

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

30 APRIL 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” reflecting certain details for that month and for the financial year up to the end of that month.

“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. All variances are calculated against the approved adjustment budget. 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). The draft annual budget for the 2014 /15 financial year was submitted to Council on 25 April 2014 for approval as prescribed in the Municipal Finance Management Act (MFMA) and in terms of guidelines received from National Treasury per MFMA Circular no.51.

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 April 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 30 April 2014.

4. EXECUTIVE SUMMARY

All variances are calculated against the approved adjustment 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 R97, 713 million as compared to the year-to-date budget projections of R100, 577 million for April 2014. The source of revenue that is below the budget is rental of facilities and equipment and the proceeds from the sale of movable assets.

Operating expenditure by type

To date, R75, 413 million has been spent compared to the operational approved budget of R122, 004 million. This includes non-cash items such as depreciation & amortization. The main areas where expenditure is less than the budget is employee related costs, 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.

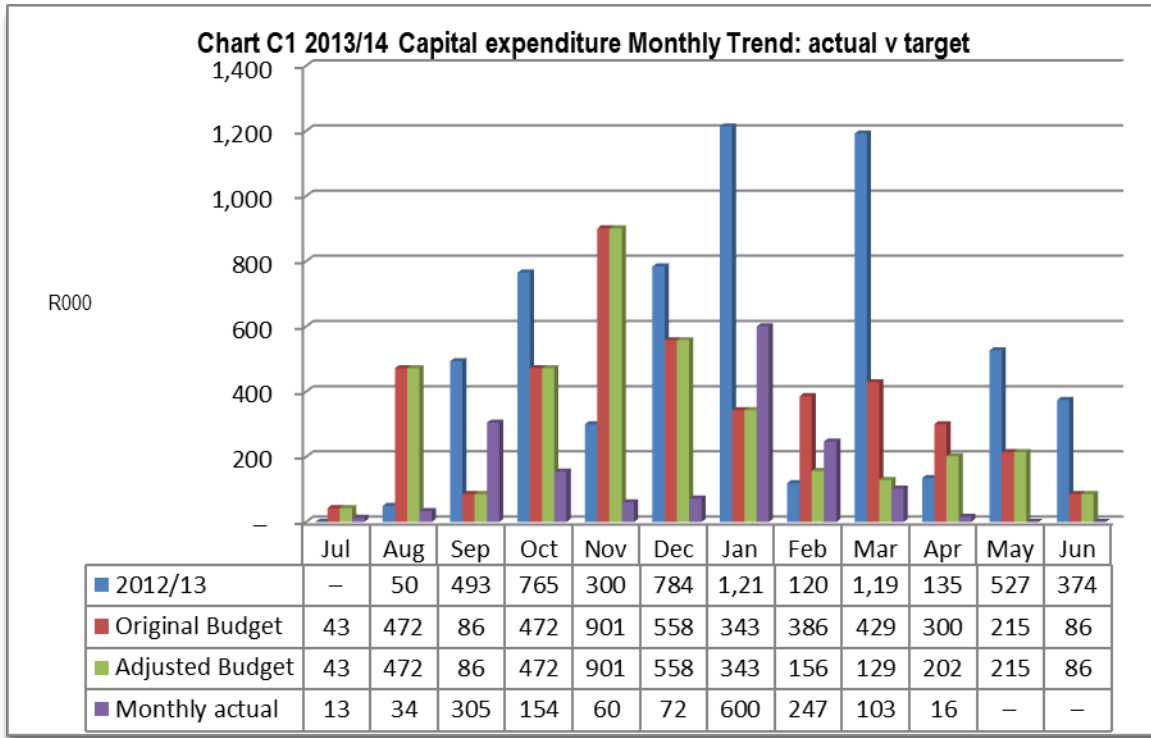
Refer to Annexure A, Table SC1 for further explanation for material variances on both revenue by source and expenditure by type. The summary statement of financial performance in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and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

Capital Expenditure

Year-to-date expenditure on capital amounts to R1, 604 million or 43.82% of the total adjusted budget of R3, 662million. R0, 327 million or 9, 93% of the total budget is committed at the period of reporting. 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.

Capital Expenditure Monthly Trend: Actual vs Target



Cash Flows

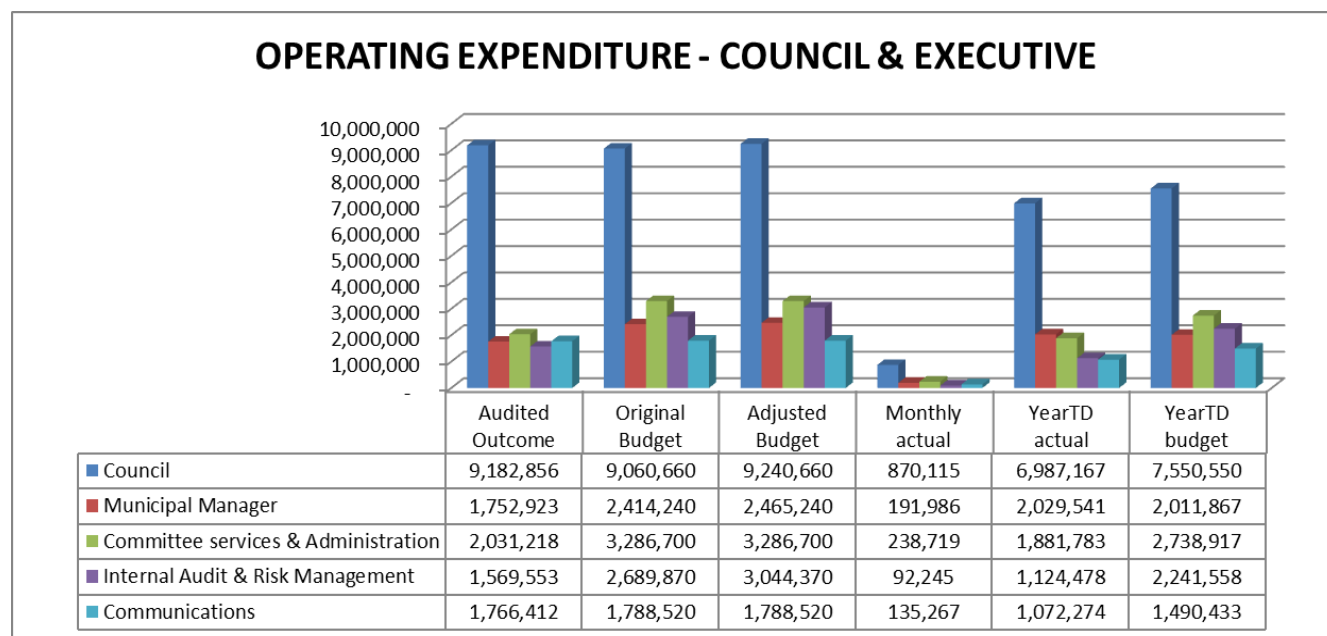
The Municipality started the year with a total cash and cash equivalents of R83, 564 million. For the month of April 2014, the cash and cash equivalents amount to R113, 610 million. The net increase of R30, 046 million is as a result of receiving two thirds of the equitable share grant allocation for 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:



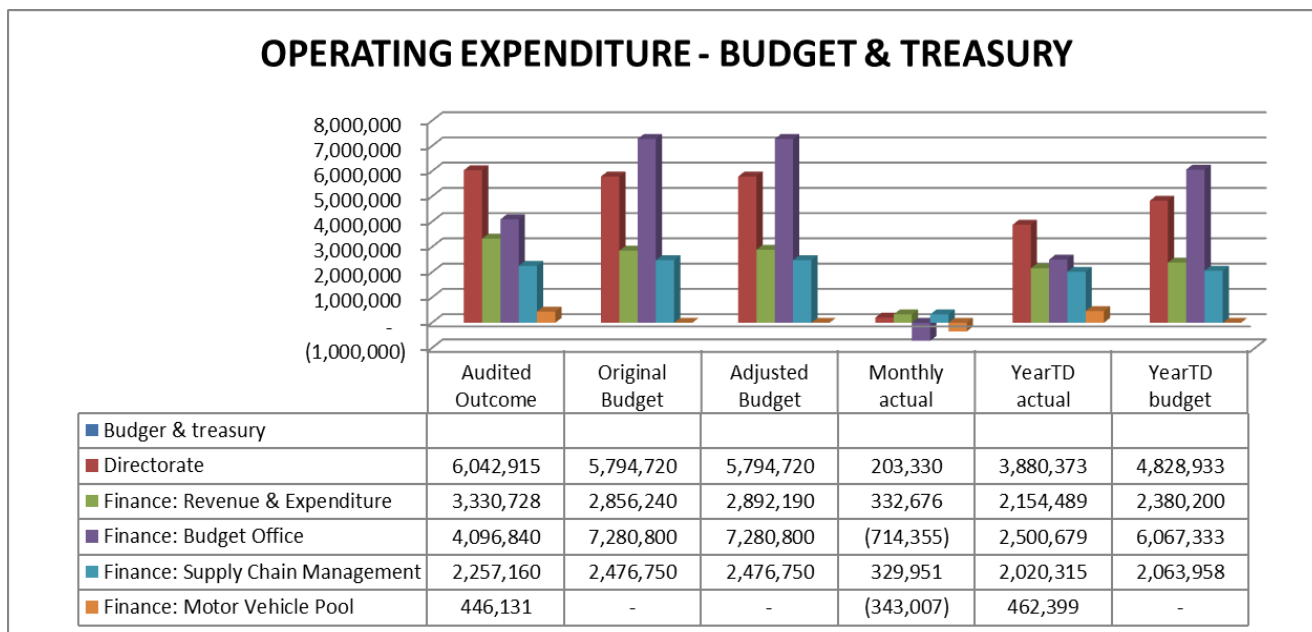
Actual operating expenditure of Council & Executive is 81.68% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: salaries and allowances, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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	42,000	100,000	42.00%	Project in process
Commemorative Days	29,844	100,000	29.84%	Project in process
Total	71,844	200,000	35.92%	
<u>INTERNAL AUDIT</u>				
Fraud Prevention Plan	-	350,000	0.00%	Service provider has been appointed and the project will be completed before financial year end.
Total	-	350,000	0.00%	Remarks
<u>COMMUNICATIONS</u>				
CFS System	-	5,000	0.00%	Contract renewed annually
Branding	-	10,000	0.00%	Awaiting SCM processes to take place
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 12.39% as compared to the approved budget. Projects will gain momentum as the financial year progresses.



Actual operating expenditure of Budget & Treasury office is 71.82% 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.

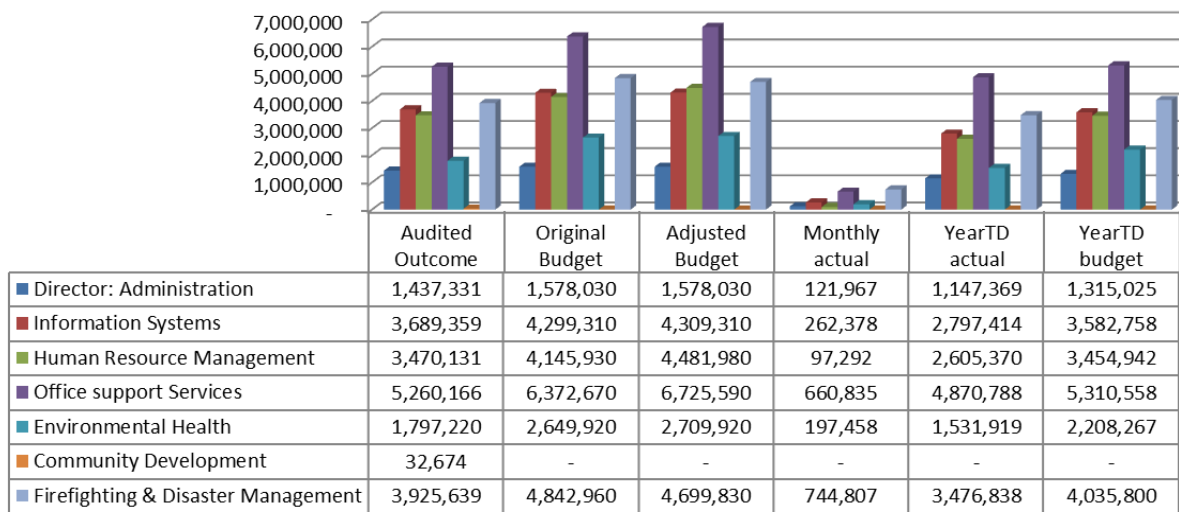
Approved vacant post of Accountant: Budget Office has to be filled.

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

	YTD Actual	Budget	% Spending	Remarks
<i>FINANCE: DIRECTORATE</i>				
Capacity Building & BTO Operations	263	120,000	0.22%	Training to be provided during the financial year
Operation Clean Audit	328,484	500,000	65.70%	Will be utilised during the financial year
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	508,747	1,050,000	48.45%	

Actual spending on special projects of Budget & Treasury Office is 48.45% as compared to the approved budget. Projects will gain momentum as the financial year progresses.

OPERATING EXPENDITURE - CORPORATE SERVICES



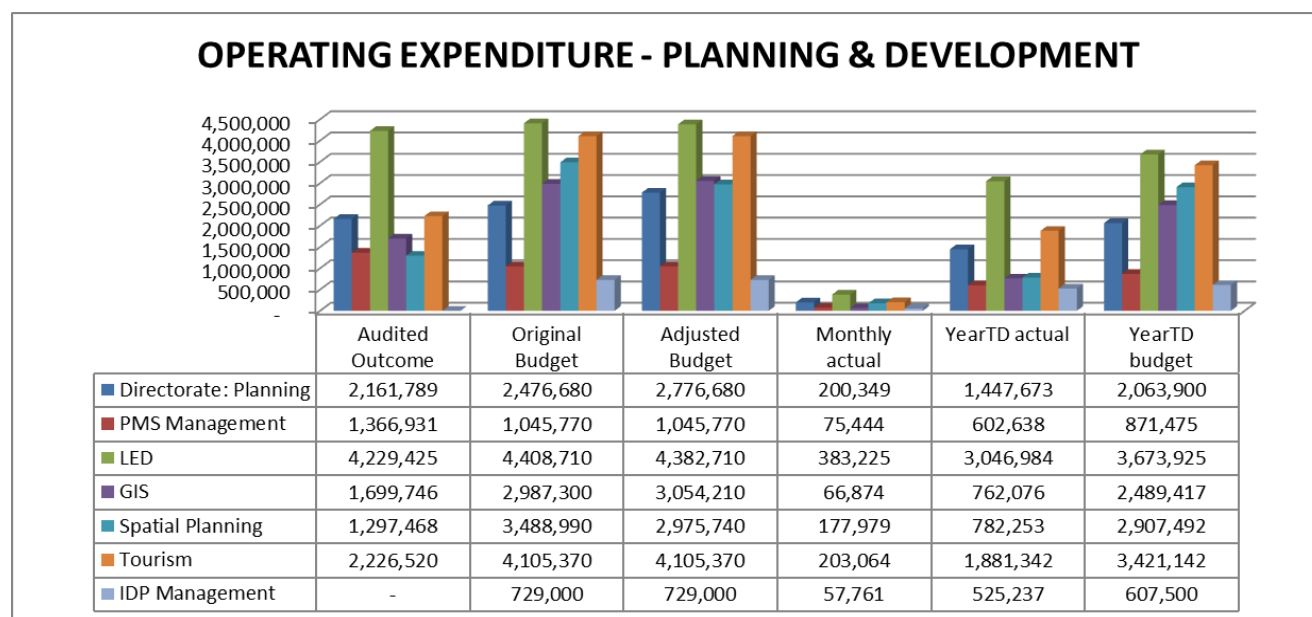
Actual operating expenditure of Corporate Services is 82.53% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: maintenance of computer hardware, software, printers, networks and telephone system, consultancy, special projects, training, and general expenses.

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

CORPORATE SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<u>INFORMATION COMMUNICATION & TECHNOLOGY</u>				
ICT District Forum Meetings	-	14,000	0.00%	Meetings scheduled for 4th quarter of the financial year
Total	-	14,000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>HUMAN RESOURCE MANAGEMENT</u>				
Employee Assistance Programme	14,480	100,000	14.48%	Project is needs driven
Employee Wellness	222,459	300,000	74.15%	Project is needs driven
Total	236,939	400,000	59.23%	
	YTD Actual	Budget	% Spending	Remarks
<u>ENVIRONMENTAL HEALTH</u>				
Environment. Toilet for disabled persons	7,990	8,000	99.87%	Project complete
Environment Waste Recycle	-	52,000	0.00%	Awaiting the appointment of a service provider
Awareness Programme - HIV, TB & STI	5,911	6,000	98.52%	As per operational plan
Awareness Programme - Sanitation	5,189	6,000	86.48%	As per operational plan
Implementation of Recycling Project	10,000	40,000	25.00%	Awaiting Change of Banking Details from the service provider
Air Quality Projects	1,052	190,000	0.55%	Submission for appointment of interns not yet completed
Awareness Programme - Air Quality	914	16,000	5.71%	Campaign to take place in June 2014
Implement Air Quality Plan	2,976	216,000	1.38%	Workshop to take place on 21 May 2014 - possible savings
Waste Management Campaigns	-	2,000	0.00%	Campaign to be held during June 2014
EMI Internship Programme - Air Quality	-	196,200	0.00%	Awaiting response from Department of Environment & Nature Conservation - possible savings.
Total	34,032	732,200	4.65%	

	YTD Actual	Budget	% Spending	Remarks
<u>FIRE FIGHTING / DISASTER MANAGEMENT.</u>				
Fire Fighting - Volunteers Training	-	30,000	0.00%	Awaiting Training Programme
Fire Fighting - Volunteers Stipend	-	58,850	0.00%	Awaiting Training Programme
Fire Fighting - Volunteers Insurance	-	10,490	0.00%	Awaiting Training Programme
Contingency Fund	239,671	350,000	68.48%	Needs driven and as per request
Disaster Management Forum	491	8,800	5.58%	Forum meeting to take place during the 4th quarter
Develop Risk REC & RESP Strategy	106,396	229,000	46.46%	Project in progress
Total	346,558	687,140	50.43%	

Actual spending on special projects of Corporate Services is 33.68% as compared to the approved budget - projects will gain momentum as the financial year progresses.



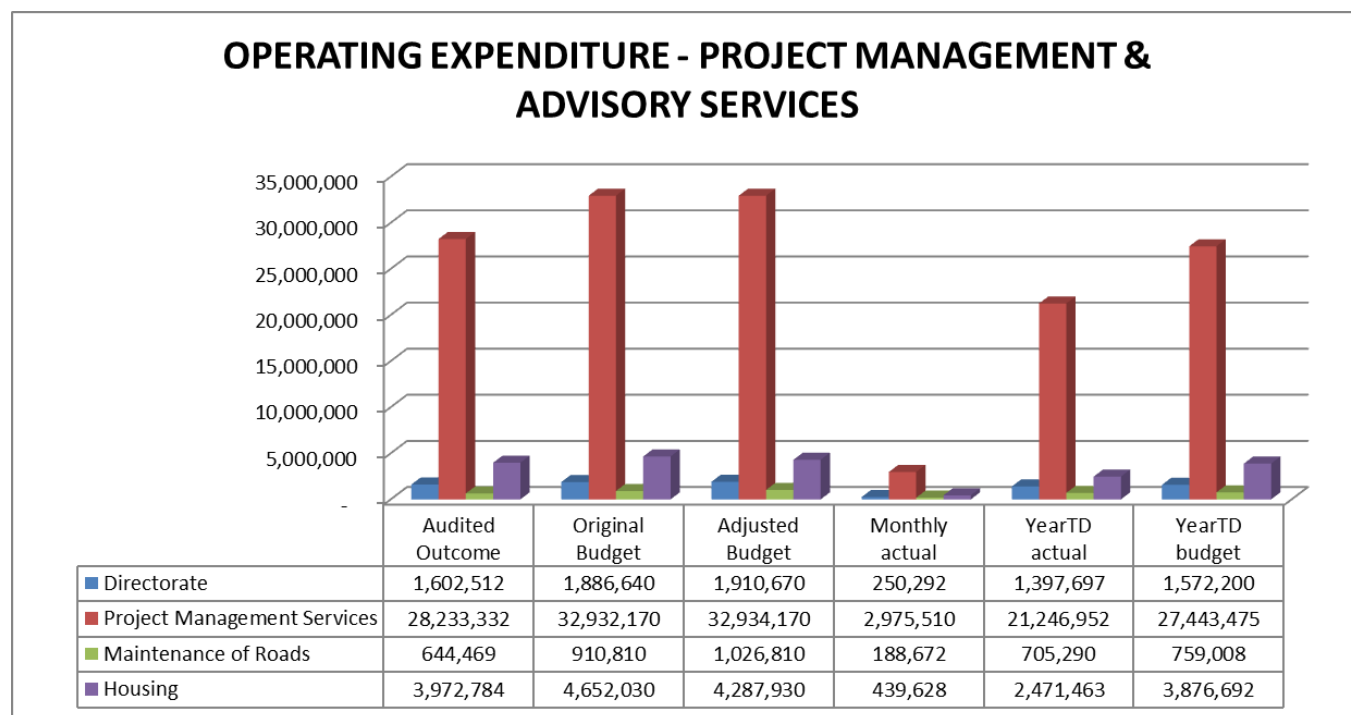
Actual operating expenditure of Planning & Development is 56.43% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: depreciation, repairs & maintenance, consultancy, special projects, advertisement general notices and general expenses.

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%	Balance committed to be paid out on completion and receipt of the upgraded document.
Review LED Strategy	-	290,000	0.00%	Project in progress - Awaiting claims from the service provider
Review DGDS Strategy	74,032	350,000	21.15%	Project in progress and payments have started as claims were submitted
Integrated Rezoning Scheme	-	250,000	0.00%	The first phase of the project has been completed successfully and awaiting processing of payment
Total	299,523	1,190,000	25.17%	

	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	42,900	100.00%	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%	An MOU has being signed awaiting processing of payment
LED Small Miner Support	-	100,000	0.00%	Service provider appointed - Summit to take place in June 2014
LED EPWP Support	-	10,000	0.00%	Provincial Launh to take place during the last week of May 2014
LED Training for Graduates	-	360,000	0.00%	Awaiting adjudication for the appointment of a service provider
LED Phokwane Processing Plant	-	40,000	0.00%	Awaiting Council resolution for the sale of land
LED EXPO	434,900	500,000	86.98%	Project in progress
LED BIO-Mass Dikgatlong	-	20,000	0.00%	Awaiting List of Corporative members
KBY HUB	302,765	450,000	67.28%	Project in progress
LED Develop Incentive Policies	17,661	40,000	44.15%	Project in progress
LED Coordinate Structure and Institutional Support	10,689	86,000	12.43%	Project in progress
Total	1,093,375	2,168,900	50.41%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
GIS: Verify Water Infrastructure	-	600,000	0.00%	Project will be roll-over to the 14/15 financial year
Financial Data Clensing	217,978	1,200,000	18.16%	Awaiting claims from the service provider
Total	217,978	1,800,000	12.11%	
<u>SPATIAL PLANNING</u>				
Surveying of Erven Dikgatlong	41,607	397,010	10.48%	Balance will be roll-over to the 14/15 financial year
Zoning Scheme Phokwane	147,615	165,520	89.18%	Project in progress
Spatial Development Framework (FBDM)	3,631	276,500	1.31%	Balance will be roll-over to the 14/15 financial year
Spatial Development Framework (LM)	18,486	526,500	3.51%	Project in progress
Environmental Impact Assessment - Dikgatlong	-	36,600	0.00%	Project will be roll-over to the 14/15 financial year
Total	211,338	1,402,130	15.07%	
	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
Diamonds & Dorings Support	300,000	300,000	100.00%	Project complete
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	337,090	360,000	93.64%	Support workshop scheduled for May 2014
Indaba Trade EXPO	33,719	275,180	12.25%	Project in progress
12/13: TOUR - Website	-	97,100	0.00%	Service provider appointed
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%	Project in progress
TOUR - FBDM Arts and Craft Centre	158,715	210,000	75.58%	Project in progress
TOUR - Marketing Brochure	-	90,000	0.00%	Advert for the appointment of suitable service provider
Community Awareness Campaigns	153,203	160,000	95.75%	Campaign held September 2013 - Savings
Gong-Gong Feasibility Study	470	263,250	0.18%	TOR finalized. Project in progress
Malooof 2013 Exhibition	1,066	28,430	3.75%	Project in progress
Total	1,257,090	2,454,260	51.22%	
	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 34.15% as compared to the approved budget - projects will gain momentum as the financial year progresses.



Actual operating expenditure of Project Management & Advisory Services is 76.73% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: consultancy, maintenance and provision of infrastructure projects and general expenses.

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

PROJECT MANAGEMENT & ADVISORY SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<i>PROJECT & ADVISORY SERVICES</i>				
District Technical Forum Meetings	1,686	8,000	21.07%	Project in progress
EQS: O&M Phokwane - Maintenance Water & Waste Infrastructure	1,693,886	1,812,000	93.48%	Project in progress
EQS: O&M Magareng - Maintenance Electricity Infrastructure	160,534	500,000	32.11%	Project on schedule as planned
EQS: O&M Magareng - Maintenance Water & Wastewater Infrastructure	5,980	700,000	0.85%	Project on schedule as planned
EQS: O&M Magareng - Maintenance Street & Storm Water	489,917	1,300,000	37.69%	Project in progress
EQS: O&M Sol Plaatje - Maintenance Platfontein Sewer System	358,267	500,000	71.65%	Project in progress
EQS: O&M Phokwane - Maintenance Electricity Infrastructure	548,071	550,000	99.65%	Project complete
EQS: O&M Sol Plaatje - Maintenance Street & Storm Water	1,000,000	1,000,000	100.00%	Project complete
EQS: O&M Phokwane - Maintenance Street & Storm Water	692,466	700,000	98.92%	Project complete
EQS: O&M Dikgatlong - Maintenance Water & Waste Infrastructure	1,135,262	1,550,000	73.24%	Project in progress
EQS: O&M Dikgatlong - Maintenance Electricity Infrastructure	113,080	550,000	20.56%	Project in progress

EQS: O&M Dikgatlong - Maintenance				
Street & Storm Water	357,236	500,000	71.45%	Project in progress
CAP - Magareng: Provision of Water Reticulation	2,353,623	2,355,000	99.94%	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	1,196,305	1,200,000	99.69%	Project complete
CAP - Phokwane: Sewer Truck	1,570,408	2,000,000	78.52%	Project in progress
CAP - Phokwane: Electricity	450,000	450,000	100.00%	Project complete
CAP - Phokwane: Install Water Meters	-	550,000	0.00%	Project on schedule as planned
CAP - Magareng: Water Reticulation Warrenvale	682,016	1,500,000	45.47%	Project in progress
CAP - Magareng: Sewer Reticulation Warrenvale	-	1,200,000	0.00%	Project on schedule as planned
CAP Magareng: Upgrade Water Network	632,406	1,500,000	42.16%	Project in progress
CAP - Sol Plaatje: Water & Sanitation	1,782,318	3,000,000	59.41%	Project in progress
CAP - Dikgatlong: Refuse Truck	1,984,090	2,000,000	99.20%	Project complete
CAP - Dikgatlong: Upgrade Electricity Network	-	1,500,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Waste Water Operating Room	123,600	650,000	19.02%	Project in progress
Total	19,384,192	29,924,000	64.78%	
	YTD Actual	Budget	% Spending	Remarks
HOUSING				
Housing Field Workers	-	-		
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	3,867	40,000	9.67%	Ongoing
Housing Field Workers	28,009	30,000	93.36%	Ongoing
Housing Steering Committee Meeting	6,602	20,000	33.01%	Ongoing
Total	53,478	120,000	44.57%	

Actual spending on special projects of Project Management & Advisory Services is 64.70% 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	385	4,267	3,849	418	11%	5,122
Transfers recognised - operational	94,579	93,815	94,175	1,102	92,685	95,863	(3,178)	-3%	95,054
Other own revenue	1,670	1,045	1,045	8	761	864	(103)	-12%	911
Total Revenue (excluding capital transfers and contributions)	101,921	99,479	99,840	1,495	97,713	100,577	(2,863)	-3%	101,088
Employee costs	39,423	47,498	47,498	4,018	32,099	39,582	(7,483)	-19%	40,320
Remuneration of Councillors	5,160	5,679	5,679	531	4,532	4,732	(201)	-4%	5,448
Depreciation & asset impairment	3,429	5,050	5,050	449	3,678	4,208	(530)	-13%	8,231
Finance charges	2,318	2,215	2,215	-	631	1,846	(1,215)	-66%	1,758
Materials and bulk purchases	2,569	3,983	4,492	145	2,357	3,320	(962)	-29%	3,242
Transfers and grants	35,437	42,937	42,530	3,063	23,717	35,781	(12,064)	-34%	34,482
Other expenditure	11,189	13,798	14,540	234	8,398	11,498	(3,100)	-27%	11,948
Total Expenditure	99,524	121,161	122,004	8,440	75,413	100,967	(25,555)	-25%	105,430
Surplus/(Deficit)	2,396	(21,681)	(22,164)	(6,945)	22,301	(391)	22,691	-5809%	(4,342)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2,396	(21,681)	(22,164)	(6,945)	22,301	(391)	22,691	-5809%	(4,342)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	2,396	(21,681)	(22,164)	(6,945)	22,301	(391)	22,691	-5809%	(4,342)
Capital expenditure & funds sources									
Capital expenditure	5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347
Total sources of capital funds	5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347
Financial position									
Total current assets	86,488	86,488	86,488		107,348				86,488
Total non current assets	63,332	63,332	63,332		60,796				63,332
Total current liabilities	12,802	12,802	12,964		9,288				12,964
Total non current liabilities	33,042	33,042	32,881		33,042				32,881
Community wealth/Equity	103,975	77,802	103,975		125,814				103,975
Cash flows									
Net cash from (used) operating	6,112	(11,892)	(11,892)	(8,020)	25,287	13,886	11,401	82%	(17,312)
Net cash from (used) investing	(7,463)	(3,861)	(3,861)	(15)	(2,577)	(1,970)	(608)	31%	(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	105,575	105,575	88,665	16,911	19%	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	1,345	72	70	2	1	1	13	1,503
Creditors Age Analysis									
Total Creditors	1,948	3,186	-	-	-	-	-	-	3,186

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	572	84,961	85,750	(789)	-1%	85,623
Executive and council		3,318	3,716	3,716	-	3,716	3,716	-		3,716
Budget and treasury office		81,983	82,034	82,034	572	81,245	82,034	(789)	-1%	81,907
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		3,272	600	600	583	1,000	600	400	67%	1,800
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		2,288	600	600	-	-	600	(600)		600
Housing		983	-	-	583	1,000	-	1,000	#DIV/0!	1,200
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		13,348	13,130	13,490	340	11,752	14,227	(2,475)	-17%	13,664
Planning and development		10,342	10,130	10,430	340	8,744	11,167	(2,422)	-22%	10,604
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3,006	3,000	3,060	-	3,008	3,060	(52)	-2%	3,060
<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	1,495	97,713	100,577	(2,863)	-3%	101,088
Expenditure - Standard										
<i>Governance and administration</i>		46,334	54,044	55,365	2,479	35,534	45,037	(9,503)	-21%	50,108
Executive and council		16,303	19,240	19,825	1,528	13,095	16,033	(2,938)	-18%	16,628
Budget and treasury office		16,174	18,409	18,444	(191)	11,018	15,340	(4,322)	-28%	18,022
Corporate services		13,857	16,396	17,095	1,142	11,421	13,663	(2,242)	-16%	15,458
<i>Community and public safety</i>		7,931	9,495	8,988	1,099	5,863	7,912	(2,050)	-26%	7,751
Community and social services		33	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		3,926	4,843	4,700	659	3,391	4,036	(645)	-16%	4,665
Housing		3,973	4,652	4,288	440	2,471	3,877	(1,405)	-36%	3,086
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		45,259	57,621	57,651	4,862	34,016	48,018	(14,002)	-29%	47,571
Planning and development		43,462	54,971	54,941	4,665	32,484	45,810	(13,326)	-29%	45,385
Road transport		-	-	-	-	-	-	-		-
Environmental protection		1,797	2,650	2,710	197	1,532	2,208	(676)	-31%	2,185
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	99,524	121,161	122,004	8,440	75,413	100,967	(25,555)	-25%	105,430
Surplus/ (Deficit) for the year		2,396	(21,681)	(22,164)	(6,945)	22,301	(391)	22,691	-5809%	(4,342)

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	-	3,716	3,716	-		3,716
Vote 2 - Budget & Treasury		81,983	82,034	82,034	572	81,245	82,034	(789)	-1.0%	81,907
Vote 3 - Corporate Services		5,294	3,600	3,660	600	3,608	3,660	(52)	-1.4%	3,660
Vote 4 - Planning & Development		733	890	1,190	74	300	1,190	(890)	-74.8%	1,190
Vote 5 - Project Management & Advisory Services		10,593	9,240	9,240	249	8,845	9,977	(1,132)	-11.3%	10,614
Total Revenue by Vote	2	101,921	99,479	99,840	1,495	97,713	100,577	(2,863)	-2.8%	101,088
Expenditure by Vote	1									
Vote 1 - Council & Executive		16,303	19,240	19,825	1,528	13,095	16,033	(2,938)	-18.3%	16,628
Vote 2 - Budget & Treasury		16,174	18,409	18,444	(191)	11,018	15,340	(4,322)	-28.2%	18,022
Vote 3 - Corporate Services		19,613	23,889	24,505	2,085	16,430	19,907	(3,478)	-17.5%	22,308
Vote 4 - Planning & Development		12,982	19,242	19,069	1,165	9,048	16,035	(6,987)	-43.6%	13,680
Vote 5 - Project Management & Advisory Services		34,453	40,382	40,160	3,854	25,821	33,651	(7,830)	-23.3%	34,792
Total Expenditure by Vote	2	99,524	121,161	122,004	8,440	75,413	100,967	(25,555)	-25.3%	105,430
Surplus/ (Deficit) for the year	2	2,396	(21,681)	(22,164)	(6,945)	22,301	(391)	22,691	-5809.5%	(4,342)

Please refer to next page

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

Description	Ref	Budget Year 2013/14								Full Year Forecast
		2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		596	961	961	6	681	801	(120)	-15%	817
Interest earned - external investments		5,672	4,619	4,619	385	4,267	3,849	418	11%	5,122
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		94,579	93,815	94,175	1,102	92,685	95,863	(3,178)	-3%	95,054
Other revenue		1,073	24	24	2	79	18	61	341%	93
Gains on disposal of PPE		-	60	60	-	1	45	(44)	-99%	1
Total Revenue (excluding capital transfers and contributions)		101,921	99,479	99,840	1,495	97,713	100,577	(2,863)	-3%	101,088
Expenditure By Type										
Employee related costs		39,423	47,498	47,498	4,018	32,099	39,582	(7,483)	-19%	40,320
Remuneration of councillors		5,160	5,679	5,679	531	4,532	4,732	(201)	-4%	5,448
Debt impairment		-	3	3	-	-	3	(3)	-100%	3
Depreciation & asset impairment		3,429	5,050	5,050	449	3,678	4,208	(530)	-13%	8,231
Finance charges		2,318	2,215	2,215	-	631	1,846	(1,215)	-66%	1,758
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		2,569	3,983	4,492	145	2,357	3,320	(962)	-29%	3,242
Contracted services		212	-	-	-	-	-	-	-	-
Transfers and grants		35,437	42,937	42,530	3,063	23,717	35,781	(12,064)	-34%	34,482
Other expenditure		9,926	13,595	14,337	234	8,398	11,329	(2,931)	-26%	11,745
Loss on disposal of PPE		1,050	200	200	-	-	167	(167)	-100%	200
Total Expenditure		99,524	121,161	122,004	8,440	75,413	100,967	(25,555)	-25%	105,430
Surplus/ (Deficit) for the year		2,396	(21,681)	(22,164)	(6,945)	22,301	(391)	22,691	(0)	(4,342)
Transfers recognised - capital										
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		2,396	(21,681)	(22,164)	(6,945)	22,301	(391)			(4,342)
Taxation										
Surplus/(Deficit) after taxation		2,396	(21,681)	(22,164)	(6,945)	22,301	(391)			(4,342)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		2,396	(21,681)	(22,164)	(6,945)	22,301	(391)			(4,342)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		2,396	(21,681)	(22,164)	(6,945)	22,301	(391)			(4,342)

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

Vote 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									
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	-	59	68	(10)	-14%	71
Vote 2 - Budget & Treasury		1,853	862	757	1	614	719	(104)	-15%	765
Vote 3 - Corporate Services		874	2,593	2,072	15	756	2,161	(1,405)	-65%	1,010
Vote 4 - Planning & Development		2,558	141	141	-	21	118	(97)	-82%	110
Vote 5 - Project Management & Advisory Services		611	611	609	-	155	509	(354)	-70%	391
Total Capital single-year expenditure	4	5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347
Total Capital Expenditure		5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347
Capital Expenditure - Standard Classification										
Governance and administration		2,784	2,092	1,445	16	890	1,744	(854)	-49%	1,140
Executive and council		57	82	82	-	59	68	(10)	-14%	71
Budget and treasury office		1,853	862	757	1	614	719	(104)	-15%	765
Corporate services		874	1,148	606	15	217	957	(740)	-77%	304
Community and public safety		3,006	1,476	1,479	-	612	1,230	(618)	-50%	734
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2,470	1,385	1,406	-	538	1,154	(616)	-53%	646
Housing		535	91	74	-	73	76	(3)	-4%	88
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		163	721	737	-	103	601	(498)	-83%	474
Planning and development		163	661	677	-	103	551	(448)	-81%	414
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	60	60	-	-	50	(50)	-100%	60
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347
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	16	1,604	3,575	(1,970)	-55%	2,347
Total Capital Funding		5,953	4,290	3,662	16	1,604	3,575	(1,970)	-55%	2,347

Table C6 Monthly Budget Statement - Financial Position

Description	Ref	2012/13 Audited Outcome	Budget Year 2013/14			
			Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		364	959	364	4,515	364
Call investment deposits		83,200	59,000	83,200	101,060	83,200
Consumer debtors		-	-	-	-	-
Other debtors		2,658	1,400	2,658	1,503	2,658
Current portion of long-term receivables		-	-	-	-	-
Inventory		266	300	266	270	266
Total current assets		86,488	61,659	86,488	107,348	86,488
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	45,536	47,786
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		849	2,163	1,134	849	1,134
Other non-current assets		-	-	-	-	-
Total non current assets		63,332	53,250	63,332	60,796	63,332
TOTAL ASSETS		149,820	114,909	149,820	168,145	149,820
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1,444	1,606	1,606	746	1,606
Consumer deposits		-	-	-	-	-
Trade and other payables		4,499	3,035	4,499	3,186	4,499
Provisions		6,860	6,024	6,860	5,357	6,860
Total current liabilities		12,802	10,665	12,964	9,288	12,964
Non current liabilities						
Borrowing		10,041	8,470	9,880	10,041	9,880
Provisions		23,001	17,971	23,001	23,001	23,001
Total non current liabilities		33,042	26,442	32,881	33,042	32,881
TOTAL LIABILITIES		45,845	37,107	45,845	42,331	45,845
NET ASSETS	2	103,975	77,802	103,975	125,814	103,975
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		75,967	54,541	75,967	99,494	75,967
Reserves		28,008	23,261	28,008	26,320	28,008
TOTAL COMMUNITY WEALTH/EQUITY	2	103,975	77,802	103,975	125,814	103,975

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	703	6,088	599	5,489	916%	668
Government - operating		92,105	93,815	93,815	-	95,057	92,278	2,779	3%	92,592
Government - capital		-	-	-	-	-	-	-	-	-
Interest		5,575	4,619	4,619	385	5,063	4,010	1,053	26%	4,708
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(61,273)	(67,427)	(67,427)	(3,858)	(51,537)	(51,666)	(129)	0%	(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)	(5,251)	(28,753)	(30,786)	(2,033)	7%	(45,692)
NET CASH FROM/(USED) OPERATING ACTIVITIES		6,112	(11,892)	(11,892)	(8,020)	25,287	13,886	11,401	82%	(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)	(15)	(2,577)	(1,970)	608	-31%	(3,861)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7,463)	(3,861)	(3,861)	(15)	(2,577)	(1,970)	608	-31%	(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)	(8,034)	22,011	11,347			(22,211)
Cash/cash equivalents at beginning:		86,214	77,317	77,317	113,610	83,564	77,317			83,564
Cash/cash equivalents at month/year end:		83,564	59,959	59,959	105,575	105,575	88,665			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	<u>Revenue By Source</u>			
	Government grants & subsidies	-3%	Equitable Share Grant received in advanced	Acceptable - No remedial steps required
	Rental of facilities and equipment	-14.98%	Low demand for rental grader services.	Acceptable - No remedial steps required
	Interest earned - external investments	10.86%	Interest earned on external investment is more than year-to-date budget.	Acceptable and dependant on the market yield.
	Other income	341.16%	Revenue generated is more than the full year budget .	Acceptable
2	<u>Expenditure By Type</u>			
	Salaries	-18.90%	Approved vacant posts not filled according to the organogram	Most vacant post were advertised and will be filled shortly .
	Depreciation	-12.60%	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	-28.99%	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	-33.72%	Most projects are on schedule as per the procurement plan.	Spending on projects will gain momentum during the 4th quarter of the financial year.
	Other expenditure	-25.87%	Under spending and GRAP related issues only accounted for at year end.	Expenditure will gain momentum as the financial year progresses.
3	<u>Capital Expenditure</u>			
	Capital expenditure	-55.12%	As per the policy , all capital projects / purchases should have been completed / finalized by 31 March of each year	Procurement of capital assets will be accompanied by the relevant invoices after 31 March of each year for payment.
4	<u>Financial Position</u>			
	Reserves	R 3,058,951	Under budgeted	Acceptable
	Property , plant & equipment	R -2,551,522	Under budgeted	Acceptable
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	82.10%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	-30.86%	Capital Expenditure not materialising per SDBIP	There is a need to accelerate this spending
	Net cash from operating / (used) Financing Activities	-22.64%	Repayment of borrowing	Bi-Annual DBSA Loan Repayment
6	<u>Measureable performance</u>			
7	<u>Municipal Entities</u>			

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%	6.0%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5.8%	6.0%	6.0%	0.8%	6.8%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		15.4%	16.9%	15.4%	11.1%	15.4%
Gearing	Long Term Borrowing/ Funds & Reserves		35.9%	36.4%	35.3%	38.2%	35.3%
Liquidity							
Current Ratio 1	Current assets/current liabilities	1	675.6%	578.1%	667.1%	1155.7%	667.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		682.4%	590.3%	673.9%	1177.6%	673.9%
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%	12.4%	13.1%
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%	32.9%	39.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.5%	4.0%	4.5%	0.1%	2.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		5.6%	7.3%	7.3%	0.6%	7.1%
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%	674.2%	269.7%
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		12.5	2.2	2.2	2.8	1.5

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 35.6%. 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									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	Total		
R thousands												
Debtors Age Analysis By Revenue Source												
Rates	1200											
Electricity	1300											
Water	1400											
Sewerage / Sanitation	1500											
Refuse Removal	1600											
Housing (Rental Revenue)	1700											
Other	1900	1,345	72	70	2	0	1	1	13	1,503		17
Total By Revenue Source	2000	1,345	72	70	2	0	1	1	13	1,503	-	17
2011/12 - totals only		1,278	68	66	2	0	1	1	12	1,428		16
Debtors Age Analysis By Customer Category												
Government	2200	140	113	67	72	-	-	-	-	391		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	1,205	(41)	3	(70)	0	912.00	1	13	1,112		
Total By Customer Category	2600	1,345	72	70	2	0	1	1	13	1,503	-	

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 30 April 2014 in respect of Provincial and Local Governments department is:

- Dikgatlong Municipality R3 457.21 payment for street lighting at Koopmansfontein.
- Phokwane Municipality R1 862.95 for printing of their debtor statements.
- Department of Roads and Public Works R66 580.50 for post service medical aid paid by the District Municipality on behalf of the Department.

- ***Post-Service Benefits***

The only outstanding debts reflected for more than 90 days as at 30 April 2014 is:

- Payne ME R7 210.60, Benson SC R3 484.70, Meyer PJ R50.80, Nel WA R1 534.20 and Maritz AJ R1013.50 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 30 April 2014 for sundry debtors is:

- Maribe BM R1 900.00 for traffic fines.

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								Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700										-	
Auditor General	0800										-	
Other	0900	3,186	-	-	-	-	-	-	-	-	3,186	
Total By Customer Type	2600	3,186	-	-	-	-	-	-	-	-	3,186	-

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 Task Grading System was implemented in April 2014 by Council Resolution of March 2014 and some employees were paid back-dated pay from July 2013.

The annual increase for Councilors’ in terms of the remuneration of Public Office Bearers Act, 1998 was implemented in January 2014 back-dated from July 2013.

Trade Creditors:

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

PAYMENTS		
Total value of all payments		R 9,072,462
Electronic transfers		117
Cheques issued		22
STORES		
Value of Stores issued		15,410
SALARIES		
Number of salary beneficiaries		145
Councillors		23
Total Councillors	27	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	23	
* Councillors without Remuneration	4	
Employees		122
* Remunerated Employee's	119	
* Remunerated Terminated Employees		
<i>T Manake</i>	1	
Pensioners	2	
Total remuneration paid		4,037,473
Councillors		577,035
Employees		3,457,597
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 April 2014, no contract (R200 000 +) was awarded by the Bid Adjudication Committee.

For the period of April 2014 five written price quotations (R30 000-R200 000) were awarded by the Municipal Manager.

1. Supply and delivery of 14 laptops: Lezmin computers – R103 950.00
2. Dismantling of old air conditioners: Baxumi construction – R61 357.02
3. Exhibition stands Tourism Indaba: Macronym – R105 123.68
4. Design Tourism website: Kallima – R 53 780.00
5. Repairs on devils fork fence: Baxumi construction – R42 719.30

The value of orders issued for the period ended 30 April 2014 total R3 460 117.30 (*See Annexure "C"*)

Orders per department

Council and Executive	R8 837.89
Municipal Manager	R38 856.51
Finance	R6 482.00
Administration	R320 554.15
Planning and Development	R1 005 370.12
Technical Service	R1 987 649.08
Stores	R92 367.55

- Disposal Management

No disposal of redundant goods was awarded.

- Deviations

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

- Issues from Stores

Total orders issued amount to R15 410.47 for all departments.

Council and Executive	R0.00
Municipal Manager	R466.05
Finance	R1 390.51
Administration	R7 858.09
Planning and Development	R1 592.64
Technical Services	R4 103.18

- Orders outstanding more than 30 days and over for April 2014

<i>COMPANY</i>	<i>60 DAYS</i>	<i>90 DAYS</i>	<i>COMMENT</i>
Altech Netstar		R18 126.00	Invoice not received yet
African compass	R85 100.00		Invoice not received yet
Battery Centre		R650.01	Invoice not received yet
Dr lawnmower	R284.94		Invoice not received yet
Heerengracht guest house		R745.00	Invoice not received yet
			Project not completed

Humelani Water Servicer		R240 210.36	
Independent newspaper	R8 163.45		Invoice not received yet
Independent newspaper		R2 556.54	Invoice not received yet
Kabaitiwe construction		R8 680.00	Invoice not received yet
Lasec		R748.06	Invoice not received yet
Lithotech	R5 235.30		Invoice not received yet
Macronym	R8 337.96		Invoice not received yet
MC Gross Logistics	R23 130.00		Invoice not received yet
National health lab	R2 532.00	R451.32	Invoice not received yet
Northern Cape Chamber	R25 092.52		Invoice not received yet
OG Media		R28 500.00	Service not render yet
Pent Communications	R20 000		Service not render yet
Rennies	R19 133.91	R54 625.32	Invoice not received yet
Sure Astra	R1 452.00	R23 299.204	Invoice not received yet
Sedibeng water	R13 428.29	R10 439.55	Invoice not received yet
UFS Centre for Business		R345 000.00	Order to be cancel
University of Free state	R8 387.02		Invoice not receive yet
Watees consulting		R78 486.40	

- 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 at the fourth quarter of the 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	18	5.8%	3,800		3,800
STANDARD BANK		119	NOTICE	4-Jul-14	20	6.0%	4,000		4,000
NEDCOR		30	NOTICE	30-Apr-14	13	5.1%	3,000		3,000
NEDCOR		119	NOTICE	4-Jul-14	15	6.0%	3,000		3,000
NEDCOR		120	NOTICE	9-Jul-14	74	6.0%	15,000		15,000
ABSA		120	NOTICE	9-Jul-14	25	6.0%	5,000		5,000
ABSA		30	NOTICE	30-Apr-14	8	5.0%	2,000		2,000
ABSA		30	NOTICE	30-Apr-14	4	5.0%	1,060		1,060
ABSA		90	NOTICE	24-Jun-14	21	5.6%	4,500		4,500
NEDCOR		90	CALL	24-Jun-14	21	5.8%	4,500		4,500
STANDARD BANK		90	NOTICE	24-Jun-14	21	5.7%	4,500		4,500
RMB		90	NOTICE	24-Jun-14	21	5.7%	4,500		4,500
STANDARD BANK		120	NOTICE	30-Jul-14	75	6.1%	15,000		15,000
STANDARD BANK		30	CALL	30-Apr-14	12	5.0%	3,000		3,000
ABSA		90	CALL	30-Jun-14	19	5.8%	4,000		4,000
ABSA		30	CALL	30-Apr-14	17	5.2%	4,000		4,000
NEDCOR		61	NOTICE	3-Jun-14	24	5.8%	5,000		5,000
ABSA		61	NOTICE	3-Jun-14	33	5.8%	7,000		7,000
RMB		90	NOTICE	2-Jul-14	28	5.7%	6,000		6,000
STANDARD BANK		0	NOTICE	3-Jun-14	28	5.7%	6,000		6,000
TOTAL INVESTMENTS AND INTEREST					498		104,860	-	104,860
Entities									
Entities sub-total									
TOTAL INVESTMENTS AND INTEREST					498		104,860	-	104,860

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	249	93,130	93,263	(133)	-0.1%	94,973
Local Government Equitable Share		10,391	10,329	10,329	249	9,217	8,608	610	7.1%	11,061
Special Contribution: Councillor Remuneration		3,318	3,716	3,716	-	3,716	3,716	-	-	3,716
Levy replacement	3	73,733	75,945	75,945	-	77,057	77,667	(610)	-0.8%	77,057
Finance Management Grant		1,250	1,250	1,250	-	1,250	1,250	-	-	1,250
Municipal Systems Improvement		1,000	890	1,190	-	890	1,190	(300)	-25.2%	890
Extended Public Works Programme		1,000	1,000	1,000	-	1,000	833	167	20.0%	1,000
Water Affairs		-	-	-	-	-	-	-	-	-
Provincial Government:		2,558	600	360	1,183	1,599	600	999	166.4%	1,798
Housing	4	270	-	-	583	999	-	999	-	1,198
Near Grant		1,176	300	-	300	300	300	-	0.0%	300
Fire Fighting Equipment Grant		1,112	300	300	300	300	300	-	0.0%	300
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		-	-	60	-	-	-	-	-	-
District Aids Programme		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		175	85	85	-	66	102	(36)	-35.1%	102
SETA Skills Grant		175	85	85	-	66	102	(36)	-35.1%	102
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-	-	-
ABSA		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	93,425	93,815	93,875	1,432	94,795	93,965	829	0.9%	96,874
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	93,875	1,432	94,795	93,965	829	0.9%	96,874

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	(82)	91,011	77,608	13,403	17.3%	94,553
Local Government Equitable Share		10,391	10,329	10,329	249	9,217	8,608	610	7.1%	10,391
Special Contribution: Councillor Remuneration		3,318	3,716	3,716	-	3,716	3,097	619	20.0%	3,716
Levy replacement		73,733	75,945	75,945	-	75,945	63,288	12,658	20.0%	77,306
Finance Management Grant		1,250	1,250	1,250	179	820	1,042	(221)	-21.3%	1,250
Municipal Systems Improvement		733	890	1,190	74	300	742	(442)	-59.6%	890
Extended Public Works Programme		1,107	1,000	1,000	(583)	1,013	833	179	21.5%	1,000
Water Affairs		-	-	-	-	-	-	-	-	-
Provincial Government:		3,277	600	360	1,183	1,608	500	1,108	221.6%	610
Housing		983	-	-	583	1,000	-	1,000	#DIV/0!	-
Near Grant		1,176	300	-	300	300	250	50	-	300
Fire Fighting Equipment Grant		1,112	300	300	300	300	250	50	-	300
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		6	-	60	-	8	-	8	#DIV/0!	10
District Aids Programme		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers:		769	85	85	-	66	71	(5)	-	102
Koopmansfontein Self Build Scheme		595	-	-	-	-	-	-	-	-
ABSA		-	-	-	-	-	-	-	-	-
SETA Skills Grant		175	85	85	-	66	71	(5)	-	102
Total operating expenditure of Transfers and Grants:		94,579	93,815	93,875	1,102	92,685	78,179	14,506	18.6%	95,264
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	93,875	1,102	92,685	78,179	14,506	18.6%	95,264

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							
		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		3,670	3,833	3,833	321	3,082	3,194	(112)	-3%	3,699
Pension Contributions		165	174	174	14	144	145	(0)	0%	173
Medical Aid Contributions		17	19	19	1	14	16	(2)	-10%	17
Motor vehicle allowance		994	1,315	1,315	110	983	1,095	(112)	-10%	1,180
Cell phone and other allowances		314	307	307	25	247	256	(9)	-3%	296
Workmen's Compensation		-	21	21	60	60	18	43	243%	72
Unemployment Insurance		-	11	11	-	-	9	(9)	-100%	11
Sub Total - Councillors		5,160	5,679	5,679	531	4,532	4,732	(201)	-4%	5,448
% increase	4		10.1%	10.1%						5.6%
Senior Managers of the Municipality										
Basic Salaries and Wages		2,295	4,407	4,407	332	3,687	3,673	14	0%	4,187
Pension and UIF Contributions		225	630	630	41	496	525	(29)	-5%	599
Medical Aid Contributions		68	146	146	8	102	122	(20)	-16%	136
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	584	584	-	-	486	(486)	-100%	554
Motor Vehicle Allowance		195	530	530	34	412	442	(30)	-7%	504
Cellphone Allowance		48	96	96	7	76	80	(5)	-6%	91
Housing Allowances		18	36	36	-	10	30	(20)	-67%	34
Other benefits and allowances		24	139	139	3	42	116	(74)	-64%	132
Payments in lieu of leave		-	98	98	-	-	81	(81)	-100%	93
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2,872	6,666	6,666	426	4,825	5,555	(731)	-13%	6,330
% increase	4		132.1%	132.1%						120.4%
Other Municipal Staff										
Basic Salaries and Wages		24,934	29,252	29,252	2,302	19,512	24,376	(4,865)	-20%	24,210
Pension and UIF Contributions		4,002	4,672	4,672	387	3,195	3,893	(699)	-18%	3,831
Medical Aid Contributions		1,202	1,300	1,300	119	1,042	1,084	(42)	-4%	1,237
Overtime		54	-	-	3	57	-	57	#DIV/0!	-
Performance Bonus		366	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		2,108	2,090	2,090	205	1,645	1,742	(96)	-6%	1,965
Cellphone Allowance		144	134	134	8	77	112	(35)	-31%	92
Housing Allowances		395	442	442	16	164	368	(205)	-56%	174
Other benefits and allowances		977	1,256	1,256	486	932	1,047	(114)	-11%	1,037
Payments in lieu of leave		1,121	659	659	-	-	549	(549)	-100%	664
Long service awards		209	206	206	0	11	171	(160)	-94%	13
Post-retirement benefit obligations	2	1,038	821	821	67	640	684	(44)	-6%	768
Sub Total - Other Municipal Staff		36,551	40,832	40,832	3,593	27,275	34,027	(6,752)	-20%	33,990
% increase	4		11.7%	11.7%						-7.0%
Total Parent Municipality		44,583	53,177	53,177	4,549	36,631	44,314	(7,683)	-17%	45,768

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for April 2014 averages 66%. The reason for the deviations is mainly due to, annual, sick, courses and special annual leave.

Attendance trends are summarized as follows:

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	3	7	11
Annual Leave	0	8	22	36
Sick Leave	0	1	0	1
Courses / Seminar	0	0	24	26
Meetings	0	0	0	0
Family Responsibility	0	0	0	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	0	0	10	0
No. of Workdays Attended	19	48	77	108
Total Workdays	19	57	133	171
Percentage attendance per Group	100%	84%	58%	63%
Average	66%			

Personnel Development:

Two finance officials attended the CPMD programme and five finance officials attended the creditors control training during the month of April 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	486	359	385	-	-	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	-	-	1,252	23,080	-	-	-	93,815	100,419	106,938
Other revenue		87	361	278	528	293	450	1,950	510	926	703	-	-	72	72	74
Cash Receipts by Source		39,437	1,341	2,493	1,156	30,651	921	2,506	2,249	24,365	1,088	-	-	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	2,249	24,365	1,088	-	-	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	3,399	3,120	4,193	-	-	44,698	45,692	48,860
Remuneration of councillors		437	429	418	425	419	435	418	416	603	531	-	-	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	343	267	163	-	-	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	4,246	3,801	5,251	-	-			
General expenses		1,121	741	1,274	1,075	1,781	1,500	747	1,018	821	(1,030)	-	-	13,436	13,788	14,006
Cash Payments by Type		8,186	5,874	8,538	6,453	10,436	9,529	4,763	9,422	8,612	9,108	-	-	110,433	97,164	102,459
Other Cash Flows/Payments by Type																
Capital assets		256	373	346	174	61	73	138	612	530	15	-	-	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	10,034	9,142	9,123	-	-	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)	(7,785)	15,223	(8,034)	-	-	(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	106,172	98,387	113,610	-	-	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	98,387	113,610	105,575	-	-	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								%	
<u>Monthly expenditure performance trend</u>									
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	247	1,486	3,030	1,545	51.0%	35%
March	1,192	429	129	103	1,589	3,159	1,571	49.7%	37%
April	135	300	202	16	1,604	3,361	1,757	52.3%	37%
May	527	215	215				-		
June	374	86	86				-		
Total Capital expenditure	5,953	4,290	3,662	1,604					

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	16	706	1,908	1,202	63.0%	1,201
General vehicles		3,063	595	591	-	484	496	12	2.4%	446
Specialised vehicles										
Plant & equipment		402								
Computers - hardware/equipment		121	432	307	15	96	360	264	73.4%	216
Furniture and other office equipment		52	81	83	1	35	68	33	48.4%	47
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		584	1,182	1,218		91	985	894	90.8%	493
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		319	60	60			50	50	100.0%	35
Computers - software & programming		319	60	60			50	50	100.0%	35
Other										
Total Capital Expenditure on new assets	1	4,541	2,350	2,259	16	706	1,958	1,252	64.0%	1,236

Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets 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									
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	-	899	1,617	718	44.4%	1,111
General vehicles		714	800	650	-	598	667	68	10.3%	631
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		4	-	-	-	-	-	-	-	-
Computers - hardware/equipment		439	859	472	-	176	716	540	75.4%	286
Furniture and other office equipment		-	81	81	-	58	67	9	14.1%	67
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		248	200	200	-	66	167	101	60.4%	127
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	-	899	1,617	718	44.4%	1,111

Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance 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									
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	83	1,136	2,077	941	45.3%	2,027
General vehicles		348	477	502	3	223	358	135	37.6%	404
Specialised vehicles										
Plant & equipment		221	53	53		5	40	35	88.1%	55
Computers - hardware/equipment		513	883	885	67	508	663	155	23.4%	810
Furniture and other office equipment		27	132	132	1	46	99	53	53.2%	127
Abattoirs										
Markets										
Civic Land and Buildings		286	584	593	12	318	438	120	27.3%	482
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other - Emergency Equipment			640	118		36	480	444	92.5%	149
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		1,174	1,814	2,209	62	1,221	1,361	140	10.3%	1,724
Computers - software & programming		1,174	1,814	2,209	62	1,221	1,361	140	10.3%	1,724
Other										
Total Repairs and Maintenance Expenditure		2,569	4,583	4,492	145	2,357	3,438	1,080	31.4%	3,751

Table SC13d Monthly Budget Statement - depreciation by asset class

Description	Ref	2011/12	Budget Year 2012/13							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		125	200	200	3,541	3,678	167	(3,511)	-2106.9%	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	3,541	3,678	167	(3,511)	-2106.9%	200
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		3,162	4,600	4,600	(2,830)	-	3,833	3,833	100.0%	4,600
General vehicles		624	600	600	(851)	-	500	500	100.0%	600
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		302	330	330	(262)	-	275	275	100.0%	330
Computers - hardware/equipment		760	850	850	(571)	-	708	708	100.0%	850
Furniture and other office equipment		767	970	970	(624)	-	808	808	100.0%	970
Abattoirs										
Markets										
Civic Land and Buildings		-								
Other Buildings		588	1,500	1,500	(441)	-	1,250	1,250	100.0%	1,500
Other Land		-								
Surplus Assets - (Investment or Inventory)										
Other		121	350	350	(81)	-	292	292		350
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		141	250	250	(262)	-	208	208	100.0%	250
Computers - software & programming		141	250	250	(262)	-	208	208	100.0%	250
Other										
Total Repairs and Maintenance Expenditure		3,429	5,050	5,050	449	3,678	4,208	530	12.6%	5,050

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 will place during the second and third week of May 2014.

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	-	500,000	(500,000)	-100.00%
Insurance	79,091	69,167	9,925	14.35%
MV Administration Levy	13,471	16,667	(3,195)	-19.17%
Fuel	307,992	480,492	(172,499)	-35.90%
Licence	9,901	10,083	(182)	-1.81%
Repairs and Maintenance	42,165	76,833	(34,668)	-45.12%
Tyres	24,711	65,833	(41,122)	-62.46%
TOTAL	477,332	1,219,075	(741,743)	-60.84%

Motor Vehicles - Utilization Statistics:

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

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

	Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	July Utility
1	Citi Golf	Pool	2005	BSM 014 NC	105,000	4/30/2015	97,904	98,300	396
2	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	105,000	9/30/2014	100,509	101,288	779
3	Chevrolet Opel Corsa	Disaster Management	2010	CBY 227 NC	60,000	9/30/2014	48,536	49,633	1,097
4	Chevrolet Captiva	Pool	2011	CDM 296 NC	60,000	9/30/2014	51,239	51,691	452
5	Nissan D/Cab	Disaster Management	2006	BTT 376 NC	135,000	4/30/2015	119,870	119,876	6
6	Toyota Corolla	Pool	2009	BZP 439 NC	120,000	9/30/2014	115,765	117,235	1,470
7	Toyota Corolla	Pool	2009	BZP 440 NC	120,000	9/30/2014	105,483	106,995	1,512
8	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	15,000	12/31/2014	12,387	12,516	129
9	Isuzu KB 250	Housing	2013	CGR 572 NC	30,000	12/31/2014	18,834	20,344	1,510
10	Isuzu KB 250	Housing	2013	CGR 576 NC	30,000	12/31/2014	22,774	24,111	1,337
11	Hyundai HI	Tourism Centre	2013	CGY 587 NC	15,000	2/28/2015	12,095	12,103	8
12	Isuzu 2.4	Housing	2009	CBD 761 NC	120,000	2/28/2015	104,440	105,506	1,066
13	Nissan LDV	Community Development	2006	BVC 831 NC	150,000	7/31/2014	135,112	136,102	990
14	Ford Bantam	Finance	2004	BRD 836 NC	90,000	1/31/2015	86,369	86,603	234
15	Toyota Hilux	PMU	2004	BRF 837 NC	140,000	2/28/2015	137,454	139,045	1,591
16	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	45,000	9/30/2014	30,802	31,459	657
17	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	30,000	9/30/2014	26,762	26,880	118
18	Isuzu D/Cab	Pool	2013	CGR 974 NC	30000	12/31/2014	21,553	22,975	1,422
19	Audi Q7	Council	2013	FBDM 1 NC	75000	12/31/2014	63,128	66,867	3,739
20	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15000	6/30/2014	2,001	2,001	-
21	Toyota Etios	Pool	2014	CJG 979 NC	15000	12/31/2014	3,352	4,386	1,034
22	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	15000	12/31/2014	1,878	3,811	1,933
23	Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	15000	42004	634	1,196	562
24	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	1500	42004	1,675	2,281	606
25	Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	10000	42004	562	1,558	996
UTILITY FOR JULY 2013 - FULL FLEET									23,644

Motor Vehicle Damage Report:

Nissan NP200 registration numbers CJJ 258 NC anti-hijack device wiring were found hanging underneath the car and the incident was reported to the asset management unit.

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.

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 April 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 09 May 2014

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ZM Bogatsu
Municipal Manager: Frances Baard District Municipality

Signature



Date

09 May 2014