113	150.1%	8,446
Vote 3 - Finance	-	65,236	-	3,293	28,067	10,873	17,194	158.1%	65,236
Vote 4 - Corporate Service	-	8,448	-	-	-	1,408	(1,408)	-100.0%	8,448
Vote 5 - Community Services	-	39,535	-	1,073	10,543	6,589	3,953	60.0%	39,535
Vote 6 - Technical Service	-	145,984	-	8,913	23,981	24,331	(350)	-1.4%	145,984
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 Revenue by Vote	-	270,949	-	13,280	67,487	45,158	22,329	49.4%	270,949
Expenditure by Vote									
Vote 1 - Mayor and Council	-	9,859	-	77	852	1,643	(791)	-48.2%	9,859
Vote 2 - Municipal Manager	-	10,640	-	327	830	1,773	(943)	-53.2%	10,640
Vote 3 - Finance	-	52,225	-	1,215	2,386	8,704	(6,319)	-72.6%	52,225
Vote 4 - Corporate Service	-	19,080	-	775	1,357	3,180	(1,823)	-57.3%	19,080
Vote 5 - Community Services	-	46,002	-	988	3,063	7,667	(4,604)	-60.0%	46,002
Vote 6 - Technical Service	-	101,195	-	3,718	7,289	16,866	(9,577)	-56.8%	101,195
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 Expenditure by Vote	-	239,002	-	7,100	15,777	39,834	(24,057)	-60.4%	239,002
Surplus/ (Deficit) for the year	-	31,947	-	6,180	51,710	5,324	46,386	871.2%	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) - M02 August

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		2,314	19,788	8,158	11,629	143%	48,950
Property rates - penalties & collection charges					-	-	-		-
Service charges - electricity revenue		16,290		2,609	5,215	2,715	2,500	92%	16,290
Service charges - water revenue		14,067		1,127	2,873	2,344	529	23%	14,067
Service charges - sanitation revenue		5,812		301	443	969	(526)	-54%	5,812
Service charges - refuse revenue		9,027		576	1,315	1,505	(189)	-13%	9,027
Service charges - other					-	-	-		-
Rental of facilities and equipment		68		4	8	11	(3)	-26%	68
Interest earned - external investments		1,843				307	(307)	-100%	1,843
Interest earned - outstanding debtors		9,126		1,134	2,092	1,521	571	38%	9,126
Dividends received					-	-	-		-
Fines		3,169		35	57	528	(472)	-89%	3,169
Licences and permits		1,946		88	89	324	(235)	-73%	1,946
Agency services		2,859		177	356	476	(121)	-25%	2,859
Transfers recognised - operational		94,751		946	31,272	15,792	15,480	98%	94,751
Other revenue		559		77	85	93	(8)	-9%	559
Gains on disposal of PPE					-	-	-		-
Total Revenue (excluding capital transfers and contributions)	-	208,467	-	9,387	63,594	34,744	28,849	83%	208,467
Expenditure By Type									
Employee related costs		72,661		36	4,976	12,110	(7,134)	-59%	72,661
Remuneration of councillors		7,173			563	1,196	(633)	-53%	7,173
Debt impairment		25,098			26	4,183	(4,157)	-99%	25,098
Depreciation & asset impairment		37,803		2	2	6,300	(6,298)	-100%	37,803
Finance charges		3,385		27	55	564	(509)	-90%	3,385
Bulk purchases		26,256		2,703	4,813	4,376	437	10%	26,256
Other materials		4,827		453	457	804	(347)	-43%	4,827
Contracted services		29,897		2,139	2,976	4,983	(2,007)	-40%	29,897
Transfers and grants									
Other expenditure		31,902		1,739	1,908	5,317	(3,409)	-64%	31,902
Loss on disposal of PPE									
Total Expenditure	-	239,002	-	7,100	15,777	39,834	(24,057)	-60%	239,002
Surplus/(Deficit)	-	(30,535)	-	2,287	47,817	(5,089)	52,906	(0)	(30,535)
Transfers recognised - capital		62,482		3,893	3,893	10,414	(6,520)	(0)	62,482
Contributions recognised - capital									
Contributed assets									
Surplus/(Deficit) after capital transfers & contributions	-	31,947	-	6,180	51,710	5,324			31,947
Taxation									
Surplus/(Deficit) after taxation	-	31,947	-	6,180	51,710	5,324			31,947
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	-	31,947	-	6,180	51,710	5,324			31,947
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	31,947	-	6,180	51,710	5,324			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) - M02 August

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	-	192	192	153	40	26%	915
Vote 2 - Municipal Manager	-	850	-	-	-	142	(142)	-100%	850
Vote 3 - Finance	-	550	-	-	-	92	(92)	-100%	550
Vote 4 - Corporate Service	-	4,950	-	232	244	825	(581)	-70%	4,950
Vote 5 - Community Services	-	7,842	-	141	175	1,307	(1,132)	-87%	7,842
Vote 6 - Technical Service	-	91,980	-	2,920	3,765	15,330	(11,565)	-75%	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	-	3,485	4,377	17,848	(13,471)	-75%	107,087
Total Capital Expenditure	-	107,087	-	3,485	4,377	17,848	(13,471)	-75%	107,087
Capital Expenditure - Standard Classification									
Governance and administration	-	7,265	-	424	436	1,211	(775)	-64%	7,265
Executive and council	-	1,765	-	192	192	294	(102)	-35%	1,765
Budget and treasury office	-	550	-	-	-	92	(92)	-100%	550
Corporate services	-	4,950	-	232	244	825	(581)	-70%	4,950
Community and public safety	-	5,303	-	141	175	884	(708)	-80%	5,303
Community and social services	-	2,640	-	141	171	440	(269)	-61%	2,640
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	2,663	-	-	5	444	(439)	-99%	2,663
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	-	52,995	-	1,758	2,603	8,832	(6,229)	-71%	52,655
Planning and development	-	340	-	188	188	57	131	231%	340
Road transport	-	52,655	-	1,570	2,416	8,776	(6,360)	-72%	52,655
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	-	41,525	-	1,162	1,162	6,921	(5,759)	-83%	41,525
Electricity	-	18,066	-	817	817	3,011	(2,193)	-73%	18,066
Water	-	6,917	-	321	321	1,153	(832)	-72%	6,917
Waste water management	-	14,002	-	24	24	2,334	(2,310)	-99%	14,002
Waste management	-	2,540	-	-	-	423	(423)	-100%	2,540
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	-	107,087	-	3,485	4,377	17,848	(13,471)	-75%	106,747
Funded by:									
National Government	-	40,635	-	2,386	3,231	6,772	(3,541)	-52%	40,635
Provincial Government	-	37,320	-	488	488	6,220	(5,732)	-92%	37,320
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	-	77,955	-	2,874	3,719	12,992	(9,273)	-71%	77,955
Public contributions & donations	-	-	-	-	29	-	29	#DIV/0!	-
Borrowing	-	14,297	-	-	-	2,383	(2,383)	-100%	14,297
Internally generated funds	-	14,835	-	612	628	2,473	(1,844)	-75%	14,835
Total Capital Funding	-	107,087	-	3,485	4,377	17,848	(13,471)	-75%	107,087

EC106 Sundays River Valley - Table C6 Monthly Budget Statement - Financial Position - M02 August

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		657	1,890
Call investment deposits		19,383		19,622	19,383
Consumer debtors		61,835		49,496	61,835
Other debtors				-	-
Current portion of long-term receivables				-	-
Inventory		270		172	270
Total current assets	-	83,378	-	69,947	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		613,703	633,993
Agricultural					
Biological assets					
Intangible assets		1,838		4,706	1,838
Other non-current assets		322		322	322
Total non current assets	-	665,403	-	647,981	665,403
TOTAL ASSETS	-	748,781	-	717,928	748,781
LIABILITIES					
Current liabilities					
Bank overdraft		-			
Borrowing		4,596		1,014	4,596
Consumer deposits		56		68	56
Trade and other payables		25,618		45,589	25,618
Provisions				5,062	-
Total current liabilities	-	30,270	-	51,733	30,270
Non current liabilities					
Borrowing		14,054		1,214	14,054
Provisions		18,347		13,936	18,347
Total non current liabilities	-	32,401	-	15,150	32,401
TOTAL LIABILITIES	-	62,672	-	66,883	62,672
NET ASSETS	-	686,110	-	651,046	686,110
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		686,110		651,046	686,110
Reserves					
TOTAL COMMUNITY WEALTH/EQUITY	-	686,110	-	651,046	686,110

This tables shows balance sheet as at 31 August 2018

EC106 Sundays River Valley - Table C7 Monthly Budget Statement - Cash Flow - M02 August

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		9,938	11,947	5,368	6,579	123%	32,210
Service charges		21,957		2,454	4,254	3,659	594	16%	21,957
Other revenue		74,475		2,763	22,643	12,413	10,230	82%	74,475
Government - operating		94,751		2,665	32,980	15,792	17,188	109%	94,751
Government - capital		62,482		2,448	21,382	10,414	10,968	105%	62,482
Interest		3,752		-	3	625	(623)	-100%	3,752
Dividends						-	-		-
Payments									
Suppliers and employees		(176,616)		(17,012)	(79,272)	(29,436)	49,836	-169%	(176,616)
Finance charges		(1,449)		(27)	(55)	(241)	(186)	77%	(1,449)
Transfers and Grants						-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	111,563	-	3,229	13,881	18,594	4,713	25%	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)		(3,485)	(13,306)	(17,848)	(4,542)	25%	(107,087)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(107,087)	-	(3,485)	(13,306)	(17,848)	(4,542)	25%	(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)	(235)	(766)	(531)	69%	(4,596)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	(4,596)	-	(111)	(235)	(766)	(531)	69%	(4,596)
NET INCREASE/ (DECREASE) IN CASH HELD	-	(121)	-	(367)	340	(20)			(121)
Cash/cash equivalents at beginning:		2,010			314	2,010			314
Cash/cash equivalents at month/year end:		1,889			653	1,990			193

This tables show cash flow statement as at 31 August 2018