

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

JANUARY 2013

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1. INTRODUCTION

1.1 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).

1.2 STRATEGIC OBJECTIVE

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

1.3 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.

“Section 71(1) of the MFMA states that, 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”.

“Section 28 of the Government Notice 32141, the monthly budget statement of a municipality must be in the format specified in Schedule C and include all required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act”.

Please refer to next page

2. MAYOR'S REPORT

Frances Baard District Municipality developed its own reporting format and reported 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 however contradicts the Municipal Budget and Reporting Regulations and it became necessary to comply to the applicable legislation in this regard.

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

The implementation was 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 31 December 2012
- Supporting Table SC2 Monthly Budget Statement - Performance indicators 31 December 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 31 December 2012
- Supporting Table SC6 Monthly Budget Statement - Transfers and grant receipts 31 December 2012
- Supporting Table SC7 Monthly Budget Statement - Transfers and grant expenditure 31 December 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 31 December 2012
- Supporting Table SC13a Monthly Budget Statement

- Capital expenditure on new assets by asset class 31 December 2012
- Supporting Table SC13b Monthly Budget Statement
 - Capital expenditure on renewal of existing assets by asset class 31 December 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 was submitted to the Executive Mayor for approval on 25 July 2012 and has also been provided 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. The District Municipality received an **Unqualified Audit Opinion** for the 2011/12 Financial Year with two matters of emphasis which are:

- **Procurement and Contract Management** – Contracts were awarded to bidders who did not submit a declaration on whether they are employed by the state or connected to any person employed by the state, as required by Supply Chain Management regulation 13(c).
- **Internal Audit** – The internal audit did not audit the performance measurements on a continuous basis, as required by Municipal Planning and Performance Management Regulation 14(1) (c).

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:

No support was requested or offered to local Municipalities.

3. COUNCIL RESOLUTIONS

Council Resolutions will be included after council meetings.

4. EXECUTIVE SUMMARY

4.1 Statement of Financial Performance

Consolidated performance against annual budget (Projected Operating Results)

Revenue by source

Year-to-date accrued revenue is R67, 020 million compared to the year-to-date budget projections of R56, 309 million for January 2013. This is as a result of receiving equitable share in advance for the quarter ended 31 December 2012. The main sources of revenue that are below budget are transfer of operational government grants and rental of facilities and equipment.

Operating expenditure by type

To date, R46, 084 million has been spent compared to the operational approved budget of R120, 027 million. This includes non-cash items such as depreciation & impairment, amortization and actuarial losses. The main areas where expenditure is less than the budget is employee related costs, repairs & maintenance, finance charges (employee benefits), DBSA loan repayment, contracted services, grants and subsidies paid as well as general expenses.

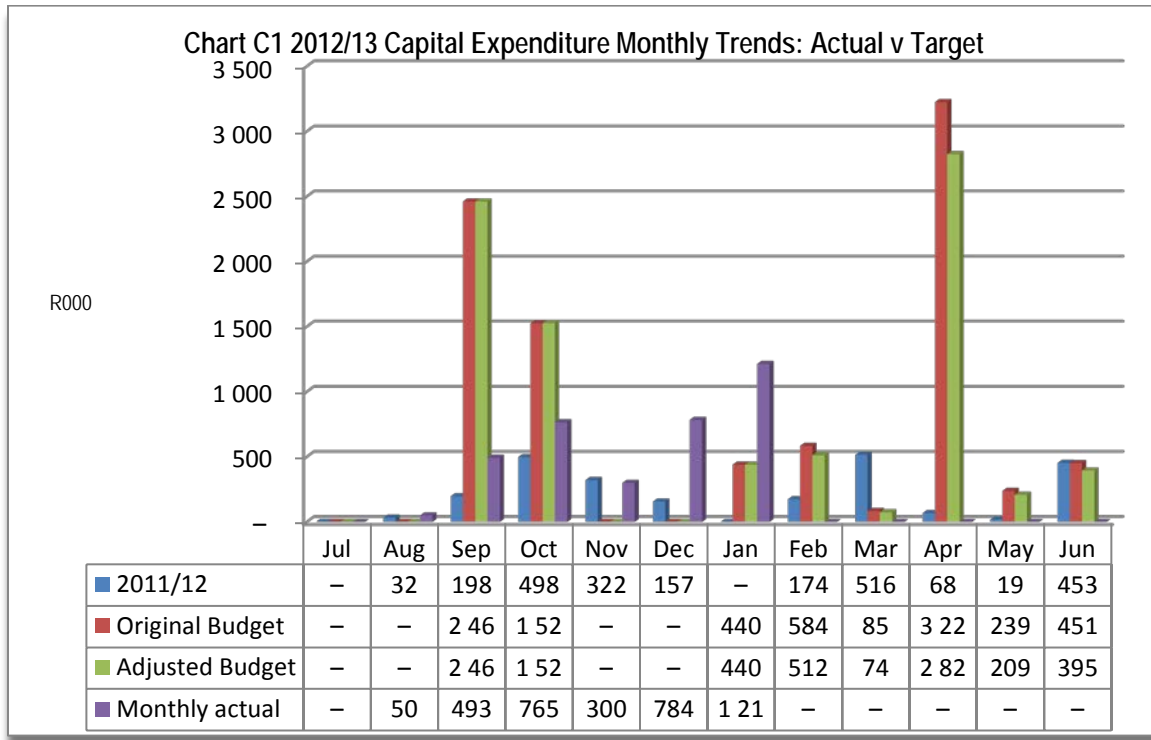
Refer to Annexure A, Table SC1 for further explanation for material variances on both revenue by source and expenditure by type. The summary statement of financial performance in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

Capital Expenditure

Year-to-date expenditure on capital amounts to R3, 605 million or 42.69% of the total original budget of R8, 445 million. Departments are encouraged to start spending their allocated amounts as this remains a concern especially with late commencement or delayed implementation of capital projects resulting in projects being rolled over to the next financial year. Please refer to Annexure A, Table C5 for further details.

Please refer to next page

Capital Expenditure Monthly Trend: Actual vs Target



Cash Flows

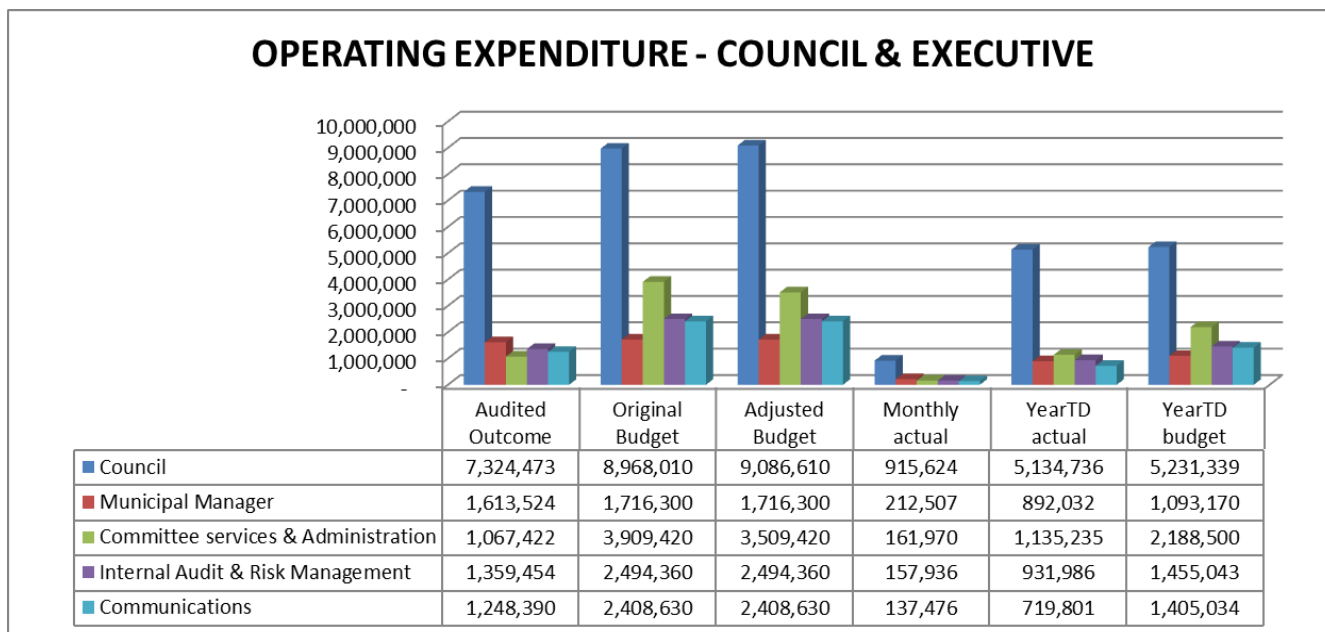
The Municipality started the year with a total cash and cash equivalents of R89, 114 million. For January 2013, the cash and cash equivalents amounts to R105, 317 million. The net increase of R16, 203 million is as a result of receiving Equitable Share Grant in advance for the second quarter ending 31 December 2012.

Table C7 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits)

Consolidated performance of year-to-date expenditure against year-to-date budget (per municipal vote)

The municipal vote reflects the organisational structure of the municipality which is made up of the following directorates: Council & Executive, Budget & Treasury, Corporate Services, Planning & Development and Project Management & Advisory Services.

The following charts depict the financial performance as per Municipal vote according to the approved organogram of council.



Actual operating expenditure of Council & Executive is 77.50% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: consultancy, repairs and maintenance, legal services, special projects and general expenses.

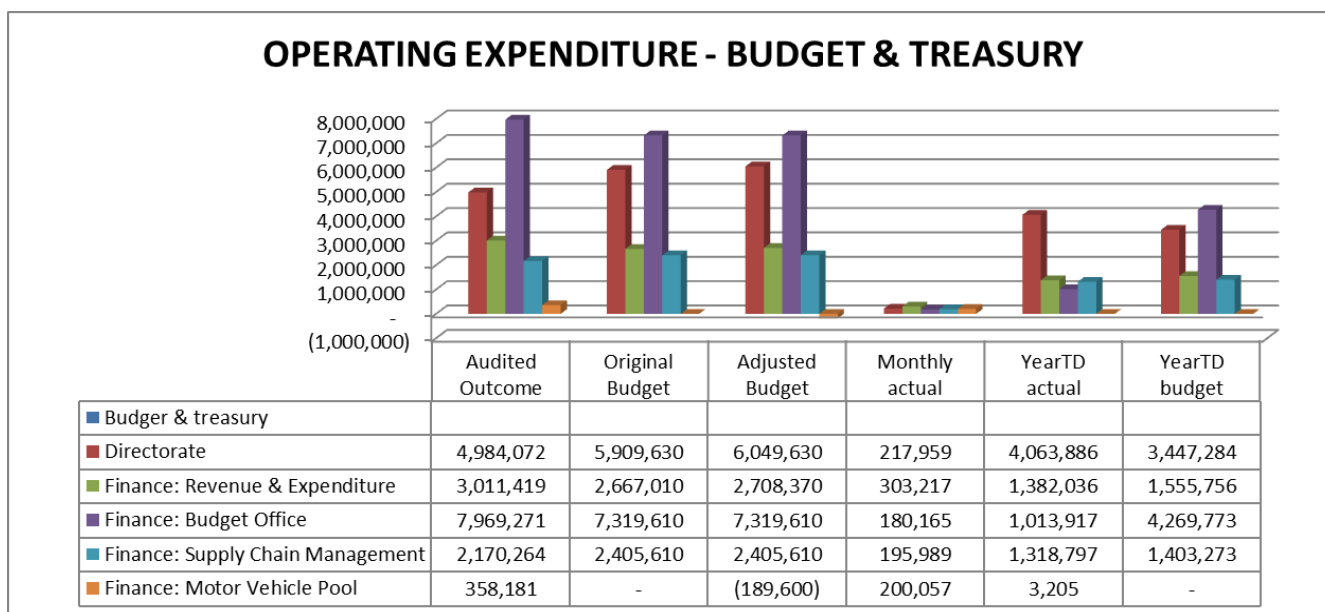
An approved vacant post of Office Manager in the office of the Municipal Manager has to be filled, and was advertised in December 2012.

Consolidated performance of year-to-date expenditure on special projects against full year budget (Council & Executive)

COUNCIL & EXECUTIVE				
	YTD Actual	Budget	% Spending	Remarks
<u>Municipal Manager</u>				
Public/Private Funded Grants - Project 1	12,000	-	-	Absa refund on donation
Total	12,000	-	-	
	YTD Actual	Budget	% Spending	Remarks
<u>Committee & Administration Services</u>				
Youth Unit Special Projects	19,742	100,000	19.74%	Project in progress
Commemorative Days	54,880	100,000	54.88%	Project in progress
Total	74,623	200,000	37.31%	
<u>Communications</u>				
External Survey	-	10,000	0.00%	Contract must be renewed or cancelled
GFS System	4,178	400,000	1.04%	Project has started, phase 1 to start in January 2013
PAIA Management	-	50,000	0.00%	Project in progress
Branding	-	15,000	0.00%	Training update to be run in March 2013
Total	4,178	475,000	0.88%	

Actual spending on special projects of Council & Executive is 13.45% as compared to the approved budget.

Departments are encouraged to start spending their allocated amounts as this remains a concern especially with late commencement or delayed implementation of capital projects resulting in projects being rolled over to the next financial.



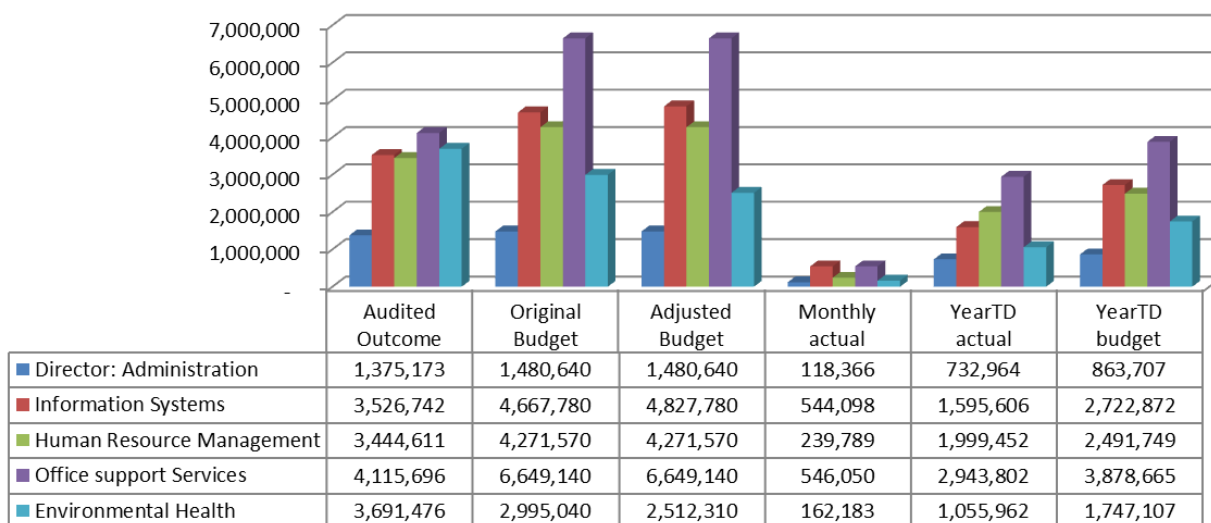
Actual operating expenditure of Budget & Treasury office is 72.89% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: interest on external borrowings, audit fees, consultancy, repairs and maintenance, special projects and general expenses. Approved vacant posts of Assistant Accountant and 1 x Finance Intern still have to be filled. Both were advertised in December 2012.

Consolidated performance of year-to-date expenditure on special projects against full year budget (Budget & Treasury)

BUDGET & TREASURY				
	YTD Actual	Budget	% Spending	Remarks
<i>Finance: Directorate</i>				
Operation Clean Audit	254,125	430,000	59.10%	Project complete
Financial System Support	16,851	263,000	6.41%	Project ongoing
GRAP Compliance Assets: Dikgatlong	700,000	700,000	100.00%	Project complete
FMG - AFS Quality Control & GRAP Compliance	53,356	53,500	99.73%	Project complete
FMG - Staff Benefits	33,500	33,500	100.00%	Project complete
Total	1,057,832	1,480,000	71.48%	
<i>Finance: Budget Office</i>				
Capacity Building & BTO Operation	4,220	110,000	3.84%	Will be utilised 3rd and 4th quarter of the financial year
Total	4,220	110,000	3.84%	

Actual spending on special projects of Budget & Treasury Office is 66.80% as compared to the approved budget. The only area where under-spending has occurred on special projects is Financial System Support and Capacity Building.

OPERATING EXPENDITURE - CORPORATE SERVICES

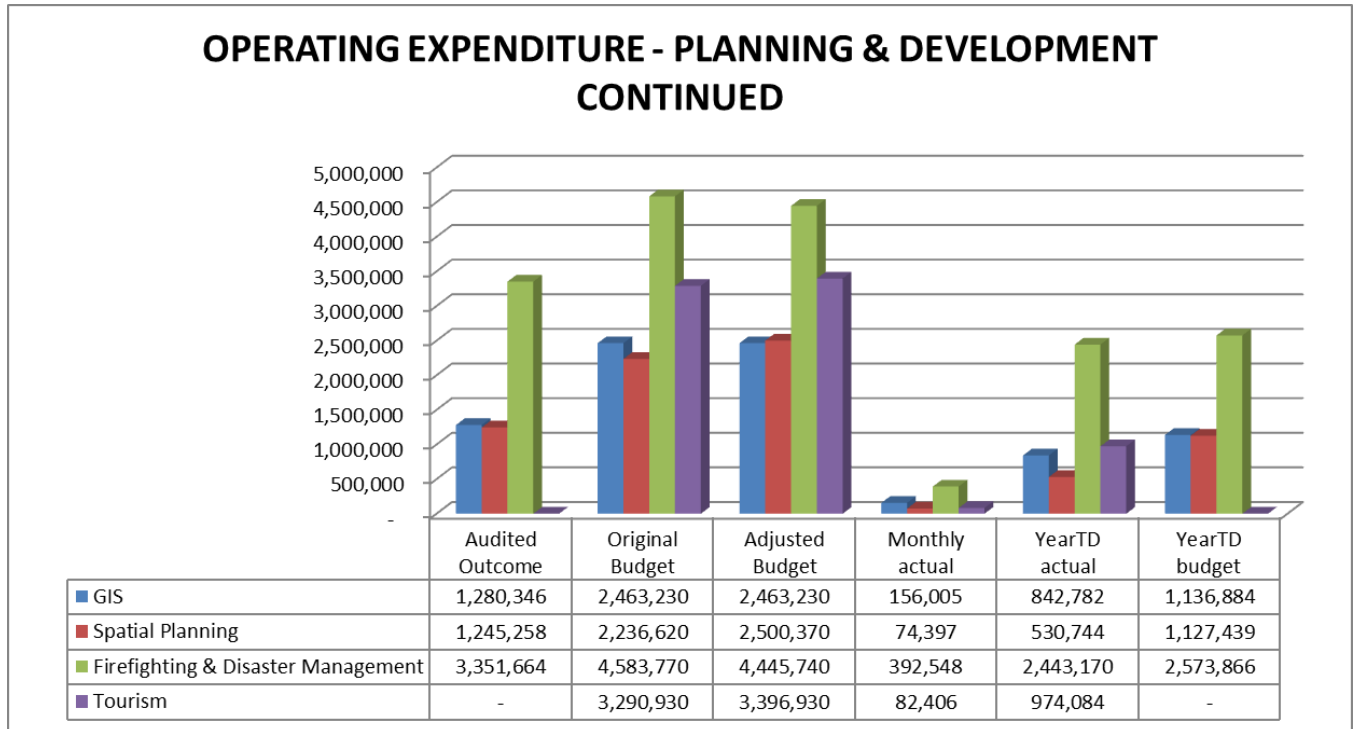
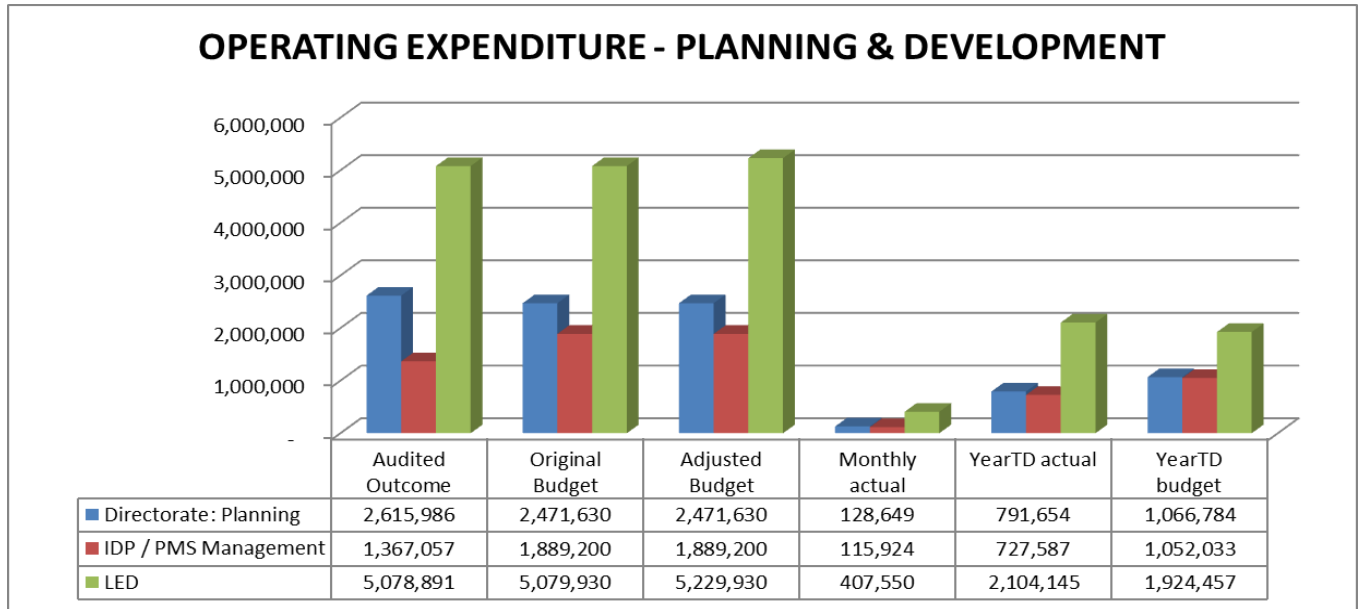


Actual operating expenditure of Corporate Services is 71.15% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: maintenance of computer hardware, software, printers, networks and telephone system, consultancy, special projects, training, and general expenses.

Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

CORPORATE SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<i>Information Communication & Technology</i>				
ICT Governance Framework	-	380,000	0.00%	Awaiting report from the service provider and invoice to process payment
ICT shared service methodology	-	640,000	0.00%	Project will not materialise as it was not approved by the ICT Steering Committee
ICT District Forum Meetings	-	12,000	0.00%	Meetings will take place from the third quarter of the financial year
Total	-	1,032,000	0.00%	
ICT Governance Framework				
	YTD Actual	Budget	% Spending	Remarks
<i>Human Resource Management</i>				
Employee Assistance Programme	2,859	100,000	2.86%	Project in progress
Employee Wellness	459,154	600,000	76.53%	Project in progress
Total	462,014	700,000	66.00%	
	YTD Actual	Budget	% Spending	Remarks
<i>Environmental Health</i>				
Health - Project 1	-	74,870	0.00%	
Recycling Project Equipment	101,800	200,000	50.90%	Project in progress
Employee Assistance Programme	-	-	-	
Awareness Programme - Sanitation	6,866	9,000	76.29%	Spending according to programmes
Purchase Refuse Bags	-	50,000	0.00%	To be spend in February 2013
Implementation of Recycle Project	-	240,000	0.00%	To be spend in February 2013
Air Quality Projects	-	40,000	0.00%	To be spend in February 2013
Total	108,666	613,870	17.70%	

Actual spending on special projects of Corporate Services is 24.33% as compared to the approved budget. Most of the special projects of Corporate Services have not yet started. Departments are encouraged to start spending their allocated amounts as this remains a concern especially with late commencement or delayed implementation of capital projects resulting in projects being rolled over to the next financial.



Actual operating expenditure of Planning & Development is 94.74% of the year-to-date budget projections.

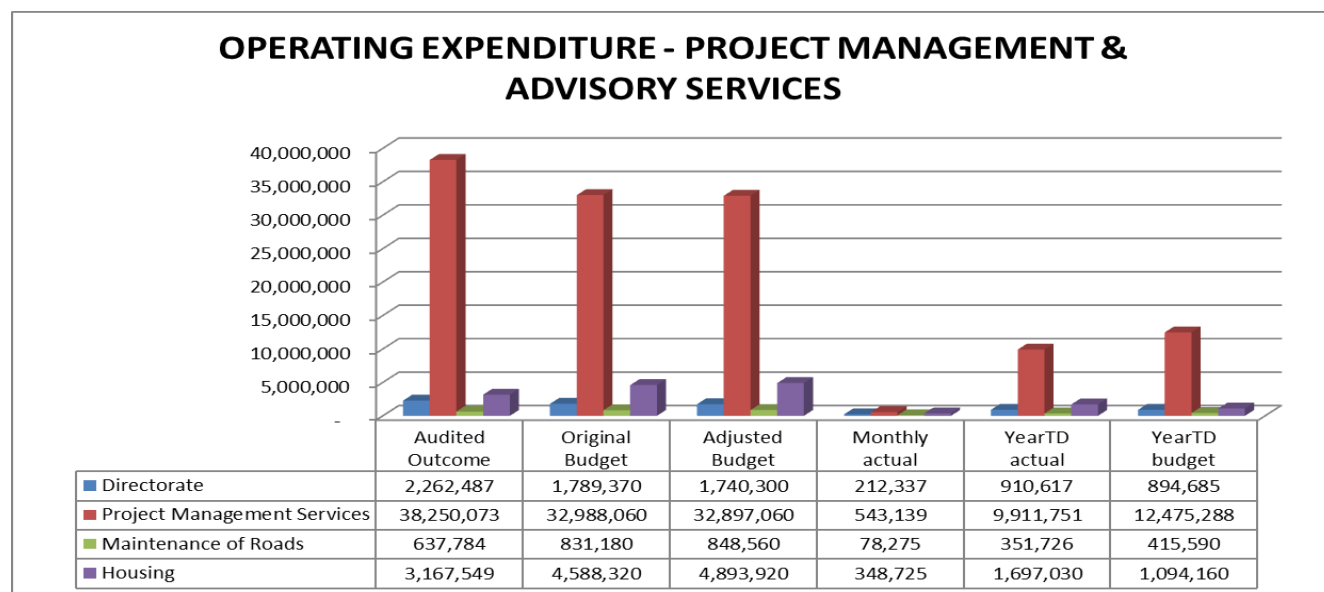
The main areas where expenditure is less than YTD budgets are: depreciation, repairs & maintenance, consultancy, special projects, advertisement general notices and general expenses.

Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

PLANNING & DEVELOPMENT				
	YTD Actual	Budget	% Spending	Remarks
<u>Planning & Development Directorate</u>				
Phokwane Town Planning	-	300,000	0.00%	Project in progress
Review of Institutional Data Clensing	-	400,000	0.00%	Project in progress
Air Quality Management	-	300,000	0.00%	Project at planning stage
Total	-	1,000,000	0.00%	
<u>IDP / PMS Management</u>				
IDP Steering Committee Meeting	1,046	8,000	13.07%	Project in continuation
IDP Project	-	39,000	0.00%	Project will materialise during the 4th quarter of the financial year
Total	1,046	47,000	2.22%	
	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
LED Agency	-	40,000	0.00%	Awaiting meeting with Magareng Municipality
LED Craft Project	-	400,000	0.00%	Project in progress
LED Entrepreneurship Programme	43,860	50,000	87.72%	Project complete
LED Bokomots'o Project - Dikgatlong	8,523	75,000	11.36%	Project in progress
LED Phokwane Processing Plant	150,722	170,000	88.66%	Project in progress
LED SMME Development	-	216,000	0.00%	Project in progress
LED SMME Registration	-	148,000	0.00%	Project in progress
LED Know your Region	8,048	10,000	80.48%	Project in progress
LED Promotion of SMMES	-	15,000	0.00%	Project in progress
LED Emerging Farmer Support	-	70,000	0.00%	Project in progress
LED Road Building Project (EPWP)	-	200,000	0.00%	Project in progress
LED EPEP Support	-	140,000	0.00%	Project in progress
LED EXPO	1,130	80,000	1.41%	Project in progress
LED Call Centre - Magareng	413,667	522,000	79.25%	Project in progress
LED Bio-Mass Dikgatlong	-	20,000	0.00%	Project in progress
LED Richie Incubation Centre	189,451	200,000	94.73%	Project complete
Kimberley HUB	-	300,000	0.00%	Project in progress
LED Develop Incentive Policies	-	38,200	0.00%	Project in progress
LED Funding Applications	-	39,000	0.00%	Project in progress
LED Coordinante Structures and Forums	8,567	76,000	11.27%	Project in progress
Total	823,967	2,809,200	29.33%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
GIS Capture Water Infrastructure	76,457	347,000	22.03%	Project in progress
Corporate GIS Phase 2	179,883	500,000	35.98%	Project in progress
Financial Data Clensing	-	425,000	0.00%	
Total	256,340	1,272,000	20.15%	
<u>Spatial Planning</u>				
Surveying of Erven - Dikgatlong	-	397,010	0.00%	Project will materialise after the Flood Line Analysis has been done
Zoning Scheme - Phokwane	3,838	490,500	0.78%	Phase 1 completed.; Awaiting invoice to process payment
Registration of Title Deeds - Dikgatlong	11,953	180,640	6.62%	Project is ongoing - Payment as per registration
Total	15,792	1,068,150	1.48%	

	YTD Actual	Budget	% Spending	Remarks
<u>FIRE FIGHTING / DISASTER MANAGEMENT.</u>				
Fire Fighting Volunteers Training	-	45,000	0.00%	
Fire Fighting Volunteers Stipend	-	19,000	0.00%	
Fire Fighting Volunteers Deploy	524	6,000	8.74%	Project in progress
Fire Fighting Volunteers Training Category B	-	21,000	0.00%	
Contingency Fund	97,529	225,000	43.35%	Project is needs driven
Review of Disaster Management Plan	400,000	400,000	100.00%	Project complete
Disaster Management Forum	-	8,000	0.00%	
NEAR Projects	36,000	36,000	100.00%	Project complete
Total	534,053	760,000	70.27%	
	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
Tourism Contribution - NCTA Support	-	300,000	0.00%	In process; Awaiting invoice & MoA
N12 Promotion	135,000	135,000	100.00%	Project complete
Diamonds & Dorings Support	50,000	50,000	100.00%	Project complete
Indaba Trade Expo	-	100,000	0.00%	Awaiting report from service provider
Wildebeeskul Rock Art Support	-	20,000	0.00%	Awaiting signed MoA from service provider
N12 Treasure Route Support	-	136,000	0.00%	In process
Tourism Business Plan Competition	158,000	158,100	99.94%	Project complete
Tourism Audit & Database	-	170,000	0.00%	In process
Tourism website	-	91,700	0.00%	In process; To be completed in 4th quarter
Tourism Route Feasibility & Business Plan	95	210,800	0.05%	In process
Tourism Advertising & Promotion	54,351	131,480	41.34%	Project in progress
Tourism Association	4,521	6,330	71.42%	Project in progress
FBDM Arts & Craft Centres	-	100,000	0.00%	In process
Tourism Marketing Brochure	69,890	84,320	82.89%	Project is completed
Total	471,857	1,693,730	27.86%	

Actual spending on special projects of Planning & Development is 23.31% as compared to the approved budget. Departments are encouraged to start spending their allocated amounts as this remains a concern especially with late commencement or delayed implementation of capital projects resulting in projects being rolled over to the next financial.



Actual operating expenditure of Project Management & Advisory Services is 75.58% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: consultancy, maintenance and provision of infrastructure projects and general expenses.

Consolidated performance of year-to-date expenditure on special projects against full year budget (Project Management & Advisory Services)

PROJECT MANAGEMENT & ADVISORY SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<u>PROJECT & ADVISORY SERVICES</u>				
EQS 11/12: MAG: MNT STREET & STORMWATER	639,016	750,000	85.20%	Claims received , not yet been paid due to missing support documents
EQS 12/13 - Magareng: MNT Street & Stormwater	-	1,500,000	0.00%	Claims received , not yet been paid due to missing support documents
EQS 12/13 - Magareng: MNT Electricity Network	-	350,000	0.00%	Claims received , not yet been paid due to missing support documents
EQS 12/13 - Phokwane: MNT Water & Waste Water	967,859	1,900,000	50.94%	Project in progress
EQS 12/13 - Phokwane: MNT Electricity Network	317,336	500,000	63.47%	Project in progress
EQS 12/13 - Phokwane: MNT Street & Stormwater	258,150	500,000	51.63%	Project in progress
EQS 12/13 - Dikgatlong: MNT Water & Waste Water	297,711	1,000,000	29.77%	Project in progress
EQS 12/13 - Dikgatlong: MNT Electricity Network	30,900	500,000	6.18%	Project in progress
EQS 12/13 - Dikgatlong: MNT Street & Stormwater	-	500,000	0.00%	Will be spend by June 2013
EQS 12/13 - Sol Plaatje: MNT Platfontein Sewer System	238,872	500,000	47.77%	Project in progress
EQS 12/13 - Sol Plaatje: MNT Street & Stormwater	-	300,000	0.00%	Will be spend before 30 June 2013
RESF Water & Sewer Network - Warrenvale	106,000	106,970	99.09%	Project complete
REVF Water Treatment Works - Dikgatlong	239,846	250,000	95.94%	Project complete
12/13 - Magareng: Provision of Water Reticulation	-	2,500,000		Project in design stage: Will be spend by June 2013
12/13 - Magareng: Upgrade of Water Network	-	2,000,000	0.00%	Material to be procured by March 2013
12/13 - Magareng: Water & Electricity Meter	-	700,000	0.00%	Material to be procured by March 2013
12/13 - Magareng: Electric Masterplan	-	900,000	0.00%	Project in implementation phase, awaiting first claim
12/13 - Phokwane: Ganspan Access Road	2,668,497	4,930,000	54.13%	Project in progress
12/13 - Phokwane: Electric Masterplan	-	900,000	0.00%	Project in evaluation stage
12/13 - Dikgatlong: Procure Sanitation Truck	-	2,000,000	0.00%	Truck to be delivered in March 2013
12/13 - Dikgatlong: Construction of Roads	632,076	3,000,000	21.07%	Project in progress
12/13 - Sol Plaatje: Water Provision	83,131	1,340,000	6.20%	Project in progress
12/13 - Sol Plaatje: Sanitation Provision	253,431	1,730,000	14.65%	Project in progress
REVF 09/10: 11/12: Dikgatlong: Water Treatment Works	1,234,805	1,412,000	87.45%	Balance of budget in retention control account
Maloof Skate Park	500,000	500,000	100.00%	Project complete
Total	8,467,631	30,568,970	27.70%	
	YTD Actual	Budget	% Spending	Remarks
<u>HOUSING</u>				
Housing Consumer Education	-	42,000	0.00%	Project on hold
Housing Field Workers	115,012	208,920	55.05%	Project is ongoing
Housing Sector Plans	-	620,000	0.00%	Project in process
Housing Plans	-	130,000	0.00%	Project in process
Housing Strategy	-	250,000	0.00%	Project in process
Housing Steering Committee Meetings	1,692	8,500	19.90%	Project is ongoing
Total	116,703	1,259,420	9.27%	

Actual spending on special projects of Project Management & Advisory Services is 26.97% as compared to the approved budget. Most of the special projects Project Management & Advisory Services have not yet started. Departments are encouraged to start spending their allocated amounts as this remains a concern especially with late commencement or delayed implementation of capital projects resulting in projects being rolled over to the next financial.

5. **IN-YEAR BUDGET STATEMENT TABLES (ANNEXURE: A)****Table C1: Monthly Budget Statement Summary**

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									
<u>Financial Performance</u>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	5,491	4,708	4,708	479	3,164	2,746	418	15%	5,427
Transfers recognised - operational	88,914	92,592	92,167	1,044	63,632	61,245	2,388	4%	92,592
Other own revenue	840	756	756	7	225	383	(158)	-41%	485
Total Revenue (excluding capital transfers and contributions)	95,246	98,056	97,631	1,529	67,021	64,373	2,647	4%	98,505
Employee costs	33,909	42,556	42,561	3,381	21,141	24,825	(3,683)	-15%	38,013
Remuneration of Councillors	4,595	5,357	5,357	579	2,998	3,125	(127)	-4%	5,170
Depreciation & asset impairment	22,562	4,498	4,498	1,691	1,691	2,624	(933)	-36%	7,145
Finance charges	3,259	2,362	2,362	-	703	548	155	28%	2,207
Materials and bulk purchases	2,314	4,362	4,329	79	937	2,544	(1,607)	-63%	3,477
Transfers and grants	26,382	45,692	45,559	285	12,411	17,134	(4,723)	-28%	40,426
Other expenditure	13,497	15,248	15,200	819	6,327	8,864	(2,537)	-29%	12,771
Total Expenditure	106,517	120,075	119,867	6,833	46,209	59,664	(13,455)	-23%	109,209
Surplus/(Deficit)	(11,272)	(22,019)	(22,236)	(5,304)	20,812	4,709	16,103	342%	(10,704)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(11,272)	(22,019)	(22,236)	(5,304)	20,812	4,709	16,103	342%	(10,704)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(11,272)	(22,019)	(22,236)	(5,304)	20,812	4,709	16,103	342%	(10,704)
<u>Capital expenditure & funds sources</u>									
Capital expenditure	2,382	9,013	9,013	1,213	3,605	872	2,733	313%	10,498
Capital transfers recognised	42	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2,340	9,013	8,445	1,213	3,605	872	2,733	313%	10,498
Total sources of capital funds	2,382	9,013	8,445	1,213	3,605	872	2,733	313%	10,498
<u>Financial position</u>									
Total current assets	89,442	49,924	49,924	89,432	107,413				47,024
Total non current assets	50,401	58,291	58,291	50,401	52,190				61,191
Total current liabilities	14,905	8,051	8,051	14,895	14,479				8,051
Total non current liabilities	34,012	23,607	23,607	34,012	33,386				23,607
Community wealth/Equity	90,926	76,558	76,558		111,738				76,558
<u>Cash flows</u>									
Net cash from (used) operating	16,751	(17,312)	(17,312)	(2,593)	24,838	4,662	20,177	433%	(17,312)
Net cash from (used) investing	(2,375)	(8,913)	(8,913)	(2,434)	(5,109)	(1,123)	(3,987)	355%	(8,913)
Net cash from (used) financing	(1,289)	(1,139)	(1,139)	-	(626)	(569)	(57)	10%	(1,139)
Cash/cash equivalents at the month/year end	86,214	45,454	45,454	105,317	105,317	75,787	29,530	39%	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
<u>Debtors Age Analysis</u>									
Total By Revenue Source	631	72	130	68	64	68	631	-	1,763
<u>Creditors Age Analysis</u>									
Total Creditors	7,801	2	-	-	-	-	-	-	7,802

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

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>		76,734	83,215	83,215	1,517	60,754	53,872	6,882	13%	85,440
Executive and council		1,763	3,318	3,318	-	2,212	2,212	-		3,318
Budget and treasury office		74,972	79,897	79,897	1,517	58,542	51,660	6,882	13%	82,122
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		3,149	1,200	1,200	-	713	577	136	24%	1,200
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		3,149	1,200	1,200	-	713	577	136	24%	1,200
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		15,363	13,641	13,216	13	5,554	9,924	(4,371)	-44%	11,865
Planning and development		10,301	9,941	9,941	13	3,487	7,924	(4,437)	-56%	8,590
Road transport		-	-	-	-	-	-	-		-
Environmental protection		5,062	3,700	3,275	-	2,066	2,000	66	3%	3,275
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	95,246	98,056	97,631	1,529	67,021	64,373	2,647	4%	98,505
Expenditure - Standard										
<i>Governance and administration</i>		43,569	54,868	54,738	4,131	23,867	32,006	(8,139)	-25%	52,490
Executive and council		12,613	19,497	19,215	1,586	8,814	11,373	(2,559)	-23%	17,724
Budget and treasury office		18,493	18,302	18,294	1,097	7,782	10,676	(2,894)	-27%	18,495
Corporate services		12,462	17,069	17,229	1,448	7,272	9,957	(2,685)	-27%	16,271
<i>Community and public safety</i>		6,519	9,172	9,340	741	4,140	3,950	190	5%	8,886
Community and social services		-	-	-	0	0	-	0	#DIV/0!	-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		3,352	4,584	4,446	393	2,443	2,674	(231)	-9%	4,713
Housing		3,168	4,588	4,894	349	1,697	1,277	421	33%	4,174
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		56,429	56,035	55,950	1,961	18,201	23,708	(5,507)	-23%	47,833
Planning and development		52,738	53,040	53,437	1,799	17,145	21,961	(4,815)	-22%	45,554
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3,691	2,995	2,512	162	1,056	1,747	(691)	-40%	2,278
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	106,517	120,075	120,027	6,833	46,209	59,664	(13,455)	-23%	109,209
Surplus/ (Deficit) for the year		(11,272)	(22,019)	(22,397)	(5,304)	20,812	4,709	16,103	342%	(10,704)

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

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	1									
Vote 1 - Council & Executive		1,763	3,318	3,318	-	2,212	2,212	-		3,318
Vote 2 - Budget & Treasury		74,972	79,897	79,897	1,517	58,542	51,660	6,882	13.3%	82,122
Vote 3 - Corporate Services		5,062	3,700	3,275	-	2,066	2,000	66	3.3%	3,275
Vote 4 - Planning & Development		1,200	1,000	1,000	-	-	250	(250)	-100.0%	1,000
Vote 5 - Project Management & Advisory Services		12,250	10,141	10,141	13	4,201	8,252	(4,051)	-49.1%	8,790
Total Revenue by Vote	2	95,246	98,056	97,631	1,529	67,021	64,373	2,647	4.1%	98,505
Expenditure by Vote	1									
Vote 1 - Council & Executive		12,613	19,497	19,215	1,586	8,814	11,373	(2,559)	-22.5%	17,724
Vote 2 - Budget & Treasury		18,493	18,302	18,294	1,097	7,782	10,676	(2,894)	-27.1%	18,495
Vote 3 - Corporate Services		16,154	20,064	19,741	1,610	8,328	11,704	(3,376)	-28.8%	18,550
Vote 4 - Planning & Development		14,939	22,015	22,397	1,357	8,414	8,881	(467)	-5.3%	20,635
Vote 5 - Project Management & Advisory Services		44,318	40,197	40,380	1,182	12,871	17,029	(4,158)	-24.4%	33,805
Total Expenditure by Vote	2	106,517	120,075	120,027	6,833	46,209	59,664	(13,455)	-22.6%	109,209
Surplus/ (Deficit) for the year	2	(11,272)	(22,019)	(22,397)	(5,304)	20,812	4,709	16,103	341.9%	(10,704)

Please refer to next page

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

Description	Ref	2011/12	Budget Year 2012/13							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
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		507	632	632	6	190	316	(126)	-40%	326
Interest earned - external investments		5,491	4,708	4,708	479	3,164	2,354	810	34%	5,427
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		88,914	92,592	92,167	1,044	63,632	61,145	2,488	4%	92,592
Other revenue		333	25	25	1	35	12	23	184%	60
Gains on disposal of PPE		-	100	100	-	-	-	-	-	100
Total Revenue (excluding capital transfers and contributions)		95,246	98,056	97,631	1,529	67,021	63,827	3,194	5%	98,505
Expenditure By Type										
Employee related costs		33,909	42,556	42,561	3,381	21,141	21,278	(137)	-1%	38,013
Remuneration of councillors		4,595	5,357	5,357	579	2,998	2,679	319	12%	5,170
Debt impairment		-	3	3	-	-	-	-	-	3
Depreciation & asset impairment		22,562	4,498	4,498	1,691	1,691	2,249	(558)	-25%	7,145
Finance charges		3,259	2,362	2,362	-	703	548	155	28%	2,207
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		2,314	4,362	4,329	79	937	2,181	(1,244)	-57%	3,477
Contracted services		2,512	-	-	-	-	-	-	-	-
Transfers and grants		26,382	45,692	45,559	285	12,411	14,850	(2,439)	-16%	40,426
Other expenditure		10,369	15,195	15,308	694	6,202	7,598	(1,395)	-18%	12,554
Loss on disposal of PPE		615	50	50	125	125	-	125	#DIV/0!	214
Total Expenditure		106,517	120,075	120,027	6,833	46,209	51,382	(5,173)	-10%	109,209
Surplus/ (Deficit) for the year		(11,272)	(22,019)	(22,397)	(5,304)	20,812	12,444	8,368	0	(10,704)
Transfers recognised - capital										
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		(11,272)	(22,019)	(22,397)	(5,304)	20,812	12,444			(10,704)
Taxation										
Surplus/(Deficit) after taxation		(11,272)	(22,019)	(22,397)	(5,304)	20,812	12,444			(10,704)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(11,272)	(22,019)	(22,397)	(5,304)	20,812	12,444			(10,704)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(11,272)	(22,019)	(22,397)	(5,304)	20,812	12,444			(10,704)

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

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 - Council & Executive		-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 5 - Project Management & Advisory Services		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Council & Executive		138	127	127	-	0	60	(60)	-100%	126
Vote 2 - Budget & Treasury		295	1,826	1,996	715	1,433	324	1,109	342%	76
Vote 3 - Corporate Services		593	1,412	1,962	57	444	196	248	127%	1,348
Vote 4 - Planning & Development		49	4,794	3,600	-	1,234	68	1,166	1715%	4,794
Vote 5 - Project Management & Advisory Services		1,307	855	760	441	493	59	434	731%	4,154
Total Capital single-year expenditure	4	2,382	9,013	8,445	1,213	3,605	707	2,898	410%	10,498
Total Capital Expenditure		2,382	9,013	8,445	1,213	3,605	707	2,898	410%	10,498
Capital Expenditure - Standard Classification										
<i>Governance and administration</i>		1,026	3,362	4,082	773	1,877	580	1,297	224%	1,547
Executive and council		138	127	127	-	0	60	(60)	-100%	126
Budget and treasury office		295	1,826	1,996	715	1,433	324	1,109	342%	76
Corporate services		593	1,409	1,959	57	444	196	248	127%	1,345
<i>Community and public safety</i>		43	5,315	4,027	441	1,640	39	1,601	4063%	5,315
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1	4,672	3,479	-	1,147	-	1,147	#DIV/0!	4,672
Housing		42	643	548	441	493	39	454	1152%	643
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1,313	337	337	-	88	88	(1)	-1%	3,636
Planning and development		1,313	334	334	-	88	88	(1)	-1%	3,633
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	3	3	-	-	-	-	-	3
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	2,382	9,013	8,445	1,213	3,605	707	2,898	410%	10,498
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		2,340	9,013	8,445	1,213	3,605	707	2,898	410%	10,498
Total Capital Funding		2,382	9,013	8,445	1,213	3,605	707	2,898	410%	10,498

Table C6 Monthly Budget Statement - Financial Position

Description	Ref	2011/12	Budget Year 2012/13		2012/13	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
R thousands	1					
ASSETS						
Current assets						
Cash		2,714	454	2,714	4,817	454
Call investment deposits		83,500	47,800	83,500	100,500	44,900
Consumer debtors		-	-	-	-	-
Other debtors		2,878	1,300	2,868	1,763	1,300
Current portion of long-term receivables		-	-	-	-	-
Inventory		350	370	350	333	370
Total current assets		89,442	49,924	89,432	107,413	47,024
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		2,900	-	2,900	2,900	2,900
Investment property		-	-	-	-	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		46,606	58,291	46,606	48,395	58,291
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		895	-	895	895	-
Other non-current assets		-	-	-	-	-
Total non current assets		50,401	58,291	50,401	52,190	61,191
TOTAL ASSETS		139,843	108,216	139,833	159,603	108,216
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1,333	1,444	1,333	1,333	1,444
Consumer deposits		-	-	-	-	-
Trade and other payables		7,547	1,778	7,537	7,802	1,778
Provisions		6,024	4,828	6,024	5,343	4,828
Total current liabilities		14,905	8,051	14,895	14,479	8,051
Non current liabilities						
Borrowing		11,486	10,058	11,486	10,859	10,058
Provisions		22,526	13,549	22,526	22,526	13,549
Total non current liabilities		34,012	23,607	34,012	33,386	23,607
TOTAL LIABILITIES		48,917	31,657	48,907	47,864	31,657
NET ASSETS	2	90,926	76,558	90,926	111,738	76,558
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		64,025	66,176	64,025	87,720	66,176
Reserves		26,901	10,382	26,901	24,018	10,382
TOTAL COMMUNITY WEALTH/EQUITY	2	90,926	76,558	90,926	111,738	76,558

1.4.7 Table C7 Monthly Budget Statement - Cash Flow

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		1,637	668	-	475	4,344	382	3,962	1037%	668
Government - operating		86,365	92,592	-	26	68,753	47,597	21,156	44%	92,592
Government - capital		-	-	-	-	-	-	-		-
Interest		5,491	4,708	-	459	3,374	2,278	1,096	48%	4,708
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(48,845)	(67,226)	-	(3,270)	(34,163)	(31,577)	2,586	-8%	(67,226)
Finance charges		(1,516)	(2,362)	-	-	(703)	(549)	154	-28%	(2,362)
Transfers and Grants		(26,382)	(45,692)	-	(283)	(16,766)	(12,128)	4,638	-38%	(45,692)
NET CASH FROM/(USED) OPERATING ACTIVITIES		16,751	(17,312)	-	(2,593)	24,838	6,003	18,836	314%	(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		(2,382)	(9,013)	-	(2,434)	(5,109)	(957)	4,152	-434%	(9,013)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(2,375)	(8,913)	-	(2,434)	(5,109)	(957)	4,152	-434%	(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)	-	-	(626)	(569)	57	-10%	(1,139)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,289)	(1,139)	-	-	(626)	(569)	57	-10%	(1,139)
NET INCREASE/ (DECREASE) IN CASH HELD		13,086	(27,364)	-	(5,027)	19,102	4,476			(27,364)
Cash/cash equivalents at beginning:		73,128	72,817	-	110,344	86,214	72,817			86,214
Cash/cash equivalents at month/year end:		86,214	45,454	-	105,317	105,317	77,294			58,851

6. SUPPORTING DOCUMENTATION

Table SC1 Material variance explanations

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Government grants & subsidies	4%	Equitable share grant for the quarter ended 31 December 2012	Acceptable
	Rental of facilities and equipment	-39.83%	Rental of grader to municipalities did not pick up as fast as expected regarding maintenance of roads	None - projects will gain momentum as the year progresses.
	Interest earned - external investments	34.42%	Interest earned is more than expected	Adjusted upwards with the adjustment budget of January 2013
	Other income	184.36%	Revenue generated is more than the budget	Acceptable
2	Expenditure By Type			
	Salaries	-0.64%	Vacant Posts: Manager in office of the Municipal Manager, Accountant, Assistant Accountant, building inspector and HSS clerk	The vacant posts were advertised in November and will be filled shortly. The vacant post of Municipal Manager was only filled in November 2012.
	Depreciation	-24.81%	Year-to-date depreciation is more than the year-to-date budget	
	Other Materials	-57.04%	All maintenance projects not yet implemented. FBDM does not have infrastructure assets to maintain	Maintenance programmes will gain momentum as the financial year gains momentum
	Transfers and grants	-16.42%	Most projects are in the planning phases and expenditure will gain momentum as the financial year progresses	Expenditure will gain momentum as the financial year progresses
	Other expenditure	-18.36%	Underspending occurred on payment of municipal services, audit fees and motor vehicle usage.	Expenditure will gain momentum as the financial year progresses
3	Capital Expenditure			
	Capital expenditure	409.62%	Expenditure on capital projects will pick up as the year progresses. Actual expenditure is ahead of monthly budgeted projections due to improved budget implementation procedures.	Acceptable
4	Financial Position			
	Reserves	R 13,636,439	The R16 m increase in reserves relates to the revaluation of councils land & buildings.	
	Property, plant & equipment	R 9,896,288	The decrease of R10 m is due to the impairment of the council chambers that occurred during the revaluation process.	
5	Cash Flow			
	Net cash from operating / (used) Operating Activities	313.78%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	-433.80%	Capital Expenditure not materialising per SDBIP	Departments are urged to spend their budget allocations
	Net cash from operating / (used) Financing Activities	-10.04%	Repayment of borrowing	Bi-Annual DBSA Loan Repayment
6	Measureable performance			
7	Municipal Entities			

More detail on operating variances is available on pages 06 to 14 of this report.

Table SC2 Monthly Budget Statement - performance indicators

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%	8.2%	6.8%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		24.2%	5.7%	5.7%	1.5%	6.8%
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%	22.4%	17.9%	17.3%
Gearing	Long Term Borrowing/ Funds & Reserves		42.7%	96.9%	42.7%	45.2%	96.9%
Liquidity							
Current Ratio 1	Current assets/current liabilities	1	600.1%	620.1%	600.4%	741.9%	584.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		597.9%	599.4%	598.3%	747.4%	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%	2.9%	2.6%	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))		100.0%	100.0%			
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%	43.6%	31.5%	38.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.4%	4.4%	4.4%	0.1%	1.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		27.1%	7.0%	7.0%	1.0%	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%	254.2%	275.4%
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		15.4	2.5	2.5	3.6	1.5

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations. The level of employee costs for the year to date is 31.5% which indicates that it should be monitored and managed effectively.

The municipality still depends on grant funding of over 95% to fund its operations.

All council's provisions and the Capital Replacement Reserve are cash backed and the cash and cash equivalents are sufficient to cover outstanding debt.

Table SC3 Monthly Budget Statement - aged debtors

Description	NT Code	Budget Year 2012/13										
		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	Bad Debts	>90 days
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	631	130	169	68	64	68	631	-	1,763		832
Total By Revenue Source	2000	631	130	169	68	64	68	631	-	1,763	-	832
2011/12 - totals only		600	124	161	65	61	65	599	-	1,674		790
Debtors Age Analysis By Customer Category												
Government	2200	145	127	164	59	64	65,749.00	618	-	1,241		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	(4)	-	-	-	-	-	-	-	(4)		
Other	2500	490	3	6	10	1	2,737.00	13	-	525		
Total By Customer Category	2600	631	130	169	68	64	68	631	-	1,763	-	

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 - Department of Roads***

Dikgatlong Municipality is in arrears with an amount of R16 692.28 for free basic electricity and street lights which the District Municipality previously paid to Eskom for Koopmansfontein indigent households.

- ***Post-Service Benefits***

The only outstanding debts reflected for more than 90 days as at 31 January 2013 is Van Niekerk J R126.00, Payne ME R6 335.80 and former employees of Frances Baard District Municipality who were transferred to Department of Roads and Public Works R864 507.77 for post service medical aid. 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 January 2013 is Mosiako M R4.60 for private telephone calls, Department of Roads and Public Works R102 984.30 for sundry services, Department of Health R1 710.00 for hiring of the Lecture Rooms and M.L. Mokoena R8 676.00 study bursary not recovered from his final salary – the matter is being pursued.

Outstanding debts are a concern for the District Municipality and the lack of co-operation remains a challenge. Debts are continuously monitored and reviewed and adequate controls are in place according to approved policies.

Table SC4 Monthly Budget Statement - aged creditors

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			
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	7,801	-	2	-	-	-	-	-	-	7,802	-
Total By Customer Type	2600	7,801	-	2	-	-	-	-	-	-	7,802	-

The expenditure section continues 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' in terms of the remuneration of Public Office Bearers Act, 1998, was 5% and has been implemented in December 2012 back-dated to July 2012.

Trade Creditors:

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month of January 2013 is listed below:

Please refer to next page

PAYMENTS	
Total value of all payments	R 5,931,985
Electronic transfers	111
Cheques issued	39
STORES	
Value of Stores issued	21,209
SALARIES	
Number of salary beneficiaries	170
Councillors	27
Employees	141
Pensioners	2
Total remuneration paid	
	3,058,075
Councillors	553,644
Employees	2,501,739
Pensioners	2,693

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.

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 January 2013.

Implementation of the Approved Supply Chain Management Policy:

The approved Supply Chain Management Policy of 30 December 2005 as amended on 27 December 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 January 2013, 1 contract (R200 000+) was awarded by the Bid Adjudication Committee.

1. Blue and Green drop programme for Phokwane: Humelani Water Services for the amount of R727 912.80 including VAT.

For the period of January 2013 no written price quotation (R30 000-R200 000) was awarded by the Municipal Manager.

The value of orders issued for the period ending 31 January 2013 total R1 762 070.84 (*See Annexure "C"*)

Orders per department

Council and Executive	R13 982.97
Municipal Manager	R13 024.04
Finance	R10 703.72
Administration	R32 300.52
Planning and Development	R35 971.35
Technical Service	R1649 738.44
Stores	R6 349.80

- Disposal Management

No disposals for January 2013.

- Deviations

No deviation was approved by the Municipal Manager.

- Issues from Stores

Total orders issued R21 209.05. Issues per department

Council and Executive	R765.90
Municipal Manager	R1006.03
Finance	R719.65
Administration	R11 793.41
Planning and Development	R3 618.58
Technical Services	R3 305.48

- List of accredited service providers

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

Please refer to next page

Table SC6 Monthly Budget Statement - transfers and grant receipts

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	90,692	-	69,057	31,897	37,160	116.5%	90,692
Local Government Equitable Share		10,012	10,391	10,391	-	10,618	4,330	6,289	145.3%	10,391
Special Contribution: Councillor Remuneration		1,624	3,318	3,318	-	2,212	1,383	830	60.0%	3,318
Levy replacement	3	67,645	73,733	73,733	-	53,977	23,735	30,242	127.4%	73,733
Finance Management Grant		1,250	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	1,000	-	-	200	(200)	-100.0%	1,000
Water Affairs		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Provincial Government:		4,424	1,900	1,900	-	-	733	(500)	-68.2%	1,900
Housing	4	2,784	1,200	1,200	-	-	500	(500)	-100.0%	1,200
Near Grant		569	-	-	-	-	-	-	-	-
Fire Fighting Equipment Grant		371	-	-	-	-	-	-	-	-
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		700	700	700	-	-	233	-	-	700
District Aids Programme		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		210	-	-	798	884	-	884	#DIV/0!	-
SETA Skills Grant		170	-	-	26	113	-	113	#DIV/0!	-
Koopmansfontein Self Build Scheme		16	-	-	772	772	-	-	-	-
ABSA		24	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	86,365	92,592	92,592	798	69,942	32,631	37,544	115.1%	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	92,592	798	69,942	32,631	37,544	115.1%	92,592

Table SC7 Monthly Budget Statement - transfers and grant expenditure

Description	Ref	Budget Year 2012/13								
		2011/12 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	90,692	272	61,994	52,904	9,091	17.2%	90,692
Local Government Equitable Share		9,897	10,391	10,391	13	5,238	6,061	(823)	-13.6%	10,391
Special Contribution: Councillor Remuneration		1,739	3,318	3,318	-	2,212	1,936	277	14.3%	3,318
Levy replacement		67,645	73,733	73,733	-	53,977	43,011	10,966	25.5%	73,733
Finance Management Grant		1,250	1,250	1,250	260	461	729	(268)	-36.7%	1,250
Municipal Systems Improvement		1,200	1,000	1,000	-	-	583	(583)	-100.0%	1,000
Extended Public Works Programme		78	1,000	1,000	-	-	583	(583)	-100.0%	1,000
Water Affairs		1,489	-	-	-	106	-	106	#DIV/0!	-
Provincial Government:		5,325	1,900	1,900	10	779	1,108	(329)	-29.7%	1,900
Housing		3,149	1,200	1,200	-	713	700	13	1.9%	1,200
Near Grant		-	-	-	-	-	-	-	-	-
Fire Fighting Equipment Grant		-	-	-	-	-	-	-	-	-
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		2,062	700	700	-	66	408	(342)	-83.8%	700
District Aids Programme		115	-	-	10	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		290	-	-	772	858	-	858	#DIV/0!	-
Koopmansfontein Self Build Scheme		96	-	-	772	772	-	772	#DIV/0!	-
ABSA		24	-	-	-	-	-	-	-	-
SETA Skills Grant		170	-	-	-	87	-	87	#DIV/0!	-
Total operating expenditure of Transfers and Grants:		88,914	92,592	92,592	1,054	63,632	54,012	9,620	17.8%	92,592
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-	-	-
Water Affairs		-	-	-	-	-	-	-	-	-
EPWP		0	-	-	-	-	-	-	-	-
0		0	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
0		0	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
0		0	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ESCOM (Electricity on Farms)		0	-	-	-	-	-	-	-	-
0		0	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		88,914	92,592	92,592	1,054	63,632	54,012	9,620	17.8%	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.

Table SC8 Monthly Budget Statement - councilor and staff benefits

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	3,871	395	2,151	2,258	(107)	-5%	3,688
Pension Contributions		156	164	164	18	96	96	1	1%	165
Medical Aid Contributions		17	18	18	1	10	11	(1)	-5%	17
Motor vehicle allowance		1,043	1,240	1,240	108	575	723	(148)	-21%	986
Cell phone and other allowances		240	64	64	57	166	38			314
Housing allowance			-	-	-	-	-	-		-
Sub Total - Councillors		4,595	5,357	5,357	579	2,998	3,125	(127)	-4%	5,170
% increase	4		16.6%	16.6%						12.5%
Senior Managers of the Municipality										
Basic Salaries and Wages		3,233	3,654	3,654	596	1,699	2,132	(433)	-20%	2,997
Pension and UIF Contributions		366	619	619	45	179	361	(182)	-50%	507
Medical Aid Contributions		134	195	195	11	56	114	(57)	-51%	160
Overtime					-	-				-
Performance Bonus		209	464	464	-	-	271	(271)	-100%	381
Motor Vehicle Allowance		358	476	476	41	154	278	(124)	-45%	390
Cellphone Allowance		72	72	72	8	40	42	(2)	-5%	59
Housing Allowances		33	43	43	3	15	25	(10)	-40%	35
Other benefits and allowances		14	121	121	6	18	71	(53)	-75%	100
Payments in lieu of leave		-	81	81	-	-	47	(47)	-100%	66
Long service awards		-	-	-	-	-				-
Post-retirement benefit obligations	2	-	-	-	-	-				-
Sub Total - Senior Managers of Municipality		4,420	5,726	5,726	711	2,161	3,340	(1,179)	-35%	4,695
% increase	4		29.5%	29.5%						6.2%
Other Municipal Staff										
Basic Salaries and Wages		20,897	26,198	26,198	1,901	13,745	15,280	(1,535)	-10%	24,600
Pension and UIF Contributions		3,358	4,176	4,176	315	2,210	2,436	(226)	-9%	3,424
Medical Aid Contributions		954	1,127	1,127	100	634	657	(24)	-4%	924
Overtime		58	79	84	9	28	49	(21)	-43%	65
Performance Bonus		-	-	-	-	-				-
Motor Vehicle Allowance		1,534	1,883	1,883	157	1,114	1,098	16	1%	1,544
Cellphone Allowance		109	99	99	7	69	58	12	20%	81
Housing Allowances		495	524	524	31	226	306	(80)	-26%	430
Other benefits and allowances		758	1,082	1,082	45	339	631	(292)	-46%	887
Payments in lieu of leave		883	619	619	43	117	361	(244)	-68%	507
Long service awards		141	180	180	-	101	105	(4)	-4%	148
Post-retirement benefit obligations	2	304	864	864	62	398	504	(106)	-21%	709
Sub Total - Other Municipal Staff		29,489	36,831	36,836	2,670	18,981	21,485	(2,504)	-12%	33,318
% increase	4		24.9%	24.9%						13.0%
Total Parent Municipality		38,504	47,914	47,919	3,960	24,140	27,950	(3,810)	-14%	43,183

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for January 2013 averages 77%. The reason for the deviations is mainly due to courses, maternity, annual, sick leave and special annual leave granted by council to all staff.

Attendance trends are summarized as follows:

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	4	3	17
Annual Leave	6	19	9	36
Sick Leave	0	0	5	0
Courses / Seminar	0	4	0	0
Meetings	0	0	0	0
Family Responsibility	0	0	0	0
Study	0	0	0	0
Maternity Leave	0	0	0	21
Union Matters	0	0	0	0
Absent	0	0	0	0
Special Annual Leave	1	4	2	17
No. of Workdays Attended	15	61	28	300
Total Workdays	22	88	44	374
Percentage attendance per Group	68%	69%	64%	80%
Average	77%			

Personnel Development:

Two officials in the finance department attended the Municipal Finance Management Programme during January 2013.

INTERNSHIP PROGRAMME

As per National Treasury regulations, four Finance Interns were appointed (three on 19 December 2012 and one on 03 December 2012). The vacant post of one Finance Intern was re-advertised due to technical errors and will be filled shortly. The aim of the programme is to capacitate Finance Graduates to eventually be able to fill CFO and other financial posts in municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the programme.

Please refer to next page

Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Ref	Budget Year 2012/13												2012/13 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2011/12	+1 2012/13	+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	259	710	516	350	459					1,504	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	410	-	29,210	-	26					30,295	99,048	108,167	108,070
Other revenue		1,635	208	183	662	782	399	475					(3,479)	865	654	682
Cash Receipts by Source		39,913	2,117	852	1,372	30,507	749	960	-	-	-	-	28,411	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	852	1,372	30,507	749	960	-	-	-	-	28,411	104,881	114,037	114,178
Cash Payments by Type																
Employee related costs		2,805	2,884	2,953	3,048	4,230	3,237	3,074					16,244	38,475	42,544	44,604
Remuneration of councillors		397	412	395	409	411	394	579					2,523	5,521	5,798	6,087
Interest paid							703						1,312	2,015	1,976	1,825
Bulk purchases - Electricity																
Bulk purchases - Water & Sewer																
Other materials		548	148	155	146	262	200	44					1,923	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	2,432	2,234	1,855	5,376	283					(16,766)			
General expenses		727	1,056	1,569	1,312	1,452	1,742	661					6,348	14,866	14,416	13,946
Cash Payments by Type		6,334	7,230	7,503	7,149	8,211	11,652	4,641	-	-	-	-	52,395	105,116	92,956	96,943
Other Cash Flows/Payments by Type																
Capital assets			124	502	959	125	965	1,346					645	4,666	3,380	900
Repayment of borrowing							626						512	1,139	1,277	1,429
Other Cash Flows/Payments																
Total Cash Payments by Type		6,334	7,354	8,005	8,108	8,337	13,243	5,987	-	-	-	-	53,552	110,920	97,614	99,272
NET INCREASE/(DECREASE) IN CASH HELD		33,579	(5,237)	(7,153)	(6,735)	22,171	(12,494)	(5,027)	-	-	-	-	(25,142)	(6,039)	16,424	14,906
Cash/cash equivalents at the monthly year beginning:		86,214	119,793	114,556	107,403	100,668	122,838	110,344	105,317	105,317	105,317	105,317	105,317	86,214	80,175	96,599
Cash/cash equivalents at the monthly year end:		119,793	114,556	107,403	100,668	122,838	110,344	105,317	105,317	105,317	105,317	105,317	80,175	96,599	111,505	

Table SC12 Monthly Budget Statement - capital expenditure trend

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									
<u>Monthly expenditure performance trend</u>									
July		-	-	-	-	-	-	-	0%
August	32	-	-	50	50	-	(50)	#DIV/0!	1%
September	198	2,462	-	493	543	2,462	1,919	77.9%	6%
October	498	1,527	-	765	1,308	3,989	2,681	67.2%	15%
November	322	-	-	300	1,608	3,989	2,382	59.7%	18%
December	157	-	-	784	2,392	3,989	1,597	40.0%	27%
January	-	440	-	1,213	3,605	4,429	824	18.6%	40%
February	174	584	-	-	3,605	5,013	1,408	28.1%	40%
March	516	85	-	-	3,605	5,098	1,493	29.3%	40%
April	68	3,225	-	-	3,605	8,323	4,718	56.7%	0
May	19	239	-	-	3,605	8,562	4,957	57.9%	0
June	453	451	-	-	3,605	9,013	5,408	60.0%	0
Total Capital expenditure	2,437	9,013	-	3,605					

Please refer to next page

Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class

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									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	6,837	6,275	1,156	2,507	3,988	1,481	37.1%	6,432
General vehicles			3,070	3,246	1,155	1,908	1,791	(117)	-6.5%	1,590
Specialised vehicles			-	-	-	-	-	-		-
Plant & equipment			556	556	1	10	324	314	96.9%	3,103
Computers - hardware/equipment			1,558	887	-	16	909	892	98.2%	358
Furniture and other office equipment			166	99	-	46	97	51	52.5%	283
Abattoirs			-	-	-	-	-	-		
Markets			-	-	-	-	-	-		
Civic Land and Buildings			-	-	-	-	-	-		1,097
Other Buildings			1,488	1,488	-	527	868	341	39.3%	
Other Land			-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-		
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	385	385	(55)	88	225	137	61.0%	385
Computers - software & programming			385	385	(55)	88	225	137	61.0%	385
Other										
Total Capital Expenditure on new assets	1	-	7,222	6,660	1,101	2,595	4,213	1,618	38.4%	6,817

Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class

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										
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>											
Infrastructure		-	-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-	-
Sportsfields & stadia		-	-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-	-
Cemeteries		-	-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Other assets		-	1,792	1,785	113	1,011	1,045	34	3.3%	2,192	
General vehicles		-	720	714	-	714	420	(294)	-70.0%	720	
Specialised vehicles		-	-	-	-	-	-	-	-	-	
Plant & equipment		-	5	5	-	4	3	(1)	-43.7%	677	
Computers - hardware/equipment		-	795	795	113	293	464	171	36.8%	795	
Furniture and other office equipment		-	-	-	-	-	-	-	-	-	
Abattoirs		-	-	-	-	-	-	-	-	-	
Markets		-	-	-	-	-	-	-	-	-	
Civic Land and Buildings		-	-	-	-	-	-	-	-	-	
Other Buildings		-	272	272	-	-	159	159	100.0%	-	
Other Land		-	-	-	-	-	-	-	-	-	
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Agricultural assets		-	-	-	-	-	-	-	-	-	
List sub-class		-	-	-	-	-	-	-	-	-	
Biological assets		-	-	-	-	-	-	-	-	-	
List sub-class		-	-	-	-	-	-	-	-	-	
Intangibles		-	-	-	-	-	-	-	-	-	
Computers - software & programming		-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	
Total Capital Expenditure on renewal of existing ass	1	-	1,792	1,785	113	1,011	1,045	34	3.3%	2,192	

Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class

Description	Ref	2011/12 Audited Outcome	Budget Year 2012/13							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	1,944	-	77	557	486	(71)	-14.6%	1,944
General vehicles			414		55	186	103	(82)	-79.8%	414
Specialised vehicles			-		-	-	-	-		-
Plant & equipment			486		6	39	122	83	68.0%	486
Computers - hardware/equipment			574		8	203	143	(60)	-41.5%	574
Furniture and other office equipment			149		5	6	37	31	84.5%	149
Abattoirs			-		-	-	-	-		-
Markets			-		-	-	-	-		-
Civic Land and Buildings			322		4	123	80	(43)	-53.3%	322
Other Buildings			-		-	-	-	-		-
Other Land			-		-	-	-	-		-
Surplus Assets - (Investment or Inventory)			-		-	-	-	-		-
Other			-		-	-	-	-		-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	2,418	-	1	380	604	225	37.2%	2,418
Computers - software & programming			2,418		1	380	604	225	37.2%	2,418
Other			-		-	-	-	-		-
Total Repairs and Maintenance Expenditure		-	4,362	-	78	936	1,090	154	14.1%	4,362

Table SC13d Monthly Budget Statement - depreciation by asset class

Description	Ref	2011/12	Budget Year 2012/13							Full Year Forecast	
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %		
R thousands	1										
Repairs and maintenance expenditure by Asset Class/Sub-class											
Infrastructure		-	-	-	-	-	-	-	-	-	-
Community		-	200	-	-	-	67	67	100.0%		200
Parks & gardens											
Sportsfields & stadia											
Swimming pools											
Community halls											
Libraries											
Recreational facilities											
Fire, safety & emergency											
Security and policing											
Buses											
Clinics											
Museums & Art Galleries											
Cemeteries											
Social rental housing											
Other			200				67	67	100.0%		200
Heritage assets		-	-	-	-	-	-	-	-	-	-
Buildings											
Other											
Investment properties		-	-	-	-	-	-	-	-	-	-
Housing development											
Other											
Other assets		-	4,098	-	-	-	1,366	1,366	100.0%		4,098
General vehicles			550				183	183	100.0%		550
Specialised vehicles			-				-	-			-
Plant & equipment			645				215	215	100.0%		645
Computers - hardware/equipment			650				217	217	100.0%		650
Furniture and other office equipment			853				284	284	100.0%		853
Abattoirs											
Markets											
Civic Land and Buildings											
Other Buildings			1,400				467	467	100.0%		1,400
Other Land											
Surplus Assets - (Investment or Inventory)											
Other											
Agricultural assets		-	-	-	-	-	-	-	-	-	-
List sub-class											
Biological assets		-	-	-	-	-	-	-	-	-	-
List sub-class											
Intangibles		-	200	-	-	-	67	67	100.0%		200
Computers - software & programming			200				67	67	100.0%		200
Other											
Total Repairs and Maintenance Expenditure		-	4,498	-	-	-	1,499	1,499	100.0%		4,498

ASSET AND RISK MANAGEMENT**Insurance:**

All Council assets are adequately insured with Lateral Unison for a period of three (3) years. 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 will take place during the third week of February 2013.

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.

Motor Vehicle Operating Cost:

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

VEHICLE OPERATING COST	ACTUAL	BUDGET	VARIANCE	VAR %
Depreciation: Motor Vehicles	-	320,833	(320,833)	-100.00%
Insurance	16,428	33,688	(17,259)	-51.23%
MV Administration Levy	12,206	11,667	539	4.62%
Fuel	277,247	291,667	(14,420)	-4.94%
Licence	5,910	7,379	(1,469)	-19.91%
Repairs and Maintenance	60,622	87,500	(26,878)	-30.72%
Tyres	24,335	36,750	(12,415)	-33.78%
TOTAL	396,748	789,483	(392,735)	-49.75%

Motor Vehicles - Utilization Statistics:

Council operates a pool of 25 vehicles as part of its routine activities.

Statistical information regarding the year-to-date utility for January 2013 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	195 000	9/30/2013	144,741	185,136	40,395
2	Citi Golf	Pool	2005	BSM 014 NC	90,000	4/30/2013	84,222	87,573	3,351
3	Mazda Drifter D/Cab	Pool	2005	BSM 137 NC	225,000	4/30/2013	202,504	212,155	9,651
4	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	75,000	9/30/2013	50,031	65,502	15,471
5	Chevrolet Opel Corsa	Disaster Management	2010	CBY 227 NC	60,000	9/30/2013	26,446	35,059	8,613
6	Chevrolet Captiva	Pool	2011	CDM 296 NC	45,000	11/30/2013	20,388	36,257	15,869
7	Isuzu 2.4	Environmental Health	2006	BVC 305 NC	180,000	7/31/2013	156,944	165,014	8,070
8	Isuzu 2.4	Environmental Health	2006	BTT 339 NC	165,000	4/30/2013	148,190	160,510	12,320
9	Nissan D/Cab	Disaster Management	2006	BTT 376 NC	120,000	4/30/2013	100,571	110,712	10,141
10	Toyota Corolla	Pool	2009	BZP 439 NC	105,000	9/30/2013	73,235	90,045	16,810
11	Toyota Corolla	Pool	2009	BZP 440 NC	75,000	9/30/2013	63,210	74,165	10,955
12	Toyota Condor	Tourism Centre	2001	BLR 461 NC	200,000	6/30/2013	191,842	198,881	7,039
13	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	15,000	12/31/2013	-	86	86
14	Isuzu KB 250	Housing	2013	CGR 572 NC	15,000	12/31/2013	-	39	39
15	Isuzu KB 250	Housing	2013	CGR 576 NC	15000	12/31/2013	-	59	59
16	Isuzu 2.4	Housing	2009	CBD 761 NC	75000	2013/02/29	32,138	74,812	42,674
17	Toyota Corolla	Pool	2008	BXL 799 NC	135000	2013/02/29	116,888	132,333	15,445
18	Nissan LDV	Community Development	2006	BVC 831 NC	135000	7/31/2013	117,594	121,170	3,576
19	Ford Bantam	Finance	2004	BRD 836 NC	90000	1/31/2014	81,748	82,433	685
20	Toyota Hilux	PMU	2004	BRF 837 NC	130000	2013/02/29	120,075	123,891	3,816
21	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	30000	41547	13,525	17,781	4,256
22	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	30000	41547	1,703	17,700	15,997
23	Toyota Condor	PIMSS Centre	2002	BMT 978 NC	180000	2013/02/29	159,725	168,819	9,094
24	Isuzu D/Cab	Pool	2013	CGR 974 NC	15000	41639	-	34	34
25	Audi Q7	Council	2013	EKG 368 NC	15000	41297	0	10336	10336
YEAR TO DATE UTILITY - FULL FLEET									264,782

Motor Vehicle Damage Report:

There were no accidents for the month of January 2013. All vehicles that were reported damaged during prior months have been repaired during the month of January 2013.

2.14 Quality Certificate

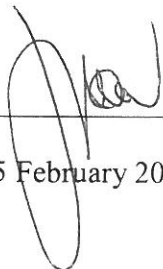
I, ZM Bogatsu, the Municipal Manager of Frances Baard District Municipality, hereby certify that—

- 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 December 2012 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that act.

PP **ZM Bogatsu**
Municipal Manager: Frances Baard District Municipality

Signature



Date

15 February 2013