



## **In-Year Report of the Municipality**

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

## **Monthly Budget Statement**

**October 2011**

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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, 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** – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.

**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 Langeberg 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**

No comments for October 2011.

##### **1.1.2 Financial problems or risks facing the municipality**

The projected year end shortfall on revenue and electricity consumption revenue will be factored into the adjustments budget that will serve before Council in February 2012.

##### **1.1.3 Other information**

Additional clarity on the content of this report or answers to any questions posed will be given at the next Finance Committee meeting.

## **Section 2 - Resolutions**

### ***IN-YEAR REPORTS 2011/2012***

This is the resolution that will be presented to Council when the In-Year Report is tabled:

#### ***RECOMMENDATION:***

That Council notes the monthly budget statement and supporting documentation.

## **Section 3 – Executive Summary**

### **3.1 Introduction**

Variances between the year to date budget and the year to date actual will be addressed in the adjustments budget.

The audited outcomes for 2010/11 are pre audited and an audit opinion will be expressed by the Auditor General on or before 30 November 2011.

### **3.2 Consolidated performance**

#### **3.2.1 Against annual budget (original approved and latest adjustments)**

##### **Revenue by Source**

As mentioned in the Mayor's Report, the projected decline in consumption revenue for water and electricity will be included in the adjustments budget of February 2012.

##### **Operating expenditure by type**

The major categories of expenditure are all within acceptable norms.

##### **Capital expenditure**

Traditionally slow in the first quarter, capital expenditure is still behind the original estimated year-to-date projections for quarter one.

##### **Cash flows**

The cash flow is currently positive.

#### **3.2.2 Reports, tables, charts & explanations**

No summary tables or charts are included for this section of the October 2011 report.

### **3.3 Material variances from SDBIP**

No comments for October 2011.

### **3.4 Remedial or corrective steps**

No comments.

### **3.5 Conclusion**

Year-to-date performance of revenue compared to budget is reasonable. However, the decline in electricity revenue on projected year-to-date targets and any slow-down in payment rates will have to be carefully monitored.

The mid-year review will recommend that an adjustments budget be tabled to factor in revised budgets for revenue and cut backs in expenditure. This

adjustments budget will serve before Council later in February 2012.

# Section 4 – In-year budget statement tables

## 4.1 Monthly budget statements

### 4.1.1 Table C1: s71 Monthly Budget Statement Summary

WC026 Langeberg - Table C1 Monthly Budget Statement Summary - M04 October

Description	2010/11	Budget Year 2011/12							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	24 079	25 590	25 590	(375)	28 320	30 620	(2 301)	-8%	25 590
Service charges	217 749	282 267	282 267	18 735	73 078	81 705	(8 627)	-11%	282 267
Investment revenue	5 947	9 470	9 470	195	2 093	3 157	(1 063)	-34%	9 470
Transfers recognised - operational	83 312	97 400	97 400	292	19 406	32 465	(13 059)	-40%	97 400
Other own revenue	18 026	18 203	18 203	1 613	4 708	5 541	(834)	-15%	18 203
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>349 113</b>	<b>432 930</b>	<b>432 930</b>	<b>20 460</b>	<b>127 605</b>	<b>153 489</b>	<b>(25 884)</b>	<b>-17%</b>	<b>432 930</b>
Employee costs	102 017	114 357	114 362	8 099	35 905	36 013	(107)	-0%	114 362
Remuneration of Councillors	5 263	6 330	6 330	496	2 033	2 110	(77)	-4%	6 330
Depreciation & asset impairment	14 418	30 951	30 951	-	-	10 317	(10 317)	-100%	30 951
Finance charges	7 920	8 608	8 573	251	1 543	2 858	(1 314)	-46%	8 573
Materials and bulk purchases	138 604	177 492	177 399	11 682	54 809	59 118	(4 310)	-7%	177 399
Transfers and grants	-	21 954	22 027	1 687	1 761	7 342	(5 581)	-	22 027
Other expenditure	60 478	53 169	53 192	2 776	12 207	17 532	(5 324)	-30%	53 192
<b>Total Expenditure</b>	<b>328 700</b>	<b>412 861</b>	<b>412 835</b>	<b>24 993</b>	<b>108 259</b>	<b>135 289</b>	<b>(27 030)</b>	<b>-20%</b>	<b>412 835</b>
<b>Surplus/(Deficit)</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>	<b>1 146</b>	<b>6%</b>	<b>20 095</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>	<b>1 146</b>	<b>6%</b>	<b>20 095</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>	<b>1 146</b>	<b>6%</b>	<b>20 095</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	-	79 246	-	1 685	11 089	30 619	(19 530)	-64%	-
Capital transfers recognised	-	53 488	-	937	7 090	18 933	(11 844)	-63%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	25 758	-	747	3 999	11 686	(7 687)	-66%	-
<b>Total sources of capital funds</b>	<b>-</b>	<b>79 246</b>	<b>-</b>	<b>1 685</b>	<b>11 089</b>	<b>30 619</b>	<b>(19 530)</b>	<b>-64%</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	120 947	74 556	74 556	-	125 941	-	-	-	74 556
Total non current assets	436 928	556 094	556 094	-	447 527	-	-	-	556 094
Total current liabilities	67 057	64 692	64 692	-	66 179	-	-	-	64 692
Total non current liabilities	78 436	89 722	89 722	-	78 567	-	-	-	89 722
<b>Community wealth/Equity</b>	<b>412 383</b>	<b>480 205</b>	<b>480 205</b>	<b>-</b>	<b>428 722</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>480 205</b>
<b>Cash flows</b>									
Net cash from (used) operating	57 705	19 108	19 108	1 902	65 566	6 369	59 197	929%	19 108
Net cash from (used) investing	(44 318)	(79 246)	(79 246)	611	675	(26 415)	27 091	-103%	(79 246)
Net cash from (used) financing	(2 599)	(3 614)	(3 614)	46	202	(1 205)	1 407	-117%	(3 614)
<b>Cash/cash equivalents at the month/year end</b>	<b>88 069</b>	<b>(282)</b>	<b>(63 752)</b>	<b>-</b>	<b>85 688</b>	<b>42 219</b>	<b>43 469</b>	<b>103%</b>	<b>(44 508)</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Revenue Source	14 802	2 721	3 261	912	741	638	4 622	#####	32 780
<b>Creditors Age Analysis</b>									
Total Creditors	1 273	4	52	-	-	-	-	-	1 329

### 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.

WC026 Langeberg - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	Ref	2010/11			Budget Year 2011/12					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		75 734	80 768	80 768	351	48 447	49 012	(565)	-1%	80 768
Executive and council		1 838	2 584	2 584	7	496	861	(365)	-42%	2 584
Budget and treasury office		71 755	76 834	76 834	28	47 439	47 701	(262)	-1%	76 834
Corporate services		2 141	1 350	1 350	316	512	450	62	14%	1 350
<i>Community and public safety</i>		24 388	42 455	42 455	770	2 240	14 068	(11 828)	-84%	42 455
Community and social services		1 427	10 095	10 095	345	799	3 365	(2 566)	-76%	10 095
Sport and recreation		155	154	154	23	23	51	(28)	-55%	154
Public safety		5 193	5 473	5 473	363	1 257	1 741	(484)	-28%	5 473
Housing		17 613	26 733	26 733	39	161	8 911	(8 750)	-98%	26 733
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8 951	3 228	3 228	76	298	1 076	(778)	-72%	3 228
Planning and development		7 497	1 818	1 818	60	222	606	(384)	-63%	1 818
Road transport		119	1 209	1 209	1	5	403	(398)	-99%	1 209
Environmental protection		1 335	201	201	15	70	67	3	5%	201
<i>Trading services</i>		240 039	306 480	306 480	19 264	76 620	89 333	(12 712)	-14%	306 480
Electricity		181 098	227 222	227 222	14 596	59 760	62 914	(3 154)	-5%	227 222
Water		36 919	36 419	36 419	1 746	7 765	12 139	(4 374)	-36%	36 419
Waste water management		12 131	23 045	23 045	1 892	5 081	7 681	(2 600)	-34%	23 045
Waste management		9 891	19 795	19 795	1 229	4 014	6 598	(2 584)	-39%	19 795
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>2</b>	<b>349 113</b>	<b>432 930</b>	<b>432 930</b>	<b>20 460</b>	<b>127 605</b>	<b>153 489</b>	<b>(25 884)</b>	<b>-17%</b>	<b>432 930</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		60 153	88 970	88 970	5 848	20 311	28 873	(8 562)	-30%	88 970
Executive and council		25 630	31 758	31 758	1 679	8 292	10 312	(2 021)	-20%	31 758
Budget and treasury office		18 656	39 507	39 471	3 161	7 084	12 834	(5 749)	-45%	39 471
Corporate services		15 867	17 704	17 740	1 007	4 935	5 727	(792)	-14%	17 740
<i>Community and public safety</i>		44 542	41 695	41 669	1 922	8 590	13 291	(4 701)	-35%	41 669
Community and social services		9 770	11 359	11 336	745	3 372	3 408	(36)	-1%	11 336
Sport and recreation		1 870	2 173	2 173	139	628	693	(65)	-9%	2 173
Public safety		11 577	13 700	13 697	827	3 613	4 425	(811)	-18%	13 697
Housing		21 325	14 463	14 463	211	976	4 765	(3 789)	-80%	14 463
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		28 639	31 240	31 240	2 006	8 477	10 036	(1 559)	-16%	31 240
Planning and development		4 671	5 378	5 378	303	1 373	1 592	(220)	-14%	5 378
Road transport		12 721	12 892	12 892	876	3 314	4 203	(889)	-21%	12 892
Environmental protection		11 247	12 969	12 969	827	3 790	4 241	(450)	-11%	12 969
<i>Trading services</i>		195 366	250 957	250 957	15 217	70 881	83 089	(12 208)	-15%	250 957
Electricity		146 095	195 438	195 438	11 864	56 408	64 915	(8 507)	-13%	195 438
Water		23 844	27 364	27 364	1 695	6 555	8 934	(2 379)	-27%	27 364
Waste water management		11 338	12 890	12 890	602	3 593	4 245	(652)	-15%	12 890
Waste management		14 089	15 265	15 265	1 055	4 326	4 995	(669)	-13%	15 265
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>328 700</b>	<b>412 861</b>	<b>412 835</b>	<b>24 993</b>	<b>108 259</b>	<b>135 289</b>	<b>(27 030)</b>	<b>-20%</b>	<b>412 835</b>
<b>Surplus/ (Deficit) for the year</b>		<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>	<b>1 146</b>	<b>6%</b>	<b>20 095</b>

### 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: Community Services, Corporate Services, Executive and Council, Finance, Housing and Infrastructure Development.

WC026 Langeberg - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description  [Insert departmental structure etc 3.]	2010/11	Budget Year 2011/12							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue by Vote</b>									
Vote 1 - Community services	18 001	35 718	35 718	1 975	6 163	11 822	(5 659)	-47.9%	35 718
Vote 2 - Corporate services	1 593	690	690	257	270	230	41	17.6%	690
Vote 3 - Executive & Council	8 414	2 544	2 544	7	496	848	(352)	-41.5%	2 544
Vote 4 - Finance	71 755	77 134	77 134	28	47 439	47 801	(362)	-0.8%	77 134
Vote 5 - Housing	17 613	26 733	26 733	39	161	8 911	(8 750)	-98.2%	26 733
Vote 6 - Infrastructure Development	231 736	290 112	290 112	18 154	73 075	83 877	(10 802)	-12.9%	290 112
<b>Total Revenue by Vote</b>	<b>349 113</b>	<b>432 930</b>	<b>432 930</b>	<b>20 460</b>	<b>127 605</b>	<b>153 489</b>	<b>(25 884)</b>	<b>-16.9%</b>	<b>432 930</b>
<b>Expenditure by Vote</b>									
Vote 1 - Community services	48 553	55 468	55 440	3 594	15 730	17 761	(2 032)	-11.4%	55 440
Vote 2 - Corporate services	10 914	13 267	13 302	769	3 176	4 269	(1 092)	-25.6%	13 302
Vote 3 - Executive & Council	25 441	31 522	31 522	1 582	8 034	10 234	(2 200)	-21.5%	31 522
Vote 4 - Finance	22 862	43 473	43 438	3 362	8 494	14 156	(5 662)	-40.0%	43 438
Vote 5 - Housing	21 325	14 463	14 463	211	976	4 765	(3 789)	-79.5%	14 463
Vote 6 - Infrastructure Development	199 804	254 670	254 670	15 475	71 849	84 104	(12 256)	-14.6%	254 670
<b>Total Expenditure by Vote</b>	<b>328 700</b>	<b>412 861</b>	<b>412 835</b>	<b>24 993</b>	<b>108 259</b>	<b>135 289</b>	<b>(27 030)</b>	<b>-20.0%</b>	<b>412 835</b>
<b>Surplus/ (Deficit) for the year</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>	<b>1 146</b>	<b>6.3%</b>	<b>20 095</b>

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

WC026 Langeberg - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	2010/11	Budget Year 2011/12							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Property rates	23 827	25 390	25 390	(397)	28 239	30 554	(2 314)	-8%	25 390
Property rates - penalties & collection charges	252	200	200	22	80	67	14	21%	200
Service charges - electricity revenue	176 677	219 893	219 893	14 356	58 925	60 914	(1 989)	-3%	219 893
Service charges - water revenue	23 900	30 521	30 521	1 716	6 895	10 173	(3 279)	-32%	30 521
Service charges - sanitation revenue	9 667	17 693	17 693	1 495	4 048	5 897	(1 849)	-31%	17 693
Service charges - refuse revenue	7 505	14 160	14 160	1 168	3 209	4 720	(1 510)	-32%	14 160
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	1 569	1 508	1 508	228	556	503	53	11%	1 508
Interest earned - external investments	4 867	7 970	7 970	99	1 719	2 657	(938)	-35%	7 970
Interest earned - outstanding debtors	1 080	1 500	1 500	96	375	500	(125)	-25%	1 500
Dividends received	-	-	-	-	-	-	-	-	-
Fines	2 385	3 037	3 037	113	197	1 012	(816)	-81%	3 037
Licences and permits	1 112	1 210	1 210	103	440	403	37	9%	1 210
Agency services	1 563	1 100	1 100	129	582	283	299	106%	1 100
Transfers recognised - operational	83 312	97 400	97 400	292	19 406	32 465	(13 059)	-40%	97 400
Other revenue	11 229	11 348	11 348	1 040	2 932	3 339	(407)	-12%	11 348
Gains on disposal of PPE	169	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>349 113</b>	<b>432 930</b>	<b>432 930</b>	<b>20 460</b>	<b>127 605</b>	<b>153 489</b>	<b>(25 884)</b>	<b>-17%</b>	<b>432 930</b>
<b>Expenditure By Type</b>									
Employee related costs	102 017	114 357	114 362	8 099	35 905	36 013	(107)	0%	114 362
Remuneration of councillors	5 263	6 330	6 330	496	2 033	2 110	(77)	-4%	6 330
Debt impairment	5 246	6 375	6 375	-	-	2 125	(2 125)	-100%	6 375
Depreciation & asset impairment	14 418	30 951	30 951	-	-	10 317	(10 317)	-100%	30 951
Finance charges	7 920	8 608	8 573	251	1 543	2 858	(1 314)	-46%	8 573
Bulk purchases	128 061	168 598	168 598	10 504	51 771	56 197	(4 426)	-8%	168 598
Other materials	10 543	8 894	8 801	1 178	3 038	2 921	117	4%	8 801
Contracted services	1 379	2 347	2 283	68	259	597	(338)	-57%	2 283
Transfers and grants	-	21 954	22 027	1 687	1 761	7 342	(5 581)	-76%	22 027
Other expenditure	52 586	39 447	39 534	2 740	12 097	13 143	(1 046)	-8%	39 534
Loss on disposal of PPE	1 267	5 000	5 000	(32)	(148)	1 667	(1 815)	-109%	5 000
<b>Total Expenditure</b>	<b>328 700</b>	<b>412 861</b>	<b>412 835</b>	<b>24 993</b>	<b>108 259</b>	<b>135 289</b>	<b>(27 030)</b>	<b>-20%</b>	<b>412 835</b>
<b>Surplus/(Deficit)</b>									
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>			<b>20 095</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>			<b>20 095</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>			<b>20 095</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>20 413</b>	<b>20 069</b>	<b>20 095</b>	<b>(4 533)</b>	<b>19 346</b>	<b>18 200</b>			<b>20 095</b>

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

WC026 Langeberg - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M04 October

Vote Description	2010/11	Budget Year 2011/12							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 1 - Community services	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate services	-	-	-	-	-	-	-	-	-
Vote 3 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Housing	-	25 689	-	727	2 618	8 333	(5 715)	-69%	-
Vote 6 - Infrastructure Development	-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	-	<b>25 689</b>	-	<b>727</b>	<b>2 618</b>	<b>8 333</b>	<b>(5 715)</b>	<b>-69%</b>	-
<b>Single Year expenditure appropriation</b>									
Vote 1 - Community services	-	7 732	-	245	632	2 587	(1 955)	-76%	-
Vote 2 - Corporate services	-	10 800	-	94	2 315	3 267	(951)	-29%	-
Vote 3 - Executive & Council	-	3 977	-	104	225	2 670	(2 445)	-92%	-
Vote 4 - Finance	-	1 955	-	22	235	652	(417)	-64%	-
Vote 5 - Housing	-	4 000	-	3	681	1 563	(901)	-58%	-
Vote 6 - Infrastructure Development	-	25 093	-	491	4 402	11 548	(7 146)	-62%	-
<b>Total Capital single-year expenditure</b>	-	<b>53 557</b>	-	<b>957</b>	<b>8 470</b>	<b>22 286</b>	<b>(13 815)</b>	<b>-62%</b>	-
<b>Total Capital Expenditure</b>	-	<b>79 246</b>	-	<b>1 685</b>	<b>11 089</b>	<b>30 619</b>	<b>(19 530)</b>	<b>-64%</b>	-
<b>Capital Expenditure - Standard Classification</b>									
<b>Governance and administration</b>	-	<b>14 732</b>	-	<b>219</b>	<b>2 775</b>	<b>5 143</b>	<b>(2 369)</b>	<b>-46%</b>	-
Executive and council	-	1 977	-	104	225	1 225	(1 000)	-82%	-
Budget and treasury office	-	450	-	-	-	150	(150)	-100%	-
Corporate services	-	12 305	-	115	2 550	3 768	(1 218)	-32%	-
<b>Community and public safety</b>	-	<b>31 339</b>	-	<b>889</b>	<b>3 537</b>	<b>10 465</b>	<b>(6 928)</b>	<b>-66%</b>	-
Community and social services	-	450	-	146	198	159	39	25%	-
Sport and recreation	-	1 200	-	-	-	360	(360)	-100%	-
Public safety	-	-	-	13	59	50	9	18%	-
Housing	-	29 889	-	730	3 280	9 896	(6 616)	-67%	-
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	-	<b>5 419</b>	-	<b>326</b>	<b>2 216</b>	<b>4 907</b>	<b>(2 691)</b>	<b>-55%</b>	-
Planning and development	-	2 000	-	-	0	1 444	(1 444)	-100%	-
Road transport	-	2 774	-	241	1 842	3 133	(1 291)	-41%	-
Environmental protection	-	645	-	86	375	330	45	14%	-
<b>Trading services</b>	-	<b>27 757</b>	-	<b>250</b>	<b>2 561</b>	<b>10 104</b>	<b>(7 543)</b>	<b>-75%</b>	-
Electricity	-	11 597	-	223	1 073	3 815	(2 742)	-72%	-
Water	-	7 572	-	-	1 461	3 458	(1 997)	-58%	-
Waste water management	-	3 151	-	27	27	1 689	(1 661)	-98%	-
Waste management	-	5 437	-	-	-	1 142	(1 142)	-100%	-
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard Classification</b>	-	<b>79 246</b>	-	<b>1 685</b>	<b>11 089</b>	<b>30 619</b>	<b>(19 530)</b>	<b>-64%</b>	-
<b>Funded by:</b>									
National Government	-	47 737	-	89	4 006	13 442	(9 436)	-70%	-
Provincial Government	-	5 751	-	848	3 084	5 491	(2 407)	-44%	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	-	<b>53 488</b>	-	<b>937</b>	<b>7 090</b>	<b>18 933</b>	<b>(11 844)</b>	<b>-63%</b>	-
<b>Public contributions &amp; donations</b>	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>	-	<b>25 758</b>	-	<b>747</b>	<b>3 999</b>	<b>11 686</b>	<b>(7 687)</b>	<b>-66%</b>	-
<b>Total Capital Funding</b>	-	<b>79 246</b>	-	<b>1 685</b>	<b>11 089</b>	<b>30 619</b>	<b>(19 530)</b>	<b>-64%</b>	-

**4.1.6 Table C6: Monthly Budget Statement - Financial Position**

WC026 Langeberg - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2010/11	Budget Year 2011/12			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		18 069	5 561	5 561	12	5 561
Call investment deposits		70 000	25 000	25 000	75 000	25 000
Consumer debtors		17 946	20 681	20 681	35 410	20 681
Other debtors		3 103	10 711	10 711	3 691	10 711
Current portion of long-term receivables		1 209	1 984	1 984	1 209	1 984
Inventory		10 619	10 619	10 619	10 619	10 619
<b>Total current assets</b>		<b>120 947</b>	<b>74 556</b>	<b>74 556</b>	<b>125 941</b>	<b>74 556</b>
<b>Non current assets</b>						
Long-term receivables		2 499	8 034	8 034	2 009	8 034
Investments		7	5	5	7	5
Investment property		27 347	17 975	17 975	27 347	17 975
Investments in Associate		-	-	-	-	-
Property, plant and equipment		405 915	528 936	528 936	417 003	528 936
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		864	1 144	1 144	864	1 144
Other non-current assets		296	-	-	296	-
<b>Total non current assets</b>		<b>436 928</b>	<b>556 094</b>	<b>556 094</b>	<b>447 527</b>	<b>556 094</b>
<b>TOTAL ASSETS</b>		<b>557 875</b>	<b>630 650</b>	<b>630 650</b>	<b>573 468</b>	<b>630 650</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	10 600	-
Borrowing		3 391	3 614	3 614	3 391	3 614
Consumer deposits		5 571	4 942	4 942	5 676	4 942
Trade and other payables		46 217	43 055	43 055	32 293	43 055
Provisions		11 878	13 081	13 081	14 220	13 081
<b>Total current liabilities</b>		<b>67 057</b>	<b>64 692</b>	<b>64 692</b>	<b>66 179</b>	<b>64 692</b>
<b>Non current liabilities</b>						
Borrowing		37 327	55 294	55 294	36 031	55 294
Provisions		41 109	34 428	34 428	42 536	34 428
<b>Total non current liabilities</b>		<b>78 436</b>	<b>89 722</b>	<b>89 722</b>	<b>78 567</b>	<b>89 722</b>
<b>TOTAL LIABILITIES</b>		<b>145 492</b>	<b>154 414</b>	<b>154 414</b>	<b>144 746</b>	<b>154 414</b>
<b>NET ASSETS</b>	2	<b>412 383</b>	<b>476 236</b>	<b>476 236</b>	<b>428 722</b>	<b>476 236</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		383 175	277 904	277 904	399 514	277 904
Reserves		29 208	202 301	202 301	29 208	202 301
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>412 383</b>	<b>480 205</b>	<b>480 205</b>	<b>428 722</b>	<b>480 205</b>

**Consumer debtors**

The value reflected in the Financial Position will not reconcile to the Debtors Age Analysis shown on Table C1 and SC3. The financial position includes the total annual billing to date, whereas the age analysis only includes those amounts which have become due and not the 'future' amounts which will only fall due in coming months for consumers who have chosen to pay for their rates and fixed charges on an instalment bases.

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

WC026 Langeberg - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	Budget Year 2011/12								
		2010/11 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		259 748	334 243	334 243	25 168	147 588	111 414	36 174	32%	334 243
Government - operating		64 605	17 439	17 439	292	21 667	5 813	15 854	273%	17 439
Government - capital		18 706	48 538	48 538			16 179	(16 179)	-100%	48 538
Interest		6 199	9 670	9 670	99	1 719	3 223	(1 505)	-47%	9 670
Dividends			-	-			-	-		-
<b>Payments</b>										
Suppliers and employees		(283 634)	(363 219)	(363 219)	(23 657)	(104 405)	(121 073)	(16 668)	14%	(363 219)
Finance charges		(7 920)	(5 608)	(5 608)	-	(1 003)	(1 869)	(866)	46%	(5 608)
Transfers and Grants			(21 954)	(21 954)	-		(7 318)	(7 318)	100%	(21 954)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>57 705</b>	<b>19 108</b>	<b>19 108</b>	<b>1 902</b>	<b>65 566</b>	<b>6 369</b>	<b>59 197</b>	<b>929%</b>	<b>19 108</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		216					-	-		
Decrease (Increase) in non-current debtors							-	-		
Decrease (increase) other non-current receivables		(1 706)			611	675	-	675	#DIV/0!	
Decrease (increase) in non-current investments		(1)					-	-		
<b>Payments</b>										
Capital assets		(42 827)	(79 246)	(79 246)			(26 415)	(26 415)	100%	(79 246)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(44 318)</b>	<b>(79 246)</b>	<b>(79 246)</b>	<b>611</b>	<b>675</b>	<b>(26 415)</b>	<b>(27 091)</b>	<b>103%</b>	<b>(79 246)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans							-	-		
Borrowing long term/refinancing							-	-		
Increase (decrease) in consumer deposits		629			46	202	-	202	#DIV/0!	
<b>Payments</b>										
Repayment of borrowing		(3 228)	(3 614)	(3 614)			(1 205)	(1 205)	100%	(3 614)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(2 599)</b>	<b>(3 614)</b>	<b>(3 614)</b>	<b>46</b>	<b>202</b>	<b>(1 205)</b>	<b>(1 407)</b>	<b>117%</b>	<b>(3 614)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>										
Cash/cash equivalents at beginning:		10 787	(63 752)	(63 752)	2 559	66 444	(21 251)			(63 752)
Cash/cash equivalents at month/year end:		77 282	63 470			19 244	63 470			19 244
		88 069	(282)	(63 752)		85 688	42 219			(44 508)

# PART 2 – SUPPORTING DOCUMENTATION

## Section 5 – Debtors' analysis

### 5.1 Supporting Table C3

WC026 Langeberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2011/12									Total	Bad Debts
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
<b>Debtors Age Analysis By Revenue Source</b>												
Rates	1200	1 184 871	310 704	2 084 451	149 632	104 532	104 087	664 901	1 108 524	5 712	1 811 154	
Electricity	1300	11 548 398	1 065 330	361 451	184 341	136 088	101 643	513 201	247 995	14 158	1 204 087	
Water	1400	585 147	366 953	282 299	190 907	172 231	138 618	707 978	662 010	3 106	2 919 132	
Sewerage / Sanitation	1500	691 311	248 849	170 856	136 820	115 549	91 377	628 557	684 647	2 768	2 471 092	
Refuse Removal	1600	541 961	200 015	133 181	108 960	89 416	71 947	482 591	502 040	2 130	1 864 103	
Housing (Rental Revenue)	1700	-81 142	26 959	20 435	16 740	10 288	8 870	53 882	193 476	250	607 992	
Other	1900	331 730	501 716	207 902	124 260	113 066	121 151	1 571 046	1 685 546	4 656	1 606 417	
<b>Total By Revenue Source</b>	<b>2000</b>	<b>14 802</b>	<b>2 721</b>	<b>3 261</b>	<b>912</b>	<b>741</b>	<b>638</b>	<b>4 622</b>	<b>5 084</b>	<b>32 780</b>	<b>12 484</b>	
<b>2010/11 - totals only</b>		<b>14 062</b>	<b>2 585</b>	<b>3 098</b>	<b>866</b>	<b>704</b>	<b>606</b>	<b>4 391</b>	<b>4 830</b>	<b>31 141</b>		
<b>Debtors Age Analysis By Customer Category</b>												
Government	2200	312 849	93 639	756 977	5 426	2 279	2 296	138 320	112 374	1 424	38 512	
Business	2300	2 927 663	314 722	246 299	79 585	55 359	54 750	636 990	175 353	4 491	651 531	
Households	2400	4 494 125	1 626 060	1 486 645	687 043	578 198	475 675	3 204 169	4 164 903	16 717	11 227 401	
Other	2500	7 067 639	686 106	770 655	139 605	105 335	104 972	642 677	631 608	10 149	566 534	
<b>Total By Customer Category</b>	<b>2600</b>	<b>14 802</b>	<b>2 721</b>	<b>3 261</b>	<b>912</b>	<b>741</b>	<b>638</b>	<b>4 622</b>	<b>5 084</b>	<b>32 780</b>	<b>12 484</b>	

Table SC3 is the only debtors report required by the MBRR. The tables that follow are included in additional to SC3.

#### Debtors' age analysis

The age analysis for debtors only includes those amounts which are currently or past due. It does not include amounts which are due in future months for consumers who have chosen to pay rates and annual charges on an instalment basis.

## Section 6 – Creditors' analysis

### 6.1 Supporting Table C4

WC026 Langeberg - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description R thousands	NT Code	Budget Year 2011/12								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	1 273 192	3 929	52 183						1 329
Auditor General	0800									-
Other	0900									-
<b>Total By Customer Type</b>	<b>2600</b>	<b>1 273</b>	<b>4</b>	<b>52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 329</b>

Currently Table SC4 reflects trade creditors only.

## Section 7 – Investment portfolio analysis

### 7.1 Supporting Table C5

WC026 Langeberg - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
<b>R thousands</b>									
<b>Municipality</b>									
NEDBANK		159 DAYS	FIXED DEPOS	23/11/2011	-	5.9%	20 000		20 551
INVESTEC		173 DAYS	FIXED DEPOS	25/01/2012	-	5.9%	30 000		30 835
ABSA BANK		161 DAYS	FIXED DEPOS	23/03/2012	-	5.8%	25 000		25 635
<b>Municipality sub-total</b>					-		75 000	-	77 020
<b>Entities</b>									
<b>Entities sub-total</b>					-		-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2				-		75 000	-	77 020

## **Section 11 – Material variances to the SDBIP**

### **11.1 Over view**

No comments for October 2011.

## Section 16 – Municipal manager’s quality certification

### QUALITY CERTIFICATE

I, Soyisile A Mokweni, the municipal manager of Langeberg 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 October 2011 of 2011/2012 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name \_\_\_\_\_

Municipal Manager of Langeberg Municipality (WC026)

Signature \_\_\_\_\_

Date \_\_\_\_\_