

Dawid Kruiper Municipality



Monthly Budget Monitoring Report (Section 71 of MFMA)

APRIL 2017

To The Mayor

In accordance with Section 71(1) of the Municipal Finance Management Act, I submit the required statement on the state of Dawid Kruiper Municipality's budget reflecting the particulars up until the end of March 2017.

Section 54(1) of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

It must be noted that the Operational Income and Expenditure, as well as the Capital Expenditure for the financial year 2016/2017 will only become final when the Financial Statements for 2016/2017 are audited.



DE NGXANGA
MUNICIPAL MANAGER

13 April 2017

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Glossary

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.

Cash flow statement - A statement showing when actual cash will be received and spent by the Municipality. Cash 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.

Equitable share - A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure - Expenditure that was made in vain and would 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.

MFMA - The Municipal Finance Management Act - No. 53 of 2003. The principle piece of legislation relating to municipal financial management.

MIG - Municipal Infrastructure Grant.

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 - Spending on 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 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.

Unauthorised expenditure - Generally, is spending without, or in excess of, an approved budget.

Virement - A transfer of budget.

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. In Dawid Kruiper Municipality this means at directorate level.

PART 1 - IN-YEAR REPORT

Section 1 - Mayor's Report

1.1 In-Year Report - Monthly Budget Statement

1.1.1 Implementation of budget in terms of SDBIP

This monthly report has been completed for legislative compliance.

1.1.2 Financial problems or risks facing the municipality

Currently the Dawid Kruiper Municipality is experiencing cash flow problems. A turnaround strategy was adopted by Council. The turnaround strategy has not been fully implemented.

1.1.3 Other information

Public participation processes were done in April 2017 to inform the community regarding the draft budget for the 2017/2018 MTREF. The audit of both //Khara Hais Municipality and Mier Municipality was completed. //Khara Hais Municipality received an unqualified audit opinion with other matters. Mier Municipality received a qualified opinion on revenue and receivables.

Section 2 - Resolutions

IN-YEAR REPORTS 2016/2017

These are the resolutions that will be presented to Council when this In-Year Report is tabled:

RECOMMENDATION:

That Council notes the monthly budget statement and supporting documentation for April 2017.

Section 3 - Executive Summary

3.1 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.

3.2 Consolidated performance

3.2.1 Actuals against annual budget (original approved and latest adjustments)

Revenue

The year-to-date actual reflects an achievement of 83% of the year-to-date budget and a negative variance of 1%. The budgeted amount for property rates are R 73.0 million and the actual figure billed is R 72.4 million. The amount that is received is less which attributed to our cash flow problems.

Operating expenditure

For the year-to-date all expenditure items that show a positive variance indicates an overspending on that specific expenditure item and where they show a negative variance it indicates a saving on that specific expenditure item. Expenditure items such as the provision for bad debt are being recorded at the end of the financial year. Refer to Section 4 - Table C4 for further details on revenue and expenditure.

Capital expenditure

It is noted that year-to-date capital expenditure shows a 56% negative variance of the year-to-date budget. This is due to capital projects that are in the implementation phase of the tenders and therefore awaiting the first invoices for services rendered

All the CRR funding is budgeted under the Municipal Manager's vote. Before capital expenditure is incurred, the Head of Department writes a memo requesting funding for the purchase of a capital item. The memo should be supported with at least three quotations. The Municipal Manager will consider the request and on approval thereof the virement of the funds from the Municipal Manager's vote to the other vote will follow in terms of the approved Virement Policy. Thereafter the normal SCM processes will follow. No unauthorised capital expenditure is allowed.

Cash Flow

The municipality started the year with total cash/cash equivalents of 15.7 million (Cashbook balance of negative R 5.7 million and cash and cash equivalents of R 21.4 million).

Cash and cash equivalents amounted to a positive balance of R 56.5 million at month end.

Conditional grants received are invested. It should be noted that these funds are only available to pay capital projects which is funded by MIG, INEP, EPWP, etc. in terms of an approved business plan. These funds may not be used for operational expenditure and therefore it is critical that the Municipality levy and collect sufficient funds to pay for operational expenditure.

3.3 Remedial or corrective steps

Due to the cash flow problems experienced by the municipality, payments to creditors are being prioritised. Sale of erven and development thereof is one of the priorities of the municipality to ensure sustainability.

Management are also implementing cost saving procedures in expenditure management.

Section 4 - In-year budget statement tables

4.1 Monthly budget statements

4.1.1 Table C1: S71 Monthly Budget Statement Summary

NC087 Dawid Kruiper - Table C1 Monthly Budget Statement Summary - M10 April

Description	2015/16	Budget Year 2016/17							
	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	77 873	84 201	84 201	5 891	72 434	73 041	(607)	-1%	84 201
Service charges	242 448	368 044	368 044	32 749	326 994	315 659	11 336	4%	368 044
Investment revenue	4 176	600	600	329	1 873	1 312	561	43%	600
Transfers recognised - operational	69 715	73 477	73 477	379	73 780	81 114	(7 333)	-9%	73 477
Other own revenue	133 559	49 433	49 433	3 883	33 352	41 010	(7 658)	-19%	49 433
Total Revenue (excluding capital transfers and contributions)	527 771	575 755	575 755	43 231	508 433	512 135	(3 701)	-1%	575 755
Employee costs	207 690	219 953	219 953	8 443	188 858	204 770	(15 912)	-8%	219 953
Remuneration of Councillors	7 962	8 621	8 621	771	7 661	8 558	(897)	-10%	8 621
Depreciation & asset impairment	82 252	82 680	82 680	6 851	68 771	73 724	(4 953)	-7%	82 680
Finance charges	14 658	14 978	14 978	610	9 524	11 194	(1 670)	-15%	14 978
Materials and bulk purchases	183 019	206 825	206 825	14 250	137 260	148 762	(11 503)	-8%	206 825
Transfers and grants	785	110	110	307	455	167	288	172%	110
Other expenditure	91 356	79 346	79 346	7 726	67 151	83 032	(15 881)	-134%	79 346
Total Expenditure	587 722	612 513	612 513	38 957	479 678	530 206	(50 527)	-10%	612 513
Surplus/(Deficit)	(59 951)	(36 758)	(36 758)	4 274	28 755	(18 071)	46 826	-259%	(36 758)
Transfers recognised - capital	25 339	31 819	31 819	2 356	19 253	33 213	(13 960)	-42%	31 819
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(34 612)	(4 939)	(4 939)	6 630	48 008	15 142	32 866	217%	(4 939)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(34 612)	(4 939)	(4 939)	6 630	48 008	15 142	32 866	217%	(4 939)
Capital expenditure & funds sources									
Capital expenditure	40 136	69 818	69 818	4 632	27 161	61 360	(34 199)	-56%	69 818
Capital transfers recognised	25 339	31 819	31 819	4 515	23 688	33 628	(9 940)	-30%	31 819
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	14 797	37 998	37 998	117	3 473	27 732	(24 259)	-87%	37 998
Total sources of capital funds	40 136	69 818	69 818	4 632	27 161	61 360	(34 199)	-56%	69 818
Financial position									
Total current assets	103 515	84 392	84 392		163 804				84 392
Total non current assets	1 773 156	1 777 548	1 777 548		1 730 255				1 777 548
Total current liabilities	132 687	92 123	92 123		109 346				92 123
Total non current liabilities	228 211	196 138	196 138		181 439				196 138
Community wealth/Equity	1 515 773	1 573 679	1 573 679		1 603 274				1 573 679
Cash flows									
Net cash from (used) operating	23 252	67 106	67 106	(1 778)	66 732	58 424	8 308	14%	67 106
Net cash from (used) investing	(5 879)	(51 611)	(51 611)	(3 095)	(16 635)	(46 804)	30 169	-64%	(51 611)
Net cash from (used) financing	3 485	(9 383)	(9 383)	(616)	(9 305)	(9 238)	(66)		(9 383)
Cash/cash equivalents at the month/year end	15 667	11 112	11 112	-	56 459	20 066	36 393	181%	11 112
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	41 750	5 829	3 390	6 344	4 262	1 588	4 305	42 518	109 985
Creditors Age Analysis									
Total Creditors	17 351	1 399	9	-	-	-	-	3 385	22 145

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

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

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

NC087 Dawid Kruiper - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M10 April

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
<i>Governance and administration</i>	180 243	230 458	250 796	11 468	182 434	205 269	(22 835)	-11.1%	250 796
Executive and council	1 624	150	3	-	1	2	(1)	-73.8%	3
Budget and treasury office	172 919	207 219	227 899	9 131	169 149	187 394	(18 245)	-9.7%	227 899
Corporate services	5 699	23 089	22 894	2 338	13 284	17 873	(4 588)	-25.7%	22 894
<i>Community and public safety</i>	25 403	24 020	17 961	839	12 332	14 585	(2 253)	-15.4%	17 961
Community and social services	4 802	3 080	3 765	16	1 626	2 890	(1 264)	-43.7%	3 765
Sport and recreation	6 414	12 587	5 621	383	4 441	4 775	(335)	-7.0%	5 621
Public safety	13 095	6 236	6 458	440	6 266	5 650	616	10.9%	6 458
Housing	1 092	650	650	-	-	390	(390)	-100.0%	650
Health	-	1 467	1 467	-	-	880	(880)	-100.0%	1 467
<i>Economic and environmental services</i>	7 501	19 538	6 848	375	5 218	5 680	(462)	-8.1%	6 848
Planning and development	7 253	5 828	6 608	363	5 093	5 504	(411)	-7.5%	6 608
Road transport	248	13 710	240	12	125	176	(51)	-29.0%	240
<i>Trading services</i>	339 963	371 598	383 008	32 905	327 702	319 814	7 888	2.5%	383 008
Electricity	244 222	268 214	275 486	23 749	237 094	230 375	6 719	2.9%	275 486
Water	47 022	51 653	54 521	4 794	46 225	45 134	1 091	2.4%	54 521
Waste water management	27 288	28 385	30 461	2 465	25 396	25 434	(38)	-0.1%	30 461
Waste management	21 431	23 347	22 540	1 897	18 987	18 872	115	0.6%	22 540
<i>Other</i>	0	1	-	-	0	0	0	150.0%	-
Total Revenue - Standard	553 110	645 615	658 612	45 587	527 686	545 348	(17 661)	-3.2%	658 612
Expenditure - Standard									
<i>Governance and administration</i>	146 379	127 326	144 406	7 888	115 920	119 721	(3 801)	-3.2%	144 406
Executive and council	39 728	36 062	33 032	1 671	19 505	25 311	(5 806)	-22.9%	33 032
Budget and treasury office	57 037	36 278	53 207	1 963	35 224	42 464	(7 240)	-17.0%	53 207
Corporate services	49 614	54 986	58 167	4 255	61 191	51 946	9 245	17.8%	58 167
<i>Community and public safety</i>	68 014	73 511	77 706	2 794	55 369	63 271	(7 902)	-12.5%	77 706
Community and social services	8 601	9 733	12 342	288	7 465	9 667	(2 202)	-22.8%	12 342
Sport and recreation	29 402	33 239	33 447	1 575	24 541	27 303	(2 762)	-10.1%	33 447
Public safety	23 295	25 959	27 653	847	20 786	22 946	(2 160)	-9.4%	27 653
Housing	3 297	3 409	3 165	49	1 953	2 519	(566)	-22.5%	3 165
Health	3 420	1 172	1 100	35	624	836	(212)	-25.4%	1 100
<i>Economic and environmental services</i>	51 540	78 021	62 236	3 164	47 495	51 579	(4 084)	-7.9%	62 236
Planning and development	12 599	20 912	20 000	1 088	16 490	16 780	(290)	-1.7%	20 000
Road transport	38 941	57 109	42 235	2 076	31 005	34 798	(3 794)	-10.9%	42 235
<i>Trading services</i>	320 366	366 854	370 767	25 070	259 470	294 039	(34 569)	-11.8%	370 767
Electricity	208 318	231 428	232 037	19 045	180 098	188 915	(8 818)	-4.7%	232 037
Water	54 778	62 453	61 634	3 455	41 201	48 137	(6 936)	-14.4%	61 634
Waste water management	33 355	42 047	41 842	1 623	21 938	31 152	(9 214)	-29.6%	41 842
Waste management	23 916	30 926	35 255	947	16 233	25 835	(9 602)	-37.2%	35 255
<i>Other</i>	1 423	1 819	1 927	41	1 425	1 596	(171)	-10.7%	1 927
Total Expenditure - Standard	587 722	647 531	657 042	38 957	479 678	530 206	(50 527)	-9.5%	657 042
Surplus/ (Deficit) for the year	(34 612)	(1 916)	1 570	6 630	48 008	15 142	32 866	217.1%	1 570

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

The operating expenditure budget is approved by Council on the municipal vote level.

The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Municipal Manager; Corporate Services; Budget & Treasury Office; Community Services, Electro Mechanical Services, Civil Engineering Services and Development and Planning Services.

NC087 Dawid Kruiper - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Municipal Manager	1 890	150	3	-	1	2	(1)	-73.8%	3
Vote 2 - Corporate Services	5 643	23 079	22 891	2 338	13 284	17 871	(4 587)	-25.7%	22 891
Vote 3 - Budget & Treasury Office	172 919	220 648	227 899	9 131	169 149	187 394	(18 245)	-9.7%	227 899
Vote 4 - Community Services	40 409	35 262	35 539	2 379	28 149	29 543	(1 394)	-4.7%	35 539
Vote 6 - Electro Mech Services	244 278	274 354	275 486	23 749	237 094	230 375	6 719	2.9%	275 486
Vote 7 - Civil Engineering Services	74 558	80 318	85 222	7 272	71 770	70 753	1 017	1.4%	85 222
Vote 8 - Development and Planning Services	13 413	11 803	11 571	719	8 240	9 410	(1 170)	-12.4%	11 571
Total Revenue by Vote	553 110	645 615	658 612	45 587	527 686	545 348	(17 661)	-3.2%	658 612
Expenditure by Vote									
Vote 1 - Municipal Manager	39 930	36 062	33 032	1 671	19 505	25 311	(5 806)	-22.9%	33 032
Vote 2 - Corporate Services	25 585	36 003	37 247	2 264	35 575	32 465	3 110	9.6%	37 247
Vote 3 - Budget & Treasury Office	57 037	50 707	53 207	1 963	35 224	42 464	(7 240)	-17.0%	53 207
Vote 4 - Community Services	96 501	114 517	119 804	4 148	77 433	94 854	(17 421)	-18.4%	119 804
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	217 356	234 585	235 408	20 393	193 029	194 105	(1 076)	-0.6%	235 408
Vote 7 - Civil Engineering Services	125 094	152 852	153 769	7 656	101 801	121 114	(19 313)	-15.9%	153 769
Vote 8 - Development and Planning Services	19 189	22 804	24 575	862	17 111	19 892	(2 781)	-14.0%	24 575
Total Expenditure by Vote	580 692	647 531	657 042	38 957	479 678	530 206	(50 527)	-9.5%	657 042
Surplus/ (Deficit) for the year	(27 582)	(1 916)	1 570	6 630	48 008	15 142	32 866	217.1%	1 570

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote(s) were overspent.

Certain votes are operating with deficits which cannot be afforded by the municipality. Council should ensure that functions like the Eiland Holiday Resort and other essential services make a profit or break even as per Circular 74. Environmental Health was transferred to ZFM District Municipality on the 1st of July 2016.

The fact that there is a budgeted amount for expenditure does not necessarily mean that there are funds available to pay for the expenditure incurred. Therefore, the incurrence of expenditure should be considered carefully.

Virements are allowed in terms of the approved Virement Policy. This is an internal control measure to prevent unauthorised expenditure. The unauthorised expenditure will be disclosed in the 2016/2017 annual financial statements.

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

4.1.4.1 Revenue

The annual budget is approved for 'Total Revenue by Source'.

The year to date actual reflects an achievement of 83% of the year to date adjustment budget of R 613.1 million and a negative variance of 1%.

The following revenue sources have positive variances in excess of 5% -

- Interest Earned - External Investments (43%) - Conditional funding being invested resulted in more interest earned;
- Agency Services (17%) - Increase in renewal fees resulted in more income received; and
- Fines (7%): The calculated payment ratio of fines issued being paid for 2015/2016 was 7%. The increase can be due to more fines being issued or an increase in the actual payment ratio.

It is noted that some revenue sources have negative variances in excess of 5% -

- Other Revenue (32%) - Council resolution to lower the tariff for consent usage resulted in less income being levied;
- Gain on disposal of PPE (30%) - Disposal of Eiland Resort budgeted for, but disposal did not realise; and
- Transfers Recognised - Operational (9%) - Slower spending on grants due to tenders not yet awarded.

4.1.4.2 Expenditure

For the year-to-date all expenditure items that show negative variances, indicate a saving on that specific expenditure item and where they show positive variances, an overspending is indicated on that specific expenditure item.

Salaries and wages paid to employees and councillors represent 38.7% of actual revenue levied for the year to date. This attributes to the fact that our monthly fixed cost increases above 50% of our actual expenditure and will be even more against the actual income received. This is a big concern for the municipality. At this stage the ongoing increase in employee related costs are contributing to the following:

- tariff increases beyond inflation rates;
- unaffordability of loan raised;
- compromising of repairs and maintenance of assets which result in impairment losses due to assets not maintained; and
- non-payment of creditors which results in accounts being closed and the credibility of the municipality, within the community, being questioned.

The following expenditure sources have negative variances in excess of 5% -

- Debt Impairment (100%) - Pro-rata journal to be processed. The actual amount will only be recognised in the 2016/2017 AFS;
- Loss on Disposal of PPE (100%) - The actual amount will only be recognised in the 2016/2017 AFS;
- Other Materials (32%) - Due to cost containment; resulting in less expenditure;
- Contracted Services (29%) - Due to cost containment; resulting in less expenditure;
- Finance Charges (15%) - Finance charges are being paid during December and June. Restructuring of DBSA loans are resulting in less finance charges being paid;
- Remuneration of Councillors (10%) - Upper limits received and back pay to be calculated;
- Other Expenditure (10%) - Due to cost containment and virements of budgeted amounts to other line items;
- Employee Related Costs (8%) - Due to cost containment;
- Bulk Purchases (8%) - Outstanding invoices from DWA; and
- Depreciation and Asset Impairment (7%) - pro-rata journal needs to be processed.

NC087 Dawid Kruiper - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	2015/16	Budget Year 2016/17							
	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	77 873	85 437	85 213	5 891	72 434	73 041	(607)	-1%	85 213
Service charges - electricity revenue	242 448	267 694	268 916	23 593	236 446	226 285	10 161	4%	268 916
Service charges - water revenue	46 977	51 647	54 446	4 794	46 166	45 069	1 097	2%	54 446
Service charges - sanitation revenue	27 288	28 335	30 460	2 465	25 395	25 433	(38)	0%	30 460
Service charges - refuse revenue	21 398	23 347	22 540	1 897	18 987	18 872	115	1%	22 540
Rental of facilities and equipment	9 144	10 075	9 309	1 148	7 198	7 552	(354)	-5%	9 309
Interest earned - external investments	1 090	1 250	1 500	329	1 873	1 312	561	43%	1 500
Interest earned - outstanding debtors	3 087	3 000	3 500	211	2 985	2 956	30	1%	3 500
Fines	6 800	541	636	44	576	536	40	7%	636
Licences and permits	1 566	1 583	1 584	93	1 324	1 316	8	1%	1 584
Agency services	4 111	4 307	3 657	280	3 853	3 294	559	17%	3 657
Transfers recognised - operational	69 715	96 722	98 328	379	73 780	81 114	(7 333)	-9%	98 328
Other revenue	13 174	13 337	14 549	586	7 327	10 846	(3 519)	-32%	14 549
Gains on disposal of PPE	3 101	18 664	18 474	1 521	10 089	14 510	(4 421)	-30%	18 474
Total Revenue (excluding capital transfers and contributions)	527 771	605 938	613 112	43 231	508 433	512 135	(3 701)	-1%	613 112
Expenditure By Type									
Employee related costs	207 690	233 826	246 934	8 443	188 858	204 770	(15 912)	-8%	246 934
Remuneration of councillors	7 962	10 781	10 737	771	7 661	8 558	(897)	-10%	10 737
Debt impairment	21 160	5 000	5 000	-	-	3 000	(3 000)	-100%	5 000
Depreciation & asset impairment	82 252	90 719	90 719	6 851	68 771	73 724	(4 953)	-7%	90 719
Finance charges	14 658	15 002	13 721	610	9 524	11 194	(1 670)	-15%	13 721
Bulk purchases	170 416	188 887	185 525	14 250	137 260	148 762	(11 503)	-8%	185 525
Other materials	12 603	19 037	19 850	1 204	9 550	14 020	(4 470)	-32%	19 850
Contracted services	7 770	8 226	11 139	886	5 756	8 072	(2 316)	-29%	11 139
Transfers and grants	785	110	205	307	455	167	288	172%	205
Other expenditure	62 427	75 942	73 182	5 635	51 845	57 922	(6 077)	-10%	73 182
Loss on disposal of PPE	-	-	29	-	-	17	(17)	-100%	29
Total Expenditure	587 722	647 531	657 042	38 957	479 678	530 206	(50 527)	-10%	657 042
Surplus/(Deficit)	(59 951)	(41 592)	(43 930)	4 274	28 755	(18 071)	46 826	-259%	(43 930)
Transfers recognised - capital	25 339	39 676	45 500	2 356	19 253	33 213	(13 960)	-42%	45 500
Surplus/(Deficit) after capital transfers & contributions	(34 612)	(1 916)	1 570	6 630	48 008	15 142			1 570
Taxation	-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation	(34 612)	(1 916)	1 570	6 630	48 008	15 142			1 570
Attributable to minorities	-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality	(34 612)	(1 916)	1 570	6 630	48 008	15 142			1 570
Share of surplus/ (deficit) of associate	-	-	-	-	-	-			-
Surplus/ (Deficit) for the year	(34 612)	(1 916)	1 570	6 630	48 008	15 142			1 570

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

Year-to-date capital expenditure shows a 56% negative variance of the year-to-date budget.

NC087 Dawid Kruiper - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M10 April

Vote Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Budget Year 2016/17
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Municipal Manager	571	-	-	-	-	-	-	-	-
Vote 2 - Corporate Services	13	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office	-	-	118	-	(52)	71	(123)	-174%	118
Vote 4 - Community Services	-	-	-	-	-	-	-	-	-
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	-	-	14 753	-	1 730	8 852	(7 122)	-80%	14 753
Vote 7 - Civil Engineering Services	1 438	-	-	-	-	-	-	-	-
Vote 8 - Development and Planning Services	2 859	12 577	20 901	849	13 993	16 454	(2 462)	-15%	20 901
Total Capital Multi-year expenditure	4 881	12 577	35 772	849	15 670	25 377	(9 583)	-38%	35 772
Single Year expenditure appropriation									
Vote 1 - Municipal Manager	6	1 500	609	11	38	372	(334)	-90%	609
Vote 2 - Corporate Services	1 591	-	1 135	14	568	889	(321)	-36%	1 135
Vote 3 - Budget & Treasury Office	1 713	-	21	-	16	(5)	21	-406%	21
Vote 4 - Community Services	84	-	1 426	25	712	1 116	(404)	-36%	1 426
Vote 5 - Technical Director	-	-	-	-	-	-	-	-	-
Vote 6 - Electro Mech Services	25 146	37 799	25 996	3 666	8 177	18 023	(9 847)	-55%	25 996
Vote 7 - Civil Engineering Services	5 104	22 229	24 705	66	1 798	15 354	(13 556)	-88%	24 705
Vote 8 - Development and Planning Services	1 611	3 570	217	-	183	234	(51)	-22%	217
Total Capital single-year expenditure	35 255	65 098	54 109	3 783	11 491	35 983	(24 492)	-68%	54 109
Total Capital Expenditure	40 136	77 675	89 881	4 632	27 161	61 360	(34 076)	-56%	89 881
Capital Expenditure - Standard Classification									
<i>Governance and administration</i>	3 977	22 552	3 025	25	620	2 027	(1 407)	-69%	3 025
Executive and council	577	7 614	419	11	38	258	(220)	-85%	419
Budget and treasury office	1 713	-	413	-	7	230	(222)	-97%	413
Corporate services	1 687	14 938	2 193	14	575	1 540	(964)	-63%	2 193
<i>Community and public safety</i>	149	-	10 844	620	4 228	6 759	(2 531)	-37%	10 844
Community and social services	9	-	727	-	-	436	(436)	-100%	727
Sport and recreation	107	-	5 899	595	4 179	3 776	403	11%	5 899
Public safety	34	-	4 218	25	49	2 546	(2 498)	-98%	4 218
<i>Economic and environmental services</i>	4 642	16 147	13 579	78	8 321	12 165	(3 844)	-32%	13 579
Planning and development	4 404	16 147	4	-	1	4 020	(4 018)	-100%	4
Road transport	238	-	13 575	78	8 320	8 145	175	2%	13 575
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	31 368	38 976	62 433	3 909	13 992	40 409	(26 417)	-65%	62 433
Electricity	25 063	16 747	26 378	3 666	9 855	18 237	(8 382)	-46%	26 378
Water	5 916	7 877	10 691	66	1 394	6 848	(5 454)	-80%	10 691
Waste water management	389	14 352	19 397	177	2 723	11 736	(9 013)	-77%	19 397
Waste management	-	-	5 967	-	20	3 588	(3 568)	-99%	5 967
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	40 136	77 675	89 881	4 632	27 161	61 360	(34 199)	-56%	89 881
Funded by:									
National Government	22 556	36 168	37 795	4 515	23 087	28 764	(5 677)	-20%	37 795
Provincial Government	2 783	3 509	7 105	-	9	4 267	(4 258)	-100%	7 105
Other transfers and grants	-	-	599	-	592	597	(4)	100%	599
Transfers recognised - capital	25 339	39 676	45 500	4 515	23 688	33 628	(9 940)	-30%	45 500
Internally generated funds	14 797	37 998	44 381	117	3 473	27 732	(24 259)	-87%	44 381
Total Capital Funding	40 136	77 675	89 881	4 632	27 161	61 360	(34 199)	-56%	89 881

Expenditure for capital projects will increase during the last quarter. The variance is due to counter funding (CRR) for RBIG project, acquisition of vehicles and other assets that is still in process.

4.1.6 Table C6: Monthly Budget Statement - Financial Position

NC087 Dawid Kruiper - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	2015/16	Budget Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
<u>ASSETS</u>					
Current assets					
Cash	21 360	18 821	18 821	56 459	18 821
Consumer debtors	66 252	58 589	58 589	100 196	58 589
Other debtors	4 882	17 488	5 488	1 535	5 488
Current portion of long-term receivables	8	5	5	8	5
Inventory	11 013	7 845	7 845	5 606	7 845
Total current assets	103 515	102 749	90 749	163 804	90 749
Non current assets					
Long-term receivables	9	5	5	2	5
Investment property	202 345	240 625	579 041	217 638	579 041
Property, plant and equipment	1 567 633	1 874 796	1 714 259	1 509 242	1 714 259
Intangible assets	3 168	3 755	5 167	3 372	5 167
Total non current assets	1 773 156	2 119 180	2 298 472	1 730 255	2 298 472
TOTAL ASSETS	1 876 671	2 221 930	2 389 221	1 894 058	2 389 221
<u>LIABILITIES</u>					
Current liabilities					
Bank overdraft	5 693	3 000	6 000	-	6 000
Borrowing	11 314	8 674	8 912	11 314	8 912
Consumer deposits	10 916	11 500	12 500	11 057	12 500
Trade and other payables	99 346	71 768	90 919	83 416	90 919
Provisions	5 417	9 750	12 750	3 559	12 750
Total current liabilities	132 687	104 692	131 081	109 346	131 081
Non current liabilities					
Borrowing	113 064	88 780	104 655	103 619	104 655
Provisions	115 147	125 060	141 120	77 820	141 120
Total non current liabilities	228 211	213 841	245 774	181 439	245 774
TOTAL LIABILITIES	360 898	318 533	376 856	290 785	376 856
NET ASSETS	1 515 773	1 903 397	2 012 366	1 603 274	2 012 366
<u>COMMUNITY WEALTH/EQUITY</u>					
Accumulated Surplus/(Deficit)	1 515 773	1 903 397	2 012 366	1 603 274	2 012 366
TOTAL COMMUNITY WEALTH/EQUITY	1 515 773	1 903 397	2 012 366	1 603 274	2 012 366

It should be noted that our current assets exceed our current liabilities with R 54.5 million (March 2017: R 46.3 million). The norm for the liquidity ratio is 2:1, to ensure sufficient assets (cash) is available to pay liabilities. Dawid Kruiper Municipality's ratio is: 1.50:1 (March 2017: 1.40:1). This will result in a going concern matter in the 2016/2017 audit report. However, there is systematic improvement in the ratio.

The under collection of debtors has resulted in non-payment of creditors and cash flow problems.

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

Table C7 provides a comprehensive picture of the cash position of the municipality which includes non-current investments and commitments against available cash resources. Table C7 includes all cash and cash equivalents (cashbook balances, petty cash balances and short-term investment deposits).

NC087 Dawid Kruiper - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	2015/16	Budget Year 2016/17							
	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, penalties & collection charges	47 988	70 689	98 769	(740)	55 173	73 532	(18 359)	-25%	98 769
Service charges	242 448	371 023	376 362	29 543	295 376	308 335	(12 960)	-4%	376 362
Other revenue	128 297	24 843	24 735	1 684	22 460	21 094	1 367	6%	24 735
Government - operating	69 715	96 722	98 328	379	73 916	81 168	(7 252)	-9%	98 328
Government - capital	25 339	39 676	45 500	2 356	19 253	33 213	(13 960)	-42%	45 500
Interest	4 176	4 250	5 000	541	4 858	4 268	591	14%	5 000
Payments									
Suppliers and employees	(479 269)	(515 577)	(559 454)	(34 623)	(394 325)	(451 824)	(57 499)	13%	(559 454)
Finance charges	(785)	(15 002)	(13 721)	(610)	(9 524)	(11 194)	(1 670)	15%	(13 721)
Transfers and Grants	(14 658)	(110)	(205)	(307)	(455)	(167)	288	-172%	(205)
NET CASH FROM/(USED) OPERATING ACTIVITIES	23 252	76 515	75 313	(1 778)	66 732	58 424	(109 454)	-187%	75 313
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	3 101	18 664	18 445	1 521	10 089	14 492	(4 404)	-30%	18 445
Decrease (increase) other non-current receivables	6	6	7	1	7	6	1	17%	7
Decrease (increase) in non-current investments	-	-	-	-	(0)	(0)	(0)	150%	-
Payments									
Capital assets	(9 281)	(77 675)	(89 881)	(4 617)	(26 731)	(61 302)	(34 571)	56%	(89 881)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(5 879)	(59 005)	(71 428)	(3 095)	(16 635)	(46 804)	(30 169)	64%	(71 428)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Increase (decrease) in consumer deposits	2 176	500	1 460	(114)	140	877	(737)	-84%	1 460
Payments									
Repayment of borrowing	1 309	(10 084)	(11 552)	(502)	(9 445)	(10 115)	(671)	7%	(11 552)
NET CASH FROM/(USED) FINANCING ACTIVITIES	3 485	(9 584)	(10 092)	(616)	(9 305)	(9 238)	66	-1%	(10 092)
NET INCREASE/ (DECREASE) IN CASH HELD	20 564	7 926	(6 207)	(5 489)	40 792	2 382			(6 207)
Cash/cash equivalents at beginning:	(4 897)	7 896	19 028		15 667	17 683			19 028
Cash/cash equivalents at month/year end:	15 667	15 821	12 821		56 459	20 066			12 821

The municipality had a cash outflow of R 5.5 million. This means that more money was spent than received.

PART 2 - SUPPORTING DOCUMENTATION

Section 5 - Debtors' analysis

5.1 Supporting Table SC3

Debtor's age analysis

The value reflected in the Financial Position will not reconcile to the Debtors Age Analysis shown on Supporting Table SC3. The financial position includes the total annual billing to date and some debtor classifications which do not form part of the consumer debtors, whereas the age analysis only includes those consumer amounts which have become due and not the 'future' amounts which will only fall due in coming months.

NC087 Dawid Kruiper - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2016/17									Total over 90 days
		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	5 089	852	529	284	288	208	163	6 034	13 446	6 976
Trade and Other Receivables from Exchange Transactions - Electricity	1300	19 157	1 097	49	29	22	51	25	835	21 265	962
Receivables from Non-exchange Transactions - Property Rates	1400	5 070	490	356	321	288	253	2 739	10 598	20 114	14 198
Receivables from Exchange Transactions - Waste Water Management	1500	2 317	468	301	207	178	160	151	2 865	6 647	3 562
Receivables from Exchange Transactions - Waste Management	1600	2 230	672	481	390	323	302	275	5 644	10 317	6 934
Receivables from Exchange Transactions - Property Rental Debtors	1700	465	242	202	178	164	141	120	1 071	2 584	1 675
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	7 422	2 008	1 471	4 936	2 997	473	833	15 471	35 611	24 710
Total By Income Source	2000	41 750	5 829	3 390	6 344	4 262	1 588	4 305	42 518	109 985	59 017
2015/16 - totals only		34 006	4 257	2 411	2 390	2 681	2 356	1 885	23 051	73 038	32 363
Debtors Age Analysis By Customer Group											
Organs of State	2200	7 284	1 192	106	76	20	15	8	814	9 514	932
Commercial	2300	16 195	686	321	249	254	249	721	5 746	24 421	7 218
Households	2400	16 365	2 977	2 191	1 667	1 461	1 243	3 172	23 596	52 672	31 139
Other	2500	1 905	973	771	4 352	2 526	81	405	12 362	23 378	19 727
Total By Customer Group	2600	41 750	5 829	3 390	6 344	4 262	1 588	4 305	42 518	109 985	59 017

The total outstanding debtors for April 2017 are R 110.0 million and R 73.0 million for April 2016. Non-collection of outstanding debtors results in cash flow problems.

The write off of bad debts are not encouraged, as it may result in unauthorised expenditure and possible tariff increases above inflation in future. The debt collection unit must ensure that all outstanding debt of employees are collected and monitored.

No hand over of debtors was done during the month of April 2017.

5.2 Additional debtors information

5.2.1 Payment level

Collection Rates (payment levels) reflect the total income collected for the period 18 March 2017 - 17 April 2017. The budgeted collection rate is 98%, thus any collection rate below 98% will therefore result in cash flow problems.

The table below reflects the total income billed and received per ward. The higher the collection rate the better collection of the service charges billed.

Ward	Billed	Received	Dep journals	Indigent subs	Tot payments	Cash col rate	Nett col rate	Non payment	Corrections	Total Received	Coll Rate
Ward 1	655 824	318 961	22 890	253 843	595 695	49%	91%	60 129	(23 258)	572 437	87%
Ward 2	653 996	331 206	-	198 634	529 840	51%	81%	124 157	(34 190)	495 649	76%
Ward 3	735 598	635 428	10 039	108 093	753 560	86%	102%	(17 962)	(53 059)	700 501	95%
Ward 4	3 929 142	2 194 003	1 557 808	116 821	3 868 631	56%	98%	60 511	(62 539)	3 806 092	97%
Ward 5	570 639	422 283	3 516	114 486	540 285	74%	95%	30 354	(21 257)	519 027	91%
Ward 6	466 272	219 425	7 873	110 940	338 238	47%	73%	128 033	(34 684)	303 554	65%
Ward 7	2 257 633	1 469 258	2 002	83 932	1 555 192	65%	69%	702 441	(80 819)	1 474 373	65%
Ward 8	12 339 847	7 736 830	17 386	53 236	7 807 452	63%	63%	4 532 395	(248 068)	7 559 384	61%
Ward 9	5 581 461	4 492 331	-	13 151	4 505 482	80%	81%	1 075 979	(236 603)	4 268 879	76%
Ward 10	1 599 376	587 336	1 658	188 903	777 897	37%	49%	821 480	(54 407)	723 489	45%
Ward 11	1 608 713	849 077	344 808	45 039	1 238 924	53%	77%	369 790	(31 767)	1 207 156	75%
Ward 12	619 027	294 815	1 030	60 387	356 232	48%	58%	262 794	(14 654)	341 579	55%
Ward 13	1 720 008	1 079 148	-	126 568	1 205 717	63%	70%	514 291	(38 935)	1 166 781	68%
Ward 14	153 122	59 340	705	29 535	89 581	39%	59%	63 541	(30 585)	58 995	39%
Not specified	2 136 725	1 743 565	15 994	113 452	1 873 011	82%	88%	263 714	(57 093)	1 815 918	85%
Total	35 027 384	22 433 004	1 985 711	1 617 021	26 035 735	64%	74%	8 991 649	(1 021 919)	25 013 816	71%

The table below reflects the total income billed and received per service group.

Service group	Billed	Received	Dep journals	Indigent subs	Tot payments	Cash col rate	Nett col rate	Non payment	Corrections	Total Received	Coll Rate
Property tax	6 182 191	5 393 063	0	246 885	5 639 948	87%	91%	542 243	(1 256 037)	4 383 911	71%
Electricity	17 864 672	10 297 919	1 600 733	171	11 898 823	58%	67%	5 965 849	295 048	12 193 871	68%
Water	4 743 540	3 207 568	364 575	172 459	3 744 602	68%	79%	998 938	(63 968)	3 680 634	78%
Sewage	2 703 978	1 594 548	10 998	510 424	2 115 971	59%	78%	588 007	(38 460)	2 077 511	77%
Refuse Removal	2 483 035	1 406 614	9 002	579 464	1 995 080	57%	80%	487 956	(212 845)	1 782 234	72%
Other	1 049 968	533 291	402	107 618	641 312	51%	61%	408 657	254 344	895 655	85%
Total	35 027 384	22 433 004	1 985 711	1 617 021	26 035 735	64%	74%	8 991 649	(1 021 919)	25 013 816	71%

The table below reflects the total income billed and received per district group.

District group	Billed	Received	Dep journals	Indigent subs	Tot payments	Cash col rate	Nett col rate	Non payment	Corrections	Total Received	Coll Rate
Keidebees	1 574 827	1 283 199	76	1 178	1 284 453	81%	82%	290 374	(46 721)	1 237 732	79%
Middelpos	1 223 146	926 696	-	34	926 730	76%	76%	296 416	(46 198)	880 533	72%
Oosterville	1 622 943	1 419 566	-	2 053	1 421 619	87%	88%	201 324	(55 578)	1 366 041	84%
Blydeveld	770 337	585 945	76	34	586 055	76%	76%	184 282	(24 242)	561 813	73%
Akademia	437 305	489 409	-	12 159	501 568	112%	115%	(64 263)	(5 935)	495 633	113%
Florapark	508 676	407 494	-	3 175	410 670	80%	81%	98 007	(20 805)	389 864	77%
Die Rand	3 597 208	3 175 918	84	3 218	3 179 220	88%	88%	417 988	(58 549)	3 120 670	87%
Town Centre / Business Area	7 148 764	4 272 677	5 806	10 843	4 289 327	60%	60%	2 859 437	(134 821)	4 154 506	58%
Riverside	1 733 498	1 647 463	3 629	11 143	1 662 235	95%	96%	71 263	(32 247)	1 629 989	94%
Progress	975 361	646 851	10 259	252 604	909 714	66%	93%	65 647	(72 631)	837 083	86%
Bellvue	403 924	384 825	-	35 101	419 927	95%	104%	(16 003)	(30 820)	389 107	96%
Morning Glory	527 009	249 675	-	128 834	378 508	47%	72%	148 501	(29 295)	349 214	66%
Rosedale	1 361 540	752 808	24 180	450 804	1 227 793	55%	90%	133 747	(77 861)	1 149 932	84%
Paballelo	1 292 951	775 090	9 876	321 516	1 106 481	60%	86%	186 469	(131 201)	975 280	75%
Dakotaweg	69 356	27 884	-	20 797	48 682	40%	70%	20 674	(2 329)	46 353	67%
Kameelmond / Lemoendraai	147 267	117 600	193	5 850	123 644	80%	84%	23 624	(3 075)	120 568	82%
Industrial Areas	4 675 515	2 388 712	21 662	-	2 410 374	51%	52%	2 265 141	(54 866)	2 355 508	50%
Commonage	3 240 428	1 261 854	1 889 807	-	3 151 661	39%	97%	88 767	7 586	3 159 247	97%
Karos	42 702	15 517	327	11 867	27 710	36%	65%	14 992	(24 085)	3 626	8%
Lambrechtsdrift	19 643	515	-	5 397	5 912	3%	30%	13 732	(5 483)	429	2%
Leerkrans	27 819	3 320	379	12 378	16 077	12%	58%	11 742	(960)	15 117	54%
Raaswater	123 794	15 739	1 030	29 995	46 764	13%	38%	77 030	(8 159)	38 605	31%
Sesbrugge / Klippunt	143 268	31 411	-	-	31 411	22%	22%	111 857	(530)	30 880	22%
Kalksloot	100 565	50 336	142	33 819	84 298	50%	84%	16 267	(4 621)	79 677	79%
Louisvale Dorp	700 431	115 786	76	12 796	128 657	17%	18%	571 774	(13 207)	115 450	16%
Leseding	28 410	(2 341)	-	6 467	4 126	-8%	15%	24 284	(1 456)	2 670	9%
Ntsekelelo	305	1	-	-	1	0%	0%	304	0	1	0%
Louisvaleweg	409 083	189 705	3 516	127 377	320 598	46%	78%	88 485	(19 924)	300 674	73%
Uppington Farming Areas	280 855	261 496	150	1 768	263 414	93%	94%	17 441	(57 179)	206 235	73%
Gordonia Farming Areas	449 904	126 223	-	84	126 307	28%	28%	323 597	(1 675)	124 632	28%
Karos Farming Areas	18 014	8 006	-	-	8 006	44%	44%	10 008	-	8 006	44%
Kenhart Farming Areas	442 612	254 487	-	-	254 487	57%	57%	188 124	(1 245)	253 243	57%
Olyvenhoutsdrift Farming Areas	445 652	415 015	14 442	-	429 457	93%	96%	16 195	(8 000)	421 458	95%
Vaalkoppies Farming Areas	15 513	3 174	-	-	3 174	20%	20%	12 339	(0)	3 174	20%
Melkstroom	10 965	1 672	-	3 605	5 276	15%	48%	5 688	(5)	5 272	48%
Not specified	457 794	129 276	-	112 124	241 399	28%	53%	216 395	(55 805)	185 595	41%
Total	35 027 384	22 433 004	1 985 711	1 617 021	26 035 735	64%	74%	8 991 649	(1 021 919)	25 013 816	71%

5.2.2 Debtor arrear summaries

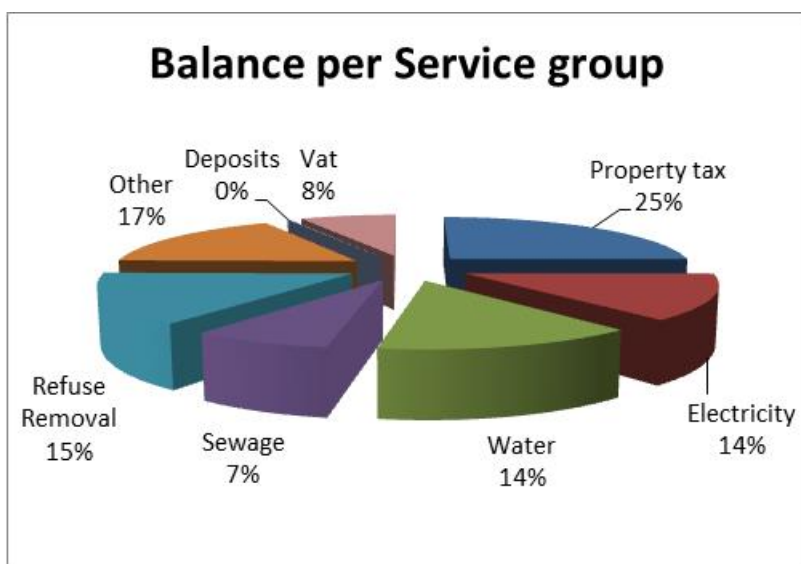
The arrear summaries that follow are not prescriptive in terms of the MFMA or the MBRR. They are included to provide further information on debtors arrears based on various classifications.

All debtors' information is coded on the financial database in terms of the following:

- Suburb; e.g. Keidebees, Progress, Pabalello
- Consumer type; e.g. Business, Household (Domestic), Government

Additional Table SC3-6: Arrears by Service Group

Service group	Current	31 - 60 days	61 - 90 days	91 - 120 days	120 days +	Total	Credits	% Arrears of Total
Property tax	2 211 750	451 145	322 252	294 878	12 155 468	15 435 494	(6 051 690)	25%
Electricity	7 504 752	233 860	63 664	29 599	476 984	8 308 859	(340 573)	14%
Water	2 064 645	939 996	499 505	406 766	4 712 001	8 622 913	(154 301)	14%
Sewage	1 156 713	593 224	282 104	229 670	2 337 748	4 599 459	(61 702)	7%
Refuse Removal	1 340 264	1 891 939	439 612	373 235	5 245 678	9 290 728	(42 921)	15%
Other	949 657	983 518	557 894	622 440	7 316 738	10 430 248	(52 787)	17%
Deposits	16 110	53 649	-	-	13 562	83 321	(910)	0%
Vat	1 620 231	888 008	170 645	148 059	1 863 348	4 690 291	(391 162)	8%
Total	16 864 122	6 035 340	2 335 676	2 104 647	34 121 527	61 461 311	(7 096 047)	100%



The table indicates the total outstanding debt per service group.

Additional Table SC3-7: Arrears by suburb

District group	Current	31 - 60 days	61 - 90 days	91 - 120 days	120 days +	Total	Credits	31 - 120 days +	% of Arrears of 31 - 120 days +	% of Arrears of 31 - 120 days + as % of total
Keidebees	596 232	99 493	43 973	37 499	131 834	909 032	(295 456)	312 800	34%	1%
Middelpos	497 363	69 994	31 372	37 501	60 824	697 055	(171 821)	199 692	29%	0%
Oosterville	407 820	57 484	22 126	15 709	38 365	541 504	(291 768)	133 685	25%	0%
Blydeveld	288 814	75 054	41 899	37 493	680 076	1 123 336	(109 645)	834 522	74%	2%
Akademia	240 163	139 059	105 272	73 807	744 670	1 302 971	(71 143)	1 062 809	82%	2%
Florapark	206 478	37 503	18 618	9 563	34 237	306 400	(327 192)	99 921	33%	0%
Die Rand	778 358	122 415	59 993	33 335	145 570	1 139 671	(345 190)	361 314	32%	1%
Town Centre / Business Area	3 576 910	247 285	53 165	32 100	562 901	4 472 362	(554 512)	895 452	20%	2%
Riverside	1 456 401	171 253	59 172	62 698	1 794 042	3 543 567	(90 845)	2 087 166	59%	5%
Progress	491 744	329 244	135 643	120 889	1 600 455	2 677 974	(176 096)	2 186 230	82%	5%
Bellvue	257 603	78 360	24 470	35 232	158 739	554 404	(26 104)	296 801	54%	1%
Morning Glory	331 800	178 107	62 899	52 676	639 080	1 264 563	(37 583)	932 763	74%	2%
Rosedale	772 128	633 948	256 904	232 872	2 526 855	4 422 708	(253 723)	3 650 580	83%	8%
Paballelo	899 345	1 095 239	399 986	336 995	4 466 634	7 198 199	(335 557)	6 298 854	88%	14%
Dakotaweg	45 975	35 214	31 423	21 161	91 509	225 283	(8 616)	179 307	80%	0%
Kameelmond / Lemoendraai	78 395	31 413	28 340	11 122	121 042	270 311	(11 983)	191 916	71%	0%
Industrial Areas	2 777 629	95 886	53 334	121 681	2 098 750	5 147 281	(2 149 606)	2 369 651	46%	5%
Commonage	160 570	30 667	13 082	3 566	136 789	344 674	(544 924)	184 104	53%	0%
Karos	62 391	87 996	40 643	41 297	864 881	1 097 207	(8 600)	1 034 817	94%	2%
Lambrechtsdrift	25 916	37 050	23 012	22 812	605 089	713 877	(582)	687 962	96%	2%
Leerkrans	19 035	21 702	20 009	20 602	483 437	564 784	(13 635)	545 749	97%	1%
Raaswater	132 458	268 316	144 186	150 000	2 541 253	3 236 213	(10 034)	3 103 755	96%	7%
Sesbrugge / Klippunt	130 426	7 638	2 428	2 102	35 983	178 577	(2 297)	48 151	27%	0%
Kalksloot	76 800	100 782	37 345	29 436	452 151	696 514	(10 951)	619 714	89%	1%
Louisvale Dorp	686 110	27 072	12 364	33 036	281 089	1 039 670	(15 877)	353 560	34%	1%
Leseding	32 181	8 782	16 759	479	3 201	61 402	(447)	29 221	48%	0%
Ntsekelelo	557	579	492	477	1 892	3 997	-	3 440	86%	0%
Louisvaleweg	260 145	206 147	83 190	73 377	912 465	1 535 323	(71 087)	1 275 178	83%	3%
Upington Farming Areas	115 914	22 055	7 210	6 199	37 908	189 284	(37 057)	73 371	39%	0%
Gordonia Farming Areas	269 965	150 697	159 745	144 350	7 608 121	8 332 878	(409 928)	8 062 913	97%	18%
Karos Farming Areas	10 798	22 139	12 407	11 468	549 966	606 778	(22 127)	595 980	98%	1%
Kenhart Farming Areas	310 330	44 583	22 434	10 979	183 706	572 033	(55 271)	261 703	46%	1%
Olyvenhoutsdrift Farming Areas	285 728	61 617	24 955	18 629	121 931	512 860	(333 131)	227 132	44%	1%
Vaalkoppies Farming Areas	13 737	7 254	6 984	6 921	231 990	266 887	(59 060)	253 150	95%	1%
Melkstroom	9 250	8 929	7 052	6 312	15 039	46 582	(1 206)	37 333	80%	0%
Not specified	558 652	1 424 384	272 789	250 271	3 159 052	5 665 148	(242 994)	5 106 496	90%	11%
Total	16 864 122	6 035 340	2 335 676	2 104 647	34 121 527	61 461 311	(7 096 047)	44 597 189	73%	100%

The table indicates the total outstanding debt per suburb; this includes current and outstanding debt in excess of 1 year. The table below summarises the 30 highest consumer accounts based on the outstanding debt in excess of 30 days. As at 30 April 2017 the 30 highest accounts represent R 10.6 million or 24% of all arrear accounts in excess of 31 days.

Additional Table SC3-8: Age Analyses of 30 highest consumer accounts

Account no	Name	Account group	Ward	Current	31 - 60 days	61 - 90 days	91 - 120 days	120 days +	Total	31 - 120 days +
0115805	NASIONALE REGERING RSA	DOMESTIC	0	0	0	0	0	3 419 010	3 419 010	3 419 010
010021936000008	EIMAN,G		0 11	162 733	2 035	2 027	16 677	1 601 013	1 784 486	1 621 753
010020083000014	AVEST (EDMS) BPK	DOMESTIC	8	0	5 586	5 985	0	722 178	733 748	733 748
010020084000018	AVEST (EDMS) BPK	DOMESTIC	8	0	4 734	5 072	0	612 036	621 842	621 842
100720959993	DART PLANT SERVICES CC	INDUSTRY	8	3 688	8 300	6 448	6 600	424 400	449 435	445 747
010014977001012	SHOW TIME MEDIA	BUSINESS	8	6 759	8 204	8 315	8 420	329 965	361 663	354 904
230000058000008	MOHLOTSANA,MAMOKEBE	DOMESTIC	12	4 788	6 970	7 086	7 198	332 380	358 422	353 634
0121013	ASKHAM KAMEELDUIN KLEINVEE BOERE COMMUNAL PROPERTY	BUSINESS	0	0	0	0	0	313 440	313 440	313 440
010012943001029	DAWID KRUIPER MUNISIPALITEIT	MUNICIPAL	13	9 143	19 716	20 155	22 007	126 332	197 353	188 210
0115771	REPUBLIEK VAN SUID AFRICA	DOMESTIC	0	0	0	0	0	186 643	186 643	186 643
0116208	TRUSTEES SCHOOL DISTRICT GORDONIA & RSA	BUSINESS	0	0	0	0	0	177 572	177 572	177 572
0003109	PAGE (GROOT MIER WINKELKOMPLEKS),CHARL H	MUNICIPAL	0	437	437	437	437	158 244	159 991	159 555
0121020	BLINK BELEG TWAALF PTY LTD	BUSINESS	0	0	0	0	0	156 720	156 720	156 720
100362639998	DART PLANT SERVICES CC	INDUSTRY	8	853	10 798	1 795	1 850	137 554	152 850	151 997
310251023000009	NATIONAL GOVERNMENT OF RSA	National: Public Works	11	1 125	1 016	1 125	1 125	148 702	153 091	151 967
310326000000003	MIER MUNISIPALITEIT	OTHER	11	3 943	4 853	4 885	4 913	123 146	141 740	137 797
310251094000001	MIER MUNISIPALITEIT	OTHER	11	3 818	4 687	4 718	4 745	117 508	135 476	131 658
310251021000003	NATIONAL GOVERNMENT OF RSA	OTHER	11	3 539	4 411	4 445	4 474	117 897	134 765	131 227
310251020000008	REP VAN SUID-AFRIKA	OTHER	11	3 509	4 375	4 408	4 437	116 960	133 688	130 179
310251015000008	MIER MUNISIPALITEIT	OTHER	11	3 659	4 492	4 521	4 547	112 542	129 761	126 102
010001791000011	COMMISSION FOR CHILDREN	BUSINESS	8	4 975	7 853	1 956	1 995	103 972	120 751	115 776
310251077000006	THEUNIS JACOBS FAMILIE TRUST	OTHER	11	3 614	4 392	4 418	4 440	101 046	117 909	114 296
310251112000014	NATIONAL GOVERNMENT OF RSA	DOMESTIC	11	3 355	4 167	4 197	4 224	98 970	114 913	111 558
310251104000005	B&S MARITZ FAMILIE TRUST	OTHER	11	748	676	748	748	93 855	96 774	96 026
310373000000018	NATIONAL GOVERNMENT OF RSA	National: Public Works	11	657	593	657	657	86 053	88 617	87 960
310178000000004	FJ VAN ZYL & SEUNS BOERDERY PTY LTD	OTHER	11	2 848	3 443	3 462	3 478	77 122	90 354	87 506
310318001000012	NATIONAL GOVERNMENT OF RSA	DOMESTIC	11	2 719	3 301	3 320	3 337	73 625	86 302	83 583
0007518	MOLOPO KALAHARI LODGE,JEAN LAMBRECHT	BUSINESS	0	2 037	3 485	2 037	2 037	68 549	78 144	76 108
100362559999	DART PLANT SERVICES CC	INDUSTRY	8	690	1 227	1 126	1 149	67 085	71 277	70 587
010002942000007	DEPT VAN OPENBARE WERKE	Provincial: Public works, Roads and transport	4	24 901	28 429	20 428	19 710	1 995	95 462	70 562

Section 6 - Creditors' analysis

6.1 Supporting Table C4

NC087 Dawid Kruiper - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description R thousands	NT Code	Budget Year 2016/17									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		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	6 291	1 399	9	-	-	-	-	3 385	11 084	27 613	
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	
Other	0900	11 060	-	-	-	-	-	-	-	11 060	6 990	
Total By Customer Type	1000	17 351	1 399	9	-	-	-	-	3 385	22 145	34 602	

The municipality is experiencing cash flow problems which results in the non-payment or creditor payments in excess of 30 days, which is a non-compliance in terms of Section 65 (2)(e) of the MFMA. The outstanding creditors for April 2017 are R 22.1 million and R 34.6 million for April 2016. This implicates a decrease of R 12.5 million. The municipality should ensure that the non-payment of creditors do not result in the local businesses being left bankrupt that will result in work losses within Dawid Kruiper Municipality and the local communities.

Non-payment of creditors can also result in creditors levying interest and possibly taking legal action against the municipality, therefore resulting in additional legal costs. Furthermore local creditors might refuse to deliver a service to the municipality that may result in that services must be obtained from outside the municipal jurisdiction which could lead to additional costs and delivery time. This also means that money will "leave" our municipal jurisdiction.

Section 7 - Investment portfolio analysis

7.1 Supporting Table C5

The municipality's investments as at 30 April 2017 are set out in Table SC5 below. The municipality started the beginning of the month with a market value of R 0. These investments however qualify as cash and cash equivalents. Therefore our total Market value at month end is R 0.

NC087 Dawid Kruiper - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April

Investments by maturity Name of institution & investment ID R thousands	Type of Investment	Accrued interest for the month	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality					
Dawid Kruiper	Savings	0	26	-	26
Mier Municipality - Interest Only	Call Account	-	(3 613)	-	(3 613)
Dawid Kruiper	Smart Rate on Call	377	64 383	-	54 745
Minus: Investments qualifying as cash and cash equivalents		-	(60 797)	-	(51 159)
Municipality sub-total		377	-	-	-
Entities					
Entities sub-total		-	-	-	-
TOTAL INVESTMENTS AND INTEREST		377	-	-	-

Conditional grants received are invested. It should be noted that these funds are only available to pay capital projects which is funded by MIG, INEP, EPWP, etc. in terms of an approved business plan. These funds may not be used for operational expenditure. It should be noted that all our unspent grants are cash backed at this stage.

Section 8 - Allocation and grant receipts and expenditure

8.1 Supporting Table C6

The municipality's position with regard to grant allocations received and the actual expenditure on the grant allocations received are set out in the table below. The municipality started at the beginning of the month with conditional grants to the value of R 41.7 million. No funding was received during April 2017 and expenditure of R 2.7 million was transferred to revenue. Therefore, unspent conditional grants amounted to R 39.6 million and unpaid grants to R 662 thousand. It should be noted that our unspent grants were cash backed as at 30 April 2017.

GRANT REGISTER FROM 1 APRIL 2017 - 30 APRIL 2017						
Account	Description	Opening Balance - 1 April 2017	Total Received	Expenditure Transferred to Revenue	Correction / Withheld	Closing Balance - 30 April 2017
INEP	Integrated Nationale Electrification Programme (INEP)	(5 000 000)	-	-	-	(5 000 000)
NDR100	Township Establishment (COGHSTA)	(2 925 281)	-	-	-	(2 925 281)
NDR1004	Masinedane Project (Library Grant)	(2 069 500)	-	-	-	(2 069 500)
NDR102	Cultural Festival	(39 204)	-	-	-	(39 204)
NDR104	EPWP - DoRA Allocation	(1 276 151)	-	61 245	-	(1 214 906)
NDR105	Department of Water Affairs (DWA)	-	-	-	-	-
NDR110	Amalgamation Grant	(10 726 787)	-	-	-	(10 726 787)
NDR111	Community Development Grant (Directo Signs)	(50 000)	-	-	-	(50 000)
NDR112	Northern Cape Provincial Treasury	(4 000 000)	-	-	-	(4 000 000)
NDR1605	Finance Management Grant (FMG)	(2 096 413)	-	-	-	(2 096 413)
NDR49	Municipal Infrastructure Grant (MIG)	(6 643 160)	-	2 529 158	-	(4 114 003)
NDR59	Housing Accreditation	(650 000)	-	-	-	(650 000)
NDR86	Energy Efficiency Demand Management	(6 850 000)	-	144 000	-	(6 706 000)
NDR87	National Lotteries Board	(358)	-	-	-	(358)
NDR92	Extended Public Works Programme (EPWP)	662 079	-	-	-	662 079
Total (Unspent) / Unpaid Grants		(41 664 775)	-	2 734 403	-	(38 930 372)

Section 9 - Expenditure on councillor and board members allowances and employee benefits

9.1 Supporting Table C8

Employee related costs for the year ended 30 April 2017 is set out below.

EMPLOYEE RELATED COSTS FOR THE MONTH ENDED 30 APRIL 2017					
National Treasury Line Item	2016/2017 Adjustment Budget	2016/2017 Year to Date	April 2017	April 2017 as % of Adjustment Budget	Year to Date as % of Adjustment Budget
Bargaining Council Contribution	79 046	65 388	6 697	8%	83%
Bonus	11 263 478	31 732	(11 193 230)	-99%	0%
Contributions to Medical Aid	13 133 488	10 866 090	1 147 271	9%	83%
Contributions to Pension	26 275 977	21 814 439	2 234 021	9%	83%
Contributions to UIF	1 421 208	1 156 587	118 110	8%	81%
Contributions to WCA	1 508 160	–	–	0%	0%
Group Life Insurance	1 570 166	1 304 996	132 107	8%	83%
Housing Benefits	1 695 965	1 405 266	139 024	8%	83%
Less: Employee Costs Capitalised	(974 560)	(964 339)	(105 165)	11%	99%
Overtime	18 863 051	14 417 698	1 643 793	9%	76%
Performance Bonus	1 102 400	–	–	0%	0%
Post Retirement Obligations	1 658 600	–	–	0%	0%
Salaries and Wages	155 597 664	127 164 543	13 232 518	9%	82%
Training Levies	1 986 281	1 657 937	157 071	8%	83%
Travel, Motor car, Accom & Other allowances	11 753 264	9 937 586	931 030	8%	85%
TOTAL OVERTIME	246 934 188	188 857 924	8 443 247	3%	76%

Employee related cost is in excess of the acceptable norm of 35 - 40% of total expenditure. Employee related cost (including councillors) as a percentage of total expenditure, excluding non-cash items, for April 2017 is 28.7% (Year to date: 47.8%) and employee related cost as a percentage of total revenue for April 2017 is 21.3% (Year to date: 38.7%). It could be that employees of the municipality are not working productively, which results in the need of temporary employees to perform the tasks / duties of permanent employees. Bonuses are reclassified as a provision resulting in a negative balance.

Employee related cost (including councillors) as a percentage of total expenditure, excluding depreciation and bulk purchases on electricity should be 50.0% or less. Dawid Kruiper Municipality's ratio is 51.6% for April 2017 (Year to date: 71.0%). If the excess year to date percentage is expressed as an amount the actual figure will be R 286 thousand for April 2017 (Year to date: R 58.1 million).

It should be noted that due to cost constraints expenditure on operational costs have decreased leading to a proposed increase in the percentage of employee related cost as a percentage of total expenditure, excluding non-cash items. Therefore it seems that too much employees are employed by the municipality. Appointments should be carefully considered.

In the overtime per function table below overtime paid per function is compared with the approved budget allocations. Overtime worked by employees (specifically water distribution, streets & storm water and sewerage distribution) is normally to repair the networks (water, storm / water, sewerage) in emergency situations and normally takes place after hours. Overtime paid for April 2017 was R 1.6 million (March 2017: R 1.5 million. Overtime performed by parks, electricity department and civil services could be part of employee cost capitalised - refer to table C8, page 27.

OVERTIME FOR THE MONTH ENDED 30 APRIL 2017					
National Treasury Line Item	2016/2017 Adjustment Budget	2016/2017 Year to Date	April 2017	April 2017 as % of Adjustment Budget	Year to Date as % of Adjustment Budget
Administration	329 438	246 698	26 712	8%	75%
Libraries	65 202	65 202	–	0%	100%
Tourism & Marketing	610	609	–	0%	100%
Financial Services	307 740	253 688	24 766	8%	82%
Municipal Manager	–	49 064	–	100%	100%
IDP	–	10 970	–	100%	100%
Traffic Services	479 020	413 698	55 723	12%	86%
Fire Brigade Services	1 135 682	714 340	94 112	8%	63%
Security Services	1 413 644	744 818	155 392	11%	53%
Environmental Health Services	40 679	13 822	5 486	13%	34%
Sanitation Services	1 218 382	1 068 024	121 044	10%	88%
Refuse Removal Services	3 139 890	2 001 455	255 647	8%	64%
Vacuum Tank Services	52 082	60 942	9 875	19%	117%
Information Technology	116 476	62 811	2 979	3%	54%
Civil Engineering Services	35 520	34 786	–	0%	98%
Streets and Storm water drainage	653 762	739 106	76 857	12%	113%
Workshop	185 256	155 046	15 903	9%	84%
Sewerage Purification Plant	801 988	623 669	93 097	12%	78%
Building Construction Unit	43 942	30 271	4 839	11%	69%
Sewerage Distribution Networks	1 135 892	1 010 528	73 251	6%	89%
Parks	686 012	400 612	37 318	5%	58%
Island Holiday Resort	814 489	571 326	82 122	10%	70%
Swimming Pools	226 319	152 801	27 430	12%	68%
Sport Grounds	126 126	127 410	22 495	18%	101%
Cemeteries	186 621	141 957	18 900	10%	76%
Electricity Administration	19 311	24 936	3 771	20%	129%
Electricity Maintenance	613 595	375 862	25 096	4%	61%
Electricity Distribution	1 062 986	897 072	67 523	6%	84%
Water Production	1 278 125	1 003 632	121 707	10%	79%
Water Distribution	1 969 107	1 927 689	196 850	100%	100%
Client Services	–	–	–	100%	100%
Community Services and Overtime	488 541	275 233	19 072	4%	56%
Masinedane Library Project	35 000	–	–	0%	0%
EEDSM	–	11 627	–	100%	100%
Parks: Temporary Workers	–	–	–	100%	100%
Paving Projects	4 481	5 040	–	0%	112%
LED - Temporary Workers	2 794	8 619	5 826	209%	309%
Refuse Removal - Temporary	194 339	194 338	–	0%	100%
TOTAL OVERTIME	18 863 051	14 417 698	1 643 793	9%	76%

Section 10 - Capital programme performance

10.1 Supporting Table C12

NC087 Dawid Kruiper - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M10 April

Month	2015/16	Budget Year 2016/17							
	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	15	6 473	365	365	365	365	-		0%
August	797	6 473	3 631	3 631	3 996	3 996	-		5%
September	2 232	6 473	4 874	4 874	8 870	8 870	-		11%
October	373	6 473	1 336	1 336	10 206	10 206	-		13%
November	1 129	6 473	3 513	3 513	13 719	13 719	-		18%
December	720	6 473	3 718	3 718	17 437	17 437	-		22%
January	427	6 473	1 142	1 142	18 579	18 579	-		24%
February	1 396	6 473	14 260	1 239	19 818	32 839	13 022	39.7%	26%
March	1 446	6 473	14 260	2 712	22 530	47 100	24 570	52.2%	29%
April	3 588	6 473	14 260	4 632	27 161	61 360	34 199	55.7%	35%
May	9 185	6 473	14 260	-	27 161	75 620	48 459	64.1%	35%
June	18 827	6 473	14 260	-	27 161	89 881	62 719	69.8%	35%
Total Capital expenditure	40 136	77 675	89 881	27 161					

The municipality spent 35% of the 2016/2017 original capital budget and 30% of the 2016/2017 adjustment budget.

Several of the tenders have been awarded and consultants were appointed. Expenditure on multi-year projects will continue.

10.2 Supporting Table C13**10.2.1 Supporting Table C13a**

The table reflects capital expenditure on new assets.

NC087 Dawid Kruiper - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M10 April

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	28 411	44 371	34 657	3 899	12 951	26 633	714	2.7%	34 657
Infrastructure - Road transport	1 819	3 741	50	-	-	2 724	2 724	100.0%	50
<i>Roads, Pavements & Bridges</i>	1 819	3 741	50	-	-	2 724	2 724	100.0%	50
Infrastructure - Electricity	19 375	16 697	23 600	3 666	9 782	16 518	6 736	40.8%	23 600
<i>Transmission & Reticulation</i>	19 375	16 697	23 600	3 666	9 782	16 518	6 736	40.8%	23 600
Infrastructure - Water	5 199	6 877	8 008	57	1 054	5 182	4 128	79.7%	8 008
<i>Dams & Reservoirs</i>	5	-	-	-	-	-	-	-	-
<i>Reticulation</i>	5 193	6 877	8 008	57	1 054	5 182	4 128	79.7%	8 008
Infrastructure - Sanitation	332	17 056	2 881	177	2 168	2 159	(9)	-0.4%	2 881
<i>Reticulation</i>	332	17 056	-	-	-	-	-	-	-
<i>Sewerage purification</i>	-	-	2 881	177	2 168	2 159	(9)	-0.4%	2 881
Infrastructure - Other	1 686	-	118	-	(52)	50	102	205.8%	118
<i>Other</i>	1 686	-	118	-	(52)	50	102	205.8%	118
Community	2 674	9 119	5 008	595	3 560	3 897	337	8.6%	5 008
Parks & gardens	1 633	5 813	3 158	595	3 010	2 567	(443)	-17.3%	3 158
Sportsfields & stadia	1 041	3 306	1 850	-	550	1 330	780	58.6%	1 850
Recreational facilities	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	2 481	1 550	6 756	11	386	4 224	3 837	90.9%	6 756
Specialised vehicles	-	-	3 661	-	-	2 196	-	-	3 661
Plant & equipment	268	1 000	1 046	-	86	666	580	87.0%	1 046
Computers - hardware/equipment	299	-	368	-	237	334	96	28.9%	368
Furniture and other office equipment	870	-	211	-	52	146	94	64.2%	211
Other Buildings	474	-	558	11	11	335	324	96.8%	558
Other Land	571	-	-	-	-	-	-	-	-
Other	-	-	381	-	-	229	229	100.0%	381
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	30	-	25	-	25	25	-	-	25
Computers - software & programming	30	-	25	-	25	25	-	-	25
Total Capital Expenditure on new assets	33 596	55 040	46 445	4 505	16 923	34 779	17 856	51.3%	46 445

10.2.2 Supporting Table C13b

The table reflects capital expenditure on renewal assets.

NC087 Dawid Kruiper - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M10 April

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets									
by Asset Class/Sub-class									
Infrastructure	6 353	6 747	30 606	87	9 190	18 541	9 351	50.4%	30 606
Infrastructure - Road transport	27	-	13 398	78	8 319	8 039	(280)	-3.5%	13 398
<i>Roads, Pavements & Bridges</i>	27		13 398	78	8 319	8 039	(280)	-3.5%	13 398
Infrastructure - Electricity	5 688	6 164	1 757	-	73	1 107	1 034	93.4%	1 757
<i>Transmission & Reticulation</i>	5 688	6 164	1 757	-	73	1 107	1 034	93.4%	1 757
Infrastructure - Water	581	-	997	10	246	627	381	60.7%	997
<i>Reticulation</i>	581		555	10	246	362	116	32.0%	555
Infrastructure - Sanitation	57	583	14 453	-	551	8 768	8 217	93.7%	14 453
<i>Reticulation</i>	36	133	-	-	-	-	-	-	-
<i>Sewerage purification</i>	21	450	14 453	-	551	8 768	8 217	93.7%	14 453
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Community	-	-	592	-	592	592	0	0.0%	592
Sportsfields & stadia	-	-	592	-	592	592	0	0.0%	592
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	187	15 888	12 197	40	456	7 423	6 968	93.9%	12 197
General vehicles	-	10 525	3 288	-	-	1 973	1 973	100.0%	3 288
Specialised vehicles	-	3 509	6 991	-	-	4 195	4 195	100.0%	6 991
Plant & equipment	2	354	1 104	-	64	663	600	90.4%	1 104
Computers - hardware/equipment	99		234	-	290	234	(56)	-24.0%	234
Furniture and other office equipment	80		580	40	102	358	257	71.6%	580
Other Buildings	6		-	-	-	-	-	-	-
Other	-	1 500	-	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-		41	-	-	24	24	100.0%	41
Total Capital Expenditure on renewal of existing assets	6 540	22 635	43 435	127	10 238	26 581	16 343	61.5%	43 435

This means existing assets that should have been replaced. If the capital expenditure on the renewal of assets is too high it raises concerns about whether assets are sufficiently maintained and safe guarded.

10.2.3 Supporting Table C13c

The table reflects repairs and maintenance by asset class.

NC087 Dawid Kruiper - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M10 April

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>									
Infrastructure	2 831	8 353	10 079	125	2 417	6 350	3 933	61.9%	10 079
Infrastructure - Road transport	735	1 177	1 069	19	317	705	387	100.0%	1 069
<i>Roads, Pavements & Bridges</i>	295	1 177	1 069	-	109	675	566	-6.1%	1 069
<i>Storm water</i>	440	-	-	19	208	30	(178)	-6.1%	-
Infrastructure - Electricity	982	2 905	5 499	3	1 407	3 400	1 993	58.6%	5 499
<i>Transmission & Reticulation</i>	982	2 905	5 499	3	1 407	3 400	1 993	58.6%	5 499
Infrastructure - Water	739	2 435	2 024	98	673	1 349	676	50.1%	2 024
<i>Dams & Reservoirs</i>	25	-	-	1	16	2	(13)	-583.1%	-
<i>Reticulation</i>	714	2 435	2 024	97	658	1 346	689	51.2%	2 024
Infrastructure - Sanitation	358	1 765	1 435	5	16	865	850	98.2%	1 435
<i>Reticulation</i>	355	207	174	4	14	109	94	86.9%	174
<i>Sewerage purification</i>	4	1 558	1 261	1	1	757	756	99.8%	1 261
Infrastructure - Other	15	71	51	-	4	32	28	86.8%	51
<i>Waste Management</i>	-	51	51	-	-	31	31	100.0%	51
<i>Other</i>	15	20	-	-	4	1	(3)	-297.6%	-
Community	228	1 308	1 227	529	769	808	39	4.8%	1 227
Parks & gardens	98	223	210	519	599	151	(449)	-297.8%	210
Sportsfields & stadia	103	222	215	3	101	160	59	36.6%	215
Swimming pools	-	133	155	-	-	93	93	100.0%	155
Libraries	-	55	9	-	-	5	5	100.0%	9
Recreational facilities	22	561	522	7	63	327	264	80.7%	522
Fire, safety & emergency	-	69	69	-	-	41	41	100.0%	69
Security and policing	-	16	16	-	-	10	10	100.0%	16
Clinics	-	-	-	-	-	-	-	-	-
Cemeteries	5	29	33	-	5	21	16	74.8%	33
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	9 545	9 376	8 544	550	6 363	6 862	499	7.3%	8 544
General vehicles	7 302	6 495	6 427	481	4 679	4 966	287	5.8%	6 427
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	659	85	4	9	284	177	(107)	-60.6%	4
Computers - hardware/equipment	139	363	421	6	155	296	141	47.7%	421
Other Buildings	1 123	1 102	1 035	52	1 051	963	(89)	-9.2%	1 035
Other	321	1 330	657	3	194	461	267	58.0%	657
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	12 603	19 037	19 850	1 204	9 550	14 020	4 470	31.9%	19 850

The norm for total repairs and maintenance as a percentage of total book value (written down value) is 5% - 8%. Dawid Kruiper Municipality's ratio is 0.1% due to the implementation of GRAP 17 with the higher DRC values.

Section 11 - Other supporting documentation

11.1 Other information

Monthly Budget Statement as per Statement of Financial Performance (Actuals)

NC087 Dawid Kruiper - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M10 April

Description	Budget Year 2016/17											
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	June Outcome
R thousands												
Cash Receipts By Source												
Property rates	3 115	8 064	7 692	3 201	1 287	6 198	6 119	5 720	14 518	(740)	-	-
Service charges - electricity revenue	20 620	20 175	22 029	19 144	22 490	16 389	25 690	19 716	21 444	20 796	-	-
Service charges - water revenue	3 395	3 238	3 989	3 837	3 887	5 149	5 145	5 483	4 177	4 406	-	-
Service charges - sanitation revenue	2 479	2 516	2 719	2 536	2 550	2 506	2 507	2 505	2 510	2 454	-	-
Service charges - refuse	1 951	1 804	2 071	1 860	1 955	1 826	1 839	1 798	1 904	1 887	-	-
Rental of facilities and equipment	255	295	422	512	549	1 829	1 055	458	676	1 148	-	-
Interest earned - external investments	83	119	145	148	177	164	194	237	277	329	-	-
Interest earned - outstanding debtors	250	271	284	290	307	350	388	334	300	211	-	-
Fines	42	48	54	40	56	59	88	84	62	44	-	-
Licences and permits	142	164	140	146	118	96	116	131	190	93	-	-
Agency services	393	431	423	363	394	390	356	353	470	280	-	-
Transfer receipts - operating	9 272	17 990	500	1 769	688	23 696	1 513	417	17 691	379	-	-
Other revenue	361	1 028	3 265	1 019	(244)	644	581	1 391	1 331	119	-	-
Cash Receipts by Source	42 357	56 142	43 734	34 864	34 214	59 297	45 592	38 628	65 550	31 406	-	-
Other Cash Flows by Source												
Transfer receipts - capital	-	208	2 811	3 933	1 277	3 394	3 159	1 117	998	2 356	-	-
Proceeds on disposal of PPE	341	1 279	1 622	646	4 323	67	286	3	1	1 521	-	-
Increase in consumer deposits	161	646	354	55	(379)	206	(1 042)	3	250	(114)	-	-
Receipt of non-current receivables	0	(3)	3	1	2	1	(1)	1	1	1	-	-
Change in non-current investments	(0)	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source	42 859	58 272	48 525	39 498	39 437	62 966	47 993	39 752	66 800	35 170	-	-
Cash Payments by Type												
Employee related costs	17 525	17 037	19 174	18 672	30 069	19 391	19 638	19 143	19 735	8 436	-	-
Remuneration of councillors	664	726	789	790	789	774	775	821	794	779	-	-
Interest paid	708	785	709	722	756	3 075	646	724	787	610	-	-
Bulk purchases - Electricity	(2)	19 874	19 666	11 920	12 503	13 814	14 121	14 075	13 786	14 250	-	-
Bulk purchases - Water & Sewer	-	-	487	554	-	680	-	123	1 408	-	-	-
Other materials	185	765	896	1 170	783	963	410	1 137	1 918	1 201	-	-
Contracted services	102	140	563	275	619	1 556	217	274	1 125	886	-	-
Grants and subsidies paid - other	26	5	33	13	6	-	28	14	25	307	-	-
General expenses	31 845	(830)	409	16 081	3 140	(4 537)	2 274	(1 176)	(456)	8 891	-	-
Cash Payments by Type	51 052	38 501	42 725	50 198	48 664	35 717	38 109	35 135	39 121	35 359	-	-
Other Cash Flows/Payments by Type												
Capital assets	365	3 631	4 874	1 336	3 513	3 718	997	967	2 712	4 617	-	-
Repayment of borrowing	968	947	1 023	1 010	1 041	1 956	1 014	549	433	502	-	-
Other Cash Flows/Payments	(3 766)	(429)	(359)	(1 566)	2 726	(1 550)	(2 132)	(2 501)	(881)	181	-	-
Total Cash Payments by Type	48 620	42 649	48 264	50 978	55 944	39 841	37 988	34 151	41 385	40 659	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(5 761)	15 623	261	(11 480)	(16 507)	23 125	10 005	5 601	25 415	(5 489)	-	-
Cash/cash equivalents at the month/year beginning:	15 667	9 906	25 529	25 790	14 310	(2 197)	20 927	30 932	36 533	61 948	56 459	56 459
Cash/cash equivalents at the month/year end:	9 906	25 529	25 790	14 310	(2 197)	20 927	30 932	36 533	61 948	56 459	56 459	56 459

The table indicates the monthly cash flow position of the municipality. For July 2016 - June 2017 actual cash flow figures are indicated.

11.2 Loan Register

The municipality's position with regard to non-current borrowings is set out in the table below. The municipality started at the beginning of the month with external loans to the value of R 116.5 million. This amount includes instalments payable within one year (current borrowings). An instalment to the value of R 393 thousand was paid during April 2017. Therefore, non-current borrowings amounted to R 116.1 million at 30 April 2017.

EXTERNAL LOANS	OPENING BALANCE 01/04/2017	CAPITAL REDEEMED	ACCRUED INTEREST	NEW LOANS TAKEN-UP	CLOSING BALANCE 30/04/2017
SBSA-VOERTUIE	15 845	-	-	-	15 845
SBSA- INFRASTRUKTUUR	42 124 208	-	-	-	42 124 208
Development Bank of South Africa Loan 101 / 61003172	7 135 327	-	-	-	7 135 327
Development Bank of South Africa NC102952.3 / 61000766	96 645	(42 133)	-	-	54 512
Development Bank of South Africa NC102952.1 / 61000764	38 870 341	(128 094)	-	-	38 742 248
Development Bank of South Africa NC102952.2 / 61000765	27 832 409	(223 036)	-	-	27 609 373
Development Bank of South Africa NC102356 Prepaid Meters	430 295	-	-	-	430 295
TOTAL	116 505 071	(393 263)	-	-	116 111 808

All instalments were paid timeously.

Section 12 - Municipal manager's quality certification

QUALITY CERTIFICATE

I, Dalixolo Eric Ngxanga, the municipal manager of Dawid Kruiper Municipality, hereby certify that:

(mark as appropriate)

- the monthly budget statement
- quarterly report on the implementation of the budget and financial state of affairs of the municipality
- mid-year budget and performance assessment

for the month of March 2017 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.



DE Ngxanga
Municipal Manager of Dawid Kruiper Municipality (NC087)

13 April 2017