



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

January 2012

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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 January 2012.

1.1.2 Financial problems or risks facing the municipality

The projected year end shortfall on 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 outcome for 2010/11 was audited and an unqualified audit opinion was expressed by the Auditor General on 11 January 2012.

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 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 half of the financial year, capital expenditure is still behind the original estimated year-to-date projections.

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 January 2012 report.

3.3 Material variances from SDBIP

No comments for January 2012.

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 water revenue on projected year-to-date targets and any slow-down in payment rates will have to be carefully monitored.

The mid-year review recommends 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 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 - M07 January

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
R thousands									
Financial Performance									
Property rates	24 079	25 590	25 590	(32)	28 120	28 734	(615)	-2%	25 590
Service charges	217 749	282 267	282 267	22 280	132 105	142 984	(10 879)	-8%	282 267
Investment revenue	5 947	9 470	9 470	1 137	3 979	5 524	(1 545)	-28%	9 470
Transfers recognised - operational	83 312	97 400	97 400	6 011	49 792	56 814	(7 022)	-12%	97 400
Other own revenue	18 026	18 203	18 203	1 349	9 277	9 697	(420)	-4%	18 203
Total Revenue (excluding capital transfers and contributions)	349 113	432 930	432 930	30 744	223 273	243 753	(20 480)	-8%	432 930
Employee costs	101 598	114 357	114 362	7 606	62 033	67 536	(5 503)	-8%	114 362
Remuneration of Councillors	5 263	6 330	6 430	624	3 639	3 751	(111)	-3%	6 430
Depreciation & asset impairment	14 452	30 951	30 951	-	-	18 054	(18 054)	-100%	30 951
Finance charges	7 920	8 608	8 573	253	3 265	5 001	(1 736)	-35%	8 573
Materials and bulk purchases	138 604	177 542	177 668	14 760	96 540	103 614	(7 075)	-7%	177 668
Transfers and grants	-	21 954	22 027	22	203	12 849	(12 646)	-	22 027
Other expenditure	60 207	53 119	52 723	2 398	24 325	30 632	(6 307)	-21%	52 723
Total Expenditure	328 044	412 861	412 735	25 662	190 005	241 436	(51 432)	-21%	412 735
Surplus/(Deficit)	21 069	20 069	20 195	5 082	33 268	2 317	30 952	1336%	20 195
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	21 069	20 069	20 195	5 082	33 268	2 317	30 952	1336%	20 195
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	21 069	20 069	20 195	5 082	33 268	2 317	30 952	1336%	20 195
Capital expenditure & funds sources									
Capital expenditure	-	79 246	83 687	2 202	18 204	52 312	(34 108)	-65%	83 687
Capital transfers recognised	-	53 488	54 353	1 050	9 620	33 274	(23 655)	-71%	54 353
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	25 758	29 334	1 152	8 584	19 038	(10 454)	-55%	29 334
Total sources of capital funds	-	79 246	83 687	2 202	18 204	52 312	(34 108)	-65%	83 687
Financial position									
Total current assets	120 947	74 556	74 556		129 024				74 556
Total non current assets	436 963	556 094	556 094		454 605				556 094
Total current liabilities	64 269	64 692	64 692		59 470				64 692
Total non current liabilities	78 436	89 722	89 722		78 708				89 722
Community wealth/Equity	415 205	480 205	480 205		445 452				480 205
Cash flows									
Net cash from (used) operating	57 705	19 108	19 108	(11 044)	(624)	9 554	(10 178)	-107%	19 108
Net cash from (used) investing	(44 318)	(79 246)	(79 246)	41	743	(39 623)	40 366	-102%	(79 246)
Net cash from (used) financing	(2 599)	(3 614)	(3 614)	(608)	(608)	(1 807)	1 199	-68%	(3 614)
Cash/cash equivalents at the month/year end	88 069	(282)	(63 752)	-	(489)	31 594	(32 083)	-102%	(63 752)
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 Revenue Source	20 886	2 822	1 721	1 169	1 007	1 451	4 575	#####	39 198
Creditors Age Analysis									
Total Creditors	16 889	83	6	2	(2)	2	-	-	16 979

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) - M07 January

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
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		75 734	80 768	80 768	2 296	65 516	60 920	4 596	8%	80 768
Executive and council		1 838	2 584	2 584	2	890	1 507	(618)	-41%	2 584
Budget and treasury office		71 755	76 834	76 834	2 210	63 862	58 625	5 237	9%	76 834
Corporate services		2 141	1 350	1 350	83	764	787	(23)	-3%	1 350
<i>Community and public safety</i>		24 388	42 455	42 455	5 470	14 809	24 618	(9 810)	-40%	42 455
Community and social services		1 427	10 095	10 095	4 338	7 773	5 888	1 885	32%	10 095
Sport and recreation		155	154	154	92	163	90	73	81%	154
Public safety		5 193	5 473	5 473	575	2 586	3 046	(460)	-15%	5 473
Housing		17 613	26 733	26 733	464	4 287	15 594	(11 307)	-73%	26 733
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		8 951	3 228	3 228	86	1 657	1 883	(226)	-12%	3 228
Planning and development		7 497	1 818	1 818	64	414	1 061	(646)	-61%	1 818
Road transport		119	1 209	1 209	-	1 128	705	423	60%	1 209
Environmental protection		1 335	201	201	22	115	117	(2)	-2%	201
<i>Trading services</i>		240 039	306 480	306 480	22 893	141 291	156 332	(15 041)	-10%	306 480
Electricity		181 098	227 222	227 222	18 838	112 154	110 100	2 055	2%	227 222
Water		36 919	36 419	36 419	2 208	14 604	21 243	(6 639)	-31%	36 419
Waste water management		12 131	23 045	23 045	956	8 169	13 442	(5 273)	-39%	23 045
Waste management		9 891	19 795	19 795	891	6 364	11 547	(5 183)	-45%	19 795
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	349 113	432 930	432 930	30 744	223 273	243 753	(20 480)	-8%	432 930
Expenditure - Standard										
<i>Governance and administration</i>		60 086	88 970	88 954	3 983	33 138	52 079	(18 941)	-36%	88 954
Executive and council		25 617	31 758	31 758	1 501	14 641	18 243	(3 602)	-20%	31 758
Budget and treasury office		18 610	39 507	39 441	1 581	10 365	23 248	(12 883)	-55%	39 441
Corporate services		15 859	17 704	17 754	901	8 131	10 587	(2 456)	-23%	17 754
<i>Community and public safety</i>		44 480	41 695	41 669	1 696	15 195	24 190	(8 995)	-37%	41 669
Community and social services		9 749	11 359	11 282	617	5 849	6 192	(342)	-6%	11 282
Sport and recreation		1 867	2 173	2 226	116	1 071	1 327	(256)	-19%	2 226
Public safety		11 557	13 700	13 697	828	6 582	8 166	(1 584)	-19%	13 697
Housing		21 307	14 463	14 463	136	1 692	8 506	(6 814)	-80%	14 463
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		28 956	31 240	31 295	1 623	14 721	18 307	(3 586)	-20%	31 295
Planning and development		4 656	5 378	5 378	264	2 318	2 969	(651)	-22%	5 378
Road transport		12 688	12 892	12 947	630	5 914	7 670	(1 756)	-23%	12 947
Environmental protection		11 213	12 969	12 969	728	6 488	7 668	(1 180)	-15%	12 969
<i>Trading services</i>		194 922	250 957	250 818	18 380	126 952	146 861	(19 909)	-14%	250 818
Electricity		145 875	195 438	195 338	15 421	101 067	114 122	(13 056)	-11%	195 338
Water		23 748	27 364	27 404	1 221	11 779	16 181	(4 402)	-27%	27 404
Waste water management		11 264	12 890	12 811	542	5 975	7 537	(1 562)	-21%	12 811
Waste management		14 035	15 265	15 265	1 175	8 130	9 020	(890)	-10%	15 265
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	328 044	412 861	412 735	25 662	190 005	241 436	(51 432)	-21%	412 735
Surplus/ (Deficit) for the year		21 069	20 069	20 195	5 082	33 268	2 317	30 952	1336%	20 195

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) - M07 January

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
R thousands									
Revenue by Vote									
Vote 1 - Community services	18 001	35 718	35 718	5 919	17 000	20 689	(3 688)	-17.8%	35 718
Vote 2 - Corporate services	1 593	690	690	41	410	402	8	2.0%	690
Vote 3 - Executive & Council	8 414	2 544	2 544	3	891	1 484	(593)	-40.0%	2 544
Vote 4 - Finance	71 755	77 134	77 134	2 210	63 862	58 800	5 062	8.6%	77 134
Vote 5 - Housing	17 613	26 733	26 733	464	4 287	15 594	(11 307)	-72.5%	26 733
Vote 6 - Infrastructure Development	231 736	290 112	290 112	22 107	136 823	146 784	(9 961)	-8.8%	290 112
Total Revenue by Vote	349 113	432 930	432 930	30 744	223 273	243 753	(20 480)	-8.4%	432 930
Expenditure by Vote									
Vote 1 - Community services	48 421	55 466	55 440	3 465	28 121	32 373	(4 252)	-13.1%	55 440
Vote 2 - Corporate services	10 909	13 267	13 302	711	5 853	7 963	(2 110)	-26.5%	13 302
Vote 3 - Executive & Council	25 429	31 522	31 522	1 454	13 983	18 106	(4 123)	-22.8%	31 522
Vote 4 - Finance	22 615	43 473	43 438	1 692	12 262	25 580	(13 318)	-52.1%	43 438
Vote 5 - Housing	21 307	14 463	14 463	136	1 692	8 506	(6 814)	-80.1%	14 463
Vote 6 - Infrastructure Development	199 363	254 670	254 570	18 205	128 094	148 909	(20 815)	-14.0%	254 570
Total Expenditure by Vote	328 044	412 861	412 735	25 662	190 005	241 436	(51 432)	-21.3%	412 735
Surplus/ (Deficit) for the year	21 069	20 069	20 195	5 082	33 268	2 317	30 952	1335.9%	20 195

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) - M07 January

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
R thousands									
Revenue By Source									
Property rates	23 827	25 390	25 390	(60)	27 945	28 617	(673)	-2%	25 390
Property rates - penalties & collection charges	252	200	200	27	175	117	58	50%	200
Service charges - electricity revenue	176 677	219 893	219 893	18 604	109 830	106 600	3 230	3%	219 893
Service charges - water revenue	23 900	30 521	30 521	2 171	11 668	17 803	(6 135)	-34%	30 521
Service charges - sanitation revenue	9 667	17 693	17 693	836	5 894	10 320	(4 426)	-43%	17 693
Service charges - refuse revenue	7 505	14 160	14 160	669	4 712	8 260	(3 548)	-43%	14 160
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	1 569	1 508	1 508	210	1 023	880	143	16%	1 508
Interest earned - external investments	4 867	7 970	7 970	1 041	3 309	4 649	(1 340)	-29%	7 970
Interest earned - outstanding debtors	1 080	1 500	1 500	96	671	875	(204)	-23%	1 500
Dividends received	-	-	-	-	-	-	-	-	-
Fines	2 385	3 037	3 037	211	814	1 772	(958)	-54%	3 037
Licences and permits	1 125	1 240	1 240	73	686	724	(38)	-5%	1 240
Agency services	1 563	1 100	1 100	282	1 038	496	542	109%	1 100
Transfers recognised - operational	83 312	97 400	97 400	6 011	49 792	56 814	(7 022)	-12%	97 400
Other revenue	11 216	11 318	11 318	573	5 716	5 826	(110)	-2%	11 318
Gains on disposal of PPE	169	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	349 113	432 930	432 930	30 744	223 273	243 753	(20 480)	-8%	432 930
Expenditure By Type									
Employee related costs	101 598	114 357	114 362	7 606	62 033	67 536	(5 503)	-8%	114 362
Remuneration of councillors	5 263	6 330	6 430	624	3 639	3 751	(111)	-3%	6 430
Debt impairment	4 975	6 375	6 375	531	3 719	3 719	0	0%	6 375
Depreciation & asset impairment	14 452	30 951	30 951	-	-	18 054	(18 054)	-100%	30 951
Finance charges	7 920	8 608	8 573	253	3 265	5 001	(1 736)	-35%	8 573
Bulk purchases	128 061	168 598	168 598	14 197	91 082	98 345	(7 263)	-7%	168 598
Other materials	10 543	8 944	9 070	562	5 458	5 269	189	4%	9 070
Contracted services	1 379	2 347	2 273	84	680	1 264	(584)	-46%	2 273
Transfers and grants	-	21 954	22 027	22	203	12 849	(12 646)	-98%	22 027
Other expenditure	52 586	39 397	39 075	1 777	20 096	22 732	(2 636)	-12%	39 075
Loss on disposal of PPE	1 267	5 000	5 000	7	(170)	2 917	(3 087)	-106%	5 000
Total Expenditure	328 044	412 861	412 735	25 662	190 005	241 436	(51 432)	-21%	412 735
Surplus/(Deficit)	21 069	20 069	20 195	5 082	33 268	2 317	30 952	0	20 195
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	21 069	20 069	20 195	5 082	33 268	2 317			20 195
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	21 069	20 069	20 195	5 082	33 268	2 317			20 195
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	21 069	20 069	20 195	5 082	33 268	2 317			20 195
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	21 069	20 069	20 195	5 082	33 268	2 317			20 195

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) - M07 January

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
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Community services	-	-	-	-	-	-	-	-	-
Vote 2 - Corporate services	-	-	-	-	-	-	-	-	-
Vote 3 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Housing	-	25 689	25 001	429	4 024	14 583	(10 560)	-72%	25 001
Vote 6 - Infrastructure Development	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	25 689	25 001	429	4 024	14 583	(10 560)	-72%	25 001
Single Year expenditure appropriation									
Vote 1 - Community services	-	7 732	8 608	230	957	5 339	(4 382)	-82%	8 608
Vote 2 - Corporate services	-	10 800	9 800	15	3 103	5 716	(2 613)	-46%	9 800
Vote 3 - Executive & Council	-	3 977	4 977	152	932	4 070	(3 138)	-77%	4 977
Vote 4 - Finance	-	1 955	1 955	6	764	1 141	(377)	-33%	1 955
Vote 5 - Housing	-	4 000	4 688	533	1 318	2 735	(1 417)	-52%	4 688
Vote 6 - Infrastructure Development	-	25 093	28 659	837	7 106	18 728	(11 622)	-62%	28 659
Total Capital single-year expenditure	-	53 557	58 686	1 773	14 180	37 729	(23 549)	-62%	58 686
Total Capital Expenditure	-	79 246	83 687	2 202	18 204	52 312	(34 108)	-65%	83 687
Capital Expenditure - Standard Classification									
Governance and administration	-	14 732	14 732	173	4 799	8 927	(4 128)	-46%	14 732
Executive and council	-	1 977	2 977	152	932	2 070	(1 138)	-55%	2 977
Budget and treasury office	-	450	450	-	33	263	(229)	-87%	450
Corporate services	-	12 305	11 305	20	3 834	6 595	(2 761)	-42%	11 305
Community and public safety	-	31 339	32 215	962	5 665	18 621	(12 955)	-70%	32 215
Community and social services	-	450	476	-	265	278	(13)	-5%	476
Sport and recreation	-	1 200	1 800	-	-	900	(900)	-100%	1 800
Public safety	-	-	250	-	59	125	(66)	-53%	250
Housing	-	29 689	29 689	962	5 341	17 318	(11 977)	-69%	29 689
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	-	5 419	7 980	424	3 028	6 556	(3 528)	-54%	7 980
Planning and development	-	2 000	2 000	-	0	2 000	(2 000)	-100%	2 000
Road transport	-	2 774	5 335	424	2 625	4 054	(1 429)	-35%	5 335
Environmental protection	-	645	645	-	403	502	(99)	-20%	645
Trading services	-	27 757	28 761	644	4 711	18 208	(13 497)	-74%	28 761
Electricity	-	11 597	12 601	341	2 516	7 329	(4 813)	-66%	12 601
Water	-	7 572	7 572	35	1 892	5 385	(3 493)	-65%	7 572
Waste water management	-	3 151	3 151	37	73	3 534	(3 461)	-98%	5 437
Waste management	-	5 437	5 437	230	230	1 960	(1 730)	-88%	3 151
Other	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	-	79 246	83 687	2 202	18 204	52 312	(34 108)	-65%	83 687
Funded by:									
National Government	-	47 737	41 491	721	5 244	24 521	(19 277)	-79%	41 491
Provincial Government	-	5 751	12 863	328	4 376	8 753	(4 377)	-50%	12 863
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	-	53 488	54 353	1 050	9 620	33 274	(23 655)	-71%	54 353
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	25 758	29 334	1 152	8 584	19 038	(10 454)	-55%	29 334
Total Capital Funding	-	79 246	83 687	2 202	18 204	52 312	(34 108)	-65%	83 687

4.1.6 Table C6: Monthly Budget Statement - Financial Position

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.

WC026 Langeberg - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2010/11	Budget Year 2011/12			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		18 069	5 561	5 561	9 416	5 561
Call investment deposits		70 000	25 000	25 000	70 000	25 000
Consumer debtors		17 946	20 681	20 681	32 535	20 681
Other debtors		3 103	10 711	10 711	5 245	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
Total current assets		120 947	74 556	74 556	129 024	74 556
Non current assets						
Long-term receivables		2 499	8 034	8 034	1 937	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		405 949	528 936	528 936	424 153	528 936
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		864	1 144	1 144	864	1 144
Other non-current assets		296	-	-	296	-
Total non current assets		436 963	556 094	556 094	454 605	556 094
TOTAL ASSETS		557 910	630 650	630 650	583 629	630 650
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		3 391	3 614	3 614	3 391	3 614
Consumer deposits		5 571	4 942	4 942	5 824	4 942
Trade and other payables		43 848	43 055	43 055	41 991	43 055
Provisions		11 459	13 081	13 081	8 264	13 081
Total current liabilities		64 269	64 692	64 692	59 470	64 692
Non current liabilities						
Borrowing		37 327	55 294	55 294	35 350	55 294
Provisions		41 109	34 428	34 428	43 358	34 428
Total non current liabilities		78 436	89 722	89 722	78 708	89 722
TOTAL LIABILITIES		142 705	154 414	154 414	138 178	154 414
NET ASSETS	2	415 205	476 236	476 236	445 452	476 236
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		385 997	277 904	277 904	416 244	277 904
Reserves		29 208	202 301	202 301	29 208	202 301
TOTAL COMMUNITY WEALTH/EQUITY	2	415 205	480 205	480 205	445 452	480 205

4.1.7 Table C7: Monthly Budget Statement - Cash Flow

WC026 Langeberg - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		259 748	334 243	334 243	65 908	276 454	194 975	81 479	42%	334 243
Government - operating		64 605	17 439	17 439		41 041	10 173	30 868	303%	17 439
Government - capital		18 706	48 538	48 538	500	19 328	28 314	(8 986)	-32%	48 538
Interest		6 199	9 670	9 670		3 202	5 641	(2 439)	-43%	9 670
Dividends			-	-			-	-		-
Payments										
Suppliers and employees		(283 634)	(363 219)	(363 219)	(37 943)	(310 684)	(211 878)	98 808	-47%	(363 219)
Finance charges		(7 920)	(5 608)	(5 608)		(1 966)	(3 271)	(1 306)	40%	(5 608)
Transfers and Grants			(21 954)	(21 954)	-	-	(12 806)	(12 806)	100%	(21 954)
NET CASH FROM/(USED) OPERATING ACTIVITIES		57 705	19 108	19 108	28 465	27 376	11 146	16 230	146%	19 108
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		216					-	-		-
Decrease (Increase) in non-current debtors							-	-		-
Decrease (increase) other non-current receivables		(1 706)			56	799	-	799	#DIV/0!	-
Decrease (increase) in non-current investments		(1)			(20 000)	(20 000)	-	(20 000)	#DIV/0!	-
Payments										
Capital assets		(42 827)	(79 246)	(79 246)	(2 113)	(17 244)	(46 227)	(28 983)	63%	(79 246)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(44 318)	(79 246)	(79 246)	(22 057)	(36 445)	(46 227)	(9 782)	21%	(79 246)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-	-		-
Borrowing long term/refinancing							-	-		-
Increase (decrease) in consumer deposits		629			77	416	-	416	#DIV/0!	-
Payments										
Repayment of borrowing		(3 228)	(3 614)	(3 614)	-	-	(2 108)	(2 108)	100%	(3 614)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(2 599)	(3 614)	(3 614)	77	416	(2 108)	(2 524)	120%	(3 614)
NET INCREASE/ (DECREASE) IN CASH HELD		10 787	(63 752)	(63 752)	6 484	(8 653)	(37 189)			(63 752)
Cash/cash equivalents at beginning:		77 282	63 470			18 061	63 470			18 061
Cash/cash equivalents at month/year end:		88 069	(282)	(63 752)		9 408	26 281			(45 691)

PART 2 – SUPPORTING DOCUMENTATION

Section 5 – Debtors' analysis

5.1 Supporting Table C3

WC026 Langeberg - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

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			
Debtors Age Analysis By Revenue Source												
Rates	1200	1 339 948	338 379	341 882	174 403	133 578	846 071	674 256	1 111 677	4 960	1 833 998	
Electricity	1300	16 543 525	1 235 340	540 094	280 059	159 024	120 999	439 151	345 354	19 664	1 209 398	
Water	1400	1 584 515	475 105	239 387	201 650	192 558	166 176	732 001	728 256	4 320	2 816 224	
Sewerage / Sanitation	1500	681 198	261 669	193 194	154 142	129 579	104 661	681 397	767 537	2 973	2 446 784	
Refuse Removal	1600	543 923	206 581	153 108	120 191	103 774	83 729	526 641	559 437	2 297	1 841 653	
Housing (Rental Revenue)	1700	-82 281	36 717	31 574	24 997	19 765	15 809	62 146	199 361	308	622 478	
Other	1900	275 435	268 352	222 055	214 036	268 362	113 676	1 459 058	1 855 218	4 676	1 664 952	
Total By Revenue Source	2000	20 886	2 822	1 721	1 169	1 007	1 451	4 575	5 567	39 198	12 435	
2010/11 - totals only		19 842	2 681	1 635	1 111	956	1 379	4 346	5 288	37 239		
Debtors Age Analysis By Customer Category												
Government	2200	218 391	64 990	56 879	80 755	30 554	106 651	134 357	60 640	753	36 958	
Business	2300	5 468 003	340 008	162 619	85 252	92 335	93 943	462 547	199 886	6 905	850 517	
Households	2400	4 738 974	1 659 951	1 058 155	808 439	768 483	853 437	3 413 006	4 624 021	17 924	10 908 210	
Other	2500	10 460 895	757 194	443 642	195 031	115 270	397 089	564 741	682 292	13 616	639 801	
Total By Customer Category	2600	20 886	2 822	1 721	1 169	1 007	1 451	4 575	5 567	39 198	12 435	

Table SC3 is the only debtors report required by the MBRR.

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 - M07 January

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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	16 151								16 151
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	737 809	83 003	5 978	1 603	-2 166	1 938	0	0	828
Auditor General	0800									-
Other	0900									-
Total By Customer Type	2600	16 889	83	6	2	(2)	2	-	-	16 979

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 - M07 January

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
ABSA BANK		161 DAYS	FIXED DEPOS	23/03/2012	-	5.8%	25 000		25 635
NEDBANK		154 DAYS	FIXED DEPOS	22/06/2012	-	5.9%	20 000		20 484
INVESTEC		161 DAYS	FIXED DEPOS	06/07/2012	-	6.0%	25 000		25 636
Municipality sub-total					-		70 000	-	71 765
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		70 000	-	71 765

Section 11 – Material variances to the SDBIP

11.1 Over view

No comments for January 2012.

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 January 2012 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 _____