

FRANCES BAARD DISTRICT MUNICIPALITY



MID-YEAR REPORT

31 DECEMBER 2014

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1. INTRODUCTION

1.1 PURPOSE

The purpose of this report is to comply with section 72 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 improve financial viability and management in terms of Municipal Finance Management Act (no.56 of 2003) priorities as well as Municipal Finance Management Act (no.56 of 2003) implementation plan”

1.3 BACKGROUND

Section 72 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 72 of the MFMA states that, the accounting officer of a municipality must by 25 January of each year –

- (a) assess the performance of the municipality during the first half of the financial year taking into account –
 - (i) the monthly budget statements for the first half of the financial year;
 - (ii) the municipality’s service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan; and
 - (iii) the past year’s annual report , and progress on resolving problems identified in the annual report.

“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. EXECUTIVE MAYOR’S REPORT

Frances Baard District Municipality compiles the section 72 Mid-year budget and performance assessment 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 2015/16 financial year was submitted to the Executive Mayor for approval on 23 July 2014 and has also been submitted to National Treasury.

Although the IDP process plan is submitted as a separate item by the Directorate: Planning and Development, it is imperative to align the IDP and budget processes with one another.

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 2014:

The Annual Financial Statements for the year ended 30 June 2014 were submitted to the Audit Committee on 20 August 2014 for their input and to the Office of the Auditor General on 29 August 2014 for audit purposes.

The District Municipality received an **Unqualified Audit Opinion** for the 2013/14 Financial Year with no matter of emphasis. This is a second time in five years that the municipality receives a clean audit.

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 rendered to Local Municipalities during the month.

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 December 2014.

4. EXECUTIVE SUMMARY

All variances are calculated against the approved budget figures.

4.1 Statement of Financial Performance

Consolidated performance against annual budget (Projected Operating Results) – Statement of Financial Performance – (Annexure A - Table C4)

Revenue by source

Year-to-date accrued revenue is R 68, 490 million as compared to the full year approved budget of R107, 992 million. The source of revenue that is below the budget is rental of facilities and equipment, interest from investments and other revenue.

Operating expenditure by type

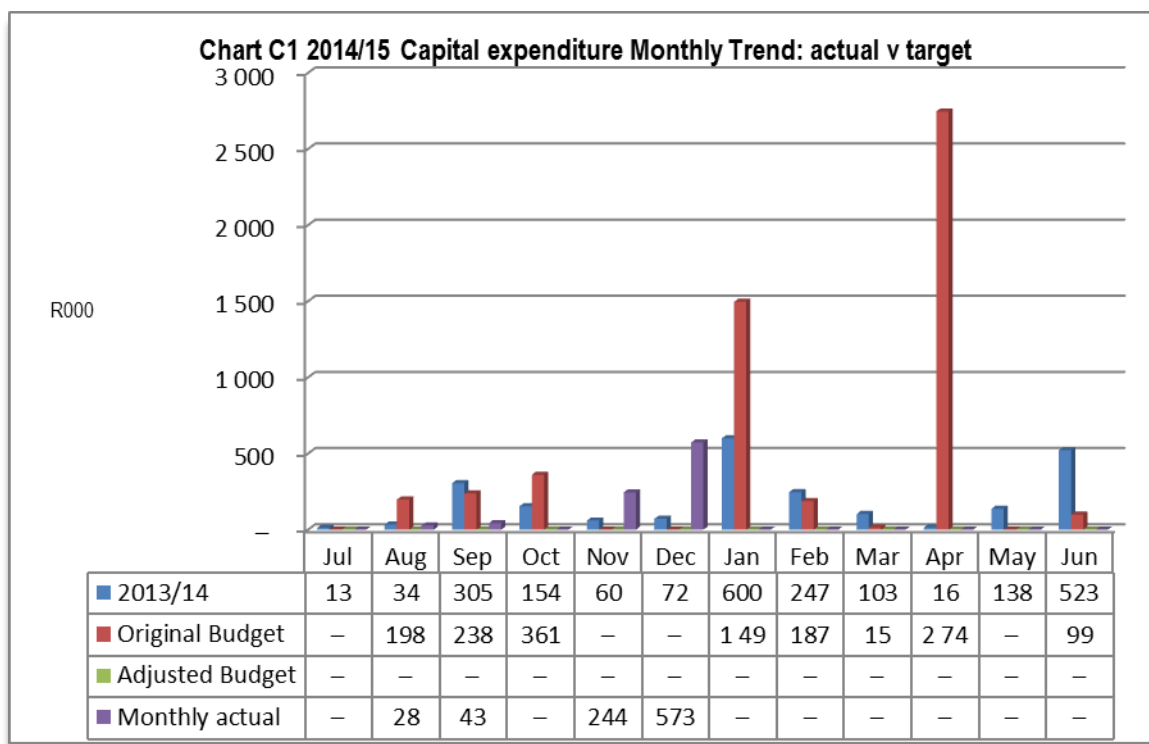
To date, R 46, 724 million has been spent compared to the operational year-to-date budget projections of R 55, 640 million. This does not include non-cash items such as depreciation & amortization. The main areas where expenditure is less than the budget is employee related costs, repairs & maintenance, finance charges (employee benefits), 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 R0, 888 million as compared to the approved capital budget of R5, 340 million. As per the policy, all capital projects / purchases should be completed / finalized by 31 March of each financial year. Spending on capital assets will gain momentum as the financial year progresses.

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

Capital Expenditure Monthly Trend: Actual vs Target**Cash Flows**

The Municipality started the year with a total cash and cash equivalents of R88, 633 million. For the month of December 2014, the cash and cash equivalents amount to R123, 085 million. The net increase in cash and cash equivalent for the year to date is R34, 452 million.

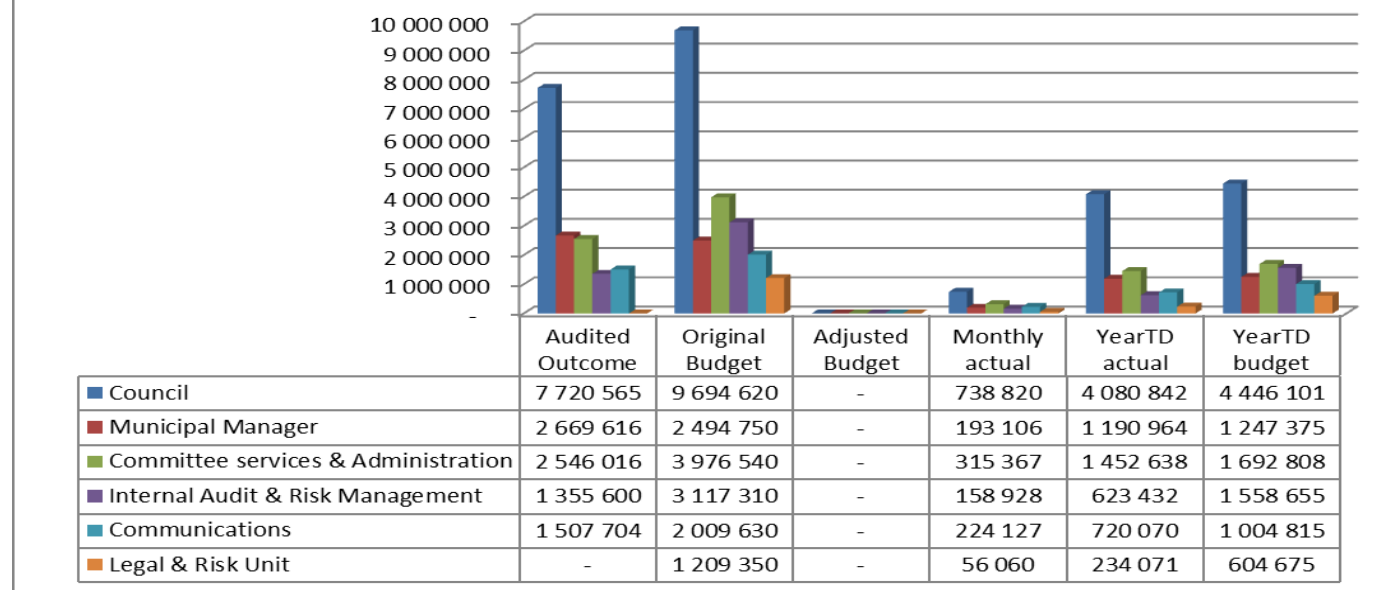
Table C6 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits).

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:

OPERATING EXPENDITURE - COUNCIL & EXECUTIVE



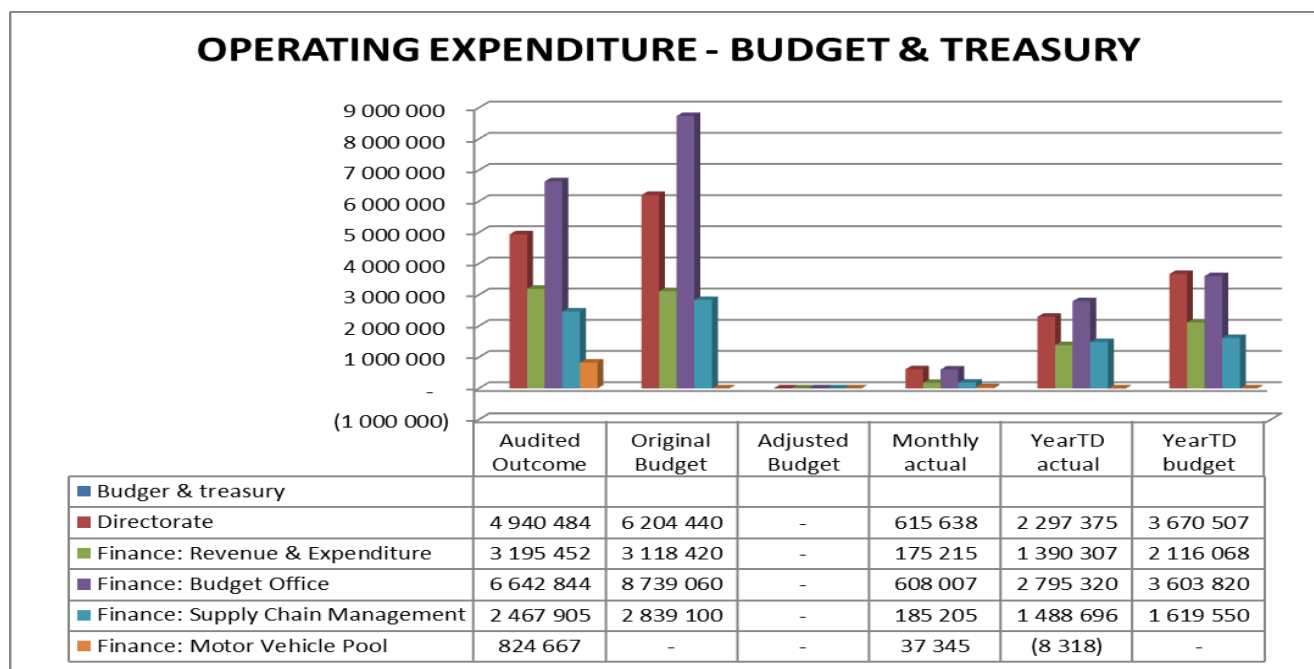
Actual operating expenditure of Council & Executive is R8, 302 018 as compared to the year-to-date budget R10, 554 429. The main areas where expenditure is less than YTD budgets are: employee related costs, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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

COUNCIL & EXECUTIVE				
	YTD Actual	Budget	% Spending	Remarks
<u>COUNCIL</u>				
Commemorative Days	13 117	86 000	15.25%	Spending as per the operational plan
Mayoral Bursary Fund	-	200 000	0.00%	Will be utilised during the current financial year
Total	13 117	286 000	4.59%	
<u>COMMITTEE & ADMINISTRATION SERVICES</u>				
Youth Unit Special Projects	59 000	200 000	29.50%	Will spend on the 3rd Quarter
Total	59 000	200 000	29.50%	
<u>INTERNAL AUDIT</u>				
Fraud Prevention Plan	84 000	350 000	24.00%	To be adjusted during the adjustment budget
Total	84 000	350 000	24.00%	

	YTD Actual	Budget	% Spending	Remarks
COMMUNICATIONS				
Branding Communication	9 808	10 000	98.08%	Complete
PAIA Management Communication	-	5 000	0.00%	Will be utilised during the current financial year
Total	9 808	15 000	65.38%	

Year to date actual spending on special projects of Council & Executive amounted to R165 925 as compared to the approved budget of R851 000.

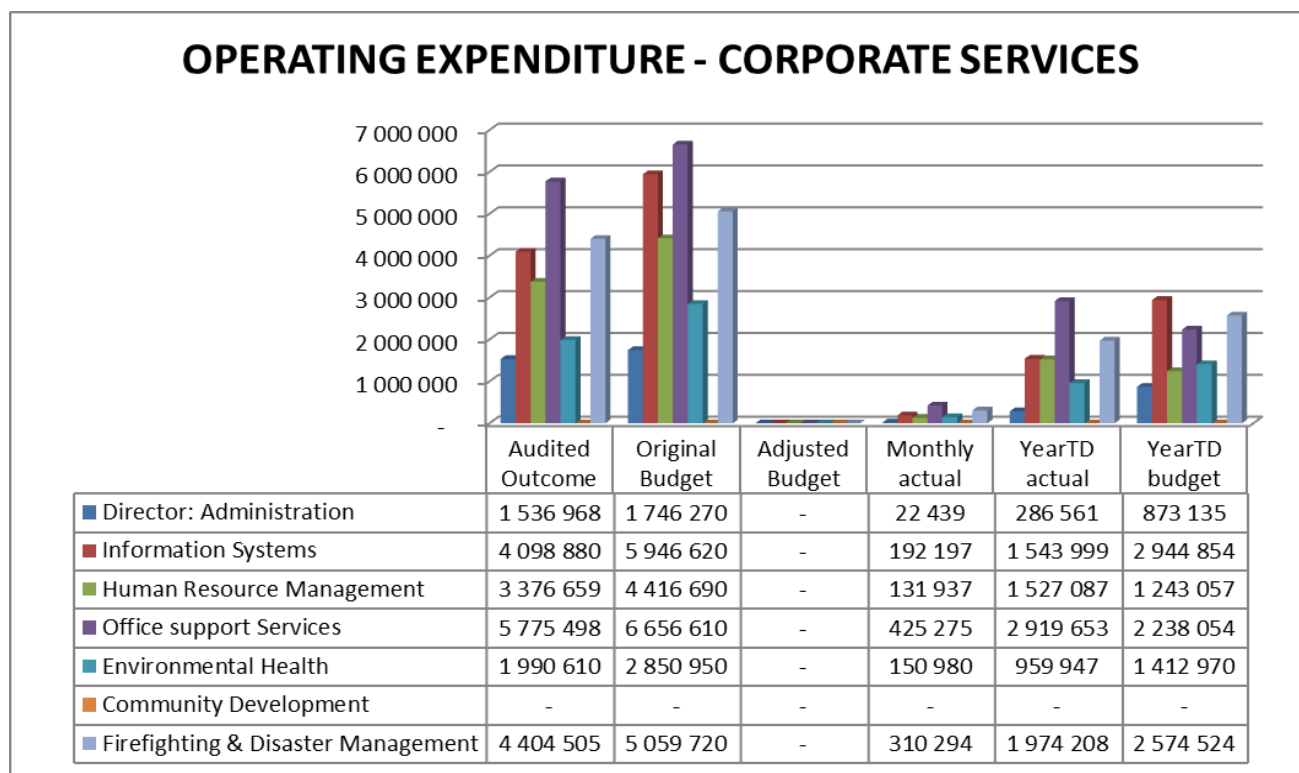


Actual operating expenditure of Budget & Treasury office is R7, 963 381 as compared to the year-to-date projected budget of R11, 009 945. The main areas where expenditure is less than YTD budgets are: employee related costs, employee benefits, consultancy, repairs and maintenance, audit fees, actuarial losses, special projects and general expenses.

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

FINANCE: DIRECTORATE				
	YTD Actual	Budget	% Spending	Remarks
Financial System Support Local Municipalities	86 250	300 000	28.75%	To be adjusted during the adjustment budget
Operation Clean Audit	21 582	540 000	4.00%	The local municipalities did not request for any assistance.
AFS Quality Control & GRAP	-	160 000	0.00%	Will be utilised during the current financial year
Staff Benefits Actuarial Evaluation	-	50 000	0.00%	Will be utilised during the current financial year
Total	107 832	1 050 000	10.27%	

An amount of R86, 250 was spent on Financial System Support Local Municipality, and will be adjusted during the adjustment budget process. The actual spending on special projects for the Department of Finance amounted to R107, 832 as compared to the approved budget of R1, 050 000.



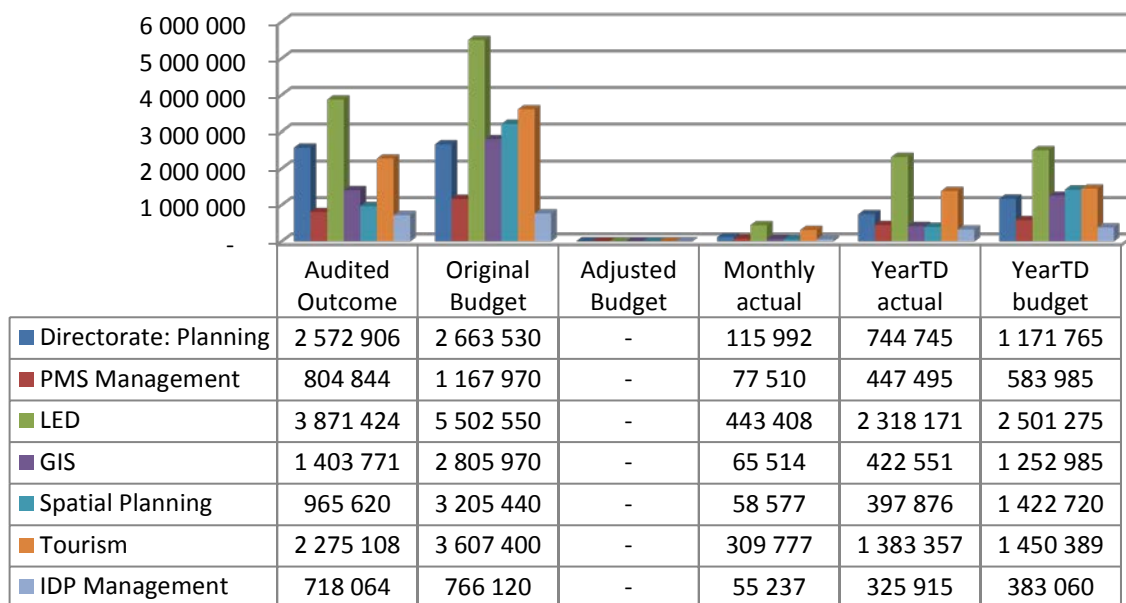
Actual operating expenditure of Corporate Services is R9, 211 455 as compared to the year-to-date projected budget of R11, 286 594. The main areas where expenditure is less than YTD budgets are: employee related costs, maintenance of computer hardware, software, printers, networks and telephone system, consultancy, special projects, training, and general expenses.

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

CORPORATE SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<u>INFORMATION COMMUNICATION & TECHNOLOGY</u>				
ICT Forum Meetings	-	10 000	0.00%	Expenditure as per the operational plan during the third quarter
Total	-	10 000	0.00%	
<u>HUMAN RESOURCE MANAGEMENT</u>				
Employee Assistance Programme	1 503	100 000	1.50%	Spending as per the operational plan
Employee Wellness	241 062	450 000	53.57%	Spending as per the operational plan
Total	242 565	550 000	44.10%	
	YTD Actual	Budget	% Spending	Remarks
<u>ENVIRONMENTAL HEALTH</u>				
Awareness Programme - HIV, TB & STI	3 358	24 000	13.99%	Spending as per the operational plan
Awareness Programme - Sanitation	2 618	24 000	10.91%	Spending as per the operational plan
Recycling Project	-	20 000	0.00%	Will be used during the 3rd quarter
Air Quality Projects	-	120 000	0.00%	To be adjusted during the adjustment budget
Environmental Health Forum	3 922	20 000	19.61%	Spending as per the operational plan
Greening Projects	-	60 000	0.00%	To be adjusted during the adjustment budget
Waste Management Campaigns	531	40 000	1.33%	To be adjusted during the adjustment budget
Sector 78 Assessment	-	450 000	0.00%	Project implemented - on track
Total	10 429	758 000	1.38%	
<u>FIRE FIGHTING AND DISASTER MANAGEMENT</u>				
Fire Fighting - Volunteers Training	-	75 000	0.00%	Expenditure as per the operational plan during the third quarter
Fire Fighting - Volunteers Stipend	-	63 400	0.00%	Expenditure as per the operational plan during the third quarter
Fire Fighting - Volunteers Ins	-	11 000	0.00%	Annual Esme
Contingency Fund	133 864	300 000	44.62%	On a needs basis per Local Municipality
Disaster Management Forum	-	8 000	0.00%	Will spend on the 3rd Quarter
Awareness Programmes	-	18 000	0.00%	Will spend on the 3rd Quarter
Total	133 864	475 400	28.16%	

The actual spending on special projects for Corporate Services amounted to R386 858 as compared to the approved budget R1, 793 400.

OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



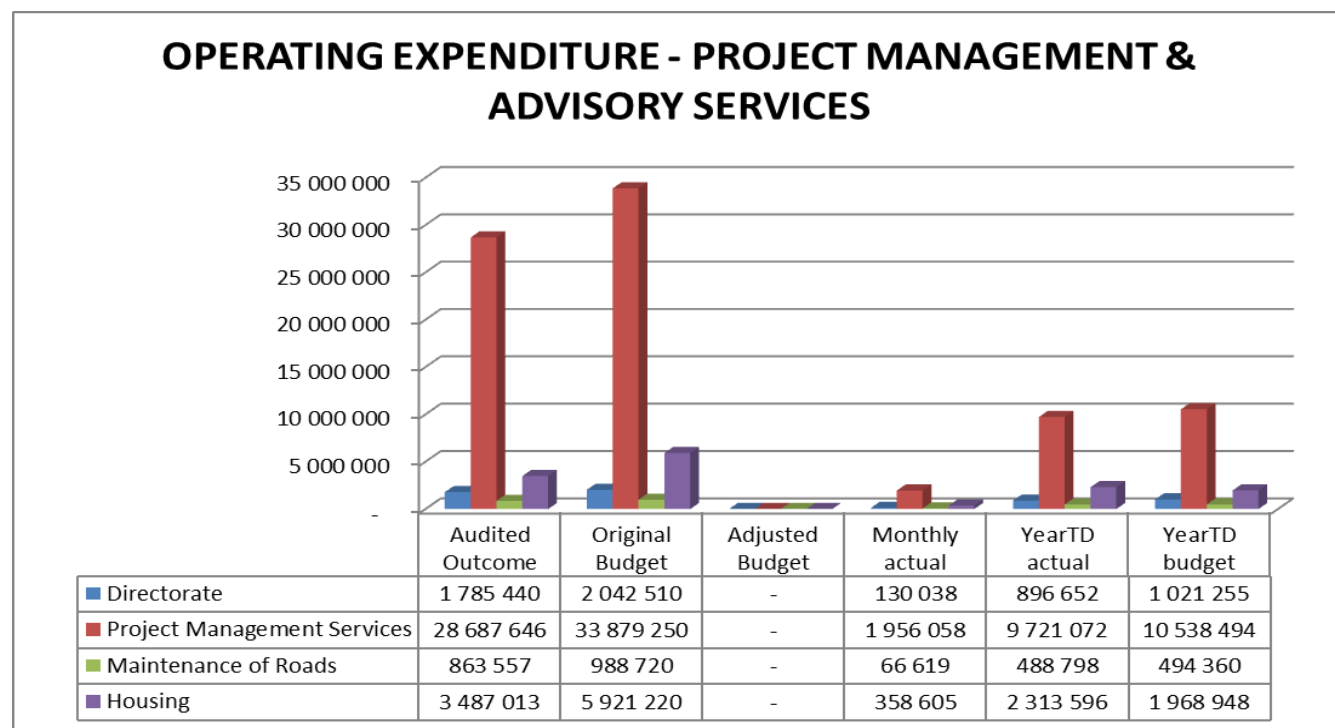
Actual operating expenditure of Planning & Development is R6, 040 110 as compared to the year-to-date projected budget of R8, 766 180. The main areas where expenditure is less than YTD budgets are: employee related costs, depreciation, repairs & maintenance, consultancy, special projects, advertisement 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</u>				
<u>DIRECTORATE</u>				
MSIG 14/15: Review Mun Polices (FBDM)	-	300 000	0.00%	Project in progress & on schedule
MSIG 14/15: Review FBDM Int Fin Man Plan	-	300 000	0.00%	Project in progress & on schedule
MSIG 14/15: Int Zoning Scheme Magareng Mum	-	334 000	0.00%	Project in progress & on schedule
Total	-	934 000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
LED SMME Development	-	411 000	0.00%	In progress & NVT Funds committed
LED Richie Incubation Centre	224 150	260 640	86.00%	Completed
LED Promotion Of Smme's	250 836	333 600	75.19%	In progress
LED Coordinte Structures & Forum	7 375	50 000	14.75%	In progress
LED Vegetable Plant - Phokwane	-	50 000	0.00%	In progress
LED Entrepreneurship Programme	150 962	336 050	44.92%	In progress, awaiting new interns
LED Bokomotso Project-Dikgatlong	-	100 000	0.00%	Advertised
LED Expo	628 963	639 000	98.43%	In progress
LED Bio-Mass Dikgatlong	-	120 000	0.00%	In progress
Kby Hub	-	120 000	0.00%	In progress
LED Develop Incentive Policies	1 344	30 000	4.48%	In progress
Total	1 263 630	2 450 290	51.57%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
Verify Water Infrastructure	-	600 000	0.00%	Tender advertised
Financial Data Clensing	-	1 000 000	0.00%	Appointment of bidder to be finalised
Total	-	1 600 000	0.00%	
<u>SPATIAL PLANNING</u>				
Surveying Of Erven Dikgatlong	-	397 000	0.00%	In progress
Spatial Development Framework - Magareng	-	291 980	0.00%	Saving R261 064
Spatial Development Framework (Fbdm)	-	276 500	0.00%	In progress
Zoning Scheme - Magareng	-	316 800	0.00%	In progress (Appointment stage)
EIA - Dikgatlong	-	36 600	0.00%	In progress still waiting for EIA approval
Total	-	1 318 880	0.00%	

	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
Diamonds & Dorings Support	-	550 000	0.00%	In progress
Tourism Contribution: Ncta Support	135 000	135 000	100.00%	In progress
Tourism N12 Promotion	50 000	50 000	100.00%	In progress
Tourism Treasure Route Support	-	20 000	0.00%	In progress
Tourism Businessplan Competition	335 251	615 000	54.51%	In progress
Indaba Trade Expo	73 580	316 930	23.22%	In progress
Tourism Website	-	5 400	0.00%	In progress
Tourism Advertising & Promotion	66 150	172 500	38.35%	In progress
Tourism Association	-	17 000	0.00%	In progress
Exhibition	22 960	23 390	98.16%	In progress
Tourguide Business Esteb Training	-	232 710	0.00%	In progress
Community Awareness Campaigns	128 500	168 000	76.49%	In progress
Total	811 441	2 305 930	35.19%	
<u>IDP MANAGEMENT</u>				
IDP Steering Committee Meeting	724	7 600	9.53%	In accordance with Budget
IDP Projects	-	35 170	0.00%	To be adjusted during the adjustment budget
Total	724	42 770	1.69%	

The actual spending on special projects for Planning & Development amounted to R2, 075 795 as compared to the approved budget of R8, 651 870.



Actual operating expenditure of Project Management & Advisory Services is R13, 420 119 as compared to the year-to-date projected budget of R14, 023 057. 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
INFRASTRUCTURE SERVICE DIRECTORATE				
District Technical Forum Meetings	2 311	9 000	25.68%	Will be spent
Total	2 311	9 000	25.68%	
	YTD Actual	Budget	% Spending	Remarks
PROJECT & ADVISORY SERVICES				
Phokwane - Maintenance Municipal Infrastructure.	1 207 806	2 500 000	48.31%	Will be spent
Magareng - Maintenance Municipal Infrastructure	542 634	2 500 000	21.71%	Will be spent
Sol Plaatje - Maintenance Municipal Infrastructure	1 032 221	1 965 000	52.53%	Will be spent
Dikgatlong - Waste Water Operating Room	25 600	480 000	5.33%	Will be spent
Phokwane - Replace Sewer Gravity Line	936 045	1 300 000	72.00%	Will be spent
Phokwane - Resealing Of Reservoir	-	800 000	0.00%	Will be spent
Phokwane - Upgrade Chlorination System	-	500 000	0.00%	Will be spent
Phokwane - Road Infrastructure & Maintenance Plan	-	1 200 000	0.00%	Will be spent
Phokwane - Water & Sanitation Maintenance Plan	-	400 000	0.00%	Will be spent
Phokwane - Resealing Sewer Storage Dam	-	800 000	0.00%	Will be spent
Magareng - Waternetwerk. 558 Sites	2 404 789	5 000 000	48.10%	Will be spent
Dikgatlong - Procure TLB	-	800 000	0.00%	Will be spent
Dikgatlong - Sanitation Truck	846 939	1 000 000	84.69%	Will be spent
Dikgatlong - Electricity Master Plan	-	1 000 000	0.00%	Will be spent
Dikgatlong - Purchase Cherry Picker	-	800 000	0.00%	Will be spent
Dikgatlong Electricity Infrastructure Upgrade	-	900 000	0.00%	Will be spent
Dikgatlong - Prosess Controller	-	500 000	0.00%	Will be spent
Sol Plaatje - Water Reticulation	-	5 000 000	0.00%	Will be spent
Sol Plaatje - Maintenance Municipal Infrastructure	474 799	535 000	88.75%	Will be spent
Dikgatlong - Maintenance Municipal Infrastructure	554 231	2 500 000	22.17%	Will be spent
Total	8 029 686	30 498 000	26.33%	
	YTD Actual	Budget	% Spending	Remarks
HOUSING				
Special Project: Women's Month	-	16 000	0.00%	Contractor still to claim funding
Special Project: Mandela Month	-	16 000	0.00%	Funding secured from Coghsta
Special Project: 16 Days of Activism	-	16 000	0.00%	Submission still not approved at Coghsta
Housing Consumer Education	2 097	40 000	5.24%	Programme is still running not completed yet
Housing Field Workers	23 464	30 000	78.21%	Budget increased in adjustment budget
Housing Steering Committee Meeting	5 560	20 000	27.80%	Meeting costs reduced in line with circular 62.
Total	31 121	138 000	22.55%	

The actual spending on special projects for Project Management & Advisory Services amounted to R8, 058 496 compared to the approved budget of R30, 627 000.

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

Description	2013/14	Budget Year 2014/15							
	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	5 841	5 673	–	541	2 909	2 855	54	2%	5 673
Transfers recognised - operational	95 053	101 083	–	70	65 258	66 925	(1 667)	-2%	101 083
Other own revenue	1 208	1 236	–	3	323	384	(61)	-16%	647
Total Revenue (excluding capital transfers and contributions)	102 102	107 992	–	614	68 490	70 164	(1 674)	-2%	107 403
Employee costs	41 012	54 388	–	3 460	21 546	24 833	(3 287)	-13%	45 446
Remuneration of Councillors	5 424	6 055	–	446	2 702	2 838	(137)	-5%	6 055
Depreciation & asset impairment	4 105	5 380	–	2 217	3 777	–	3 777		4 679
Finance charges	2 300	2 854	–	552	552	1 474	(922)	-63%	2 903
Materials and bulk purchases	3 376	5 245	–	131	1 268	1 879	(611)	-32%	4 115
Transfers and grants	33 666	42 973	–	2 354	10 795	15 759	(4 964)	-31%	42 832
Other expenditure	12 605	15 736	–	805	6 084	8 856	(2 772)	-31%	14 980
Total Expenditure	102 489	132 631	–	9 966	46 724	55 640	(8 916)	-16%	121 012
Surplus/(Deficit)	(387)	(24 639)	–	(9 352)	21 766	14 524	7 241	50%	(13 609)
Transfers recognised - capital	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(387)	(24 639)	–	(9 352)	21 766	14 524	7 241	50%	(13 609)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(387)	(24 639)	–	(9 352)	21 766	14 524	7 241	50%	(13 609)
Capital expenditure & funds sources									
Capital expenditure	2 553	5 340	–	573	888	797	91	11%	5 133
Capital transfers recognised	–	–	–	–	–	–	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	2 553	5 340	–	573	888	797	91	11%	5 133
Total sources of capital funds	2 553	5 340	–	573	888	797	91	11%	5 133
Financial position									
Total current assets	91 792	91 792	–		118 986				81 843
Total non current assets	60 983	60 983	–		58 094				60 777
Total current liabilities	15 921	15 921	–		19 274				14 143
Total non current liabilities	33 232	33 232	–		32 454				31 481
Community wealth/Equity	103 623	99 995	–		125 353				96 995
Cash flows									
Net cash from (used) operating	9 764	(8 285)	–	20 025	35 068	7 923	27 146	343%	(352)
Net cash from (used) investing	(3 949)	(4 482)	–	(279)	(616)	(957)	341	-36%	(4 175)
Net cash from (used) financing	(1 445)	(1 606)	–	–	(778)	(569)	(209)	37%	(1 496)
Cash/cash equivalents at the month/year end	87 934	82 960	–	123 085	123 085	103 729	19 356	19%	82 609
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	3 734	5	0	–	–	–	–	182	3 921
Creditors Age Analysis									
Total Creditors	1 300	9	–	–	–	–	–	–	1 309

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

Description	Ref	2013/14	Budget Year 2014/15							
		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>		87 228	94 768	-	573	65 109	65 073	36	0%	94 699
Executive and council		3 716	4 683	-	-	3 122	3 122	-		4 683
Budget and treasury office		83 512	90 085	-	573	61 987	61 951	36	0%	90 016
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 600	315	-	-	-	-	-		315
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		600	315	-	-	-	-	-		315
Housing		1 000	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		13 274	12 909	-	40	3 381	5 092	(1 710)	-34%	12 389
Planning and development		10 266	9 909	-	40	1 381	3 092	(1 710)	-55%	9 389
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3 008	3 000	-	-	2 000	2 000	-		3 000
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	102 102	107 992	-	614	68 490	70 164	(1 674)	-2%	107 403
Expenditure - Standard										
<i>Governance and administration</i>		48 659	62 169	-	5 092	23 555	28 863	(5 309)	-18%	53 603
Executive and council		15 800	22 502	-	1 849	8 464	10 554	(2 090)	-20%	18 872
Budget and treasury office		18 071	20 901	-	1 995	8 337	11 010	(2 673)	-24%	19 771
Corporate services		14 788	18 766	-	1 248	6 753	7 299	(546)	-7%	14 960
<i>Community and public safety</i>		7 892	10 981	-	991	4 610	4 543	66	1%	9 354
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		4 405	5 060	-	607	2 271	2 575	(303)	-12%	4 303
Housing		3 487	5 921	-	383	2 338	1 969	370	19%	5 051
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		45 939	59 480	-	3 883	18 560	22 233	(3 673)	-17%	58 054
Planning and development		43 948	56 629	-	3 713	17 581	20 820	(3 240)	-16%	55 400
Road transport		-	-	-	-	-	-	-		-
Environmental protection		1 991	2 851	-	171	980	1 413	(433)	-31%	2 655
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	102 489	132 631	-	9 966	46 724	55 640	(8 916)	-16%	121 011
Surplus/ (Deficit) for the year		(387)	(24 639)	-	(9 352)	21 766	14 524	7 241	50%	(13 609)

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

Vote Description [Insert departmental structure etc 3.]	Ref	2013/14	Budget Year 2014/15							
		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		3 716	4 683	-	-	3 122	3 122	-		4 683
Vote 2 - Budget & Treasury		83 512	90 085	-	573	61 987	61 951	36	0.1%	90 016
Vote 3 - Corporate Services		3 608	3 315	-	-	2 000	2 000	-		3 315
Vote 4 - Planning & Development		1 128	949	-	-	15	-	15		964
Vote 5 - Project Management & Advisory Services		10 138	8 960	-	40	1 366	3 092	(1 725)	-55.8%	8 425
Total Revenue by Vote	2	102 102	107 992	-	614	68 490	70 164	(1 674)	-2.4%	107 403
Expenditure by Vote	1									
Vote 1 - Council & Executive		15 800	22 502	-	1 849	8 464	10 554	(2 090)	-19.8%	18 872
Vote 2 - Budget & Treasury		18 071	20 901	-	1 995	8 337	11 010	(2 673)	-24.3%	19 771
Vote 3 - Corporate Services		21 183	26 677	-	2 026	10 004	11 287	(1 282)	-11.4%	21 917
Vote 4 - Planning & Development		12 612	19 719	-	1 237	6 151	8 766	(2 615)	-29.8%	18 499
Vote 5 - Project Management & Advisory Services		34 824	42 832	-	2 859	13 768	14 023	(256)	-1.8%	41 952
Total Expenditure by Vote	2	102 489	132 631	-	9 966	46 724	55 640	(8 916)	-16.0%	121 011
Surplus/ (Deficit) for the year	2	(387)	(24 639)	-	(9 352)	21 766	14 524	7 241	49.9%	(13 609)

Please refer to next page

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

Description	Ref	2013/14	Budget Year 2014/15							
		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		885	1 061	-	-	260	332	(72)	-22%	519
Interest earned - external investments		5 841	5 673	-	541	2 909	2 855	54	2%	5 673
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines		-	-	-	-	-	-	-		-
Licences and permits		-	-	-	-	-	-	-		-
Agency services		-	-	-	-	-	-	-		-
Transfers recognised - operational		95 053	101 083		70	65 258	66 925	(1 667)	-2%	101 083
Other revenue		322	115	-	3	55	52	3	6%	110
Gains on disposal of PPE		1	60	-	-	9	-	9	#DIV/0!	17
Total Revenue (excluding capital transfers and contributions)		102 102	107 992	-	614	68 490	70 164	(1 674)	-2%	107 403
Expenditure By Type										
Employee related costs		41 012	54 388	-	3 460	21 546	24 833	(3 287)	-13%	45 446
Remuneration of councillors		5 424	6 055	-	446	2 702	2 838	(137)	-5%	6 055
Debt impairment		-	3	-	-	-	-	-		3
Depreciation & asset impairment		4 105	5 380	-	2 217	3 777	-	3 777		4 679
Finance charges		2 300	2 854	-	552	552	1 474	(922)	-63%	2 903
Bulk purchases		-	-	-	-	-	-	-		-
Other materials		3 376	5 245	-	131	1 268	1 879	(611)	-32%	4 115
Contracted services		-	-	-	-	-	-	-		-
Transfers and grants		33 666	42 973	-	2 354	10 795	15 759	(4 964)	-31%	42 832
Other expenditure		12 207	15 533	-	805	6 084	8 856	(2 772)	-31%	14 777
Loss on disposal of PPE		398	200	-	-	-	-	-		200
Total Expenditure		102 489	132 631	-	9 966	46 724	55 640	(8 916)	-16%	121 012
Surplus/ (Deficit) for the year		(387)	(24 639)	-	(9 352)	21 766	14 524	7 241	0	(13 609)
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		(387)	(24 639)	-	(9 352)	21 766	14 524			(13 609)
Taxation								-		
Surplus/(Deficit) after taxation		(387)	(24 639)	-	(9 352)	21 766	14 524			(13 609)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(387)	(24 639)	-	(9 352)	21 766	14 524			(13 609)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(387)	(24 639)	-	(9 352)	21 766	14 524			(13 609)

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

Vote Description	Ref	2013/14	Budget Year 2014/15							
		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		59	187	–	–	2	–	2	0%	179
Vote 2 - Budget & Treasury		693	1 358	–	474	722	–	722	0%	1 297
Vote 3 - Corporate Services		1 519	3 539	–	37	75	600	(525)	-88%	3 380
Vote 4 - Planning & Development		21	124	–	–	–	109	(109)	-100%	151
Vote 5 - Project Management & Advisory Services		261	132	–	63	88	88	0	0%	126
Total Capital single-year expenditure	4	2 553	5 340	–	573	888	797	91	11%	5 133
Total Capital Expenditure		2 553	5 340	–	573	888	797	91	11%	5 133
Capital Expenditure - Standard Classification										
Governance and administration		1 197	2 320	–	474	763	582	181	31%	2 216
Executive and council		59	187	–	–	2	–	2		179
Budget and treasury office		693	1 358	–	474	722	–	722		1 297
Corporate services		445	775	–	–	38	582	(544)	-93%	740
Community and public safety		1 147	2 790	–	37	62	–	62		2 664
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		1 074	2 746	–	37	37	–	37		2 622
Housing		73	44	–	–	26	–	26		42
Health		–	–	–	–	–	–	–		–
Economic and environmental services		209	230	–	63	63	154	(91)	-59%	253
Planning and development		209	212	–	63	63	136	(73)	-54%	235
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	18	–	–	–	18	(18)	-100%	17
Trading services		–	–	–	–	–	–	–		–
Electricity		–	–	–	–	–	–	–		–
Water		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	61	(61)	-100%	–
Total Capital Expenditure - Standard Classification	3	2 553	5 340	–	573	888	797	91	11%	5 133
Funded by:										
National Government		–	–	–	–	–	–	–		–
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		–	–	–	–	–	–	–		–
Public contributions & donations	5	–	–	–	–	–	–	–		–
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		2 553	5 340	–	573	888	797	91	11%	5 133
Total Capital Funding		2 553	5 340	–	573	888	797	91	11%	5 133

Table C6 Monthly Budget Statement - Financial Position

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9 934	1 081	-	840	4 150
Call investment deposits		78 000	77 479	-	113 000	73 887
Consumer debtors		-	-			
Other debtors		2 668	2 000	-	3 921	2 601
Current portion of long-term receivables		898			898	898
Inventory		292	400	-	327	308
Total current assets		91 792	80 960	-	118 986	81 843
Non current assets						
Long-term receivables		9 579	9 674	-	9 579	9 674
Investments		4 400	4 400	-	4 400	4 400
Investment property						
Investments in Associate						
Property, plant and equipment		46 228	46 003	-	43 422	46 003
Agricultural						
Biological assets						
Intangible assets		777	1 429	-	693	700
Other non-current assets		-		-	-	
Total non current assets		60 983	61 505	-	58 094	60 777
TOTAL ASSETS		152 775	142 465	-	177 080	142 619
LIABILITIES						
Current liabilities						
Bank overdraft		-	-			-
Borrowing		1 606	1 786	-	1 606	1 786
Consumer deposits						
Trade and other payables		6 566	4 500	-	11 531	4 500
Provisions		7 750	6 500	-	6 137	7 858
Total current liabilities		15 921	12 786	-	19 274	14 143
Non current liabilities						
Borrowing		8 435	6 685	-	7 657	6 685
Provisions		24 797	23 000	-	24 797	24 797
Total non current liabilities		33 232	29 685	-	32 454	31 481
TOTAL LIABILITIES		49 153	42 470	-	51 727	45 624
NET ASSETS	2	103 623	99 995	-	125 353	96 995
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		74 819	73 333	-	96 591	70 333
Reserves		28 804	26 662	-	28 762	26 662
TOTAL COMMUNITY WEALTH/EQUITY	2	103 623	99 995	-	125 353	96 995

1.4.7 Table C7 Monthly Budget Statement - Cash Flow

Description	Ref	2013/14	Budget Year 2014/15							
		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		7 363	145	-	182	1 706	382	1 324	346%	135
Government - operating		95 068	101 083	-	32 617	75 160	55 546	19 614	35%	101 083
Government - capital		-		-	-	-		-		-
Interest		6 255	5 673	-	425	2 751	2 873	(122)	-4%	5 726
Dividends			-	-				-		-
Payments										
Suppliers and employees		(62 483)	(74 941)	-	(7 573)	(31 188)	(37 777)	(6 589)	17%	(69 808)
Finance charges		(1 215)	(1 569)	-	-	-	527	527	100%	(1 462)
Transfers and Grants		(35 225)	(38 676)	-	(5 627)	(13 360)	(13 628)	(267)	2%	(36 027)
NET CASH FROM/(USED) OPERATING ACTIVITIES		9 764	(8 285)	-	20 025	35 068	7 923	27 146	343%	(352)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	57	-	-	-	-	-		53
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (Increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (Increase) in non-current investments		(600)	-	-	-	-	-	-		-
Payments										
Capital assets		(3 349)	(4 539)	-	(279)	(616)	(957)	(341)	36%	(4 228)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3 949)	(4 482)	-	(279)	(616)	(957)	(341)	36%	(4 175)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		
Borrowing long term/refinancing		-	-	-	-	-	-	-		
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		
Payments										
Repayment of borrowing		(1 445)	(1 606)	-	-	(778)	(569)	209	-37%	(1 496)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 445)	(1 606)	-	-	(778)	(569)	209	-37%	(1 496)
NET INCREASE/ (DECREASE) IN CASH HELD		4 370	(14 373)	-	19 746	33 674	6 396			(6 024)
Cash/cash equivalents at beginning:		83 564	97 333		103 339	88 633	97 333			88 633
Cash/cash equivalents at month/year end:		87 934	82 960	-	123 085	123 085	103 729			82 609

5. SUPPORTING DOCUMENTATION

Table SC1 Material variance explanations

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue By Source</u>			
	Rental of facilities and equipment	-21.83%	Revenue on rental of grader to local municipalities is less than expected.	The revenue will increase during the year
	Interest earned - external investments	1.88%	Interest earned on external investment is more than year-to-date budget.	Acceptable and dependant on the market yield.
	Other income	5.62%	Year-to-date actual income more than the year-to-date budget	Acceptable - No remedial steps required
2	<u>Expenditure By Type</u>			
	Salaries	-13.24%	Approved vacant posts not filled according to the organogram	Most vacant post were advertised and will be filled shortly.
	Other Materials	-32.50%	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 incurred as and when required.
	Transfers and grants	-31.50%	Most projects are in the planning phase as per the procurement plan for the third quarter.	Grants & subsidies paid will gain momentum as the financial year progresses.
	Other expenditure	-31.30%	Year-to-date actual general expenditure is less than the year-to-date budget	Spending on general expenses will gain momentum as the financial year progresses
3	<u>Capital Expenditure</u>			
	Capital expenditure	11.38%	Spending on capital projects are in the planning phase as per the procurement plan.	As per the policy, all capital projects / purchases should have been completed / finalized by 31 March of each year
4	<u>Financial Position</u>			
	Reserves	R 2 099 525	Under budget	Will be reviewed during the adjustment budget.
	Property, plant & equipment	R -2 580 161	Under budget	Will be reviewed during the adjustment budget.
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	342.63%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	35.66%	Capital Expenditure not materialising per SDBIP	There is a need to accelerate this spending
6	<u>Measureable performance</u>			

More detail on operating variances is available on pages 03 to 13 of this report.

Table SC2 Monthly Budget Statement - performance indicators

Description of financial indicator	Basis of calculation	Ref	2013/14	Budget Year 2014/15			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
<u>Borrowing Management</u>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		5.5%	4.7%	0.0%	4.3%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		6.2%	6.2%	0.0%	1.2%	7.4%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		16.0%	13.0%	0.0%	16.6%	13.4%
Gearing	Long Term Borrowing/ Funds & Reserves		29.3%	25.1%	0.0%	26.6%	25.1%
<u>Liquidity</u>							
Current Ratio 1	Current assets/current liabilities	1	576.5%	633.2%	0.0%	617.4%	578.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		579.9%	648.9%	0.0%	613.5%	582.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		12.9%	10.8%	0.0%	21.0%	12.3%
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%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%			
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0.0%	0.0%		0.0%	0.0%
<u>Other Indicators</u>							
Employee costs	Employee costs/Total Revenue - capital revenue		40.2%	50.4%	0.0%	31.5%	42.3%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.3%	4.9%	0.0%	0.2%	1.2%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6.3%	7.6%	0.0%	0.8%	8.3%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		196.4%	148.9%	0.0%	149.8%	270.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		12.4	2.3	-	4.8	1.8

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 31.5%. The level of employee costs should be monitored and managed effectively to keep the national norm of 35 % in consideration.

The municipality still depends on grant funding of over 93.4% 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 2014/15								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	3 734	5	0	-	-	-	-	182	3 921		182
Total By Revenue Source	2000	3 734	5	0	-	-	-	-	182	3 921	-	182
2014/15 - totals only		3 548	5	0	-	-	-	-	172	3 725		172
Debtors Age Analysis By Customer Category												
Government	2200	365	0	-	-	-	-	-	-	365		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	3 369	4	0	-	-	-	-	182	3 556		
Total By Customer Category	2600	3 734	5	0	-	-	-	-	182	3 921	-	

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, and
- 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***

There is no outstanding debt for more than 90 days as at 31 December 2014 in respect of Provincial and Local Governments Department.

- ***Post-Service Benefits***

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

- Payne ME R7, 210.60 and Benson SC R3, 484.70 for post medical-aid. Payne ME & Benson SC have since passed on and the Revenue Unit is struggling to recover the monies from the deceased estates. The debt will be written off by council in January as per audit recommendation.

- ***Sundry Debtors***

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

- Mathe E.M R1, 182.99 for overpayment on her salary after resigning. A letter was sent to Sol Plaatje Local Municipality on the 29 November 2014, and they confirmed on the 23rd of December 2014 that they have deducted the amount from her salary. The deducted amount still needed to be transferred to Frances Baard District Municipality's bank account.

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 2014/15									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	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700									-	
Auditor General	0800									-	
Other	0900	1 300	9	-	-	-	-	-	-	1 309	
Total By Customer Type	2600	1 300	9	-	-	-	-	-	-	1 309	

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 increase of 6.79% for staff has been implemented as from the 1st of July 2014.

The annual increase for Councilors' in terms of the remuneration of Public Office Bearers Act, 1998 is still outstanding for the current financial year.

Trade Creditors:

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

PAYMENTS		
Total value of all payments		R 32 139 130
Electronic transfers		148
Cheques issued		20
SALARIES		
Number of salary beneficiaries		150
Councillors		25
Total Councillors	27	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	25	
* Councillors without Remuneration	2	
Employees		125
* Remunerated Employee's	122	
* Remunerated Terminated Employees		
JA Nel	1	
Pensioners	2	
Total remuneration paid		3 335 025
Councillors		426 481
Employees		2 905 703
Pensioners		2 841

Internal controls in the expenditure unit are continuously being assessed and tightened up to allow closer monitoring of daily purchases.

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 more attention. Monitoring is on an ongoing basis and problems are dealt with as when they arise.
- Putting systems in place to monitor and report on supply chain management as required as per approved policy has started as from 1 April 2008. Monitoring is on an ongoing basis and problems are dealt with as and when they arise.

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 December 2014.

Implementation of the Approved Supply Chain Management Policy:

The approved Supply Chain Management Policy of 30 November 2005 as amended on 27 November 2007 is implemented and is maintained by all relevant role players as from 01 July 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 the supply chain management unit.

- Demand Management

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customized, 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 December 2014, no contracts (R200 000 +) were awarded by the Municipal Manager.

For the period of December 2014 two written price quotation (R30 000-R200 000) were awarded by the Municipal Manager.

1. Printing of external newsletter-LSG printing- R88 600.00
2. Painting Council chambers–Madibuseng-R135 110.00

The total orders issued for the month of December amount to R2, 766 283.15

Orders per department

Council and Executive	R 8 091.15
Municipal Manager	R 172 768.61
Finance	R 6 568.28
Administration	R 229 578.88
Planning and Development	R 693 038.88
Technical Service	R1 594 146.42
Stores	R 62 090.93

- Disposal Management

No sale off assets

- Deviations

Two deviations was approved by the Municipal Manager

1. Year-end function - Magersfontein Estate - R57 342.00
2. Catering –Youth project-Cheezy Lifestyle - R54 000.00

- Orders

Total orders issued amount to R9 280.32 for all departments.

Council	R 0.00
Municipal Manager	R 128.67
Finance	R 4 798.13
Administration	R 4 353.52
Planning and Development	R 0.00
Technical Service	R 0.00
Stores	R 0.00

- List of accredited Service Providers

The supplier's database is daily updated and the database is amended to made provision for the MBD 4 and MBD 9 forms as required by the AG report.

- Support to Local Municipalities

No official request received from any local to assist.

Orders outstanding more than 30 days at 31 December 2014

COMPANY	60 DAYS	90 DAYS	COMMENT
ODS Consultants	R332 994.00		Tender Project not completed yet.
Altech Netstar		R1 026.00	Installations not done yet

Independent Newspaper	R4 837.60		Invoice not received yet (follow-up made)
Imperial Group T/a Imperial GM	R139 399.72		Vehicle not delivered yet.
Mothlhala Nala General Trading	R 11 800.00		Invoice not received yet (goods not received)
Modderivier Transport	R800.00		Invoice not received yet (follow-up made)
N C Tech service	R 1 014.60		Invoice not received yet (follow-up made)
Pronto I T Solutions	R300.00		Invoice not received yet (follow-up made)
Rennies	R1 242.56		Invoice not received yet (follow-up made)
Radio Teemaneng	R2 500.00		Invoice not received yet (follow-up made)
Sure Astra	R8 552.14	R18 440.37	Invoice not received yet (follow-up made)
Sedibeng Water	R11 115.00		Invoice not received yet (follow-up made)
Thomason Consulting	R64 410.00		Invoice not received yet (goods not received)
Yes Media		R22 500.00	Advert to be place in January only. (follow-up made)

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									
NEDCOR		31	CALL	31-Dec-14	22	5.1%	5 000		5 000
STANDARD BANK		31	CALL	31-Dec-14	8	5.0%	2 000		2 000
ABSA - Leave Reserve		365	FIXED	24-Jun-15	311	7.1%	4 400		4 400
RMB		31	CALL	31-Dec-14	13	5.0%	3 000		3 000
ABSA		31	CALL	31-Dec-14	18	5.3%	4 000		4 000
NEDCOR		120	NOTICE	6-Mar-15	207	6.3%	10 000		10 000
STANDARD BANK		90	NOTICE	4-Feb-15	75	6.1%	5 000		5 000
NEDCOR		120	NOTICE	11-Mar-15	145	6.3%	7 000		7 000
STANDARD BANK		120	NOTICE	11-Mar-15	166	6.3%	8 000		8 000
ABSA		120	NOTICE	11-Mar-15	186	6.3%	9 000		9 000
RMB		120	NOTICE	11-Mar-15	205	6.3%	10 000		10 000
ABSA		120	NOTICE	2-Apr-15	148	6.5%	7 000		7 000
ABSA		28	CALL	31-Dec-14	12	5.4%	3 000		3 000
STANDARD BANK		120	NOTICE	2-Apr-15	124	6.3%	6 000		6 000
STANDARD BANK		28	CALL	31-Dec-14	12	5.3%	3 000		3 000
NEDCOR		120	NOTICE	2-Apr-15	82	6.3%	4 000		4 000
NEDCOR		28	CALL	31-Dec-14	12	5.4%	3 000		3 000
RMB		120	NOTICE	2-Apr-15	61	6.2%	3 000		3 000
RMB		28	CALL	31-Dec-14	12	5.3%	3 000		3 000
RMB		120	NOTICE	17-Apr-15	92	6.2%	4 500		4 500
STANDARD BANK		120	NOTICE	17-Apr-15	94	6.4%	4 500		4 500
ABSA		120	NOTICE	17-Apr-15	96	6.5%	4 500		4 500
NEDCOR		120	NOTICE	17-Apr-15	93	6.3%	4 500		4 500
TOTAL INVESTMENTS AND INTEREST							117 400	-	117 400

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

Please refer to next page

Table SC6 Monthly Budget Statement - transfers and grant receipts

Description	Ref	2013/14	Budget Year 2014/15							
		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:		93 130	100 618	-	179	4 138	(4 238)	8 376	-197.6%	100 618
Local Government Equitable Share		10 329	9 965	-	-	(60 647)	(60 647)	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	-	-	3 122	3 122	-		4 683
Levy replacement	3	75 945	82 780	-	179	58 775	50 600	8 175	16.2%	82 780
Finance Management Grant		1 250	1 250	-	-	1 250	1 250	-		1 250
Municipal Systems Improvement		890	934	-	-	934	934	-		934
Extended Public Works Programme		1 000	1 006	-	-	704	503	201	40.0%	1 006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1 850	315	-	-	1 380	158	1 223	776.2%	1 695
Housing	4	1 000	-	-	-	1 380	-	1 380	100.0%	1 380
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	-	-	-	158	(158)	-100.0%	315
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		100	-	-	-	-	-	-		-
Other transfers and grants [ABSA Donation]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		92	150	-	-	12	75	(63)	-84.1%	150
SETA Skills Grant		77	150	-	-	12	75	(63)	-84.1%	150
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		15	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	95 072	101 083	-	179	5 530	(4 005)	9 535	-238.1%	102 463
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-		-
Water Affairs		-	-	-	-	-	-	-		-
EPWP		-	-	-	-	-	-	-		-
Other capital transfers <i>[insert description]</i>										
Provincial Government:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	95 072	101 083	-	179	5 530	(4 005)	9 535	-238.1%	102 463

Table SC7 Monthly Budget Statement - transfers and grant expenditure

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		93 218	100 618	-	70	66 778	65 638	1 140	1.7%	100 476
Local Government Equitable Share		10 329	9 965	-	-	2 927	2 927	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	-	-	3 122	2 342	781	33.3%	4 683
Levy replacement		75 945	82 780	-	-	58 775	58 775	-		82 780
Finance Management Grant		1 250	1 250	-	30	1 250	625	625	100.0%	1 250
Municipal Systems Improvement		978	934	-	0	0	467	(467)	-100.0%	792
Extended Public Works Programme		1 000	1 006	-	40	704	503	201	40.0%	1 006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1 758	315	-	10	-	158	(158)	-100.0%	315
Housing		1 000	-	-	-	-	-	-		-
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	-	-	-	158	(158)	-100.0%	315
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		8	-	-	-	-	-	-		-
District Aids Programme		-	-	-	10	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		77	150	-	-	12	75	(63)		96
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	-	-	-		-
SETA Skills Grant		77	150	-	-	12	75	(63)		96
Total operating expenditure of Transfers and Grants:		95 053	101 083	-	80	66 790	65 871	919	1.4%	100 887
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)								-		
Water Affairs		-						-		
EPWP								-		
								-		
Other capital transfers [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
Other grant providers:		-	-	-	-	-	-	-		-
ESCOM (Electricity on Farms)								-		
								-		
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		95 053	101 083	-	80	66 790	65 871	919	1.4%	100 887

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 Councilor remuneration	Ref	2013/14	Budget Year 2014/15							
		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		3 688	4 055	-	303	1 842	1 903	(61)	-3%	4 055
Pension Contributions		173	202	-	14	87	101	(14)	-14%	202
Medical Aid Contributions		17	17	-	1	9	9	-		17
Motor vehicle allowance		1 189	1 402	-	103	619	701	(82)	-12%	1 402
Cell phone and other allowances		296	358	-	24	146	179	(34)	-19%	358
Workmen's Compensation		60	20	-	-	-	10	(10)	-100%	20
Unemployment Insurance		-	-	-	-	-	-	-		-
Sub Total - Councillors		5 424	6 055	-	446	2 702	2 903	(201)	-7%	6 055
% increase	4		11.6%							11.6%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 377	4 826	-	249	1 122	1 206	(84)	-7%	3 501
Pension and UIF Contributions		580	811	-	13	152	203	(50)	-25%	774
Medical Aid Contributions		118	139	-	9		35	(35)	-100%	133
Overtime		-	-	-	-		-	-		-
Performance Bonus		434	464	-	5		-	-		443
Motor Vehicle Allowance		480	673	-	26	117	168	(51)	-30%	400
Cellphone Allowance		89	112	-	5	23	28	(5)	-19%	80
Housing Allowances		10	-	-			-	-		-
Other benefits and allowances		52	57	-			14	(14)	-100%	55
Payments in lieu of leave		-	107	-	-		-	-		102
Long service awards		-	-	-	-		-	-		-
Post-retirement benefit obligations	2	-	-	-	-		-	-		-
Sub Total - Senior Managers of Municipality		6 140	7 188	-	306	1 414	1 654	(240)	-15%	5 488
% increase	4		17.1%							-10.6%
Other Municipal Staff										
Basic Salaries and Wages		24 337	33 829	-	2 256	14 809	16 479	(1 670)	-10%	27 577
Pension and UIF Contributions		3 858	5 480	-	403	2 306	2 537	(231)	-9%	4 917
Medical Aid Contributions		1 272	1 674	-	102	658	802	(145)	-18%	1 494
Overtime		72	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		2 109	3 112	-	236	1 333	1 388	(55)	-4%	2 812
Cellphone Allowance		94	108	-	8	60	54	6	11%	94
Housing Allowances		196	221	-	21	126	110	16	14%	200
Other benefits and allowances		1 038	1 081	-	62	392	526	(134)	-25%	1 062
Payments in lieu of leave		1 404	753	-	-	-	-	-		860
Long service awards		131	193	-	-	31	31	-		244
Post-retirement benefit obligations	2	360	748	-	70	417	374	43	11%	550
Sub Total - Other Municipal Staff		34 872	47 199	-	3 159	20 132	22 302	(2 170)	-10%	39 810
% increase	4		35.3%							14.2%
Total Parent Municipality		46 436	60 443	-	3 911	24 248	26 859	(2 611)	-10%	51 353

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for the month of December 2014 averages 54%. The reason for the deviations is mainly due to, annual leave and special annual.

Attendance trends are summarized as follows:

		Senior Management	Middle Management	Supervisory	Clerical
Number of Members		1	3	6	10
Leave		2	4	26	27
Over time		0	0	0	0
Sick Leave		0	0	0	1
Courses / Seminar		0	0	0	0
Meetings		1	2	0	0
Study leave		0	0	0	0
Maternity Leave		0	0	0	0
Family Responsibility		0	0	0	0
Union Meetings		0	0	0	0
Absent		0	0	0	0
Special Leave		6	18	36	60
No. of Workdays Attended		11	36	58	112
Total Workdays		20	60	120	200
Percentage attendance per Group		55%	60%	48%	56%
Average		54%			

Personnel Development:

No training was attended by the finance officials during the month of December 2014.

INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five Finance Internship posts and three are filled and two are still vacant. 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 MFMP programme.

Two Finance Interns were registered and have completed the Municipal Finance Management Programme with Deloitte and the other two will be registered in the current financial year. 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 2014/15												2013/14 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
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		-	-	-	-	-	-	-	-	-	-	-	-	53	56	58
Interest earned - external investments		610	397	728	592	425	-	-	-	-	-	-	-	5 673	4 907	5 103
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-			
Fines		-	-	-	-	-	-	-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-			
Agency services		-	-	-	-	-	-	-	-	-	-	-	-			
Transfer receipts - operating		39 815	1 348	-	1 380	32 617	-	-	-	-	-	-	-	101 083	108 725	115 778
Other revenue		334	67	642	480	182	-	-	-	-	-	-	-	92	80	80
Cash Receipts by Source		40 759	1 812	1 370	2 452	33 225	-	-	-	-	-	-	-	106 901	113 767	121 019
Other Cash Flows by Source																
Transfer receipts - capital		-	-	-	-	-	-	-	-	-	-	-	-			
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-			
Proceeds on disposal of PPE		-	-	-	10	-	-	-	-	-	-	-	-	57	60	62
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		40 759	1 812	1 370	2 462	33 225	-	-	-	-	-	-	-	106 958	113 827	121 081
Cash Payments by Type																
Employee related costs		3 512	3 827	3 630	3 722	5 671	-	-	-	-	-	-	-	51 668	55 090	57 884
Remuneration of councillors		439	481	443	451	442	-	-	-	-	-	-	-	5 874	6 145	6 431
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	1 569	1 129	1 129
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-			
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-			
Other materials		227	587	151	351	149	-	-	-	-	-	-	-	4 196	4 406	4 583
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-			
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		3 849	962	1 731	1 193	5 627	-	-	-	-	-	-	-	38 676	30 795	30 053
General expenses		1 455	917	1 766	1 655	1 311	-	-	-	-	-	-	-	13 203	13 895	14 444
Cash Payments by Type		9 483	6 774	7 721	7 371	13 200	-	-	-	-	-	-	-	115 186	111 460	114 525
Other Cash Flows/Payments by Type																
Capital assets		306	9	23	-	279	-	-	-	-	-	-	-	4 539	749	950
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	1 606	1 785	1 980
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-			
Total Cash Payments by Type		9 789	6 782	7 744	7 371	13 478	-	-	-	-	-	-	-	121 331	113 994	117 455
NET INCREASE/(DECREASE) IN CASH HELD		30 970	(4 971)	(6 374)	(4 909)	19 746	-	-	-	-	-	-	-	(14 373)	(167)	3 626
Cash/cash equivalents at the month/year beginning:		87 934	118 904	113 933	107 560	103 339	-	-	-	-	-	-	-	97 333	82 960	82 793
Cash/cash equivalents at the month/year end:		118 904	113 933	107 560	113 840	123 085	-	-	-	-	-	-	-	82 960	82 793	86 419

Table SC12 Monthly Budget Statement - capital expenditure trend

Month	2013/14	Budget Year 2014/15							
	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	13		-	-	-	-	-		0%
August	34	198	-	28	28	198	170	86.1%	1%
September	305	238	-	43	71	797	727	91.1%	1%
October	154	361	-	-	-	-	-		0%
November	60		-	244	315	797	482	60.5%	6%
December	72		-	573	888	797	(91)	-11.4%	17%
January	600	1 496					-		
February	247	187					-		
March	103	15					-		
April	16	2 746					-		
May	138						-		
June	523	99					-		
Total Capital expenditure	2 265	5 340	-	888					

Please refer to next page

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

Description	Ref	2013/14	Budget Year 2014/15							
		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		1 029	3 754	-	-	38	527	490	92.9%	3 606
General vehicles		487	2 700	-	-	-		-		2 579
Specialised vehicles		-	-	-	-	-		-		
Plant & equipment		-	28	-	-	5	14	9	61.4%	27
Computers - hardware/equipment		96	858	-	-	28	429	401	93.4%	840
Furniture and other office equipment		38	100	-	-	4	50	46	91.7%	96
Abattoirs		-	-	-	-	-		-		
Markets		-	-	-	-	-		-		
Civic Land and Buildings		-	-	-	-	-		-		
Other Buildings		409	68	-	-	-	34	34	100.0%	65
Other Land		-	-	-	-	-		-		
Surplus Assets - (Investment or Inventory)			-	-				-		
Other - Emergency Equipment			-	-				-		
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
Intangibles		-	-	-	-	-	-	-		-
Computers - software & programming		-	-	-	-	-		-		
Other								-		
Total Capital Expenditure on new assets	1	1 029	3 754	-	-	38	527	490	92.9%	3 606

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

Description	Ref	2013/14	Budget Year 2014/15							
		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>										
<u>Infrastructure</u>		-	-	-	-	-	-	-		-
<u>Community</u>		-	-	-	-	-	-	-		-
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								-		
<u>Heritage assets</u>		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
<u>Investment properties</u>		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
<u>Other assets</u>		1 236	1 586	-	573	850	393	(457)	-116.2%	1 527
General vehicles		602	1 160	-	474	718	180	(538)	-298.0%	1 144
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	21	-	-	18	11	(8)	-72.4%	20
Computers - hardware/equipment		406	235	-	-	14	118	104	88.4%	211
Furniture and other office equipment		58	36	-	-	1	18	17	95.1%	30
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		170	133	-	99	99	67	(33)	-49.3%	122
Other Land		-	-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)								-		
Other		-	-	-	-	-	-	-		
<u>Agricultural assets</u>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<u>Biological assets</u>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<u>Intangibles</u>		-	-	-	-	-	-	-		-
Computers - software & programming			-	-				-		
Other								-		
Total Capital Expenditure on renewal of existing ass	1	1 236	1 586	-	573	850	393	(457)	-116.2%	1 527

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

Description	Ref	2013/14	Budget Year 2014/15							
		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		1 459	2 769	-	108	599	1 331	731	55.0%	2 645
General vehicles		245	477	-	23	136	239	102	42.9%	456
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		5	53	-	2	2	27	24	92.0%	51
Computers - hardware/equipment		634	883	-	36	282	588	306	52.1%	844
Furniture and other office equipment		90	132	-	-	3	66	62	94.7%	126
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		442	584	-	35	140	292	152	52.1%	558
Other Buildings			-	-	-	-	-	-		
Other Land			-	-	0	7		(7)	#DIV/0!	
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-		
Other - Emergency Equipment		42	640	-	12	29	120	91	76.2%	611
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		1 744	1 814	-	23	669	677	8	1.1%	1 733
Computers - software & programming		1 744	1 814		23	669	677	8	1.1%	1 733
Other								-		
Total Repairs and Maintenance Expenditure		3 202	4 583	-	131	1 268	2 008	739	36.8%	4 377

Table SC13d Monthly Budget Statement - depreciation by asset class

Description	Ref	2013/14	Budget Year 2014/15							
		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		3 900	200	-	2 217	2 284	2 217	(67)	-3.0%	191
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		3 900	200	-	2 217	2 284	2 217	(67)	-3.0%	191
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		160	4 930	-	-	1 410	1 410	-		4 708
General vehicles		-	700	-	-	-	-	-		669
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		160	500	-	-	167	167	-		478
Computers - hardware/equipment		-	900	-	-	300	300	-		860
Furniture and other office equipment		-	980	-	-	327	327	-		936
Abattoirs								-		
Markets								-		
Civic Land and Buildings								-		
Other Buildings		-	1 700	-	-	567	567	-		1 624
Other Land		-			-	-	-	-		
Surplus Assets - (Investment or Inventory)					-			-		
Other		-	150	-	-	50	50	-		143
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		141	250	-	-	83	83	-		239
Computers - software & programming		141	250	-	-	83	83	-		239
Other								-		
Total Repairs and Maintenance Expenditure		4 200	5 380	-	2 217	3 777	3 710	(67)	-1.8%	5 138
Specialised vehicles		-	-	-	-	-	-	-		-
Refuse								-		
Fire								-		
Conservancy								-		
Ambulances								-		

ASSET AND RISK MANAGEMENT**Insurance:**

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

Asset Inventory:

The inventory list is awaited from some of the officials to update the system of any changes that might have occurred.

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 September 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 few days after month end to accommodate financial transactions pertaining to the month closed) a monthly calendar, financial 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	YTD ACTUAL	BUDGET	VARIANCE	VAR %
Depreciation: Motor Vehicle	-	700 000.00	700 000.00	100.00%
Insurance	86 331.24	80 000.00	(6 331.24)	-7.91%
MV Administration Levy	7 136.68	25 000.00	17 863.32	71.45%
Fuel	232 233.64	657 500.00	425 266.36	64.68%
License	7 833.00	13 200.00	5 367.00	40.66%
Repairs and Maintenance	33 527.26	95 600.00	62 072.74	64.93%
Tyres	24 789.57	97 000.00	72 210.43	74.44%
TOTAL	391 851.39	1 668 300.00	1 276 448.61	76.51%

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 December 2014 is as follows:

Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	December Utility
Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	120 000	2015/09/30	115 276	116 531	1 255
Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	60 000	2015/09/30	58 059	58 943	884
Chevrolet Captiva	Pool	2011	CDM 296 NC	75 000	2015/09/30	61 198	61 668	470
Toyota Corolla	Pool	2009	BZP 439 NC	135 000	2015/09/30	131 692	132 608	916
Toyota Corolla	Pool	2009	BZP 440 NC	135 000	2015/09/30	125 310	127 361	2 051
Chevrolet Trailblazer	Pool	2013	CGR 575 NC	30 000	2015/12/31	15 353	17 391	2 038
Isuzu KB 250	Housing	2013	CGR 572 NC	60 000	2015/12/31	46 001	47 068	1 067
Isuzu KB 250	Housing	2013	CGR 576 NC	45 000	2015/12/31	35 861	36 863	1 002
Hyundai H1	Tourism Centre	2013	CGY 587 NC	30 000	2015/02/28	21 699	21 711	12
Isuzu 2.4	Housing	2009	CBD 761 NC	135 000	2015/02/28	120 289	120 874	585
Ford Bantam	Finance	2004	BRD 836 NC	105 000	2015/01/31	90 836	91 516	680
Isuzu KB 250	Disaster Management	2010	CBY 895 NC	45 000	2015/09/30	37 212	37 658	446
Isuzu KB 250	Disaster Management	2010	CBY 898 NC	45 000	2015/09/30	37 386	38 165	779
Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	10 000	2015/12/31	7 344	7 344	-
Toyota Land Cruiser	Disaster Management	2014	CKW 835 NC	10 000	2015/11/30	57	57	-
Isuzu D/Cab	Pool	2013	CGR 974 NC	45 000	2015/12/31	38 105	39 351	1 246
Isuzu Kb 250 D-Teq	Pool	2014	CKR 822 NC	15 000	2015/10/31	28	28	-
Audi Q7	Council	2013	FBDM 1 NC	90 000	2015/09/30	83 693	83 712	19
Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2015/06/30	2 001	2 001	-
Toyota Etios	Pool	2014	CJG 979 NC	20 000	2015/12/31	16 675	17 029	354
Nissan NP 200	Environmental Health	2014	CJJ 262 NC	15 000	2015/12/31	13 444	13 656	212
Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	15 000	2015/12/31	5 336	5 501	165
Nissan NP 200	Environmental Health	2014	CJJ 258 NC	15 000	2015/12/31	9 145	9 344	199
UTILITY DECEMBER 2014 FULL FLEET								
								14 380

Disposal of Vehicles:

For the month of December the municipality did not dispose any vehicles.

Motor Vehicle Damage Report:

For the month of December there were no damages reported.

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 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

15 January 2015