



EDEN DISTRICT MUNICIPALITY

FINANCIAL YEAR 2017 - 2018

**MONTHLY FINANCIAL MONITORING
REPORT**

30 JUNE 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 30 June 2018.
- That Council takes note of the continuation of challenges faced relating to the mSCOA implementation process and system challenges and credibility of data.

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. The first financial year of mSCOA implementation certainly proved a challenge to the municipality and its ability to produce credible reporting information. The municipality will continue to work together with the vendor in order to resolve outstanding system related challenges and will improve the credibility of financial information for the 2018/19 financial year. Currently the municipality are in the process of year-end procedures and preparation of the annual financial statements that are due 31 August 2018. The municipality will also apply for rollover funds in respect of the Disaster Management Grant (R 2,000,000) for the removal of asbestosis that was received during March 2018, as well as the Energy Efficiency and Demand Side Management (EEDSM) Grant (R 5,000,000) which were also received during March 2018. The municipality would like to raise the concern relating to the monthly mSCOA data strings and how the data strings will affect the verification process of the municipality. Due to the system challenges and integrity of the data on the system, the municipality performed additional monthly manual calculations to present figures that are more credible for the Section 71 reporting purposes. However, the municipality did process transactions and corrections during June 2018 to better align the accumulated figures of the data strings and C-Schedules but still foresee that the municipality will experience challenges during the verification process.

2.2 Consolidated Performance

2.2.1 Against Annual Budget (original)

Revenue by source

The total revenue received for the month ended 30 June 2018 amounted to **R 162,534,000** (Roads consolidation at year-end included in the amount), with a total annual budgeted figure of **R 384,100,000** (including Roads budget) representing a 42.32% of annual revenue.

Operating Expenditure by type

Operating expenditure for the month, ended 30 June 2018 amounted to **R 183,535,000**, with a total annual budgeted figure of **R 379,420,000** (excluding Roads budget). The majority of this expenditure relates to Employee and Councillor related cost of **R 10,648,000** and the consolidation of Roads expenditure at year-end.

Capital Expenditure

The capital budget for the financial year amounts to **R 4,676,500**. The capital expenditure for the month ended 30 June 2018 amounted to **R 2,216,000**, and the year to date expenditure totals **R 3,262,000**. User departments were requested to improve planning relating to capital expenditure for the upcoming budget year.

Refer to pages 14 & 15 for detail on capital budget progress.

2.3 Material variances from SDBIP

Variances and deficiencies will be identified in terms of the SDBIP and will be reported on by the Performance Management Unit, situated in the Office of the Municipal Manager.

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 system related 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. The financial department has included a project of R50 000 for a Financial changes awareness campaign for the 2018/19 budget and have applied for funding from Provincial Treasury for mSCOA and upskilling of staff.

2.5 Conclusion

Detailed analysis of the municipal performance for the month ended 30 June 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 - M12 June

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	2,387	5,780	12,084	(6,304)	-52%	11,124
Transfers and subsidies	146,708	152,945	160,545	–	159,425	160,545	(1,120)	-1%	152,945
Other own revenue	176,254	181,160	211,471	160,147	215,895	211,471	4,424	2%	181,160
Total Revenue (excluding capital transfers and contributions)	333,736	345,229	384,100	162,534	381,100	384,100	(3,000)	-1%	345,229
Employee costs	106,093	118,903	128,751	9,761	117,072	128,751	(11,679)	-9%	118,903
Remuneration of Councillors	7,844	10,815	10,815	887	11,379	10,815	564	5%	10,815
Depreciation & asset impairment	3,670	3,070	3,060	3,060	4,597	3,060	1,537	50%	3,070
Finance charges	–	–	–	–	–	–	–		–
Materials and bulk purchases	–	–	–	–	–	–	–		–
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	229,414	209,976	236,794	169,827	233,122	236,794	(3,672)	-2%	209,976
Total Expenditure	347,021	342,764	379,420	183,535	366,170	379,420	(13,250)	-3%	342,764
Surplus/(Deficit)	(13,285)	2,465	4,680	(21,001)	14,930	4,680	10,250	219%	2,465
Transfers and subsidies - capital (monetary alloc	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(13,285)	2,465	4,680	(21,001)	14,930	4,680	10,250	219%	2,465
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(13,285)	2,465	4,680	(21,001)	14,930	4,680	10,250	219%	2,465
Capital expenditure & funds sources									
Capital expenditure	6,713	2,459	4,677	2,216	3,262	4,677	(1,415)	-30%	2,459
Capital transfers recognised	–	–	800	786	800	800	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	6,713	2,459	3,877	1,430	2,462	3,877	(1,415)	-36%	2,459
Total sources of capital funds	6,713	2,459	4,677	2,216	3,262	4,677	(1,415)	-30%	2,459
Financial position									
Total current assets	164,766	171,993	178,609		145,553				178,609
Total non current assets	288,843	288,424	293,385		292,066				293,385
Total current liabilities	44,578	67,306	72,878		35,664				72,878
Total non current liabilities	139,882	141,267	153,944		139,882				153,944
Community wealth/Equity	269,148	297,090	245,172		262,073				245,172
Cash flows									
Net cash from (used) operating	–	6,657	19,110	(21,001)	14,930	19,110	4,180	22%	6,657
Net cash from (used) investing	–	(2,459)	(4,677)	(2,216)	93,359	(1,844)	(95,202)	5163%	(2,459)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	–	159,532	169,767	–	129,446	172,600	43,154	25%	25,355
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	562	1,564	2,945	18,292	–	–	–	–	23,363
Creditors Age Analysis									
Total Creditors	951	387	46	21	1	1	–	–	1,407

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

DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

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	229,916	15,036	229,037	229,916	(879)	0%	192,572
Executive and council		178,792	192,041	228,590	15,036	228,941	228,590	351	0%	192,041
Finance and administration		1,136	532	1,326	-	96	1,326	(1,230)	-93%	532
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		6,485	6,921	6,921	2,498	6,908	6,921	(13)	0%	6,921
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		6,288	6,713	6,713	2,479	6,704	6,713	(9)	0%	6,713
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		197	208	208	19	204	208	(4)	-2%	208
<i>Economic and environmental services</i>		144,155	145,314	145,314	145,000	145,154	145,314	(160)	0%	145,314
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		144,000	145,000	145,000	145,000	145,000	145,000	-	-	145,000
Environmental protection		155	314	314	-	154	314	(160)	-51%	314
<i>Trading services</i>		3,168	422	1,950	-	-	1,950	(1,950)	-100%	422
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3,168	422	1,950	-	-	1,950	(1,950)	-100%	422
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	333,736	345,229	384,101	162,534	381,100	384,101	(3,001)	-1%	345,229
Expenditure - Functional										
<i>Governance and administration</i>		114,077	112,150	114,376	22,779	113,749	114,376	(627)	-1%	112,150
Executive and council		60,166	43,977	44,720	18,210	55,213	44,720	10,493	23%	43,977
Finance and administration		53,911	65,711	67,116	4,346	56,483	67,116	(10,633)	-16%	65,711
Internal audit		-	2,463	2,540	224	2,053	2,540	(487)	-19%	2,463
<i>Community and public safety</i>		67,752	69,838	81,927	5,325	73,081	81,927	(8,846)	-11%	69,838
Community and social services		4,935	6,358	11,727	1,061	10,572	11,727	(1,155)	-10%	6,358
Sport and recreation		11,069	12,640	12,640	800	12,464	12,640	(176)	-1%	12,640
Public safety		24,820	26,478	27,498	1,640	22,782	27,498	(4,716)	-17%	26,478
Housing		-	-	-	-	-	-	-	-	-
Health		26,928	24,362	30,062	1,824	27,263	30,062	(2,799)	-9%	24,362
<i>Economic and environmental services</i>		158,775	155,630	176,412	154,836	175,493	176,412	(919)	-1%	155,630
Planning and development		10,516	5,030	5,630	200	5,148	5,630	(482)	-9%	5,030
Road transport		146,364	148,320	168,320	154,420	168,336	168,320	16	0%	148,320
Environmental protection		1,895	2,280	2,462	216	2,008	2,462	(454)	-18%	2,280
<i>Trading services</i>		6,417	2,281	3,839	594	2,719	3,839	(1,120)	-29%	2,281
Energy sources		-	-	-	-	-	-	-	-	-
Water management		589	18	18	-	-	18	(18)	-100%	18
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		5,828	2,263	3,821	594	2,719	3,821	(1,102)	-29%	2,263
<i>Other</i>		-	2,866	2,866	-	1,128	2,866	(1,738)	-61%	2,866
Total Expenditure - Functional	3	347,021	342,764	379,420	183,535	366,170	379,420	(13,250)	-3%	342,764
Surplus/ (Deficit) for the year		(13,285)	2,465	4,681	(21,001)	14,930	4,681	10,249	219%	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) - M12 June

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	229,036	-	-	190,863	(190,863)	-100.0%	-
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	384,100	-	-	267,457	(267,457)	-100.0%	153,189
Expenditure by Vote	1									
Vote 1 - Executive and Council		60,166	44,601	47,274	-	-	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	35,010	-	-	15,995	(15,995)	-100.0%	31,990
Vote 6 - Health		26,928	27,579	33,480	-	-	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	165,000	-	-	72,500	(72,500)	-100.0%	145,000
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	347,019	342,764	379,419	-	-	171,382	(171,382)	-100.0%	342,764
Surplus/ (Deficit) for the year	2	(13,283)	2,465	4,681	-	-	96,075	(96,075)	-100.0%	(189,575)

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.

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) - M12 June

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	-	2,007	3,507	(1,500)	-43%	3,507	
Interest earned - external investments	10,774	11,124	12,084	2,387	5,780	12,084	(6,304)	-52%	11,124	
Interest earned - outstanding debtors	799	846	846	-	108	846	(738)	-87%	846	
Dividends received	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-	
Licences and permits	155	314	314	-	263	314	(51)	-16%	314	
Agency services	15,000	15,300	15,300	-	15,300	15,300	-	-	15,300	
Transfers and subsidies	146,708	152,945	160,545	-	159,425	160,545	(1,120)	-1%	152,945	
Other revenue	158,876	161,194	191,504	160,147	198,216	191,504	6,712	4%	161,194	
Gains on disposal of PPE			-	-		-	-	-		
Total Revenue (excluding capital transfers and contributions)		333,736	345,229	384,100	162,534	381,100	384,100	(3,000)	-1%	345,229
Expenditure By Type										
Employee related costs	106,093	118,903	128,751	9,761	117,072	128,751	(11,679)	-9%	118,903	
Remuneration of councillors	7,844	10,815	10,815	887	11,379	10,815	564	5%	10,815	
Debt impairment	1,060	1,122	1,522	1,522	1,522	1,522	-	-	1,122	
Depreciation & asset impairment	3,670	3,070	3,060	3,060	4,597	3,060	1,537	50%	3,070	
Finance charges	-	-	-	-	-	-	-	-	-	
Bulk purchases	-	-	-	-	-	-	-	-	-	
Other materials	-	-	-	-	-	-	-	-	-	
Contracted services	17,698	15,896	23,330	2,767	13,682	23,330	(9,648)	-41%	15,896	
Transfers and subsidies	-	-	-	-	-	-	-	-	-	
Other expenditure	210,656	192,958	211,942	165,538	217,919	211,942	5,977	3%	192,958	
Loss on disposal of PPE			-	-		-	-	-		
Total Expenditure		347,021	342,764	379,420	183,535	366,170	379,420	(13,250)	-3%	342,764
Surplus/(Deficit)		(13,285)	2,465	4,680	(21,001)	14,930	4,680	10,250	0	2,465
Transfers and subsidies - capital (monetary allocation)										
(National / Provincial and District)								-		
(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	4,680	(21,001)	14,930	4,680			2,465
Taxation								-		
Surplus/(Deficit) after taxation		(13,285)	2,465	4,680	(21,001)	14,930	4,680			2,465
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(13,285)	2,465	4,680	(21,001)	14,930	4,680			2,465
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(13,285)	2,465	4,680	(21,001)	14,930	4,680			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 were no income for rental of facilities and equipment reported for the month ended 30 June 2018. Due to system challenges experienced, income per line item could not be allocated previously and were included under 'Other income'. The backlog in allocation of income to the correct line items are currently being addressed and will be corrected by means of year-end journals.

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 30 June 2018 amounts to R 2,386,924.

Interest raised – Outstanding debtors

There was no interest on outstanding debtors for the month of 30 June 2018; this is due to the challenges experienced with the new financial system on the Income module and backlog in income allocations.

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 as well as any additional allocations. There was no revenue received in respect of the Agency Services for the month of 30 June 2018.

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. The last instalment of R36,513,000 in respect of Equitable Share were received during March 2018. The Municipality received from Provincial Treasury R 2,000,000 during March 2018 in respect of Disaster Management Grant for the removal of asbestosis. The additional revenue were tabled with the adjustment budget that were approved on 26 February 2018 by Council. The Department of Energy allocated R 5,000,000 to the Council in respect of Energy Efficiency and Demand Side Management (EEDSM) which were received during March 2018. The additional revenue allocated was tabled in the 3rd adjustment budget and approved by Council on the 24th of April 2018. Formal tender processes in progress for the R2m and R5m grant allocation received. Given the timeframes, the funds will be committed as at 30 June 2018 but spending will only commence in July 2018. Application for rollover of grants will be submitted for the committed grants. There was no grant money received for the month end 30 June 2018.

Other revenue / Sundry income

Other revenue reflects an amount of R 160,147,000 for the month ended 30 June 2018. Other revenue consists of the following: Interest on current account, resorts income and rental of facilities and equipment. Other revenue also includes the Roads consolidation at year-end.

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 30 June 2018 amounted to R 10,648,000 of a budgeted amount of R 139,565,700 that represents 7.63% of the budgeted amount.

Debt Impairment / Depreciation and asset impairment

These items account for non-cash budgeted items. The depreciation amount for the month ended 30 June 2018 is R 3,060,000 and debt impairment is R 1,522,000, after all the journals for the year was processed.

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 2,767,000 is reflected in the financial results for the month ended 30 June 2018.

Other expenditure

Other expenditure reflects all other expenses not specifically mentioned and amounts to R 165,538,000 for month ended 30 June 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)
- Roads consolidation at year-end

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) - M12 June

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	1,224	1,374	421	953	226%	350
Vote 2 - Budget and Treasury Office		39	-	-	86	86	-	86	#DIV/0!	-
Vote 3 - Corporate Services		1,041	350	1,633	112	653	1,633	(980)	-60%	350
Vote 4 - Planning and Development		-	-	64	-	34	64	(30)	-47%	-
Vote 5 - Public Safety		817	519	1,319	783	872	1,319	(447)	-34%	519
Vote 6 - Health		105	31	31	11	11	31	(20)	-66%	31
Vote 7 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 8 - Sport and Recreation		565	1,100	1,100	-	148	1,100	(952)	-87%	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	-	85	109	(24)	-22%	109
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-		-
Vote 15 - Electricity		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	6,713	2,459	4,677	2,216	3,262	4,677	(1,415)	-30%	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	2,216	3,262	4,677	(1,415)	-30%	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	Year to date Budg	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	652,774.00	R 28,543.00	652,774.00	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. This report will be tabled to the Management committee and the Finance portfolio committee to ensure accountability is enforced.
2	Council Chambers	735,298.00	R 676,765.13	735,298.00	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.
3	Swartvlei Septic Tank Project	240,000.00	R 119,250.00	240,000.00	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.
4	Pool Vehicle	165,000.00	R -	165,000.00	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.
5	MIA (Major Incident Alert) SMS System	160,000.00	R 188,000.00	160,000.00	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.
6	Fire Fighting - Various Equipment Items	440,000.00	R 644,082.95	440,000.00	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.
7	Laboratory Instruments	38,500.00	R 35,652.17	38,500.00	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.
8	Smoke Detectors	500.00	R -	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.
9	DTP Computer Equipment	101,923.00	R 99,080.77	101,923.00	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.
10	Steel Shelves	73,876.00	R 72,840.13	73,876.00	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.
11	Aeroquille Mobile	50,000.00	R 49,069.57	50,000.00	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.
12	A3 Printer Scanner	20,000.00	R -	20,000.00	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.
13	Vital Weather Station	28,000.00	R -	28,000.00	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.
14	Easy Rail White Board System	4,000.00	R -	4,000.00	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.
15	Fridge / Freezer	89,950.00	R 85,727.70	89,950.00	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.
16	Office Furniture:MM / Strategic Manager	23,500.00	R 21,078.00	23,500.00	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.
17	Office Chair: Office MM	15,000.00	R -	15,000.00	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.
18	4 X Corel draw 8 upgrade licenses	12,300.00	R 9,292.00	12,300.00	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.
19	Laptops: Communications Unit	94,000.00	R 51,873.00	94,000.00	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.
20	Office Furniture: HR.	5,000.00	R 3,946.49	5,000.00	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.
21	URN 20 Liter	3,500.00	R 2,800.00	3,500.00	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.
22	Electronic Safe: Head Office Entrance	1,390.00	R 1,208.70	1,390.00	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.
23	Vacuum Cleaner	7,500.00	R 2,981.58	7,500.00	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.
24	Printer	3,144.00	R 3,143.92	3,144.00	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	Dell Server	403,335.00	R 403,335.00	403,335.00	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.
26	Laptop 15"	13,000.00	R -	13,000.00	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.
27	Laptop 12"	13,300.00	R -	13,300.00	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.
28	Air Conditioning Unit	8,476.00	R -	8,476.00	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.
29	Dell Poweredge R330 E3-1240 8GB 1TB 3YR	50,000.00	R -	50,000.00	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.
30	HP Black/White Laser Printer: Manager Corporate	4,500.00	R -	4,500.00	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.
31	Printer HP 4 in One B/W: Community Services	4,500.00	R -	4,500.00	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.
32	Laptop 15": Labour Relations	15,500.00	R -	15,500.00	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.
33	Laptop 15": Internal Audit	15,500.00	R -	15,500.00	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.
34	Printer HP 4 in One B/W: SCM (Stores)	4,500.00	R -	4,500.00	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.
35	Personal Computers	2,700.00	R -	2,700.00	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.
36	HP Black/White Laser Printer	20,000.00	R -	20,000.00	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.
37	HP Black/White Laser Printer: Labour Relations	4,500.00	R -	4,500.00	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.
38	Laptop 15": Fire Services - George	15,500.00	R 10,669.57	15,500.00	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.
39	Laptop 15": Manager Community	15,500.00	R -	15,500.00	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.
40	Monitor 24": Reosrts Vicbay	3,000.00	R -	3,000.00	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.

41	Printer HP Colour 4 in one: Executive Manager Planning	5,300.00	R	-	5,300.00	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.
42	Office Furniture: HR Manager	30,000.00	R	-	30,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
43	Blinds: Labour relation Office	10,000.00	R	-	10,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
44	Desk: Auxilliary Services	5,000.00	R	2,733.24	5,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
45	Office Chair: Auxilliary Services	4,890.00	R	4,252.17	4,890.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
46	Fridge / Freezer	5,300.00	R	3,729.00	5,300.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
47	Tea Trolleys: Auxilliary Services	6,430.00	R	5,589.00	6,430.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
48	Office Furniture: Internal Audit	7,500.00	R	6,700.00	7,500.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
49	Mayor Vehicle	708,000.00	R	673,550.86	708,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
50	Office Furniture: Exexutive Man: Planning & Dev.	17,500.00	R	15,771.05	17,500.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
51	Laptop: Exexutive Man: Planning & Dev.	22,500.00	R	22,453.83	22,500.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
52	Office Furniture & Equipment: Man Strategic	32,500.00	R	-	32,500.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
53	Hinged door cupboard: Man Planning	8,000.00	R	-	8,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
54	Core desk pedestal top: Man Planning	14,000.00	R	-	14,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
55	4 Tier Book Case: Man Planning	4,000.00	R	-	4,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
56	Round Conference Table: Man Planning	7,000.00	R	-	7,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
57	Visitors Chairs: Man Planning	6,000.00	R	-	6,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
58	Computer: Auxilliary Services	15,000.00	R	-	15,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
59	Scanner: Auxilliary Services	6,000.00	R	-	6,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
60	Refrigerators: Calitzdorp Spa	10,000.00	R	-	10,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
61	Steel Shelves: Auxilliary Services	23,124.00	R	-	23,124.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
62	Office Chair: Auxilliary Services	5,490.00	R	4,150.00	5,490.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
63	Portable Base Radio	12,000.00	R	-	12,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
64	SKID unit Incl complete pumping unit and water tank	22,000.00	R	-	22,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
65	Tools & Equipment: Planning & Dev: Maintenance	10,000.00	R	-	10,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
66	Emergency lights / Siren Unit	50,000.00	R	-	50,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
67	Fire Vehicle	75,000.00	R	13,889.36	75,000.00	In Process	In Process	No expected challenges anticipated	Monthly all project managers will report to the BTO progress i.To the progress on their projects.
Totals		4,681,500.00		3,262,158.19	4,681,500.00				
Project status: If the project is in the SCM process of being procured. Please state in which stage (planning, specification, advertising, etc)									

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M12 June

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	129,446	169,768
Call investment deposits		–	–	–		–
Consumer debtors		5,488	3,620	–	5,513	–
Other debtors		9,622	2,181	2,181	8,760	2,181
Current portion of long-term receivables		3,805	3,227	3,227		3,227
Inventory		3,131	3,433	3,433	1,834	3,433
Total current assets		164,766	171,993	178,609	145,553	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	147,152	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	292,066	293,385
TOTAL ASSETS		453,608	460,417	471,994	437,619	471,994
LIABILITIES						
Current liabilities						
Bank overdraft				–		
Borrowing			–	–		
Consumer deposits				–		
Trade and other payables		15,751	39,006	44,578	30,014	44,578
Provisions		28,827	28,300	28,300	5,650	28,300
Total current liabilities		44,578	67,306	72,878	35,664	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	175,546	226,822
NET ASSETS	2	269,148	251,844	245,172	262,073	245,172
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		241,420	268,744	216,826	234,345	216,826
Reserves		27,728	28,346	28,346	27,728	28,346
TOTAL COMMUNITY WEALTH/EQUITY	2	269,148	297,090	245,172	262,073	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 - M12 June

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	160,147	215,787	208,325	7,462	4%	180,314
Government - operating			152,945	153,325	-	159,425	153,325	6,100	4%	152,945
Government - capital				-			-	-		
Interest			11,970	12,930	2,387	5,888	12,930	(7,042)	-54%	11,970
Dividends				-			-	-		
Payments										
Suppliers and employees			(338,572)	(355,470)	(183,535)	(366,170)	(355,470)	10,700	-3%	(338,572)
Finance charges				-				-		
Transfers and Grants				-				-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	6,657	19,110	(21,001)	14,930	19,110	4,180	22%	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				-	-	96,621		96,621	#DIV/0!	
Payments										
Capital assets			(2,459)	(4,677)	(2,216)	(3,262)	(1,844)	1,419	-77%	(2,459)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(2,459)	(4,677)	(2,216)	93,359	(1,844)	(95,202)	5163%	(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	(23,217)	108,289	17,266			4,198
Cash/cash equivalents at beginning:			155,334	155,334		21,157	155,334			21,157
Cash/cash equivalents at month/year end:		-	159,532	169,767		129,446	172,600			25,355

The municipal bank balance at 30 June 2018 totals R 129 446 184.02

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

REPORTING MONTH: 30 JUNE 2018		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Bank balance as at 30 JUNE 2018	21,157,512.43	129,446,184.02
Other Cash & Cash Equivalents: Short term deposits	121,500,000.00	-
Transfer from Eden to Roads to assist with cash flow	-	-
LESS:	80,775,185.65	66,749,948.96
Unspent Conditional Grants	10,918,938.42	9,521,880.00
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	26,788,551.00	26,788,551.00
Current Portion: Alien Vegetation	4,150,039.00	4,150,039.00
Performance Bonus	478,536.00	478,536.00
Grant received in advance	9,128,250.00	-
Trade Payables	4,235,163.00	2,301,462.00
Unspent Capital budget 12 months	2,152,602.23	1,415,000.00
Unspent Operational budget 12 months	14,079,000	13,250,375
Sub total	61,882,326.78	62,696,235.06
PLUS:	3,955,358.63	2,773,692.29
VAT Receivable	1,427,475.00	250,720.49
Receivable Exchange	2,527,883.63	2,522,971.80
Other receivables after impairment		
	65,837,685.41	65,469,927.35
LESS OTHER MATTERS:		
Capital Replacement Reserve	29,743,921.00	29,743,921.00
Sub Total	36,093,764.41	35,726,006.35
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	21,556,534.80	21,188,776.74

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

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	154	9	62	1,663					1,888	1,663		
Interest on Arrear Debtor Accounts	1810									-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	408	1,554	2,884	16,629					21,475	16,629	3,426	
Total By Income Source	2000	562	1,564	2,945	18,292	-	-	-	-	23,363	18,292	3,426	-
2016/17 - totals only													
										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200									-	-		
Commercial	2300									-	-		
Households	2400	154	9	62	1,663					1,888	1,663		
Other	2500	408	1,554	2,884	16,629					21,475	16,629	3,426	
Total By Customer Group	2600	562	1,564	2,945	18,292	-	-	-	-	23,363	18,292	3,426	-

Long outstanding debtors that mainly consist of old sundry debt and fire accounts, remains a concern for the municipality and management will continue to report in terms of progress made. A write-off report tabled at Council on 29 May 2018 and Council granted approval that outstanding debt to the amount of R3,425,641.21, in respect of councillor debt, to be written off. These debts was written off in June 2018 as per Council approval.

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

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	951	387	46	21	1	1	-		1,407	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	951	387	46	21	1	1	-	-	1,407	-

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Balance as at 01 June 2018	Movements for the month			Balance as at 30 June 2018	Interest earned Month	Interest earned Year to date
		Investments matured	Investments made	Interest capitalise d			
Eden district municipality							
<i>Interest Received YTD</i>					-		
Standard Bank	-40,500,000.00	40,500,000.00			-	793,532.91	1,928,966.06
FNB	-				-		
ABSA	-25,000,000.00	25,000,000.00			-	662,794.52	1,557,391.78
Nedbank	-40,500,000.00	40,500,000.00			-	806,979.18	1,945,147.95
Investec Bank	-15,500,000.00	15,500,000.00			-	123,617.81	346,590.41
Standard Bank - Bank Guarantee investment	150,704.24				151,435.05	730.81	8,940.35
BANK DEPOSITS	-121,349,295.76	121,500,000.00	-	-	151,435.05	2,387,655.23	5,787,036.55

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 - M12 June

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	151,005	–	156,005	138,421	17,171	12.4%	151,005
Local Government Equitable Share			146,055	146,055	–	146,055	133,884	12,171	9.1%	146,055
Finance Management			1,250	1,250	–	1,250	1,146			1,250
Municipal Systems Improvement			–	–	–	–	–			–
EPWP Incentive			1,280	1,280	–	1,280	1,173			1,280
NT - Rural Roads Asset Management Systems			2,420	2,420	–	2,420	2,218			2,420
Energy Efficiency and Demand Management	3				–	5,000	–	5,000	#DIV/0!	
Other transfers and grants [insert description]				–			–	–		
Provincial Government:		–	1,940	4,320	–	3,420	3,960	(540)	-13.6%	1,940
PT - Integrated Transport Plan			900	900	–	–	825	(825)	-100.0%	900
PT - Disaster Management Grant	4			2,000		2,000	1,833	167	9.1%	
Other transfers and grants [insert description]			1,040	1,420	–	1,420	1,302	118	9.1%	1,040
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Operating Transfers and Grants	5	–	152,945	155,325	–	159,425	142,381	16,631	11.7%	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 - M12 June

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	151,005	1,815	151,436	138,834	12,602	9.1%	151,005
Local Government Equitable Share			146,055	146,055		146,055	133,884	12,171	9.1%	146,055
Finance Management			1,250	1,250	234	1,250	1,250	0	0.0%	1,250
Municipal Systems Improvement				–			–			–
EPWP Incentive			1,280	1,280	49	1,280	1,280	(0)	0.0%	1,280
NT - Rural Roads Asset Management Systems			2,420	2,420	1,519	2,837	2,420	417	17.3%	2,420
Energy Efficiency and Demand Management				–	13	13	–	13	#DIV/0!	
Other transfers and grants [insert description]				–			–			
Provincial Government:		–	1,940	4,320	1,497	1,835	4,320	(2,485)	-57.5%	1,940
PT - Integrated Transport Plan			900	900	–	–	900	(900)	-100.0%	900
							–	–		
							–	–		
PT - Disaster Management Grant				2,000	415	415	2,000	(1,585)	-79.3%	
Other transfers and grants [insert description]			1,040	1,420	1,082	1,420	1,420	0	0.0%	1,040
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]								–		
Total operating expenditure of Transfers and Grants:		–	152,945	155,325	3,312	153,271	143,154	10,117	7.1%	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 - M12 June

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	640	7,991	7,370	621	8%	6,908
Pension and UIF Contributions		694	261	261	30	351	261	91	35%	261
Medical Aid Contributions		120	142	142	8	91	142	(51)	-36%	142
Motor Vehicle Allowance		1,814	2,312	2,312	85	1,300	2,312	(1,012)	-44%	2,312
Cellphone Allowance		337	325	325	73	1,060	325	735	226%	325
Housing Allowances		–	367	405	51	585	405	181	45%	367
Other benefits and allowances		250	500	–	–	–	–	–	–	500
Sub Total - Councillors		7,843	10,815	10,815	887	11,379	10,815	564	5%	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	400	3,334	4,022	(688)	-17%	4,014
Pension and UIF Contributions		687	551	481	62	499	481	18	4%	551
Medical Aid Contributions		63	139	117	15	118	117	1	1%	139
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		554	554	484	–	75	484	(408)	-84%	554
Motor Vehicle Allowance		507	628	670	64	530	670	(139)	-21%	628
Cellphone Allowance		33	59	61	10	77	61	16	27%	59
Housing Allowances		84	90	84	22	138	84	54	64%	90
Other benefits and allowances		200	–	132	3	28	132	(104)	-79%	–
Payments in lieu of leave		62	70	70	–	262	70	192	274%	70
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations		–	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		5,906	6,104	6,120	577	5,062	6,120	(1,059)	-17%	6,104
% increase	4		3.4%	3.6%						3.4%
Other Municipal Staff										
Basic Salaries and Wages		62,509	69,850	71,403	6,152	69,979	71,403	(1,424)	-2%	69,850
Pension and UIF Contributions		13,199	15,210	15,225	993	11,673	15,225	(3,552)	-23%	15,210
Medical Aid Contributions		9,348	10,067	10,067	503	5,791	10,067	(4,276)	-42%	10,067
Overtime		2,527	2,390	2,623	182	3,437	2,623	814	31%	2,390
Performance Bonus		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		4,743	4,940	4,921	469	5,490	4,921	569	12%	4,940
Cellphone Allowance		225	115	119	8	90	119	(30)	-25%	115
Housing Allowances		733	879	888	67	833	888	(55)	-6%	879
Other benefits and allowances		2,321	3,557	3,475	291	3,723	3,475	248	7%	3,557
Payments in lieu of leave		4,268	5,265	5,334	178	5,274	5,334	(60)	-1%	5,265
Long service awards		315	525	533	42	637	533	104	20%	525
Post-retirement benefit obligations		–	–	8,043	300	5,084	8,043	(2,959)	-37%	–
Sub Total - Other Municipal Staff		100,188	112,799	122,630	9,184	112,010	122,630	(10,620)	-9%	112,799
% increase	4		12.6%	22.4%						12.6%
Total Parent Municipality		113,937	129,718	139,565	10,648	128,451	139,565	(11,114)	-8%	129,718

Remuneration related expenditure for the month ended 30 June 2018 amounted to R 10 648 000.

Section 9 – Municipal manager's quality certification

NAVRAE: L Hoek
ENQUIRIES:

KONTAKNR: 044 803 1449
CONTACT NO

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

KANTOOR: George
OFFICES:

DATUM: 12 July 2018
DATE



QUALITY CERTIFICATE

I, L MENZE, the (acting) 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 **30 JUNE 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 LUSAMOA MENZE

Accounting Officer of EDEN DISTRICT MUNICIPALITY (DC4).

Signature [Handwritten Signature]

Date 12/07/2018