

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



SUNDAYS RIVER VALLEY MUNICIPALITY

BUDGET AND TREASURY

Monthly Financial Reports- December 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 R148.7 million and actual operating expenditure of R126.8 million. The municipality for the month ended December 2018, had a net surplus of R21.9 million.

Financial sustainability remains a concern.

3. Financial Performance- Revenue

An amount of R36 million has been recorded as revenue for the month.

The highest contributors in the revenue basket are transfer recognised and service charges at R29.6 million and R3.5 million respectively.

4. Financial Performance- Expenditure

The actual total expenditure for the month amounts to R8.9 million.

The largest contributors to the expenditure basket are employee costs and bulk purchases at R6.1 million and R1 million respectively.

5. Borrowings

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

6. Other Matters

MIG allocation has been delayed due to a lack of commitments for infrastructure projects.

Equitable share allocation to be reduced by R2 million roll-over application rejection for Disaster Relief Grant.

6. Revenue Performance

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

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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	35,121	48,950		1,989	28,770	24,475	4,295	18%	48,950
Property rates - penalties & collection charges					-	-	-		-
Service charges - electricity revenue	21,124	16,290		1,450	11,482	8,145	3,337	41%	16,290
Service charges - water revenue	12,268	14,067		1,184	7,262	7,033	229	3%	14,067
Service charges - sanitation revenue	4,607	5,812		301	1,817	2,906	(1,089)	-37%	5,812
Service charges - refuse revenue	8,571	9,027		575	3,452	4,514	(1,061)	-24%	9,027
Service charges - other				-	-	-	-		-
Rental of facilities and equipment	55	68	-	3	27	34	(7)	-21%	68
Interest earned - external investments	1,498	1,843		22	647	921	(275)	-30%	1,843
Interest earned - outstanding debtors	8,245	9,126		777	5,430	4,563	867	19%	9,126
Dividends received				-	-	-	-		-
Fines	2,768	3,169		11	201	1,585	(1,384)	-87%	3,169
Licences and permits	1,666	1,946		-	493	973	(480)	-49%	1,946
Agency services	2,576	2,859		77	1,150	1,429	(280)	-20%	2,859
Transfers recognised - operational	72,928	94,751		22,038	55,331	47,376	7,956	17%	94,751
Other revenue	661	559		7	201	279	(79)	-28%	559
Gains on disposal of PPE				-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)	172,086	208,467	-	28,434	116,262	104,233	12,028	12%	208,467

Material Variance greater than 10 per cent explained:

- Property Rates have a material variance of 18%. The variance results from property rates reconciliation performed to eliminate audit finding for existence and accuracy of billing for debtors
- Service charges have a material variance of 17%. The variance is a result of variation in consumption levels due to illegal connection. Sanitation and refuse will need to be adjusted based on the billing data cleansing exercise performed
- Rental of facilities and equipment have a 21% variance due to lower than anticipated rental received, no remedial action required
- Interest received- external has 30% variance. The variance results from lower than anticipated call account investments made by the institution.
- Interest received-internal has a 19% 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 49%. Variance can be attributed lower than anticipated customers than anticipated and

December income not recognised in the system as required. Community Service Director and Chief Financial Officer to ensure all financial transactions are recorded for proper records and reporting.

- Agency fees have a material variance of 20%, 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 December 2018:

EC106 Sundays River Valley - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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	61,823	72,661		6,086	34,491	36,331	(1,839)	-5%	72,661
Remuneration of councillors	6,819	7,173		555	3,366	3,587	(221)	-6%	7,173
Debt impairment	22,726	25,098		-	52,209	12,549	39,660	316%	25,098
Depreciation & asset impairment	28,083	37,803		-	2	18,901	(18,899)	-100%	37,803
Finance charges	1,950	3,385		13	303	1,692	(1,390)	-82%	3,385
Bulk purchases	20,200	26,256		1,000	11,859	13,128	(1,269)	-10%	26,256
Other materials	3,385	4,827		27	1,663	2,413	(751)	-31%	4,827
Contracted services	20,519	29,897		994	11,583	14,948	(3,366)	-23%	29,897
Transfers and grants		-		-	-	-	-		-
Other expenditure	26,057	31,902		255	11,313	15,951	(4,639)	-29%	31,902
Loss on disposal of PPE	4,572								
Total Expenditure	196,134	239,002	-	8,931	126,789	119,501	7,288	6%	239,002

Material Variance greater than 10 per cent explained:

- 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 82% 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 28%, 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 December 2018 per category:

- Moveable assets at R29 thousand
- Infrastructure work in progress was incurred at a cost of R935 thousand

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

Project Name	Supplier	Purchase Price at Cost
Upgrading of roads- Emsengeni	Zamazondo	R177,309
Rural towns revitalisation programme- Kirkwood, bergsig, aqua park and moses mabida	Omega Civils	R728,366

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

Asset Category	Supplier	Purchase Price at Cost
Equipment	Raku Holdings	R29,500.00

9. Creditors

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

TOP TEN CREDITORS AS AT 31 December 2018

Supplier	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
DEP002 (Water and Sanitation - National)					670,969.88	563,020.18		1,233,990.06
AUD001 (AUDIT GENERAL SA)					1,200,262.98			1,200,262.98
ESK002 (ESKOM BULK)							1,162,729.38	1,162,729.38
AFR004 (AFRIMAT AGGREGATES EASTERN CAPE)					517,500.00			517,500.00
MET001 (METSU WATER SOLUTIONS)						467,557.80		467,557.80
MAX001 (MAXIMUM PROFIT RECOVERY)						433,091.17		433,091.17
WOR002 (WORKSHOP ELECTRONICS)						403,155.50		403,155.50
OME001 (OMEGA CIVILS)	29,624.93				339,982.15			369,607.08
AFR003 (AFRICAN RENAISSANCE SUPPLIES)				187,254.50				187,254.50
SIN003 (SINGA TEL)					76,200.56			76,200.56

Total outstanding creditors amount to R6.2 million as at end December 2018. The municipality is applying better financial strategies insofar as creditor management.

10. Staff Benefits

	EMPLOYEE EARNINGS	COMPANY CONTRIBUTION
Salary and Wages	4,212,528.72	
Overtime	117,943.73	
Unpaid leave	-18,690.50	
Termination Leave	4,257.66	
Annual Bonus	938,073.06	
Long Service Bonus	15,388.93	
Travelling	190,536.34	
Acting Allowance	44,421.93	
Shift Allowance	4,935.92	
Night Shift Allowance	3,841.44	
Danger Allowance	378.00	
Allowance	62,690.00	
Telephone	86,229.17	
Housing Allowance	73,156.52	
Standby Allowance	15,757.40	
Reimbursement km	10,494.35	
BP Normal	68,350.66	
Subsistence	11,420.00	
UIF		37,739.28
Skills		57,441.11
Pension Fund		266,371.71
Retirement Fund		143,895.57
Provident Fund		116459.6
Medical Aid		225,344.26
Advance		7,700.00
Salgbc Council Levy		2,353.75
TOTALS	5,841,713.33	857,305.28

Table above reveals employee related costs for the month of December amounting to R6.7 million.

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 31 December 2018 is R236.3 million

Below is a table of outstanding debtors as at 31 December 2018 per category.

Region	Department	Current	Interest	30 Days	60 Days	90 Days	120 Days +	Total
Cacadu	Education	R 28,536.37	R 0.00	R 39,398.13	R 29,172.59	R 42,637.95	R 872,493.81	R 1,012,238.85
	Education (S21)	R 14,790.45	R 0.00	R 16,804.58	R 12,221.88	R 9,821.53	R 488,955.97	R 542,594.41
	Health	R 42,905.12	R 0.00	R 118,299.57	R 47,102.37	R (7,831.86)	R 411,794.96	R 612,270.16
	Rural Dev and Land refo	R 8,288.11	R 0.00	R 8,124.54	R 8,122.34	R 21,780.51	R 2,691,817.35	R 2,738,132.85
	Human Settlements	R 0.00	R 0.00	R 0.00	R 0.00	R 0.00	R 122,951.92	R 122,951.92
	Roads & Public Works	R 62,467.67	R 0.00	R 54,574.63	R 67,660.02	R 68,934.01	R 988,659.63	R 1,242,295.96
	Residents	R 4,709,152.18	R 0.00	R 4,065,151.88	R 4,016,704.38	R 3,924,021.61	R 179,401,206.56	R 196,116,236.61
	Councillors	R 11,112.72	R 0.00	R 9,259.13	R 10,155.68	R 7,339.53	R 244,917.83	R 282,784.89
	Municipal Officials	R 43,651.13	R 0.00	R 41,166.70	R 40,933.67	R 39,394.24	R 1,690,638.19	R 1,855,783.93
	Industries	R 1,330,423.16	R 0.00	R 918,837.47	R 946,089.06	R 908,709.38	R 17,633,228.38	R 21,737,287.45
	National Departments	R 51,311.83	R 0.00	R 103,034.46	R 11,452.32	R (16,902.79)	R 9,844,870.71	R 9,993,766.53
	Grand Total	R 6,302,638.74	R 0.00	R 5,374,651.09	R 5,189,614.31	R 4,997,904.11	R 214,391,535.31	R 236,256,343.56
	Region	Debt By Type	Residents	Councillors	Municipal Officials	Industries	Nat Depts	Prov Depts
Cacadu	Water	R 71,895,370.12	R 138,230.13	R 769,544.07	R 1,794,162.82	R 569,480.03	R 333,091.69	R 75,499,878.86
	Electricity	R 7,452,897.99	R 2,939.02	R 113,953.89	R 10,702,727.09	R 161,591.25	R 1,684,309.47	R 20,118,418.71
	Sewerage	R 38,019,085.80	R 39,071.83	R 372,946.31	R 1,670,812.78	R 60,595.32	R 244,049.50	R 40,406,561.54
	Refuse	R 17,237,262.05	R 24,736.03	R 171,012.39	R 336,452.94	R (15,711.88)	R 134,790.91	R 17,888,542.44
	Rates	R 46,721,090.68	R 65,957.83	R 291,454.99	R 5,761,848.62	R 10,362,721.67	R 1,075,299.16	R 64,278,372.95
	Other	R 14,790,529.97	R 11,850.05	R 136,872.28	R 1,471,283.20	R 1,593,222.99	R 60,810.57	R 18,064,569.06
	Grand Total	R 196,116,236.61	R 282,784.89	R 1,855,783.93	R 21,737,287.45	R 12,731,899.38	R 3,532,351.30	R 236,256,343.56
	% on Total Debt	83.01	0.12	0.79	9.20	5.39	1.50	100.00

The long outstanding debtors (over 90 days) amount to R214.4 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

- December billing has been finalised and the accounts were sent for printing
- The following departments made payments during the month of November and December

- National Public Works – R 76 365.23
 - San Parks – R 62 066.33
 - Life Healthcare – R 341 176.66
 - Health – R 38 768.29
 - Sanral – R 7 295.41
- An invoicing for the department of Rural Development has been done in October for the amount of R5.2 million of which payment has not yet been received.
 - 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 were effected.
 3. Property rates recalculation has been performed and the amendment on the system has been effected where there were variances
 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.
 5. Sub-ledger VS general ledger , this reconciliation is underway the challenge was the split on the services on the age analysis as a result it is very difficult to trace differences/variances.

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.

- Cost has been incurred to Eskom to the value of R180 861.55 during the month of December with 3037 beneficiaries.
- For prepaid electricity, total of 28900 kwh has been consumed for the month of December with 578 beneficiaries.

13. Inventory

- The total value of inventory issued for December is R 8,722.44
- Purchases to the value of R 0.00 and
- Value on hand amounted to R 354,122.83

14. Insurance

- Insurance claims for the month of December 2018.

ASSET DESCRIPTION	CUSTODIAN	CLAIM NO	CLAIM STATUS
Community Hall-Aqua park	Director Community Services	Not issued yet	Waiting for assessor
Cell phone	A.Mahambehla	CLCBP/137995	Approved

15. Asset and Liability

As at 31 December 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	8,881,468	0.35	3,621,582
SMALL TOWN	37 320 000	16,684,249	14,282,497	0.38	2,401,752
FMG	2 415 000	2,415,000	2,047,824	0.85	367,176
EPWP	1 000 000	700,000	654,842	0.65	45,158
INEP	16 731 000	13,231,000	9,428,281	0.71	3,802,719

MIG- The underspending results from miscommunication between the municipality and COGTA as some projects were said not to be registered and advertising was therefore delayed. Procurement for three MIG is underway and should be finalised by end January.

Small Town- The underspending results from delayed procurement for phase 2 of the project. Upon appointment the project will continue and spending patterns will improve.

Expenditure on conditional grants is envisaged to increase gradually during the year as outstanding tenders will be finalised in the third quarter.

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 R3 million at 31 December 2018

Total investments as at 31 December 2018 amounts to R12.4 million as reflected below:

ACCOUNT	OPENING BALANCE	TRANSFERS IN	INTEREST RECEIVED	TRANSFERES OUT	BANK CHARGES	CLOSING BALANCE
ELECTRICITY ACCOUNT- 62027590589	607,601.49	3,000,000.00	12,011.88	619,613.37	-	3,000,000.00
SRVM-LIBRARY-62314004839	1,000.00	-	0.51	0.51	-	1,000.00
FMG - 62149457708	1,000.00	-	0.55	0.55	-	1,000.00
EPWP - 62387475009	1,000.00	-	341.47	341.47	-	1,000.00
MSIG - 62072234041	1,000.00	-	4.33	4.33	-	1,000.00
MIG - 62081228621	1,000.00	-	2,477.42	2,477.42	-	1,000.00
EMERGENCY RELIEF-62394071204	1,000.00	-	0.62	0.62	-	1,000.00
TOWN PLANNING-62178942580-SMALL TOWN	258,465.24	-	437.80	257,903.08	-	999.96
ENON BERSHEBA- 62408271211	1,000.00	-	0.62	0.62	-	1,000.00
INTERGRATED ZONING SCHEME-62161489086	1,000.00	-	0.52	0.52	-	1,000.00
SALARIES SRVM	1,912.70	-	813.14	813.14	-	1,912.70
ROADS & PUBLIC WORKS-62071406542	1,000.00	-	4.23	4.23	-	1,000.00
ADDO NOLUTHANDO/EQUITABLE-62134438284	1,806.37	-	0.99	-	-	1,807.36
TOA-74539338646	9,370,035.79	-	45,495.08	-	-	9,415,530.87
TOTAL	10,248,821.59	3,000,000.00	61,589.16	881,159.86	-	12,429,250.89

EC106 Sundays River Valley - Table C1 Monthly Budget Statement Summary - M06 December

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	35,121	48,950	-	1,989	28,770	24,475	4,295	18%	48,950
Service charges	46,569	45,196	-	3,511	24,014	22,598	1,416	6%	45,196
Investment revenue	1,498	1,843	-	22	647	921	(275)	-30%	1,843
Transfers recognised - operational	72,928	94,751	-	22,038	55,331	47,376	7,956	17%	94,751
Other own revenue	15,971	17,727	-	875	7,500	8,863	(1,363)	-15%	17,727
Total Revenue (excluding capital transfers and contributions)	172,086	208,467	-	28,434	116,262	104,233	12,028	12%	208,467
Employee costs	61,823	72,661	-	6,086	34,491	36,331	(1,839)	-5%	72,661
Remuneration of Councillors	6,819	7,173	-	555	3,366	3,587	(221)	-6%	7,173
Depreciation & asset impairment	28,083	37,803	-	-	2	18,901	(18,899)	-100%	37,803
Finance charges	1,950	3,385	-	13	303	1,692	(1,390)	-82%	3,385
Materials and bulk purchases	23,586	31,082	-	1,027	13,521	15,541	(2,020)	-13%	31,082
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	73,874	86,897	-	1,250	75,105	43,448	31,656	73%	86,897
Total Expenditure	196,134	239,002	-	8,931	126,789	119,501	7,288	6%	239,002
Surplus/(Deficit)	(24,048)	(30,535)	-	19,503	(10,527)	(15,268)	4,741	-31%	(30,535)
Transfers recognised - capital	99,590	62,482	-	7,579	32,453	31,241	1,212	4%	62,482
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	75,542	31,947	-	27,082	21,926	15,973	5,952	37%	31,947
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	75,542	31,947	-	27,082	21,926	15,973	5,952	37%	31,947
Capital expenditure & funds sources									
Capital expenditure	98,686	107,087	-	935	31,840	53,544	(21,703)	-41%	107,087
Capital transfers recognised	94,605	77,955	-	728	30,414	38,977	(8,563)	-22%	77,955
Public contributions & donations	-	-	-	-	29	-	29	#DIV/0!	-
Borrowing	-	14,297	-	-	-	7,149	(7,149)	-100%	14,297
Internally generated funds	4,081	14,835	-	207	1,397	7,418	(6,021)	-81%	14,835
Total sources of capital funds	98,686	107,087	-	935	31,840	53,544	(21,703)	-41%	107,087
Financial position									
Total current assets	90,900	83,378	-	-	57,551	-	-	-	83,378
Total non current assets	641,153	665,403	-	-	672,265	-	-	-	665,403
Total current liabilities	61,575	30,270	-	-	57,827	-	-	-	30,270
Total non current liabilities	19,432	32,401	-	-	20,899	-	-	-	32,401
Community wealth/Equity	651,045	686,110	-	-	651,090	-	-	-	686,110
Cash flows									
Net cash from (used) operating	97,317	111,563	-	10,354	36,520	55,781	19,261	35%	111,563
Net cash from (used) investing	(98,686)	(107,087)	-	(7,579)	(33,110)	(53,544)	(20,433)	38%	(107,087)
Net cash from (used) financing	(980)	(4,596)	-	(111)	(678)	(2,298)	(1,620)	70%	(4,596)
Cash/cash equivalents at the month/year end	12,585	1,889	-	-	3,046	1,950	(1,096)	-56%	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	6,303	5,375	5,190	4,998	4,433	12,450	197,508	-	236,256
Creditors Age Analysis									
Total Creditors	1,256	1,773	2,824	209	63	(1)	31	-	6,155

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

EC106 Sundays River Valley - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

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	72,642	81,207	-	9,792	50,579	40,604	9,976	25%	81,207
Executive and council	17,515	7,524	-	2,291	5,427	3,762	1,666	44%	7,524
Budget and treasury office	39,243	65,236	-	4,930	39,004	32,618	6,387	20%	65,236
Corporate services	15,884	8,448	-	2,571	6,147	4,224	1,924	46%	8,448
Community and public safety	15,620	17,714	-	2,662	8,660	8,857	(197)	-2%	17,714
Community and social services	8,108	9,803	-	2,574	6,820	4,901	1,919	39%	9,803
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	7,512	7,911	-	88	1,839	3,956	(2,116)	-54%	7,911
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	90,072	59,377	-	4,917	32,270	29,689	2,582	9%	59,377
Planning and development	29,552	5,610	-	1,286	3,378	2,805	574	20%	5,610
Road transport	60,519	53,768	-	3,631	28,892	26,884	2,008	7%	53,768
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	91,767	111,162	-	18,642	56,548	55,581	967	2%	111,162
Electricity	49,895	40,772	-	2,692	25,157	20,386	4,771	23%	40,772
Water	19,005	26,017	-	9,680	12,292	13,008	(716)	-6%	26,017
Waste water management	12,698	24,041	-	2,267	6,813	12,020	(5,207)	-43%	24,041
Waste management	10,169	20,332	-	4,003	12,285	10,166	2,119	21%	20,332
Other	1,575	1,489	-	-	658	745	(87)	-12%	1,489
Total Revenue - Standard	271,676	270,949	-	36,013	148,714	135,474	13,240	10%	270,949
Expenditure - Standard									
Governance and administration	110,055	87,184	-	3,127	64,325	43,592	20,733	48%	87,184
Executive and council	13,691	15,879	-	814	2,351	7,939	(5,588)	-70%	15,879
Budget and treasury office	83,530	52,225	-	1,565	54,726	26,112	28,614	110%	52,225
Corporate services	12,834	19,080	-	748	7,248	9,540	(2,293)	-24%	19,080
Community and public safety	21,402	29,140	-	2,057	7,534	14,570	(7,036)	-48%	29,140
Community and social services	8,062	13,200	-	888	4,644	6,600	(1,956)	-30%	13,200
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	12,845	15,316	-	1,031	2,565	7,658	(5,093)	-67%	15,316
Housing	495	624	-	138	325	312	13	4%	624
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	6,901	20,064	-	542	2,237	10,032	(7,795)	-78%	20,064
Planning and development	3,924	7,535	-	218	1,602	3,767	(2,165)	-57%	7,535
Road transport	2,976	12,529	-	323	635	6,265	(5,630)	-90%	12,529
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	56,803	101,172	-	3,139	52,517	50,586	1,931	4%	101,172
Electricity	23,194	29,876	-	1,126	7,600	14,938	(7,338)	-49%	29,876
Water	18,473	41,470	-	1,041	26,883	20,735	6,148	30%	41,470
Waste water management	8,108	13,782	-	540	6,256	6,891	(635)	-9%	13,782
Waste management	7,029	16,045	-	432	11,778	8,022	3,756	47%	16,045
Other	974	1,442	-	67	175	721	(546)	-76%	1,442
Total Expenditure - Standard	196,134	239,002	-	8,931	126,789	119,501	7,288	6%	239,002
Surplus/ (Deficit) for the year	75,542	31,947	-	27,082	21,926	15,973	5,952	37%	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) - M06

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	5,572	3,301	-	1,005	2,382	1,651	731	44.3%	3,301
Vote 2 - Municipal Manager	12,093	8,446	-	2,571	6,092	4,223	1,869	44.3%	8,446
Vote 3 - Finance	39,243	65,236	-	4,930	39,004	32,618	6,387	19.6%	65,236
Vote 4 - Corporate Service	15,884	8,448	-	2,571	6,147	4,224	1,924	45.5%	8,448
Vote 5 - Community Services	27,364	39,535	-	6,666	21,603	19,768	1,835	9.3%	39,535
Vote 6 - Technical Service	171,520	145,984	-	18,270	73,487	72,992	495	0.7%	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	271,676	270,949	-	36,013	148,714	135,474	13,240	9.8%	270,949
Expenditure by Vote									
Vote 1 - Mayor and Council	9,954	9,859	-	695	1,610	4,930	(3,319)	-67.3%	9,859
Vote 2 - Municipal Manager	6,294	10,640	-	330	1,304	5,320	(4,016)	-75.5%	10,640
Vote 3 - Finance	83,530	52,225	-	1,565	54,726	26,112	28,614	109.6%	52,225
Vote 4 - Corporate Service	12,834	19,080	-	748	7,248	9,540	(2,293)	-24.0%	19,080
Vote 5 - Community Services	28,909	46,002	-	2,417	19,162	23,001	(3,839)	-16.7%	46,002
Vote 6 - Technical Service	54,613	101,195	-	3,175	42,738	50,598	(7,860)	-15.5%	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	196,134	239,002	-	8,931	126,789	119,501	7,288	6.1%	239,002
Surplus/ (Deficit) for the year	75,542	31,947	-	27,082	21,926	15,973	5,952	37.3%	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) - M06 December

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	35,121	48,950		1,989	28,770	24,475	4,295	18%	48,950
Property rates - penalties & collection charges					-	-	-		-
Service charges - electricity revenue	21,124	16,290		1,450	11,482	8,145	3,337	41%	16,290
Service charges - water revenue	12,268	14,067		1,184	7,262	7,033	229	3%	14,067
Service charges - sanitation revenue	4,607	5,812		301	1,817	2,906	(1,089)	-37%	5,812
Service charges - refuse revenue	8,571	9,027		575	3,452	4,514	(1,061)	-24%	9,027
Service charges - other				-	-	-	-		-
Rental of facilities and equipment	55	68	-	3	27	34	(7)	-21%	68
Interest earned - external investments	1,498	1,843		22	647	921	(275)	-30%	1,843
Interest earned - outstanding debtors	8,245	9,126		777	5,430	4,563	867	19%	9,126
Dividends received				-	-	-	-		-
Fines	2,768	3,169		11	201	1,585	(1,384)	-87%	3,169
Licences and permits	1,666	1,946		-	493	973	(480)	-49%	1,946
Agency services	2,576	2,859		77	1,150	1,429	(280)	-20%	2,859
Transfers recognised - operational	72,928	94,751		22,038	55,331	47,376	7,956	17%	94,751
Other revenue	661	559		7	201	279	(79)	-28%	559
Gains on disposal of PPE				-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)	172,086	208,467	-	28,434	116,262	104,233	12,028	12%	208,467
Expenditure By Type									
Employee related costs	61,823	72,661		6,086	34,491	36,331	(1,839)	-5%	72,661
Remuneration of councillors	6,819	7,173		555	3,366	3,587	(221)	-6%	7,173
Debt impairment	22,726	25,098		-	52,209	12,549	39,660	316%	25,098
Depreciation & asset impairment	28,083	37,803		-	2	18,901	(18,899)	-100%	37,803
Finance charges	1,950	3,385		13	303	1,692	(1,390)	-82%	3,385
Bulk purchases	20,200	26,256		1,000	11,859	13,128	(1,269)	-10%	26,256
Other materials	3,385	4,827		27	1,663	2,413	(751)	-31%	4,827
Contracted services	20,519	29,897		994	11,583	14,948	(3,366)	-23%	29,897
Transfers and grants		-		-	-	-	-		-
Other expenditure	26,057	31,902		255	11,313	15,951	(4,639)	-29%	31,902
Loss on disposal of PPE	4,572								
Total Expenditure	196,134	239,002	-	8,931	126,789	119,501	7,288	6%	239,002
Surplus/(Deficit)	(24,048)	(30,535)	-	19,503	(10,527)	(15,268)	4,741	(0)	(30,535)
Transfers recognised - capital	99,590	62,482		7,579	32,453	31,241	1,212	0	62,482
Contributions recognised - capital							-		
Contributed assets							-		
Surplus/(Deficit) after capital transfers & contributions	75,542	31,947	-	27,082	21,926	15,973			31,947
Taxation							-		
Surplus/(Deficit) after taxation	75,542	31,947	-	27,082	21,926	15,973			31,947
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	75,542	31,947	-	27,082	21,926	15,973			31,947
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	75,542	31,947	-	27,082	21,926	15,973			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) - M06 December

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	458	(220)	-48%	915
Vote 2 - Municipal Manager	33	850	-	-	72	425	(353)	-83%	850
Vote 3 - Finance	406	550	-	-	14	275	(261)	-95%	550
Vote 4 - Corporate Service	3,642	4,950	-	-	2,223	2,475	(252)	-10%	4,950
Vote 5 - Community Services	944	7,842	-	30	1,020	3,921	(2,901)	-74%	7,842
Vote 6 - Technical Service	93,661	91,980	-	906	28,273	45,990	(17,717)	-39%	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	98,686	107,087	-	935	31,840	53,544	(21,703)	-41%	107,087
Total Capital Expenditure	98,686	107,087	-	935	31,840	53,544	(21,703)	-41%	107,087
Capital Expenditure - Standard Classification									
Governance and administration	4,081	7,265	-	-	2,547	1,816	731	40%	7,265
Executive and council	33	1,765	-	-	310	441	(131)	-30%	1,765
Budget and treasury office	406	550	-	-	14	138	(123)	-90%	550
Corporate services	3,642	4,950	-	-	2,223	1,238	986	80%	4,950
Community and public safety	944	5,303	-	30	1,020	1,991	(972)	-49%	5,303
Community and social services	944	2,640	-	30	650	660	(10)	-2%	2,640
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	2,663	-	-	370	1,331	(961)	-72%	2,663
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	62,005	52,995	-	906	14,794	26,497	(11,704)	-44%	52,655
Planning and development	-	340	-	-	3	170	(167)	-98%	-
Road transport	62,005	52,655	-	906	14,791	26,327	(11,537)	-44%	52,655
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	31,655	41,525	-	-	13,480	20,762	(7,283)	-35%	41,525
Electricity	16,008	18,066	-	-	8,075	9,033	(958)	-11%	18,066
Water	2,303	6,917	-	-	5,203	3,459	1,745	50%	6,917
Waste water management	13,345	14,002	-	-	202	7,001	(6,800)	-97%	14,002
Waste management	-	2,540	-	-	-	1,270	(1,270)	-100%	2,540
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	98,686	107,087	-	935	31,840	51,067	(19,227)	-38%	106,747
Funded by:									
National Government	42,293	40,635	-	-	16,132	20,317	(4,186)	-21%	40,635
Provincial Government	52,312	37,320	-	728	14,282	18,660	(4,378)	-23%	37,320
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	94,605	77,955	-	728	30,414	38,977	(8,563)	-22%	77,955
Public contributions & donations	-	-	-	-	29	7,149	29	#DIV/0!	-
Borrowing	-	14,297	-	-	-	7,149	(7,149)	-100%	14,297
Internally generated funds	4,081	14,835	-	207	1,397	7,418	(6,021)	-81%	14,835

EC106 Sundays River Valley - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	2017/18	Budget Year 2018/19			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	508	1,890		3,054	1,890
Call investment deposits	12,076	19,383		12,429	19,383
Consumer debtors	78,146	61,835		41,741	61,835
Other debtors				-	-
Current portion of long-term receivables				-	-
Inventory	169	270		327	270
Total current assets	90,900	83,378	-	57,551	83,378
Non current assets					
Long-term receivables				-	-
Investments					
Investment property	29,250	29,250		29,250	29,250
Investments in Associate					
Property, plant and equipment	607,331	633,993		636,243	633,993
Agricultural					
Biological assets					
Intangible assets	4,249	1,838		6,449	1,838
Other non-current assets	322	322		322	322
Total non current assets	641,153	665,403	-	672,265	665,403
TOTAL ASSETS	732,053	748,781	-	729,816	748,781
LIABILITIES					
Current liabilities					
Bank overdraft		-			
Borrowing	1,150	4,596		701	4,596
Consumer deposits	64	56		65	56
Trade and other payables	60,362	25,618		57,062	25,618
Provisions				-	-
Total current liabilities	61,575	30,270	-	57,827	30,270
Non current liabilities					
Borrowing	1,214	14,054		1,214	14,054
Provisions	18,219	18,347		19,686	18,347
Total non current liabilities	19,432	32,401	-	20,899	32,401
TOTAL LIABILITIES	81,008	62,672	-	78,727	62,672
NET ASSETS	651,045	686,110	-	651,090	686,110
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	651,045	686,110		651,090	686,110
Reserves					
TOTAL COMMUNITY WEALTH/EQUITY	651,045	686,110	-	651,090	686,110

This tables shows balance sheet as at 31 December 2018

EC106 Sundays River Valley - Table C7 Monthly Budget Statement - Cash Flow - M06 December

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	26,730	32,210		1,246	26,415	16,105	10,310	64%	32,210
Service charges	17,749	21,957		1,087	10,660	10,978	(318)	-3%	21,957
Other revenue	4,906	74,475		5,072	93,552	37,238	56,314	151%	74,475
Government - operating	74,866	94,751		21,900	56,857	47,376	9,481	20%	94,751
Government - capital	96,312	62,482		6,482	30,595	31,241	(646)	-2%	62,482
Interest	1,498	3,752		2	25	1,876	(1,851)	-99%	3,752
Dividends							-		-
Payments									
Suppliers and employees	(124,255)	(176,616)		(25,422)	(181,431)	(88,308)	93,123	-105%	(176,616)
Finance charges	(488)	(1,449)		(13)	(152)	(724)	(573)	79%	(1,449)
Transfers and Grants							-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES	97,317	111,563	-	10,354	36,520	55,781	19,261	35%	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	(98,686)	(107,087)		(7,579)	(33,110)	(53,544)	(20,433)	38%	(107,087)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(98,686)	(107,087)	-	(7,579)	(33,110)	(53,544)	(20,433)	38%	(107,087)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans							-		
Borrowing long term/refinancing							-		
Increase (decrease) in consumer deposits							-		
Payments									
Repayment of borrowing	(980)	(4,596)		(111)	(678)	(2,298)	(1,620)	70%	(4,596)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(980)	(4,596)	-	(111)	(678)	(2,298)	(1,620)	70%	(4,596)
NET INCREASE/ (DECREASE) IN CASH HELD	(2,349)	(121)	-	2,664	2,732	(60)			(121)
Cash/cash equivalents at beginning:	14,934	2,010			314	2,010			314
Cash/cash equivalents at month/year end:	12,585	1,889			3,046	1,950			193

This tables show cash flow statement as at 31 December 2018