

Ubuntu Municipality



*menswaardigheid • hoop • erfenis
ubuntu • ithemba • izithethe
humanity • hope • heritage*

MID-YEAR REPORT Q2 2021

December 2020

UBUNTU LOCAL MUNICIPALITY (NC071)

IN-YEAR REPORT OF MUNICIPALITY

Prepared in terms of Local Government
Municipal Finance Management Act (56/2003)
Municipal Budget and Reporting Regulations,
Government Gazette 32141, 17 May 2009

Budget and Treasury Office
MFMA: Sec. 71, 52(d), 72 MBRR

A handwritten signature in black ink, consisting of stylized initials and a long horizontal stroke extending to the right.

Table of Contents

Glossary.....	2
PART 1 – IN-YEAR REPORT.....	4
Section 1 – Mayor’s Report.....	4
Section 2 – Resolutions.....	4
Section 3 – Executive Summary.....	4
Section 4 – In-Year budget statement Tables.....	7
PART 2 – SUPPORTING DOCUMENTATION.....	15
Section 5 – Debtors Analysis.....	15
Section 6 – Creditors Analysis.....	15
Section 7 – Investment Portfolio analysis.....	16
Section 8 – Allocation of Grants Receipt & Expenditure.....	17
Section 9 – Expenditure on Councilor allowances and employee benefits.....	20
Section 10 – Actual and Revised Targets for Cash Receipts.....	21
Section 11 – Capital program performance.....	22
Section 12 – Municipal manager’s quality certification.....	24



GLOSSARY OF TERMS

Adjustments Budget	Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
Allocations	Money received from Provincial or National Government or other municipalities.
Budget	The financial plan of the Municipality.
Budget Related Policy	Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.
Capital Expenditure	Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the municipality's balance sheet.
Benchmarking	The process of comparing business processes and performance to industry bests and/or best practices from other industries.
Equitable Share	A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
GFS	Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
GRAP	Generally Recognised Accounting Practice. The standard for municipal accounting.
IDP	Integrated Development Plan. The main strategic planning document of the Municipality.
KPI	Key Performance Indicators. Measures of service output and/or outcome.
MFMA	The Municipal Finance Management Act – No. 53 of 2003. The principle piece of legislation relating to municipal financial management.
MTREF	Medium Term Revenue and Expenditure Framework. A medium-term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.


2

Operating Expenditure	Spending on the day to day expenses of the Municipality such as salaries and wages.
Predetermined Objectives	Strategic objectives, programs, projects, and performance indicators identified during the IDP/Budget process.
Quarterly	Period made up of three months July - September, October - December, January - March and April - June.
Rates	Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
SDBIP	Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
Strategic Objectives	The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.
Vote	One of the main segments into which a budget is divided, usually at directorate / department level.



PART 1 – IN-YEAR REPORT

Section 1 – Mayors Report

1. The municipality is required to implement the budget in accordance with the Service Delivery and Budget Implementation Plan.
2. However, this does not happen in totality as some of the projects set out in the SDBIP are not rolled out. A revised SDBIP are therefore recommended
3. The biggest risk the municipality is currently facing are its growing debtor's book. Economically active households are not paying their municipal accounts every month.
4. The approved rollover of MIG and other provincial grant as well as operational income, expenditure and cash flows an adjustment budget.

Section 2 – Resolutions

This will be tabled at Council 31 January 2021.

Section 3 – Executive Summary

3.1 Revenue by source

Property rates

- Total revenue charge year to date totaled R 22,215 million against an anticipated collection charge of R 23,131 million as budgeted.
- The billing has also improved due to data cleansing and strengthening of control.

Electricity service revenue

- The municipality total electricity charged was R 8,572 million up to this 2nd quarter ended, with a total of R 9 058 million year to date budgeted charges, at 5% deviation from budgeted amount.

Water service revenue

- Water revenue amounted to R 544,2 thousand for the last month of quarter two and at total revenue charge of R 3,509 million year to date actual charged. Water revenue needs to be increased

Sanitation service charges

- Sewer revenue came at a total of R 281,7 thousand for the last month of quarter two and at total of R 1 989 144 against a budgeted R 2 396 363.

Refuse removal service charges



- Refuse removal revenue collection was a total of R 292 841 for last month of quarter two.

It is also noted that interest on outstanding debtors makes up a significant portion of revenue, which has become a trend, indicating a high level of outstanding debtors, thus it is recommended that debt collection policy be strengthened and strictly implemented.

Operating Expenditure by type

Employee Related Cost

- Totaled R 20 5221 872 for the 2nd quarter ended.

Bulk Purchases

- The losses in the electricity department contributes to the high expenditure level in this department. The implementation plan approved in the Finance Committee meeting needs to be implemented as soon as possible as previously recommended.
- Total Electricity and Water bulk purchases was at R 11 634 981 for year to date ended in the 2nd quarter.

Other Materials (Repairs and Maintenance)

- A maintenance plan is needed to ensure all critical repairs and maintenance are done.
- Asset management unit is working in ensuring critical infrastructure assets for basic service delivery are being identified for urgent repairs or replacement.
- A total expenditure of R 504 051 has been incurred during this 2nd quarter year to date for repairs and maintenance.

Contracted Services

- This needs to be adjusted in order to align with contract entered.
- Total expenditure of R 4 162 618 was incurred YTD, this can highly be attributed to 3 years agreement contracted services for AFS and Assets Register preparation.

Other Expenditures

- Serious implementation of cost containment is needed to avoid spending on non-priority items.
- A total of R 7 885 392 has been incurred year to date at end of the 2nd quarter.

Capital Expenditure

A total spending of R 3 824 000 was incurred year to date for this financial year.

The municipality has budgeted to spent R 12 094 000 on capital acquisitions to date. Capital Expenditure out of own funds needs to be adjusted to ensure all water infrastructure and other critical service delivery assets can be procured.



5

Capital grants have been funded primarily through National Government; however internal generated funds have also been used to cater for unexpected capital acquisitions.

Cash Flows

The municipality must maintain and improve on the current cash flow management processes put in place. Clear targets need to be introduced for income and expenditure departments.

3.2 Material variances from SDBIP

There are material variances from SDBIP due to CAPEX not being rolled out according to the plan. A revised SDBIP is therefore needed.

3.3 Remedial action or Corrective steps

1. Non-financial information like Key Performance areas needs to be reworked to align with service delivery targets.

A handwritten signature in black ink, appearing to be 'A. N.', with a horizontal line underneath it.

Section 4 – In-Year Budget statement table

4.1 Quarterly budget statement

4.1.1 Table C1: Quarterly Statement Summary

This table provide a summary of the most important information by pulling its information from the other tables to follow.

NC071 Ubuntu - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2019/20	Budget Year 2020/21							
	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	21 211	23 131	23 131	(1)	22 215	11 565	10 650	92%	23 131
Service charges	31 424	31 972	31 972	2 434	15 730	15 986	(256)	-2%	31 972
Investment revenue	450	386	386	(51)	2	193	(191)	-99%	386
Transfers and subsidies	40 597	41 866	47 499	(155)	16 572	30 893	(14 320)	-46%	47 499
Other own revenue	30 365	40 129	40 129	981	5 751	20 065	(14 314)	-71%	40 129
Total Revenue (excluding capital transfers and contributions)	124 047	137 484	143 117	3 208	60 270	78 702	(18 431)	-23%	143 117
Employee costs	36 488	38 487	38 487	3 117	20 522	19 244	1 278	7%	38 487
Remuneration of Councilors	2 998	2 977	2 977	273	1 456	1 488	(32)	-2%	2 977
Depreciation & asset impairment	24 194	24 620	24 620	-	-	12 310	(12 310)	-100%	24 620
Finance charges	12 676	6 150	6 150	373	521	3 075	(2 554)	-83%	6 150
Materials and bulk purchases	19 966	20 694	20 694	6 423	12 139	10 347	1 792	17%	20 694
Transfers and subsidies	-	0	0	-	-	0	(0)	-100%	0
Other expenditure	53 309	55 266	56 266	3 967	12 047	28 088	(16 041)	-57%	56 266
Total Expenditure	149 632	148 194	149 194	14 154	46 686	74 552	(27 866)	-37%	149 194
Surplus/(Deficit)	(25 584)	(10 710)	(6 077)	(10 946)	13 585	4 150	9 435	227%	(6 077)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	17 868	24 934	22 934	-	-	11 217	###	-100%	22 934
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	(7 717)	14 224	16 857	(10 946)	13 585	15 367	(1 782)	-12%	16 857
Share of surplus/ (deficit) of associates	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(7 717)	14 224	16 857	(10 946)	13 585	15 367	(1 782)	-12%	16 857
Capital expenditure & funds sources									
Capital expenditure	14 494	25 234	26 434	1 441	3 623	12 310	(8 688)	-71%	24 834
Capital transfers recognised	14 309	24 934	22 934	1 441	3 349	11 217	(7 868)	-70%	22 934
Borrowing	-	0	0	-	-	0	(0)	-100%	0
Internally generated funds	58	300	1 900	71	474	877	(403)	-46%	1 900
Total sources of capital funds	14 366	25 234	24 834	1 512	3 824	12 094	(8 271)	-68%	24 834
Financial position									
Total current assets	(9 980)	13 223	13 223	-	155 295	-	-	-	13 223
Total non current assets	-	646 678	646 278	-	616 614	-	-	-	646 278
Total current liabilities	34 907	83 078	80 285	-	-	-	-	-	80 285
Total non current liabilities	-	12 432	12 432	-	25	-	-	-	12 432
Community wealth/Equity	9 276	550 167	566 784	-	19 364	-	-	-	566 784
Cash flows									
Net cash from (used) operating	68 870	32 513	35 146	6 334	6 334	17 573	11 239	64%	35 146
Net cash from (used) investing	-	24 934	24 534	-	-	12 267	12 267	100%	24 534
Net cash from (used) financing	(5 382)	(0)	(0)	-	-	(0)	(0)	100%	(0)
Cash/cash equivalents at the month/year end	78 000	55 641	57 874	-	19 364	28 034	8 670	31%	72 710
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	4 519	5 025	7 846	3 739	3 464	3 625	16 812	76 007	121 037

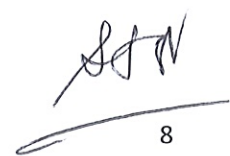
7


4.1.2 Table C2: Quarterly Budget Statement – Financial Performance (Standard Classification)

NC071 Ubuntu - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		80 428	85 885	91 365	2 629	44 237	52 872	(8 635)	-16%	91 365
Executive and council		568	1 059	1 059	(155)	(152)	529	(681)	-129%	1 059
Finance and administration		79 860	84 826	90 307	2 783	44 389	52 342	(7 954)	-15%	90 307
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		695	802	1 042	8	16	475	(460)	-97%	1 042
Community and social services		695	790	1 030	8	16	469	(454)	-97%	1 030
Sport and recreation		-	12	12	-	-	6	(6)	-100%	12
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		19 145	18 881	18 881	135	288	9 441	(9 153)	-97%	18 881
Planning and development		8 864	88	88	2	3	44	(41)	-94%	88
Road transport		10 281	18 793	18 793	134	285	9 396	(9 111)	-97%	18 793
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		41 647	56 850	54 763	9 016	15 730	27 131	(11 401)	-42%	54 763
Energy sources		18 687	25 655	23 568	4 012	8 572	11 534	(2 962)	-26%	23 568
Water management		15 755	14 872	14 872	3 027	3 509	7 436	(3 928)	-53%	14 872
Waste water management		3 544	12 293	12 293	1 122	1 989	6 146	(4 157)	-68%	12 293
Waste management		3 660	4 030	4 030	854	1 661	2 015	(354)	-18%	4 030
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	141 915	162 418	166 051	11 788	60 270	89 919	(29 648)	-33%	166 051
Expenditure - Functional										
<i>Governance and administration</i>		60 890	64 192	67 654	10 919	19 026	33 782	(14 756)	-44%	67 654
Executive and council		13 858	5 315	5 382	1 010	2 340	2 691	(351)	-13%	5 382
Finance and administration		47 032	58 877	62 272	9 909	16 686	31 091	(14 405)	-46%	62 272
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 869	8 563	8 404	471	1 024	4 202	(3 178)	-76%	8 404
Community and social services		1 720	6 525	6 388	443	960	3 194	(2 235)	-70%	6 388
Sport and recreation		1 149	2 026	2 004	28	65	1 002	(937)	-94%	2 004
Public safety		-	12	12	-	-	6	(6)	-100%	12
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		14 161	22 766	21 051	3 699	7 983	10 525	(2 543)	-24%	21 051
Planning and development		9 679	4 322	3 004	2 327	4 630	1 502	3 127	208%	3 004
Road transport		4 482	18 444	18 046	1 372	3 353	9 023	(5 670)	-63%	18 046
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		71 712	52 672	52 085	9 204	18 653	26 043	(7 390)	-28%	52 085
Energy sources		21 481	26 907	26 801	6 507	11 943	13 400	(1 457)	-11%	26 801
Water management		19 742	5 326	5 229	957	2 369	2 615	(245)	-9%	5 229
Waste water management		17 509	11 815	11 470	742	2 255	5 735	(3 480)	-61%	11 470
Waste management		12 979	8 623	8 585	998	2 086	4 292	(2 207)	-51%	8 585
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	149 632	148 194	149 194	24 293	46 686	74 552	(27 866)	-37%	149 194
Surplus/ (Deficit) for the year		(7 717)	14 224	16 857	(12 505)	13 585	15 367	(1 782)	-12%	16 857

This table reflects the operating budget (Financial Performance) in the standard classifications which are the Government Finance Statistics and Sub-functions.



4.1.3 Table C3: Quarterly Budget Statement – Financial Performance (municipal vote classification)

NC071 Ubuntu - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Office of the Municipal Manager		(0)	-	-	-	-	-	-	-	-
Vote 2 - Financial Services Directorate		68 585	67 562	72 955	-	40 724	29 023	11 702	40.3%	72 955
Vote 3 - Corporate & Community Services		631	37 806	38 046	-	95	9 443	(9 348)	-99.0%	38 046
Vote 4 - Infrastructure & Planning		9 801	57 049	55 049	(170)	3 808	13 387	(9 580)	-71.6%	55 049
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
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	79 018	162 418	166 051	(170)	44 627	51 853	(7 225)	-13.9%	166 051
Expenditure by Vote	1									
Vote 1 - Office of the Municipal Manager		394	3 058	3 058	-	181	765	(583)	-76.3%	3 058
Vote 2 - Financial Services Directorate		16 368	53 969	54 969	-	4 080	13 674	(9 594)	-70.2%	54 969
Vote 3 - Corporate & Community Services		18 758	21 256	21 256	-	3 091	5 314	(2 223)	-41.8%	21 256
Vote 4 - Infrastructure & Planning		33 169	66 711	66 711	-	10 086	16 678	(6 592)	-39.5%	66 711
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - Executive and Council		4 057	3 200	3 200	-	753	800	(47)	-5.9%	3 200
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
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	72 746	148 194	149 194	-	18 191	37 231	(19 040)	-51.1%	149 194
Surplus/ (Deficit) for the year	2	6 272	14 224	16 857	(170)	26 436	14 621	11 815	80.8%	16 857

The budget is approved by council on the municipal vote level. The municipal votes reflect the organizational structure of the municipality.

4.1.4 Table C4: Quarterly Budget Statement – Financial Performance (Revenue & Expenditure)

This table reflects the operating budget and actual figures of the financial performance. The revenue is specifically set out by source since council approves the revenue budget by source and expenditure budget by vote.

NC071 Ubuntu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2019/20		Budget Year 2020/21						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		21 211	23 131	23 131	(1)	22 215	11 565	10 650	92%	23 131
Service charges - electricity revenue		13 657	18 115	18 115	1 317	8 572	9 058	(486)	-5%	18 115
Service charges - water revenue		10 571	5 035	5 035	544	3 509	2 517	991	39%	5 035
Service charges - sanitation revenue		3 506	4 793	4 793	281	1 989	2 396	(407)	-17%	4 793
Service charges - refuse revenue		3 690	4 029	4 029	292	1 661	2 015	(354)	-18%	4 029
Rental of facilities and equipment		299	216	216	16	111	108	3	3%	216
Interest earned - external investments		450	386	386	(51)	2	193	(191)	-99%	386
Interest earned - outstanding debtors		8 463	3 361	3 361	925	5 215	1 680	3 535	210%	3 361
Dividends received			0	0		1	0	1	101700%	0
Fines, penalties and forfeits		9 884	35 406	35 406	0	1	17 703	(17 702)	-100%	35 406
Licences and permits		379								
Agency services			371	371	15	278	186	92	50%	371
Transfers and subsidies		40 597	41 866	47 499	(155)	16 572	30 893	(14 320)	-46%	47 499
Other revenue		10 080	776	776	25	145	388	(243)	-63%	776
Gains		1 259	(0)	(0)			(0)	0	-100%	
Total Revenue (excluding capital transfers and contributions)		124 047	137 484	143 117	3 208	60 270	78 702	(18 431)	-23%	143 117
Expenditure By Type										
Employee related costs		36 488	38 487	38 487	3 117	20 522	19 244	1 278	7%	38 487
Remuneration of councillors		2 998	2 977	2 977	273	1 456	1 488	(32)	-2%	2 977
Debt impairment		26 133	37 203	37 203			18 601	(18 601)	-100%	37 203
Depreciation & asset impairment		24 194	24 620	24 620			12 310	(12 310)	-100%	24 620
Finance charges		12 676	6 150	6 150	373	521	3 075	(2 554)	-83%	6 150
Bulk purchases		19 665	20 661	20 661	6 423	11 635	10 330	1 305	13%	20 661
Other materials		301	33	33		504	17	487	2938%	33
Contracted services		7 161	6 232	6 232	1 335	4 162	3 116	1 046	34%	6 232
Transfers and subsidies			0	0			0	(0)	-100%	0
Other expenditure		20 015	11 831	12 831	2 632	7 885	6 370	1 515	24%	12 831
Losses			(0)	(0)			(0)	0	-100%	(0)
Total Expenditure		149 632	148 194	149 194	14 154	46 686	74 552	(27 866)	-37%	149 194
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(25 584)	(10 710)	(6 077)	(10 946)	13 585	4 150	9 435	0	(6 077)
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		17 868	24 934	22 934			11 217	(11 217)	(0)	22 934
Transfers and subsidies - capital (in-kind - all)										
Surplus/(Deficit) after capital transfers & contributions		(7 717)	14 224	16 857	(10 946)	13 585	15 367			16 857
Taxation										
Surplus/(Deficit) after taxation		(7 717)	14 224	16 857	(10 946)	13 585	15 367			16 857
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(7 717)	14 224	16 857	(10 946)	13 585	15 367			16 857
Share of surplus/ (deficit) of associates										
Surplus/ (Deficit) for the year		(7 717)	14 224	16 857	(10 946)	13 585	15 367			16 857

Sanitation and Refuse revenue are under charged. Rental of facilities and equipment has improved due cleansing of rental registers.

Fines and penalties will only be accounted for at year end. License and permits underperform due to late opening and verification process of Victoria West traffic department. More other revenue was received than what was anticipated. There is an overspending on other materials.

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

NC071 Ubuntu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2019/20		Budget Year 2020/21						
		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 - Office of the Municipal Manager		--	--	--	--	--	--	--	--	--
Vote 2 - Financial Services Directorate		--	0	0	--	21	0	21	210970%	0
Vote 3 - Corporals & Community Services		--	--	--	--	--	--	--	--	--
Vote 4 - Infrastructure & Planning		14 309	24 934	24 534	1 441	3 349	11 944	(8 595)	-72%	22 934
Vote 5 - COMMUNITY & SOCIAL SERVICES		--	--	--	--	--	--	--	--	--
Vote 6 - Executive and Council		--	--	--	--	--	--	--	--	--
Vote 7 - [NAME OF VOTE 7]		--	--	--	--	--	--	--	--	--
Vote 8 - [NAME OF VOTE 8]		--	--	--	--	--	--	--	--	--
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 Capital Multi-year expenditure	4,7	14 309	24 934	24 534	1 441	3 370	11 944	(8 574)	-72%	22 934
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		--	0	0	--	--	0	(0)	-100%	0
Vote 2 - Financial Services Directorate		--	0	0	--	--	0	(0)	-100%	0
Vote 3 - Corporals & Community Services		--	--	--	--	--	--	--	--	--
Vote 4 - Infrastructure & Planning		185	300	1 900	--	252	366	(114)	-31%	1 900
Vote 5 - COMMUNITY & SOCIAL SERVICES		--	0	0	--	--	0	(0)	-100%	0
Vote 6 - Executive and Council		--	--	--	--	--	--	--	--	--
Vote 7 - [NAME OF VOTE 7]		--	--	--	--	--	--	--	--	--
Vote 8 - [NAME OF VOTE 8]		--	--	--	--	--	--	--	--	--
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 Capital single-year expenditure	4	185	300	1 900	--	252	366	(114)	-31%	1 900
Total Capital Expenditure		14 494	25 234	26 434	1 441	3 623	12 310	(8 688)	-71%	24 834

Capital Expenditure - Functional Classification										
Governance and administration										
Executive and council	--	0	0	--	21	0	21	191782%	0	
Finance and administration	--	0	0	--	21	0	21	210970%	0	
Internal audit	--	--	--	--	--	--	--	--	--	
Community and public safety										
Community and social services	--	--	--	--	--	--	--	--	--	
Sport and recreation	--	--	--	--	--	--	--	--	--	
Public safety	--	--	--	--	--	--	--	--	--	
Housing	--	--	--	--	--	--	--	--	--	
Health	--	--	--	--	--	--	--	--	--	
Economic and environmental services										
Planning and development	--	0	0	--	--	0	(0)	-100%	0	
Road transport	--	0	0	--	--	0	(0)	-100%	0	
Environmental protection	--	--	--	--	--	--	--	--	--	
Trading services										
Energy sources	3 208	7 500	5 500	1 441	1 155	2 500	(1 345)	-54%	5 500	
Water management	11 228	17 434	17 434	1 441	2 194	8 717	(6 523)	-75%	17 434	
Waste water management	--	--	1 600	--	--	727	(727)	-100%	1 600	
Waste management	--	--	--	--	--	--	--	--	--	
Other	58	300	300	71	453	150	303	202%	300	
Total Capital Expenditure - Functional Classification	3	14 494	25 234	24 834	1 512	3 824	12 094	(8 271)	-68%	24 834

11

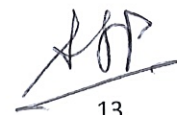
Funded by:										
National Government		14 309	24 934	22 934	1 441	3 349	11 217	(7 868)	-70%	22 934
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		14 309	24 934	22 934	1 441	3 349	11 217	(7 868)	-70%	22 934
Borrowing	6	-	0	0	-	-	0	(0)	-100%	0
Internally generated funds		58	300	1 900	71	474	877	(403)	-46%	1 900
Total Capital Funding		14 366	25 234	24 834	1 512	3 824	12 094	(8 271)	-68%	24 834

Table C5 depicts Capital Expenditure by standard classification and funding of these capital expenditures.

4.1.6 Table C6: Quarterly Budget Statement – Financial Position

NC071 Ubuntu - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2019/20	Budget Year 2020/21			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		4 744	2 385	2 385	19 364	2 385
Call investment deposits		-	0	0	-	0
Consumer debtors		14 289	10 838	10 838	83 948	10 838
Other debtors		27 361	0	0	37 089	0
Current portion of long-term receivables		-	-	-	-	-
Inventory		81	0	0	81	0
Total current assets		46 475	13 223	13 223	140 482	13 223
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		47 391	29 638	29 638	47 391	29 638
Investments in Associate		-	-	-	-	-
Property, plant and equipment		537 635	617 014	616 614	537 635	616 614
Biological		-	-	-	-	-
Intangible		22	27	27	22	27
Other non-current assets		-	0	0	-	0
Total non current assets		585 048	646 678	646 278	585 048	646 278
TOTAL ASSETS		631 522	659 901	659 501	725 529	659 501
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		5 984	-	-	2 992	0
Consumer deposits		200	-	-	200	0
Trade and other payables		105 332	80 000	77 207	87 441	77 207
Provisions		3 327	3 077	3 077	3 327	3 077
Total current liabilities		114 842	83 078	80 285	93 960	80 285
Non current liabilities						
Borrowing		4 491	1 619	1 619	2 245	1 619
Provisions		27 294	10 814	10 814	27 294	10 814
Total non current liabilities		31 785	12 432	12 432	29 539	12 432
TOTAL LIABILITIES		146 627	95 510	92 717	123 499	92 717
NET ASSETS	2	484 895	564 391	566 784	602 030	566 784
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		484 895	564 391	566 784	602 030	566 784
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	484 895	564 391	566 784	602 030	566 784



4.1.7 Table C7: Quarterly Budget Statement – Cash Flow

This table includes the balance of cashbook and current investment deposits.

NC071 Ubuntu - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

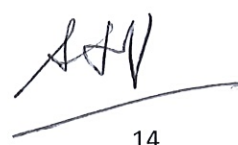
Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		54 842	13 079	13 079	585	585	6 540	(5 954)	-91%	13 079
Service charges		28 425	24 618	24 618	1 363	1 363	12 309	(10 946)	-89%	24 618
Other revenue		8 192	11 984	11 984	44	44	5 992	(5 948)	-99%	11 984
Transfers and Subsidies - Operational		27 620	41 866	47 499	16 993	16 993	23 750	(6 757)	-28%	47 499
Transfers and Subsidies - Capital		14 309	24 934	22 934	2 500	2 500	11 467	(8 967)	-78%	22 934
Interest		5 226	2 402	2 402	-	-	1 201	(1 201)	-100%	2 402
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(69 206)	(80 221)	(81 221)	(15 152)	(15 152)	(40 610)	(25 458)	63%	(81 221)
Finance charges		(89)	(6 150)	(6 150)	-	-	(3 075)	(3 075)	100%	(6 150)
Transfers and Grants		(448)	(0)	(0)	-	-	(0)	(0)	100%	(0)
NET CASH FROM/(USED) OPERATING ACTIVITIES		68 870	32 513	35 146	6 334	6 334	17 573	11 239	64%	35 146
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	24 934	24 534	-	-	12 267	12 267	100%	24 534
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	24 934	24 534	-	-	12 267	12 267	100%	24 534
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(5 382)	(0)	(0)	-	-	(0)	0	-100%	(0)
Payments										
Repayment of borrowing		-	(0)	(0)	-	-	(0)	(0)	100%	(0)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(5 382)	(0)	(0)	-	-	(0)	(0)	100%	(0)
NET INCREASE/ (DECREASE) IN CASH HELD		63 488	57 447	59 680	6 334	6 334	29 840			59 680
Cash/cash equivalents at beginning:		14 512	(1 806)	(1 806)		13 031	(1 806)			13 031
Cash/cash equivalents at month/year end:		78 000	55 641	57 874		19 364	28 034			72 710

Refer to PART 2 Section 7 for a more comprehensive picture of the cash position of the municipality which includes non-current investments and commitments against available resources.

Due to billing more than what was budgeted for property rates the municipality collected more on property rates than what was anticipated.

There was an under collection of service charges which can also be attributed to Covid-19 outbreak.

Reason for overpayment of suppliers and employees is due to paying off creditors and salary third party payments.



PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors Analysis

5.1 Supporting Table SC3

NC071 Ubuntu - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2020/21									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.To 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	1 255	2 279	949	903	871	1 151	4 499	25 461	37 370	32 886	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	856	637	382	366	320	318	1 428	5 357	9 663	7 788	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1 284	1 107	5 573	1 514	1 396	1 282	6 290	18 641	37 089	29 124	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	535	474	444	447	407	409	2 153	11 791	16 659	15 206	-	-
Receivables from Exchange Transactions - Waste Management	1600	568	509	479	492	451	448	2 369	13 515	18 830	17 275	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	15	14	14	14	14	14	57	1 060	1 202	1 159	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	6	5	4	3	3	3	16	182	223	208	-	-
Total By Income Source	2000	4 519	5 025	7 846	3 739	3 464	3 625	16 812	76 007	121 037	103 646	-	-
2019/20 - totals only		5469592	4773839	3766458	3812871	3571735	3670094	3183300	82390943	110 639	98 629	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	977	938	4 972	893	769	777	2 933	4 879	17 088	10 251	-	-
Commercial	2300	1 091	910	715	715	677	618	3 357	9 403	17 486	14 771	-	-
Households	2400	2 265	2 963	1 954	1 943	1 836	2 032	9 595	55 051	77 640	70 457	-	-
Other	2500	236	213	206	188	181	198	926	6 674	8 823	8 168	-	-
Total By Customer Group	2600	4 519	5 025	7 846	3 739	3 464	3 625	16 812	76 007	121 037	103 646	-	-

Majority of the debt from households are from indigents. Currently we are in the process of identifying and with Council recommendation writing off irrecoverable debt.

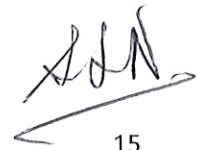
Section 6 – Creditor’s Analysis

6.1 Supporting Table SC4

NC071 Ubuntu - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	NT Code	Budget Year 2020/21									Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	1 537	-	3 171	-	66 873	-	-	-	-	71 582
Bulk Water	0200	99	-	-	-	-	1	-	-	-	100
PAYE deductions	0300	-	393	431	422	1 299	-	-	-	-	2 545
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	600	-	-	-	392	-	-	-	-	992
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	349	-	-	-	2 207	2 546	-	-	-	5 102
Auditor General	0800	888	53	202	33	42	5 612	-	-	-	6 830
Other	0900	291	-	-	-	-	-	-	-	-	291
Total By Customer Type	1000	3 764	446	3 804	455	70 813	8 159	-	-	-	87 441

There is a material decrease in all creditors except for bulk electricity. The municipality is busy with cost of supply studies, field verifications plans and other methods in addressing this huge risk. The bulk electricity account is just increasing every month.



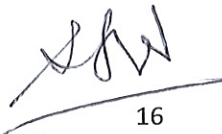
Section 7 – Investment Portfolio Analysis

7.1 Supporting Table SC5

Call Investment accounts looks as follows at 31 December 2020.

NC071 Ubuntu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December														
Investments by maturity Name of institution & Investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
BIBLIOTHEEK PROJEK			Call Investment							6	0			6
DEERNISFONDS IOT			Call Investment							7	6	1 908	6 000	4 105
EIEFONDSE			Call Investment							3	3	15 594	16 517	929
ELECTRICAL PROJECT			Call Investment							36	0			36
EPWP PROJEK			Call Investment							5	1	101	476	380
ESKOM PAYMENTS STRAT			Call Investment							759	1	896	818	682
FMG GRANT			Call Investment							397	1			398
KERKSTRAAT SUBSIDIE			Call Investment							141				141
MIGFONDSE			Call Investment							4 379	8		2 500	6 887
PROJ CONSOLIDAT MSIG			Call Investment							73	0	18		55
RETENTIONS			Call Investment							1 155	2		159	1 316
WSIG			Call Investment							3 443	4	1 816		1 631
TOA			Call Investment							2 200				2 200
Municipality sub-total										12 604	24	20 333	26 470	18 766
Entities														
Entities sub-total														
TOTAL INVESTMENTS AND INT	2									12 604		20 333	26 470	18 766

These investments form part of cash and cash equivalents on C6.



16

Section 8 – Allocations, grant receipts and expenditure

NC071 Ubuntu - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	Budget Year 2020/21								
		2019/20 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:		35 103	44 588	49 981	16 992	2 435	24 991	(23 245)	-93.0%	46 489
Local Government Equitable Share		31 602	41 096	46 489	16 517	--	23 245	(23 245)	-100.0%	46 489
Finance Management		2 435	2 435	2 435	--	2 435	1 218	--	--	--
EPWP Incentive		1 000	1 057	1 057	475	--	529	--	--	--
	3									
COVID-19 COGTA Incentive grant		66								
Provincial Government:		660	770	1 010	--	--	184	(184)	-100.0%	1 010
Sport and Recreation		660	770	1 010	--	--	184	(184)	-100.0%	1 010
	4									
Other transfers and grants [insert description]		--	--	--	--	--	--	--	--	--
District Municipality: [insert description]		--	--	--	--	--	--	--	--	--
Other grant providers: [insert description]		--	--	--	--	--	--	--	--	--
Total Operating Transfers and Grants	5	35 763	45 358	50 991	16 992	2 435	25 174	(23 428)	-93.1%	47 499
Capital Transfers and Grants										
National Government:		20 158	24 934	24 934	2 500	--	4 967	(4 967)	-100.0%	22 934
Municipal Infrastructure Grant (MIG)		9 970	9 934	9 934	2 500	--	4 967	(4 967)	-100.0%	22 934
INEP & WSIG		10 188	15 000	15 000	--	--	--	--	--	--
Provincial Government: [insert description]		--	--	--	--	--	--	--	--	--
District Municipality: [insert description]		--	--	--	--	--	--	--	--	--
Other grant providers: [insert description]		--	--	--	--	--	--	--	--	--
Total Capital Transfers and Grants	5	20 158	24 934	24 934	2 500	--	4 967	(4 967)	-100.0%	22 934
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	55 921	70 292	75 925	19 492	2 435	30 141	(28 395)	-94.2%	70 433

Except from the MIG grant all grants has been received as per National Treasury payment plans.


17

8.2 Supporting Table SC7 (1) – Grand Expenditure

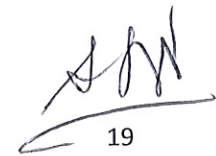
NC071 Ubuntu - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	Budget Year 2020/21								
		2019/20 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:		35 092	45 020	50 413	103	20 130	25 207	(5 076)	-20.1%	0
Local Government Equitable Share		31 602	41 096	46 489	--	16 727	23 245	(6 518)	-28.0%	0
Financo Management		2 435	2 867	2 867	--	2 867	1 434	1 434	100.0%	
EPWP Incentive		989	1 057	1 057	103	536	529	8	1.5%	
								--		
								--		
COVID-19 COGTA Incentive grant		66						--		
Provincial Government:		660	760	1 010	68	418	505	(87)	-17.3%	--
Sport and Recreation		660	760	1 010	68	418	505	(87)	-17.3%	--
								--		
Other transfers and grants [insert description]								--		
District Municipality:		--	--	--	--	--	--	--		--
[insert description]		--	--	--	--	--	--	--		--
Other grant providers:		--	--	--	--	--	--	--		--
[insert description]		--	--	--	--	--	--	--		--
Total operating expenditure of Transfers and Grants:		35 752	45 780	51 423	171	20 548	25 712	(5 163)	-20.1%	0
Capital expenditure of Transfers and Grants										
National Government:		17 885	24 934	--	1 512	3 508	12 467	(8 959)	-71.9%	--
Municipal Infrastructure Grant (MIG)		7 680	9 934	--	1 441	1 784	4 967	(3 183)	-64.1%	--
								--		
								--		
INEP & WSIG		10 205	15 000	--	71	1 724	7 500	(5 776)	-77.0%	--
Provincial Government:		--	--	--	--	--	--	--		--
		--	--	--	--	--	--	--		--
District Municipality:		--	--	--	--	--	--	--		--
		--	--	--	--	--	--	--		--
Other grant providers:		--	--	--	--	--	--	--		--
		--	--	--	--	--	--	--		--
Total capital expenditure of Transfers and Grants		17 885	24 934	--	1 512	3 508	12 467	(8 959)	-71.9%	--
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		53 637	70 714	51 423	1 683	24 056	38 179	(14 122)	-37.0%	0

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

NC071 Ubuntu - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Mid-Year Assessment

Description	Ref	Budget Year 2020/21				
		Approved Rollover 2019/20	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share						
Finance Management						
EPWP Incentive						
COVID-19 COGTA Incentive grant						
Provincial Government:		-	-	-	-	
Sport and Recreation						
Other transfers and grants [insert description]						
District Municipality:		-	-	-	-	
[insert description]						
Other grant providers:		-	-	-	-	
[insert description]						
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Municipal Infrastructure Grant (MIG)						
INEP & WSIG						
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	



Section 9 – Councilor’s allowances and employee benefits

9.1 Supporting Table SC8

NC071 Ubuntu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councilor remuneration	Ref	Budget Year 2020/21								
		2019/20 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		2 015	1 988	1 988	473	896	994	(99)	-10%	1 988
Pension and UIF Contributions		-	-	-	-	-	-	-	-	0
Medical Aid Contributions		-	-	-	-	-	-	-	-	0
Mobv Vehicle Allowance		490	678	678	156	282	339	(57)	-17%	678
Cellphone Allowance		203	311	311	74	137	155	(19)	-12%	311
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		97	0	0	-	-	-	-	-	0
Sub Total - Councillors		2 806	2 977	2 977	703	1 314	1 488	(174)	-12%	2 977
% Increase	4		6.1%	6.1%						6.1%
Senior Managers of the Municipality										
Basic Salaries and Wages		539	4 710	4 710	406	813	2 355	(1 542)	-65%	4 710
Pension and UIF Contributions		65	114	114	79	158	57	101	176%	114
Medical Aid Contributions		-	0	0	-	3	0	3	574220%	0
Overtime		-	0	0	-	-	0	(0)	-100%	0
Performance Bonus		78	52	52	-	-	26	(26)	-100%	52
Mobv Vehicle Allowance		35	63	63	44	89	32	57	181%	63
Cellphone Allowance		-	0	0	-	-	0	(0)	-100%	0
Housing Allowances		-	0	0	-	-	0	(0)	-100%	0
Other benefits and allowances		304	94	94	209	516	47	469	1001%	94
Payments in lieu of leave		-	0	0	-	-	0	(0)	-100%	0
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		1 020	5 033	5 033	738	1 578	2 516	(939)	-37%	5 033
% Increase	4		393.3%	393.3%						393.3%
Other Municipal Staff										
Basic Salaries and Wages		26 776	23 766	23 766	5 841	11 797	11 883	(86)	-1%	23 766
Pension and UIF Contributions		4 832	4 924	4 924	1 117	2 255	2 462	(207)	-8%	4 924
Medical Aid Contributions		933	491	491	78	158	245	(88)	-36%	491
Overtime		1 428	0	0	350	655	0	655	8190225%	0
Performance Bonus		2 168	1 658	1 658	-	-	829	(829)	-100%	1 658
Mobv Vehicle Allowance		289	0	0	35	63	0	63	1566827%	0
Cellphone Allowance		156	4	4	3	5	2	3	178%	4
Housing Allowances		154	355	355	108	201	177	24	14%	355
Other benefits and allowances		968	2 257	2 257	645	1 246	1 128	117	10%	2 257
Payments in lieu of leave		53	0	0	-	-	0	(0)	-100%	0
Long service awards		12	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		164	0	0	-	8	0	8	169633%	0
Sub Total - Other Municipal Staff		37 932	33 454	33 454	8 177	16 387	16 727	(340)	-2%	33 454
% Increase	4		-11.8%	-11.8%						-11.8%
Total Parent Municipality		41 758	41 464	41 464	9 619	19 280	20 732	(1 452)	-7%	41 464
TOTAL SALARY, ALLOWANCES & BENEFITS		41 758	41 464	41 464	9 619	19 280	20 732	(1 452)	-7%	41 464
% Increase	4		-0.7%	-0.7%						-0.7%
TOTAL MANAGERS AND STAFF		38 952	38 487	38 487	8 916	17 955	19 244	(1 278)	-7%	38 487

ASW
20

Section 10 – Actual and Revised targets for cash receipts

10.1 Supporting Table SC9

R thousands	Description	Ref	Budget Year 2020/21												2020/21 Medium Term Revenue & Expenditure Framework			
			Budget Year 2020/21												Budget Year 2020/21	Budget Year 2020/21		
			July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	2020/21	+2 022/23		
	Cash Receipts By Source	1	453	883	1 318	5 410	689	585	2 302	2 302	2 302	2 302	2 302	2 302	2 302	23 131	13 864	14 696
	Property rates		1 286	1 371	1 483	5 410	1 281	1 011	1 685	1 685	1 685	1 685	1 685	1 685	1 685	16 115	22 853	22 853
	Service charges - electricity revenue		412	330	227	339	260	172	549	549	549	549	549	549	549	5 035	3 202	3 202
	Service charges - water revenue		172	106	121	279	138	74	650	650	650	650	650	650	650	4 793	3 048	3 048
	Service charges - sanitation revenue		272	147	159	177	136	107	515	515	515	515	515	515	515	4 029	2 563	2 563
	Service charges - refuse		33	1	2	11	2	22	22	22	22	22	22	22	22	216	-	-
	Rental of facilities and equipment		23	29	30	26	23	24	39	39	39	39	39	39	39	386	-	-
	Interest earned - external investments		-	-	-	-	-	-	560	560	560	560	560	560	3 361	-	-	
	Dividends received		-	-	-	-	-	-	0	0	0	0	0	0	0	0	-	-
	Interest earned - outstanding debtors		-	-	-	-	-	-	5 901	5 901	5 901	5 901	5 901	5 901	35 408	5 630	5 630	
	Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Licenses and permits		-	-	-	-	-	-	62	62	62	62	62	62	371	-	-	
	Agency services		-	3 132	-	-	-	16 983	1 775	1 775	1 775	1 775	1 775	1 775	47 469	43 963	46 694	
	Transfers and Subsidies - Operational		153	1 044	93	390	71	3	(163)	(163)	(163)	(163)	(163)	(163)	776	7 069	7 069	
	Other revenue		19 464	7 643	3 455	8 215	2 559	18 996	13 896	13 896	13 896	13 896	13 896	13 896	143 117	102 592	105 745	
	Cash Receipts by Source																	
	Other Cash Flows by Source																	
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		5 750	2 000	-	-	-	2 500	2 114	2 114	2 114	2 114	2 114	2 114	22 594	19 397	30 735	
	Transfers and subsidies - capital (monetary allocations) (National / Provincial/Departmental/Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Borrowing long term/financing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Increase (decrease) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0
	Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Receipts by Source		25 224	9 043	3 455	8 215	2 559	21 486	16 010	16 010	16 010	16 010	16 010	16 010	166 051	121 599	136 480	
	Cash Payments by Type																	
	Employee related costs		5 427	2 295	2 596	4 100	3 361	6 173	2 422	2 422	2 422	2 422	2 422	2 422	38 487	40 799	43 244	
	Remuneration of councillors		-	-	-	-	-	-	486	486	486	486	486	486	2 977	3 161	3 328	
	Interest paid		-	-	-	-	-	-	6 200	6 200	6 200	6 200	6 200	6 200	37 203	13 038	13 038	
	Bulk purchases - Electricity		2 000	2 794	313	3 361	3 397	3 397	2 136	2 136	2 136	2 136	2 136	2 136	24 620	20 269	20 269	
	Bulk purchases - Water & Sewer		340	93	112	-	93	98	902	902	902	902	902	902	6 150	3 262	3 262	
	Other materials		105	196	162	165	200	180	(144)	(144)	(144)	(144)	(144)	(144)	33	35	35	
	Contracted services		1 807	98	-	16	65	180	990	990	990	990	990	990	6 232	6 726	6 726	
	Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	General expenses		2 723	800	1 479	1 386	3 628	2 694	24	24	24	24	24	24	12 831	44 176	46 611	
	Cash Payments by Type		10 776	6 218	4 662	9 007	6 214	13 495	13 027	13 027	13 027	13 027	13 027	13 027	128 533	131 464	135 514	
	Other Cash Flows/Payments by Type																	
	Capital assets		767	21	1 462	1 067	5	1 657	2 989	2 989	2 989	2 989	2 989	2 989	22 934	19 397	30 735	
	Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Cash Payments by Type		11 543	6 239	6 124	10 095	6 219	15 152	16 016	16 016	16 016	16 016	16 016	16 016	151 467	150 861	166 249	
	NET INCREASE/DECREASE IN CASH HELD		13 691	2 805	(2 669)	(1 880)	(3 659)	6 334	(6)	(6)	(6)	(6)	(6)	(6)	14 584	(29 272)	(23 770)	
	Cash/cash equivalents at the month/year beginning:		4 744	18 435	21 239	18 570	16 690	13 031	19 364	19 364	19 358	19 352	19 346	19 340	4 744	18 328	(9 944)	
	Cash/cash equivalents at the month/year end:		18 435	21 239	18 570	16 690	13 031	19 364	19 358	19 352	19 346	19 340	19 334	19 328	18 328	(9 944)	(39 714)	


 21

Section 11 – Capital program performance

11.1 Supporting Table SC12

NC071 Ubuntu - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

Month	2019/20	Budget Year 2020/21							
	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	-	2 103	1 478	224	224	1 478	1 253	84.8%	1%
August	-	2 103	2 123	124	349	3 601	3 252	90.3%	1%
September	-	2 103	2 123	1 224	1 573	5 724	4 152	72.5%	6%
October	-	2 103	2 123	835	2 408	7 848	5 440	69.3%	10%
November	-	2 103	2 123	0	2 408	9 971	7 563	75.8%	10%
December	-	2 103	2 123	1 512	3 920	12 094	8 174	67.6%	16%
January	-	2 103	2 123	-	-	14 218	-	-	-
February	-	2 103	2 123	-	-	16 341	-	-	-
March	-	2 103	2 123	-	-	18 464	-	-	-
April	-	2 103	2 123	-	-	20 587	-	-	-
May	-	2 103	2 123	-	-	22 711	-	-	-
June	16 017	2 103	2 123	-	-	24 834	-	-	-
Total Capital expenditure	16 017	25 234	24 834	3 920					

In table C5 it was detected that the MIG grant contributes to the skew representation of performance.

10.2 Supporting Table SC13 (a)(b) & (d)

NC071 Ubuntu - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		--	15 000	13 000	1 441	1 784	6 250	4 466	71.5%	13 000
Roads Infrastructure		--	--	--	--	--	--	--	--	--
Stormwater Infrastructure		--	--	--	--	--	--	--	--	--
Electrical Infrastructure		--	7 500	5 500	--	--	2 500	2 500	100.0%	5 500
<i>LV Networks</i>		--	7 500	5 500	--	--	2 500	2 500	100.0%	5 500
Water Supply Infrastructure		--	7 500	7 500	1 441	1 441	3 750	2 309	61.6%	7 500
<i>Distribution</i>		--	7 500	7 500	1 441	1 441	3 750	2 309	61.6%	7 500
Sanitation Infrastructure		--	--	--	--	343	--	(343)	#DIV/0!	--
<i>Outfall Sewers</i>		--	--	--	--	343	--	(343)	#DIV/0!	--
Furniture and Office Equipment		--	300	300	71	474	150	(324)	-216.2%	300
Furniture and Office Equipment		--	300	300	71	474	150	(324)	-216.2%	300
Machinery and Equipment		--	0	0	--	--	0	0	100.0%	0
Machinery and Equipment		--	0	0	--	--	0	0	100.0%	0
Transport Assets		--	0	1 600	--	--	727	727	100.0%	1 600
Transport Assets		--	0	1 600	--	--	727	727	100.0%	1 600
Land		--	--	--	--	--	--	--	--	--
Land		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
Zoo's, Marine and Non-biological Animals		--	--	--	--	--	--	--	--	--
Total Capital Expenditure on new assets	1	--	15 300	14 900	1 512	2 258	7 127	4 869	68.3%	14 900

NC071 Ubuntu - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - Mid-Year Assessment										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		--	9 934	9 934	--	1 565	4 967	3 402	68.5%	9 934
Electrical Infrastructure		--	--	--	--	1 155	--	(1 155)	#DIV/0!	--
Water Supply Infrastructure		--	9 934	9 934	--	410	4 967	4 557	91.7%	9 934
<i>Distribution</i>		--	9 934	9 934	--	410	4 967	4 557	91.7%	9 934
Total Capital Expenditure on renewal of existing assets	1	--	9 934	9 934	--	1 565	4 967	3 402	68.5%	9 934

NC071 Ubuntu - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - Mid-Year										
Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Total Repairs and Maintenance Expenditure	1	--	--	--	--	--	--	--	--	--

Handwritten signature
23

Section 12 – Municipal manager’s quality certification

QUALITY CERTIFICATE

I SANTU S. NGWEYU ^{ASN} as ~~Acting~~ Municipal Manager of **Ubuntu Municipality**,

hereby certify that –

(mark as appropriate)

- The monthly budget statements. Sec. 71
- The quarterly report on the implementation of the budget and financial state of the municipality. Sec. 52 (d)
- The mid-year budget and performance assessment. Sec.72

For **Quarter 2, Mid-Year, M06 of 2020/2021 financial year** has been prepared in terms of Local Government Municipal Finance Management Act (56/2003), Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

It should be however noted that these figures have been extracted from the financial system EMS without any alterations, some discrepancies or deviations may exist due to data migration and integration of FMS and EMS financial systems.

^{ASN}
Municipal ~~or~~ Acting Municipal Manager of **Ubuntu Local Municipality (NC071)**

Signature 

Date 29/01/2021