



EDEN DISTRICT MUNICIPALITY

FINANCIAL YEAR 2017 - 2018

**MONTHLY FINANCIAL MONITORING
REPORT**

28 FEBRUARY 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 28 February 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 have tabled the Adjustment Budget on 26 February 2018 at Council for approval of the budget.

2.2 Consolidated Performance

2.2.1 Against Annual Budget (original)

Revenue by source

The total revenue received for the month ended 28 February 2018 amounted to **R 5,342,000**, with a total annual budgeted figure of **R 209,579,945** (excluding Roads budget) representing a 2.5% of annual revenue.

Operating Expenditure by type

Operating expenditure for the month, ended 28 February 2018 amounted to **R 17,761,000**, with a total annual budgeted figure of **R 204,899,461** (excluding Roads budget). The majority of these expenditure relates to Employee and Councillor related cost of **R 11,789,000**.

Capital Expenditure

The capital budget for the financial year amounts to **R 4,676,500**. The capital expenditure for the month ended 28 February 2018 amounted to **R 60,707**. 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 271 118 commitments on the capital budget, refer to pages 13 & 14.

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 28 February 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 - M08 February

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
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	10 774	11 124	12 084	3 148	3 827	8 056	(4 229)	-52%	11 124
Transfers and subsidies	146 708	152 945	153 325	384	115 912	102 217	13 695	13%	152 945
Other own revenue	176 254	181 160	209 171	1 810	35 287	139 447	(104 161)	-75%	181 160
Total Revenue (excluding capital transfers and contributions)	333 736	345 229	374 580	5 342	155 025	249 720	(94 695)	-38%	345 229
Employee costs	106 093	118 903	128 751	10 403	78 186	85 834	(7 648)	-9%	118 903
Remuneration of Councillors	7 844	10 815	10 815	1 386	7 775	7 210	565	8%	10 815
Depreciation & asset impairment	3 670	3 070	3 060	–	1 537	2 040	(503)	-25%	3 070
Finance charges	–	–	–	–	–	–	–		–
Materials and bulk purchases	–	–	–	–	–	–	–		–
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	229 414	209 976	227 273	5 972	39 547	151 515	(111 968)	-74%	209 976
Total Expenditure	347 021	342 764	369 899	17 761	127 045	246 599	(119 554)	-48%	342 764
Surplus/(Deficit)	(13 285)	2 465	4 681	(12 420)	27 980	3 121	24 860	797%	2 465
Transfers and subsidies - capital (monetary alloc	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(13 285)	2 465	4 681	(12 420)	27 980	3 121	24 860	797%	2 465
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(13 285)	2 465	4 681	(12 420)	27 980	3 121	24 860	797%	2 465
Capital expenditure & funds sources									
Capital expenditure	6 713	2 459	4 677	61	261	3 118	(2 857)	-92%	2 459
Capital transfers recognised	–	–	800	–	–	533	(533)	-100%	–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	6 713	2 459	3 877	61	261	2 585	(2 323)	-90%	2 459
Total sources of capital funds	6 713	2 459	4 677	61	261	3 118	(2 857)	-92%	2 459
Financial position									
Total current assets	–	171 993	178 609		173 066				171 993
Total non current assets	–	288 424	293 385		289 043				288 424
Total current liabilities	–	67 306	72 878		41 444				67 306
Total non current liabilities	–	141 267	153 943		139 882				141 267
Community wealth/Equity	–	297 090	245 172		280 783				297 090
Cash flows									
Net cash from (used) operating	–	6 657	19 110	(12 420)	27 980	12 740	(15 240)	-120%	6 657
Net cash from (used) investing	–	(2 459)	(4 677)	(12 710)	(60 819)	(1 229)	59 590	-4848%	(2 459)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	–	159 532	169 767	–	25 975	166 844	140 870	84%	63 012
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	404	98	421	19 481	–	–	–	–	20 403
Creditors Age Analysis									
Total Creditors	543	168	60	92	40	326	8	–	1 236

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

DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

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	1									
Revenue - Functional										
<i>Governance and administration</i>		179 928	192 572	220 395	5 032	151 769	146 930	4 839	3%	192 572
Executive and council		178 792	192 041	219 070	5 032	151 673	146 046	5 627	4%	192 041
Finance and administration		1 136	532	1 326	-	96	884	(788)	-89%	532
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6 485	6 921	6 921	293	3 133	4 614	(1 481)	-32%	6 921
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6 288	6 713	6 713	277	3 014	4 475	(1 462)	-33%	6 713
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		197	208	208	16	119	139	(19)	-14%	208
<i>Economic and environmental services</i>		144 155	145 314	145 314	17	123	96 876	(96 753)	-100%	145 314
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		144 000	145 000	145 000	-	-	96 667	(96 667)	-100%	145 000
Environmental protection		155	314	314	17	123	209	(86)	-41%	314
<i>Trading services</i>		3 168	422	1 950	-	-	1 300	(1 300)	-100%	422
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3 168	422	1 950	-	-	1 300	(1 300)	-100%	422
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	333 736	345 229	374 580	5 342	155 025	249 720	(94 695)	-38%	345 229
Expenditure - Functional										
<i>Governance and administration</i>		114 077	112 150	114 375	7 451	60 813	76 250	(15 437)	-20%	112 150
Executive and council		60 166	43 977	44 720	2 538	24 490	29 813	(5 323)	-18%	43 977
Finance and administration		53 911	65 711	67 115	4 753	34 957	44 743	(9 787)	-22%	65 711
Internal audit		-	2 463	2 540	161	1 365	1 693	(328)	-19%	2 463
<i>Community and public safety</i>		67 752	69 838	72 407	7 141	51 066	48 271	2 794	6%	69 838
Community and social services		4 935	6 358	9 727	1 348	7 647	6 485	1 162	18%	6 358
Sport and recreation		11 069	12 640	12 640	1 447	9 224	8 427	798	9%	12 640
Public safety		24 820	26 478	25 678	1 946	15 893	17 119	(1 226)	-7%	26 478
Housing		-	-	-	-	-	-	-	-	-
Health		26 928	24 362	24 362	2 401	18 302	16 241	2 061	13%	24 362
<i>Economic and environmental services</i>		158 775	155 630	176 412	2 940	13 015	117 608	(104 592)	-89%	155 630
Planning and development		10 516	5 030	5 630	406	2 853	3 753	(901)	-24%	5 030
Road transport		146 364	148 320	168 320	2 390	8 927	112 213	(103 287)	-92%	148 320
Environmental protection		1 895	2 280	2 462	144	1 236	1 641	(405)	-25%	2 280
<i>Trading services</i>		6 417	2 281	3 839	135	1 442	2 559	(1 117)	-44%	2 281
Energy sources		-	-	-	-	-	-	-	-	-
Water management		589	18	18	-	-	12	(12)	-100%	18
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5 828	2 263	3 821	135	1 442	2 547	(1 105)	-43%	2 263
<i>Other</i>		-	2 866	2 866	93	710	1 911	(1 201)	-63%	2 866
Total Expenditure - Functional	3	347 021	342 764	369 899	17 761	127 045	246 599	(119 554)	-48%	342 764
Surplus/ (Deficit) for the year		(13 285)	2 465	4 681	(12 419)	27 980	3 121	24 859	797%	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) - M08 February

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
R thousands											
Revenue by Vote		1									
Vote 1 - Executive and Council			178 792	192 041	219 515	-	-	96 020	(96 020)	-100,0%	192 041
Vote 2 - Budget and Treasury Office			-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services			1 136	532	880	-	-	266	(266)	-100,0%	532
Vote 4 - Planning and Development			-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety			-	-	-	-	-	-	-	-	-
Vote 6 - Health			197	208	208	-	-	104	(104)	-100,0%	208
Vote 7 - Community and Social Services			-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation			6 288	6 713	6 713	-	-	3 356	(3 356)	-100,0%	6 713
Vote 9 - Waste Management			3 168	422	1 950	-	-	211	(211)	-100,0%	422
Vote 10 - Roads Transport			-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management			-	-	-	-	-	-	-	-	-
Vote 12 - Water			-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection			155	314	314	-	-	157	(157)	-100,0%	314
Vote 14 - Roads Agency Function			144 000	145 000	145 000	-	-	72 500	(72 500)	-100,0%	145 000
Vote 15 - Electricity			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	333 736	345 229	374 580	-	-	172 615	(172 615)	-100,0%	345 229
Expenditure by Vote		1									
Vote 1 - Executive and Council			60 166	44 601	67 274	-	-	22 300	(22 300)	-100,0%	44 601
Vote 2 - Budget and Treasury Office			21 000	22 635	20 362	-	-	11 317	(11 317)	-100,0%	22 635
Vote 3 - Corporate Services			32 912	35 752	39 345	-	-	17 876	(17 876)	-100,0%	35 752
Vote 4 - Planning and Development			10 515	14 687	16 688	-	-	7 343	(7 343)	-100,0%	14 687
Vote 5 - Public Safety			29 753	31 990	31 190	-	-	15 995	(15 995)	-100,0%	31 990
Vote 6 - Health			26 928	27 579	27 779	-	-	13 790	(13 790)	-100,0%	27 579
Vote 7 - Community and Social Services			-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation			11 069	12 640	12 640	-	-	6 320	(6 320)	-100,0%	12 640
Vote 9 - Waste Management			5 828	2 263	3 821	-	-	1 131	(1 131)	-100,0%	2 263
Vote 10 - Roads Transport			2 364	3 320	3 320	-	-	1 660	(1 660)	-100,0%	3 320
Vote 11 - Waste Water Management			-	-	-	-	-	-	-	-	-
Vote 12 - Water			589	18	18	-	-	9	(9)	-100,0%	18
Vote 13 - Environment Protection			1 895	2 279	2 461	-	-	1 140	(1 140)	-100,0%	2 279
Vote 14 - Roads Agency Function			144 000	145 000	145 000	-	-	72 500	(72 500)	-100,0%	145 000
Vote 15 - Electricity			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	347 019	342 764	369 898	-	-	171 382	(171 382)	-100,0%	342 764
Surplus/ (Deficit) for the year		2	(13 283)	2 465	4 681	-	-	1 233	(1 233)	-100,0%	2 465

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) - M08 February

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										
Revenue By Source										
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	3 507	-	214	2 338	(2 124)	-91%	3 507	
Interest earned - external investments	10 774	11 124	12 084	3 148	3 827	8 056	(4 229)	-52%	11 124	
Interest earned - outstanding debtors	799	846	846	-	108	564	(456)	-81%	846	
Dividends received	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	
Licences and permits	155	314	314	17	17	209	(192)	-92%	314	
Agency services	15 000	15 300	15 300	-	2 555	10 200	(7 645)	-75%	15 300	
Transfers and subsidies	146 708	152 945	153 325	384	115 912	102 217	13 695	13%	152 945	
Other revenue	158 876	161 194	189 204	1 793	32 393	126 136	(93 743)	-74%	161 194	
Gains on disposal of PPE			-	-		-	-	-		
Total Revenue (excluding capital transfers and contributions)		333 736	345 229	374 580	5 342	155 025	249 720	(94 695)	-38%	345 229
Expenditure By Type										
Employee related costs	106 093	118 903	128 751	10 403	78 186	85 834	(7 648)	-9%	118 903	
Remuneration of councillors	7 844	10 815	10 815	1 386	7 775	7 210	565	8%	10 815	
Debt impairment	1 060	1 122	1 522	-		1 015	(1 015)	-100%	1 122	
Depreciation & asset impairment	3 670	3 070	3 060	-	1 537	2 040	(503)	-25%	3 070	
Finance charges	-	-	-	-	-	-	-	-	-	
Bulk purchases	-	-	-	-	-	-	-	-	-	
Other materials	-	-	-	-	-	-	-	-	-	
Contracted services	17 698	15 896	19 510	1 016	6 611	13 006	(6 395)	-49%	15 896	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Other expenditure	210 656	192 958	206 242	4 956	32 936	137 494	(104 559)	-76%	192 958	
Loss on disposal of PPE			-	-		-	-	-		
Total Expenditure		347 021	342 764	369 899	17 761	127 045	246 599	(119 554)	-48%	342 764
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocation) (National / Provincial and District)		(13 285)	2 465	4 681	(12 420)	27 980	3 121	24 860	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)								-		
Surplus/(Deficit) after capital transfers & contributions		(13 285)	2 465	4 681	(12 420)	27 980	3 121			2 465
Taxation								-		
Surplus/(Deficit) after taxation		(13 285)	2 465	4 681	(12 420)	27 980	3 121			2 465
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(13 285)	2 465	4 681	(12 420)	27 980	3 121			2 465
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(13 285)	2 465	4 681	(12 420)	27 980	3 121			2 465

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 28 February 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. The interest received for the month ended 28 February 2018 amounted to R 2 351 464.

Interest raised – Outstanding debtors

There was no interest on outstanding debtors for the month of 28 February 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 February 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. The Municipality received the last payment of R 384,000 for the EPWP grant for the month end 28 February 2018.

Other revenue / Sundry income

Other revenue reflects an amount of R 1,810,000 for the month ended 28 February 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 28 February 2018 amounted to R 11,789,000 of a budgeted amount of R 139,565,700 that represents 8.4% 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 28 February 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, vendor indicated due date for integration of sub systems are 03 March 2018.

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 1,016,000 is reflected in the financial results for the month ended 28 February 2018. This relates mainly to the aerial firefighting support relating to the number of fires in January 2018.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R4,956,000 for month ended 28 February 2018.

The other expenditure consists of the following:

- Repairs and Maintenance

- Operating Projects (own funds)
- General expenses
- Contributions to provisions (Accounted for with compilation of AFS)
- Actuarial Loss (Accounted for with compilation of AFS)

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) - M08 February

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
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		3 653	350	421	4	126	281	(154)	-55%	350
Vote 2 - Budget and Treasury Office		39	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 041	350	1 633	-	31	1 089	(1 057)	-97%	350
Vote 4 - Planning and Development		-	-	64	-	16	43	(27)	-63%	-
Vote 5 - Public Safety		817	519	1 319	56	59	879	(820)	-93%	519
Vote 6 - Health		105	31	31	-	-	21	(21)	-100%	31
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		565	1 100	1 100	-	29	733	(705)	-96%	1 100
Vote 9 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 10 - Roads Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environment Protection		493	109	109	-	-	73	(73)	-100%	109
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	6 713	2 459	4 677	61	261	3 118	(2 857)	-92%	2 459
Single Year expenditure appropriation	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		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		6 713	2 459	4 677	61	261	3 118	(2 857)	-92%	2 459

Variances explained in Supporting Table C5

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

Number	Project description	Adjusted budget R'	YTD Expenditure R'	Year to date Budget	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	740 200,00	R 28 543,00	246 733,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o 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	160 298,00	R 122 120,00	53 432,67	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
3	Swartvlei Septic Tank Project	250 000,00	R -	83 333,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
4	DTP Computer Equipment	439 702,00	R 31 447,38	146 567,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
5	Pool Vehicle	165 000,00	R -	55 000,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
6	MIA (Major Incident Alert) SMS System	160 000,00	R -	53 333,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
7	Fire Fighting - Various Equipment Items	150 000,00	R 56 373,68	50 000,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
8	Laboratory Instruments	58 500,00	R -	19 500,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
9	Smoke Detectors	31 500,00	R -	10 500,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
10	Steel Shelves	50 000,00	R -	16 666,67	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
11	Aeroquille Mobile	50 000,00	R -	16 666,67	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
12	A3 Printer Scanner	40 000,00	R -	13 333,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
13	Vital Weather Station	28 000,00	R -	9 333,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
14	Easy Rail White Board System	4 000,00	R -	1 333,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
15	Fridge / Freezer	3 000,00	R 2 630,70	1 000,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
16	Office Furniture:MM / Strategic Manager	38 500,00	R -	12 833,33	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
17	Office Furniture:MM / Strategic Manager	50 000,00	R 20 104,05	16 666,67	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
18	DTP Computer Equipment	22 500,00	R -	7 500,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
19	4 X Corel draw 8 upgrade licenses	12 300,00	R -	4 100,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
20	DTP Computer Equipment	636 000,00	R -	212 000,00	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.
21	Office Furniture: HR.	5 000,00	R -	1 666,67	Started already	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.t.o the progress on their projects.

22	URN 20 Liter	3 500,00	R	-	1 166,67	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.
23	Electronic Safe: Head Office Entrance	2 500,00	R	-	833,33	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.
24	Vacuum Cleaner	7 500,00	R	-	2 500,00	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.
25	Office Furniture: HR Manager	30 000,00	R	-	10 000,00	Not Started	Not Started	Not Started - Expenditure will incur from March - Adjustment Budget approved 26 February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
26	Blinds: Labour relation Office	10 000,00	R	-	3 333,33	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
27	Office Furniture: Auxiliary Services	7 000,00			2 333,33	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
28	Equipment: Auxilliary Services	15 000,00	R	-	5 000,00	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
29	Office Furniture: Internal Audit	7 500,00	R	-	2 500,00	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
30	Mayor Vehicle	650 000,00	R	-	216 666,67	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
31	Office Furniture: Exexutive Man: Planning & Dev.	39 000,00	R	-	13 000,00	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
32	Equipment: Planning & Dev: Maintenance	10 000,00	R	-	3 333,33	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
33	Fire Capacity Building Grant - capital	800 000,00	R	-	266 666,67	Not Started	Not Started	Not Started - Expenditure will incur from March - since approval of Adjustment Budget happen in February for various capital items	Monthly all project managers will report to the BTO progress i.to the progress on their projects.
Totals		4 676 500,00		261 218,81	1 558 833,33				

Project status: If the project is in the SCM process of being procured. Please state in which stage (planning, specification, advertising, etc)

Commitments against capital for the month February 2018									
	Office Furniture:MM / Strategic Manager	R	16 745,00						
	DTP Computer Equipment	R	18 019,84						
	4 X Corel draw 8 upgrade licenses	R	9 292,00						
	Council Chambers	R	35 161,75						
	DTP Computer Equipment	R	3 143,92						
	Swartvlei Septic Tank Project	R	119 250,00						
	Fire Fighting - Various Equipment Items	R	20 005,26						
	Aeroquille Mobile	R	49 500,00						
	R		271 117,77						

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		142 719	159 532	169 768	130 975	169 768
Call investment deposits		–	–	–		–
Consumer debtors		5 488	3 620	–	5 532	–
Other debtors		9 622	2 181	2 181	13 613	2 181
Current portion of long-term receivables		3 805	3 227	3 227		3 227
Inventory		3 131	3 433	3 433	3 530	3 433
Total current assets		164 766	171 993	178 609	153 650	178 609
Non current assets						
Long-term receivables			59 717	59 717		59 717
Investments		26	26	26	26	26
Investment property		85 533	85 712	85 712	85 533	85 712
Investments in Associate				–		–
Property, plant and equipment		143 928	141 185	146 146	144 190	146 146
Agricultural				–		–
Biological assets				–		–
Intangible assets		1 819	1 784	1 784	1 819	1 784
Other non-current assets		57 536		–	57 536	–
Total non current assets		288 843	288 424	293 385	289 104	293 385
TOTAL ASSETS		453 608	460 417	471 994	442 754	471 994
LIABILITIES						
Current liabilities						
Bank overdraft				–		
Borrowing			–	–		
Consumer deposits				–		
Trade and other payables		15 751	39 006	44 578	30 344	44 578
Provisions		28 827	28 300	28 300	5 650	28 300
Total current liabilities		44 578	67 306	72 878	35 994	72 878
Non current liabilities						
Borrowing				–		
Provisions		139 882	141 267	153 944	139 882	153 944
Total non current liabilities		139 882	141 267	153 944	139 882	153 944
TOTAL LIABILITIES		184 460	208 573	226 822	175 876	226 822
NET ASSETS	2	269 148	251 844	245 172	266 878	245 172
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		241 420	268 744	216 826	239 150	216 826
Reserves		27 728	28 346	28 346	27 728	28 346
TOTAL COMMUNITY WEALTH/EQUITY	2	269 148	297 090	245 172	266 878	245 172

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 - M08 February

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	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates				-				-		
Service charges				-				-		
Other revenue			180 314	208 325	1 810	35 178	138 883	(103 705)	-75%	180 314
Government - operating			152 945	153 325	384	115 912	102 217	13 695	13%	152 945
Government - capital				-			-	-		
Interest			11 970	12 930	3 148	3 935	8 620	(4 685)	-54%	11 970
Dividends				-			-	-		
Payments										
Suppliers and employees			(338 572)	(355 470)	(17 761)	(127 045)	(236 980)	(109 935)	46%	(338 572)
Finance charges				-			-	-		
Transfers and Grants				-			-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	6 657	19 110	(12 420)	27 980	12 740	(15 240)	-120%	6 657
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				-	(12 649)	(60 558)		(60 558)	#DIV/0!	
Payments										
Capital assets			(2 459)	(4 677)	(61)	(261)	(1 229)	(968)	79%	(2 459)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(2 459)	(4 677)	(12 710)	(60 819)	(1 229)	59 590	-4848%	(2 459)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans				-				-		
Borrowing long term/refinancing				-				-		
Increase (decrease) in consumer deposits				-				-		
Payments										
Repayment of borrowing				-				-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		-	4 198	14 433	(25 129)	(32 839)	11 511			4 198
Cash/cash equivalents at beginning:			155 334	155 334		58 814	155 334			58 814
Cash/cash equivalents at month/year end:		-	159 532	169 767		25 975	166 844			63 012

The municipal bank balance at 28 February 2018 totals R 25 974 799.24.

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

REPORTING MONTH: 28 FEBRUARY 2018		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 28 February 2018	58 813 679,35	25 974 799,24
Other Cash & Cash Equivalents: Short term deposits	90 000 000,00	105 000 000,00
Transfer from Eden to Roads to assist with cash flow	-	-
LESS:	68 097 555,50	65 805 081,01
Unspent Conditional Grants	6 754 217,84	7 158 585,35
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	28 993 329,15
Current Portion: Alien Vegetation	4 150 039,00	4 150 039,00
Performance Bonus	478 536,00	478 536,00
Grant received in advance	24 342 500,00	12 171 250,00
Trade Payables	8 082 433,00	2 631 454,00
Unspent Capital budget 7 months	1 233 612,87	1 377 781,19
Unspent Operational budget 7 months	-0	0
Sub total	80 716 123,85	65 169 718,23
PLUS:	4 251 407,37	3 902 555,06
VAT Receivable	1 465 492,50	1 418 977,00
Receivable Exchange	2 785 914,87	2 483 578,06
Other receivables after impairment		
	84 967 531,22	69 072 273,29
LESS OTHER MATTERS:		
Capital Replacement Reserve	30 798 343,13	30 798 343,13
Sub Total	54 169 188,09	38 273 930,16
LESS: CONTIGENT LIABILITIES	14 537 229,61	14 537 229,61
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
Recalculated available cash balance	39 631 958,48	23 736 700,55

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2017/18										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
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	33	40	33	1 540					1 646	1 540		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	348	210	30	18 362					18 950	18 362		
Total By Income Source	2000	381	250	63	19 902	-	-	-	-	20 596	19 902	-	-
2016/17 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200									-	-		
Commercial	2300									-	-		
Households	2400	33	40	33	1 540					1 646	1 540		
Other	2500	348	210	30	18 362					18 950	18 362		
Total By Customer Group	2600	381	250	63	19 902	-	-	-	-	20 596	19 902	-	-

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 - M08 February

Description	NT Code	Budget Year 2017/18									Prior year
		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	Total	totals for chart (same period)
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	9	205	8	10	141	-	1		372	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	9	205	8	10	141	-	1	-	372	-

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Balance as at 01 February 2018	Movements for the month			Balance as at 28 February 2018	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalised			
Eden district municipality							
<i>Interest Received YTD</i>					-		
Standard Bank	-30 000 000,00	30 000 000,00	-35 000 000,00		35 000 000,00	787 068,49	1 015 412,60
FNB	-				-		-
ABSA	-30 000 000,00	30 000 000,00	-35 000 000,00		35 000 000,00	774 657,53	774 657,53
Nedbank	-30 000 000,00	30 000 000,00	-35 000 000,00		35 000 000,00	789 041,10	1 016 224,66
Investec Bank	-				-		222 972,60
Standard Bank - Bank Guarantee investment investment	147 758,68				148 455,78	697,10	5 961,08
BANK DEPOSITS	-89 852 241,32	90 000 000,00	-105 000 000,00	-	105 148 455,78	2 351 464,22	3 035 228,47

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 - M08 February

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										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		–	151 005	151 805	384	114 492	101 203	11 639	11,5%	151 005
Local Government Equitable Share			146 055	146 055	–	109 542	97 370	12 172	12,5%	146 055
Finance Management			1 250	1 250		1 250	833			1 250
Municipal Systems Improvement										
EPWP Incentive			1 280	1 280	384	1 280	853			1 280
NT - Rural Roads Asset Management Systems			2 420	2 420	–	2 420	1 613			2 420
	3									
Other transfers and grants [insert description]				800			533	(533)	-100,0%	
Provincial Government:		–	1 940	2 320	–	1 420	1 547	(127)	-8,2%	1 940
PT - Integrated Transport Plan			900	900			600	(600)	-100,0%	900
	4									
Other transfers and grants [insert description]			1 040	1 420	–	1 420	947	473	50,0%	1 040
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Operating Transfers and Grants	5	–	152 945	154 125	384	115 912	102 750	11 512	11,2%	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 - M08 February

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	151 005	151 805	90	99 327	101 203	(1 876)	-1,9%	151 005
Local Government Equitable Share			146 055	146 055		97 370	97 370	-		146 055
Finance Management			1 250	1 250	34	762	833	(71)	-8,5%	1 250
Municipal Systems Improvement				-			-			-
EPWP incentive			1 280	1 280	56	660	853	(193)	-22,7%	1 280
NT - Rural Roads Asset Management Systems			2 420	2 420		535	1 613	(1 079)	-66,8%	2 420
				-			-			
Other transfers and grants [insert description]				800			533	(533)	-100,0%	
Provincial Government:		-	1 940	2 320	31	31	1 547	(1 515)	-98,0%	1 940
PT - Integrated Transport Plan			900	900			600	(600)	-100,0%	900
							-	-		
							-	-		
							-	-		
Other transfers and grants [insert description]			1 040	1 420	31	31	947	(915)	-96,7%	1 040
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
Total operating expenditure of Transfers and Grants:		-	152 945	154 125	121	99 358	102 750	(3 392)	-3,3%	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 - M08 February

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										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 628	6 908	7 370	895	5 430	4 913	517	11%	6 908
Pension and UIF Contributions		694	261	261	43	230	174	56	32%	261
Medical Aid Contributions		120	142	142	8	59	95	(36)	-38%	142
Motor Vehicle Allowance		1 814	2 312	2 312	139	906	1 541	(635)	-41%	2 312
Cellphone Allowance		337	325	325	232	766	217	549	253%	325
Housing Allowances		–	367	405	69	383	270	113	42%	367
Other benefits and allowances		250	500	–	–	–	–	–	–	500
Sub Total - Councillors		7 843	10 815	10 815	1 386	7 775	7 210	565	8%	10 815
% increase	4		37,9%	37,9%						37,9%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 716	4 014	4 022	398	1 734	2 681	(948)	-35%	4 014
Pension and UIF Contributions		687	551	481	61	249	321	(71)	-22%	551
Medical Aid Contributions		63	139	117	14	57	78	(21)	-27%	139
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		554	554	484	–	–	323	(323)	-100%	554
Motor Vehicle Allowance		507	628	670	64	274	446	(173)	-39%	628
Cellphone Allowance		33	59	61	10	38	41	(3)	-8%	59
Housing Allowances		84	90	84	22	50	56	(6)	-11%	90
Other benefits and allowances		200	–	132	6	18	88	(70)	-79%	–
Payments in lieu of leave		62	70	70	161	161	47	114	244%	70
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		5 906	6 104	6 120	736	2 580	4 080	(1 500)	-37%	6 104
% increase	4		3,4%	3,6%						3,4%
Other Municipal Staff										
Basic Salaries and Wages		62 509	69 850	71 440	6 314	45 849	47 627	(1 778)	-4%	69 850
Pension and UIF Contributions		13 199	15 210	15 225	1 012	7 504	10 150	(2 646)	-26%	15 210
Medical Aid Contributions		9 348	10 067	10 067	502	3 782	6 711	(2 930)	-44%	10 067
Overtime		2 527	2 390	2 590	450	2 694	1 727	967	56%	2 390
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		4 743	4 940	4 898	532	3 534	3 265	269	8%	4 940
Cellphone Allowance		225	115	113	6	53	75	(22)	-30%	115
Housing Allowances		733	879	885	92	552	590	(38)	-6%	879
Other benefits and allowances		2 321	3 557	3 509	104	2 377	2 339	38	2%	3 557
Payments in lieu of leave		4 268	5 265	5 335	21	4 883	3 557	1 326	37%	5 265
Long service awards		315	525	525	136	519	350	169	48%	525
Post-retirement benefit obligations		–	–	8 043	499	3 860	5 362	(1 502)	-28%	–
Sub Total - Other Municipal Staff		100 188	112 799	122 630	9 667	75 607	81 753	(6 147)	-8%	112 799
% increase	4		12,6%	22,4%						12,6%
Total Parent Municipality		113 937	129 718	139 565	11 789	85 961	93 043	(7 082)	-8%	129 718

Remuneration related expenditure for the month ended 28 February 2018 amounted to

R 11 789 000.

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 09 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 **28 FEBRUARY 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 GIVEN STRATU

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

Signature 

Date 09/03/2018

YORKSTRAAT 54 YORK STREET 12 GEORGE 6530

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