

LAINGSBURG MUNICIPALITY



**MONTHLY BUDGET STATEMENTS FOR THE MONTH ENDING
NOVEMBER 2021**

Table of Contents

1. Mayors Report 3

2. Executive Summary..... 3

3. In year Budget Statement Tables..... 7

4. Supporting Documentation 15

5. Other Information or Documentation 18

6. Recommendation..... 19

1. Mayors Report

The monthly budget statement for November 2021 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The November 2021 Monthly budget statement is the Fifth report for the 2021/22 financial year.

2. Executive Summary

Section 71 of the MFMA states that the Accounting Officer of a Municipality must by no later than 10 working days after the end of each month submit to the Mayor of the Municipality and the relevant Provincial Treasury a statement in the prescribed format on the state of the Municipality's budget.

This report presents the current state of the budget implementation and reasons for variances and possible action to be taken. Section 54 of the MFMA states that the Mayor of the Municipality must consider and check whether the approved budget is implemented in accordance with the Service Delivery and Budget Implementation Plan (SDBIP), and consider revisions.

The Table below illustrates an overview of the Budget implementation of Laingsburg Municipality for the month ended November 2021.

Operating Budget				
R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Revenue (Incl. Capital transfers and contributions)	107 234 824	-	45 225 978	42.17
Total Expenditure	99 468 746	-	41 797 623	42.02
Surplus (Deficit) (Incl Capital transfers)	7 766 078	-	3 428 356	44.15
Capital Budget				
R thousands	Original Budget	Adjusted Budget	YTD Actual	YTD %
Total Capital expenditure	13 879 050	25 421 515	706 909	5.09
Sources of Finance				
<i>National Government - MIG</i>	6 383 050	-	191 449	3.00
<i>National Government - WSIG</i>	7 496 000	-	26 860	0.36
<i>Municipal Interventions Grant</i>	-	-	488 600	-
Total Funding Sources of Capital	13 879 050	-	706 909	5.09

Operating Revenue

The Municipality have generated 42.17% or R 45,226 million of the Budgeted Revenue to date which is higher than the budgeted amount. Year-to-date operating revenue is at 101,22% of the year-to-date budget. The projected budgeted revenue for the full financial year amounts to R 107,235 million. The actual revenue as at the end of November 2021 was R 0,545 million under the budget.

Operating Expenditure

Operating expenditure of R 41,798 million for the period up to the end of November 2021 does not include part of the annual calculation for provisions. The total amount for the year-to-date portion of provisions is R2,614 million. That will bring the total expenditure effectively at R 44,411 million to date. The expenditure to date is over the budget year-to-date amount and stands on 7,16% over.

Capital Expenditure

The total capital payments done during November 2021 amounted to R191 449 .

Cash Flow

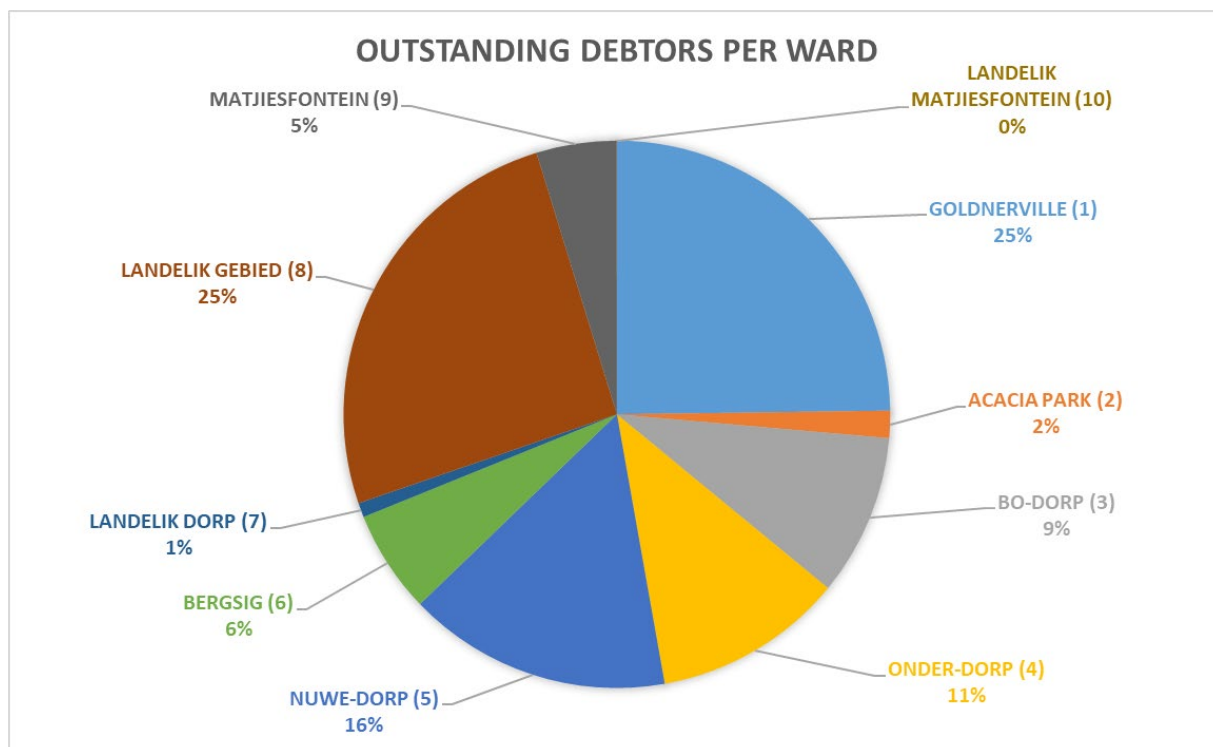
The Municipality started off with a cash flow balance of R 9,464 million at the beginning of the year after corrections and increased with R 0,438. The closing balance for the month ended November 2021 is R9,902 million. The Municipal Cash flow is mainly from Operating Activities and Grants as no Borrowing or Investments are budgeted for the 2021/2022 financial year.

During the budget process assumptions were made that the payment ratio for all debtors will be at 95%.

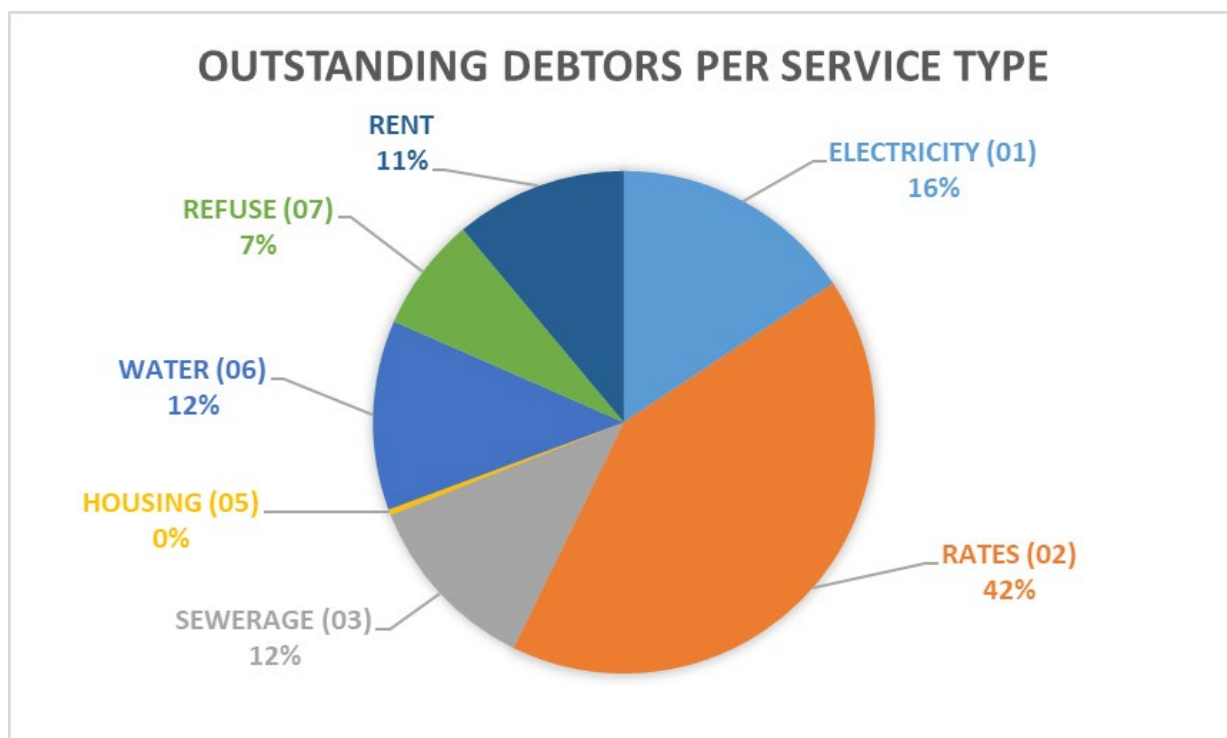
Debtors

The Outstanding Debtors of the Municipality amounts to R 11,392 million for the month ended November 2021, (R 11,733 million previous month). There was a decrease of R 0.258 million in the total outstanding amount since the previous month (decrease of R 0,082 million previous month). The payment rate for 2020/2021 financial year was 99,67%. At the end of November 2021 the payment rate was 86.14% (previous month 82.14%). The total amount outstanding for longer than 12 months is R 6,544 million and this amounts to 57,44% of all the debtors outstanding. The total cash trapped in outstanding debtors older than 90 days amount to R 7,164 million. The Municipality is implementing the Debt Collection and Credit Control Policy. Outstanding amounts in the areas where the Municipality is not the supplier of electricity are increasing rapidly.

The following graph shows the the outstanding debtors per ward as at the end of November 2021:



The following graph shows the the outstanding debtors per service type as at the end of November 2021:



Creditors

Total outstanding creditors amount to R 0 for the month ending November 2021. All the outstanding amounts are within the 30 days outstanding categories which is compliant with Section 65 of the MFMA. One case occurred where a supplier issued invoices more than 30 days after the date of the invoice for payment, but in most cases the payments are made at presentation of the invoices.

Cost Containment Measures

The Local Government: Municipal Cost Containment Regulations (MCCR), were promulgated on 7 June 2019, and came into effect on 1 August 2019.

Sections 62(1)(a) and 95(a) of the Municipal Finance Management Act No. 56 of 2003 (MFMA) stipulates that the accounting officer of a municipality or municipal entity is responsible for managing the financial administration of a municipality and must for this purpose take all reasonable steps to ensure that the resources of the municipality are used effectively, efficiently and economically.

In terms of MFMA Circular 97 issued on 1 August 2019 municipalities are required to utilise existing reporting requirements, to report internally and externally on cost saving measures.

The following table summarizes the main items as prescribed in the circular and MCCR.

Cost Containment In-Year Reoprt							
Cost containment Measures	ANNUAL BUDGET	MONTHLY BUDGET	BUDGET YTD	EXPENCE THIS PERIOD	EXPENCE YTD	OVER OR (SAVINGS) THIS PERIOD	OVER OR (SAVINGS) YTD
	R'	R'	R'	R'	R'	R'	R'
Use of consultants	9 511 932	792 661	3 963 305	1 471 166	3 078 153	678 505	(885 152)
Vehicles used for political office bearers	-	-	-	-	-	-	-
Travel and subsistence	546 216	45 518	227 590	56 821	209 891	11 303	(17 699)
Domestic accommodation	393 372	32 781	163 905	17 580	52 685	(15 201)	(111 220)
Sponsorships, events and catering	69 480	5 790	28 950	4 707	14 307	(1 083)	(14 643)
Communication	528 588	44 049	220 245	18 152	111 517	(25 897)	(108 728)
Overtime	719 688	59 974	299 870	88 206	426 199	28 232	126 329
Total	R 11 769 276	R 980 773	R 4 903 865	R 1 656 632	R 3 892 752	675 859	(1 011 113)

Red flagged amounts are items that exceed the budgeted amount. No problem areas for November 2021. Overtime management is currently the biggest item that needs urgent attention.

3. In year Budget Statement Tables

If a municipality does not have any municipal entities, the in-year budget statement tables must consist of the tables in First Attachment to this Schedule, namely-

- (a) Table C1 Monthly Budget Statement Summary
- (b) Table C2 Monthly Budget Statement -Financial Performance (standard classification)
- (c) Tale C3 Monthly Budget Statement- Financial Performance (revenue and expenditure by municipal vote)
- (d) Table C4 Monthly Budget Statement-Financial Performance (revenue and expenditure)
- (e) Table C5 Monthly Budget Statement- Capital Expenditure (municipal vote, standard classification and funding)
- (f) Table C6 Monthly Budget Statement- Financial Position
- (g) Table C7 Monthly Budget Statement Cash Flow

Table C1: Summary

WC051 Laingsburg - Table C1 Monthly Budget Statement Summary - M04 October

Description	2020/21	Budget Year 2021/22							
	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	4 505	4 914	-	31	4 743	2 048	2 695	132%	4 914
Service charges	20 173	23 343	-	2 480	12 249	9 726	2 523	26%	23 343
Investment revenue	366	673	-	47	234	280	(46)	-16%	673
Transfers and subsidies	29 142	29 002	-	290	9 412	12 084	(2 672)	-22%	29 002
Other own revenue	22 598	35 424	-	3 771	18 371	14 760	3 611	24%	35 424
Total Revenue (excluding capital transfers and contributions)	76 785	93 356	-	6 619	45 010	38 898	6 112	16%	93 356
Employee costs	29 731	29 911	-	3 683	12 960	12 463	497	4%	29 911
Remuneration of Councillors	3 104	3 300	-	202	1 312	1 375	(63)	-5%	3 300
Depreciation & asset impairment	6 356	6 053	-	504	2 521	2 522	(1)	-0%	6 053
Finance charges	1 083	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	10 238	10 463	-	848	5 059	4 360	699	16%	10 463
Transfers and subsidies	336	449	-	366	2 032	187	1 845	986%	449
Other expenditure	42 673	49 293	-	5 004	17 914	20 539	(2 624)	-13%	49 292
Total Expenditure	93 521	99 469	-	10 608	41 798	41 445	352	1%	99 469
Surplus/(Deficit)	(16 737)	(6 113)	-	(3 989)	3 212	(2 547)	5 759	-226%	(6 113)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	21 200	13 879	-	191	707	5 783	###	-88%	13 879
Transfers and subsidies - capital (monetary allocations) (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	4 463	7 766	-	(3 797)	3 919	3 236	683	21%	7 766
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	4 463	7 766	-	(3 797)	3 919	3 236	683	21%	7 766
Capital expenditure & funds sources									
Capital expenditure	28 105	14 662	-	191	707	6 109	(5 402)	-88%	14 662
Capital transfers recognised	28 052	14 662	-	191	707	6 109	(5 402)	-88%	14 662
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	52	-	-	-	-	-	-	-	-
Total sources of capital funds	28 105	14 662	-	191	707	6 109	(5 402)	-88%	14 662
Financial position									
Total current assets	30 561	27 008	-		72 431				27 008
Total non current assets	199 936	186 958	-		198 122				186 958
Total current liabilities	24 238	43 195	-		42 559				43 195
Total non current liabilities	33 639	4 354	-		13 120				4 354
Community wealth/Equity	172 620	166 417	-		214 874				166 417
Cash flows									
Net cash from (used) operating	13 891	10 524	-	(7 003)	(1 914)	4 290	6 204	145%	10 524
Net cash from (used) investing	(16 639)	(6 338)	-	2 809	2 293	(2 641)	(4 934)	187%	(6 338)
Net cash from (used) financing	120	-	-	12	59	-	(59)	#DIV/0!	-
Cash/cash equivalents at the month/year end	6 836	13 650	9 464	-	9 902	11 112	1 211	11%	13 650
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	3 003	1 368	326	245	144	134	6 431	-	11 651
Creditors Age Analysis									
Total Creditors	-	-	-	-	-	-	-	-	-

Table C2: Financial Performance (Standard Classification)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Financed Statistics Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structure used by the different institutions.

The main functions are Government and Administration, Community and Public Safety, Economic and Environmental Services, Trading Services and Other Services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

WC051 Laingsburg - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

Description	Ref	2020/21	Budget Year 2021/22							
		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>		38 473	42 872	-	636	15 246	17 864	(2 617)	-15%	42 872
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		38 473	42 872	-	636	15 246	17 864	(2 617)	-15%	42 872
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		22 773	34 935	-	3 695	17 938	14 556	3 382	23%	34 934
Community and social services		2 222	1 583	-	132	663	660	3	0%	1 583
Sport and recreation		0	4	-	1	2	2	1	36%	4
Public safety		20 533	33 335	-	3 560	17 264	13 890	3 375	24%	33 335
Housing		18	12	-	2	8	5	3	53%	12
Health		-	0	-	0	1	-	1	#DIV/0!	-
<i>Economic and environmental services</i>		1 419	1 183	-	2	286	493	(207)	-42%	1 183
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		1 419	1 183	-	2	286	493	(207)	-42%	1 183
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		35 320	28 245	-	2 479	12 246	11 769	477	4%	28 245
Energy sources		19 440	18 604	-	1 589	7 814	7 752	63	1%	18 604
Water management		10 011	4 193	-	376	1 789	1 747	42	2%	4 193
Waste water management		3 107	3 187	-	276	1 345	1 328	17	1%	3 187
Waste management		2 763	2 261	-	237	1 298	942	356	38%	2 261
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	97 985	107 235	-	6 811	45 717	44 681	1 035	2%	107 235
Expenditure - Functional										
<i>Governance and administration</i>		38 051	33 890	-	4 383	14 040	14 121	(81)	-1%	33 890
Executive and council		8 001	8 653	-	1 011	5 296	3 605	1 691	47%	8 653
Finance and administration		30 050	25 237	-	3 371	8 743	10 516	(1 773)	-17%	25 237
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		23 090	33 720	-	2 982	13 643	14 050	(406)	-3%	33 719
Community and social services		1 585	1 709	-	223	829	712	117	16%	1 709
Sport and recreation		53	51	-	4	14	21	(7)	-33%	51
Public safety		21 388	31 639	-	2 733	12 684	13 183	(499)	-4%	31 639
Housing		7	299	-	23	117	125	(8)	-6%	299
Health		57	21	-	-	-	9	(9)	-100%	21
<i>Economic and environmental services</i>		12 614	12 613	-	1 478	5 568	5 255	312	6%	12 613
Planning and development		628	1 029	-	91	292	429	(137)	-32%	1 029
Road transport		11 987	11 583	-	1 387	5 276	4 826	449	9%	11 583
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		19 677	19 234	-	1 765	8 543	8 014	528	7%	19 234
Energy sources		11 346	11 635	-	1 056	5 575	4 848	727	15%	11 635
Water management		4 160	3 721	-	348	1 396	1 551	(155)	-10%	3 721
Waste water management		2 190	1 787	-	174	752	744	7	1%	1 787
Waste management		1 981	2 092	-	187	820	872	(52)	-6%	2 092
<i>Other</i>		16	12	-	-	4	5	(1)	-20%	12
Total Expenditure - Functional	3	93 448	99 469	-	10 608	41 798	41 445	352	1%	99 469
Surplus/ (Deficit) for the year		4 536	7 766	-	(3 797)	3 919	3 236	683	21%	7 766

Table C3: Financial Performance (Revenue and Expenditure by Municipal Vote)

WC051 Laingsburg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - MAYORAL & COUNCIL	1	-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		2 192	2 616	-	229	1 223	1 090	133	12.2%	2 616
Vote 4 - BUDGET & TREASURY		36 281	40 257	-	407	14 023	16 774	(2 750)	-16.4%	40 257
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - COMMUNITY AND SOCIAL SERV		1 504	1 584	-	132	664	660	4	0.6%	1 583
Vote 7 - SPORTS AND RECREATION		718	4	-	1	2	2	1	36.2%	4
Vote 8 - HOUSING		18	12	-	2	8	5	3	53.3%	12
Vote 9 - PUBLIC SAFETY		20 533	33 335	-	3 560	17 264	13 890	3 375	24.3%	33 335
Vote 10 - ROAD TRANSPORT		1 419	1 183	-	2	286	493	(207)	-41.9%	1 183
Vote 11 - WASTE MANAGEMENT		2 763	2 261	-	237	1 298	942	356	37.8%	2 261
Vote 12 - WASTE WATER MANAGEMENT		3 107	3 187	-	276	1 345	1 328	17	1.3%	3 187
Vote 13 - WATER		10 011	4 193	-	376	1 789	1 747	42	2.4%	4 193
Vote 14 - ELECTRICITY		19 440	18 604	-	1 589	7 814	7 752	63	0.8%	18 604
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	97 985	107 235	-	6 811	45 717	44 681	1 035	2.3%	107 235
Expenditure by Vote										
Vote 1 - MAYORAL & COUNCIL	1	4 179	5 183	-	636	3 846	2 160	1 687	78.1%	5 183
Vote 2 - MUNICIPAL MANAGER		3 822	3 469	-	375	1 450	1 446	5	0.3%	3 469
Vote 3 - CORPORATE SERVICES		8 297	7 742	-	791	2 774	3 226	(452)	-14.0%	7 742
Vote 4 - BUDGET & TREASURY		21 753	17 495	-	2 580	5 969	7 290	(1 320)	-18.1%	17 495
Vote 5 - PLANNING AND DEVELOPMENT		628	1 029	-	91	292	429	(137)	-31.9%	1 029
Vote 6 - COMMUNITY AND SOCIAL SERV		1 436	1 525	-	198	743	635	108	17.0%	1 525
Vote 7 - SPORTS AND RECREATION		275	269	-	28	104	112	(8)	-7.3%	269
Vote 8 - HOUSING		7	299	-	23	117	125	(8)	-6.3%	299
Vote 9 - PUBLIC SAFETY		21 461	31 639	-	2 733	12 684	13 183	(499)	-3.8%	31 639
Vote 10 - ROAD TRANSPORT		11 987	11 583	-	1 387	5 276	4 826	449	9.3%	11 583
Vote 11 - WASTE MANAGEMENT		1 981	2 092	-	187	820	872	(52)	-5.9%	2 092
Vote 12 - WASTE WATER MANAGEMENT		2 190	1 787	-	174	752	744	7	1.0%	1 787
Vote 13 - WATER		4 160	3 721	-	348	1 396	1 551	(155)	-10.0%	3 721
Vote 14 - ELECTRICITY		11 346	11 635	-	1 056	5 575	4 848	727	15.0%	11 635
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	93 521	99 469	-	10 608	41 798	41 445	352	0.9%	99 469
Surplus/ (Deficit) for the year	2	4 463	7 766	-	(3 797)	3 919	3 236	683	21.1%	7 766

Table C4: Financial Performance (Revenue and Expenditure)

WC051 Laingsburg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	Budget Year 2021/22								Full Year Forecast
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		4 505	4 914	–	31	4 743	2 048	2 695	132%	4 914
Service charges - electricity revenue		14 591	17 391	–	1 589	7 814	7 246	568	8%	17 391
Service charges - water revenue		2 203	2 926	–	376	1 789	1 219	570	47%	2 926
Service charges - sanitation revenue		1 753	1 861	–	277	1 348	776	572	74%	1 861
Service charges - refuse revenue		1 626	1 166	–	237	1 298	486	813	167%	1 166
Rental of facilities and equipment		1 624	1 212	–	145	711	505	206	41%	1 212
Interest earned - external investments		366	673	–	47	234	280	(46)	-16%	673
Interest earned - outstanding debtors		53	559	–	37	225	233	(8)	-3%	559
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		20 170	32 410	–	3 527	17 071	13 504	3 567	26%	32 410
Licences and permits		363	927	–	33	193	386	(193)	-50%	927
Agency services		180	166	–	14	95	69	26	37%	166
Transfers and subsidies		29 142	29 002	–	290	9 412	12 084	(2 672)	-22%	29 002
Other revenue		206	150	–	14	76	62	13	21%	150
Gains		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		76 785	93 356	–	6 619	45 010	38 898	6 112	16%	93 356
Expenditure By Type										
Employee related costs		29 731	29 911	–	3 683	12 960	12 463	497	4%	29 911
Remuneration of councillors		3 104	3 300	–	202	1 312	1 375	(63)	-5%	3 300
Debt impairment		16 630	25 958	–	2 161	10 803	10 816	(13)	0%	25 958
Depreciation & asset impairment		6 356	6 053	–	504	2 521	2 522	(1)	0%	6 053
Finance charges		1 083	–	–	–	–	–	–	–	–
Bulk purchases - electricity		10 238	10 463	–	848	5 059	4 360	699	16%	10 463
Inventory consumed		–	–	–	–	–	–	–	–	–
Contracted services		7 813	6 502	–	1 381	2 634	2 709	(75)	-3%	6 502
Transfers and subsidies		336	449	–	366	2 032	187	1 845	986%	449
Other expenditure		17 967	16 833	–	1 462	4 477	7 014	(2 537)	-36%	16 833
Losses		263	–	–	–	–	–	–	–	–
Total Expenditure		93 521	99 469	–	10 608	41 798	41 445	352	1%	99 469
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(16 737)	(6 113)	–	(3 989)	3 212	(2 547)	5 759	(0)	(6 113)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		21 200	13 879	–	191	707	5 783	(5 076)	(0)	13 879
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		4 463	7 766	–	(3 797)	3 919	3 236			7 766
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		4 463	7 766	–	(3 797)	3 919	3 236			7 766
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		4 463	7 766	–	(3 797)	3 919	3 236			7 766
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		4 463	7 766	–	(3 797)	3 919	3 236			7 766

Table C5: Capital Expenditure (Municipal Vote, Standard Classification and Funding)

WC051 Laingsburg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	2020/21	Budget Year 2021/22							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		35	-	-	-	48	-	48	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		35	-	-	-	48	-	48	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	94	-	94	#DIV/0!	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	94	-	94	#DIV/0!	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	1 448	-	-	255	604	(349)	-58%	1 448
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	1 448	-	-	255	604	(349)	-58%	1 448
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		19 383	13 214	-	191	310	5 506	(5 196)	-94%	13 214
Energy sources		-	582	-	-	11	242	(231)	-95%	582
Water management		19 383	8 636	-	42	49	3 598	(3 549)	-99%	8 636
Waste water management		-	3 996	-	150	158	1 665	(1 507)	-91%	3 996
Waste management		-	-	-	-	92	-	92	#DIV/0!	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	19 417	14 662	-	191	707	6 109	(5 402)	-88%	14 662
Funded by:										
National Government		10 584	14 662	-	191	218	6 109	(5 891)	-96%	14 662
Provincial Government		17 468	-	-	-	489	-	489	#DIV/0!	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		28 052	14 662	-	191	707	6 109	(5 402)	-88%	14 662
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		52	-	-	-	-	-	-	-	-
Total Capital Funding		28 105	14 662	-	191	707	6 109	(5 402)	-88%	14 662

Table C6: Financial Position

WC051 Laingsburg - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9 617	12 092	-	43 809	12 092
Call investment deposits		-	-	-	-	-
Consumer debtors		14 981	11 785	-	19 116	11 785
Other debtors		5 316	2 489	-	8 852	2 489
Current portion of long-term receivables		-	1	-	-	1
Inventory		647	641	-	653	641
Total current assets		30 561	27 008	-	72 431	27 008
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		23 480	23 544	-	23 480	23 544
Investments in Associate		-	-	-	-	-
Property, plant and equipment		176 253	163 084	-	174 439	163 084
Biological		-	-	-	-	-
Intangible		202	286	-	202	286
Other non-current assets		-	43	-	-	43
Total non current assets		199 936	186 958	-	198 122	186 958
TOTAL ASSETS		230 497	213 966	-	270 553	213 966
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1	6	-	(0)	6
Consumer deposits		800	715	-	823	715
Trade and other payables		20 877	18 631	-	18 665	18 631
Provisions		2 560	23 843	-	23 071	23 843
Total current liabilities		24 238	43 195	-	42 559	43 195
Non current liabilities						
Borrowing		-	-	-	-	-
Provisions		33 639	4 354	-	13 120	4 354
Total non current liabilities		33 639	4 354	-	13 120	4 354
TOTAL LIABILITIES		57 876	47 549	-	55 679	47 549
NET ASSETS	2	172 620	166 417	-	214 874	166 417
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		172 620	166 417	-	214 874	166 417
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	172 620	166 417	-	214 874	166 417

Table C7: Cash Flow

WC051 Laingsburg - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	2020/21	Budget Year 2021/22							
		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		3 706	4 792	-	127	1 430	1 996	(567)	-28%	4 792
Service charges		25 893	23 225	-	3 130	13 016	9 677	3 339	35%	23 225
Other revenue		22 823	9 082	-	871	5 494	3 784	1 710	45%	9 082
Transfers and Subsidies - Operational		27 000	24 103	-	-	11 824	10 043	1 781	18%	24 103
Transfers and Subsidies - Capital		2 799	13 879	-	-	1 718	5 783	(4 065)	-70%	13 879
Interest		218	673	-	55	286	280	6	2%	673
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(67 975)	(64 007)	-	(10 172)	(33 883)	(26 765)	(7 118)	27%	(64 007)
Finance charges		-	(773)	-	-	-	(322)	322	-100%	(773)
Transfers and Grants		(571)	(449)	-	(1 013)	(1 799)	(187)	(1 612)	862%	(449)
NET CASH FROM/(USED) OPERATING ACTIVITIES		13 891	10 524	-	(7 003)	(1 914)	4 290	6 204	145%	10 524
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	3 000	3 000	-	3 000	#DIV/0!	-
Payments										
Capital assets		(16 639)	(6 338)	-	(191)	(707)	(2 641)	1 934	-73%	(6 338)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(16 639)	(6 338)	-	2 809	2 293	(2 641)	(4 934)	187%	(6 338)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		120	-	-	12	59	-	59	#DIV/0!	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		120	-	-	12	59	-	(59)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(2 628)	4 186	-	(4 182)	438	1 649			4 186
Cash/cash equivalents at beginning:		9 464	9 464	9 464		9 464	9 464			9 464
Cash/cash equivalents at month/year end:		6 836	13 650	9 464		9 902	11 112			13 650

4. Supporting Documentation

Variance explanations

WC051 Laingsburg - Supporting Table SC1 Material variance explanations - M04 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	3 073	Levied during July for full financial year	Will equal during the year
	Service charges - water revenue	437	Normal consumption periods - no water restrictions	Consumption will lower during water restriction periods
	Service charges - sanitation revenue	450	Extra sewer dumpings by wind farms	Will be adjusted in first adj budget
	Service charges - refuse revenue	672	Annual levies added during July	Will equal during the year
2	Expenditure By Type			
	Contracted services	(914)	First payments to consultants compiling AFS will be paid	Will equal during the year
	Transfers and subsidies	1 516	Transfers from eq share to indigent households are included	Will be corrected at year end
	Bulk purchases - electricity	723	Winter consumption higher than average	Will level out during summer period
3	Capital Expenditure			
			Capital projects for the year just started late	First payment will be during Nov
4	Financial Position			
	Consumer debtors	11 785	Annual levies are made during July and paid over 11 months	Will equal during the year
5	Cash Flow			
	Government - operating		Eq grant was received during first quarter	
	Government - capital		MIG started slow -	Projects will accelerate during October
6	Measureable performance			
7	Municipal Entities			

Debtors Analysis

WC051 Laingsburg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2021/22										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.O Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	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	227	62	66	58	28	30	885	-	1 355	1 001		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 111	99	102	40	34	20	566	-	1 973	661		
Receivables from Non-exchange Transactions - Property Rates	1400	1 193	1 094	46	41	20	30	2 497	-	4 921	2 588		
Receivables from Exchange Transactions - Waste Water Management	1500	176	51	52	45	23	24	950	-	1 321	1 043		
Receivables from Exchange Transactions - Waste Management	1600	166	42	42	36	17	18	494	-	815	565		
Receivables from Exchange Transactions - Property Rental Debtors	1700	125	18	16	22	21	11	946	-	1 160	1 000		
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	6	2	2	3	1	1	93	-	107	98		
Total By Income Source	2000	3 003	1 368	326	245	144	134	6 431	-	11 651	6 954	-	-
2020/21 - totals only		934762	399801	445737	396926	321119	268103	6366770	0	9 133	7 353		
Debtors Age Analysis By Customer Group													
Organs of State	2200	159	141	55	36	21	8	735	-	1 156	801		
Commercial	2300	1 463	980	73	35	35	25	2 279	-	4 891	2 374		
Households	2400	1 381	246	198	174	88	101	3 416	-	5 604	3 779		
Other	2500	-	-	-	-	-	-	-	-	-	-		
Total By Customer Group	2600	3 003	1 368	326	245	144	134	6 431	-	11 651	6 954	-	-

Creditors Analysis

WC051 Laingsburg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2021/22									Total
		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		
R thousands											
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	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

Performance Indicators

WC051 Laingsburg - Supporting Table SC2 Monthly Budget Statement - performance indicators - M04 October

Description of financial indicator	Basis of calculation	Ref	2020/21	Budget Year 2021/22			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		1.2%	6.1%	0.0%	0.0%	3.3%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		12.1%	11.2%	0.0%	8.7%	11.2%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	126.1%	62.5%	0.0%	170.2%	62.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		39.7%	28.0%	0.0%	102.9%	28.0%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		26.4%	15.3%	0.0%	62.1%	15.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	100.0%	100.0%	100.0%
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	11.2%	7.0%	7.0%	7.0%	7.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	64.3%	55.0%	55.0%	40.0%	30.0%
Employee costs	Employee costs/Total Revenue - capital revenue		38.7%	32.0%	0.0%	28.8%	32.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.9%	2.1%	0.0%	0.7%	2.1%
Interest & Depreciation	I&D/Total Revenue - capital revenue		9.7%	6.5%	0.0%	0.0%	3.5%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		234.7%	450.9%	#DIV/0!		
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		60.7%	41.7%	#DIV/0!	152.0%	41.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		9.7%	9.1%		0.0%	9.1%

5. Other Information or Documentation

Municipal Manager's Quality Certificate

The in-year report must be covered by a quality certificate in the format described below:

Munisipaliteit • LAINGSBURG • Municipality

Munisipale-geboue, Van Riebeeckstraat PRIVAATSAK X4 LAINGSBURG 6900		Municipal Buildings, Van Riebeeck Street PRIVATE BAG X4 LAINGSBURG 6900
--	---	--

OFFICE OF THE MUNICIPAL MANAGER

VERWYSINGSNOMMER : REFERENCE NUMBER : NAVRAE : ENQUIRIES :	Tel. (023) 551 1019 Faks/Fax (023) 5511019
---	---

QUALITY CERTIFICATE

I, Alida Groenewald, Senior Manager Finance and Corporate Services of Laingsburg Municipality, hereby certify that –

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

For the month of October 2021 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: Ms. Alida Groenewald

for: Municipal Manager of Laingsburg Municipality (WC051)

Signature *Alida Groenewald*

Date 2021-11-12

6. Recommendation

It is recommended that Council / Finance Committee take note of this report.