



**EDEN DISTRICT MUNICIPALITY**

**FINANCIAL YEAR 2017 - 2018**

**MONTHLY FINANCIAL MONITORING  
REPORT**

**31 JANUARY 2018**

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**Glossary:**

**Annual Budget** – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

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

**Allocations (Transfers – see DORA)** – Money received from Provincial or National Government.

**Budget Related Policy (ies)** – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

**Capital Expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet and must be included in the asset register.

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

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

**Equitable Share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services and to compensate loss of RSC levies.

**Fruitless and Wasteful Expenditure** – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

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

**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.

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

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.

**MFMA** – The Municipal Finance Management Act – Act No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

**mSCOA** – Municipal Standard Chart of Accounts

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

**Operating Expenditure** –The day-to-day expenses of the Municipality such as salaries and wages.

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

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

**Strategic Objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Unauthorised Expenditure** – Generally, spending without, or in excess of, an Approved Budget.

**Virement** – A transfer of funds within a vote.

**Virement Policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

**Vote** – One of the main segments into which a budget is divided. In Eden District, this means the different GFS classification the budget is divided.

**Legislative Framework:**

This report has been prepared in terms of the following enabling legislation:

**The Municipal Finance Management Act – Act No. 56 of 2003**

Section 71: Monthly budget statements

**Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations**

## **PART 1 – IN-YEAR REPORT**

### **Section 1 – Resolutions**

These are the resolutions being presented to Council in the monthly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of Section 71 of the Municipal Finance Management Act, Act 56 of 2003 and the Municipal Budget and Reporting Regulations.

Regulation 28 of the Municipal Budget and Reporting Regulations states:

*“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.”*

#### **Recommendations:**

- That Council takes note of the monthly budget statement and supporting documentation for the month ended 31 January 2018.
- That Council takes note of the continuation of challenges faced relating to the mSCOA implementation process.

### **Section 2 – Executive summary**

#### **2.1 Introduction**

The aim of the Financial Monitoring Report (FMR) is to provide a monthly update and report on the municipality's consolidated performance in terms of the budget, indicate any material variances from the Service Delivery and Budget Implementation Plan (SDBIP) and provide any remedial actions or corrective steps to be taken. On 2 February 2018, the municipality had an engagement with the CEO of Vesta, the financial system, to express the municipality's concerns about the progress being made with the implementation of the new financial system; Provincial and National Treasury also attended this session. Various commitments were made and the municipality will continuously provide an update on progress made. The Adjustment Budget process also continued and the municipality has finalised an Adjustment Budget to be tabled on 26 February 2018 at council.

#### **2.2 Consolidated Performance**

##### **2.2.1 Against Annual Budget (original)**

#### **Revenue by source**

The total revenue received for the month ended 31 January 2018 amounted to **R 3,971,000**, with a total annual budgeted figure of **R 200,228,671** (excluding Roads budget) representing a 1.8% of annual revenue.

## **Operating Expenditure by type**

Operating expenditure for the month, ended 31 January 2018 amounted to **R 15,029,000**, with a total annual budgeted figure of **R 197,764,282** (excluding Roads budget). The majority of these expenditure totals Employee and Councillor related cost of **R 11,098,000**.

## **Capital Expenditure**

The capital budget for the financial year amounts to **R 2,458,500**. There was capital expenditure for the month ended 31 January 2018 amounted to **R 15,771**. Capital expenditure will improve in the second half of the year, as there was various capital related requests received for the Adjustment Budget and items were reprioritised.

There are R 614 000 commitments on the capital budget, refer to page 13.

### **2.3 Material variances from SDBIP**

Variances was identified between the SDBIP and SA30 of the A-Schedule in terms of the forecasting; this will be addressed through the Adjustment Budget process and aligned. Currently the municipality are still experiencing challenges concerning conformance to Schedule C2 (Functional classification) and Schedule C3 (Expenditure per vote) and this limits the municipality's ability to analyse and interpret material variances with the SDBIP.

### **2.4 Remedial or corrective steps**

HOD's must monitor monthly income and expenditure reports, ensure spending is within budget and aligned to the IDP's Strategic Goals. The municipality will continue to engage with the vendor in order to find solutions to all the system relating challenges experienced. Organisational change management remains a challenge to really adopt and accept the mSCOA environment and there are plans to provide more training and awareness to achieve the objective of the mSCOA reform.

### **2.5 Conclusion**

Detailed analysis of the municipal performance for the month ended 31 January 2018 will be presented under the different sections of the report.

## Section 3 – In-year budget statement tables

### 3.1 Monthly budget statements

#### 3.1.1 Table C1: S71 Monthly Budget Statement Summary

DC4 Eden - Table C1 Monthly Budget Statement Summary - M07 January

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	10 774	11 124	-	-	679	5 562	(4 883)	-88%	11 124
Transfers and subsidies	146 708	152 945	-	1 346	115 474	76 473	39 002	51%	152 945
Other own revenue	176 254	181 160	-	2 625	33 477	90 580	(57 103)	-63%	181 160
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>333 736</b>	<b>345 229</b>	<b>-</b>	<b>3 971</b>	<b>149 630</b>	<b>172 615</b>	<b>(22 985)</b>	<b>-13%</b>	<b>345 229</b>
Employee costs	106 093	118 903	-	10 254	65 158	59 452	5 706	10%	118 903
Remuneration of Councillors	7 844	10 815	-	845	6 388	5 408	981	18%	10 815
Depreciation & asset impairment	3 670	3 070	-	-	1 537	1 535	2	0%	3 070
Finance charges	-	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	229 414	209 976	-	3 931	39 547	104 988	(65 441)	-62%	209 976
<b>Total Expenditure</b>	<b>347 021</b>	<b>342 764</b>	<b>-</b>	<b>15 029</b>	<b>112 630</b>	<b>171 382</b>	<b>(58 752)</b>	<b>-34%</b>	<b>342 764</b>
<b>Surplus/(Deficit)</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>	<b>35 767</b>	<b>2902%</b>	<b>2 465</b>
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>	<b>35 767</b>	<b>2902%</b>	<b>2 465</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>	<b>35 767</b>	<b>2902%</b>	<b>2 465</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>6 713</b>	<b>2 459</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>1 229</b>	<b>(1 045)</b>	<b>-85%</b>	<b>2 459</b>
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	6 713	2 459	-	16	201	1 229	(1 029)	-84%	2 459
<b>Total sources of capital funds</b>	<b>6 713</b>	<b>2 459</b>	<b>-</b>	<b>16</b>	<b>201</b>	<b>1 229</b>	<b>(1 029)</b>	<b>-84%</b>	<b>2 459</b>
<b>Financial position</b>									
Total current assets	-	171 993	-	-	183 155	-	-	-	171 993
Total non current assets	-	288 424	-	-	289 027	-	-	-	288 424
Total current liabilities	-	67 306	-	-	39 915	-	-	-	67 306
Total non current liabilities	-	141 267	-	-	139 882	-	-	-	141 267
<b>Community wealth/Equity</b>	<b>-</b>	<b>297 090</b>	<b>-</b>	<b>-</b>	<b>292 385</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297 090</b>
<b>Cash flows</b>									
Net cash from (used) operating	-	6 657	-	(11 058)	37 000	3 328	(33 671)	-1012%	6 657
Net cash from (used) investing	-	(2 459)	-	(16)	(48 058)	(1 229)	46 828	-3809%	(2 459)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the month/year end</b>	<b>-</b>	<b>159 532</b>	<b>-</b>	<b>-</b>	<b>58 814</b>	<b>157 433</b>	<b>98 619</b>	<b>63%</b>	<b>74 070</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	143	451	9	19 472	-	-	-	-	20 075
<b>Creditors Age Analysis</b>									
Total Creditors	339	20	-	-	-	-	-	-	359

### 3.1.2 Table C2: Monthly Budget Statement - Financial Performance (standard classification)

DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		179 928	192 572	-	-	-	96 286	(96 286)	-100%	192 572
Executive and council		178 792	192 041	-	-	-	96 020	(96 020)	-100%	192 041
Finance and administration		1 136	532	-	-	-	266	(266)	-100%	532
Internal audit		-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		6 485	6 921	-	-	-	3 461	(3 461)	-100%	6 921
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6 288	6 713	-	-	-	3 356	(3 356)	-100%	6 713
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		197	208	-	-	-	104	(104)	-100%	208
<i><b>Economic and environmental services</b></i>		144 155	145 314	-	-	-	72 657	(72 657)	-100%	145 314
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		144 000	145 000	-	-	-	72 500	(72 500)	-100%	145 000
Environmental protection		155	314	-	-	-	157	(157)	-100%	314
<i><b>Trading services</b></i>		3 168	422	-	-	-	211	(211)	-100%	422
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3 168	422	-	-	-	211	(211)	-100%	422
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	333 736	345 229	-	-	-	172 615	(172 615)	-100%	345 229
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		114 077	112 150	-	-	-	56 075	(56 075)	-100%	112 150
Executive and council		60 166	43 977	-	-	-	21 988	(21 988)	-100%	43 977
Finance and administration		53 911	65 711	-	-	-	32 855	(32 855)	-100%	65 711
Internal audit		-	2 463	-	-	-	1 231	(1 231)	-100%	2 463
<i><b>Community and public safety</b></i>		67 752	69 838	-	-	-	34 919	(34 919)	-100%	69 838
Community and social services		4 935	6 358	-	-	-	3 179	(3 179)	-100%	6 358
Sport and recreation		11 069	12 640	-	-	-	6 320	(6 320)	-100%	12 640
Public safety		24 820	26 478	-	-	-	13 239	(13 239)	-100%	26 478
Housing		-	-	-	-	-	-	-	-	-
Health		26 928	24 362	-	-	-	12 181	(12 181)	-100%	24 362
<i><b>Economic and environmental services</b></i>		158 775	155 630	-	-	-	77 815	(77 815)	-100%	155 630
Planning and development		10 516	5 030	-	-	-	2 515	(2 515)	-100%	5 030
Road transport		146 364	148 320	-	-	-	74 160	(74 160)	-100%	148 320
Environmental protection		1 895	2 280	-	-	-	1 140	(1 140)	-100%	2 280
<i><b>Trading services</b></i>		6 417	2 281	-	-	-	1 140	(1 140)	-100%	2 281
Energy sources		-	-	-	-	-	-	-	-	-
Water management		589	18	-	-	-	9	(9)	-100%	18
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5 828	2 263	-	-	-	1 132	(1 132)	-100%	2 263
<i><b>Other</b></i>		-	2 866	-	-	-	1 433	(1 433)	-100%	2 866
<b>Total Expenditure - Functional</b>	3	347 021	342 764	-	-	-	171 382	(171 382)	-100%	342 764
<b>Surplus/ (Deficit) for the year</b>		(13 285)	2 465	-	-	-	1 233	(1 233)	-100%	2 465

This table reflects the operating budget (Financial Performance) in the standard classifications that is the Government Finance Statistics Functions and Sub-function. The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services. Table C3, Financial Performance is reported by municipal vote, Table C3. Due to financial system challenges and limitations, the municipality are not able to populate Table C2 and C3.



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

DC4 Eden - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - Executive and Council		178 792	192 041	-	-	-	96 020	(96 020)	-100,0%	192 041
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 136	532	-	-	-	266	(266)	-100,0%	532
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		197	208	-	-	-	104	(104)	-100,0%	208
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		6 288	6 713	-	-	-	3 356	(3 356)	-100,0%	6 713
Vote 9 - Waste Management		3 168	422	-	-	-	211	(211)	-100,0%	422
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		155	314	-	-	-	157	(157)	-100,0%	314
Vote 14 - Roads Agency Function		144 000	145 000	-	-	-	72 500	(72 500)	-100,0%	145 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>333 736</b>	<b>345 229</b>	-	-	-	<b>172 615</b>	<b>(172 615)</b>	<b>-100,0%</b>	<b>345 229</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and Council		60 166	44 601	-	-	-	22 300	(22 300)	-100,0%	44 601
Vote 2 - Budget and Treasury Office		21 000	22 635	-	-	-	11 317	(11 317)	-100,0%	22 635
Vote 3 - Corporate Services		32 912	35 752	-	-	-	17 876	(17 876)	-100,0%	35 752
Vote 4 - Planning and Development		10 515	14 687	-	-	-	7 343	(7 343)	-100,0%	14 687
Vote 5 - Public Safety		29 753	31 990	-	-	-	15 995	(15 995)	-100,0%	31 990
Vote 6 - Health		26 928	27 579	-	-	-	13 790	(13 790)	-100,0%	27 579
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		11 069	12 640	-	-	-	6 320	(6 320)	-100,0%	12 640
Vote 9 - Waste Management		5 828	2 263	-	-	-	1 131	(1 131)	-100,0%	2 263
Vote 10 - Roads Transport		2 364	3 320	-	-	-	1 660	(1 660)	-100,0%	3 320
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		589	18	-	-	-	9	(9)	-100,0%	18
Vote 13 - Environment Protection		1 895	2 279	-	-	-	1 140	(1 140)	-100,0%	2 279
Vote 14 - Roads Agency Function		144 000	145 000	-	-	-	72 500	(72 500)	-100,0%	145 000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>347 019</b>	<b>342 764</b>	-	-	-	<b>171 382</b>	<b>(171 382)</b>	<b>-100,0%</b>	<b>342 764</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(13 283)</b>	<b>2 465</b>	-	-	-	<b>1 233</b>	<b>(1 233)</b>	<b>-100,0%</b>	<b>2 465</b>

Reporting per municipal vote provide details on the spread of spending over the various functions of council.

Revenue is mainly budgeted under the Executive and Council function and therefore the majority of the revenue will be reflected under this function.

The consolidation of the Roads Agency function into the budget of Eden DM reflects under the Roads Transport municipal function above.

No reporting on the operations in terms of the Roads Agency function is included in the report, the Roads income and expenditure is consolidated into Eden's Annual Financial Statements after year end (30 June 2018). Currently no reporting due to system challenges experienced. Once the system challenges are resolved with the vendor, the municipality will aim to incorporate the Roads Agency Function's reporting on a monthly basis instead of after year-end.

### 3.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure)

DC4 Eden - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Service charges - other								-		
Rental of facilities and equipment	1 424	3 507				214	1 753	(1 540)	-88%	3 507
Interest earned - external investments	10 774	11 124				679	5 562	(4 883)	-88%	11 124
Interest earned - outstanding debtors	799	846				108	423	(314)	-74%	846
Dividends received	-							-		
Fines, penalties and forfeits	-							-		
Licences and permits	155	314					157	(157)	-100%	314
Agency services	15 000	15 300				2 555	7 650	(5 095)	-67%	15 300
Transfers and subsidies	146 708	152 945			1 346	115 474	76 473	39 002	51%	152 945
Other revenue	158 876	161 194			2 625	30 600	80 597	(49 997)	-62%	161 194
Gains on disposal of PPE								-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>333 736</b>	<b>345 229</b>	<b>-</b>	<b>3 971</b>	<b>149 630</b>	<b>172 615</b>	<b>(22 985)</b>	<b>-13%</b>	<b>345 229</b>
<b>Expenditure By Type</b>										
Employee related costs	106 093	118 903			10 254	65 158	59 452	5 706	10%	118 903
Remuneration of councillors	7 844	10 815			845	6 388	5 408	981	18%	10 815
Debt impairment	1 060	1 122					561	(561)	-100%	1 122
Depreciation & asset impairment	3 670	3 070				1 537	1 535	2	0%	3 070
Finance charges	-							-		
Bulk purchases	-							-		
Other materials	-							-		
Contracted services	17 698	15 896			1 305	6 611	7 948	(1 337)	-17%	15 896
Transfers and subsidies	-							-		
Other expenditure	210 656	192 958			2 626	32 936	96 479	(63 543)	-66%	192 958
Loss on disposal of PPE								-		
<b>Total Expenditure</b>		<b>347 021</b>	<b>342 764</b>	<b>-</b>	<b>15 029</b>	<b>112 630</b>	<b>171 382</b>	<b>(58 752)</b>	<b>-34%</b>	<b>342 764</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	(13 285)	2 465			(11 058)	37 000	1 233	35 767	0	2 465
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>				<b>2 465</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>				<b>2 465</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>				<b>2 465</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>	<b>(13 285)</b>	<b>2 465</b>	<b>-</b>	<b>(11 058)</b>	<b>37 000</b>	<b>1 233</b>				<b>2 465</b>

### **Revenue by Source**

Revenue by source explains the types of income budgeted for and the performance of these items individually.

#### **Rental of facilities and equipment:**

There is no income reported for the month ended 31 January 2018 due to system challenges experienced, income per line could not be allocated and is included under 'Other income. The backlog in allocation of income to the correct line items are currently being addressed, to improve reporting moving forward.

#### **Interest earned – External Investments:**

Reflects the interest earned in respect of surplus funds not immediately needed in the operations of the municipality over the short-term period. No interest was received for the month ended 31 January 2018.

#### **Interest raised – Outstanding debtors**

There was no interest on outstanding debtors for the month of January 2018, this is due to a delay in the billing run and the challenges experienced with the new financial system on the Income module.

#### **Agency services**

The municipality performs an agency function on behalf of the Department of Transport – Roads department. Monthly agency fees are collected from the department. 12% Admin fee is received on the original allocation and 3% on the cost of additional reseal projects. There was no revenue received in respect of the Agency Services for the month of January 2018 because of cash flow shortages experienced by the Roads Department due to the system challenges experienced and inability to accurately report on Roads expenditure.

#### **Transferred recognised – operational**

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenues Act's respectively. The first instalment of R 60,857,000 for the Equitable Share was received during July 2017. The Municipality received part of their EPWP & Rural Roads Asset Management respectively R 320,000 & R 1,640,000 for the month of August 2017. During September 2017, the municipality received R 800,000 in respect of the Fire Service Capacity Building Grant. The second instalment of R 48,685,000 for the Equitable Share and an amount of R 576,000 for the EPWP grant was received during December 2017. The Municipality received R 726,000 as second instalment for the

Rural Roads Asset Management and also an amount of R 620,000 from Provincial Treasury for the WC: Financial Management Support Grant.

#### Other revenue / Sundry income

Other revenue reflects an amount of R 2,625,000 for the month ended 31 January 2018. Other revenue consists of the following: Interest on current account, resorts income and rental of facilities and equipment.

#### **Expenditure by Type**

Expenditure by type reflects the operational budget per main type/category of expenditure.

#### Employee Related cost / Remuneration of councillors

Remuneration related expenditure for the month ended 31 January 2018 amounted to R 11,098,000 of a budgeted amount of R 129,718,197 that represents 8.6% of the budgeted amount.

#### Debt Impairment / Depreciation and asset impairment

These items account for non-cash budgeted items. There is no depreciation amount for the month ended 31 January 2018 as the municipality are still experiencing challenges with the asset system and the integration of asset data from the asset register into the main financial system.

#### Finance charges

The municipality have no outstanding loans and it is not envisioned that Council will take up any new loans.

#### Contracted services

Contracted Services of R 1,305,000 is reflected in the financial results for the month ended 31 January 2018. This relates mainly to the aerial firefighting support and the number of fires in January 2018.

#### Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounted to R 2,626,000 for month ended 31 January 2018.

Most of the other expenditure is only accounted for at the end of the financial year. The other expenditure consists of the following:

- Repairs and Maintenance
- Operating Projects (own funds)
- General expenses
- Contributions to provisions
- Actuarial Loss

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

DC4 Eden - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		3 653	350	-	-	122	175	(53)	-30%	350
Vote 2 - Budget and Treasury Office		39	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 041	350	-	-	31	175	(144)	-82%	350
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		817	519	-	-	3	260	(257)	-99%	519
Vote 6 - Health		105	31	-	-	-	16	(16)	-100%	31
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		565	1 100	-	-	29	550	(521)	-95%	1 100
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		493	109	-	-	-	54	(54)	-100%	109
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	<b>6 713</b>	<b>2 459</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>1 229</b>	<b>(1 045)</b>	<b>-85%</b>	<b>2 459</b>
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		-	-	-	-	-	-	-	-	-
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		-	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure</b>		<b>6 713</b>	<b>2 459</b>	<b>-</b>	<b>-</b>	<b>185</b>	<b>1 229</b>	<b>(1 045)</b>	<b>-85%</b>	<b>2 459</b>

Variances explained in Supporting Table C5

Refer to next page for detail breakdown of the capital expenditure.

Number	Project description	Original Budget R'000	YTD Expenditure R'	Year to date Budget	Variance R'	% Variance	Status of the project	At what stage is each project currently	Any challenges identified that is resulting in delays?	What measures are in place to remedy the existing challenges.
1	Upgrading of Building / Resorts	R 740 200,00	R 28 543,00	246 733,33	218 190,33	13%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
2	Council Chambers	R 160 298,00	R 122 120,00	53 432,67	(68 687,33)	-1.78%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
3	Swartvlei Septic Tank Project	R 250 000,00	R -	83 333,33	83 333,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
4	DTP Computer Equipment	R 439 702,00	R 31 447,38	146 567,33	115 119,95	27%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
5	Pool Vehicle	R 165 000,00	R -	55 000,00	55 000,00	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
6	MIA (Major Incident Alert) SMS System	R 160 000,00	R -	53 333,33	53 333,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
7	Fire Fighting - Various Equipment Items	R 150 000,00	R -	50 000,00	50 000,00	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
8	Laboratory Instruments	R 58 500,00	R -	19 500,00	19 500,00	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
9	Smoke Detectors	R 50 000,00	R -	16 666,67	16 666,67	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
10	Steel Shelves	R 50 000,00	R -	16 666,67	16 666,67	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
11	Aeroquille Mobile	R 50 000,00	R -	16 666,67	16 666,67	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
12	A3 Printer Scanner	R 40 000,00	R -	13 333,33	13 333,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
13	Vital Weather Station	R 28 000,00	R -	9 333,33	9 333,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
14	Easy Rail White Board System	R 4 000,00	R -	1 333,33	1 333,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
15	Fridge / Freezer	R 3 000,00	R 2 630,70	1 000,00	(1 630,70)	-161%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
16	Office Furniture:MM / Strategic Manager	R 23 500,00	R -	7 833,33	7 833,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
17	Office Furniture:MM / Strategic Manager	R 17 500,00	R 15 771,05	5 833,33	(9 937,72)	-159%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
18	DTP Computer Equipment	R 22 500,00	R -	7 500,00	7 500,00	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
19	4 X Corel draw 8 upgrade licenses	R 12 300,00	R -	4 100,00	4 100,00	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
20	DTP Computer Equipment	R 34 000,00	R -	11 333,33	11 333,33	0%	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
<b>Totals</b>		<b>2 458 500,00</b>	<b>200 512,13</b>	<b>819 500,00</b>	<b>618 987,87</b>	<b>32%</b>				
Project status: If the project is in the SCM process of being procured. Please state in which stage (planning, specification, advertising, etc)										
<b>Commitments against capital for the month January 2018</b>										
	Office Furniture:MM / Strategic Manager	R 21 078,00								
	DTP Computer Equipment	R 18 019,84								
	Fire Fighting - Various Equipment Items	R 76 378,94								
	Council Chambers	R 35 161,75								
	DTP Computer Equipment	R 406 478,91								
	Upgrading of Building / Resorts	R 7 435,00								
	Aeroquille Mobile	R 49 500,00								
	<b>R 614 052,44</b>									

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

#### DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2016/17	Budget Year 2017/18				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
<b>R thousands</b>	1						
<b>ASSETS</b>							
<b>Current assets</b>							
Cash			159,532		148,814	159,532	
Call investment deposits			-				
Consumer debtors			3,620		5,532	3,620	
Other debtors			2,181		13,891	2,181	
Current portion of long-term receivables			3,227			3,227	
Inventory			3,433		4,829	3,433	
<b>Total current assets</b>			-	171,993	-	173,066	171,993
<b>Non current assets</b>							
Long-term receivables			59,717			59,717	
Investments			26		26	26	
Investment property			85,712		85,533	85,712	
Investments in Associate							
Property, plant and equipment			141,185		144,129	141,185	
Agricultural							
Biological assets							
Intangible assets			1,784		1,819	1,784	
Other non-current assets					57,536		
<b>Total non current assets</b>			-	288,424	-	289,043	288,424
<b>TOTAL ASSETS</b>			-	460,417	-	462,109	460,417
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft							
Borrowing			-				
Consumer deposits							
Trade and other payables			39,006		35,794	39,006	
Provisions			28,300		5,650	28,300	
<b>Total current liabilities</b>			-	67,306	-	41,444	67,306
<b>Non current liabilities</b>							
Borrowing							
Provisions			141,267		139,882	141,267	
<b>Total non current liabilities</b>			-	141,267	-	139,882	141,267
<b>TOTAL LIABILITIES</b>			-	208,573	-	181,326	208,573
<b>NET ASSETS</b>	2		-	251,844	-	280,783	251,844
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)			268,744		253,055	268,744	
Reserves			28,346		27,728	28,346	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2		-	297,090	-	280,783	297,090

This table excludes the actual figures for Roads department.

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

DC4 Eden - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	2016/17	Budget Year 2017/18								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>											
<b>Receipts</b>											
Property rates								-			
Service charges								-			
Other revenue			180 314		2 625	33 477	90 157	(56 680)	-63%	180 314	
Government - operating			152 945		1 346	115 474	76 473	39 002	51%	152 945	
Government - capital								-			
Interest			11 970		-	679	5 985	(5 306)	-89%	11 970	
Dividends								-			
<b>Payments</b>											
Suppliers and employees			(338 572)		(15 029)	(112 630)	(169 286)	(56 656)	33%	(338 572)	
Finance charges								-			
Transfers and Grants								-			
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>			-	6 657	-	(11 058)	37 000	3 328	(33 671)	-1012%	6 657
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>											
<b>Receipts</b>											
Proceeds on disposal of PPE								-			
Decrease (Increase) in non-current debtors								-			
Decrease (Increase) other non-current receivables								-			
Decrease (increase) in non-current investments					-	(47 857)		(47 857)	#DIV/0!		
<b>Payments</b>											
Capital assets			(2 459)		(16)	(201)	(1 229)	(1 029)	84%	(2 459)	
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>			-	(2 459)	-	(16)	(48 058)	(1 229)	46 828	-3809%	(2 459)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
<b>Receipts</b>											
Short term loans								-			
Borrowing long term/refinancing								-			
Increase (decrease) in consumer deposits								-			
<b>Payments</b>											
Repayment of borrowing								-			
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>			-	-	-	-	-	-	-	-	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>			-	4 198	-	(11 074)	(11 058)	2 099		4 198	
Cash/cash equivalents at beginning:			155 334				69 872	155 334		69 872	
Cash/cash equivalents at month/year end:			159 532				58 814	157 433		74 070	

The municipal bank balance at 31 January 2018 totals R 58 813 679.35.



Detailed information regarding commitments against the cash position is tabled below.

<b>REPORTING MONTH: 31 JANUARY 2018</b>		
<b>Commitments against Cash &amp; Cash Equivalents</b>		
<b>ITEM</b>	<b>Previous Month R'000</b>	<b>Current Month R'000</b>
<b>Bank balance as at 31 January 2018</b>	<b>69,871,878.68</b>	<b>58,813,679.35</b>
<b>Other Cash &amp; Cash Equivalents: Short term deposits</b>	<b>90,000,000.00</b>	<b>90,000,000.00</b>
<b>Transfer from Eden to Roads to assist with cash flow</b>	<b>10,000,000.00</b>	<b>10,000,000.00</b>
<b>LESS:</b>	<b>77,405,976.65</b>	<b>82,878,773.71</b>
Unspent Conditional Grants	5,610,369.12	6,754,217.84
Provision for staff leave	7,810,365.00	7,810,365.00
Provision for staff shift allowance	1,033,741.00	1,033,741.00
Post Retirement Benefits	14,212,111.00	28,993,329.00
Current Portion: Alien Vegetation	4,150,039.00	4,150,039.00
Performance Bonus	478,536.00	478,536.00
Grant received in advance	36,513,750.00	24,342,500.00
Trade Payables	6,552,556.61	8,082,433.00
Unspent Capital budget 7 months	1,044,508.92	1,233,612.87
Unspent Operational budget 7 months	-	-
<b>Sub total</b>	<b>92,465,902.03</b>	<b>75,934,905.64</b>
<b>PLUS:</b>	<b>3,856,388.94</b>	<b>4,251,407.37</b>
VAT Receivable	1,392,629.85	1,465,492.50
Receivable Exchange	2,463,759.10	2,785,914.87
Other receivables after impairment		
	<b>96,322,290.97</b>	<b>80,186,313.01</b>
<b>LESS OTHER MATTERS:</b>		
Capital Replacement Reserve	30,798,343.13	30,798,343.13
<b>Sub Total</b>	<b>65,523,947.84</b>	<b>49,387,969.88</b>
<b>LESS: CONTIGENT LIABILITIES</b>	<b>14,537,229.61</b>	<b>14,537,229.61</b>
Theunis Barnard	38,231.00	38,231.00
F du Toit (Vicbay Theft)	376,750.00	376,750.00
Hoogbaard	600,000.00	600,000.00
I Gerber	21,840.00	21,840.00
A de Wet	614,675.00	614,675.00
Barry Louis Rae Trust	4,500,000.00	4,500,000.00
Laurington Sithemile Stone	43,271.61	43,271.61
Banger Car Hire	18,800.00	18,800.00
Claim from Department of Public Works (Correctional Services Uniondale)	8,323,662.00	8,323,662.00
<b>Recalculated available cash balance</b>	<b>50,986,718.23</b>	<b>34,850,740.27</b>

## PART 2 – SUPPORTING DOCUMENTATION

### Section 4 – Debtors' analysis

#### Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2017/18										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total					
<b>R thousands</b>															
<b>Debtors Age Analysis By Income Source</b>															
Trade and Other Receivables from Exchange Transactions - Water	1200														
Trade and Other Receivables from Exchange Transactions - Electricity	1300														
Receivables from Non-exchange Transactions - Property Rates	1400														
Receivables from Exchange Transactions - Waste Water Management	1500														
Receivables from Exchange Transactions - Waste Management	1600														
Receivables from Exchange Transactions - Property Rental Debtors	1700	44	33	40	1,500						1,617	1,500			
Interest on Arrear Debtor Accounts	1810														
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820														
Other	1900	360	65	381	17,981						18,786	17,981			
<b>Total By Income Source</b>	<b>2000</b>	<b>404</b>	<b>98</b>	<b>421</b>	<b>19,481</b>						<b>20,403</b>	<b>19,481</b>			
<b>2016/17 - totals only</b>															
<b>Debtors Age Analysis By Customer Group</b>															
Organs of State	2200														
Commercial	2300														
Households	2400	44	33	40	1,500						1,617	1,500			
Other	2500	360	65	381	17,981						18,786	17,981			
<b>Total By Customer Group</b>	<b>2600</b>	<b>404</b>	<b>98</b>	<b>421</b>	<b>19,481</b>						<b>20,403</b>	<b>19,481</b>			

Long outstanding debtors that mainly consist of old councillors debt and fire accounts, remains a concern for the municipality and management will continue to report in terms of progress made.

## Section 5 – Creditors' analysis

### Supporting Table C4

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description R thousands	NT Code	Budget Year 2017/18								Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	543	168	60	92	40	326	8			1,236	
Auditor General	0800										-	
Other	0900										-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>543</b>	<b>168</b>	<b>60</b>	<b>92</b>	<b>40</b>	<b>326</b>	<b>8</b>	<b>-</b>	<b>1,236</b>	<b>-</b>	<b>-</b>

## Section 6 – Investment portfolio analysis

### 6.1 Investment monitoring information

	Balance as at 01 January 2018	Movements for the month			Balance as at 31 January 2018	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
<b>Eden district municipality</b>							
<i>Interest Received YTD</i>					-		
<i>Standard Bank</i>	-30 000 000,00				-30 000 000,00		228 344,11
<i>FNB</i>	-				-		-
<i>ABSA</i>	-30 000 000,00				-30 000 000,00		-
<i>Nedbank</i>	-30 000 000,00				-30 000 000,00		227 183,56
<i>Investec Bank</i>	-				-		222 972,60
<i>Standard Bank - Bank Guarantee investment investment</i>	147 040,20				147 758,68	718,48	5 263,98
<b>BANK DEPOSITS</b>	<b>-89 852 959,80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-89 852 241,32</b>	<b>718,48</b>	<b>683 764,25</b>

The municipality invest surplus funds in order to maximise the interest and to have cash readily available when needed and is done in line with the Cash Management and Investment Policy of council.

## Section 7 – Allocation and grant receipts and expenditure

### 7.1 Supporting Table C6

DC4 Eden - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		-	151 005	-	726	114 054	75 503	36 515	48,4%	151 005
Local Government Equitable Share			146 055		-	109 542	73 028	36 515	50,0%	146 055
Finance Management			1 250			1 250	625			1 250
Municipal Systems Improvement										
EPWP Incentive			1 280		-	896	640			1 280
NT - Rural Roads Asset Management Systems			2 420		726	2 366	1 210			2 420
	3							-		
								-		
								-		
Other transfers and grants [insert description]								-		
<b>Provincial Government:</b>		-	1 940	-	620	1 420	970	450	46,4%	1 940
PT - Integraeted Transport Plan			900				450	(450)	-100,0%	900
	4							-		
								-		
Other transfers and grants [insert description]			1 040		620	1 420	520	900	173,1%	1 040
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
<b>Total Operating Transfers and Grants</b>	5	-	152 945	-	1 346	115 474	76 473	36 965	48,3%	152 945

Performance reporting on grants will be enhanced to ensure compliance with the Division of Revenue Act.

## 7.2 Supporting Table C7

DC4 Eden - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>										
		-	151 005	-	302	75 320	75 503	(182)	-0,2%	151 005
Local Government Equitable Share			146 055			73 028	73 028	-		146 055
Finance Management			1 250		52	729	625	104	16,6%	1 250
Municipal Systems Improvement								-		-
EPWP Incentive			1 280		250	1 029	640	389	60,8%	1 280
NT - Rural Roads Asset Management Systems			2 420			535	1 210	(675)	-55,8%	2 420
Other transfers and grants [insert description]								-		
<b>Provincial Government:</b>										
PT - Integrated Transport Plan			1 940		-	-	970	(970)	-100,0%	1 940
Other transfers and grants [insert description]			900				450	(450)	-100,0%	900
Other transfers and grants [insert description]			1 040				520	(520)	-100,0%	1 040
<b>District Municipality:</b>										
[insert description]			-		-	-	-	-		-
[insert description]								-		
<b>Other grant providers:</b>										
[insert description]			-		-	-	-	-		-
[insert description]								-		
<b>Total operating expenditure of Transfers and Grants:</b>			-		302	75 320	76 473	(1 152)	-1,5%	152 945

Performance reporting on grants are been done by the Chief Financial Officer in order to comply with the Division of Revenue Act.

The Equitable Share are used for the day to day running of the Municipality for example salaries, own funded projects and contracted services and is therefore unconditional.

## Section 8 – Expenditure on councillor and board members allowances and employee benefits

### Supporting Table C8

DC4 Eden - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	Ref	2016/17		Budget Year 2017/18						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		4 628	6 908		633	4 535	3 454	1 081	31%	6 908
Pension and UIF Contributions		694	261		29	187	130	56	43%	261
Medical Aid Contributions		120	142		8	51	71	(20)	-28%	142
Motor Vehicle Allowance		1 814	2 312		78	767	1 156	(389)	-34%	2 312
Cellphone Allowance		337	325		49	534	163	371	228%	325
Housing Allowances		-	367		48	314	184	131	71%	367
Other benefits and allowances		250	500			-	250	(250)	-100%	500
<b>Sub Total - Councillors</b>		<b>7 843</b>	<b>10 815</b>	<b>-</b>	<b>845</b>	<b>6 388</b>	<b>5 408</b>	<b>981</b>	<b>18%</b>	<b>10 815</b>
<b>% increase</b>	4		<b>37,9%</b>							<b>37,9%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 716	4 014		398	1 734	2 007	(273)	-14%	4 014
Pension and UIF Contributions		687	551		61	249	275	(26)	-9%	551
Medical Aid Contributions		63	139		14	57	69	(12)	-18%	139
Overtime								-		
Performance Bonus		554	554				277	(277)	-100%	554
Motor Vehicle Allowance		507	628		64	274	314	(40)	-13%	628
Cellphone Allowance		33	59		10	38	30	8	27%	59
Housing Allowances		84	90		22	50	45	5	11%	90
Other benefits and allowances		200			6	18		18	#DIV/0!	
Payments in lieu of leave		62	70		161	161	35	126	360%	70
Long service awards								-		
Post-retirement benefit obligations	2							-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>5 906</b>	<b>6 104</b>	<b>-</b>	<b>736</b>	<b>2 580</b>	<b>3 052</b>	<b>(472)</b>	<b>-15%</b>	<b>6 104</b>
<b>% increase</b>	4		<b>3,4%</b>							<b>3,4%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		62 509	69 850		6 685	39 535	34 925	4 610	13%	69 850
Pension and UIF Contributions		13 199	15 210		995	6 491	7 605	(1 114)	-15%	15 210
Medical Aid Contributions		9 348	10 067		502	3 280	5 034	(1 754)	-35%	10 067
Overtime		2 527	2 390		244	2 244	1 195	1 049	88%	2 390
Performance Bonus								-		
Motor Vehicle Allowance		4 743	4 940		508	3 002	2 470	532	22%	4 940
Cellphone Allowance		225	115		6	47	57	(10)	-18%	115
Housing Allowances		733	879		98	460	439	20	5%	879
Other benefits and allowances		2 321	3 557		305	2 273	1 779	495	28%	3 557
Payments in lieu of leave		4 268	5 265		-	4 862	2 633	2 230	85%	5 265
Long service awards		315	525		174	383	263	120	46%	525
Post-retirement benefit obligations	2							-		
<b>Sub Total - Other Municipal Staff</b>		<b>100 188</b>	<b>112 799</b>	<b>-</b>	<b>9 518</b>	<b>62 578</b>	<b>56 399</b>	<b>6 179</b>	<b>11%</b>	<b>112 799</b>
<b>% increase</b>	4		<b>12,6%</b>							<b>12,6%</b>
<b>Total Parent Municipality</b>		<b>113 937</b>	<b>129 718</b>	<b>-</b>	<b>11 098</b>	<b>71 546</b>	<b>64 859</b>	<b>6 687</b>	<b>10%</b>	<b>129 718</b>

Remuneration related expenditure for the month ended 31 January 2018 amounted to R 11 098 000. Back pay to councillors with regards to the gazetted upper limits will be paid in February 2018.

## **Section 9 – Municipal manager’s quality certification**

NAVRAE:  
ENQUIRIES: L Hoek

KONTAKNR  
CONTACT NO 044 803 1449

VERW:  
REF: 6/18/7/2017-2018

KANTOOR:  
OFFICES: George

DATUM  
DATE 12 February 2018



### **QUALITY CERTIFICATE**

I, M STRATU, the accounting officer of **EDEN DISTRICT MUNICIPALITY (DC4)**, hereby certify that the–

(mark as appropriate)

- The monthly budget statement**
- Quarterly report on the implementation of the budget and financial state of affairs of the municipality
- Mid- year budget and performance assessment

for the month ended **31 JANUARY 2018**, has been prepared in accordance with the Municipal Finance Management Act (Act 56 of 2003) and regulations made under the Act.

**Disclaimer: Please note that the Section 71 Reporting is subject to changes due to the fact that the Municipality are still busy with mSCOA and a new financial system (Phoenix) implementation and currently the system does not allow the Municipality to extract all the required information for reporting.**

Print Name Monde Stratu



Accounting Officer of **EDEN DISTRICT MUNICIPALITY (DC4)**.

Signature 

Date 08/02/2018

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