

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

31 JANUARY 2014

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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”.

2. MAYOR’S REPORT

Frances Baard District Municipality compiles the section 71 monthly report in the prescribed format as per the Municipal Budget and Reporting Regulations. The format consists of seven financial statements and thirteen tables consisting of supporting documentation.

Budget Process:

The budget process plan in respect of the 2013/14 financial year was submitted to the Executive Mayor for approval on 24 July 2013 and has also been provided to National Treasury.

A strategic planning session was held on 04 and 05 December 2013 and the budget preparation guidelines were sent to the various managers providing detailed information for the preparation of the 2014/15 budget and the medium term revenue and expenditure budget for the two outer years (2015/16 and 2016/17) in terms of guidelines received from National Treasury and requirements as per Municipal Finance Management Act No.56 of 2003 (MFMA).

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 2013:

The Annual Financial Statements for the year ended 30 June 2013 was submitted to the Audit Committee on 28 August 2013 for their input and to the Office of the Auditor General on 30 August 2013 for auditing.

The District Municipality received an **Unqualified Audit Opinion** for the 2012/13 Financial Year with one matter of emphasis which is: **Findings on the Annual Performance Report**

➤ Programme 1 - Basic Service Delivery

Significantly, important targets with respect to the basic service delivery programme were materially misstated and not reliable when compared to the source information. Adequate documentation supporting the reported performance information could not be provided for audit purposes.

➤ Programme 3 - Municipal Institutional Development and Transformation

Significantly, important targets with respect to the municipal financial viability management programme were materially misstated and not reliable when compared to the source information. Adequate documentation supporting the reported performance information could not be provided for audit purposes.

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 during month of January 2014.

3. COUNCIL RESOLUTIONS

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

Recommendation:

(a) That Council notes the Mid-year budget and performance assessment report and supporting documentation for the period ended 31 January 2014.

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 R68, 705 million as compared to the year-to-date budget projections of R65, 501 million for January 2014. The source of revenue that is above budget is interest on investments, levy replacement grant and other income.

Operating expenditure by type

To date, R46, 983 million has been spent compared to the operational approved budget of R121, 904 million. This does not include non-cash items such as depreciation & impairment. The main areas where expenditure is less than the budget is employee related costs, depreciation, amortization, actuarial losses, repairs & maintenance, finance charges (employee benefits), DBSA loan repayment, contracted services, grants and subsidies paid as well as general expenses. Expenditure will gain momentum as the financial year progresses.

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.

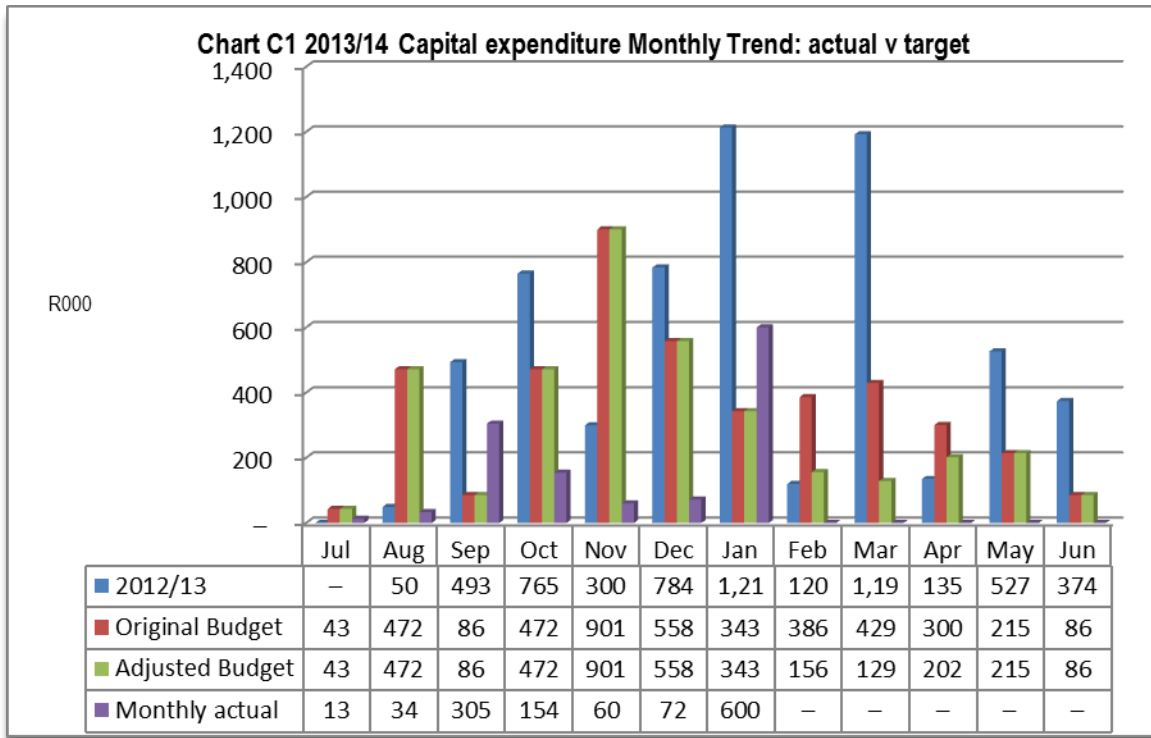
Capital Expenditure

Year-to-date expenditure on capital amounts to R1, 239 million or 33.82% of the total adjusted budget of R3, 661million. As per the policy, all capital projects / purchases should be completed / finalized by 31 March of each financial year. Expenditure is expected to gain momentum as the financial year progresses.

Please refer to Annexure A, Table C5 for further details.

Please refer to next page

Capital Expenditure Monthly Trend: Actual vs Target



Cash Flows

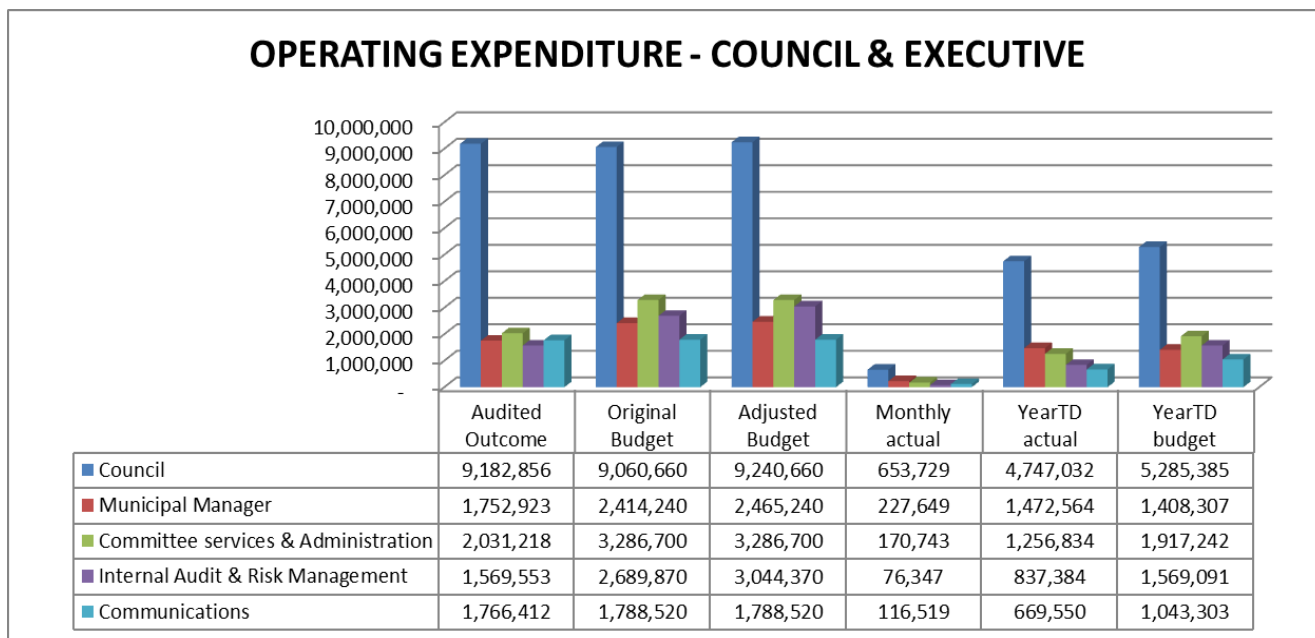
The Municipality started the year with a total cash and cash equivalents of R83, 564 million. For the month of January 2014, the cash and cash equivalents amount to R106, 172 million. The net increase of R22, 608 million is as a result of receiving two thirds of the equitable share grant allocation for the 2013/14 financial year.

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:



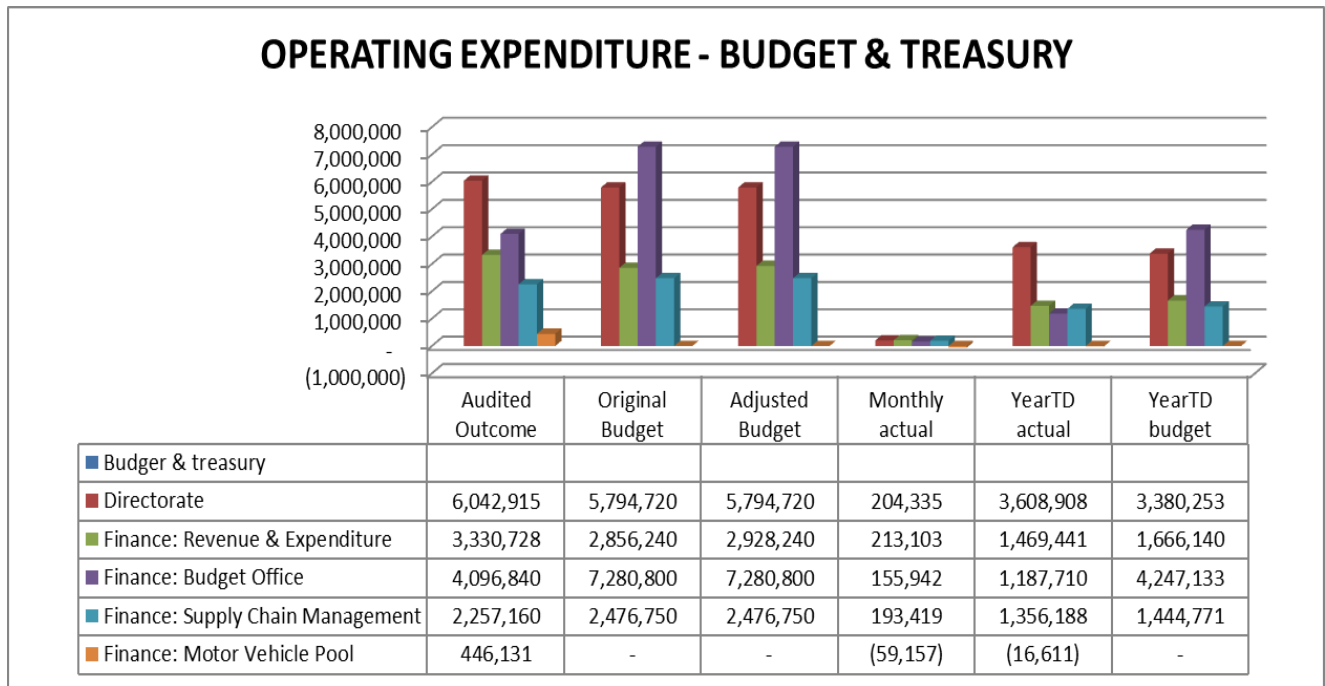
Actual operating expenditure of Council & Executive is 80.04% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: salaries and allowances, consultancy, repairs and maintenance, legal services, special projects and general expenses.

Approved vacant posts of Administrative Officer and Special Programmes Officer have to be filled.

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

	YTD Actual	Budget	% Spending	Remarks
<u>COMMITTEE & ADMINISTRATION SERVICES</u>				
Youth Unit Special Projects	38,800	100,000	38.80%	Project in process
Commemorative Days	16,244	100,000	16.24%	Project in process
Total	55,044	200,000	27.52%	
	YTD Actual	Budget	% Spending	Remarks
<u>INTERNAL AUDIT</u>				
Fraud Prevention Plan	-	350,000	0.00%	Functionality meeting held on 29 January 2014 for evaluation.
Total	-	350,000	0.00%	Remarks
<u>COMMUNICATIONS</u>				
CFS System	-	5,000	0.00%	Contract renewed annually
Branding	-	10,000	0.00%	Branding material to be acquired in February 2014
PAIA Management	-	15,000	0.00%	Training and branding to be scheduled
Total	-	30,000	0.00%	

Actual spending on special projects of Council & Executive is 9.49% as compared to the approved budget. Projects will gain momentum as the financial year progresses.



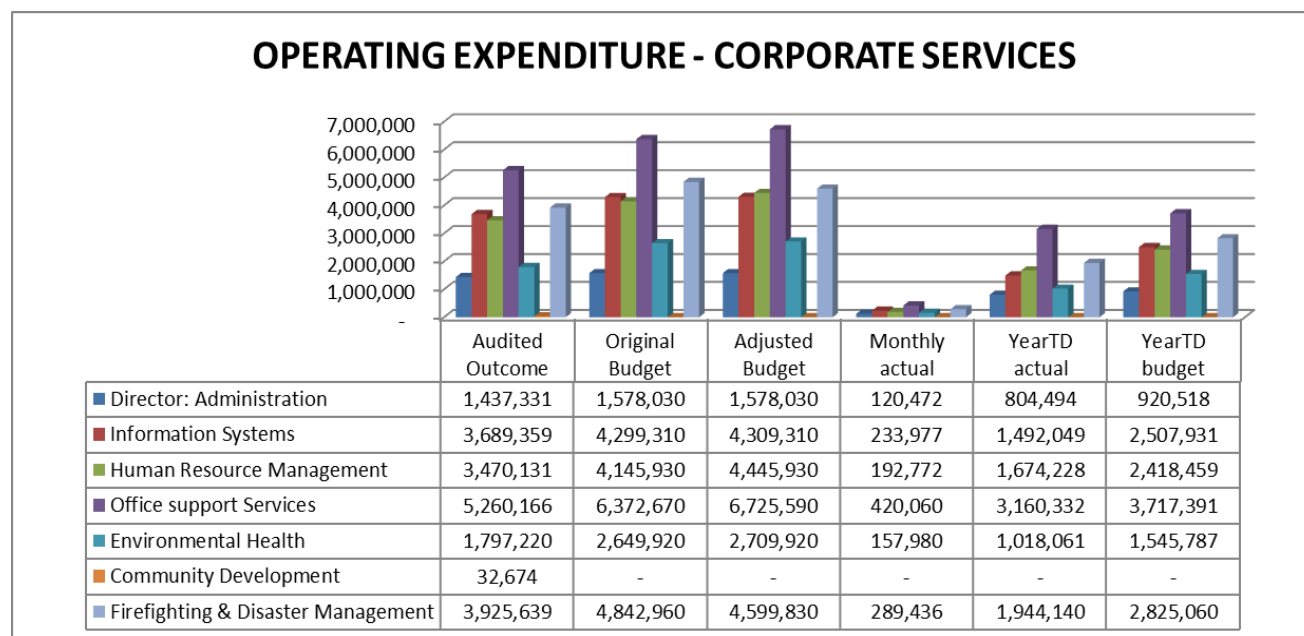
Actual operating expenditure of Budget & Treasury office is 70.83% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: employee related costs, finance charges on external borrowings and employee benefits, consultancy, repairs and maintenance, audit fees, actuarial losses, special projects and general expenses.

Approved vacant post of Accountant: Budget Office has to be filled.

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

	YTD Actual	Budget	% Spending	Remarks
FINANCE: DIRECTORATE				
Capacity Building & BTO Operations	263	120,000	0.22%	Training to be provided during the year
Operation Clean Audit	200,000	500,000	40.00%	Project in process
AFS Quality Control	30,000	80,000	37.50%	To be utilised last quarter of the financial year
Staff Benefits Actuarial Evaluations	50,000	50,000	100.00%	Project complete
Financial System Support (2) LM	100,000	300,000	33.33%	Awaiting claims from local municipalities
Total	380,263	1,050,000	36.22%	

Actual spending on special projects of Budget & Treasury Office is 36.22% as compared to the approved budget. Projects will gain momentum as the financial year progresses.



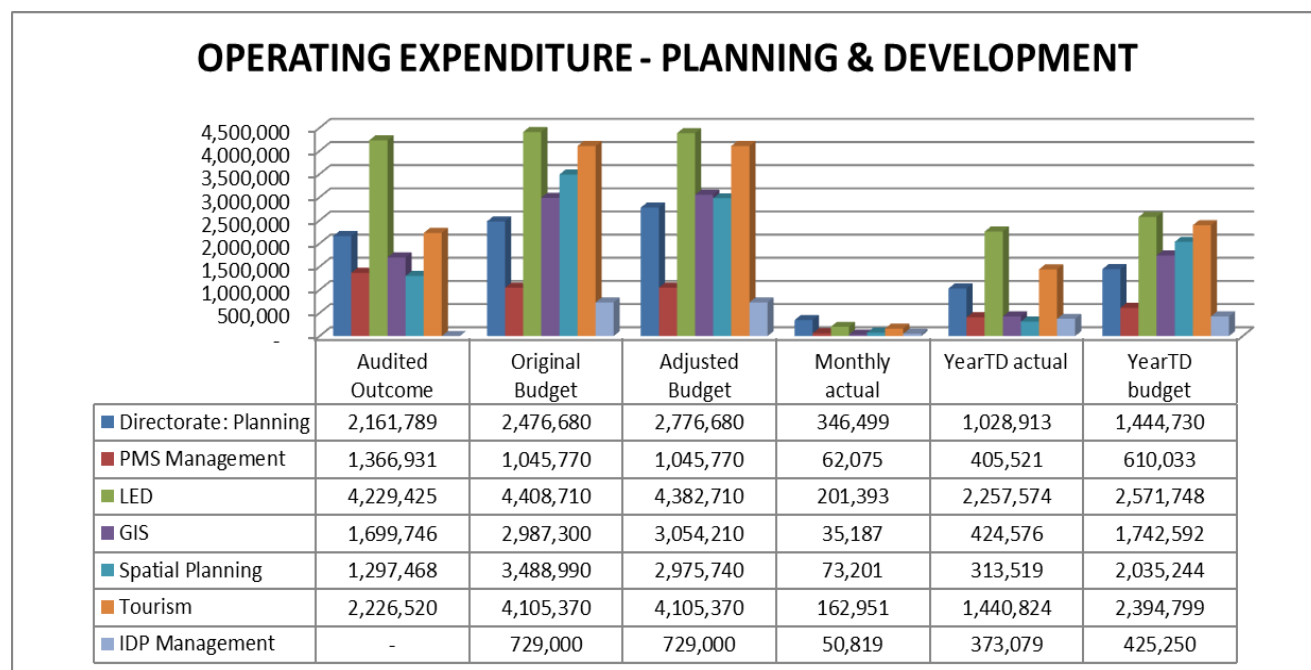
Actual operating expenditure of Corporate Services is 72.43% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: maintenance of computer hardware, software, printers, networks and telephone system, consultancy, special projects, training, and general expenses.

Consolidated performance of year-to-date expenditure on special projects against full year budget (Corporate Services)

	YTD Actual	Budget	% Spending	Remarks
<u>INFORMATION COMMUNICATION & TECHNOLOGY</u>				
ICT District Forum Meetings	-	14,000	0.00%	Meetings scheduled for 3rd & 4th quarter of the financial year
Total	-	14,000	0.00%	
<u>HUMAN RESOURCE MANAGEMENT</u>				
Employee Assistance Programme	12,380	100,000	12.38%	Project is needs driven
Employee Wellness	220,509	300,000	73.50%	Project in process
Total	232,889	400,000	58.22%	
<u>ENVIRONMENTAL HEALTH</u>				
Environment. Toilet for disabled persons	-	8,000	0.00%	
Environment Waste Recycle	7,990	52,000	15.36%	Project in progress
Awareness Programme - HIV, TB & STI	4,420	6,000	73.67%	As per operational plan
Awareness Programme - Sanitation	3,191	6,000	53.18%	As per operational plan
Implementation of Recycling Project	10,000	40,000	25.00%	MOA has been signed
Air Quality Projects	92	190,000	0.05%	Submission for appointment of interns not yet completed
				Still liaising with the Department of Environmental Affairs
Awareness Programme - Air Quality	-	16,000	0.00%	for the campaign
Implement Air Quality Plan	336	216,000	0.16%	Busy with the terms of reference for workshop
Waste Management Campaigns	-	2,000	0.00%	Campaign to be held during February 2014
				Awaiting response from service providers on the provision of training
EMI Internship Programme - Air Quality	-	196,200	0.00%	
Total	26,028	732,200	3.55%	

	YTD Actual	Budget	% Spending	Remarks
<u>FIRE FIGHTING / DISASTER MANAGEMENT.</u>				
Fire Fighting - Volunteers Training	-	30,000	0.00%	Awating Training Programme
Fire Fighting - Volunteers Stipend	-	58,850	0.00%	Awating Training Programme
Fire Fighting - Volunteers Insurance	-	10,490	0.00%	Awating Training Programme
Contingency Fund	143,427	250,000	57.37%	Needs driven and as per request
Disaster Management Forum	491	8,800	5.58%	Forum meeting to take place during the 3rd quarter
Develop Risk REC & RESP Strategy	1,406	229,000	0.61%	Need to be evaluated and adjudicated
Total	145,324	587,140	24.75%	

Actual spending on special projects of Corporate Services is 23.68% as compared to the approved budget - projects will gain momentum as the financial year progresses.



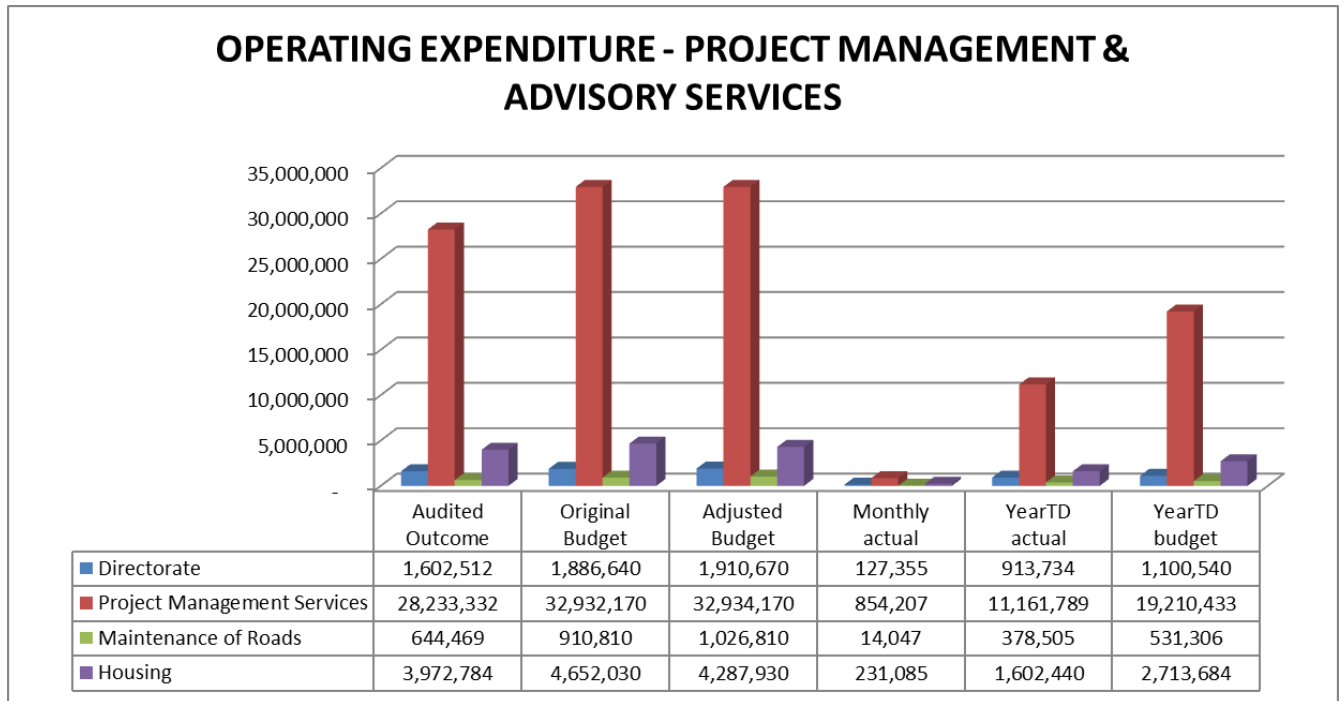
Actual operating expenditure of Planning & Development is 55.63% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: depreciation, repairs & maintenance, consultancy, special projects, advertisement general notices and general expenses.

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

	YTD Actual	Budget	% Spending	Remarks
<u>PLANNING & DEVELOPMENT</u>				
<u>DIRECTORATE</u>				
Review of Institutional Plan	225,491	300,000	75.16%	Project in progress
Review LED Strategy	-	290,000	0.00%	Project on planning phase
Review DGDS Strategy	-	350,000	0.00%	Project on planning phase
Integrated Rezoning Scheme	-	250,000	0.00%	Project on planning phase
Total	225,491	1,190,000	18.95%	

	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
LED SMME Development	168,150	200,000	84.08%	Project in progress
LED Cooperative Registration	-	42,900	0.00%	Project in progress
LED Promotion of SMME'S	116,311	200,000	58.16%	Project in progress
LED Emerging Farmer Support	-	120,000	0.00%	Project in progress
LED Small Miner Support	-	100,000	0.00%	Project in progress
LED EPWP Support	-	10,000	0.00%	Project in progress
LED Training for Graduates	-	360,000	0.00%	Project in progress
LED Phokwane Processing Plant	-	40,000	0.00%	Project in progress
LED EXPO	434,900	500,000	86.98%	Project in progress
LED BIO-Mass Dikgatlong	-	20,000	0.00%	Project in progress
KBY HUB	153,032	450,000	34.01%	Project in progress
LED Develop Incentive Policies	17,661	40,000	44.15%	Project in progress
LED Coordinate Structure and Institutional Support	6,440	86,000	7.49%	Project in progress
Total	896,494	2,168,900	41.33%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
GIS: Verify Water Infrastructure	-	600,000	0.00%	Third and fourth quarter project
Financial Data Cleansing	-	1,200,000	0.00%	Awaiting claims from the service provider
Total	-	1,800,000	0.00%	
<u>SPATIAL PLANNING</u>				
Surveying of Erven Dikgatlong	-	397,010	0.00%	Project in progress
Zoning Scheme Phokwane	-	165,520	0.00%	Project in progress
Spatial Development Framework (FBDM)	2,206	276,500	0.80%	Project in progress
Spatial Development Framework (LM)	-	526,500	0.00%	Project in progress
Environmental Impact Assessment - Dikgatlong	-	36,600	0.00%	Project in progress
Total	2,206	1,402,130	0.16%	
	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
Diamonds & Dorings Support	263,158	300,000	87.72%	Project completed - Savings
TOUR - Contribution . NCTA Support	135,000	135,000	100.00%	Project complete
TOUR - N12 Promotion	50,000	50,000	100.00%	Project complete
TOUR - N12 Treasury Route Support	20,000	20,000	100.00%	Project complete
TOUR - Business Plan Competition	323,799	360,000	89.94%	Project in progress
Indaba Trade EXPO	-	275,180	0.00%	Project in progress
12/13: TOUR - Website	-	97,100	0.00%	Project in progress
12/13: TOUR - Route Feasibility & Business Plan	7,175	316,800	2.26%	Project in progress
TOUR - Advertising & Promotion	58,954	140,000	42.11%	Project in progress
TOUR - Association	1,699	8,500	19.99%	Spent on 2 meetings
TOUR - FBDM Arts and Craft Centre	60,650	210,000	28.88%	Project in progress
TOUR - Marketing Brochure	-	90,000	0.00%	Project in progress
Community Awareness Campaigns	130,403	160,000	81.50%	Project in progress
Gong-Gong Feasibility Study	-	263,250	0.00%	Project in progress
Malooof 2013 Exhibition	1,066	28,430	3.75%	Project in progress
Total	1,051,904	2,454,260	42.86%	
	YTD Actual	Budget	% Spending	Remarks
<u>IDP MANAGEMENT</u>				
IDP Steering Committee Meeting	1,749	7,600	23.02%	Project in progress
Total	1,749	7,600	23.02%	

Actual spending on special projects of Planning & Development is 24.14% as compared to the approved budget - projects will gain momentum as the financial year progresses.



Actual operating expenditure of Project Management & Advisory Services is 59.67% 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)

	YTD Actual	Budget	% Spending	Remarks
<i>PROJECT & ADVISORY SERVICES</i>				
District Technical Forum Meetings	761	8,000	9.51%	Project in progress
EQS: O&M Phokwane - Maintenance Water & Waste Infrastructure	1,568,469	1,812,000	86.56%	Project in progress
EQS: O&M Magareng - Maintenance Electricity Infrastructure	-	500,000	0.00%	Project on schedule as planned
EQS: O&M Magareng - Maintenance Water & Wastewater Infrastructure	-	1,000,000	0.00%	Project on schedule as planned
EQS: O&M Magareng - Maintenance Street & Storm Water	199,666	1,000,000	19.97%	Project in progress
EQS: O&M Sol Plaatje - Maintenance Platfontein Sewer System	219,200	500,000	43.84%	Project in progress
EQS: O&M Phokwane - Maintenance Electricity Infrastructure	489,310	550,000	88.97%	Project in progress
EQS: O&M Sol Plaatje - Maintenance Street & Storm Water	-	1,000,000	0.00%	Project on schedule as planned
EQS: O&M Phokwane - Maintenance Street & Storm Water	623,618	700,000	89.09%	Project in progress
EQS: O&M Dikgatlong - Maintenance Water & Waste Infrastructure	691,410	1,550,000	44.61%	Project in progress
EQS: O&M Dikgatlong - Maintenance Electricity Infrastructure	84,884	550,000	15.43%	Project in progress

EQS: O&M Dikgatlong - Maintenance Street & Storm Water	61,996	500,000	12.40%	Project in progress
CAP - Magareng: Provision of Water Reticulation	2,347,824	2,355,000	99.70%	Project complete
CAP - Magareng: Upgrade of Water Network	1,837,487	1,899,000	96.76%	Project in progress
CAP - Phokwane: Electricity Masterplan	215,557	450,000	47.90%	Project in progress
CAP - Phokwane: Gangspan Bulk Water Support	405,500	1,200,000	33.79%	Project in progress
CAP - Phokwane: Sewer Truck	-	2,000,000	0.00%	Project on schedule as planned
CAP - Phokwane: Electricity	-	450,000	0.00%	Project on schedule as planned
CAP - Phokwane: Install Water Meters	-	550,000	0.00%	Project on schedule as planned
CAP - Magareng: Water Reticulation Warrenvale	523,221	1,500,000	34.88%	Project in progress
CAP - Magareng: Sewer Reticulation Warrenvale	-	1,200,000	0.00%	Project on schedule as planned
CAP Magareng: Upgrade Water Network	720,943	1,500,000	48.06%	Project in progress
CAP - Sol Plaatje: Water & Sanitation	-	3,000,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Refuse Truck	-	2,000,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Upgrade Electricity Network	-	1,500,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Waste Water Operating Room	41,200	650,000	6.34%	Project in progress
Total	10,031,044	29,924,000	33.52%	
	YTD Actual	Budget	% Spending	Remarks
HOUSING				
Housing Field Workers	2,521	-		
Special Project: Women's Month	-	15,000	0.00%	Savings
Special Project: Mandela Month	15,000	15,000	100.00%	Project completed
Housing Consumer Education	8,753	40,000	21.88%	Ongoing
Housing Field Workers	9,549	30,000	31.83%	Ongoing
Housing Steering Committee Meeting	3,732	20,000	18.66%	Ongoing
Total	37,034	120,000	30.86%	

Actual spending on special projects of Project Management & Advisory Services is 33.51% as compared to the approved budget - projects will gain momentum as the financial year progresses.

Please refer to next page

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

Description	2012/13	Budget Year 2013/14							
	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	5,672	4,619	4,619	556	3,037	2,695	342	13%	3,315
Transfers recognised - operational	94,579	93,815	94,175	491	65,177	62,196	2,981	5%	92,344
Other own revenue	1,670	1,045	1,045	283	491	610	(119)	-19%	491
Total Revenue (excluding capital transfers and contributions)	101,921	99,479	99,840	1,330	68,705	65,501	3,204	5%	96,151
Employee costs	39,423	47,498	47,498	3,206	22,237	27,707	(5,470)	-20%	24,909
Remuneration of Councillors	5,160	5,679	5,679	418	2,982	3,313	(331)	-10%	3,014
Depreciation & asset impairment	3,429	5,050	5,050	-	-	2,946	(2,946)	-100%	5,050
Finance charges	2,318	2,215	2,215	-	631	1,292	(661)	-51%	1,631
Materials and bulk purchases	2,569	3,983	4,528	186	1,519	2,324	(804)	-35%	2,299
Transfers and grants	35,437	42,937	42,430	1,080	13,088	25,047	(11,959)	-48%	32,253
Other expenditure	11,189	13,798	14,503	636	6,525	8,049	(1,524)	-19%	8,308
Total Expenditure	99,524	121,161	121,904	5,526	46,983	70,677	(23,694)	-34%	77,464
Surplus/(Deficit)	2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)	26,899	-520%	18,687
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)	26,899	-520%	18,687
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)	26,899	-520%	18,687
Capital expenditure & funds sources									
Capital expenditure	5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Total sources of capital funds	5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Financial position									
Total current assets	86,488	86,488	86,488		107,429				51,655
Total non current assets	63,332	63,332	63,332		64,570				63,599
Total current liabilities	12,802	12,802	12,964		13,259				11,034
Total non current liabilities	33,042	33,042	32,881		33,042				26,442
Community wealth/Equity	103,975	77,802	103,975		125,697				77,778
Cash flows									
Net cash from (used) operating	6,112	(11,892)	(11,892)	(2,256)	24,727	4,662	20,066	430%	(17,312)
Net cash from (used) investing	(7,463)	(3,861)	(3,861)	(138)	(1,421)	(1,123)	(298)	27%	(3,761)
Net cash from (used) financing	(1,299)	(1,606)	(1,606)	-	(698)	(569)	(129)	23%	(1,139)
Cash/cash equivalents at the month/year end	83,564	59,959	59,959	106,172	106,172	80,287	25,885	32%	61,353
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	1,973	768	138	65	3	0	1	12	989
Creditors Age Analysis									
Total Creditors	1,948	7,053	-	-	20	-	-	-	7,072

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

Description	Ref	2012/13	Budget Year 2013/14							
		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>		85,301	85,750	85,750	590	61,922	57,166	4,756	8%	83,935
Executive and council		3,318	3,716	3,716	-	2,477	2,477	0	0%	3,716
Budget and treasury office		81,983	82,034	82,034	590	59,445	54,689	4,756	9%	80,219
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3,272	600	600	-	-	235	(235)	-100%	600
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2,288	600	600	-	-	235	(235)	-	600
Housing		983	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13,348	13,130	13,490	740	6,783	8,099	(1,316)	-16%	11,615
Planning and development		10,342	10,130	10,430	732	4,775	6,059	(1,284)	-21%	9,607
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		3,006	3,000	3,060	8	2,008	2,040	(32)	-2%	2,008
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	101,921	99,479	99,840	1,330	68,705	65,501	3,204	5%	96,151
Expenditure - Standard										
<i>Governance and administration</i>		46,334	54,044	55,365	2,920	23,720	31,526	(7,806)	-25%	32,834
Executive and council		16,303	19,240	19,825	1,245	8,983	11,223	(2,240)	-20%	10,210
Budget and treasury office		16,174	18,409	18,481	708	7,606	10,738	(3,133)	-29%	13,504
Corporate services		13,857	16,396	17,059	967	7,131	9,564	(2,433)	-25%	9,120
<i>Community and public safety</i>		7,931	9,495	8,888	521	3,547	5,539	(1,992)	-36%	4,339
Community and social services		33	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,926	4,843	4,600	289	1,944	2,825	(881)	-31%	2,584
Housing		3,973	4,652	4,288	231	1,602	2,714	(1,111)	-41%	1,755
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		45,259	57,621	57,651	2,086	19,716	33,612	(13,896)	-41%	40,290
Planning and development		43,462	54,971	54,941	1,928	18,698	32,067	(13,369)	-42%	38,931
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		1,797	2,650	2,710	158	1,018	1,546	(528)	-34%	1,360
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	99,524	121,161	121,904	5,526	46,983	70,677	(23,694)	-34%	77,464
Surplus/ (Deficit) for the year		2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)	26,899	-520%	18,687

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

Vote Description [Insert departmental structure etc 3.]	Ref	2012/13	Budget Year 2013/14							
		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		3,318	3,716	3,716	-	2,477	2,477	0	0.0%	3,716
Vote 2 - Budget & Treasury		81,983	82,034	82,034	590	59,445	54,689	4,756	8.7%	80,219
Vote 3 - Corporate Services		5,294	3,600	3,660	8	2,008	2,275	(267)	-11.7%	2,608
Vote 4 - Planning & Development		733	890	1,190	225	225	593	(368)	-62.0%	890
Vote 5 - Project Management & Advisory Services		10,593	9,240	9,240	507	4,550	5,466	(916)	-16.8%	8,717
Total Revenue by Vote	2	101,921	99,479	99,840	1,330	68,705	65,501	3,204	4.9%	96,151
Expenditure by Vote	1									
Vote 1 - Council & Executive		16,303	19,240	19,825	1,245	8,983	11,223	(2,240)	-20.0%	10,210
Vote 2 - Budget & Treasury		16,174	18,409	18,481	708	7,606	10,738	(3,133)	-29.2%	13,504
Vote 3 - Corporate Services		19,613	23,889	24,369	1,415	10,093	13,935	(3,842)	-27.6%	13,064
Vote 4 - Planning & Development		12,982	19,242	19,069	932	6,244	11,224	(4,980)	-44.4%	12,421
Vote 5 - Project Management & Advisory Services		34,453	40,382	40,160	1,227	14,056	23,556	(9,499)	-40.3%	28,265
Total Expenditure by Vote	2	99,524	121,161	121,904	5,526	46,983	70,677	(23,694)	-33.5%	77,464
Surplus/ (Deficit) for the year	2	2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)	26,899	-519.6%	18,687

Please refer to next page

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

Description	Ref	2012/13	Budget Year 2013/14							
		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		596	961	961	281	431	561	(130)	-23%	431
Interest earned - external investments		5,672	4,619	4,619	556	3,037	2,695	342	13%	3,315
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		94,579	93,815	94,175	491	65,177	62,196	2,981	5%	92,344
Other revenue		1,073	24	24	2	59	14	45	325%	59
Gains on disposal of PPE		-	60	60	-	1	35	(34)	-98%	1
Total Revenue (excluding capital transfers and contributions)		101,921	99,479	99,840	1,330	68,705	65,501	3,204	5%	96,151
Expenditure By Type										
Employee related costs		39,423	47,498	47,498	3,206	22,237	27,707	(5,470)	-20%	24,909
Remuneration of councillors		5,160	5,679	5,679	418	2,982	3,313	(331)	-10%	3,014
Debt impairment		-	3	3	-	-	2	(2)	-100%	3
Depreciation & asset impairment		3,429	5,050	5,050	-	-	2,946	(2,946)	-100%	5,050
Finance charges		2,318	2,215	2,215	-	631	1,292	(661)	-51%	1,631
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		2,569	3,983	4,528	186	1,519	2,324	(804)	-35%	2,299
Contracted services		212	-	-	-	-	-	-	-	-
Transfers and grants		35,437	42,937	42,430	1,080	13,088	25,047	(11,959)	-48%	32,253
Other expenditure		9,926	13,595	14,300	636	6,525	7,930	(1,406)	-18%	8,105
Loss on disposal of PPE		1,050	200	200	-	-	117	(117)	-100%	200
Total Expenditure		99,524	121,161	121,904	5,526	46,983	70,677	(23,694)	-34%	77,464
Surplus/ (Deficit) for the year		2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)	26,899	(0)	18,687
Transfers recognised - capital										
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)			18,687
Taxation										
Surplus/(Deficit) after taxation		2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)			18,687
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)			18,687
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		2,396	(21,681)	(22,064)	(4,196)	21,722	(5,177)			18,687

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

Vote Description	Ref	2012/13	Budget Year 2013/14							
		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		57	82	82	-	6	48	(42)	-88%	81
Vote 2 - Budget & Treasury		1,853	862	757	596	611	503	108	21%	690
Vote 3 - Corporate Services		874	2,593	2,072	4	462	1,513	(1,051)	-69%	1,406
Vote 4 - Planning & Development		2,558	141	141	-	21	82	(61)	-75%	139
Vote 5 - Project Management & Advisory Services		611	611	609	-	139	356	(217)	-61%	475
Total Capital single-year expenditure	4	5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Total Capital Expenditure		5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Capital Expenditure - Standard Classification										
Governance and administration		2,784	2,092	1,445	600	1,037	1,221	(184)	-15%	1,470
Executive and council		57	82	82	-	6	48	(42)	-88%	81
Budget and treasury office		1,853	862	757	596	611	503	108	21%	690
Corporate services		874	1,148	606	4	420	670	(250)	-37%	699
Community and public safety		3,006	1,476	1,479	-	115	861	(746)	-87%	720
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2,470	1,385	1,406	-	41	808	(766)	-95%	647
Housing		535	91	74	-	73	53	20	38%	73
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		163	721	737	-	87	421	(334)	-79%	601
Planning and development		163	661	677	-	87	386	(299)	-77%	541
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	60	60	-	-	35	(35)	-100%	60
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Funded by:										
National Government		-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791
Total Capital Funding		5,953	4,290	3,662	600	1,239	2,502	(1,264)	-51%	2,791

Table C6 Monthly Budget Statement - Financial Position

Description	Ref	2012/13	Budget Year 2013/14			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		364	959	364	922	959
Call investment deposits		83,200	59,000	83,200	105,250	48,996
Consumer debtors		-	-	-	-	-
Other debtors		2,658	1,400	2,658	989	1,400
Current portion of long-term receivables		-	-	-	-	-
Inventory		266	300	266	268	300
Total current assets		86,488	61,659	86,488	107,429	51,655
Non current assets						
Long-term receivables		10,612	-	10,612	10,612	10,612
Investments		3,800	3,000	3,800	3,800	3,800
Investment property		-	-	-	-	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		48,071	48,087	47,786	49,309	48,087
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		849	2,163	1,134	849	1,099
Other non-current assets		-	-	-	-	-
Total non current assets		63,332	53,250	63,332	64,570	63,599
TOTAL ASSETS		149,820	114,909	149,820	171,999	115,254
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1,444	1,606	1,606	746	1,444
Consumer deposits		-	-	-	-	-
Trade and other payables		4,499	3,035	4,499	7,072	3,566
Provisions		6,860	6,024	6,860	5,441	6,024
Total current liabilities		12,802	10,665	12,964	13,259	11,034
Non current liabilities						
Borrowing		10,041	8,470	9,880	10,041	8,470
Provisions		23,001	17,971	23,001	23,001	17,971
Total non current liabilities		33,042	26,442	32,881	33,042	26,442
TOTAL LIABILITIES		45,845	37,107	45,845	46,302	37,476
NET ASSETS	2	103,975	77,802	103,975	125,697	77,778
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		75,967	54,541	75,967	97,690	54,517
Reserves		28,008	23,261	28,008	28,008	23,261
TOTAL COMMUNITY WEALTH/EQUITY	2	103,975	77,802	103,975	125,697	77,778

1.4.7 Table C7 Monthly Budget Statement - Cash Flow

Description	Ref	2012/13	Budget Year 2013/14							
		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		9,655	72	72	1,950	3,949	440	3,509	798%	668
Government - operating		92,105	93,815	93,815	-	70,725	52,597	18,128	34%	92,592
Government - capital		-	-	-	-	-	-	-	-	-
Interest		5,575	4,619	4,619	556	3,833	2,839	994	35%	4,708
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(61,273)	(67,427)	(67,427)	(4,233)	(37,692)	(36,671)	1,020	-3%	(67,226)
Finance charges		(1,360)	(1,215)	(1,215)	-	(631)	(549)	82	-15%	(2,362)
Transfers and Grants		(38,589)	(41,756)	(41,756)	(530)	(15,456)	(13,993)	1,462	-10%	(45,692)
NET CASH FROM/(USED) OPERATING ACTIVITIES		6,112	(11,892)	(11,892)	(2,256)	24,727	4,662	20,066	430%	(17,312)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	100
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (Increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current investments		(900)	-	-	-	-	-	-	-	-
Payments										
Capital assets		(6,563)	(3,861)	(3,861)	(138)	(1,421)	(1,123)	298	-27%	(3,861)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7,463)	(3,861)	(3,861)	(138)	(1,421)	(1,123)	298	-27%	(3,761)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(1,299)	(1,606)	(1,606)	-	(698)	(569)	129	-23%	(1,139)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,299)	(1,606)	(1,606)	-	(698)	(569)	129	-23%	(1,139)
NET INCREASE/ (DECREASE) IN CASH HELD		(2,650)	(17,358)	(17,358)	(2,394)	22,608	2,970			(22,211)
Cash/cash equivalents at beginning:		86,214	77,317	77,317	108,566	83,564	77,317			83,564
Cash/cash equivalents at month/year end:		83,564	59,959	59,959	106,172	106,172	80,287			61,353

5. SUPPORTING DOCUMENTATION

Table SC1 Material variance explanations

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Government grants & subsidies	5%	Equitable Share Grant received during November 2013.	Acceptable
	Rental of facilities and equipment	-23.14%	Rental of grader to local municipalities only charged for the 1st and 2nd quarter of the financial year.	The Grader operations will gain momentum as the financial year progresses.
	Interest earned - external investments	12.71%	Interest earned on external investment is more than full year budget.	Acceptable and dependant on the market yield.
	Other income	324.93%	Revenue generated is more than the full year budget .	Acceptable
2	Expenditure By Type			
	Salaries	-19.74%	Approved vacant posts not filled according to the organogram	Most vacant post were advertised and will be filled shortly.
	Depreciation	-100.00%	A new program is being developed to link it to the Financial System	Busy verifying and updating data of the previous financial year.
	Other Materials	-34.62%	All maintenance projects are needs driven. The District does not have any major infrastructure assets to maintain except for its administrative building	All maintenance projects are needs driven as and when required.
	Transfers and grants	-47.75%	Most projects are in the planning phase of implementation as per the procurement plan.	Most projects have not started, Implementation will gain momentum as the financial year progresses.
	Other expenditure	-17.72%	Underspending occurred on payment of municipal services, audit fees and motor vehicle usage and other general expenses.	General expenses will gain momentum as the financial year progresses.
3	Capital Expenditure			
	Capital expenditure	-50.50%	As per the policy , all capital projects / purchases should have been completed / finalized by 31 March of each year	Most capital projects will gain momentum as the financial year progresses.
4	Financial Position			
	Reserves	R 4,746,335	Under budgeted	Acceptable
	Property , plant & equipment	R 1,222,131	Under budgeted	Acceptable
5	Cash Flow			
	Net cash from operating / (used) Operating Activities	430.45%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	-26.57%	Capital Expenditure not materialising per SDBIP	Departments are urged to spent their budget allocations
	Net cash from operating / (used) Financing Activities	-22.64%	Repayment of borrowing	Bi-Annual DBSA Loan Repayment
6	Measureable performance			
7	Municipal Entities			

More detail on operating variances is available on pages 04 to 12 of this report.

Table SC2 Monthly Budget Statement - performance indicators

Description of financial indicator	Basis of calculation	Ref	2012/13	Budget Year 2013/14			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
Borrowing Management							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		6.7%	7.4%	6.6%	5.8%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5.8%	6.0%	6.0%	1.3%	6.0%
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		15.4%	16.9%	15.4%	14.2%	17.3%
Gearing	Long Term Borrowing/ Funds & Reserves		35.9%	36.4%	35.3%	35.9%	36.4%
Liquidity							
Current Ratio 1	Current assets/current liabilities	1	675.6%	578.1%	673.3%	810.2%	468.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		682.4%	590.3%	673.9%	829.4%	487.2%
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		13.0%	1.4%	13.3%	16.9%	12.5%
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		38.7%	47.7%	47.6%	32.4%	25.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.5%	4.0%	4.5%	0.3%	1.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		5.6%	7.3%	7.3%	0.9%	4.8%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		203.5%	148.2%	0.0%	473.0%	183.4%
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		19.2	2.2	2.2	3.6	2.5

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations. The year-to-date ratio of employee costs as compared to the total revenue – capital revenue for the year to date is 32.6%. The level of employee costs should be monitored and managed effectively as it must not exceed the national norm of 35 %.

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 2013/14								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	768	138	65	3	1	0	1	12	989		17
Total By Revenue Source	2000	768	138	65	3	1	0	1	12	989		17
2011/12 - totals only		730	131	62	3	1	0	1	11	939		16
Debtors Age Analysis By Customer Category												
Government	2200	224	129	61	2	-	-	-	-	417		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	544	9	4	1	1	395.00	1	12	572		
Total By Customer Category	2600	768	138	65	3	1	0	1	12	989		

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***

The only outstanding debt for more than 90 days as at 31 January 2014 in respect of Provincial and Local Governments department is:

- Dikgatlong Municipality R2 108.64 payment for street lighting at Koopmansfontein.

- ***Post-Service Benefits***

The only outstanding debts reflected for more than 90 days as at 31 January 2014 is:

- Payne ME R7 210.60, Benson SC R3 484.70, Oosthuizen HJ R2 202.80, Maritz AJ R44.90 and Benson SC R3 484.70 for post medical-aid. The long outstanding debtors will be handed over to Council's attorneys to recover the debt.

- ***Sundry Debtors***

The only outstanding debt reflected for more than 90 days as at 31 January 2014 for sundry debtors is:

- Maribe BM R1 900.00 for traffic fine.

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

Table SC4 Monthly Budget Statement - aged creditors

Description	NT Code	Budget Year 2013/14									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700										-	
Auditor General	0800										-	
Other	0900	7,053	-	-	20	-	-	-	-	-	7,072	-
Total By Customer Type	2600	7,053	-	-	20	-	-	-	-	-	7,072	-

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 6.4% for staff has been implemented in July 2013.

The annual increase for Councilors’ in terms of the remuneration of Public Office Bearers Act, 1998 was implemented in January 2014.

Trade Creditors:

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month of January 2014 is listed below:

PAYMENTS	
Total value of all payments	R 4,833,396
Electronic transfers	106
Cheques issued	17
STORES	
Value of Stores issued	49,524
SALARIES	
Number of salary beneficiaries	142
Councillors	20
Employees	120
Pensioners	2
Total remuneration paid	
	3,113,623
Councillors	402,155
Employees	2,708,627
Pensioners	2,841

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. The Supply Chain Management Policy is currently being reviewed. It will be submitted to Council and once approved will be effective from the date of approval.

Implementation of the Supply Chain Management Process:

- *Supply Chain Management Training*

No training was offered or attended by officials for supply chain management.

- *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 2014, no contracts / tenders (R200 000+) were awarded by the Bid Adjudication Committee.

For the period of January 2014 no written price quotations (R30 000-R200 000) were awarded by the Municipal Manager.

The value of orders issued for the period ended 31 January 2014 total R3 370 234.81 (*See Annexure "C"*)

Orders per department

Council and Executive	R69 064.24
Municipal Manager	R24 128.61
Finance	R158 097.53
Administration	R1 077 257.59
Planning and Development	R248 457.26
Technical Service	R1 793 229.58

- *Disposal Management*

The following vehicles were disposed as per council resolution of June 2013 during the month of January 2014:

- Dikgatlong Local Municipality: Isuzu 2.4 LDV - BTT 339 NC and Toyota Corolla - BXL 799 NC.

- Magareng Local Municipality: Isuzu 2.4 LDV - BVC 305 NC

The disposal of these vehicles is still in process.

- Deviations

No deviation was approved by the Municipal Manager for the month of January 2014.

- Issues from Stores

Total orders issued amount to R49 524.09 for all departments.

Council and Executive	R4 685.29
Municipal Manager	R1 930.87
Finance	R936.43
Administration	R20 579.20
Planning and Development	R7 871.42
Technical Services	R571.14
Stores	R12 949.74

- Orders outstanding more than 30 days for January 2014

<u>COMPANY</u>	<u>60 DAYS</u>	<u>90 DAYS</u>	<u>COMMENT</u>
Cecil Nurse Furniture	R46 060.16	-	Invoice to be processed
The Drain Surgeon		R2 502.98	Invoice not yet received
Humelani Water Services	-	R276 606.58	Project not yet completed
Ikamva Resource Group Projects	-	R117 472.00	Service not yet rendered
DFA		R7 025.34	Invoice not yet received
k201302601307	-	R12 707.90	Project not yet completed
Lasec SA	-	R748.06	Invoice not yet received
Leboa IT Solutions	-	R319.20	Service not yet rendered
Maxi's Catering	-	R2 700.00	Invoice to be process
MC Cross Logistics & General	-	R23 745.00	Service not yet rendered
Masilakhe Management Consulting	-	R273 600.00	Project not yet completed
National Health Laboratory Services	-	R451.32	Invoice not yet received
OG Media	-	R28 500.00	Service not yet rendered
Rennies Travel	R296.40	R4 701.52	Invoice not yet received
Sure Astra	R4 233.20	R18 441.37	Invoice not yet received
Sedibeng Water Vaal Gamagara	R10 439.55	R4 500.00	Invoice not yet received
Trophy & Gift Centre		R168.00	Invoice not yet received
Tidy Files	R3 399.20	-	Service not yet rendered
Uhuru Books & Stationery	-	R200.00	Service not yet rendered
UFS Centre for Business	-	R345 000.00	Project not completed

Yes media	-	R19 950.00	Invoice not yet received
WAP SA	R4 447.83	-	Service not yet rendered
Sure Astra	-	R19 586.40	Invoice not yet received

• 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.

The next Procurement Plan report will be available during the third quarter of the financial year as annexure "D" outlining details in respect of the 2013/14 financial year.

Table SC5 Monthly Budget Statement - investment portfolio

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
Municipality									
STANDARD BANK		363	Fixed	22-Jun-14	19	5.8%	3,800		3,800
ABSA		119	Notice	20-Feb-14	14	5.4%	3,000		3,000
NEDCOR		119	Notice	20-Feb-14	27	5.4%	6,000		6,000
STANDARD BANK		119	Notice	7-Mar-14	36	5.4%	8,000		8,000
NEDCOR		119	Notice	7-Mar-14	28	5.6%	6,000		6,000
NEDCOR		120	Notice	11-Mar-14	71	5.6%	15,000		15,000
ABSA		119	Notice	11-Mar-14	32	5.4%	7,000		7,000
ABSA		119	Notice	14-Mar-14	22	5.5%	4,750		4,750
STANDARD BANK		120	Notice	1-Apr-14	84	5.5%	18,000		18,000
NEDCOR		120	Notice	1-Apr-14	19	5.6%	4,000		4,000
ABSA		120	Notice	1-Apr-14	37	5.5%	8,000		8,000
ABSA		120	Notice	3-Apr-14	32	5.5%	7,000		7,000
NEDCOR		120	Notice	3-Apr-14	23	5.5%	5,000		5,000
RMB		119	Notice	3-Apr-14	28	5.4%	6,000		6,000
STANDARD BANK		119	Notice	3-Apr-14	28	5.5%	6,000		6,000
ABSA		2	CALL	31-Jan-14	0	4.5%	1,500		1,500
TOTAL INVESTMENTS AND INTEREST					500		109,050	-	109,050
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST					500		109,050	-	109,050

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

Table SC6 Monthly Budget Statement - transfers and grant receipts

Description	Ref	2012/13	Budget Year 2013/14							
		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:		90,692	93,130	93,430	232	70,033	72,458	(2,425)	-3.3%	91,330
Local Government Equitable Share		10,391	10,329	10,329	232	5,245	6,025	(780)	-13.0%	10,329
Special Contribution: Councillor Remuneration		3,318	3,716	3,716	-	2,477	3,716	(1,239)	-33.3%	3,716
Levy replacement	3	73,733	75,945	75,945	-	59,771	59,993	(223)	-0.4%	74,811
Finance Management Grant		1,250	1,250	1,250	-	1,250	1,250	-		1,250
Municipal Systems Improvement		1,000	890	1,190	-	890	890	-		890
Extended Public Works Programme		1,000	1,000	1,000	-	400	583	(183)	-31.4%	333
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		2,558	600	600	-	415	350	65	18.6%	600
Housing	4	270	-	-	-	415	-	415		-
Near Grant		1,176	300	300	-	-	175	(175)		300
Fire Fighting Equipment Grant		1,112	300	300	-	-	175	(175)		300
NC Tourism		-	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		175	85	85	-	14	50	(36)		180
SETA Skills Grant		175	85	85	-	14	50	(36)		180
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	93,425	93,815	94,115	232	70,462	72,858	(2,395)	-3.3%	92,110
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	93,425	93,815	94,115	232	70,462	72,858	(2,395)	-3.3%	92,110

Table SC7 Monthly Budget Statement - transfers and grant expenditure

Description	Ref	2012/13	Budget Year 2013/14							
		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:		90,532	93,130	93,430	483	65,155	54,326	10,829	19.9%	89,987
Local Government Equitable Share		10,391	10,329	10,329	232	5,245	6,025	(780)	-13.0%	9,796
Special Contribution: Councillor Remuneration		3,318	3,716	3,716	-	2,477	2,168	310	14.3%	3,318
Levy replacement		73,733	75,945	75,945	-	55,687	44,301	11,385	25.7%	73,733
Finance Management Grant		1,250	1,250	1,250	26	605	729	(125)	-17.1%	1,250
Municipal Systems Improvement		733	890	1,190	225	225	519	(294)	-56.6%	890
Extended Public Works Programme		1,107	1,000	1,000	-	916	583	333	57.1%	1,000
Water Affairs		-	-	-	-	-	-	-	-	-
Provincial Government:		3,277	600	600	8	8	350	(342)	-97.7%	600
Housing		983	-	-	-	-	-	-	-	-
Near Grant		1,176	300	300	-	-	175	(175)	-	300
Fire Fighting Equipment Grant		1,112	300	300	-	-	175	(175)	-	300
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		6	-	-	8	8	-	8	#DIV/0!	-
District Aids Programme		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		769	85	85	-	14	50	(36)	-	180
Koopmansfontein Self Build Scheme		595	-	-	-	-	-	-	-	-
ABSA		-	-	-	-	-	-	-	-	-
SETA Skills Grant		175	85	85	-	14	50	(36)	-	180
Total operating expenditure of Transfers and Grants:		94,579	93,815	94,115	491	65,177	54,725	10,452	19.1%	90,767
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-	-	-
Water Affairs		-	-	-	-	-	-	-	-	-
EPWP		-	-	-	-	-	-	-	-	-
Other capital transfers <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		94,579	93,815	94,115	491	65,177	54,725	10,452	19.1%	90,767

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	2012/13		Budget Year 2013/14						
		Unaudited 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		3,670	3,833	3,833	289	2,075	2,236	(161)	-7%	2,075
Pension Contributions		165	174	174	14	96	101	(5)	-5%	96
Medical Aid Contributions		17	19	19	1	10	11	(1)	-10%	10
Motor vehicle allowance		994	1,315	1,315	93	647	767	(120)	-16%	647
Cell phone and other allowances		314	307	328	22	154	179			185
Workmen's Compensation		-	21	21	-	-	12			21
Unemployment Insurance		-	11	11	-	-	6			11
Sub Total - Councillors		5,160	5,679	5,700	418	2,982	3,313	(331)	-10%	3,014
% increase	4		10.1%	10.5%						-41.6%
Senior Managers of the Municipality										
Basic Salaries and Wages		2,295	4,407	4,407	317	634	2,571	(1,937)	-75%	2,204
Pension and UIF Contributions		225	630	630	19	39	368	(329)	-89%	315
Medical Aid Contributions		68	146	146	5	10	85	(76)	-89%	73
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	584	584	-	-	340	(340)	-100%	292
Motor Vehicle Allowance		195	530	530	44	88	309	(221)	-71%	265
Cellphone Allowance		48	96	96	8	16	56	(40)	-71%	48
Housing Allowances		18	36	36	3	6	21	(15)	-70%	18
Other benefits and allowances		24	139	139	3	7	81	(74)	-91%	69
Payments in lieu of leave		-	98	98	-	-	57	(57)	-100%	49
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2,872	6,666	6,666	400	800	3,889	(3,088)	-79%	3,333
% increase	4		132.1%	132.1%						16.1%
Other Municipal Staff										
Basic Salaries and Wages		24,934	29,252	29,252	2,104	15,769	17,063	(1,294)	-8%	15,482
Pension and UIF Contributions		4,002	4,672	4,672	338	2,537	2,725	(189)	-7%	2,261
Medical Aid Contributions		1,202	1,300	1,300	105	769	759	11	1%	706
Overtime		54	-	-	15	41	-	41	#DIV/0!	-
Performance Bonus		366	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		2,108	2,090	2,090	170	1,347	1,219	128	10%	1,170
Cellphone Allowance		144	134	134	7	94	78	16	20%	62
Housing Allowances		395	442	442	13	119	258	(139)	-54%	107
Other benefits and allowances		977	1,256	1,256	51	376	733	(357)	-49%	695
Payments in lieu of leave		1,121	659	659	-	-	384	(384)	-100%	708
Long service awards		209	206	206	-	11	120	(109)	-91%	11
Post-retirement benefit obligations	2	1,038	821	821	3	374	479	(105)	-22%	374
Sub Total - Other Municipal Staff		36,551	40,832	40,832	2,806	21,437	23,819	(2,381)	-10%	21,576
% increase	4		11.7%	11.7%						-41.0%
Total Parent Municipality		44,583	53,177	53,198	3,624	25,219	31,020	(5,800)	-19%	27,923

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for January 2014 averages 69%. The reason for the deviations is mainly due to, annual, sick, courses 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	7	11
Annual Leave	0	2	30	27
Sick Leave	0	20	3	1
Courses / Seminar	1	0	0	6
Meetings	0	0	0	0
Family Responsibility	0	0	1	0
Study	0	0	0	0
Maternity Leave	0	0	0	0
Union Matters	0	0	0	0
Absent	0	0	0	0
Special Annual Leave	2	8	13	19
No. of Workdays Attended	16	58	85	145
Total Workdays	22	88	132	198
Percentage attendance per Group	73%	66%	64%	73%
Average	69%			

Personnel Development:

No training was offered or attended by the finance personnel for the month of January 2014.

INTERNSHIP PROGRAMME

As per National Treasury regulations, five Finance Interns were appointed (three on 19 December 2012, one on 03 December 2012 and one on 02 May 2013). Three vacant posts of Finance Interns were advertised due to resignations 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.

The three Finance Interns have been registered and have started the Municipal Finance Management Programme with Deloitte. They are also receiving on the job training.

Please refer to next page

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

Description	Ref	Budget Year 2013/14												2013/14 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2013/14	+1 2014/15	+2 2015/16
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		-	-	-	-	-	-	-	-	-	-	-	-			
Interest earned - external investments		447	980	508	511	361	471	556	-	-	-	-	-	4,619	4,850	5,044
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-			
Fines		-	-	-	-	-	-	-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-			
Agency services		-	-	-	-	-	-	-	-	-	-	-	-			
Transfer receipts - operating		38,903	-	1,707	117	29,997	-	-	-	-	-	-	-	93,815	100,419	106,938
Other revenue		87	361	278	528	293	450	1,950	-	-	-	-	-	72	72	74
Cash Receipts by Source		39,437	1,341	2,493	1,156	30,651	921	2,506						98,506	105,341	112,056
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		39,437	1,341	2,493	1,156	30,651	921	2,506						98,506	105,341	112,056
Cash Payments by Type																
Employee related costs		3,380	3,167	3,265	3,292	4,951	3,092	2,979	-	-	-	-	-	44,698	45,692	48,860
Remuneration of councillors		437	429	418	425	419	435	418	-	-	-	-	-	5,508	5,784	6,073
Interest paid		-	-	-	-	-	631	-	-	-	-	-	-	1,215	1,053	874
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-			
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-			
Other materials		698	381	389	257	407	125	89	-	-	-	-	-	3,784	3,926	4,011
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-			
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	41,791	26,920	28,636
Grants and subsidies paid - other		2,550	1,156	3,192	1,404	2,878	3,746	530	-	-	-	-	-			
General expenses		1,121	741	1,274	1,075	1,781	1,500	747	-	-	-	-	-	13,436	13,788	14,006
Cash Payments by Type		8,186	5,874	8,538	6,453	10,436	9,529	4,763						110,433	97,164	102,459
Other Cash Flows/Payments by Type																
Capital assets		256	373	346	174	61	73	138	-	-	-	-	-	3,861	7,218	1,559
Repayment of borrowing		-	-	-	-	-	698	-	-	-	-	-	-	1,606	1,785	1,985
Other Cash Flows/Payments																
Total Cash Payments by Type		8,442	6,247	8,884	6,627	10,497	10,300	4,901						115,899	106,168	106,004
NET INCREASE/(DECREASE) IN CASH HELD		30,995	(4,906)	(6,392)	(5,471)	20,154	(9,379)	(2,394)						(17,393)	(827)	6,052
Cash/cash equivalents at the monthly/year beginning:		83,564	114,559	109,653	103,262	97,791	117,945	108,566	-	-	-	-	-	77,317	59,925	59,098
Cash/cash equivalents at the monthly/year end:		114,559	109,653	103,262	97,791	117,945	108,566	106,172	-	-	-	-	-	59,925	59,098	65,150

Table SC12 Monthly Budget Statement - capital expenditure trend

Month	2012/13	Budget Year 2013/14							
	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		43	43	13	13	43	30	70.1%	0%
August	50	472	472	34	47	515	468		1%
September	493	86	86	305	352	601	249	41.4%	8%
October	765	472	472	154	506	1,073	566	52.8%	12%
November	300	901	901	60	566	1,973	1,407	71.3%	13%
December	784	558	558	72	638	2,531	1,893	74.8%	15%
January	1,213	343	343	600	1,239	2,874	1,636	56.9%	29%
February	120	386	156				-		
March	1,192	429	129				-		
April	135	300	202				-		
May	527	215	215				-		
June	374	86	86				-		
Total Capital expenditure	5,953	4,290	3,662	1,239					

Please refer to next page

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

Description	Ref	2012/13	Budget Year 2013/14							
		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		4,223	2,290	2,199	-	180	1,336	1,156	86.6%	1,419
General vehicles		3,063	595	591	-	38	347	309	89.1%	346
Specialised vehicles										
Plant & equipment		402								
Computers - hardware/equipment		121	432	307		69	252	183	72.7%	324
Furniture and other office equipment		52	81	83		18	47	29	61.7%	61
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		584	1,182	1,218		55	690	635	92.0%	688
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		319	60	60			35	35	100.0%	40
Computers - software & programming		319	60	60			35	35	100.0%	40
Other										
Total Capital Expenditure on new assets	1	4,541	2,350	2,259	-	180	1,371	1,191	86.9%	1,459

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

Description	Ref	2012/13	Budget Year 2013/14							
		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 renewal of existing 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		1,412	1,940	1,403	600	1,059	1,132	73	6.4%	1,332
General vehicles		714	800	650	596	596	467	(129)	-27.7%	600
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		4	-	-	-	-	-	-	-	-
Computers - hardware/equipment		439	859	472	-	379	501	122	24.3%	511
Furniture and other office equipment		-	81	81	4	17	47	30	63.1%	61
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		248	200	200	-	66	117	51	43.4%	160
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		7	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing ass	1	1,412	1,940	1,403	600	1,059	1,132	73	6.4%	1,332

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

Description	Ref	Budget Year 2013/14								
		2012/13 Audited Outcome	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		1,395	2,769	2,283	118	850	1,385	535	38.6%	2,337
General vehicles		348	477	502	3	172	239	67	27.9%	404
Specialised vehicles										
Plant & equipment		221	53	53		1	27	25	94.6%	265
Computers - hardware/equipment		513	883	885	50	331	442	111	25.1%	810
Furniture and other office equipment		27	132	132	29	36	66	30	44.8%	27
Abattoirs										
Markets										
Civic Land and Buildings		286	584	593	36	281	292	11	3.8%	282
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other - Emergency Equipment			640	118		28	320	292	91.1%	549
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		1,174	1,814	2,245	68	669	907	238	26.2%	1,172
Computers - software & programming		1,174	1,814	2,245	68	669	907	238	26.2%	1,172
Other										
Total Repairs and Maintenance Expenditure		2,569	4,583	4,528	186	1,519	2,292	773	33.7%	3,509

Table SC13d Monthly Budget Statement - depreciation by asset class

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	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		125	200	200	-	-	117	117	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		125	200	200	-	-	117	117	100.0%	200
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		3,162	4,600	4,600	-	-	2,683	2,683	100.0%	4,098
General vehicles		624	600	600	-	-	350	350	100.0%	550
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		302	680	680	-	-	397	397	100.0%	645
Computers - hardware/equipment		760	850	850	-	-	496	496	100.0%	650
Furniture and other office equipment		767	970	970	-	-	566	566	100.0%	853
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		588	1,500	1,500	-	-	875	875	100.0%	1,400
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		121								
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		141	250	250	-	-	146	146	100.0%	200
Computers - software & programming		141	250	250	-	-	146	146	100.0%	200
Other										
Total Repairs and Maintenance Expenditure		3,429	5,050	5,050	-	-	2,946	2,946	100.0%	4,498

Depreciation will be run after the verification and update of the asset data and the development of a new asset management program that is linked to the Financial System.

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 was implemented. However, due to various problems experienced with the service provider, the contract was ended June 2012. BCX is currently developing a program to link asset management with eVenus – FBDM will be a pilot site.

The asset register and its management have in the meantime continued. The asset stock take took place during the second and third week of May 2013. Reconciliation of items that do not appear on the asset system is being verified and was completed prior to submitting the annual financial statements to the Auditor General in August 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 “e-Venus” financial system was implemented on 1 July 2009. A daily backup is done as well as a day end procedure to integrate daily 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	-	350,000	(350,000)	-100.00%
Insurance	79,091	48,417	30,675	63.36%
MV Administration Levy	11,491	11,667	(176)	-1.51%
Fuel	236,324	336,344	(100,020)	-29.74%
Licence	8,886	7,058	1,828	25.89%
Repairs and Maintenance	41,725	53,783	(12,058)	-22.42%
Tyres	20,529	46,083	(25,555)	-55.45%
TOTAL	398,046	853,353	(455,306)	-53.36%

Motor Vehicles - Utilization Statistics:

Council operates a pool of 23 vehicles as part of its routine activities.

Statistical information regarding the year-to-date utility for January 2014 is as follows:

	Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	December Utility
1	Citi Golf	Pool	2005	BSM 014 NC	105,000	2014/04/30	96,090	96,764	674
2	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	105,000	2014/09/30	95,703	96,877	1,174
3	Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	60,000	2014/09/30	46,253	46,540	287
4	Chevrolet Captiva	Pool	2011	CDM 296 NC	60,000	2014/09/30	49,521	49,599	78
5	Isuzu 2.4	Environmental Health	2006	BVC 305 NC	180,000	2014/07/31	178,220	178,220	-
6	Isuzu 2.4	Environmental Health	2006	BTT 339 NC	180,000	2014/04/30	173,802	173,802	-
7	Nissan D/Cab	Disaster Management	2006	BTT 376 NC	120,000	2014/04/30	118,486	119,253	767
8	Toyota Corolla	Pool	2009	BZP 439 NC	120,000	2014/09/30	111,087	112,447	1,360
9	Toyota Corolla	Pool	2009	BZP 440 NC	105,000	2014/09/30	99,738	100,985	1,247
10	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	15,000	2014/12/31	11,471	11,490	19
11	Isuzu KB 250	Housing	2013	CGR 572 NC	30,000	2014/12/31	15,559	17,219	1,660
12	Isuzu KB 250	Housing	2013	CGR 576 NC	30,000	2014/12/31	16,970	18,070	1,100
13	Hyundai HI	Tourism Centre	2013	CGY 587 NC	15,000	2014/02/28	9,478	10,739	1,261
14	Isuzu 2.4	Housing	2009	CBD 761 NC	105,000	2014/02/28	99,816	101,037	1,221
15	Toyota Corolla	Pool	2008	BXL 799 NC	150,000	2014/02/28	151,492	151,492	-
16	Nissan LDV	Community Development	2006	BVC 831 NC	135,000	2014/07/31	132,430	132,594	164
17	Ford Bantam	Finance	2004	BRD 836 NC	90,000	2014/01/31	85,440	85,662	222
18	Toyota Hilux	PMU	2004	BRF 837 NC	140,000	2014/02/28	134,758	135,631	873
19	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	30,000	2014/09/30	26,855	27,367	512
20	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	30,000	2014/09/30	24,774	24,829	55
21	Isuzu D/Cab	Pool	2013	CGR 974 NC	30,000	2014/12/31	17,168	18,744	1,576
22	Audi Q7	Council	2013	FBDM 1 NC	75,000	2014/12/31	56,776	59,668	2,892
23	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15,000	2014/06/30	2,001	2,001	-
	UTILITY JANUARY 2014 FULL FLEET								
									17,142

Motor Vehicle Damage Report:

No accidents or incidents took place during the month of January 2014.

Outstanding:

The rear bumper of Chevrolet Captiva registration number CDM 296 NC was scratched during the loading of a machine. The incident has been reported to the Asset Management Unit. A report is awaited from the LED Manager.

Toyota corolla registration number BXL 799 NC left front bumper was dented when the driver reversed into one of the poles at the parking lot. The vehicle will not be repaired as it was written off by council and is being transferred non-current assets held for sale.

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 January 2014 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that act.

ZM Bogatsu
Municipal Manager: Frances Baard District Municipality

Signature _____

Date 10 February 2014

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ZM Bogatsu
Municipal Manager: Frances Baard District Municipality

Signature  _____

Date 10 February 2014