

FRANCES BAARD DISTRICT MUNICIPALITY



In-Year Report of the Municipality

Monthly Budget Statement

August 2012

1. PURPOSE

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

2. STRATEGIC OBJECTIVE

“To comply with MFMA priorities as well as MFMA implementation plan”

3. BACKGROUND

Section 71 of the MFMA and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

(1) The accounting officer of a municipality must by no later than **10 working days after the end of each month** submit to the mayor of the municipality and the relevant treasury a statement in the prescribed format on the implementation of the municipality’s approved budget. The Budget and Treasury Office has met the timelines for this reporting period.

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1.1 Mayors Report

Frances Baard District Municipality developed its own reporting format and started to report on all matters prescribed in section 71 of the MFMA and continued to do so after the Budget and Reporting regulations become effective in 2009. This is however contradicting the Municipal Budget and Reporting Regulations and it becomes necessary to comply to the applicable legislation in this regard.

The prescribed format of the monthly report is very comprehensive and it is not possible to comply to the new format at once. The completion of the report will therefore be phased in over a period of four months. The format consists of seven financial statements and thirteen tables consisting of supporting documentation.

The implementation will be phased in as follows.

- Table C 1 Monthly Budget Statement Summary 31 July 2012
- Table C2 Monthly Budget Statement - Financial Performance (Standard classification) 31 July 2012
- Table C3 Monthly Budget Statement - Financial Performance (Revenue and expenditure by municipal vote) 31 July 2012
- Table C4 Monthly Budget Statement - Financial Performance (Revenue and expenditure) 31 July 2012
- Table C5 Monthly Budget Statement - Capital Expenditure (Municipal vote, standard classification and funding) 31 July 2012
- Table C6 Monthly Budget Statement - Financial Position 31 July 2012
- Table C7 Monthly Budget Statement - Cash Flow 31 August 2012
- Supporting Table SC1 Material variance explanations 30 September 2012
- Supporting Table SC2 Monthly Budget Statement - Performance indicators 31 October 2012
- Supporting Table SC3 Monthly Budget Statement - aged debtors 31 July 2012
- Supporting Table SC4 Monthly Budget Statement - aged creditors 31 July 2010
- Supporting Table SC5 Monthly Budget Statement - Investment portfolio 30 September 2012
- Supporting Table SC6 Monthly Budget Statement - Transfers and grant receipts 30 September 2012
- Supporting Table SC7 Monthly Budget Statement - Transfers and grant expenditure 30 September 2012
- Supporting Table SC8 Monthly Budget Statement - Councillor and staff benefits 31 August 2012
- Supporting Table SC9 Monthly Budget Statement - Actuals and revised targets for cash receipts 31 August 2011
- Supporting Table SC12 Monthly Budget Statement - Capital expenditure trend 30 September 2012

- Supporting Table SC13a Monthly Budget Statement
- Capital expenditure on new assets by asset class 31 October 2012
- Supporting Table SC13b Monthly Budget Statement
- Capital expenditure on renewal of existing assets by asset class 31 October 2012
- Supporting Table SC13c Monthly Budget Statement
- Expenditure on repairs and maintenance by asset class

Budget Process:

The budget process plan in respect of the 2013/14 financial year has been submitted to the Executive Mayor for approval on 25 July 2012 and has also been given to National Treasury.

Monthly Reporting:

Monthly financial reporting as per DoRA and MFMA requirements to Council, National & Provincial Departments and other stakeholders have been adequately adhered to for the month under review.

Financial Statements for the Year-ended 30 June 2012:

The Annual Financial Statements for the year ended 30 June 2012 were submitted to the Audit Committee on 30 August 2012 and to the Office of the Auditor General on 31 August 2012 for Auditing.

MFMA Implementation Oversight:

Council's progress on the implementation of the MFMA proceeds according to set targets and due dates determined for a medium capacity municipality.

A comprehensive oversight report on the progress of implementation and compliance per MFMA requirements is attached as Annexure "**B**" to this report.

Support to Local Municipalities:

Magareng Municipality requested assistance with their annual financial statements. BCX had to effect changes to their financial system and once this is completed, further assistance will be provided.

1.2 Council Resolutions

Council Resolutions will be included after council meetings.

1.3 Executive Summary

For this financial year, expenditure is restricted to necessary activities per approved budget & service delivery plans, operating expenditure limit approved by Council and money that we realistically expect to collect. Adequate controls are in place to ensure that overspending does not occur.

All amounts shown in the columns for “Audited Outcome” are preliminary figures until the annual audit for the 2011 / 2012 financial year has been concluded.

The implementation process of the budget will be illustrated in the tables and explanation notes that follow. *The monthly reports submitted by the different Departments should give further clarity were insufficient information is available for the Department of Finance on reporting date due to the fact that this report should be handed to the Mayor on the tenth of each month.*

Please refer to next page

1.4 In Year Budget Statement Tables

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M02 August									
Description	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	5,491	4,708	-	599	1,169	785	385	49%	5,931
Transfers recognised - operational	88,914	92,592	-	268	29,783	30,597	(814)	-3%	92,592
Other own revenue	839	756	-	9	32	109	(78)	-71%	839
Total Revenue (excluding capital transfers and contributions)	95,244	98,056	-	876	30,984	31,491	(508)	-2%	99,362
Employee costs	33,909	42,556	-	2,849	5,435	7,093	(1,658)	-23%	37,170
Remuneration of Councillors	4,595	5,357	-	412	810	893	(83)	-9%	5,107
Depreciation & asset impairment	22,428	4,498	-	-	-	750	(750)	-100%	4,378
Finance charges	3,259	2,362	-	-	-	-	-	-	2,362
Materials and bulk purchases	2,314	4,362	-	73	102	727	(625)	-86%	2,693
Transfers and grants	26,364	45,692	-	401	729	1,599	(870)	-54%	40,553
Other expenditure	13,437	15,248	-	746	1,432	2,533	(1,101)	-43%	14,201
Total Expenditure	106,305	120,075	-	4,481	8,507	13,594	(5,087)	-37%	106,464
Surplus/(Deficit)	(11,061)	(22,019)	-	(3,606)	22,477	17,897	4,580	26%	(7,102)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(11,061)	(22,019)	-	(3,606)	22,477	17,897	4,580	26%	(7,102)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(11,061)	(22,019)	-	(3,606)	22,477	17,897	4,580	26%	(7,102)
Capital expenditure & funds sources									
Capital expenditure	2,437	9,013	-	50	50	114	(64)	-57%	9,013
Capital transfers recognised	42	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2,395	9,013	-	50	50	114	(64)	-57%	9,013
Total sources of capital funds	2,437	9,013	-	50	50	114	(64)	-57%	9,013
Financial position									
Total current assets	89,437	49,924	-		116,774				47,024
Total non current assets	50,477	58,291	-		50,526				61,191
Total current liabilities	14,900	8,051	-		19,810				8,051
Total non current liabilities	34,012	23,607	-		34,012				23,607
Community wealth/Equity	91,002	76,558	-		113,479				76,558
Cash flows									
Net cash from (used) operating	16,806	(17,312)	-	(5,188)	28,391	12,869	15,523	121%	(17,312)
Net cash from (used) investing	(2,431)	(8,913)	-	(50)	(50)	(70)	20	-29%	(8,913)
Net cash from (used) financing	(1,289)	(1,139)	-	-	-	-	-	-	(1,139)
Cash/cash equivalents at the month/year end	86,214	45,454	-	114,556	114,556	85,617	28,939	34%	58,851
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	824	70	73	67	68	65	543	-	1,709
Creditors Age Analysis									
Total Creditors	950	0	-	-	-	-	-	-	950

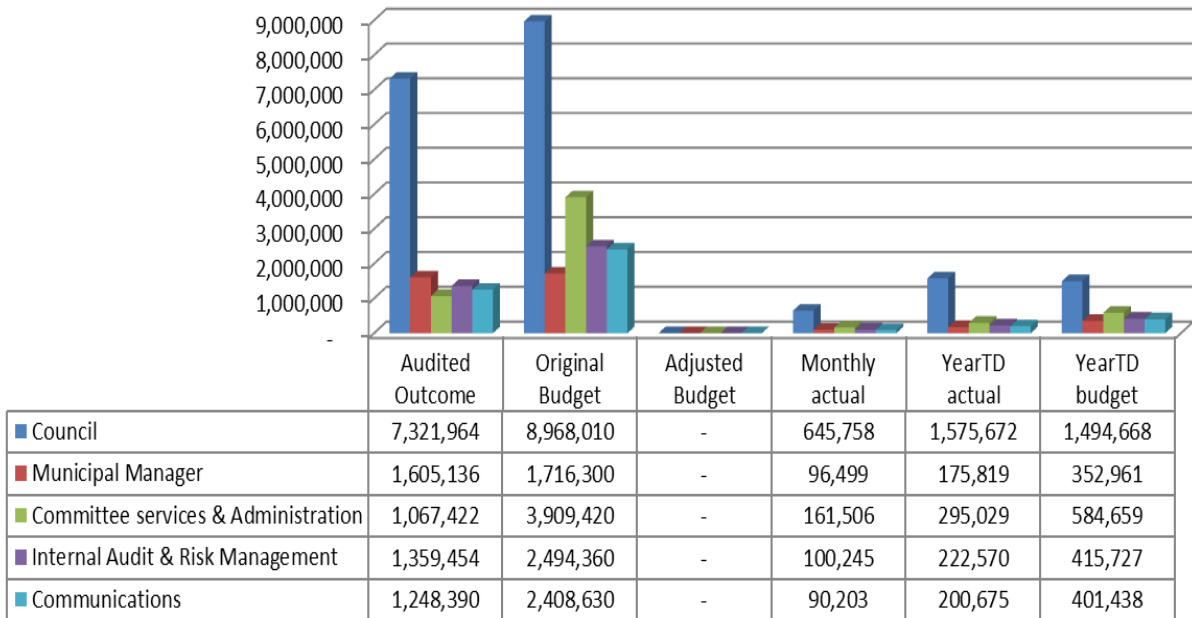
DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August										
Description	Ref	2011/12	Budget Year 2012/13							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Standard										
<i>Governance and administration</i>		76,733	83,215	-	626	29,304	26,828	2,477	9%	83,495
Executive and council		1,763	3,318	-	-	1,106	1,106	-		3,318
Budget and treasury office		74,970	79,897	-	626	28,198	25,722	2,477	10%	80,177
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		3,149	1,200	-	212	401	200	201	101%	2,406
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		3,149	1,200	-	212	401	200	201	101%	2,406
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		15,363	13,641	-	38	1,279	4,464	(3,185)	-71%	10,221
Planning and development		10,301	9,941	-	26	267	3,464	(3,197)	-92%	4,151
Road transport		-	-	-	-	-	-	-		-
Environmental protection		5,062	3,700	-	12	1,012	1,000	12	1%	6,070
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	95,244	98,056	-	876	30,984	31,491	(508)	-2%	96,122
Expenditure - Standard										
<i>Governance and administration</i>		43,531	54,868	-	2,884	5,393	9,145	(3,752)	-41%	49,776
Executive and council		12,602	19,497	-	1,094	2,470	3,249	(780)	-24%	18,527
Budget and treasury office		18,471	18,302	-	684	1,169	3,050	(1,882)	-62%	17,622
Corporate services		12,458	17,069	-	1,106	1,755	2,845	(1,090)	-38%	13,627
<i>Community and public safety</i>		6,512	9,172	-	529	912	1,129	(217)	-19%	8,408
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		3,344	4,584	-	321	511	764	(253)	-33%	4,658
Housing		3,168	4,588	-	209	401	365	36	10%	3,750
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		56,263	56,035	-	1,068	2,202	3,321	(1,119)	-34%	48,280
Planning and development		52,572	53,040	-	923	1,943	2,822	(879)	-31%	45,471
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3,691	2,995	-	144	259	499	(240)	-48%	2,809
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	106,305	120,075	-	4,481	8,507	13,594	(5,087)	-37%	106,464
Surplus/ (Deficit) for the year		(11,061)	(22,019)	-	(3,606)	22,477	17,897	4,580	26%	(10,342)

The aim of revenue and expenditure per standard classification is to provide a breakdown of the activities of Council to specific services while the following statements will give the financial position as per Municipal vote according to the approved organogram of council.

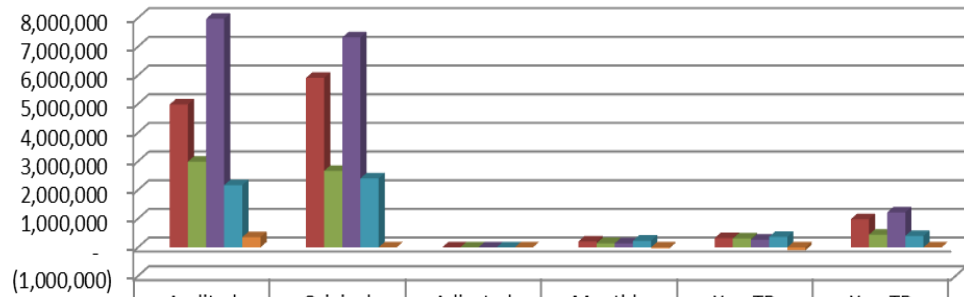
DC9 Frances Baard - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

Vote Description [Insert departmental structure etc. 3.]	Ref	2011/12	Budget Year 2012/13							
		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 - Council & Executive	1	1,763	3,318	-	-	1,106	1,106	-		3,318
Vote 2 - Budget & Treasury		74,970	79,897	-	626	28,198	25,722	2,477	9.6%	80,177
Vote 3 - Corporate Services		5,062	3,700	-	12	1,012	1,000	12	1.2%	6,070
Vote 4 - Planning & Development		1,200	1,000	-	-	-	-	-		1,000
Vote 5 - Project Management & Advisory Services		12,250	10,141	-	238	668	3,664	(2,996)	-81.8%	5,557
Total Revenue by Vote	2	95,244	98,056	-	876	30,984	31,491	(508)	-1.6%	96,122
Expenditure by Vote										
Vote 1 - Council & Executive	1	12,602	19,497	-	1,094	2,470	3,249	(780)	-24.0%	18,527
Vote 2 - Budget & Treasury		18,471	18,302	-	684	1,169	3,050	(1,882)	-61.7%	17,622
Vote 3 - Corporate Services		16,148	20,064	-	1,251	2,014	3,344	(1,330)	-39.8%	16,436
Vote 4 - Planning & Development		14,919	22,015	-	915	1,625	1,820	(195)	-10.7%	20,951
Vote 5 - Project Management & Advisory Services		44,165	40,197	-	538	1,229	2,131	(901)	-42.3%	32,928
Total Expenditure by Vote	2	106,305	120,075	-	4,481	8,507	13,594	(5,087)	-37.4%	106,464
Surplus/ (Deficit) for the year	2	(11,061)	(22,019)	-	(3,606)	22,477	17,897	4,580	25.6%	(10,342)

OPERATING EXPENDITURE - COUNCIL & EXECUTIVE

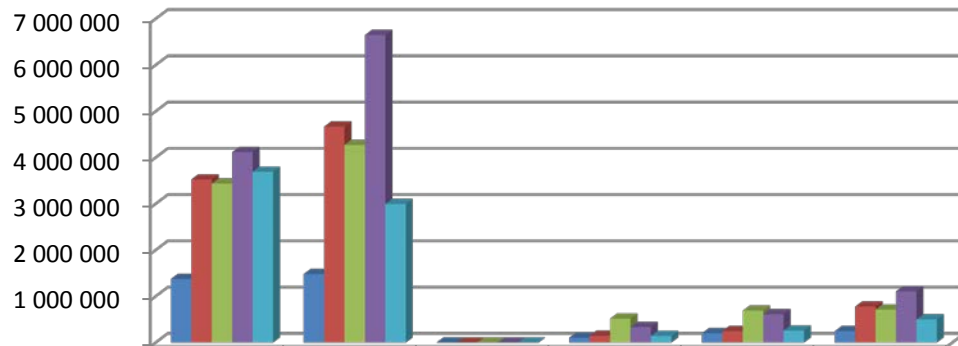


OPERATING EXPENDITURE - BUDGET & TREASURY



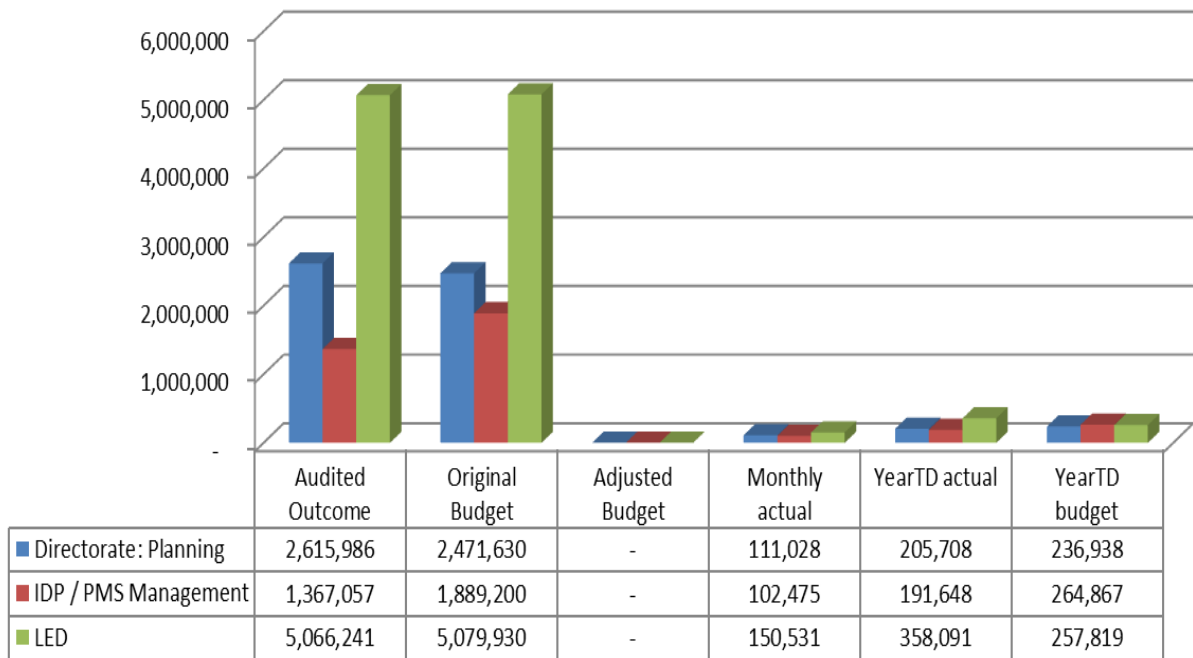
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Budger & treasury						
■ Directorate	4,984,072	5,909,630	-	203,385	325,648	984,938
■ Finance: Revenue & Expenditure	2,988,594	2,667,010	-	144,213	309,535	444,502
■ Finance: Budget Office	7,969,731	7,319,610	-	140,489	270,100	1,219,935
■ Finance: Supply Chain Management	2,170,264	2,405,610	-	231,376	365,529	400,935
■ Finance: Motor Vehicle Pool	358,181	-	-	(35,721)	(102,211)	-

OPERATING EXPENDITURE - CORPORATE SERVICES

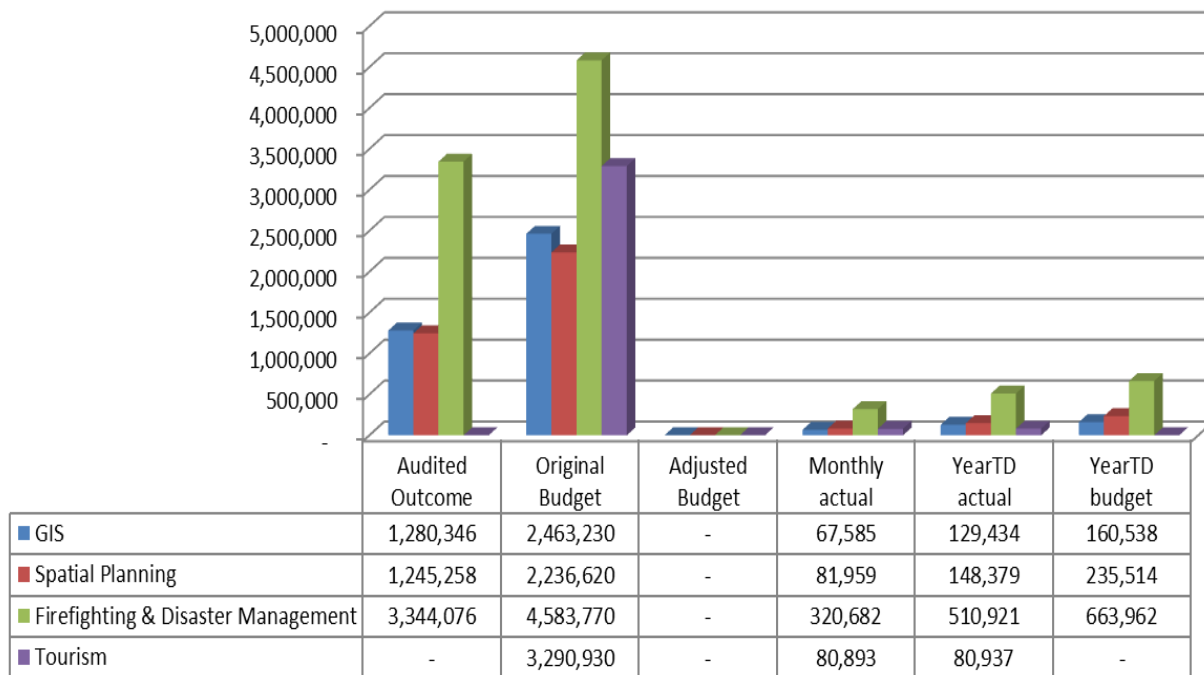


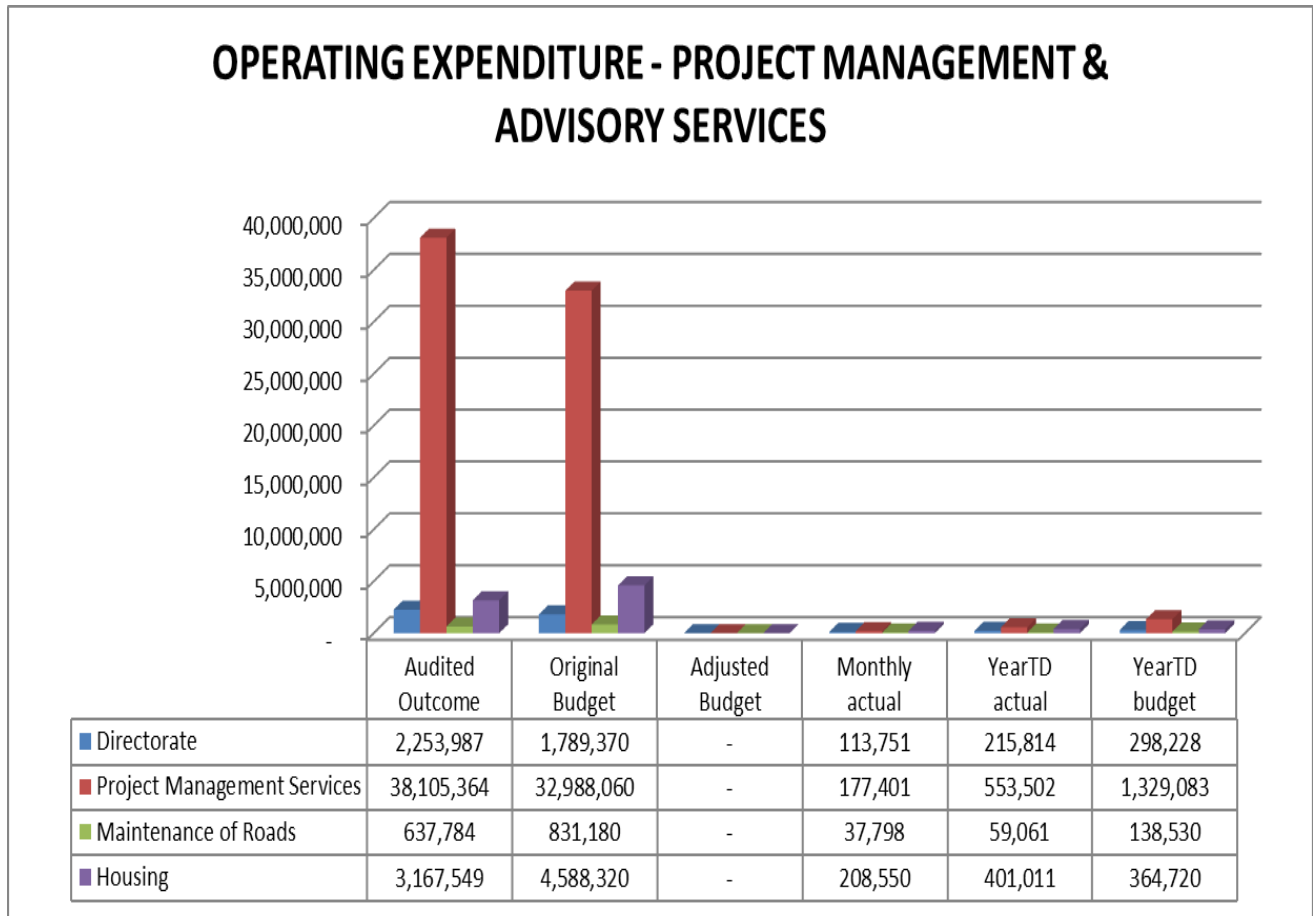
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Director: Administration	1 375 173	1 480 640	-	106 257	201 861	246 773
■ Information Systems	3 526 742	4 667 780	-	148 783	249 351	777 963
■ Human Resource Management	3 437 502	4 271 570	-	517 234	690 860	711 928
■ Office support Services	4 118 234	6 649 140	-	334 114	612 593	1 108 190
■ Environmental Health	3 690 593	2 995 040	-	144 411	259 391	499 173

OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



OPERATING EXPENDITURE - PLANNING & DEVELOPMENT CONTINUE





Please note that as per direction from National Treasury, the current budget is based on an increase of 6% of spending capacity on the previous financial years’ budget.

Interim results per approved business plans and budget for the financial year under review:

Executive and Council:

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Executive & Council are likely to change and be based on more realistic projections as the financial year progresses.

Finance & Administration:

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Finance & Administration are likely to change and be based on more realistic projections as the financial year progresses.

Planning & Development:

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Planning & Development are likely to change and be based on more realistic projections as the financial year progresses.

Spatial Planning

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Spatial Planning are likely to change and be based on more realistic projections as the financial year progresses.

Geographic Information System

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for GIS are likely to change and be based on more realistic projections as the financial year progresses.

Local Economic Development

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Local Economic Development are likely to change and be based on more realistic projections as the financial year progresses.

Tourism

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Tourism are likely to change and be based on more realistic projections as the financial year progresses.

Project Management & Advisory Services

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Project management & Advisory Services are likely to change and be based on more realistic projections as the financial year progresses.

Health:

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Health are likely to change and be based on more realistic projections as the financial year progresses.

Public Safety:

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Public Safety are likely to change and be based on more realistic projections as the financial year progresses.

Housing:

Variances based on actual expenditure trends will be analysed in order to provide more realistic expenditure projections as from September 2012.

Remedy: The expenditure projections for Housing are likely to change and be based on more realistic projections as the financial year progresses.

Please refer to next page

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August										
Description	Ref	2011/12	Budget Year 2012/13							
		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		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		506	632	-	6	18	105	(87)	-83%	658
Interest earned - external investments		5,491	4,708	-	599	1,169	785	385	49%	5,931
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		88,914	92,592	-	268	29,783	30,597	(814)	-3%	92,592
Other revenue		333	25	-	3	14	4	10	234%	82
Gains on disposal of PPE		-	100	-	-	-	-	-	-	100
Total Revenue (excluding capital transfers and contributions)		95,244	98,056	-	876	30,984	31,491	(508)	-2%	99,362
Expenditure By Type										
Employee related costs		33,909	42,556	-	2,849	5,435	7,093	(1,658)	-23%	37,170
Remuneration of councillors		4,595	5,357	-	412	810	893	(83)	-9%	5,107
Debt impairment		-	3	-	-	-	-	-	-	3
Depreciation & asset impairment		22,428	4,498	-	-	-	750	(750)	-100%	4,378
Finance charges		3,259	2,362	-	-	-	-	-	-	2,362
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		2,314	4,362	-	73	102	727	(625)	-86%	2,693
Contracted services		2,512	-	-	-	-	-	-	-	-
Transfers and grants		26,364	45,692	-	401	729	1,599	(870)	-54%	40,553
Other expenditure		10,332	15,195	-	746	1,432	2,533	(1,101)	-43%	14,148
Loss on disposal of PPE		594	50	-	-	-	-	-	-	50
Total Expenditure		106,305	120,075	-	4,481	8,507	13,594	(5,087)	-37%	106,464
Surplus/(Deficit)		(11,061)	(22,019)	-	(3,606)	22,477	17,897	4,580	0	(7,102)
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(11,061)	(22,019)	-	(3,606)	22,477	17,897			(7,102)
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(11,061)	(22,019)	-	(3,606)	22,477	17,897			(7,102)
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(11,061)	(22,019)	-	(3,606)	22,477	17,897			(7,102)
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(11,061)	(22,019)	-	(3,606)	22,477	17,897			(7,102)

Remuneration: The positive variance on budgeted remuneration is due mainly to the budgeted number of vacancies on the staff structure not filled accordingly.

Depreciation: The actual depreciation reflected for the financial year is based on true transaction and acquisition date of asset. Assets are depreciated in accordance with GRAP / GAMAP guidelines per asset type and calculated on cost, using the straight line method over the estimated useful life of assets. Asset acquisitions are included in the capital budget and are depreciated as the year progresses.

Repairs and Maintenance: Apart from standard service contracts, planned or expected maintenance costs incurred during this financial year are mainly in the area of computer software licenses renewal.

Grants and Subsidies: All project payments, whether capital infrastructure or community development in nature, whether funded internally or externally, are included.

Projects that were not completed during the previous year-end have been rolled over to the new financial year for completion from the accumulated surplus / deficit or applicable unspent grant funding accounts.

Progress on actual expenditure on infrastructure and development projects, in comparison with the budget, is:

DC9 Frances Baard - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2011/12	Budget Year 2012/13							
	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		-	-	-	-	-	-	-	0%
August	32	-	-	50	50	-	(50)	#DIV/0!	1%
September	198	2,462	-	-	50	2,462	2,412	98.0%	1%
October	498	1,527	-	-	50	3,989	3,940	98.8%	1%
November	322	-	-	-	50	3,989	3,940	98.8%	1%
December	157	-	-	-	50	3,989	3,940	98.8%	1%
January	-	440	-	-	50	4,429	4,380	98.9%	1%
February	174	584	-	-	50	5,013	4,964	99.0%	1%
March	516	85	-	-	50	5,098	5,049	99.0%	1%
April	68	3,225	-	-	50	8,323	8,274	99.4%	0
May	19	239	-	-	50	8,562	8,512	99.4%	0
June	453	451	-	-	50	9,013	8,964	99.5%	0
Total Capital expenditure	2,437	9,013	-	50					

Please refer to next page

DC9 Frances Baard - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M02 August										
Vote Description	Ref	2011/12	Budget Year 2012/13							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Example 1		-	-	-	-	-	-	-	-	-
Vote 2 - Example 2		-	-	-	-	-	-	-	-	-
Vote 3 - Example 3		-	-	-	-	-	-	-	-	-
Vote 4 - Example 4		-	-	-	-	-	-	-	-	-
Vote 5 - Example 5		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Example 1		138	127	-	-	-	60	(60)	-100%	127
Vote 2 - Example 2		295	1,826	-	4	4	4	(0)	-3%	1,826
Vote 3 - Example 3		648	1,412	-	19	19	15	4	25%	1,412
Vote 4 - Example 4		49	4,794	-	-	-	10	(10)	-100%	4,794
Vote 5 - Example 5		1,307	855	-	27	27	25	2	7%	855
Total Capital single-year expenditure	4	2,437	9,013	-	50	50	114	(64)	-57%	9,013
Total Capital Expenditure		2,437	9,013	-	50	50	114	(64)	-57%	9,013
Capital Expenditure - Standard Classification										
Governance and administration		1,081	3,362	-	23	23	79	(56)	-71%	3,362
Executive and council		138	127	-	-	-	60	(60)	-100%	127
Budget and treasury office		295	1,826	-	4	4	4	(0)	-3%	1,826
Corporate services		648	1,409	-	19	19	15	4	25%	1,409
Community and public safety		43	5,315	-	27	27	5	22	437%	5,315
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1	4,672	-	-	-	-	-	-	4,672
Housing		42	643	-	27	27	5	22	437%	643
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1,313	337	-	-	-	30	(30)	-100%	337
Planning and development		1,313	334	-	-	-	30	(30)	-100%	334
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	3	-	-	-	-	-	-	3
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	2,437	9,013	-	50	50	114	(64)	-57%	9,013
Funded by:										
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		42	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		42	-	-	-	-	-	-	-	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		2,395	9,013	-	50	50	114	(64)	-57%	9,013
Total Capital Funding		2,437	9,013	-	50	50	114	(64)	-57%	9,013

DC9 Frances Baard - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2011/12	Budget Year 2012/13		2012/13	
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		2,714	454		2,556	454
Call investment deposits		83,500	47,800		112,000	44,900
Consumer debtors		-	-		-	-
Other debtors		2,873	1,300		1,824	1,300
Current portion of long-term receivables		-	-		-	-
Inventory		350	370		394	370
Total current assets		89,437	49,924	-	116,774	47,024
Non current assets						
Long-term receivables		-	-		-	-
Investments		2,900	-		2,900	2,900
Investment property		-	-		-	-
Investments in Associate		-	-		-	-
Property, plant and equipment		46,627	58,291		46,677	58,291
Agricultural		-	-		-	-
Biological assets		-	-		-	-
Intangible assets		950	-		950	-
Other non-current assets		-	-		-	-
Total non current assets		50,477	58,291	-	50,526	61,191
TOTAL ASSETS		139,914	108,216	-	167,301	108,216
LIABILITIES						
Current liabilities						
Bank overdraft		-	-		-	-
Borrowing		1,333	1,444		1,333	1,444
Consumer deposits		-	-		-	-
Trade and other payables		7,543	1,778		12,453	1,778
Provisions		6,024	4,828		6,024	4,828
Total current liabilities		14,900	8,051	-	19,810	8,051
Non current liabilities						
Borrowing		11,486	10,058		11,486	10,058
Provisions		22,526	13,549		22,526	13,549
Total non current liabilities		34,012	23,607	-	34,012	23,607
TOTAL LIABILITIES		48,912	31,657	-	53,822	31,657
NET ASSETS	2	91,002	76,558	-	113,479	76,558
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		64,236	66,176		86,713	66,176
Reserves		26,766	10,382		26,766	10,382
TOTAL COMMUNITY WEALTH/EQUITY	2	91,002	76,558	-	113,479	76,558

Internal Provisions:

Council has internal liabilities related to personnel bonuses, performance bonuses, leave, post-employment health care, pension and long service awards provisions. These liabilities are adequately provided for and are included under Provisions in the Statement of Financial Position. Provisions are properly backed by cash reserves where applicable.

DC9 Frances Baard - Table C7 Monthly Budget Statement - Cash Flow - M02 August										
Description	Ref	2011/12	Budget Year 2012/13							
		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		1,652	668	-	258	993	73	920	1260%	668
Government - operating		86,365	92,592	-	1,400	39,107	23,548	15,559	66%	92,592
Government - capital		-	-	-	-	-	-	-	-	-
Interest		5,491	4,708	-	599	1,169	829	340	41%	4,708
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(48,823)	(67,226)	-	(7,043)	(12,148)	(10,276)	1,873	-18%	(67,226)
Finance charges		(1,516)	(2,362)	-	-	-	-	-	-	(2,362)
Transfers and Grants		(26,364)	(45,692)	-	(401)	(729)	(1,306)	(577)	44%	(45,692)
NET CASH FROM/(USED) OPERATING ACTIVITIES		16,806	(17,312)	-	(5,188)	28,391	12,869	15,523	121%	(17,312)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	100	-	-	-	-	-	-	100
Decrease (Increase) in non-current debtors		6	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		(2,437)	(9,013)	-	(50)	(50)	(70)	(20)	29%	(9,013)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(2,431)	(8,913)	-	(50)	(50)	(70)	(20)	29%	(8,913)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(1,289)	(1,139)	-	-	-	-	-	-	(1,139)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,289)	(1,139)	-	-	-	-	-	-	(1,139)
NET INCREASE/ (DECREASE) IN CASH HELD		13,086	(27,364)	-	(5,237)	28,342	12,799			(27,364)
Cash/cash equivalents at beginning:		73,128	72,817	-	119,793	86,214	72,817			86,214
Cash/cash equivalents at month/year end:		86,214	45,454	-	114,556	114,556	85,617			58,851

Cash flow for the period ended 31 August 2012 reflects a positive amount of R28.3m as a result of receiving Equitable Share Grant for third quarter ending 30 September 2012.

Please refer to next page

DC9 Frances Baard - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August

Description	Ref	Budget Year 2012/13												2012/13 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Cash Receipts By Source																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	90	90	95	98	
Interest earned - external investments		571	509	-	-	-	-	-	-	-	-	3,799	4,878	5,122	5,327	
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating		37,707	1,400	-	-	-	-	-	-	-	-	59,941	99,048	108,167	108,070	
Other revenue		1,635	208	-	-	-	-	-	-	-	-	(978)	865	654	682	
Cash Receipts by Source		39,913	2,117	-	-	-	-	-	-	-	-	62,852	104,881	114,037	114,178	
Other Cash Flows by Source																
Transfer receipts - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		39,913	2,117	-	-	-	-	-	-	-	-	62,852	104,881	114,037	114,178	
Cash Payments by Type																
Employee related costs		2,805	2,884	-	-	-	-	-	-	-	-	32,785	38,475	42,544	44,604	
Remuneration of councillors		397	412	-	-	-	-	-	-	-	-	4,712	5,521	5,798	6,087	
Interest paid		-	-	-	-	-	-	-	-	-	-	2,015	2,015	1,976	1,825	
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		548	148	-	-	-	-	-	-	-	-	2,731	3,427	4,046	4,201	
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	40,811	40,811	24,176	26,279	
Grants and subsidies paid - other		1,856	2,730	-	-	-	-	-	-	-	-	(4,586)	-	-	-	-
General expenses		727	1,056	-	-	-	-	-	-	-	-	13,083	14,866	14,416	13,946	
Cash Payments by Type		6,334	7,230	-	-	-	-	-	-	-	-	91,552	105,116	92,956	96,943	
Other Cash Flows/Payments by Type																
Capital assets		-	124	-	-	-	-	-	-	-	-	4,542	4,666	3,380	900	
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	1,139	1,139	1,277	1,429	
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		6,334	7,354	-	-	-	-	-	-	-	-	97,233	110,920	97,614	99,272	
NET INCREASE/(DECREASE) IN CASH HELD		33,579	(5,237)	-	-	-	-	-	-	-	-	(34,381)	(6,039)	16,424	14,906	
Cash/cash equivalents at the monthly ear beginning:		86,214	119,793	114,556	114,556	114,556	114,556	114,556	114,556	114,556	114,556	114,556	86,214	80,175	96,599	
Cash/cash equivalents at the monthly ear end:		119,793	114,556	114,556	114,556	114,556	114,556	114,556	114,556	114,556	114,556	80,175	80,175	96,599	111,505	

Please refer to next page

2 Supporting Documentation

2.1 Material Variances:

DC9 Frances Baard - Supporting Table SC1 Material variance explanations - M02 August				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue By Source</u>			
2	<u>Expenditure By Type</u>			
3	<u>Capital Expenditure</u>			
4	<u>Financial Position</u>			
5	<u>Cash Flow</u>			
6	<u>Measureable performance</u>			
7	<u>Municipal Entities</u>			

2.2 Performance Indicators:

DC9 Frances Baard - Supporting Table SC2 Monthly Budget Statement - performance indicators - M02 August							
Description of financial indicator	Basis of calculation	Ref	2011/12	Budget Year 2012/13			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
Borrowing Management							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		8.2%	9.3%	0.0%	6.9%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		24.2%	5.7%	0.0%	0.0%	7.0%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		22.4%	17.3%	0.0%	22.3%	17.3%
Gearing	Long Term Borrowing/ Funds & Reserves		42.9%	96.9%	0.0%	42.9%	96.9%
Liquidity							
Current Ratio 1	Current assets/current liabilities	1	600.2%	620.1%	0.0%	589.5%	584.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		598.1%	599.4%	0.0%	592.9%	599.4%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		3.0%	1.3%	0.0%	5.9%	1.3%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0.0%	0.0%		0.0%	0.0%
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		35.6%	43.4%	0.0%	17.5%	37.4%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.4%	4.4%	0.0%	0.2%	0.1%
Interest & Depreciation	I&D/Total Revenue - capital revenue		27.0%	7.0%	0.0%	0.0%	7.5%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		139.2%	143.6%	0.0%	90.1%	468.8%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

2.3 Debtors Age Analysis:

DC9 Frances Baard - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July													
Description	NT Code	Budget Year 2011/12									Total	Bad Debts	>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				
R thousands													
Debtors Age Analysis By Revenue Source													
Rates	1200												
Electricity	1300												
Water	1400												
Sewerage / Sanitation	1500												
Refuse Removal	1600												
Housing (Rental Revenue)	1700												
Other	1900	1,128	65	64	128	6	127	252		1,770		513	
Total By Revenue Source	2000	1,128	65	64	128	6	127	252	-	1,770	-	513	
2010/11 - totals only		1,072	61	61	121	5	121	240	-	1,681	-	487	
Debtors Age Analysis By Customer Category													
Government	2200	155	63	63	120	4	125	252		781			
Business	2300	-	-	-	-	-	-	-		-			
Households	2400	(1)	-	-	-	-	-	-		(1)			
Other	2500	975	2	1	8	2	2	-		989			
Total By Customer Category	2600	1,128	65	64	128	6	127	252	-	1,770	-	-	

Sundry Debtors:

Council's debtors consist of three main groups, namely:

- Provincial or Local government bodies for services rendered to or on behalf of these bodies,
- Ex-employees entitled to post-service benefits,
- Other entities by way of service delivery for which costs are to be recovered.

Matters reported below are in respect of debts outstanding in excess of 90 days on the effective reporting date.

- ***Provincial and Local Government – Dikgatlong Municipality***

Dikgatlong Municipality is in arrears with an amount of R9 022.20 for free basic electricity and street lights which the District Municipality previously paid to Eskom for Koopmansfontein indigent households.

- ***Post-Service Benefits***

Debtors are being managed in terms of the approved credit control policy. No significant difficulties are evident at present. Management of these debtors has improved with the aggressive application of the credit control policy. A large portion of the post-service benefits will be recovered from Department of Roads and Public Works and the matter will be finalized in due course.

- ***Sundry Debtors***

No difficulties are experienced due to the fact that strict credit control procedures are applied in terms of Council's Credit Control Policy. The only outstanding debts reflected for more than 90 days as at 31 August 2012 is Department of Transport, Roads and Public Works R554 455.97 and R247 301.91 for furniture of the Council house and Department of Health R1 710.00 for hiring of the Lecture Rooms.

Debts are continuously monitored and reviewed and adequate controls are in place according to approved policies.

2.4 Creditors Age Analysis:

DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August												
Description	NT Code	Budget Year 2012/13								Total	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			
R thousands												
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										-	
Auditor General	0800										-	
Other	0900	950	0	-	-	-	-	-	-	-	950	
Total By Customer Type	2600	950	0	-	-	-	-	-	-	-	950	-

EXPENDITURE MANAGEMENT:

The expenditure section continued to administer, manage, assess and improve creditors, salaries and sundry payments subject to internal prescriptions.

Salary Payment:

Salary payments are under adequate control and occur according to approved policies and agreement in terms of the Bargaining Council. Salary increases of 6.5% for staff has been implemented in August 2012 back-dated to July 2012.

The annual increase for Councilors' is still awaited in terms of the remuneration of Public Office Bearers Act, 1998 in respect of the 2012/2013 financial year which has been budgeted for the full year.

Trade Creditors:

Council purchases and payments to creditors are under adequate control. There are no orders and invoices that are more than 30 days old and unpaid.

Please refer to next page

PAYMENTS	
Total value of all payments	R 7,339,676
Electronic transfers	136
Cheques issued	18
STORES	
Value of Stores issued	26,887
SALARIES	
Number of salary beneficiaries	150
Councillors	27
Employees	120
Pensioners	3
Total remuneration paid	
	2,746,729
Councillors	394,065
Employees	2,348,904
Pensioners	3,760

Expenditure controls are continuously being re-evaluated and tightened up to allow closer monitoring of daily purchases, order transactions and the extension of budgetary control over departmental activities.

2.5 SUPPLY CHAIN MANAGEMENT:

Although council adopted a new procurement policy effective from 1 January 2008 a number of issues still impact negatively on the effective implementation of the mentioned policy. The following are some of the issues that still need attention in order to ensure full compliance as stipulated in the policy:

- The development and implementation of a new centralized procurement procedure has started and is in line with the SCM policy. Monitoring is on an ongoing basis and as problems arise, they will be dealt with.
- Amendment and procedures with regard to the tender committee system (Specification, Evaluation and Adjudication Committees) still needs attention. Monitoring is on an ongoing basis and as problems arise, they will be dealt with.
- Putting systems in place to monitor and report on supply chain management as required per approved policy has started as from 1 April 2008. Monitoring is on an ongoing basis and as problems arise, they will be dealt with.

As Council reserves its right to maintain oversight over the implementation of the Supply Chain Management Policy and is empowered to make Supply Chain policy within the ambit of the applicable legislation, the following is hereby reported as stipulated in the SCM policy for the period May 2012.

Implementation of the Approved Supply Chain Management Policy:

The approved Supply Chain Management Policy of 30 November 2005 as amended on 27 November 2007 is implemented and is maintained by all relevant role players as from 01 April 2008.

Implementation of the Supply Chain Management Process:

- Supply Chain Management Training

No training was offered or attended by supply chain management personnel.

- Demand Management

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customised, standard bid documents prescribed by National Treasury. All preconditions were enforced during the opening of bids including the verification on Tax Clearance Certificates issued by SARS.

- Acquisition Management

For the period of August 2012, one contract (R200 000+) was awarded by the Bid Adjudication Committee.

1. LED EXPO: C Squared – R292 980.00 VAT inclusive.

For the period of August 2012 one written price quotation (R30 000-R200 000) was awarded by the Acting Municipal Manager.

1. Tourism Brochure: OG Media – R69 890.00 VAT inclusive.

The value of orders issued for the period ending 31 August 2012 total R1 049 889.71 (*See Annexure "A"*)

Orders per department	
Council and Executive	R202 763.08
Municipal Manager	R129 143.16
Finance	R141 249.49
Administration	R151 997.22
Planning and Development	R225 359.70
Technical Service	R112 088.39
Stores	R87 298.67

- Disposal Management

No disposals for August 2012

- Deviations

One deviation was approved by the Acting Municipal Manager

1. Environmental System Research Institute SA (PTY) LTD: ARCGIS for desktop standard license –Primary License version 10 for FBDM – R99 750 VAT exclusive.

- Issues from Stores

Total orders issued R26 886.66

Issues per department

Council and Executive	R268.69
Municipal Manager	R2 973.53
Finance	R7 200.95
Administration	R14 091.97
Planning and Development	R1 828.46
Technical Service	R523.06

- List of accredited service providers

The supplier's database is updated daily and the database is amended to make provision for the MBD4 and MBD9 forms as required by the Auditors General's report.

2.6 ASSET AND RISK MANAGEMENT:

Insurance:

All Council assets are adequately insured with Lateral Unison for a period of three (3) years period. The insurance portfolio / costing was reviewed and implemented in July 2012.

Asset Inventory:

TAT I-Chain Asset Management System has been implemented. The next asset stock take is scheduled for the last week of September 2012 as per requirement of Councils' Asset Management Policy.

Information Backup:

All shared data on the internet system (*O & P drives only*) is backed up on the server with a further daily tape backup kept on the premises. System users are responsible for ensuring that data backup and maintenance is carried out with regard to their specific usage. General ledger and associated financial system data is backed up on the network server tape system.

The implementation and use of the new “e-Venus” financial system has started on 1 July 2009 with minor hiccups, but the problems identified are being attended to. A daily backup is done as well as a day end procedure to integrate the day’s transactions. On the last working day of each month a monthly calendar and financial (a few days after month end to accommodate financial transactions pertaining to the month closed) backup and integration including closing of votes and opening thereof in the new month is done.

The Blueprint System has been fully implemented. The system is an aid to managing projects. Monitoring is enhanced and implementation of projects is accelerated. Because each project has been allocated with different vote numbers, each manager will be responsible for monitoring and reporting on the progress of projects within the ambit of his/her department. This is a total deviation as to the management of projects in the past.

Motor Vehicles - Utilization Statistics:

Council operates a pool of 20 vehicles as part of its routine activities.

Statistical information regarding the year-to-date utility for August 2012 is as follows:

	Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Year End Km Reading	Current Km Reading	YTD Utility
1	Mercedes Benz	Council	2006	FBDM 1 NC	165,000	9/30/2012	144,741	160,643	15,902
2	Citi Golf	Pool	2005	BSM 014 NC	90,000	4/30/2013	84,222	86,040	1,818
3	Mazda Drifter D/Cab	Pool	2005	BSM 137 NC	210,000	4/30/2013	202,504	205,431	2,927
4	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	60,000	9/30/2012	50,031	56,744	6,713
5	Chevrolet Opel Corsa	Disaster Management	2010	CBY 227 NC	30,000	9/30/2012	26,446	29,797	3,351
6	Chevrolet Captiva	Pool	2011	CDM 296 NC	30,000	11/30/2012	20,388	25,408	5,020
7	Isuzu 2.4	Environmental Health	2006	BVC 305 NC	165,000	7/31/2013	156,944	160,704	3,760
8	Isuzu 2.4	Environmental Health	2006	BTT 339 NC	165,000	4/30/2013	148,190	152,018	3,828
9	Nissan D/Cab	Disaster Management	2006	BTT 376 NC	105,000	4/30/2013	100,571	104,699	4,128
10	Toyota Corolla	Pool	2009	BZP 439 NC	90,000	9/30/2012	73,235	77,144	3,909
11	Toyota Corolla	Pool	2009	BZP 440 NC	75,000	9/30/2012	63,210	65,635	2,425
12	Toyota Condor	Tourism Centre	2001	BLR 461 NC	200,000	6/30/2013	191,842	193,845	2,003
13	Isuzu 2.4	Housing	2009	CBD 761 NC	75,000	2013/02/29	32,138	62,727	30,589
14	Toyota Corolla	Pool	2008	BXL 799 NC	135,000	2013/02/29	116,888	120,837	3,949
15	Nissan LDV	Community Development	2006	BVC 831 NC	120000	7/31/2013	117,594	118,706	1,112
16	Ford Bantam	Finance	2004	BRD 836 NC	90000	1/31/2013	81,748	82,089	341
17	Toyota Hilux	PMU	2004	BRF 837 NC	130000	2013/02/29	120,075	120,470	395
18	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	15000	9/30/2012	13,525	14,498	973
19	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	15000	9/30/2012	1,703	11,785	10,082
20	Toyota Condor	PIMSS Centre	2002	BMT 978 NC	165000	2013/02/29	159,725	161,642	1,917
YEAR TO DATE UTILITY - FULL FLEET									105,142

Motor Vehicle Operating Cost:

The actual operating costs of Council motor vehicles incurred for the year to date as required in terms of the newly adopted motor vehicle fleet policy are set out below:

<i>VEHICLE OPERATING COST</i>	<i>ACTUAL</i>	<i>BUDGET</i>	<i>VARIANCE</i>	<i>VAR %</i>
Depreciation: Motor Vehicles	-	91,667	(91,667)	-100.00%
Insurance	7,558	9,625	(2,067)	-21.48%
MV Administration Levy	1,396	3,333	(1,937)	-58.12%
Fuel	39,596	83,333	(43,737)	-52.48%
Licence	900	2,108	(1,208)	-57.31%
Repairs and Maintenance	6,337	16,667	(10,330)	-61.98%
Tyres	-	10,500	(10,500)	-100.00%
TOTAL	55,787	217,233	(161,446)	-74.32%

Motor Vehicle Damage Report:

Toyota Corolla, registration number BZP 440 NC has been taken in for repairs. The estimated value of the repairs is +-R44 000 which will be covered from Council's insurance.

Motor Vehicle Tracker System:

A new vehicle tracker system was installed on 22 December 2010 in all council's pool vehicles by Altech Netstar. A presentation of the system by Altech was done during the joint management meeting held on 18 February 2011. All staff has been briefed about the system.

2.7 INVESTMENTS:

Surplus cash is invested at approved banking institutions in accordance with current cash and investment policy.

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	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
R thousands									
Municipality									
STANDARD BANK		12 Months	Investment				2,900		2,900
STANDARD BANK		3 Months	Call deposit				7,000		7,000
STANDARD BANK		3 Months	Call deposit				15,000		15,000
STANDARD BANK		3 Months	Call deposit				4,750		4,750
STANDARD BANK		3 Months	Call deposit				5,000		5,000
STANDARD BANK		3 Months	Call deposit				5,000		5,000
ABSA		3 Months	Call deposit				4,750		4,750
ABSA		3 Months	Call deposit				5,000		5,000
ABSA		3 Months	Call deposit				5,000		5,000
ABSA		3 Months	Call deposit				7,000		7,000
NEDCOR		3 Months	Call deposit				3,000		3,000
NEDCOR		3 Months	Call deposit				9,000		9,000
NEDCOR		3 Months	Call deposit				4,750		4,750
NEDCOR		3 Months	Call deposit				6,000		6,000
NEDCOR		3 Months	Call deposit				5,000		5,000
NEDCOR		3 Months	Call deposit				5,000		5,000
RMB		4 Months	Call deposit				4,750		4,750
RMB		5 Months	Call deposit				6,000		6,000
RMB		6 Months	Call deposit				5,000		5,000
RMB		7 Months	Call deposit				5,000		5,000
Municipality sub-total					-		114,900	-	114,900
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		114,900	-	114,900

DC9 Frances Baard - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2011/12	Budget Year 2012/13							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		81,731	90,692	-	1,400	39,084	31,731	7,353	23.2%	90,692
Local Government Equitable Share		10,012	10,391	-	-	8,391	3,464	4,927	142.3%	10,391
Special Contribution: Councillor Remuneration		1,624	3,318	-	-	1,106	1,106	-		3,318
Levy replacement	3	67,645	73,733	-	-	26,937	24,578	2,359	9.6%	73,733
Finance Management Grant		1,250	1,250	-	-	1,250	1,250	-		1,250
Municipal Systems Improvement		1,200	1,000	-	1,000	1,000	1,000	-		1,000
Extended Public Works Programme		-	1,000	-	400	400	333	67	20.0%	1,000
Water Affairs		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Provincial Government:		4,424	1,900	-	-	-	533	(300)	-56.3%	1,900
Housing	4	2,784	1,200	-	-	-	300	(300)	-100.0%	1,200
Near Grant		569	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		371	-	-	-	-	-	-		-
NC Tourism		-	-	-	-	-	-	-		-
Environmental Health Recycling Grant		700	700	-	-	-	233	-		700
District Aids Programme		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
District Municipality: [insert description]		-	-	-	-	-	-	-		-
Other grant providers:		210	-	-	-	23	-	23	#DIV/0!	-
SETA Skills Grant		170	-	-	-	23	-	23	#DIV/0!	-
Koopmansfontein Self Build Scheme		16	-	-	-	-	-	-		-
ABSA		24	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	86,365	92,592	-	1,400	39,107	32,264	7,076	21.9%	92,592
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-		-
Water Affairs		-	-	-	-	-	-	-		-
EPWP		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
Provincial Government: [insert description]		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
District Municipality: [insert description]		-	-	-	-	-	-	-		-
Other grant providers: [insert description]		-	-	-	-	-	-	-		-
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	86,365	92,592	-	1,400	39,107	32,264	7,076	21.9%	92,592

2.8 Allocation and Grant Receipts and Expenditure:

DC9 Frances Baard - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M02 August										
Description	Ref	2011/12	Budget Year 2012/13							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		83,299	90,692	-	44	29,347	15,115	14,232	94.2%	90,692
Local Government Equitable Share		9,897	10,391	-	-	1,267	1,732	(465)	-26.8%	10,391
Special Contribution: Councillor Remuneration		1,739	3,318	-	-	1,106	553	553	100.0%	3,318
Levy replacement		67,645	73,733	-	26	26,937	12,289	14,648	119.2%	73,733
Finance Management Grant		1,250	1,250	-	18	37	208	(171)	-82.1%	1,250
Municipal Systems Improvement		1,200	1,000	-	-	-	167	(167)	-100.0%	1,000
Extended Public Works Programme		78	1,000	-	-	-	167	(167)	-100.0%	1,000
Water Affairs		1,489	-	-	-	-	-	-	-	-
Provincial Government:		5,325	1,900	-	224	413	317	96	30.3%	1,900
Housing		3,149	1,200	-	212	401	200	201	100.5%	1,200
Near Grant		-	-	-	-	-	-	-	-	-
Fire Fighting Equipment Grant		-	-	-	-	-	-	-	-	-
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		2,062	700	-	12	12	117	(105)	-90.0%	700
District Aids Programme		115	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		290	-	-	-	23	-	23	#DIV/0!	-
Koopmansfontein Self Build Scheme		96	-	-	-	-	-	-	-	-
ABSA		24	-	-	-	-	-	-	-	-
SETA Skills Grant		170	-	-	-	23	-	23	#DIV/0!	-
Total operating expenditure of Transfers and Grants:		88,914	92,592	-	268	29,783	15,432	14,351	93.0%	92,592
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-	-	-
Water Affairs		-	-	-	-	-	-	-	-	-
EPWP		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		88,914	92,592	-	268	29,783	15,432	14,351	93.0%	92,592

External funding account balances reflect transfers to revenue adequate to cover the relevant operating or capital expenditure for which the funds have been received.

Grant funding is reflected as unspent grants where relevant, with revenue transferred to the income statement as expenditure is incurred.

2.9 Councilor and Board Member Allowance and Employee Benefits:

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August										
Summary of Employee and Councillor remuneration	Ref	2011/12	Budget Year 2012/13							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Salary		3,139	3,871	-	302	589	645	(56)	-9%	3,533
Pension Contributions		156	164	-	13	26	27	(1)	-5%	156
Medical Aid Contributions		17	18	-	1	3	3	(0)	-5%	17
Motor vehicle allowance		1,043	1,240	-	78	156	207	(51)	-25%	933
Cell phone and other allowances		240	64	-	18	36	11	-	-	247
Housing allowance		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		4,595	5,357	-	412	810	893	(83)	-9%	4,887
% increase	4		16.6%							6.4%
Senior Managers of the Municipality										
Salary		3,233	3,654	-	255	2,222	305	1,918	630%	3,054
Pension Contributions		366	619	-	31	244	52	192	373%	367
Medical Aid Contributions		134	195	-	11	89	16	73	448%	135
Motor vehicle and cell phone		430	548	-	36	285	46	240	525%	437
Housing allowance		33	43	-	3	21	4	17	489%	36
Performance Bonus		224	464	-	-	-	39	(39)	-100%	464
Other benefits or allowances		-	202	-	3	28	17	11	67%	41
In-kind benefits	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4,420	5,726	-	339	2,890	477	2,413	506%	4,534
% increase	4		29.5%							2.6%
Other Municipal Staff										
Basic Salaries and Wages		21,895	26,198	-	1,812	1,706	4,844	(3,137)	-65%	22,626
Pension Contributions		3,521	4,176	-	362	496	696	(200)	-29%	4,072
Medical Aid Contributions		954	1,127	-	88	106	188	(82)	-43%	1,037
Motor vehicle and cell phone		1,669	1,982	-	164	153	330	(177)	-54%	1,836
Housing allowance		495	524	-	30	50	87	(37)	-42%	392
Overtime		43	79	-	3	4	13	(9)	-67%	26
Performance Bonus		913	-	-	57	88	-	88	#DIV/0!	1,046
Other benefits or allowances	2	-	2,745	-	-	-	458	(458)	-100%	-
In-kind benefits		29,489	36,831	-	2,518	2,605	6,616	(4,011)	-61%	31,035
% increase	4		24.9%							5.2%
Total Parent Municipality		38,504	47,914	-	3,269	6,304	7,986	(1,681)	-21%	40,457

2.10 PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for August 2012 averages 91%. The reason for the deviations is mainly due to study, annual, sick, and family responsibility leave. Attendance trends are summarized as follows:

Please refer to next page

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	4	3	17
Leave	1	2	1	15
Sick Leave	0	0	5	7
Courses / Seminar	5	0	0	0
Meetings	0	0	0	0
Family Responsibility	0	0	0	3
Study	0	0	0	0
Maternity Leave	0	0	0	0
Union Matters	0	0	0	0
Absent	0	0	0	0
Special Leave (SAMSRA)	0	0	0	0
No. of Workdays Attended	16	86	38	264
Total Workdays	22	88	44	289
Percentage attendance per Group	73%	98%	86%	91%
Average	91%			

Personnel Development:

No training was attended during August 2012.

2.10 INTERNSHIP PROGRAMME:

As per National Treasury regulations, five vacant Finance Interns positions were advertised on July 2012 and applications has been received. The shortlisting will be done in September 2012 and the posts are likely to be filled beginning of the 2nd quarter of the financial year. The aim of the programme is to capacitate Finance graduates to eventually be able to fill any financial positions in municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the programme.

2.11 Quality Certificate:

I, ZM Bogatsu, the acting municipal manager of the Frances Baard District Municipality, hereby certify that–

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

for the month of July 2012 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that act.

ZM Bogatsu
Acting Municipal Manager of Frances Baard District Municipality

Signature _____

Date 10 September 2012