

**MONTHLY BUDGET STATEMENT OF
DR RUTH SEGOMOTSI MOMPATI DISTRICT
MUNICIPALITY**



**In-Year Monitoring Report for the Month Ended
31 January 2020**

Report prepared in terms **Section 71** of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009.

SCHEDULE C

MONTHLY BUDGET STATEMENTS AND SUPPORTING DOCUMENTATION OF A MUNICIPALITY

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GLOSSARY

Annual Budget – Prescribed in section 16 of the MFMA - the formal means by which a Municipality approve official budget for the next three years.

Adjustment Budget – Prescribed in section 28 of the MFMA – the formal means by which a Municipality may revise its annual budget during the year.

Allocations (Transfers – see DORA) – Money received from Provincial or National Government.

Budget Related Policy(ies) – Policies of a Municipality affecting or affected by the budget, examples include Tariff Policy, Rates Policy, Credit Control and Debt Collection Policies.

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 and must be included in the asset register.

Cash Flow Statement – A statement showing when actual cash will be received and spent by the Municipality. Payments do not always coincide with budgeted expenditure timings – for example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government (see Allocations / Transfers).

Equitable Share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services and to compensate loss of RSC levies.

Fruitless and Wasteful Expenditure – Expenditure that was made in vain and would/should have been avoided had reasonable care been exercised.

GFS – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations dated April 2009.

MFMA – The Municipal Finance Management Act – Act No. 56 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.

Operating Expenditure –The day to day expenses of the Municipality such as salaries and wages.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed ratable 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 budgeted 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.

Unauthorized Expenditure – Generally, spending without, or in excess of, an Approved Budget.

Virement – A transfer of funds.

Virement Policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget is divided. In Eden District this means the different GFS classification the budget is divided.

DLG&HS – Department of Local Government and Human Settlements

MIG – Municipal Infrastructure Grant

WSIG – Water Services Infrastructure Grant

FMG – Financial Management Grant

MSIG – Municipal Systems Improvement Grant

Legislative Framework

This report has been prepared in terms of the following enabling legislation:

The Municipal Finance Management Act – Act No. 56 of 2003

Section 71: Monthly Budget Statements

Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations

PART 1

1. IN-YEAR REPORTING

1.1 Executive Mayor's Report

1.1.1 Implementation of the Budget in line with the SDBIP

The municipality strives to ensure alignment of the budget to the Service Delivery and Budget Implementation plan (SDBIP) and to ensure that all objectives are costed. Given the fact that financial resources are never sufficient to address all the needs identified in the departmental wish lists and the service delivery needs as identified by our communities, the process of prioritization of needs had to be strictly done.

Reasonable strides have been done by the municipality to cut costs and to implement a budget that only addresses the planned objectives. There have been serious cuts on non-priority areas and luxuries to afford the municipality to bridge the gap between the needs of our communities and the available resources.

All the objectives set in the SDBIP are aligned to the budget and even though not fully funded.

1.1.2 Service Level Agreements with the Local Municipalities

There are initiatives of the District Municipality to the local municipalities such as Internal Audit Support, Risk Management Support, IT Support and many other administrative supports are still being provided to the local municipalities.

The District Municipality as a Water Service Authority is assisting Lekwa- Teemane, Naledi Local Municipality and Mamusa Local Municipality with water tankering and this is budgeted from the operating income. The existence of the District Municipality is to support the local municipalities in as far as the district municipality can afford.

1.1.3 A Summary of Financial Problems or Risks facing the Municipality

The District Municipality's financial situation has deteriorated over the years. The dependence on the grant funding is still continuing for the district, and the district has not yet identified any additional revenue sources. The cash flow of the district is getting lower and lower to an extent where some months conclude in a negative cash flow. The municipality does not have reserves.

The major risk that the district is facing is, the aging infrastructure that is depreciating at a high rate and that depreciation is not cash backed, and this is a high risk for the district municipality because the district would have to replace these infrastructural assets when they become damaged and fully used and this exercise has a serious financial bearing in the long run for the municipality.

The fact that the district municipality does not have other revenue sources other than the conditional grants also poses a threat and the risk of going concern for the municipality. High expenditure trends on operating costs must be monitored and curbed as these will affect the service delivery in the long run. The District Municipality has developed a Revenue Enhancement Strategy to ensure revenue collection.

1.1.4 Council Resolutions

The resolutions that will be presented to Council when this In-Year Report is tabled.

1.2 Executive Summary

1.2.1 Introduction

Section 71(1) of the Municipal Finance Management Act (MFMA) requires from the Municipal Manager, as Accounting Officer of the Municipality, to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the municipality's budget for that month and for the financial year up to the end of that month.

These figures are presented in terms of section 71 of the MFMA. The information is presented for the month and year to date ending 31 January 2020.

1.2.2 Consolidated Overview

1.2.2.1 Against Annual Budget (original)

- **Revenue by source**

The municipality did not received Equitable share for the month of January 2020.

The municipality has got no other sources of revenue other than conditional grants, interest earned and revenue from the sale of bid documents which is very minimal. Therefore, this means that the municipality is heavily grant dependant. The grants received from National Treasury need to be strictly implemented as they are for specific purposes. These grants are received by the municipality in three tranches for the financial year. Municipality will not receive the Municipal Infrastructure Grant (MIG) as it will be administered form the Provincial and National CoGTA as cost reimbursement

- **Operating Expenditure by type**

Operating expenditure for the month of January amounts to **R22.5m**. The Municipality managed to pay its creditors and employees with the received equitable share for the month of January 2020.

- **Capital Expenditure**

The capital budget for the financial year amounts to **R360,755m**. This amount is made up of the Municipal Infrastructure Grant (MIG) **R131,473m**. Regional Bulk Water Infrastructure Grant (RBIG) **R121,693m**, Water Services Infrastructure Grant (WSIG) **R105,000m** and Rural Roads Assets Management Services Grant (RRAMS) **R2,589m**.

- **Material variances from SDBIP**

Variances and deficiencies will be explained in terms of the SDBIP and will be reported on by the Performance Management Unit during the quarterly performance reviews.

- **Remedial or corrective steps**

All Departmental Heads must monitor monthly income and expenditure reports and ensure spending is within budget that was approved by Council on the 30 May 2019. It is the responsibility of each Departmental Head to prevent any unauthorised expenditure by staying within the budgetary limits and also by ensuring that the money is spent on only the items that are budgeted for. Should such unauthorised expenditure occur, the relevant departmental head will be held responsible for that unauthorised expenditure.

- **Conclusion**

Detailed analysis of the municipal performance for the year to date ending 31 January 2020 will be presented under the different sections of the report.

The municipality must implement various cost saving measures and other activities to ensure that the municipal budget is implemented according to the mandate of Council.

1.3 Budget Statement Tables

1.3.1 Table C1: Monthly Budget Statement Summary

DC39 Dr Ruth Segomotsi Mompoti - Table C1 Monthly Budget Statement Summary - M07 January

Description	2018/19	Budget Year 2019/20							
	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	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	550	-	41	2,526	321	2,205	687%	550
Transfers and subsidies	-	311,151	-	-	325,057	181,505	143,552	79%	311,151
Other own revenue	-	16,335	-	41	5,855	9,529	(3,674)	-39%	16,335
Total Revenue (excluding capital transfers and contributions)	-	328,036	-	82	333,437	191,354	142,083	74%	328,036
Employee costs	-	142,929	-	18,064	111,348	81,911	29,437	36%	140,419
Remuneration of Councilors	-	7,578	-	167	1,242	5,697	(4,455)	-78%	9,766
Depreciation & asset impairment	-	11,459	-	-	-	7,221	(7,221)	-100%	12,379
Finance charges	-	10,800	-	900	9,002	6,300	2,702	43%	10,800
Materials and bulk purchases	-	93,150	-	163	77,102	55,796	21,306	38%	95,650
Transfers and subsidies	-	8,500	-	85	219	3,383	(3,164)	-94%	5,800
Other expenditure	-	55,088	-	3,216	42,036	38,069	3,967	10%	65,261
Total Expenditure	-	329,554	-	22,595	240,950	198,377	42,572	21%	340,075
Surplus/(Deficit)	-	(1,518)	-	(22,513)	92,488	(7,023)	99,511	-1417%	(12,039)
Transfers and subsidies - capital (monetary allocations)	-	367,675	-	-	29,423	214,477	(185,054)	-86%	367,675
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	366,157	-	(22,513)	121,911	207,454	(85,543)	-41%	355,636
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	366,157	-	(22,513)	121,911	207,454	(85,543)	-41%	355,636
Capital expenditure & funds sources									
Capital expenditure									
Capital transfers recognised	1,418	241,280	-	2,941	63,774	140,747	(76,973)	-55%	241,280
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	2,970	-	13	26,551	1,732	24,818	1433%	2,970
Total sources of capital funds	1,418	244,250	-	2,955	90,324	142,479	(52,155)	-37%	244,250
Financial position									
Total current assets	401,932	-	-	-	414,495	-	-	-	-
Total non current assets	2,879,921	370,106	-	-	3,011,890	-	-	-	370,106
Total current liabilities	(578,088)	-	-	-	(602,911)	-	-	-	-
Total non current liabilities	(86,365)	-	-	-	(86,365)	-	-	-	-
Community wealth/Equity	(2,617,401)	(13,339)	-	-	(2,617,401)	-	-	-	(13,339)
Cash flows									
Net cash from (used) operating	-	369,482	-	(22,554)	110,002	208,997	98,995	47%	358,281
Net cash from (used) investing	(1,418)	(244,250)	-	(2,955)	(90,324)	(142,479)	(52,155)	37%	(244,250)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	(1,418)	125,232	-	-	19,678	66,518	46,840	70%	114,031
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	-	-	-	-	-	-	7,924	-	7,924
Creditors Age Analysis									
Total Creditors	2,695	8,480	34,082	28,589	51,409	(54,237)	163,009	77,668	311,696

1.3.2 Table C2 Monthly Budget Statement – Financial Performance per Standard Classification

DC39 Dr Ruth Segomotsi Mompoti - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	Ref	2018/19			Budget Year 2019/20					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>		-	129,732	-	(82)	(204,834)	75,677	(280,512)	-371%	129,732
Executive and council		-	43,522	-	-	(28,719)	25,388	(54,107)	-213%	43,522
Finance and administration		-	71,018	-	(82)	(165,935)	41,427	(207,362)	-501%	71,018
Internal audit		-	15,193	-	-	(10,181)	8,862	(19,043)	-215%	15,193
<i>Community and public safety</i>		-	30,820	-	-	(20,653)	17,978	(38,631)	-215%	30,820
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	30,820	-	-	(20,653)	17,978	(38,631)	-215%	30,820
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	58,653	-	-	(33,285)	34,214	(67,499)	-197%	58,653
Planning and development		-	40,433	-	-	(21,075)	23,586	(44,661)	-189%	40,433
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	18,220	-	-	(12,210)	10,628	(22,838)	-215%	18,220
<i>Trading services</i>		-	476,506	-	-	(104,089)	277,962	(382,051)	-137%	476,506
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	476,506	-	-	(104,089)	277,962	(382,051)	-137%	476,506
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	-	695,711	-	(82)	(362,861)	405,831	(768,692)	-189%	695,711
Expenditure - Functional										
<i>Governance and administration</i>		-	129,028	-	15,445	110,851	74,900	35,952	48%	128,399
Executive and council		-	44,663	-	2,852	20,636	25,089	(4,453)	-18%	43,010
Finance and administration		-	69,301	-	11,451	81,487	41,024	40,463	99%	70,326
Internal audit		-	15,064	-	1,142	8,728	8,787	(59)	-1%	15,064
<i>Community and public safety</i>		-	30,720	-	2,444	18,167	17,920	247	1%	30,720
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	30,720	-	2,444	18,167	17,920	247	1%	30,720
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	65,477	-	3,257	20,649	39,508	(18,858)	-48%	67,727
Planning and development		-	48,658	-	2,074	11,537	29,696	(18,159)	-61%	50,908
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	16,819	-	1,183	9,112	9,811	(699)	-7%	16,819
<i>Trading services</i>		-	104,329	-	1,449	91,282	66,051	25,231	38%	113,229
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	104,329	-	1,449	91,282	66,051	25,231	38%	113,229
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	-	329,554	-	22,595	240,950	198,377	42,572	21%	340,075
Surplus/ (Deficit) for the year		-	366,157	-	(22,677)	(603,810)	207,454	(811,284)	-391%	355,636

This above table reflects on the operating budget (Financial Performance) per the standard classifications which is the Government Finance Statistics Functions and Sub-function. These are used by National Treasury to assist in the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures being used by the different institutions.

The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services and others. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3 as prescribed by the MBRR.

Operating Revenue

Operating revenue to date is R325,000 year to date. This is the investment interest realised from Investments.

Operating Expenditure

The operating expenditure for the month of December 2019 is mainly employee related costs and remuneration of councillors. The Municipality received the second tranche of the equitable share in December 2019. The Budget that council approved for 2019/20 MTREF was unfunded and therefore National Treasury advised council to a resolution and to come up with a financial plan on how to deal with the deficit

1.3.3 Table C3 Monthly Budget Statement – Financial Performance (Revenue and Expenditure By Municipal Vote.

DC39 Dr Ruth Segomotsi Mompati - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M07 January

Vote Description	Ref	Budget Year 2019/20								
		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	1									
Vote 1 - Office of the Mayor		-	30,301	-	(44)	(148,200)	17,676	(165,875)	-938.4%	30,301
Vote 2 - Office of the Speaker		-	43,522	-	-	(28,719)	25,388	(54,107)	-213.1%	43,522
Vote 3 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	15,193	-	-	(10,181)	8,862	(19,043)	-214.9%	15,193
Vote 5 - Finance		-	476,506	-	-	(104,089)	277,962	(382,051)	-137.4%	476,506
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 8 - Environmental Services		-	-	-	-	-	-	-	-	-
Vote 9 - Fire and Disaster		-	17,763	-	-	(7,618)	10,362	(17,980)	-173.5%	17,763
Vote 10 - Engineering Services		-	-	-	-	-	-	-	-	-
Vote 11 - Project Management Unit		-	-	-	-	-	-	-	-	-
Vote 12 - Economic Development Tourism and Agriculture		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	40,716	-	(38)	(17,735)	23,751	(41,486)	-174.7%	40,716
Total Revenue by Vote	2	-	624,001	-	(82)	(318,541)	364,001	(680,542)	-187.0%	624,001
Expenditure by Vote	1									
Vote 1 - Office of the Mayor		-	28,940	-	1,805	25,058	18,106	6,951	38.4%	31,040
Vote 2 - Office of the Speaker		-	44,663	-	2,852	20,636	25,089	(4,453)	-17.7%	43,010
Vote 3 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	15,064	-	1,142	8,728	8,787	(59)	-0.7%	15,064
Vote 5 - Finance		-	104,329	-	1,449	91,282	66,051	25,231	38.2%	113,229
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 8 - Environmental Services		-	-	-	-	-	-	-	-	-
Vote 9 - Fire and Disaster		-	45,721	-	2,074	10,539	28,129	(17,590)	-62.5%	-
Vote 10 - Engineering Services		-	-	-	-	-	-	-	-	-
Vote 11 - Project Management Unit		-	-	-	-	-	-	-	-	-
Vote 12 - Economic Development Tourism and Agriculture		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	40,361	-	9,645	56,429	22,917	33,512	146.2%	-
Total Expenditure by Vote	2	-	279,079	-	18,968	212,672	169,079	43,593	25.8%	202,342
Surplus/ (Deficit) for the year	2	-	344,922	-	(19,050)	(529,213)	194,921	(724,135)	-371.5%	421,659

Reporting per municipal vote provide details on the spread of spending over the various budget votes of the municipality. Revenue and expenditure are spread amongst various votes per their functions and priorities in line with the overall Service Delivery and Budget Implementation Plan.

1.3.4 Table C4 Monthly Budget Statement – Financial Performance (Revenue and Expenditure)

DC39 Dr Ruth Segomotsi Mompati - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	2018/19		Budget Year 2019/20						
		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		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	1,303	-	-	588	760	(173)	-23%	1,303
Interest earned - external investments		-	550	-	41	2,526	321	2,205	687%	550
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	14,832	-	-	4,978	8,652	(3,674)	-42%	14,832
Fines, penalties and forfeits		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		-	311,151	-	-	325,057	181,505	143,552	79%	311,151
Other revenue		-	200	-	41	289	117	173	148%	200
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		-	328,036	-	82	333,437	191,354	142,083	74%	328,036
Expenditure By Type										
Employee related costs		-	142,929	-	18,064	111,348	81,911	29,437	36%	140,419
Remuneration of councillors		-	7,578	-	167	1,242	5,697	(4,455)	-78%	9,766
Debt impairment		-	800	-	-	-	992	(992)	-100%	1,700
Depreciation & asset impairment		-	11,459	-	-	-	7,221	(7,221)	-100%	12,379
Finance charges		-	10,800	-	900	9,002	6,300	2,702	43%	10,800
Bulk purchases		-	92,500	-	-	76,886	55,417	21,470	39%	95,000
Other materials		-	650	-	163	216	379	(163)	-43%	650
Contracted services		-	23,954	-	1,203	26,749	19,456	7,293	37%	33,354
Transfers and subsidies		-	8,550	-	85	219	3,383	(3,164)	-94%	5,800
Other expenditure		-	30,334	-	2,013	15,287	17,621	(2,334)	-13%	30,207
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		-	329,554	-	22,595	240,950	198,377	42,572	21%	340,075
Surplus/(Deficit)		-	(1,518)	-	(22,513)	92,488	(7,023)	99,511	(0)	(12,039)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		-	367,675	-	-	29,423	214,477	(185,054)	(0)	367,675
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		-	366,157	-	(22,513)	121,911	207,454			355,636
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	366,157	-	(22,513)	121,911	207,454			355,636
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	366,157	-	(22,513)	121,911	207,454			355,636
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year		-	366,157	-	(22,513)	121,911	207,454			355,636

Table C4 above presents

- **Revenue by Source.**

Revenue by source explains the types of income budgeted for and the performance of these items individually.

- **Rental of facilities and equipment:**

Slow income levels are reported due to this municipality's grants are all on Cost Reimbursement.

- **Transferred recognised – operational**

The transfers recognised represents all the operating grants budgeted for as gazette in the DoRA. These include the equitable share, the financial management grant, the rural road

asset management system grant and the expanded public works grant. All grants are recognized as revenue once they have been spent.

- **Other revenue / Sundry income**

Other revenue reflects an amount of **R 248,000** for the month of December 2019

- **Expenditure by Type**

Expenditure by type reflects the operational budget per main type/category of expenditure.

- **Employee Related costs and Remuneration of Councilors.**

Remuneration related expenditure for the month of December amounts to R4.003m. To date, the total expenditure on salary related costs for officials amounts **R70.210m**, and Remuneration of councilors amount to **R4,833 To date**.

- **Bulk Purchases**

The amount of **R57.528m** reflected in table C4 excludes is outstanding money or invoices for Sedibeng Water. The Municipality is unable to service this account as Sedibeng expects **R60m** on monthly basis. Highly unaffordable.

- **Other expenditure**

Other expenditure includes all other general operational costs of the municipality. The general expense as at the end of January 2019 are within the budget.

1.3.5 Table C5 Monthly Budget Statement Capital Expenditure (Municipal Function)

DC39 Dr Ruth Segomotsi Mompoti - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

Vote Description	Ref	Budget Year 2019/20								
		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 1 - Office of the Mayor		-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Speaker		-	-	-	-	-	-	-	-	-
Vote 3 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 5 - Finance		-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 7 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 8 - Environmental Services		-	-	-	-	-	-	-	-	-
Vote 9 - Fire and Disaster		-	-	-	-	-	-	-	-	-
Vote 10 - Engineering Services		-	-	-	-	-	-	-	-	-
Vote 11 - Project Management Unit		-	-	-	-	-	-	-	-	-
Vote 12 - Economic Development Tourism and Agriculture		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Office of the Mayor		-	400	-	-	75	233	(158)	-68%	400
Vote 2 - Office of the Speaker		-	900	-	-	-	525	(525)	-100%	900
Vote 3 - Office of the Municipal Manager		-	-	-	-	-	-	-	-	-
Vote 4 - Internal Audit		-	130	-	-	8	76	(68)	-90%	130
Vote 5 - Finance		1,418	173,830	-	2,941	90,169	101,401	(11,232)	-11%	173,830
Vote 6 - Corporate Services		-	42,000	-	-	-	24,500	(24,500)	-100%	42,000
Vote 7 - Planning and Development		-	25,450	-	-	-	14,846	(14,846)	-100%	25,450
Vote 8 - Environmental Services		-	-	-	-	-	-	-	-	-
Vote 9 - Fire and Disaster		-	850	-	-	45	496	(451)	-91%	850
Vote 10 - Engineering Services		-	-	-	-	-	-	-	-	-
Vote 11 - Project Management Unit		-	-	-	-	-	-	-	-	-
Vote 12 - Economic Development Tourism and Agriculture		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	440	-	-	5	257	(252)	-98%	440
Total Capital single-year expenditure	4	1,418	244,000	-	2,941	90,302	142,334	(52,032)	-37%	244,000
Total Capital Expenditure		1,418	244,000	-	2,941	90,302	142,334	(52,032)	-37%	244,000
Capital Expenditure - Functional Classification										
Governance and administration		-	1,870	-	-	88	1,091	(1,003)	-92%	1,870
Executive and council		-	900	-	-	-	525	(525)	-100%	900
Finance and administration		-	840	-	-	80	490	(410)	-84%	840
Internal audit		-	130	-	-	8	76	(68)	-90%	130
Community and public safety		-	100	-	13	22	58	(36)	-62%	100
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	100	-	13	22	58	(36)	-62%	100
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	1,000	-	-	45	583	(538)	-92%	1,000
Planning and development		-	850	-	-	45	496	(451)	-91%	850
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	150	-	-	-	88	(88)	-100%	150
Trading services		1,418	241,280	-	2,941	90,169	140,747	(50,578)	-36%	241,280
Energy sources		-	-	-	-	-	-	-	-	-
Water management		1,418	173,830	-	2,941	90,169	101,401	(11,232)	-11%	173,830
Waste water management		-	42,000	-	-	-	24,500	(24,500)	-100%	42,000
Waste management		-	25,450	-	-	-	14,846	(14,846)	-100%	25,450
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	1,418	244,250	-	2,955	90,324	142,479	(52,155)	-37%	244,250
Funded by:										
National Government		1,418	241,280	-	2,941	63,774	140,747	(76,973)	-55%	241,280
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		1,418	241,280	-	2,941	63,774	140,747	(76,973)	-55%	241,280
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	2,970	-	13	26,551	1,732	24,818	1433%	2,970
Total Capital Funding		1,418	244,250	-	2,955	90,324	142,479	(52,155)	-37%	244,250

3.6 Table C6 Monthly Budget Statement Financial Position

DC39 Dr Ruth Segomotsi Mompati - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2018/19		Budget Year 2019/20		
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		2,805	-	-	(31,603)	-
Call investment deposits		113,084	-	-	142,450	-
Consumer debtors		-	-	-	676	-
Other debtors		286,043	-	-	302,972	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		-	-	-	-	-
Total current assets		401,932	-	-	414,495	-
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		5,512	-	-	5,512	-
Investments in Associates		-	-	-	-	-
Property, plant and equipment		2,873,372	370,106	-	3,005,341	370,106
Biological		-	-	-	-	-
Intangible		1,037	-	-	1,037	-
Other non-current assets		-	-	-	-	-
Total non current assets		2,879,921	370,106	-	3,011,890	370,106
TOTAL ASSETS		3,281,854	370,106	-	3,426,385	370,106
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	-	-	-	-
Consumer deposits		-	-	-	-	-
Trade and other payables		(568,745)	-	-	(593,569)	-
Provisions		(9,343)	-	-	(9,343)	-
Total current liabilities		(578,088)	-	-	(602,911)	-
Non current liabilities						
Borrowing		(44,034)	-	-	(44,034)	-
Provisions		(42,331)	-	-	(42,331)	-
Total non current liabilities		(86,365)	-	-	(86,365)	-
TOTAL LIABILITIES		(664,452)	-	-	(689,276)	-
NET ASSETS	2	3,946,306	370,106	-	4,115,661	370,106
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		(2,321,408)	-	-	(2,321,408)	-
Reserves		(295,993)	(13,339)	-	(295,993)	(13,339)
TOTAL COMMUNITY WEALTH/EQUITY	2	(2,617,401)	(13,339)	-	(2,617,401)	(13,339)

DC39 Dr Ruth Segomotsi Mompoti - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	2018/19			Budget Year 2019/20					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		-	-	-	-	-	-	-	-	-
Service charges		-	-	-	-	-	-	-	-	-
Other revenue		-	40,716	-	38	17,735	23,751	(6,016)	-25%	40,716
Government - operating		-	273,386	-	3	303,784	159,475	144,309	90%	273,386
Government - capital		-	367,675	-	-	29,423	214,477	(185,054)	-86%	367,675
Interest		-	-	-	-	-	-	-	-	-
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(297,945)	-	(21,610)	(231,729)	(180,481)	51,247	-28%	(309,396)
Finance charges		-	(10,800)	-	(900)	(9,002)	(6,300)	2,702	-43%	(10,800)
Transfers and Grants		-	(3,550)	-	(85)	(209)	(1,925)	(1,716)	89%	(3,300)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	369,482	-	(22,554)	110,002	208,997	98,995	47%	358,281
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		(1,418)	(244,250)	-	(2,955)	(90,324)	(142,479)	(52,155)	37%	(244,250)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(1,418)	(244,250)	-	(2,955)	(90,324)	(142,479)	(52,155)	37%	(244,250)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(1,418)	125,232	-	(25,509)	19,678	66,518			114,031
Cash/cash equivalents at beginning:		-	-	-	-	-	-	-	-	-
Cash/cash equivalents at month/year end:		(1,418)	125,232	-	19,678	66,518	114,031			114,031

1.

3.7 Monthly Budget Statement – Cash Flows

PART 2

2. OTHER SUPPORTING INFORMATION

2.1 Debtors Age Analysis

The age analysis for debtors only includes those amounts which are current or past due. It does not include amounts which are due in future. The municipality does not have consumers who pay rates

and taxes, but rather the debtors emanate from Department of Transport for the Rental of Municipal Building.

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2019/20									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	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	7 924	-	-	-	-
Total By Income Source	2000	-	-	-	-	-	-	-	7 924	-	7 924	7 924	-
2018/19 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	-	-	-	-	-	-	-	1 788	-	1 788	1 788	-
Commercial	2300	-	-	-	-	-	-	-	6 135	-	6 135	6 135	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	-	-	-	-	-	-	-	7 924	-	7 924	7 924	-

The total outstanding debtors as at the end of January 2019 amounted to **R7,924m**

2.2 Creditors Analysis

The municipality's creditors as at the 31 January 2019 amounted to **R311.696m**. This amount is made up of various creditors which include amongst others the retentions withheld on various capital projects and Sedibeng Water outstanding invoices

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	NT Code	Budget Year 2019/20									Prior year totals for chart (same period)	
		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	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	26,450	-	12,231	-	-	160,659	82,484	-	281,825	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (ou/but/less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	513	-	-	-	-	-	-	513	-
Other	0900	2,695	(17,970)	33,569	16,358	51,409	(54,237)	2,350	(4,816)	-	29,358	-
Total By Customer Type	1000	2,695	8,480	34,082	28,589	51,409	(54,237)	163,009	77,668	-	311,696	-

2.2.1 The DBSA Loan

The municipality is also servicing a loan from the DBSA, this loan was taken-on since 2013-2014, thereafter a Restructured Loan Agreement was entered into between the municipality and the DBSA whereby the DBSA agreed to cut the accumulated interest on the loan provided the municipality commits to adhere to the repayment schedules, and as at the end of January 2020 the remaining

balance was at **R26,838m**. The monthly repayment towards this has been provided in the budget at R900 000 as per the repayment agreement.

2.3 Cash and Cash Equivalents

The cash and cash equivalents consist of the petty cash amount up to R2,000 the primary bank account held at FNB and the short-term investment accounts. As at the end of January 2020, the primary bank account had a cash balance of **R798K** and the short-term investments, and amounts to **R11,820m** as at the end of January 2020. The amount in short term investment accounts mainly consists of the FMG, MIG, the DWA RBIG Grant, WSIG and other grants received but not yet spent.



how can we help you?

BBST1608 109917
 *DR RUTH SEGOMOTSI MOMPATI DISTRICT
 21 DE KOCK ST
 VRYBURG
 8601
 MATSHANGAZAM@BOPHIRIMA.CO.ZA

Vryburg
 P O Box 83
 Vryburg 8600
 Branch Code 240201

Customer VAT Registration Number : Not Provided
 Bank VAT Registration Number : 4210102051

Copy Tax Invoice/Statement Number : 1608

Statement Period : 30 January 2020 to 31 January 2020
 Statement Date : 31 January 2020

Public Sector Cheque Account 62419781374

Summary in Rand		ZAR
Opening Balance		1,981,195.91 Cr
Funds Received (Credits)	7	1,884,572.62 Cr
Cash Deposits	1	500.00 Cr
Other Deposits	0	0.00
Inter-Account Transfers In	4	923,000.00 Cr
Electronic Payments Received	2	961,072.62 Cr
Funds Used (Debits)	20	3,067,311.85 Dr
Cash Withdrawals (Branch)	0	0.00
Cash Withdrawals (Other)	0	0.00
Cheques Processed (Non Cash)	0	0.00
Debit Orders/Scheduled Payments	6	13,931.13 Dr
Account Payments	13	2,130,380.72 Dr
Inter-Account Transfers Out	1	923,000.00 Dr
Card Purchases (Swipes)	0	0.00
Fuel Purchases	0	0.00
Bank Charges	0	0.00
Service Fees	0	0.00
Cash Deposit Fees	0	0.00
Cash Handling Fees	0	0.00
Other Fees	0	0.00
Other Entries		
Interest on Credit Balance	0	0.00
Interest on Debit Balance	0	0.00
Inward Unpaid Items	0	0.00
Unpaid Cheques and Debits	0	0.00
Refunds/Adjustments	0	0.00
Closing Balance		798,456.68 Cr
Overdraft Limit		0.00

Contact us

Web	fnb.co.za
Lost Cards	087-575-9406
Account Enquiries	087-736-2247
Fraud	087-311-8607

Updated Terms and Conditions: Your transactional account terms and conditions have been updated. You can access the updated terms and conditions on our website.

Debit Interest Rates (Non NCA)
 Prime Linked = 10.75%

Pricing Option: Your account is currently on the Pay-As-You-Use pricing option. For more information, please Contact Us or visit our website.

Branch Number	Account Number	Date	DDA DB/AV/Y3/XU/XU/RA/PT/I6/UG/N	FNBUS
416	62419781374	20/01/31	Public Sector Cheque Account	

2.4 Investment Portfolio

Regulation 9 of the Investment Regulations requires that:

The Accounting Officer of a municipality or municipal entity must within 10 working days of the end of each month as part of the S71 report required by the Act, submit to the Mayor of the municipality or the board of directors of a municipal entity a report describing in accordance with the GRAP the investment portfolio of the municipality or the municipal entity as at the end of the month. Regulation 9 (1) further requires that the report must contain at least:

- i) The market value of each investment at the beginning of each period;
- ii) Any changes to the investment portfolio during the reporting period;
- iii) The market value of each and every investment at the end of the period;

The investment portfolio of the municipality as at the 31 January 2020 amounted to as indicated below.

These invested funds are those funds for the capital projects that have not yet been implemented. The interest raised from these short-term investments is already included in the budget at an estimate.

DC39 Dr Ruth Segomotsi Mompati - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID FNB Call Accounts	Ref	Period of Investment	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
R thousands														
Municipality														
504-MIG		12 Months	Call Accounts	yes	Variable	5				4	0			4
505-DWA		12 Months	Call Accounts	yes	Variable	5				31	0			31
506-Department of Sport Grant		12 Months	Call Accounts	yes	Variable	5				1,022	5			1,027
509-FMG		12 Months	Call Accounts	yes	Variable	5				1,521	8			1,529
511-Municipal Building Fund		12 Months	Call Accounts	yes	Variable	5				239	8			247
512-Guarantees		12 Months	Call Accounts	yes	Variable	5				441	2			443
513-Leave Provision		12 Months	Call Accounts	yes	Variable	5				2,479	12			2,491
517-LG Seto Grant		12 Months	Call Accounts	yes	Variable	5				30	0			30
518-National Department Public Works		12 Months	Call Accounts	yes	Variable	5				50	0	(923)	923	50
519-Provincial Infrastructure Grant (MAMUSA LM MIG)		12 Months	Call Accounts	yes	Variable	5				2,302	0			2,302
520-Rural Transport Services Infrastructure Grant		12 Months	Call Accounts	yes	Variable	5				1,121	12			1,133
521-Rural Household Infrastructure Grant		12 Months	Call Accounts	yes	Variable	5				11	6			17
523-Equitable Share		12 Months	Call Accounts	yes	Variable	5				28	0			28
524-WSOG		12 Months	Call Accounts	yes	Variable	5				1,137	6			1,143
Municipality sub-total										10,416	59	(923)	923	10,475
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									10,416		(923)	923	10,475

2.5 Grants Receipts

DC39 Dr Ruth Segomotsi Mompoti - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	2018/19	Budget Year 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:		310,577	372,071	-	314	3,815	367,941	(363,436)	-98.8%	372,071
Local Government Equitable Share		301,205	361,316	-	-	-	361,316	(361,316)	-100.0%	361,316
Finance Management		1,320	1,785	-	77	476	1,231			1,785
EPWP Incentive		1,278	2,050	-	236	939	874			2,050
5%MG-PMU Operations		6,774	6,920	-	0	2,400	4,520	(2,120)	-46.9%	6,920
Total Operating Transfers and Grants	5	310,577	372,071	-	314	3,815	367,941	(363,436)	-98.8%	372,071
Capital Transfers and Grants										
National Government:		371,859	360,755	-	27,877	103,425	229,453	(96,661)	-42.1%	360,755
Municipal Infrastructure Grant (MIG)		128,708	131,473	-	6,877	13,967	110,628	(96,661)	-87.4%	131,473
Regional Bulk Infrastructure		149,150	121,693	-	-	50,692	71,001			121,693
Water Services Infrastructure Grant		91,557	105,000	-	21,000	38,421	45,579			105,000
Rural Transport Services and Infrastructure		2,444	2,589	-	-	345	2,244			2,589
Provincial Government:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	371,859	360,755	-	27,877	103,425	229,453	(96,661)	-42.1%	360,755
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	682,436	732,826	-	28,192	107,240	597,394	(460,096)	-77.0%	732,826

As indicated above, the municipality is almost 100% grant dependent. The following grants have been budgeted for.

2.6 Grants Expenditure

2.7 Repairs and maintenance

There was no expenditure incurred for repairs and maintenance. This repairs and maintenance of minor assets and not of the infrastructural assets.

3. Conclusion

The financial performance of the municipality as this is the middle of the financial year. The delay in releasing grants for the municipality had a huge impact on service delivery and payments to service providers.

4. Recommendations

It is recommended that: -

- Managers should ensure that they implement the budget in line with the SDBIP and that only items that are budgeted for should be considered.
- All procurement plans must be linked to the departmental SDBIP
- That management continue to implement cost containment measures as per circular 82 and Municipal Cost Containment Regulations
- All managers that have to submit their inputs for the preparation of the Section 71 Reports must do so timeously so that the submission of the Section 71 Report must be done on time.



Acting Chief Financial Officer


13 February 2020

DR RUTH S. MOMPATI DISTRICT MUNICIPALITY

MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I **Jerry MONONELA**, Municipal Manager of Dr Ruth S Mompati District Municipality, hereby certify that this report and the supporting documentation are prepared in terms of S71 of the MFMA and in line with the in-year monitoring and reporting requirements of the Municipal Budget and Reporting Regulations (MBRR).

Print Name: MR. JERRY MONONELA

Signature:  _____

Date : 13 February 2020

ACKNOWLEDGEMENT OF RECEIPT BY THE EXECUTIVE MAYOR
(or by any person receiving this report on behalf of the Executive Mayor)

I, **Boitumelo L Mahlangu**, the Executive Mayor of Dr Ruth Segomotsi Mompati receive this report in line with the S71(1) of the MFMA.

Signature  _____

Date: 13 February 2020