

BEAUFORT WEST MUNICIPALITY



Monthly Budget Statement FOR THE MONTH ENDING August 2017

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PART 1 – IN-YEAR REPORT

1. Mayor's Report

1.1 In-Year Report – Monthly Budget Statement

1.1.1 Implementation of the budget in accordance with the SDBIP

No comments for August.

1.1.2 Financial problems or risks facing the municipality

The current financial position of the municipality remains under pressure. Directors are urged to identify and promote effectiveness and efficiencies within their respective directorates and to keep their expenditure within budget.

1.1.3 Other relevant information

The Annual Financial Statements must be completed and submitted to the Auditor General for audit purposes by the 31 August 2017. The in-year report of September 2017 will contain the unaudited financials for 2016/2017.

2. Resolutions

IN-YEAR REPORT 2017/18

This is the report will be presented to Council at their next meeting:

RECOMMENDATION:

- a) That Council notes the monthly budget statement and any supporting documentation for August 2017.

3. Executive Summary

3.1 Introduction

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 in the prescribe 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.

3.2 Consolidated performance

3.2.1 Against annual budget

Revenue by Source

Year-to-date revenue accrued are R13,868 million or 18% above year-to-date budget projections for August 2017. However, the annual billing for rates is reflected in this report.

Refer to Table C4 for more detail on revenue by source.

Operating expenditure by type

Total expenditure were R18,042 below year-to-date budget projections for August 2017. The variance can be attributed to debt impairment on traffic fines, Eskom bulk electricity account for August 2017 that will only be paid in September 2017, other materials and operating expenditure that is expected to pick up from the third quarter of the financial year.

Refer to Table C4 for further details on expenditure by type.

Capital expenditure

Year-to-date expenditure on capital amounts to R11,087 million, or 80%, of the approved budget of R15,870 million. The reason for the high percentage is due R6,987 million spent on bulk infrastructure water and sewerage for the S1 IRDP housing project received from the Department of Human Settlements. Another factor is R927 000 that was spent on the upgrading of Merweville Sports Grounds rollover of 2016-2017. An application was submitted to Nasional

Treasury to roll over the unspent balance of R11,835 million on the project to the 2017/2018 financial year, we are still awaiting the approval from Nasional Treasury on the project.

These two project are not part of the current approved budget of R15,870 million. An adjustments budget will be tabled in October 2017 to make provision for the S1 IRDP project and for the upgrading of the Merweville Sports Ground once approval has been granted by Nasional Treasury.

Refer to Table C5 for more detail on capital expenditure.

Cash flows

The municipality started the year with a positive projected cash & cash equivalents balance of R4,413 million, this figure is provisional. The net decrease in cash held were R5,149 million during August resulting in a closing balance of R30,597 million.

Refer to Table C9 for more detail on cash flows.

3.3 Material variances from SDBIP

No comments for August 2017.

3.4 Remedial or corrective steps

No remedial or corrective steps are required at this stage.

4. In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1 s71 Monthly Budget Statement Summary

WC053 Beaufort West - Table C1 Monthly Budget Statement Summary - M02 August									
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	-	35,417	-	90	34,024	34,882	(858)	-2%	35,417
Service charges	-	116,065	-	23,309	32,188	19,344	12,844	66%	116,065
Investment revenue	-	1,260	-	45	45	210	(165)	-79%	1,260
Transfers and subsidies	-	91,621	-	630	22,356	15,270	7,085	46%	91,621
Other own revenue	-	51,366	-	1,920	3,522	8,561	(5,039)	-59%	51,366
Total Revenue (excluding capital transfers and contributions)	-	295,728	-	25,994	92,135	78,267	13,868	18%	295,728
Employee costs	-	93,514	-	7,121	14,078	14,676	(598)	-4%	93,514
Remuneration of Councillors	-	5,385	-	418	837	898	(61)	-7%	5,385
Depreciation & asset impairment	-	16,935	-	2,823	2,823	2,823	-	-	16,935
Finance charges	-	1,713	-	96	137	286	(149)	-52%	1,713
Materials and bulk purchases	-	96,035	-	7,023	7,429	16,006	(8,577)	-54%	96,035
Transfers and subsidies	-	100	-	-	-	17	(17)	-100%	100
Other expenditure	-	90,121	-	4,185	6,379	15,020	(8,641)	-58%	90,121
Total Expenditure	-	303,804	-	21,666	31,683	49,725	(18,042)	-36%	303,804
Surplus/(Deficit)	-	(8,076)	-	4,328	60,452	28,543	31,910	112%	(8,076)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	14,640	-	6,129	10,888	2,440	8,448	346%	14,640
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	6,564	-	10,457	71,340	30,983	40,358	130%	6,564
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	6,564	-	10,457	71,340	30,983	40,358	130%	6,564
Capital expenditure & funds sources									
Capital expenditure	-	15,870	-	6,328	11,087	2,645	8,442	319%	15,870
Capital transfers recognised	-	14,640	-	6,129	10,888	2,440	8,448	346%	14,640
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	1,230	-	199	199	205	(6)	-3%	1,230
Total sources of capital funds	-	15,870	-	6,328	11,087	2,645	8,442	319%	15,870
Financial position									
Total current assets	-	52,394	-	-	108,254	-	-	-	52,394
Total non current assets	-	470,159	-	-	512,970	-	-	-	470,159
Total current liabilities	-	45,286	-	-	50,962	-	-	-	45,286
Total non current liabilities	-	66,291	-	-	62,757	-	-	-	66,291
Community wealth/Equity	-	410,977	-	-	507,506	-	-	-	410,977
Cash flows									
Net cash from (used) operating	-	23,692	-	1,400	37,502	3,949	(33,554)	-850%	23,692
Net cash from (used) investing	-	(15,980)	-	(6,328)	(11,087)	(2,663)	8,424	-316%	(15,980)
Net cash from (used) financing	-	(2,926)	-	(231)	(231)	(488)	(257)	53%	(2,926)
Cash/cash equivalents at the month/year end	-	9,199	-	-	30,597	5,210	(25,386)	-487%	9,199
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	10,681	15,541	2,657	62,324	-	-	-	-	91,203
Creditors Age Analysis									
Total Creditors	8,647	103	4	(0)	1	9	13	-	8,776

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

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance 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 organizational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

WC053 Beaufort West - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M02 August										
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										
Governance and administration		-	74,338	-	647	56,253	41,369	14,885	36%	74,338
Executive and council		-	36,545	-	175	21,525	6,091	15,434	253%	36,545
Finance and administration		-	37,793	-	471	34,728	35,278	(549)	-2%	37,793
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	33,704	-	1,302	1,903	5,617	(3,714)	-66%	33,704
Community and social services		-	6,358	-	483	900	1,060	(160)	-15%	6,358
Sport and recreation		-	2,422	-	815	995	404	591	146%	2,422
Public safety		-	801	-	0	0	134	(133)	-100%	801
Housing		-	24,123	-	4	8	4,020	(4,013)	-100%	24,123
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	53,012	-	1,386	2,254	8,835	(6,581)	-74%	53,012
Planning and development		-	402	-	37	72	67	5	7%	402
Road transport		-	52,610	-	1,349	2,182	8,768	(6,586)	-75%	52,610
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	149,316	-	28,787	42,613	24,886	17,727	71%	149,316
Energy sources		-	90,523	-	20,456	24,182	15,087	9,095	60%	90,523
Water management		-	27,589	-	1,487	3,771	4,598	(827)	-18%	27,589
Waste water management		-	21,466	-	6,118	12,899	3,578	9,321	261%	21,466
Waste management		-	9,738	-	726	1,760	1,623	137	8%	9,738
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	310,368	-	32,123	103,023	80,707	22,316	28%	310,368
Expenditure - Functional										
Governance and administration		-	55,923	-	3,905	7,802	9,030	(1,227)	-14%	55,923
Executive and council		-	14,625	-	798	1,758	2,410	(652)	-27%	14,625
Finance and administration		-	40,807	-	3,070	5,966	6,543	(576)	-9%	40,807
Internal audit		-	490	-	37	78	77	1	1%	490
Community and public safety		-	46,226	-	2,030	3,299	7,543	(4,244)	-56%	46,226
Community and social services		-	9,387	-	777	1,214	1,498	(284)	-19%	9,387
Sport and recreation		-	8,099	-	818	1,274	1,293	(18)	-1%	8,099
Public safety		-	3,418	-	326	619	540	79	15%	3,418
Housing		-	25,322	-	109	191	4,211	(4,020)	-95%	25,322
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	64,570	-	3,098	4,860	10,562	(5,702)	-54%	64,570
Planning and development		-	5,608	-	339	655	889	(234)	-26%	5,608
Road transport		-	58,962	-	2,759	4,205	9,673	(5,468)	-57%	58,962
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	136,555	-	12,604	15,671	22,503	(6,833)	-30%	136,555
Energy sources		-	84,900	-	8,056	9,350	14,071	(4,722)	-34%	84,900
Water management		-	25,528	-	1,927	2,766	4,202	(1,436)	-34%	25,528
Waste water management		-	11,088	-	1,218	1,567	1,800	(233)	-13%	11,088
Waste management		-	15,040	-	1,403	1,988	2,430	(442)	-18%	15,040
Other		-	531	-	30	51	87	(36)	-41%	531
Total Expenditure - Functional	3	-	303,804	-	21,666	31,683	49,725	(18,042)	-36%	303,804
Surplus/ (Deficit) for the year		-	6,564	-	10,457	71,340	30,983	40,358	130%	6,564

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

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organizational structure of the municipality which is made up of the following directorates: Municipal Manager; Corporate Services; Financial Services; Engineering Services; Community Services and Electrical Services.

WC053 Beaufort West - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August										
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 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Director: Corporate Service		-	42,608	-	639	22,383	7,101	15,281	215.2%	42,608
Vote 3 - Director: Financial Services		-	37,065	-	424	34,637	35,157	(520)	-1.5%	37,065
Vote 4 - Director: Engineering Services		-	59,656	-	8,749	18,125	9,943	8,182	82.3%	59,656
Vote 5 - Director: Community Services		-	80,516	-	1,856	3,696	13,419	(9,724)	-72.5%	80,516
Vote 6 - Director: Electrical Services		-	90,523	-	20,456	24,182	15,087	9,095	60.3%	90,523
		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	310,368	-	32,123	103,023	80,707	22,316	27.7%	310,368
Expenditure by Vote	1									
Vote 1 - Municipal Manager		-	4,606	-	263	410	720	(310)	-43.1%	4,606
Vote 2 - Director: Corporate Service		-	30,163	-	1,976	4,463	4,910	(447)	-9.1%	30,163
Vote 3 - Director: Financial Services		-	20,602	-	1,670	2,863	3,311	(448)	-13.5%	20,602
Vote 4 - Director: Engineering Services		-	81,055	-	6,863	9,882	13,165	(3,283)	-24.9%	81,055
Vote 5 - Director: Community Services		-	82,479	-	2,839	4,715	13,547	(8,832)	-65.2%	82,479
Vote 6 - Director: Electrical Services		-	84,900	-	8,056	9,350	14,071	(4,722)	-33.6%	84,900
		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	303,804	-	21,666	31,683	49,725	(18,042)	-36.3%	303,804
Surplus/ (Deficit) for the year	2	-	6,564	-	10,457	71,340	30,983	40,358	130.3%	6,564

4.1.4 Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)

WC053 Beaufort West - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
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		-	35,417	-	90	34,024	34,882	(858)	-2%	35,417
Service charges - electricity revenue		-	74,602	-	20,327	23,829	12,434	11,395	92%	74,602
Service charges - water revenue		-	19,442	-	1,254	2,883	3,240	(358)	-11%	19,442
Service charges - sanitation revenue		-	14,531	-	1,126	3,888	2,422	1,466	61%	14,531
Service charges - refuse revenue		-	7,490	-	603	1,589	1,248	340	27%	7,490
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	1,363	-	90	213	227	(14)	-6%	1,363
Interest earned - external investments		-	1,260	-	45	45	210	(165)	-79%	1,260
Interest earned - outstanding debtors		-	2,616	-	175	519	436	83	19%	2,616
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	44,785	-	1,078	1,783	7,464	(5,682)	-76%	44,785
Licences and permits		-	595	-	21	50	99	(49)	-50%	595
Agency services		-	680	-	90	148	113	35	31%	680
Transfers and subsidies		-	91,621	-	630	22,356	15,270	7,085	46%	91,621
Other revenue		-	1,326	-	466	810	221	589	266%	1,326
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	295,728	-	25,994	92,135	78,267	13,868	18%	295,728
Expenditure By Type										
Employee related costs		-	93,514	-	7,121	14,078	14,676	(598)	-4%	93,514
Remuneration of councillors		-	5,385	-	418	837	898	(61)	-7%	5,385
Debt impairment		-	35,285	-	1,279	1,279	5,881	(4,602)	-78%	35,285
Depreciation & asset impairment		-	16,935	-	2,823	2,823	2,823	-	-	16,935
Finance charges		-	1,713	-	96	137	286	(149)	-52%	1,713
Bulk purchases		-	68,085	-	5,929	6,110	11,348	(5,237)	-46%	68,085
Other materials		-	27,950	-	1,094	1,319	4,658	(3,340)	-72%	27,950
Contracted services		-	3,595	-	80	159	599	(440)	-73%	3,595
Transfers and subsidies		-	100	-	-	-	17	(17)	-100%	100
Other expenditure		-	51,241	-	2,826	4,941	8,540	(3,600)	-42%	51,241
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		-	303,804	-	21,666	31,683	49,725	(18,042)	-36%	303,804
Surplus/(Deficit)		-	(8,076)	-	4,328	60,452	28,543	31,910	0	(8,076)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	14,640	-	6,129	10,888	2,440	8,448	0	14,640
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		-	6,564	-	10,457	71,340	30,983			6,564
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	6,564	-	10,457	71,340	30,983			6,564
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		-	6,564	-	10,457	71,340	30,983			6,564
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		-	6,564	-	10,457	71,340	30,983			6,564

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

WC053 Beaufort West - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M02 August										
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 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Director: Corporate Service		-	-	-	-	-	-	-	-	-
Vote 3 - Director: Financial Services		-	-	-	-	-	-	-	-	-
Vote 4 - Director: Engineering Services		-	-	-	-	-	-	-	-	-
Vote 5 - Director: Community Services		-	-	-	-	-	-	-	-	-
Vote 6 - Director: Electrical Services		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 2 - Director: Corporate Service		-	200	-	4	4	33	(30)	-89%	200
Vote 3 - Director: Financial Services		-	200	-	6	6	33	(27)	-82%	200
Vote 4 - Director: Engineering Services		-	10,440	-	6,319	11,078	1,740	9,338	537%	10,440
Vote 5 - Director: Community Services		-	1,000	-	-	-	167	(167)	-100%	1,000
Vote 6 - Director: Electrical Services		-	4,030	-	-	-	672	(672)	-100%	4,030
Total Capital single-year expenditure	4	-	15,870	-	6,328	11,087	2,645	8,442	319%	15,870
Total Capital Expenditure		-	15,870	-	6,328	11,087	2,645	8,442	319%	15,870
Capital Expenditure - Functional Classification										
Governance and administration		-	680	-	198	198	113	85	75%	680
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	680	-	198	198	113	85	75%	680
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3,150	-	814	959	525	434	83%	3,150
Community and social services		-	200	-	-	-	33	(33)	-100%	200
Sport and recreation		-	2,150	-	814	959	358	601	168%	2,150
Public safety		-	800	-	-	-	133	(133)	-100%	800
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	4,624	-	182	217	771	(554)	-72%	4,624
Planning and development		-	-	-	1	1	-	1	#DIV/0!	-
Road transport		-	4,624	-	181	216	771	(555)	-72%	4,624
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	7,416	-	5,133	9,714	1,236	8,478	686%	7,416
Energy sources		-	4,030	-	-	-	672	(672)	-100%	4,030
Water management		-	1,271	-	226	872	212	660	312%	1,271
Waste water management		-	2,114	-	4,907	8,842	352	8,489	2409%	2,114
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	15,870	-	6,328	11,087	2,645	8,442	319%	15,870
Funded by:										
National Government		-	13,840	-	1,999	3,901	2,307	1,594	69%	13,840
Provincial Government		-	800	-	4,129	6,987	133	6,854	5140%	800
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	14,640	-	6,129	10,888	2,440	8,448	346%	14,640
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	1,230	-	199	199	205	(6)	-3%	1,230
Total Capital Funding		-	15,870	-	6,328	11,087	2,645	8,442	319%	15,870

4.1.6 Table C6 Monthly Budget Statement - Financial Position

WC053 Beaufort West - Table C6 Monthly Budget Statement - Financial Position - M02 August						
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		–	5,392	–	6	5,392
Call investment deposits		–	3,807	–	25,136	3,807
Consumer debtors		–	17,664	–	51,331	17,664
Other debtors		–	21,803	–	27,886	21,803
Current portion of long-term receivables		–	–	–	654	–
Inventory		–	3,729	–	3,241	3,729
Total current assets		–	52,394	–	108,254	52,394
Non current assets						
Long-term receivables		–	1,738	–	2,318	1,738
Investments		–	–	–	–	–
Investment property		–	8,150	–	7,881	8,150
Investments in Associate		–	–	–	–	–
Property, plant and equipment		–	454,405	–	496,782	454,405
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		–	471	–	515	471
Other non-current assets		–	5,396	–	5,474	5,396
Total non current assets		–	470,159	–	512,970	470,159
TOTAL ASSETS		–	522,553	–	621,225	522,553
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	2,535	–
Borrowing		–	2,986	–	3,876	2,986
Consumer deposits		–	1,353	–	1,398	1,353
Trade and other payables		–	32,546	–	28,037	32,546
Provisions		–	8,401	–	15,117	8,401
Total current liabilities		–	45,286	–	50,962	45,286
Non current liabilities						
Borrowing		–	11,120	–	12,520	11,120
Provisions		–	55,171	–	50,236	55,171
Total non current liabilities		–	66,291	–	62,757	66,291
TOTAL LIABILITIES		–	111,576	–	113,719	111,576
NET ASSETS	2	–	410,977	–	507,506	410,977
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		–	407,050	–	499,852	407,050
Reserves		–	3,926	–	7,653	3,926
TOTAL COMMUNITY WEALTH/EQUITY	2	–	410,977	–	507,506	410,977

4.1.7 Table C7 Monthly Budget Statement - Cash Flow

WC053 Beaufort West - Table C7 Monthly Budget Statement - Cash Flow - M02 August										
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		-	33,292	-	3,481	5,021	5,549	(528)	-10%	33,292
Service charges		-	108,944	-	10,196	18,345	18,157	188	1%	108,944
Other revenue		-	21,141	-	1,552	2,603	3,524	(920)	-26%	21,141
Government - operating		-	91,621	-	415	25,083	15,270	9,813	64%	91,621
Government - capital		-	14,640	-	3,146	13,512	2,440	11,072	454%	14,640
Interest		-	3,794	-	175	519	632	(113)	-18%	3,794
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		-	(247,927)	-	(17,469)	(27,444)	(41,321)	(13,877)	34%	(247,927)
Finance charges		-	(1,713)	-	(96)	(137)	(286)	(149)	52%	(1,713)
Transfers and Grants		-	(100)	-	-	-	(17)	(17)	100%	(100)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	23,692	-	1,400	37,502	3,949	(33,554)	-850%	23,692
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		-	(110)	-	-	-	(18)	18	-100%	(110)
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		-	(15,870)	-	(6,328)	(11,087)	(2,645)	8,442	-319%	(15,870)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(15,980)	-	(6,328)	(11,087)	(2,663)	8,424	-316%	(15,980)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	60	-	(3)	(3)	10	(13)	-128%	60
Payments										
Repayment of borrowing		-	(2,986)	-	(228)	(228)	(498)	(270)	54%	(2,986)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(2,926)	-	(231)	(231)	(488)	(257)	53%	(2,926)
NET INCREASE/ (DECREASE) IN CASH HELD		-	4,786	-	(5,159)	26,184	798			4,786
Cash/cash equivalents at beginning:		-	4,413	-		4,413	4,413			4,413
Cash/cash equivalents at month/year end:		-	9,199	-		30,597	5,210			9,199

Table C7 includes the balance of the Cashbook and Current Investment Deposits.

PART 2 – SUPPORTING DOCUMENTATION

5. Debtors' analysis

5.1 Supporting Table SC3

Debtors' age analysis

WC053 Beaufort West - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August													
Description	NT Code	Budget Year 2017/18									Total over 90 days	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			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1,241	539	387	4,044	-	-	-	-	6,211	4,044	-	166
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3,326	221	118	1,005	-	-	-	-	4,670	1,005	-	61
Receivables from Non-exchange Transactions - Property Rates	1400	1,607	8,874	334	4,975	-	-	-	-	15,791	4,975	-	256
Receivables from Exchange Transactions - Waste Water Management	1500	1,147	2,045	438	9,862	-	-	-	-	13,492	9,862	-	461
Receivables from Exchange Transactions - Waste Management	1600	624	675	285	5,998	-	-	-	-	7,583	5,998	-	333
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	1	44	-	-	-	-	45	44	-	2
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2,736	3,186	1,092	36,396	-	-	-	-	43,410	36,396	-	-
Total By Income Source	2000	10,681	15,541	2,657	62,324	-	-	-	-	91,203	62,324	-	1,279
2016/17 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,009	5,232	64	1,030	-	-	-	-	7,335	1,030	-	-
Commercial	2300	2,004	2,016	233	3,577	-	-	-	-	7,830	3,577	-	-
Households	2400	6,656	5,754	2,155	50,741	-	-	-	-	65,305	50,741	-	1,279
Other	2500	1,012	2,539	205	6,976	-	-	-	-	10,733	6,976	-	-
Total By Customer Group	2600	10,681	15,541	2,657	62,324	-	-	-	-	91,203	62,324	-	1,279

6. Creditors analysis

6.1 Supporting Table SC4

Creditors' age analysis

WC053 Beaufort West - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August										
Description	NT Code	Budget Year 2017/18								
		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
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	7,075	-	-	-	-	-	-	-	7,075
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	933	-	-	-	-	-	-	-	933
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	638	103	4	(0)	1	9	13	-	768
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	8,647	103	4	(0)	1	9	13	-	8,776

Supporting Table SC 4 reflects trade creditors only

7. Investment portfolio analysis

7.1 Supporting Table C5

WC053 Beaufort West - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August									
Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning	Change in market value	Market value at end of the
R thousands									
Municipality									
INVESTEC							850	-	850
STANDARD							12,676	-	12,676
ABSA							2,411	-	2,411
NEDBANK							17,190	(7,991)	9,198
Municipality sub-total					-		33,127	(7,991)	25,136
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		33,127	(7,991)	25,136

8. Allocation and grant receipts and expenditure

8.1 Supporting Table SC6 – Grant receipts

WC053 Beaufort West - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August										
Description	Ref	Budget Year 2017/18								
		2016/17 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:		-	60,719	-	415	23,465	10,120	13,345	131.9%	60,719
Local Government Equitable Share		-	51,060	-	-	21,275	8,510	12,765	150.0%	51,060
Energy Efficiency and Demand Management		-	6,000	-	-	-	1,000	(1,000)	-100.0%	6,000
Finance Management		-	1,700	-	-	1,700	283	1,417	500.0%	1,700
EPWP Incentive		-	1,659	-	415	415	277	139	50.1%	1,659
Municipal Systems Improvement		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme	3	-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant (MIG)		-	300	-	-	75	50	25	50.0%	300
Provincial Government:		-	30,902	-	-	1,693	5,150	(3,457)	-67.1%	30,902
Provincial Treasury - Western Cape Financial Management Capacity Building Grant		-	240	-	-	-	40	(40)	-100.0%	240
Human Settlements - Human Settlements Development Grant		-	24,000	-	-	-	4,000	(4,000)	-100.0%	24,000
Transport & Public Works - Financial Assistance for Maintenance and Construction of Transport Infrastructure		-	1,048	-	-	-	175	(175)	-100.0%	1,048
Cultural Affairs & Sport - Library Service : Replacement Funding	4	-	5,080	-	-	1,693	847	847	100.0%	5,080
Local government - Fire Service Capacity Building Grant		-	-	-	-	-	-	-	-	-
Local government - Thusong Service Centres Grant		-	330	-	-	-	55	(55)	-100.0%	330
Local government - Community Development Workers (CDW)		-	204	-	-	-	34	(34)	-100.0%	204
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	-	91,621	-	415	25,158	15,270	9,888	64.8%	91,621
Capital Transfers and Grants										
National Government:		-	13,840	-	-	3,991	2,307	1,684	73.0%	13,840
Municipal Infrastructure Grant (MIG)		-	13,840	-	-	3,991	2,307	1,684	73.0%	13,840
Integrated National Electrification Programme		-	-	-	-	-	-	-	-	-
Provincial Government:		-	800	-	3,146	9,446	133	9,313	6984.5%	800
Local government - Fire Service Capacity Building Grant		-	800	-	-	-	133	(133)	-100.0%	800
Human Settlements - Human Settlements Development Grant		-	-	-	3,146	9,446	-	9,446	#DIV/0!	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	14,640	-	3,146	13,437	2,440	10,997	450.7%	14,640
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	106,261	-	3,561	38,595	17,710	20,885	117.9%	106,261

8.2 Supporting Table SC7 – Grant expenditure

WC053 Beaufort West - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August										
Description	Ref	Budget Year 2017/18								
		2016/17 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:		-	60,719	-	206	21,568	10,120	11,448	113.1%	60,719
Local Government Equitable Share		-	51,060	-	-	21,275	8,510	12,765	150.0%	51,060
Energy Efficiency and Demand Management		-	6,000	-	-	-	1,000	(1,000)	-100.0%	6,000
Finance Management		-	1,700	-	46	96	283	(187)	-66.1%	1,700
EPWP Incentive		-	1,659	-	135	149	277	(127)	-46.1%	1,659
Municipal Infrastructure Grant (MIG)		-	300	-	24	48	50	(2)	-4.4%	300
Provincial Government:		-	30,902	-	424	789	5,150	(4,362)	-84.7%	30,902
Provincial Treasury - Western Cape Financial Management Capacity Building Grant		-	240	-	-	-	40	(40)	-100.0%	240
Human Settlements - Human Settlements Development Grant		-	24,000	-	-	-	4,000	(4,000)	-100.0%	24,000
Transport & Public Works - Financial Assistance for Maintenance and Construction of Transport Infrastructure		-	1,048	-	-	-	175	(175)	-100.0%	1,048
Cultural Affairs & Sport - Library Service : Replacement Funding		-	5,080	-	414	767	847	(80)	-9.4%	5,080
Local government - Fire Service Capacity Building Grant		-	-	-	-	-	-	-	-	-
Local government - Thusong Service Centres Grant		-	330	-	-	-	55	(55)	-100.0%	330
Local government - Community Development Workers (CDW)		-	204	-	10	22	34	(12)	-36.7%	204
0		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		-	91,621	-	630	22,356	15,270	7,086	46.4%	91,621
Capital expenditure of Transfers and Grants										
National Government:		-	13,840	-	1,352	3,519	2,307	1,212	52.5%	13,840
Municipal Infrastructure Grant (MIG)		-	13,840	-	1,352	3,519	2,307	1,212	52.5%	13,840
Integrated National Electrification Programme		-	-	-	-	-	-	-	-	-
Provincial Government:		-	800	-	4,129	6,987	133	6,854	5140.2%	800
Local government - Fire Service Capacity Building Grant		-	800	-	-	-	133	(133)	-100.0%	800
Human Settlements - Human Settlements Development Grant		-	-	-	4,129	6,987	-	6,987	#DIV/0!	-
[insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	14,640	-	5,481	10,505	2,440	8,065	330.6%	14,640
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	106,261	-	6,112	32,862	17,710	15,152	85.6%	106,261

8.3 Supporting Table SC7 (2) – Expenditure against approved rollovers

WC053 Beaufort West - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M02 August						
Description	Ref	Budget Year 2017/18				
		Approved Rollover 2016/17	Monthly actual	YearTD actual	YTD variance	YTD variance
R thousands						%
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
[insert description]		-	-	-	-	
Provincial Government:		-	-	-	-	
[insert description]		-	-	-	-	
Other transfers and grants [insert description]		-	-	-	-	
District Municipality:		-	-	-	-	
[insert description]		-	-	-	-	
Other grant providers:		-	-	-	-	
[insert description]		-	-	-	-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		11,835	927	927	10,908	92.2%
Municipal Infrastructure Grant (MIG)		11,835	927	927	10,908	92.2%
Provincial Government:		-	-	-	-	
[insert description]		-	-	-	-	
District Municipality:		-	-	-	-	
[insert description]		-	-	-	-	
Other grant providers:		-	-	-	-	
[insert description]		-	-	-	-	
Total capital expenditure of Approved Roll-overs		11,835	927	927	10,908	92.2%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		11,835	927	927	10,908	92.2%

9. Expenditure on councillor and board members allowances and employee benefits

9.1 Supporting Table SC8

WC053 Beaufort West - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August										
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		-	4,632	-	334	667	772	(105)	-14%	4,632
Pension and UIF Contributions		-	58	-	13	26	10	16	169%	58
Medical Aid Contributions		-	56	-	-	-	9	(9)	-100%	56
Motor Vehicle Allowance		-	276	-	43	87	46	41	88%	276
Cellphone Allowance		-	312	-	25	49	52	(3)	-5%	312
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	51	-	4	8	8	(1)	-8%	51
Sub Total - Councillors		-	5,385	-	418	837	898	(61)	-7%	5,385
Senior Managers of the Municipality	3									
Basic Salaries and Wages		-	4,496	-	381	589	749	(160)	-21%	4,496
Pension and UIF Contributions		-	877	-	24	48	146	(98)	-67%	877
Medical Aid Contributions		-	39	-	3	6	6	(0)	-5%	39
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	670	-	-	-	112	(112)	-100%	670
Motor Vehicle Allowance		-	456	-	24	48	76	(28)	-37%	456
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	467	-	-	-	78	(78)	-100%	467
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	7,005	-	432	691	1,167	(477)	-41%	7,005
Other Municipal Staff										
Basic Salaries and Wages		-	66,600	-	4,933	9,873	10,190	(318)	-3%	67,357
Pension and UIF Contributions		-	11,090	-	810	1,625	1,848	(224)	-12%	11,090
Medical Aid Contributions		-	1,507	-	121	241	251	(10)	-4%	1,507
Overtime		-	2,098	-	285	565	350	215	62%	2,098
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	1,748	-	140	280	291	(12)	-4%	1,748
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	939	-	77	156	156	(1)	0%	939
Other benefits and allowances		-	897	-	149	353	150	203	136%	140
Payments in lieu of leave		-	240	-	18	38	40	(2)	-5%	240
Long service awards		-	455	-	86	177	76	101	134%	455
Post-retirement benefit obligations	2	-	936	-	68	80	156	(76)	-49%	936
Sub Total - Other Municipal Staff		-	86,510	-	6,689	13,388	13,509	(121)	-1%	86,510
Total Parent Municipality		-	98,900	-	7,540	14,915	15,574	(658)	-4%	98,900
TOTAL SALARY, ALLOWANCES & BENEFITS		-	98,900	-	7,540	14,915	15,574	(658)	-4%	98,900
TOTAL MANAGERS AND STAFF		-	93,514	-	7,121	14,078	14,676	(598)	-4%	93,514

10. Capital programme performance

10.1 Supporting Table C12

WC053 Beaufort West - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August									
Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July	-	1,323	-	4,759	4,759	1,323	(3,437)	-259.9%	30%
August	-	1,323	-	6,328	11,087	2,645	(8,442)	-319.2%	70%
September	-	1,323	-	-	-	3,968	-		
October	-	1,323	-	-	-	5,290	-		
November	-	1,323	-	-	-	6,613	-		
December	-	1,323	-	-	-	7,935	-		
January	-	1,323	-	-	-	9,258	-		
February	-	1,323	-	-	-	10,580	-		
March	-	1,323	-	-	-	11,903	-		
April	-	1,323	-	-	-	13,225	-		
May	-	1,323	-	-	-	14,548	-		
June	-	1,323	-	-	-	15,870	-		
Total Capital expenditure	-	15,870	-	11,087					

Chart C1 2017/18 Capital Expenditure Monthly Trend: actual v target

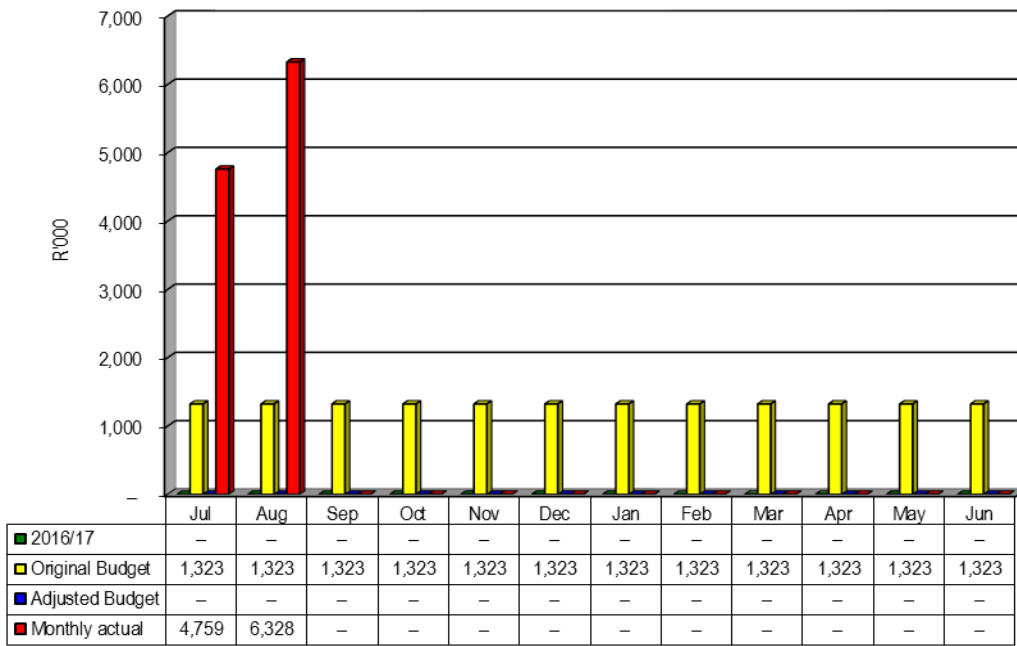
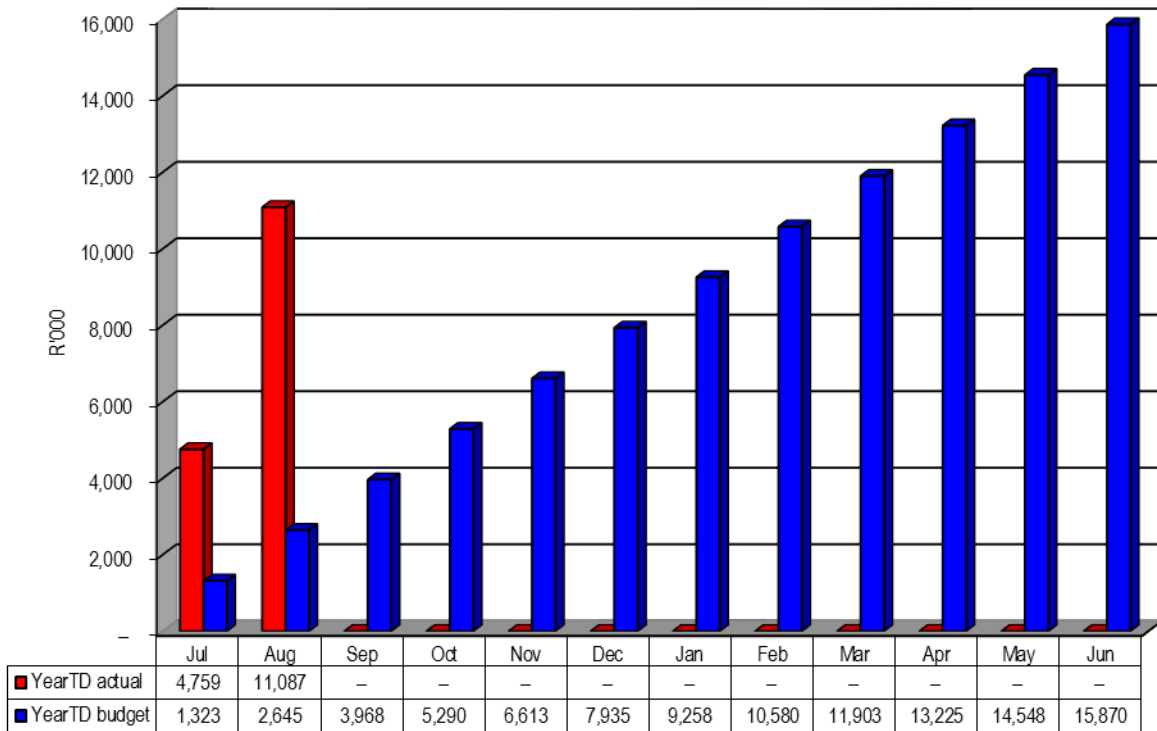


Chart C2 2017/18 Capital Expenditure: YTD actual v YTD target



11. Material variances to the SDBIP

11.1 Over view

SDBIP reports are compiled on a quarterly basis at this time.