

BEAUFORT WEST MUNICIPALITY



Monthly Budget Statement FOR THE MONTH ENDING October 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 October.

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

No comments for October.

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 October 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 were 769 thousand or 1% below year-to-date budget projections for October 2017.

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

Operating expenditure by type

Total expenditure were R23,600 million below year-to-date budget projections for October 2017. The variance can be attributed to debt impairment on traffic fines, Eskom bulk electricity account for October 2017 that will only be paid in November 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 R23,152 million, or 46% above the approved budget of R15,870 million. The reason for the high percentage is due R15,421 million spent on bulk infrastructure water and sewerage for the S1 IRDP housing project received from the Department of Human Settlements. Another factor is R2,960 million 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. Feedback were received from National Treasury that the roll-over application has been declined. This poses significant risk for the municipality due to the fact that work has commenced on the project and the municipality are not in the position the fund the project from own funds taking into account the outcome of the roll-over application.

These two project are not part of the current approved budget of R15,870 million. An adjustments budget will be tabled in November 2017 to make provision for the S1 IRDP housing project.

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 R10,592 million during October resulting in a closing balance of R23,269 million.

Refer to Table C9 for more detail on cash flows.

3.3 Material variances from SDBIP

No comments for October 2017.

3.4 Remedial or corrective steps

- The Merweville capital project poses a significant cash flow risk for the municipality and will have a dire effect on the operations of the municipality if the matter is not resolved with National Treasury;
- Spending across the spectrum must be slowed taking into account the latter mentioned;
- Strick control must be enforced with overtime taking into account the current financial position of the municipality as well as the current drought that also poses a significant risk to the municipality;
- Budgetary control within directorates must be enforced strictly.

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 - M04 October									
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	-	400	34,344	34,989	(645)	-2%	35,417
Service charges	-	116,065	-	4,616	53,453	38,688	14,765	38%	116,065
Investment revenue	-	1,260	-	103	148	420	(272)	-65%	1,260
Transfers and subsidies	-	91,621	-	2,977	26,077	30,540	(4,463)	-15%	91,621
Other own revenue	-	51,366	-	1,832	6,969	17,122	(10,153)	-59%	51,366
Total Revenue (excluding capital transfers and contributions)	-	295,728	-	9,928	120,990	121,759	(769)	-1%	295,728
Employee costs	-	93,514	-	7,215	28,123	29,352	(1,229)	-4%	93,514
Remuneration of Councillors	-	5,385	-	585	1,840	1,795	45	3%	5,385
Depreciation & asset impairment	-	16,935	-	1,411	5,645	5,645	-	-	16,935
Finance charges	-	1,713	-	628	815	571	243	43%	1,713
Materials and bulk purchases	-	96,035	-	13,096	23,525	32,012	(8,487)	-27%	96,035
Transfers and subsidies	-	100	-	-	2	33	(31)	-93%	100
Other expenditure	-	90,121	-	5,886	15,898	30,040	(14,142)	-47%	90,121
Total Expenditure	-	303,804	-	28,821	75,849	99,449	(23,600)	-24%	303,804
Surplus/(Deficit)	-	(8,076)	-	(18,893)	45,141	22,310	22,831	102%	(8,076)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	14,640	-	5,020	22,516	4,880	17,636	361%	14,640
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	6,564	-	(13,873)	67,657	27,190	40,467	149%	6,564
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	6,564	-	(13,873)	67,657	27,190	40,467	149%	6,564
Capital expenditure & funds sources									
Capital expenditure	-	15,870	-	5,168	23,152	5,290	17,862	338%	15,870
Capital transfers recognised	-	14,640	-	5,020	22,516	4,880	17,636	361%	14,640
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	1,230	-	148	636	410	226	55%	1,230
Total sources of capital funds	-	15,870	-	5,168	23,152	5,290	17,862	338%	15,870
Financial position									
Total current assets	-	52,394	-	-	103,180	-	-	-	52,394
Total non current assets	-	470,159	-	-	522,212	-	-	-	470,159
Total current liabilities	-	45,286	-	-	58,849	-	-	-	45,286
Total non current liabilities	-	66,291	-	-	62,616	-	-	-	66,291
Community wealth/Equity	-	410,977	-	-	503,927	-	-	-	410,977
Cash flows									
Net cash from (used) operating	-	23,692	-	(5,431)	42,373	7,897	(34,476)	-437%	23,692
Net cash from (used) investing	-	(15,980)	-	(5,168)	(23,152)	(5,327)	17,825	-335%	(15,980)
Net cash from (used) financing	-	(2,926)	-	6	(365)	(975)	(610)	63%	(2,926)
Cash/cash equivalents at the month/year end	-	9,199	-	-	23,269	6,008	(17,261)	-287%	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	12,661	5,997	2,461	71,097	-	-	-	-	92,215
Creditors Age Analysis									
Total Creditors	7,464	232	4	73	1	2	23	-	7,799

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) - M04 October										
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	1									
Revenue - Functional										
Governance and administration		-	74,338	-	1,719	58,290	47,962	10,327	22%	74,338
Executive and council		-	36,545	-	232	21,824	12,182	9,643	79%	36,545
Finance and administration		-	37,793	-	1,487	36,466	35,781	685	2%	37,793
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	33,704	-	1,598	5,078	11,235	(6,156)	-55%	33,704
Community and social services		-	6,358	-	482	1,878	2,119	(241)	-11%	6,358
Sport and recreation		-	2,422	-	1,113	3,186	807	2,378	295%	2,422
Public safety		-	801	-	0	0	267	(267)	-100%	801
Housing		-	24,123	-	3	14	8,041	(8,026)	-100%	24,123
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	53,012	-	1,053	4,258	17,671	(13,413)	-76%	53,012
Planning and development		-	402	-	37	153	134	19	14%	402
Road transport		-	52,610	-	1,016	4,105	17,537	(13,432)	-77%	52,610
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	149,316	-	10,579	75,880	49,772	26,108	52%	149,316
Energy sources		-	90,523	-	8,192	39,530	30,174	9,356	31%	90,523
Water management		-	27,589	-	(2,644)	9,444	9,196	247	3%	27,589
Waste water management		-	21,466	-	4,281	23,683	7,155	16,528	231%	21,466
Waste management		-	9,738	-	749	3,223	3,246	(23)	-1%	9,738
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	310,368	-	14,948	143,506	126,639	16,867	13%	310,368
Expenditure - Functional										
Governance and administration		-	55,923	-	5,727	17,543	18,059	(516)	-3%	55,923
Executive and council		-	14,625	-	1,832	4,633	4,819	(186)	-4%	14,625
Finance and administration		-	40,807	-	3,856	12,755	13,086	(330)	-3%	40,807
Internal audit		-	490	-	39	154	154	0	0%	490
Community and public safety		-	46,226	-	2,545	7,460	15,086	(7,626)	-51%	46,226
Community and social services		-	9,387	-	656	2,512	2,997	(485)	-16%	9,387
Sport and recreation		-	8,099	-	1,461	3,336	2,586	750	29%	8,099
Public safety		-	3,418	-	325	1,215	1,081	135	12%	3,418
Housing		-	25,322	-	102	396	8,422	(8,026)	-95%	25,322
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	64,570	-	3,448	11,355	21,124	(9,769)	-46%	64,570
Planning and development		-	5,608	-	540	1,533	1,777	(244)	-14%	5,608
Road transport		-	58,962	-	2,908	9,822	19,347	(9,525)	-49%	58,962
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	136,555	-	17,070	39,376	45,006	(5,630)	-13%	136,555
Energy sources		-	84,900	-	12,658	24,641	28,143	(3,501)	-12%	84,900
Water management		-	25,528	-	2,351	7,248	8,404	(1,156)	-14%	25,528
Waste water management		-	11,088	-	813	3,149	3,600	(451)	-13%	11,088
Waste management		-	15,040	-	1,248	4,338	4,860	(522)	-11%	15,040
Other		-	531	-	32	115	174	(59)	-34%	531
Total Expenditure - Functional	3	-	303,804	-	28,821	75,849	99,449	(23,600)	-24%	303,804
Surplus/ (Deficit) for the year		-	6,564	-	(13,873)	67,657	27,190	40,467	149%	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) - M04 October										
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	-	689	23,601	14,203	9,398	66.2%	42,608
Vote 3 - Director: Financial Services		-	37,065	-	1,459	36,307	35,538	769	2.2%	37,065
Vote 4 - Director: Engineering Services		-	59,656	-	3,035	37,243	19,885	17,357	87.3%	59,656
Vote 5 - Director: Community Services		-	80,516	-	1,573	6,825	26,839	(20,014)	-74.6%	80,516
Vote 6 - Director: Electrical Services		-	90,523	-	8,192	39,530	30,174	9,356	31.0%	90,523
		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	310,368	-	14,948	143,506	126,639	16,867	13.3%	310,368
Expenditure by Vote	1									
Vote 1 - Municipal Manager		-	4,606	-	409	1,218	1,440	(222)	-15.4%	4,606
Vote 2 - Director: Corporate Service		-	30,163	-	2,799	9,287	9,820	(533)	-5.4%	30,163
Vote 3 - Director: Financial Services		-	20,602	-	2,281	6,720	6,622	99	1.5%	20,602
Vote 4 - Director: Engineering Services		-	81,055	-	7,460	23,036	26,331	(3,295)	-12.5%	81,055
Vote 5 - Director: Community Services		-	82,479	-	3,213	10,946	27,094	(16,148)	-59.6%	82,479
Vote 6 - Director: Electrical Services		-	84,900	-	12,658	24,641	28,143	(3,501)	-12.4%	84,900
		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	303,804	-	28,821	75,849	99,449	(23,600)	-23.7%	303,804
Surplus/ (Deficit) for the year	2	-	6,564	-	(13,873)	67,657	27,190	40,467	148.8%	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) - M04 October										
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	-	400	34,344	34,989	(645)	-2%	35,417
Service charges - electricity revenue		-	74,602	-	6,454	37,150	24,867	12,283	49%	74,602
Service charges - water revenue		-	19,442	-	(3,514)	7,492	6,481	1,012	16%	19,442
Service charges - sanitation revenue		-	14,531	-	1,083	6,034	4,844	1,190	25%	14,531
Service charges - refuse revenue		-	7,490	-	592	2,777	2,497	280	11%	7,490
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	1,363	-	135	465	454	10	2%	1,363
Interest earned - external investments		-	1,260	-	103	148	420	(272)	-65%	1,260
Interest earned - outstanding debtors		-	2,616	-	213	969	872	97	11%	2,616
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	44,785	-	776	3,348	14,928	(11,580)	-78%	44,785
Licences and permits		-	595	-	30	102	198	(96)	-49%	595
Agency services		-	680	-	67	281	227	55	24%	680
Transfers and subsidies		-	91,621	-	2,977	26,077	30,540	(4,463)	-15%	91,621
Other revenue		-	1,326	-	612	1,803	442	1,361	308%	1,326
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	295,728	-	9,928	120,990	121,759	(769)	-1%	295,728
Expenditure By Type										
Employee related costs		-	93,514	-	7,215	28,123	29,352	(1,229)	-4%	93,514
Remuneration of councillors		-	5,385	-	585	1,840	1,795	45	3%	5,385
Debt impairment		-	35,285	-	640	2,559	11,762	(9,203)	-78%	35,285
Depreciation & asset impairment		-	16,935	-	1,411	5,645	5,645	-	-	16,935
Finance charges		-	1,713	-	628	815	571	243	43%	1,713
Bulk purchases		-	68,085	-	10,392	18,248	22,695	(4,447)	-20%	68,085
Other materials		-	27,950	-	2,704	5,277	9,317	(4,039)	-43%	27,950
Contracted services		-	3,595	-	618	1,521	1,198	323	27%	3,595
Transfers and subsidies		-	100	-	-	2	33	(31)	-93%	100
Other expenditure		-	51,241	-	4,628	11,819	17,080	(5,262)	-31%	51,241
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		-	303,804	-	28,821	75,849	99,449	(23,600)	-24%	303,804
Surplus/(Deficit)										
		-	(8,076)	-	(18,893)	45,141	22,310	22,831	0	(8,076)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	14,640	-	5,020	22,516	4,880	17,636	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	-	(13,873)	67,657	27,190			6,564
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	6,564	-	(13,873)	67,657	27,190			6,564
Attributable to minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		-	6,564	-	(13,873)	67,657	27,190			6,564
Share of surplus/ (deficit) of associate		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		-	6,564	-	(13,873)	67,657	27,190			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) - M04 October										
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	67	(63)	-95%	200
Vote 3 - Director: Financial Services		-	200	-	1	6	67	(61)	-91%	200
Vote 4 - Director: Engineering Services		-	10,440	-	5,167	23,142	3,480	19,662	565%	10,440
Vote 5 - Director: Community Services		-	1,000	-	-	-	333	(333)	-100%	1,000
Vote 6 - Director: Electrical Services		-	4,030	-	-	-	1,343	(1,343)	-100%	4,030
		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	15,870	-	5,168	23,152	5,290	17,862	338%	15,870
Total Capital Expenditure		-	15,870	-	5,168	23,152	5,290	17,862	338%	15,870
Capital Expenditure - Functional Classification										
Governance and administration		-	680	-	148	632	227	405	179%	680
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	680	-	148	632	227	405	179%	680
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	3,150	-	1,075	3,109	1,050	2,059	196%	3,150
Community and social services		-	200	-	-	-	67	(67)	-100%	200
Sport and recreation		-	2,150	-	1,075	3,109	717	2,393	334%	2,150
Public safety		-	800	-	-	-	267	(267)	-100%	800
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	4,624	-	127	346	1,541	(1,196)	-78%	4,624
Planning and development		-	-	-	-	3	-	3	#DIV/0!	-
Road transport		-	4,624	-	127	342	1,541	(1,199)	-78%	4,624
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	7,416	-	3,818	19,064	2,472	16,592	671%	7,416
Energy sources		-	4,030	-	-	-	1,343	(1,343)	-100%	4,030
Water management		-	1,271	-	732	1,788	424	1,364	322%	1,271
Waste water management		-	2,114	-	3,086	17,276	705	16,572	2351%	2,114
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	15,870	-	5,168	23,152	5,290	17,862	338%	15,870
Funded by:										
National Government		-	13,840	-	1,202	6,179	4,613	1,565	34%	13,840
Provincial Government		-	800	-	3,818	16,337	267	16,071	6027%	800
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	14,640	-	5,020	22,516	4,880	17,636	361%	14,640
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	1,230	-	148	636	410	226	55%	1,230
Total Capital Funding		-	15,870	-	5,168	23,152	5,290	17,862	338%	15,870

4.1.6 Table C6 Monthly Budget Statement - Financial Position

WC053 Beaufort West - Table C6 Monthly Budget Statement - Financial Position - M04 October						
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	-	26,365	3,807
Consumer debtors		-	17,664	-	44,788	17,664
Other debtors		-	21,803	-	27,814	21,803
Current portion of long-term receivables		-	-	-	654	-
Inventory		-	3,729	-	3,553	3,729
Total current assets		-	52,394	-	103,180	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	-	506,024	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	-	522,212	470,159
TOTAL ASSETS		-	522,553	-	625,392	522,553
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	14,463	-
Borrowing		-	2,986	-	3,507	2,986
Consumer deposits		-	1,353	-	1,499	1,353
Trade and other payables		-	32,546	-	21,684	32,546
Provisions		-	8,401	-	17,697	8,401
Total current liabilities		-	45,286	-	58,849	45,286
Non current liabilities						
Borrowing		-	11,120	-	12,380	11,120
Provisions		-	55,171	-	50,236	55,171
Total non current liabilities		-	66,291	-	62,616	66,291
TOTAL LIABILITIES		-	111,576	-	121,465	111,576
NET ASSETS	2	-	410,977	-	503,927	410,977
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		-	407,050	-	496,272	407,050
Reserves		-	3,926	-	7,654	3,926
TOTAL COMMUNITY WEALTH/EQUITY	2	-	410,977	-	503,927	410,977

4.1.7 Table C7 Monthly Budget Statement - Cash Flow

WC053 Beaufort West - Table C7 Monthly Budget Statement - Cash Flow - M04 October										
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	-	5,629	14,398	11,097	3,300	30%	33,292
Service charges		-	108,944	-	9,470	36,678	36,315	363	1%	108,944
Other revenue		-	21,141	-	1,329	5,197	7,047	(1,850)	-26%	21,141
Government - operating		-	91,621	-	1,723	28,806	30,540	(1,734)	-6%	91,621
Government - capital		-	14,640	-	2,976	23,970	4,880	19,090	391%	14,640
Interest		-	3,794	-	213	969	1,265	(295)	-23%	3,794
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		-	(247,927)	-	(26,142)	(66,829)	(82,642)	(15,814)	19%	(247,927)
Finance charges		-	(1,713)	-	(628)	(815)	(571)	243	-43%	(1,713)
Transfers and Grants		-	(100)	-	-	(2)	(33)	(31)	93%	(100)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	23,692	-	(5,431)	42,373	7,897	(34,476)	-437%	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)	-	-	-	(37)	37	-100%	(110)
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		-	(15,870)	-	(5,168)	(23,152)	(5,290)	17,862	-338%	(15,870)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(15,980)	-	(5,168)	(23,152)	(5,327)	17,825	-335%	(15,980)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	60	-	6	4	20	(16)	-82%	60
Payments										
Repayment of borrowing		-	(2,986)	-	-	(369)	(995)	(626)	63%	(2,986)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(2,926)	-	6	(365)	(975)	(610)	63%	(2,926)
NET INCREASE/ (DECREASE) IN CASH HELD		-	4,786	-	(10,592)	18,856	1,595			4,786
Cash/cash equivalents at beginning:		-	4,413	-		4,413	4,413			4,413
Cash/cash equivalents at month/year end:		-	9,199	-		23,269	6,008			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 - M04 October													
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	1,678	800	353	4,629	-	-	-	-	7,460	4,629	-	333
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4,203	575	117	1,120	-	-	-	-	6,015	1,120	-	122
Receivables from Non-exchange Transactions - Property Rates	1400	1,961	672	467	9,034	-	-	-	-	12,135	9,034	-	512
Receivables from Exchange Transactions - Waste Water Management	1500	1,304	655	504	11,142	-	-	-	-	13,604	11,142	-	922
Receivables from Exchange Transactions - Waste Management	1600	702	399	317	6,145	-	-	-	-	7,562	6,145	-	666
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	45	-	-	-	-	45	45	-	4
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2,813	2,897	703	38,983	-	-	-	-	45,395	38,983	-	-
Total By Income Source	2000	12,661	5,997	2,461	71,097	-	-	-	-	92,215	71,097	-	2,559
2016/17 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	1,167	523	99	2,425	-	-	-	-	4,213	2,425	-	-
Commercial	2300	2,283	247	126	4,247	-	-	-	-	6,902	4,247	-	-
Households	2400	7,311	4,769	1,837	55,878	-	-	-	-	69,794	55,878	-	2,559
Other	2500	1,901	458	399	8,548	-	-	-	-	11,305	8,548	-	-
Total By Customer Group	2600	12,661	5,997	2,461	71,097	-	-	-	-	92,215	71,097	-	2,559

6. Creditors analysis

6.1 Supporting Table SC4

Creditors' age analysis

WC053 Beaufort West - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October										
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	5,681	-	-	-	-	-	-	-	5,681
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	1,021	-	-	-	-	-	-	-	1,021
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	762	232	4	73	1	2	23	-	1,097
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	7,464	232	4	73	1	2	23	-	7,799

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 - M04 October									
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	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		Yrs/Months							
Municipality									
INVESTEC							2,054	(80)	1,974
STANDARD							10,878	(314)	10,564
ABSA							1,615	306	1,921
NEDBANK							8,791	3,116	11,906
Municipality sub-total					-		23,337	3,028	26,365
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		23,337	3,028	26,365

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 - M04 October										
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:		-	60,719	-	-	25,465	20,240	5,225	25.8%	60,719
Local Government Equitable Share		-	51,060	-	-	21,275	17,020	4,255	25.0%	51,060
Energy Efficiency and Demand Management		-	6,000	-	-	2,000	2,000	-		6,000
Finance Management		-	1,700	-	-	1,700	567	1,133	200.0%	1,700
EPWP Incentive		-	1,659	-	-	415	553	(138)	-25.0%	1,659
Municipal Infrastructure Grant (MIG)		-	300	-	-	75	100	(25)	-25.0%	300
Provincial Government:		-	30,902	-	1,723	3,416	10,301	(6,884)	-66.8%	30,902
Provincial Treasury - Western Cape Financial Management Capacity Building Grant		-	240	-	-	-	80	(80)	-100.0%	240
Human Settlements - Human Settlements Development Grant		-	24,000	-	-	-	8,000	(8,000)	-100.0%	24,000
Transport & Public Works - Financial Assistance for Maintenance and Construction of Transport Infrastructure		-	1,048	-	-	-	349	(349)	-100.0%	1,048
Cultural Affairs & Sport - Library Service : Replacement Funding	4	-	5,080	-	1,723	3,416	1,693	1,723	101.7%	5,080
Local government - Thusong Service Centres Grant		-	330	-	-	-	110	(110)	-100.0%	330
Local government - Community Development Workers (CDW)		-	204	-	-	-	68	(68)	-100.0%	204
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	-	91,621	-	1,723	28,881	30,540	(1,659)	-5.4%	91,621
Capital Transfers and Grants										
National Government:		-	13,840	-	-	3,991	4,613	(622)	-13.5%	13,840
Municipal Infrastructure Grant (MIG)		-	13,840	-	-	3,991	4,613	(622)	-13.5%	13,840
Integrated National Electrification Programme		-	-	-	-	-	-	-		-
Provincial Government:		-	800	-	2,976	19,904	267	19,637	7364.0%	800
Local government - Fire Service Capacity Building Grant		-	800	-	-	800	267	533	200.0%	800
Human Settlements - Human Settlements Development Grant		-	-	-	2,976	15,804	-	15,804	#DIV/0!	-
Local government - Drought Relief		-	-	-	-	3,300	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	-	14,640	-	2,976	23,895	4,880	19,015	389.7%	14,640
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	106,261	-	4,698	52,776	35,420	17,356	49.0%	106,261

8.2 Supporting Table SC7 – Grant expenditure

WC053 Beaufort West - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October										
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:		-	60,719	-	2,721	24,733	20,240	4,494	22.2%	60,719
Local Government Equitable Share		-	51,060	-	-	21,275	17,020	4,255	25.0%	51,060
Energy Efficiency and Demand Management		-	6,000	-	1,786	1,886	2,000	(114)	-5.7%	6,000
Finance Management		-	1,700	-	733	976	567	409	72.2%	1,700
EPWP Incentive		-	1,659	-	180	486	553	(67)	-12.1%	1,659
Municipal Infrastructure Grant (MIG)		-	300	-	22	110	100	10	10.2%	300
Provincial Government:		-	30,902	-	428	1,631	10,301	(8,669)	-84.2%	30,902
Provincial Treasury - Western Cape Financial Management Capacity Building Grant		-	240	-	-	-	80	(80)	-100.0%	240
Human Settlements - Human Settlements Development Grant		-	24,000	-	-	-	8,000	(8,000)	-100.0%	24,000
Transport & Public Works - Financial Assistance for Maintenance and Construction of Transport Infrastructure		-	1,048	-	-	-	349	(349)	-100.0%	1,048
Cultural Affairs & Sport - Library Service : Replacement Funding		-	5,080	-	413	1,586	1,693	(108)	-6.4%	5,080
Local government - Thusong Service Centres Grant		-	330	-	-	-	110	(110)	-100.0%	330
Local government - Community Development Workers (CDW)		-	204	-	15	46	68	(22)	-32.9%	204
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		-	91,621	-	3,149	26,365	30,540	(4,176)	-13.7%	91,621
Capital expenditure of Transfers and Grants										
National Government:		-	13,840	-	145	3,667	4,613	(946)	-20.5%	13,840
Municipal Infrastructure Grant (MIG)		-	13,840	-	145	3,667	4,613	(946)	-20.5%	13,840
Integrated National Electrification Programme		-	-	-	-	-	-	-	-	-
Provincial Government:		-	800	-	3,921	16,466	267	16,199	6074.6%	800
Local government - Fire Service Capacity Building Grant		-	800	-	-	-	267	(267)	-100.0%	800
Human Settlements - Human Settlements Development Grant		-	-	-	3,086	15,421	-	15,421	#DIV/0!	-
Local government - Drought Relief		-	-	-	835	1,044	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	14,640	-	4,066	20,133	4,880	15,253	312.6%	14,640
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	106,261	-	7,215	46,497	35,420	11,077	31.3%	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 - M04 October						
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:		-	-	-	-	
Local Government Equitable Share		-	-	-	-	
Energy Efficiency and Demand Management		-	-	-	-	
Finance Management		-	-	-	-	
EPWP Incentive		-	-	-	-	
Municipal Systems Improvement		-	-	-	-	
Integrated National Electrification Programme		-	-	-	-	
Other transfers and grants [insert description]		-	-	-	-	
Provincial Government:		-	-	-	-	
Provincial Treasury - Western Cape Financial Management Capacity Building Grant		-	-	-	-	
Transport & Public Works - Financial Assistance for Maintenance and Construction of Transport Infrastructure		-	-	-	-	
Cultural Affairs & Sport - Library Service : Replacement Funding		-	-	-	-	
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	1,225	3,375	8,460	71.5%
Municipal Infrastructure Grant (MIG)		11,835	1,225	3,375	8,460	71.5%
Provincial Government:		-	-	-	-	
[insert description]		-	-	-	-	
District Municipality:		-	-	-	-	
[insert description]		-	-	-	-	
Other grant providers:		-	-	-	-	
[insert description]		-	-	-	-	
Total capital expenditure of Approved Roll-overs		11,835	1,225	3,375	8,460	71.5%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		11,835	1,225	3,375	8,460	71.5%

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

9.1 Supporting Table SC8

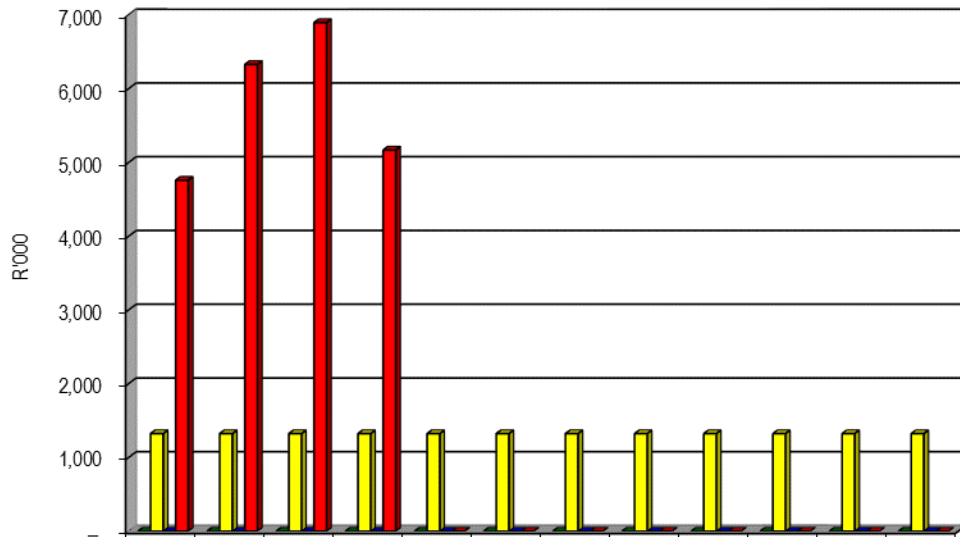
WC053 Beaufort West - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October										
Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	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	-	482	1,482	1,544	(62)	-4%	4,632
Pension and UIF Contributions		-	58	-	13	52	19	33	169%	58
Medical Aid Contributions		-	56	-	-	-	19	(19)	-100%	56
Motor Vehicle Allowance		-	276	-	51	181	92	89	97%	276
Cellphone Allowance		-	312	-	35	109	104	5	5%	312
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	51	-	4	16	17	(1)	-8%	51
Sub Total - Councillors		-	5,385	-	585	1,840	1,795	45	3%	5,385
Senior Managers of the Municipality	3									
Basic Salaries and Wages		-	4,496	-	402	1,184	1,499	(314)	-21%	4,496
Pension and UIF Contributions		-	877	-	33	106	292	(187)	-64%	877
Medical Aid Contributions		-	39	-	3	12	13	(1)	-5%	39
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	670	-	-	-	223	(223)	-100%	670
Motor Vehicle Allowance		-	456	-	24	87	152	(65)	-43%	456
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	467	-	-	-	156	(156)	-100%	467
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	7,005	-	463	1,389	2,335	(945)	-40%	7,005
Other Municipal Staff										
Basic Salaries and Wages		-	66,600	-	4,961	19,820	20,381	(561)	-3%	67,357
Pension and UIF Contributions		-	11,090	-	816	3,248	3,697	(449)	-12%	11,090
Medical Aid Contributions		-	1,507	-	122	484	502	(19)	-4%	1,507
Overtime		-	2,098	-	223	999	699	300	43%	2,098
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	1,748	-	150	569	583	(14)	-2%	1,748
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	939	-	76	308	313	(5)	-2%	939
Other benefits and allowances		-	897	-	135	613	299	313	105%	140
Payments in lieu of leave		-	240	-	-	38	80	(42)	-52%	240
Long service awards		-	455	-	119	348	152	197	130%	455
Post-retirement benefit obligations	2	-	936	-	151	307	312	(5)	-2%	936
Sub Total - Other Municipal Staff		-	86,510	-	6,752	26,734	27,018	(284)	-1%	86,510
Total Parent Municipality		-	98,900	-	7,800	29,964	31,147	(1,184)	-4%	98,900
TOTAL SALARY, ALLOWANCES & BENEFITS		-	98,900	-	7,800	29,964	31,147	(1,184)	-4%	98,900
TOTAL MANAGERS AND STAFF		-	93,514	-	7,215	28,123	29,352	(1,229)	-4%	93,514

10. Capital programme performance

10.1 Supporting Table C12

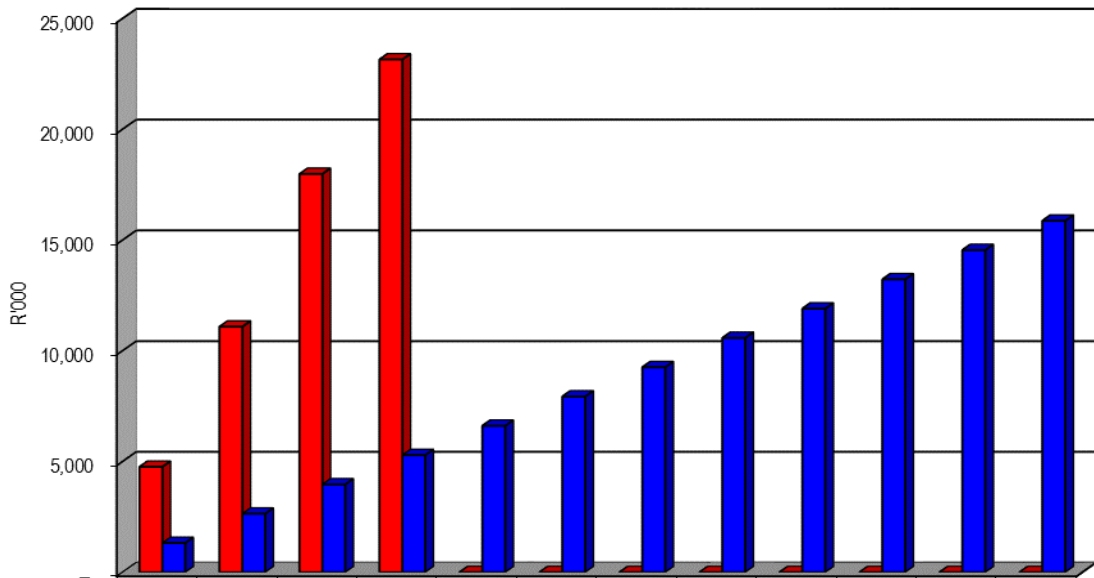
WC053 Beaufort West - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October									
Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
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	-	6,896	17,984	3,968	(14,016)	-353.3%	113%
October	-	1,323	-	5,168	23,152	5,290	(17,862)	-337.6%	146%
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	-	23,152					

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2016/17	-	-	-	-	-	-	-	-	-	-	-	-
Original Budget	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323
Adjusted Budget	-	-	-	-	-	-	-	-	-	-	-	-
Monthly actual	4,759	6,328	6,896	5,168	-	-	-	-	-	-	-	-

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
YearTD actual	4,759	11,087	17,984	23,152	-	-	-	-	-	-	-	-
YearTD budget	1,323	2,645	3,968	5,290	6,613	7,935	9,258	10,580	11,903	13,225	14,548	15,870

11. Material variances to the SDBIP

11.1 Over view

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