

THABAZIMBI LOCAL MUNICIPALITY



QUATERLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2018

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PART 1: THE QUARTELY REPORT

The purpose of this report is to adhere to the requirements of the legislation and regulations as quoted below.

a. Section 52(d) of the MFMA, stipulates that:

The Accounting Officer of a Municipality must by no later than 30 days after the end of the month, submit a report to Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format of the state of the municipality's budget reflecting the following particulars for that quarter and for the financial year up to the end of that quarter.

- (a) Actual revenue, per revenue source;
- (b) Actual borrowings;
- (c) Actual expenditure, per vote;
- (d) Actual capital expenditure, per vote;
- (e) The amount of any allocations received;
- (f) Actual expenditure on those allocations, excluding expenditure on—
 - (i) Its share of the local government equitable share; and
 - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of—
 - (i) Any material variances from the Municipality have projected revenue by source, and from the Municipality's expenditure projections per vote;
 - (ii) Any material variances from the service delivery and budget implementation plan; and
 - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the Municipality's approved budget.

b. Section 66 of the MFMA, stipulates further that:

The accounting officer of a Municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the Municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

- (a) Salaries and wages;
- (b) Contributions for pensions and medical aid;
- (c) Travel, motor car, accommodation, subsistence and other allowances;
- (d) Housing benefits and allowances;
- (e) Overtime payments;
- (f) Loans and advances; and
- (g) Any other type of benefit or allowance related to staff.

c. Deviation from and ratification of minor breaches of procurement processes: Regulation 36 (2) of the Supply Chain Management Regulations per Government Gazette, Notice number 27636, dated 30 May 2005 stipulates that :

The Accounting Officer must record the reasons for any deviations in terms of sub-regulation 1(a) and (b) and report them to the next meeting of the council and include as a note to the financial statements

1. Tabling of the Quarterly Budget Statements

Regulation 29 of the Budget Regulations per Government Gazette, Notice number 31804, dated 23 January 2009 stipulates that:

The Mayor may table in the municipal council a monthly budget statement submitted to the Mayor in terms of Section 71(1) of the Act. If the Mayor does so, the monthly budget statement must be accompanied by a Mayor's report in a format set out in schedule C.

2. Publication of the Quarterly Budget Statements

Regulation 30 of the Budget Regulations per Government Gazette, Notice number 31804 (read with Section 71, MFMA), dated 23 January 2009 stipulates that:

- (1) The monthly budget statement of a Municipality must be placed on the Municipality's website;
- (2) The municipal manager must publish on the municipal website any other information that the municipal council considers appropriate to facilitate public awareness of the monthly budget statement, including–
 - a) Summaries of the monthly budget statements in alternate languages predominant in the community; and
 - b) Information relevant to each ward in the Municipality.

3. Reports attached:

Table 1 Quarterly Budget Statement – Summary;
Table 2 Quarterly Budget Statement – Financial Performance per standard classification;
Table 3 Quarterly Budget Statement – Financial Performance (Revenue and Expenditure by vote);
Table 4 Quarterly Budget Statement – Financial Performance (Revenue and Expenditure by source);
Table 5 Quarterly Budget Statement – Capital Expenditure (municipal vote; standard classification and funding);
Table 6 Quarterly Budget Statements – Financial Position;
Table 7 Quarterly Budget Statements – Cash Flow;

4. Supporting tables:

Table 8: Material variance explanations;
Table 9: Performance Indicators;
Table 10: Debtors age analysis;
Table 11: Creditors age analysis;
Table 12: Investment portfolio;
Table 13: Transfers and Grants received;
Table 14: Transfers and Grants expenditure;
Table 15: Councilor and staff benefits;
Table 17: Capital expenditure trend
Table 18: Capital expenditure on new assets by asset class
Table 19: Expenditure on repairs by asset class
Table 20: Deviations from supply chain policy

5. Deviation from and ratification of minor breaches of procurement process

The deviations from, and ratification of minor breaches of the procurement process for the December 2018 as required in terms of subparagraph 36(1)(a) and (b) of the Supply Chain Management Regulations and Policy is herewith attached.

RECOMMENDATION

It is recommended that the council:

1. takes note of the Quarterly budget statements as reported by the Mayor under Table C 1 to 7 and the supporting tables SC 1 to 13;
2. Takes note of the explanations and ratify the deviations from the procurement process in terms of subparagraph 36(1) (a) and (b) of the Supply Chain Management Regulations; as detailed on Table 20.
3. takes note that each departmental head was informed of the budget statement applicable to their department and that they were instructed to exercise more effective control over the authorization and payment of all expenditure in their departments;

_____ DATE: ____ / ____ / 2019

Mr. M MATOLONG (*Chief Financial Officer of Thabazimbi Local Municipality*)

_____ DATE: ____ / ____ / 2019

Mr. TG RAMAGAGA (*Municipal Manager of Thabazimbi Local Municipality*)

_____ DATE: ____ / ____ / 2019

Cllr JM FISCHER (*Mayor Thabazimbi Local Municipality*)

EXECUTIVE SUMMARY

Table 1 MBRR C1 Quarterly Budget Statement Summary – Q2 December 2018

LIM361 Thabazimbi - Table C1 Monthly Budget Statement Summary - Q2 Second Quarter

Description	2017/18	Budget Year 2018/19							
	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	-	47 227	-	7 770	35 551	23 614	11 938	51%	47 227
Service charges	-	158 191	-	13 575	85 085	79 096	5 989	8%	158 191
Investment revenue	-	52	-	1	13	26	(13)	-51%	52
Transfers and subsidies	-	99 586	-	33 489	77 490	49 793	27 697	56%	99 586
Other own revenue	-	27 309	-	2 220	12 584	13 654	(1 071)	-8%	27 309
Total Revenue (excluding capital transfers and contributions)	-	332 366	-	57 055	210 722	166 183	44 540	27%	332 366
Employee costs	-	131 000	-	9 758	66 991	65 500	1 491	2%	131 000
Remuneration of Councillors	-	10 651	-	751	5 688	5 325	362	7%	10 651
Depreciation & asset impairment	-	27 290	-	-	-	13 645	(13 645)	-100%	27 290
Finance charges	-	9 500	-	51	491	4 750	(4 259)	-90%	9 500
Materials and bulk purchases	-	107 355	-	9 525	39 742	53 677	(13 935)	-26%	107 355
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	78 151	-	8 369	23 947	39 075	(15 129)	-39%	78 151
Total Expenditure	-	363 947	-	28 454	136 859	181 973	(45 115)	-25%	363 947
Surplus/(Deficit)	-	(31 581)	-	28 601	73 864	(15 791)	89 654	-568%	(31 581)
Transfers and subsidies - capital (monetary alloc	-	32 612	-	-	-	13 588	(13 588)	-100%	32 612
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	1 031	-	28 601	73 864	(2 202)	76 066	-3454%	1 031
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	1 031	-	28 601	73 864	(2 202)	76 066	-3454%	1 031
Capital expenditure & funds sources									
Capital expenditure	-	33 612	-	-	-	16 806	(16 806)	-100%	33 612
Capital transfers recognised	-	32 612	-	-	-	16 306	(16 306)	-100%	32 612
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	1 000	-	-	-	500	(500)	-100%	1 000
Total sources of capital funds	-	33 612	-	-	-	16 806	(16 806)	-100%	33 612
Financial position									
Total current assets	-	(54 267)	-	-	293 690	-	-	-	(54 267)
Total non current assets	-	1 556 428	-	-	954 390	-	-	-	1 556 428
Total current liabilities	-	453 794	-	-	475 607	-	-	-	453 794
Total non current liabilities	-	92 668	-	-	3 388	-	-	-	92 668
Community wealth/Equity	-	955 699	-	-	769 086	-	-	-	955 699
Cash flows									
Net cash from (used) operating	-	34 967	-	(42 619)	(40 043)	17 484	57 526	329%	34 967
Net cash from (used) investing	-	(32 612)	-	-	-	(16 306)	(16 306)	100%	(32 612)
Net cash from (used) financing	-	(1 284)	-	-	980	(642)	(1 622)	253%	(1 284)
Cash/cash equivalents at the month/year end	-	1 408	-	-	(39 035)	872	39 907	4574%	1 099
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	18 795	16 267	14 101	11 944	10 046	264 169	-	-	335 321
Creditors Age Analysis									
Total Creditors	39 379	22 047	7 765	172 151	26 070	20 629	130 296	31 309	449 645

This summary is based on financial information available at the time of preparation and is unaudited. The table above only shows summarised data; details are depicted on the Tables 1 – 7 as well as supporting tables that follow.

Total operating revenue achieved to date amounts to R210.7 million against a target of R166 million. This is an over-achievement of R44.7 million. Expenditure incurred year to date amounts R136.8 million excluding capital expenditure. A surplus of R73.8million was incurred at the end of December 2018.

The debtor's book remains very high as a result of outstanding balances and interest accumulated from prior years. An impairment provision was raised at the end of June 2013, however no bad debts or impairment assessment has been conducted since then. There is, however need to consider writing off some of these debts as it is highly unlikely that any recoveries will materialize. Efforts is being made with the assistance of COGHSTA to try and recover all sector department debts and Government debts.

The following items where under budgeted and they will be addressed on the adjustment budget in February 2019.

- Electricity
- Water
- Litigations
- Interest and
- Loans

Details of the variances shown on the table above as well as tables that follow are explained in Table 8 on page 16

Deviation from and ratification of minor breaches of procurement process

The deviations from, and ratification of minor breaches of the procurement process for the period of December 2018 as required in terms of subparagraph 36(1)(a) and (b) of the Supply Chain Management Regulations and Policy is herewith attached in Table 20 in this report.

QUARTERLY BUDGET STATEMENT TABLES

The table below shows quarterly financial performance, by revenue source and expenditure item, for the period ended 31 December 2018.

Table 2 MBRR C2 Quarterly Budget Statement - Financial Performance (revenue and expenditure) – Q2 December 2018

LIM361 Thabazimbi - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q2 Second Quarter

Description	Ref	2017/18	Budget Year 2018/19							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	147 236	-	43 456	120 053	73 618	46 435	63%	147 236
Executive and council		-	76 674	-	33 509	72 239	38 337	33 902	88%	76 674
Finance and administration		-	70 561	-	9 947	47 814	35 281	12 533	36%	70 561
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	706	-	13	154	353	(199)	-56%	706
Community and social services		-	341	-	13	145	170	(25)	-15%	341
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	365	-	0	8	182	(174)	-95%	365
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	79 521	-	10	450	39 761	(39 311)	-99%	79 521
Planning and development		-	104	-	9	65	52	13	25%	104
Road transport		-	79 417	-	2	384	39 708	(39 324)	-99%	79 417
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	137 515	-	13 575	90 066	68 757	21 308	31%	137 515
Energy sources		-	81 000	-	4 721	29 068	40 500	(11 432)	-28%	81 000
Water management		-	19 863	-	3 785	31 403	9 931	21 471	216%	19 863
Waste water management		-	20 265	-	3 872	21 766	10 132	11 634	115%	20 265
Waste management		-	16 388	-	1 197	7 828	8 194	(365)	-4%	16 388
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	364 978	-	57 055	210 722	182 489	28 234	15%	364 978
Expenditure - Functional										
<i>Governance and administration</i>		-	159 577	-	11 904	45 037	79 789	(34 752)	-44%	159 577
Executive and council		-	38 158	-	2 104	14 064	19 079	(5 015)	-26%	38 158
Finance and administration		-	119 115	-	9 695	30 121	59 558	(29 437)	-49%	119 115
Internal audit		-	2 304	-	105	852	1 152	(300)	-26%	2 304
<i>Community and public safety</i>		-	41 345	-	1 848	13 306	20 673	(7 366)	-36%	41 345
Community and social services		-	10 204	-	246	1 455	5 102	(3 647)	-71%	10 204
Sport and recreation		-	1 927	-	313	2 662	964	1 698	176%	1 927
Public safety		-	29 214	-	1 289	9 189	14 607	(5 418)	-37%	29 214
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	60 028	-	2 422	17 176	30 014	(12 838)	-43%	60 028
Planning and development		-	9 276	-	537	3 924	4 638	(713)	-15%	9 276
Road transport		-	50 752	-	1 884	13 252	25 376	(12 124)	-48%	50 752
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	91 672	-	12 280	62 794	45 836	16 958	37%	91 672
Energy sources		-	53 319	-	10 147	48 652	26 659	21 993	82%	53 319
Water management		-	27 208	-	861	7 075	13 604	(6 529)	-48%	27 208
Waste water management		-	4 848	-	655	2 035	2 424	(389)	-16%	4 848
Waste management		-	6 297	-	618	5 032	3 149	1 883	60%	6 297
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	352 622	-	28 454	138 313	176 311	(37 998)	-22%	352 622
Surplus/ (Deficit) for the year		-	12 356	-	28 601	72 409	6 178	66 231	1072%	12 356

The above table shows financial performance for December 2018 by standard classification. Details and explanations of the variances reported are given on Table 8 that follows.

Below is a table showing financial performance for December categorised by municipal vote. Details of the variances indicated are given on Table 8 that follows.

Table 3 MBRR C3 Quarterly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) – Q2 December 2018

LIM361 Thabazimbi - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q2 Second Quarter

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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 - 100 POLITICAL OFFICE BEARER	1	-	76 674	-	33 509	72 239	38 337	33 902	88,4%	76 674
Vote 2 - 200 MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - 300 BUDGET & TREASURY		-	70 083	-	9 916	47 628	35 041	12 587	35,9%	70 083
Vote 4 - 400 CORPORATE SERVICE		-	479	-	31	186	239	(53)	-22,3%	479
Vote 5 - 500 PLANNING AND DEVELOPMENT		-	104	-	9	65	52	13	25,0%	104
Vote 6 - 600 COMMUNITY SERVICES		-	24 593	-	1 212	8 029	12 297	(4 267)	-34,7%	24 593
Vote 7 - 700 TECHNICAL SERVICES		-	193 044	-	12 378	82 575	96 522	(13 947)	-14,5%	193 044
Vote 8 - PUBLIC SAFETY AND PROTECTION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	364 978	-	57 055	210 722	182 489	28 234	15,5%	364 978
Expenditure by Vote										
Vote 1 - 100 POLITICAL OFFICE BEARER	1	-	28 238	-	1 498	9 893	14 119	(4 225)	-29,9%	28 238
Vote 2 - 200 MUNICIPAL MANAGER		-	12 225	-	711	5 023	6 112	(1 090)	-17,8%	12 225
Vote 3 - 300 BUDGET & TREASURY		-	79 028	-	3 292	13 706	39 514	(25 808)	-65,3%	79 028
Vote 4 - 400 CORPORATE SERVICE		-	40 087	-	6 403	16 415	20 043	(3 629)	-18,1%	40 087
Vote 5 - 500 PLANNING AND DEVELOPMENT		-	9 276	-	537	3 924	4 638	(713)	-15,4%	9 276
Vote 6 - 600 COMMUNITY SERVICES		-	42 881	-	2 465	18 338	21 441	(3 102)	-14,5%	42 881
Vote 7 - 700 TECHNICAL SERVICES		-	136 126	-	13 547	71 014	68 063	2 950	4,3%	136 126
Vote 8 - PUBLIC SAFETY AND PROTECTION SERVICES		-	4 761	-	-	-	2 381	(2 381)	-100,0%	4 761
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	352 622	-	28 454	138 313	176 311	(37 998)	-21,6%	352 622
Surplus/ (Deficit) for the year	2	-	12 356	-	28 601	72 409	6 178	66 231	1072,1%	12 356

Overall, there is a general under spending of 21.6% on operating expenditure in the six months of the year, this is due to financial constraints that the Municipality is facing, it is worth noting that some of accounting estimates such as GRAP 25 provisions and Debt impairment and write off are subject to the necessary reviews and approvals and are not part of this report.

Table 4 MBRR C4 Quarterly Budget Statement - Financial Performance (standard classification) – Q2 December 2018

LIM361 Thabazimbi - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q2 Second Quarter

Description	Ref	2017/18	Budget Year 2018/19								
		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			47 227			7 770	35 551	23 614	11 938	51%	47 227
Service charges - electricity revenue			78 615			4 721	24 065	39 307	(15 243)	-39%	78 615
Service charges - water revenue			34 433			3 785	31 404	17 216	14 188	82%	34 433
Service charges - sanitation revenue			25 627			3 872	21 766	12 813	8 953	70%	25 627
Service charges - refuse revenue			19 131			1 197	7 828	9 566	(1 737)	-18%	19 131
Service charges - other			386			21	21	193	(172)	-89%	386
Rental of facilities and equipment			442			35	211	221	(11)	-5%	442
Interest earned - external investments			52			1	13	26	(13)	-51%	52
Interest earned - outstanding debtors			23 131			2 142	11 969	11 565	404	3%	23 131
Dividends received			-			-	-	-	-	-	-
Fines, penalties and forfeits			124			2	42	62	(20)	-33%	124
Licences and permits			3 000			-	-	1 500	(1 500)	-100%	3 000
Agency services			0			-	-	0	(0)	-100%	0
Transfers and subsidies			99 586			33 489	77 490	49 793	27 697	56%	99 586
Other revenue			612			42	362	306	56	18%	612
Gains on disposal of PPE			-			-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)			-			57 055	210 722	166 183	44 540	27%	332 366
Expenditure By Type											
Employee related costs			131 000			9 758	66 991	65 500	1 491	2%	131 000
Remuneration of councillors			10 651			751	5 688	5 325	362	7%	10 651
Debt impairment			6 646			-	-	3 323	(3 323)	-100%	6 646
Depreciation & asset impairment			27 290			-	-	13 645	(13 645)	-100%	27 290
Finance charges			9 500			51	491	4 750	(4 259)	-90%	9 500
Bulk purchases			107 355			9 525	39 742	53 677	(13 935)	-26%	107 355
Other materials			-			-	-	-	-	-	-
Contracted services			8 250			5 151	7 974	4 125	3 849	93%	8 250
Transfers and subsidies			-			-	-	-	-	-	-
Other expenditure			63 255			3 218	15 972	31 628	(15 655)	-49%	63 255
Loss on disposal of PPE			-			-	-	-	-	-	-
Total Expenditure			-			28 454	136 859	181 973	(45 115)	-25%	363 947
Surplus/(Deficit)			-			28 601	73 864	(15 791)	89 654	(0)	(31 581)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			32 612			-	-	13 588	(13 588)	(0)	32 612
(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			-			28 601	73 864	(2 202)			1 031
Taxation			-			-	-	-	-	-	-
Surplus/(Deficit) after taxation			-			28 601	73 864	(2 202)			1 031
Attributable to minorities			-			-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality			-			28 601	73 864	(2 202)			1 031
Share of surplus/ (deficit) of associate			-			-	-	-	-	-	-
Surplus/ (Deficit) for the year			-			28 601	73 864	(2 202)			1 031

Overall, the insignificant magnitudes of variances for both revenue and expenditure are expected, mainly due to the seasonal demand for basic services.

Table 5 MBRR C5 Quarterly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – Q2 December 2018

LIM361 Thabazimbi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q2 Second Quarter

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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 2 - 200 MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
Vote 3 - 300 BUDGET & TREASURY		-	-	-	-	-	-	-	-	-
Vote 4 - 400 CORPORATE SERVICE		-	-	-	-	-	-	-	-	-
Vote 5 - 500 PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 6 - 600 COMMUNITY SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 - 700 TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - PUBLIC SAFETY AND PROTECTION SERVICE		-	21 812	-	-	-	10 906	(10 906)	-100%	21 812
Total Capital Multi-year expenditure	4,7	-	21 812	-	-	-	10 906	(10 906)	-100%	21 812
Single Year expenditure appropriation	2									
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	21 812	-	-	-	10 906	(10 906)	-100%	21 812
Capital Expenditure - Functional Classification										
Governance and administration		-	-	-	-	-	-	-	-	-
Executive and council										
Finance and administration										
Internal audit										
Community and public safety		-	11 800	-	-	-	5 900	(5 900)	-100%	1 500
Community and social services			1 000				500	(500)	-100%	1 500
Sport and recreation			10 800				5 400	(5 400)	-100%	
Economic and environmental services		-	21 812	-	-	-	10 906	(10 906)	-100%	33 759
Planning and development										
Road transport			21 812				10 906	(10 906)	-100%	33 759
Environmental protection										
Trading services		-	-	-	-	-	-	-	-	-
Energy sources										
Water management										
Waste water management										
Waste management										
Other										
Total Capital Expenditure - Functional Classification	3	-	33 612	-	-	-	16 806	(16 806)	-100%	35 259
Funded by:										
National Government			32 612				16 306	(16 306)	-100%	32 612
Transfers recognised - capital		-	32 612	-	-	-	16 306	(16 306)	-100%	32 612
Public contributions & donations	5									
Borrowing	6									
Internally generated funds			1 000				500	(500)	-100%	1 000
Total Capital Funding		-	33 612	-	-	-	16 806	(16 806)	-100%	33 612

Table 6 MBRR C 6: Financial Position as at 31 December 2018

LIM361 Thabazimbi - Table C6 Monthly Budget Statement - Financial Position - Q2 Second Quarter

Description	Ref	2017/18	Budget Year 2018/19				
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast	
R thousands	1						
ASSETS							
Current assets							
Cash			(171 350)		1 583	(171 350)	
Call investment deposits			295		3 836	295	
Consumer debtors			114 536		286 158	114 536	
Other debtors							
Current portion of long-term receivables							
Inventory			2 252		2 113	2 252	
Total current assets			-	(54 267)	-	293 690	(54 267)
Non current assets							
Long-term receivables							
Investments							
Investment property							
Investments in Associate							
Property, plant and equipment			1 555 431		924 073	1 555 431	
Agricultural							
Biological assets			997		30 317	997	
Intangible assets							
Other non-current assets							
Total non current assets			-	1 556 428	-	954 390	1 556 428
TOTAL ASSETS			-	1 502 161	-	1 248 080	1 502 161
LIABILITIES							
Current liabilities							
Bank overdraft							
Borrowing			6 162		106	6 162	
Consumer deposits			4 541		3 961	4 541	
Trade and other payables			398 137		449 645	398 137	
Provisions			44 953		21 894	44 953	
Total current liabilities			-	453 794	-	475 607	453 794
Non current liabilities							
Borrowing			6 446		3 388	6 446	
Provisions			86 222			86 222	
Total non current liabilities			-	92 668	-	3 388	92 668
TOTAL LIABILITIES			-	546 462	-	478 995	546 462
NET ASSETS	2		-	955 699	-	769 086	955 699
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)			955 699		769 086	955 699	
Reserves							
TOTAL COMMUNITY WEALTH/EQUITY	2		-	955 699	-	769 086	955 699

Receivables have increased due to low collection rates. The debtors balance as at 31 December 2018 is R286 million. The creditors balance has decrease substantially to R449.6 million and continues to increase at an alarming rate due to litigations from creditors that are not on the municipalities' financial system.

Table 7 MBRR C7 Quarterly Budget Statement - Cash Flow – Q2 December 2018

LIM361 Thabazimbi - Table C7 Monthly Budget Statement - Cash Flow - Q2 Second Quarter

Description	Ref	2017/18	Budget Year 2018/19								
		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			47 227		2 276	19 953	23 614	(3 661)	-16%	47 227	
Service charges			158 191		4 532	53 937	79 096	(25 159)	-32%	158 191	
Other revenue			4 178		1 086	6 505	2 089	4 416	211%	4 178	
Government - operating			99 586		33 489	77 490	49 793	27 697	56%	99 586	
Government - capital			32 612				16 306	(16 306)	-100%	32 612	
Interest			23 183		127	4 390	11 591	(7 202)	-62%	23 183	
Dividends								-		-	
Payments											
Suppliers and employees			(320 511)		(84 104)	(202 224)	(160 255)	41 969	-26%	(320 511)	
Finance charges			(9 500)		(26)	(94)	(4 750)	(4 656)	98%	(9 500)	
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	34 967	-	(42 619)	(40 043)	17 484	57 526	329%	34 967
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE								-			
Decrease (Increase) in non-current debtors								-		-	
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments								-			
Payments											
Capital assets			(32 612)				(16 306)	(16 306)	100%	(32 612)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(32 612)	-	-	-	(16 306)	(16 306)	100%	(32 612)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans								-			
Borrowing long term/refinancing								-			
Increase (decrease) in consumer deposits								-			
Payments											
Repayment of borrowing			(1 284)			980	(642)	(1 622)	253%	(1 284)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	(1 284)	-	-	980	(642)	(1 622)	253%	(1 284)
NET INCREASE/ (DECREASE) IN CASH HELD			-	1 071	-	(42 619)	(39 063)	536		1 071	
Cash/cash equivalents at beginning:			337			28	337			28	
Cash/cash equivalents at month/year end:			-	1 408	-		(39 035)	872		1 099	

The Municipality's cash flow position is very poor. The cash balances reflected above represent the bank balance at end of December 2018. The bank balance from the main, Traffic fines Account and RDP account amounted to R1 582 728.84 at the end of December 2018. It is worth noting that the municipality has other bank accounts.

PART 2 – SUPPORTING DOCUMENTATION

Table 8 MBRR SC1 Quarterly Budget Statement – Material variances explanations – Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC1 Material variance explanations - Q2 Second Quarter

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
2	Expenditure By Type			
	Debt impairment		Debt impairment assessment usually done at year end	We will ensure assessment doubtful and irrecoverable receivables is performed before year end in accordance Grap 104
3	Capital Expenditure			
	Capex		Implementation is not consistent with the capital grant receipt	Currently the MIG is implemented at Waterberg District Municipality . The municipality will only received the money in 2019/20
4	Financial Position			
	Consumer debtor		Receivables continue to soar due to collection challenges	The municipality is over committed
5	Cash Flow			
	Capital expenditure		Our spending on capital expenditure has been moving slow due to the financial constraints experienced in the previous financial year	The municipality has appointed service agency
6	Measureable performance			
	Creditors management		Relatively lower debtors collection rates have affected the ability to service creditors efficiently	More sterner debt control policies to be implemented to ensure efficient collection of receivables and servicing of creditors
7	Municipal Entities			
	No entities			

Table 9 MBRR SC2 Quarterly Budget Statement - performance indicators -Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q2 Second Quarter

Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			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		0,0%	10,1%	0,0%	0,4%	10,1%
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		0,0%	43,0%	0,0%	58,9%	43,0%
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	0,0%	-12,0%	0,0%	61,8%	-12,0%
Liquidity Ratio	Monetary Assets/Current Liabilities		0,0%	-37,7%	0,0%	1,1%	-37,7%
<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		0,0%	34,5%	0,0%	135,8%	34,5%
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))		60,0%	95,0%	70,0%	45,0%	80,0%
<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	22,0%	30,0%	22,0%	22,0%	22,0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	10,0%	10,0%	30,0%	30,0%	30,0%
Employee costs	Employee costs/Total Revenue - capital revenue		0,0%	39,4%	0,0%	31,8%	39,4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0,0%	0,0%	0,0%	0,0%	0,0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0,0%	11,1%	0,0%	0,2%	11,1%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

Explanations of significant statistics

Borrowing management

Borrowing levels remain low, even lower than prior audited year, although expected to rise if the plans to acquire vehicles on vehicle finance proceed. Capital charges refers to total installment to repay loans (comprising of capital and interest portions) and this remains a very small proportion of total operating expenditure to date. The municipality has renegotiated the payment terms on the DBSA loan due to its current financial crisis.

Safety of capital

Municipal reserves remain greater than the liabilities as indicated by the low gearing level of only 58.9%. However the high level of unpaid creditors remains a threat to the overall debt to equity ratio. If compliance with section 65(2) (e) of MFMA is observed, this ratio could be managed within the acceptable range.

Liquidity

The statistics indicate that the current assets are sufficient to cover current liabilities with more than the recommended (2; 1 times). Note that an increase in gross debtors to date has also contributed to the healthy liquidity, which may technically be doubtful.

Revenue management

The Municipality is not doing very well in this particular aspect because of two main issues namely;

- The accounting system in use (prior to February 2012) did not allow filtering and categorizing receipts per revenue source. This implies accuracy of reported figures on this financial indicator maybe compromised.
- The debtors' collection itself is generally low with debtors dating back from a decade ago.

Creditors' management

The creditors' efficiency rate of 45% is below budget figures of 95% and efforts need to be put in place to comply with the MFMA as regards payment of creditors. This of course depends on revenue collection which is considered low as mentioned under revenue management above.

Water and electricity losses

No accurate figures have been reported in this category as it is currently difficult to record losses. There are no meters that record units of either utility purchased and distributions. Figures reported in table 9 above are estimates based on invoices paid to utility providers as well as municipal billing system.

Table 10MBRRSC 3: Debtors age analysis –Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q2 Second Quarter

Description	NT Code	Budget Year 2018/19									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	3 688	3 421	2 383	2 534	1 529	50 662			64 215	54 725		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 477	3 019	2 093	705	794	11 659			22 746	13 157		
Receivables from Non-exchange Transactions - Property Rates	1400	6 238	4 204	3 740	3 183	2 807	30 113			50 284	36 102		
Receivables from Exchange Transactions - Waste Water Management	1500	3 614	2 490	2 231	2 205	2 228	39 660			52 428	44 093		
Receivables from Exchange Transactions - Waste Management	1600	976	759	738	700	759	22 315			26 247	23 774		
Receivables from Exchange Transactions - Property Rental Debtors	1700	29	27	27	27	23	2 925			3 059	2 975		
Interest on Arrear Debtor Accounts	1810	1	2 042	1 916	1 895	1 815	68 144			75 813	71 854		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-			-	-		
Other	1900	(229)	307	973	695	92	38 691			40 529	39 478		
Total By Income Source	2000	18 795	16 267	14 101	11 944	10 046	264 169	-	-	335 321	286 158	-	-
2017/18 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	726	928	513	375	537	6 003			9 082	6 915		
Commercial	2300	3 254	3 852	2 067	2 395	1 806	27 753			41 127	31 954		
Households	2400	11 235	10 309	9 915	7 728	7 141	210 087			256 416	224 956		
Other	2500	3 579	1 177	1 607	1 446	561	20 326			28 696	22 332		
Total By Customer Group	2600	18 795	16 267	14 101	11 944	10 046	264 169	-	-	335 321	286 158	-	-

The debtors' balance above is a gross amount. An impairment provision has already been raised that has reduced the debtors balance significantly, following a recommendation by the Auditor General of South Africa.

Table 11 MBRR SC4 Quarterly Budget Statement - aged creditors – Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q2 Second Quarter

Description	NT Code	Budget Year 2018/19								
		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	9 849	8 270	327	169 768	-	18 097	-	-	206 311
Bulk Water	0200	2 227	1 555	2 603	2 086	2 396	2 532	47 786	-	61 185
PAYE deductions	0300	9 621	-	-	-	-	-	-	-	9 621
VAT (output less input)	0400	129	1 435	-	-	-	-	-	-	1 564
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	3 494	-	3 494
Trade Creditors	0700	17 553	10 788	4 835	296	23 674	-	79 015	31 309	167 470
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	39 379	22 047	7 765	172 151	26 070	20 629	130 296	31 309	449 645

Table 12 MBRR SC5 Quarterly Budget Statement - investment portfolio – Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q2 Second Quarter

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 of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
ABSA Investment		1 Month	Fixed deposit	-	-	0,0%	66	-	66
Sanlam Investment		1 Month	Unit trusts	-	-	0,0%	38	-	38
Sanlam Investment		1 Month	Unit trusts	-	-	0,0%	62	-	62
Old Mutual Investment		1 Month	Unit trusts	14/12/2014	-	0,0%	-	-	-
ABSA Investment		1 Month	Fixed deposit	-	-	0,0%	3 836	0	3 836
Municipality sub-total					-		4 001	0	4 001
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		4 001	0	4 001

Table 13 MBRR SC6 Quarterly Budget Statement - transfers and grant receipts – Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q2 Second Quarter

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
RECEIPTS:									
Operating Transfers and Grants									
National Government:	-	99 586	-	33 489	77 490	49 793	21 320	42,8%	99 586
Local Government Equitable Share		86 028		28 489	64 334	43 014	21 320	49,6%	86 028
Finance Management		2 215			2 215	1 108			2 215
EPWP Incentive		1 343			941	672			1 343
Municipal Systems Improvement									
Integrated National Electrification Programme		10 000		5 000	10 000	5 000			10 000
Provincial Government:	-	-	-	-	-	-	-	-	-
<i>Housing</i>									
District Municipality:	-	-	-	-	-	-	-	-	-
<i>Fire Grant</i>									
Other grant providers:	-	-	-	-	-	-	-	-	-
<i>LG Seta</i>									
Total Operating Transfers and Grants	-	99 586	-	33 489	77 490	49 793	21 320	42,8%	99 586
Capital Transfers and Grants									
National Government:	-	32 612	-	-	-	16 306	(16 306)	-100,0%	32 612
Municipal Infrastructure Grant (MIG)		32 612				16 306	(16 306)	-100,0%	32 612
Provincial Government:	-	-	-	-	-	-	-	-	-
<i>[insert description]</i>									
District Municipality:	-	-	-	-	-	-	-	-	-
<i>[insert description]</i>									
Other grant providers:	-	-	-	-	-	-	-	-	-
<i>[insert description]</i>									
Total Capital Transfers and Grants	-	32 612	-	-	-	16 306	(16 306)	-100,0%	32 612
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	132 198	-	33 489	77 490	66 099	5 014	7,6%	132 198

The municipality received R77.4 million for grants in 2018/2019 Division of Revenue Act payment schedule.

Table 14: Transfers and Grants expenditure-Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q2 Second Quarter

Description	Ref	2017/18	Budget Year 2018/19							
		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:		-	99 586	-	29 998	72 288	49 793	22 495	45,2%	99 586
Local Government Equitable Share			86 028		28 489	64 334	43 014	21 320	49,6%	86 028
Finance Management			2 215		1 219	2 215	1 108	1 108	100,0%	2 215
EPWP Incentive			1 343		290	739	672	68	10,1%	1 343
Municipal Systems Improvement										
Integrated National Electrification Programme			10 000			5 000	5 000			10 000
Other transfers and grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Housing										
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Fire Grant										
Other grant providers:		-	-	-	-	-	-	-	-	-
LG Seta										
Total operating expenditure of Transfers and Grants:		-	99 586	-	29 998	72 288	49 793	22 495	45,2%	99 586
Capital expenditure of Transfers and Grants										
National Government:		-	32 612	-	-	-	16 306	(16 306)	-100,0%	32 612
Municipal Infrastructure Grant (MIG)			32 612				16 306	(16 306)	-100,0%	32 612
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	32 612	-	-	-	16 306	(16 306)	-100,0%	32 612
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	132 198	-	29 998	72 288	66 099	6 189	9,4%	132 198

**Table 15 MBRR SC8 Quarterly Budget Statement – Councillors and Employee Benefits – Q2
December
2018**

LIM361 Thabazimbi - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q2 Second Quarter

Summary of Employee and Councillor remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B	C					%	D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		6 820		503	3 527	3 410	117	3%	6 820
Pension and UIF Contributions		943		55	465	471	(6)	-1%	943
Medical Aid Contributions		96		6	34	48	(14)	-30%	96
Motor Vehicle Allowance		1 695		103	793	847	(55)	-6%	1 695
Cellphone Allowance		1 097		84	865	549	316	58%	1 097
Other benefits and allowances				1	4	-	4	#DIV/0!	
Sub Total - Councillors	-	10 651	-	751	5 688	5 325	362	7%	10 651
% increase		#DIV/0!							#DIV/0!
Senior Managers of the Municipality									
Basic Salaries and Wages		9 086		1 277	7 484	4 543	2 940	65%	9 086
Pension and UIF Contributions		337		26	177	169	9	5%	337
Medical Aid Contributions		515		45	306	257	49	19%	515
Overtime		8			19	4	15	392%	8
Motor Vehicle Allowance		1 713		132	1 093	856	237	28%	1 713
Cellphone Allowance		58		5	36	29	7	25%	58
Other benefits and allowances		75		21	185	38	148	393%	75
Sub Total - Senior Managers of Municipality	-	11 792	-	1 505	9 301	5 896	3 405	58%	11 792
% increase		#DIV/0!							#DIV/0!
Other Municipal Staff									
Basic Salaries and Wages		86 929		6 990	47 712	43 464	4 247	10%	86 929
Pension and UIF Contributions		10 788		130	771	5 394	(4 623)	-86%	10 788
Medical Aid Contributions		4 591		298	2 106	2 296	(190)	-8%	4 591
Overtime				14	366	-	366	#DIV/0!	
Motor Vehicle Allowance		8 187		589	4 019	4 093	(74)	-2%	8 187
Cellphone Allowance		338		1	3	169	(166)	-98%	338
Housing Allowances				1	6	-	6	#DIV/0!	
Other benefits and allowances		8 375		229	2 699	4 187	(1 489)	-36%	8 375
Sub Total - Other Municipal Staff	-	119 208	-	8 252	57 682	59 604	(1 922)	-3%	119 208
% increase		#DIV/0!							#DIV/0!
Total Parent Municipality	-	141 651	-	10 509	72 671	70 825	1 845	3%	141 651
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Sub Total - Board Members of Entities	-	-	-	-	-	-	-		-
Senior Managers of Entities									
Sub Total - Senior Managers of Entities	-	-	-	-	-	-	-		-
Other Staff of Entities									
Sub Total - Other Staff of Entities	-	-	-	-	-	-	-		-
Total Municipal Entities	-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS	-	141 651	-	10 509	72 671	70 825	1 845	3%	141 651
TOTAL MANAGERS AND STAFF	-	131 000	-	9 758	66 983	65 500	1 483	2%	131 000

Table 17 MBRR SC12 Quarterly Budget Statement - capital expenditure trend – Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Q2 Second Quarter

Month	2017/18	Budget Year 2018/19							
	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						-	-		
August						-	-		
September						-	-		
October						-	-		
November						-	-		
December						-	-		
January						-	-		
February						-	-		
March						-	-		
April						-	-		
May						-	-		
June						-	-		
Total Capital expenditure	-	-	-	-					

Other supporting documents

Table 18 MBRR SC13a Quarterly Budget Statement - capital expenditure on new assets by asset class – Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Q2 Second Quarter

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	-	6 956	-	-	-	3 478	3 478	100,0%	6 956
Roads Infrastructure	-	6 956	-	-	-	3 478	3 478	100,0%	6 956
Roads		6 956				3 478	3 478	100,0%	6 956
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
Community Assets	-	1 000	-	-	-	500	500	100,0%	1 000
Community Facilities	-	1 000	-	-	-	500	500	100,0%	1 000
Cemeteries/Crematoria		1 000				500	500	100,0%	1 000
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Revenue Generating	-	-	-	-	-	-	-	-	-
Non-revenue Generating	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Operational Buildings	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Licences and Rights	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Computer Equipment									
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment									
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets									
Libraries	-	-	-	-	-	-	-	-	-
Libraries									
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals									
Total Capital Expenditure on new assets	-	7 956	-	-	-	3 978	3 978	100,0%	7 956

Table 19MBRRSC 13c Expenditure on repairs and maintenance by asset class-Q2 December 2018

LIM361 Thabazimbi - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Q2

Description	2017/18	Budget Year 2018/19							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands								%	
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	-	17 510	-	950	7 148	8 755	1 607	18,4%	17 510
Roads Infrastructure	-	6 994	-	34	53	3 497	3 444	98,5%	6 994
<i>Roads</i>		6 994		34	53	3 497	3 444	98,5%	6 994
Storm water Infrastructure	-	3 694	-	-	323	1 847	1 524	82,5%	3 694
<i>Drainage Collection</i>		3 694			323	1 847	1 524	82,5%	3 694
Electrical Infrastructure	-	3 694	-	209	5 737	1 847	(3 890)	-210,6%	3 694
<i>HV Transmission Conductors</i>		3 694		209	5 737	1 847	(3 890)	-210,6%	3 694
Water Supply Infrastructure	-	2 794	-	279	571	1 397	826	59,1%	2 794
<i>Boreholes</i>		2 794		279	571	1 397	826	59,1%	2 794
Sanitation Infrastructure	-	333	-	395	395	167	(229)	-137,1%	333
<i>Reticulation</i>		333		395	395	167	(229)	-137,1%	333
Solid Waste Infrastructure	-	-	-	34	69	-	(69)	#DIV/0!	-
<i>Landfill Sites</i>				34	69		(69)	#DIV/0!	-
Community Assets	-	843	-	98	206	421	215	51,1%	843
Community Facilities	-	843	-	90	95	421	326	77,5%	843
<i>Fire/Ambulance Stations</i>					2		(2)	#DIV/0!	
<i>Cemeteries/Crematoria</i>				82	82		(82)	#DIV/0!	
<i>Police</i>		843		8	11	421	410	97,3%	843
Sport and Recreation Facilities	-	-	-	7	111	-	(111)	#DIV/0!	-
<i>Indoor Facilities</i>				7	111		(111)	#DIV/0!	
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	6 093	-	-	-	3 047	3 047	100,0%	6 093
Operational Buildings	-	6 093	-	-	-	3 047	3 047	100,0%	6 093
<i>Municipal Offices</i>		2 890				1 445	1 445	100,0%	2 890
<i>Yards</i>		3 203				1 601	1 601	100,0%	3 203
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	-	-	-
Computer Equipment	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment	-	817	-	-	-	409	409	100,0%	817
Furniture and Office Equipment		817				409	409	100,0%	817
Machinery and Equipment	-	645	-	-	-	322	322	100,0%	645
Machinery and Equipment		645				322	322	100,0%	645
Transport Assets	-	3 065	-	-	-	1 533	1 533	100,0%	3 065
Transport Assets		3 065				1 533	1 533	100,0%	3 065
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Ani	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expen	-	28 973	-	1 048	7 354	14 487	7 132	49,2%	28 973

Table 20: -Deviations from supply chain policy-Q2 December 2018

Date	Supplier	Reason	Amount
20/12/2018	Tivivo Trading	A power failure at Ipelegeng caused by a faulty 35mmx 3 core XLPE 11kV underground cable that blew up causing more than 200 community members of Thabazimbi stranded without electricity.	R 99 348,50
21/12/218	Pro Jalu (PTY) LTD	Urgent supply of 200kW weg motor footmunted 4 pole 380v	R 196 789,00
			R 296 137,50

Quality certificate

I, TG Ramagaga, Municipal Manager of Thabazimbi Local Municipality, hereby certify that the Quarterly budget statement for the period ended 31 December 2018 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Mr TG Ramagaga Municipal Manager of Thabazimbi Local Municipality (LIM361)

Signature.....

Date.....