

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

31 JULY 2014

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1. INTRODUCTION

1.1 PURPOSE

The purpose of this report is to comply with section 71 of the Municipal Finance Management Act (no.56 of 2003) 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 71 of the Municipal Finance Management Act (no.56 of 2003) 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 Municipal Finance Management Act (no.56 of 2003) 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. EXECUTIVE 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 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 2015/16 financial year was submitted to the Executive Mayor for approval on 23 July 2014 and has also been submitted to National Treasury.

Monthly Reporting:

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

Financial Statements for the Year-ended 30 July 2014:

The Annual Financial Statements for the year ended 30 June 2014 will be 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 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 July 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 section 71 monthly budget statements and supporting documentation for the period ended 31 July 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 R29, 997 million as compared to the full year approved budget of R107, 992 million. The source of revenue that is below the budget is government grants and subsidies, gains on disposal of property, plant & equipment and other revenue

Operating expenditure by type

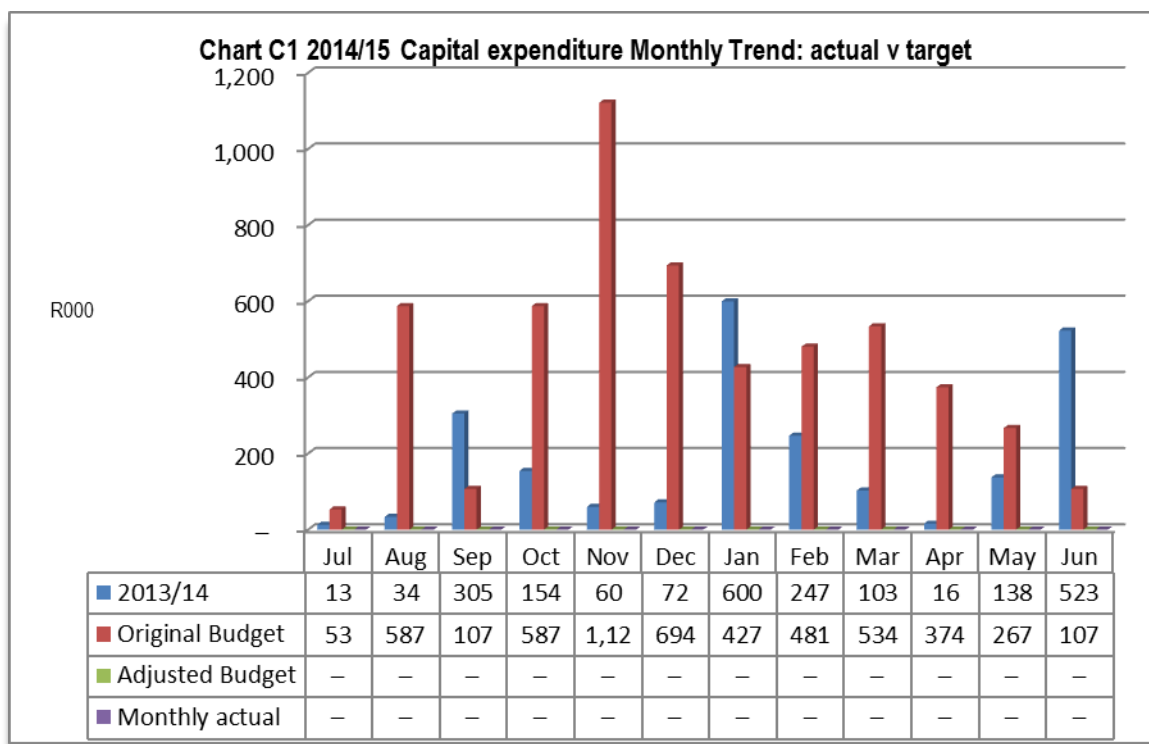
To date, R4, 611 million has been spent compared to the operational year-to-date budget projections of R11, 053 million. This does not include non-cash items such as depreciation & amortization. The main areas where expenditure is less than the budget is employee related costs, depreciation and asset impairment, actuarial losses, 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 R0.00 million and R0.018 is committed at the period of reporting. The approved capital budget for the 2014/15 Financial Year is 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**

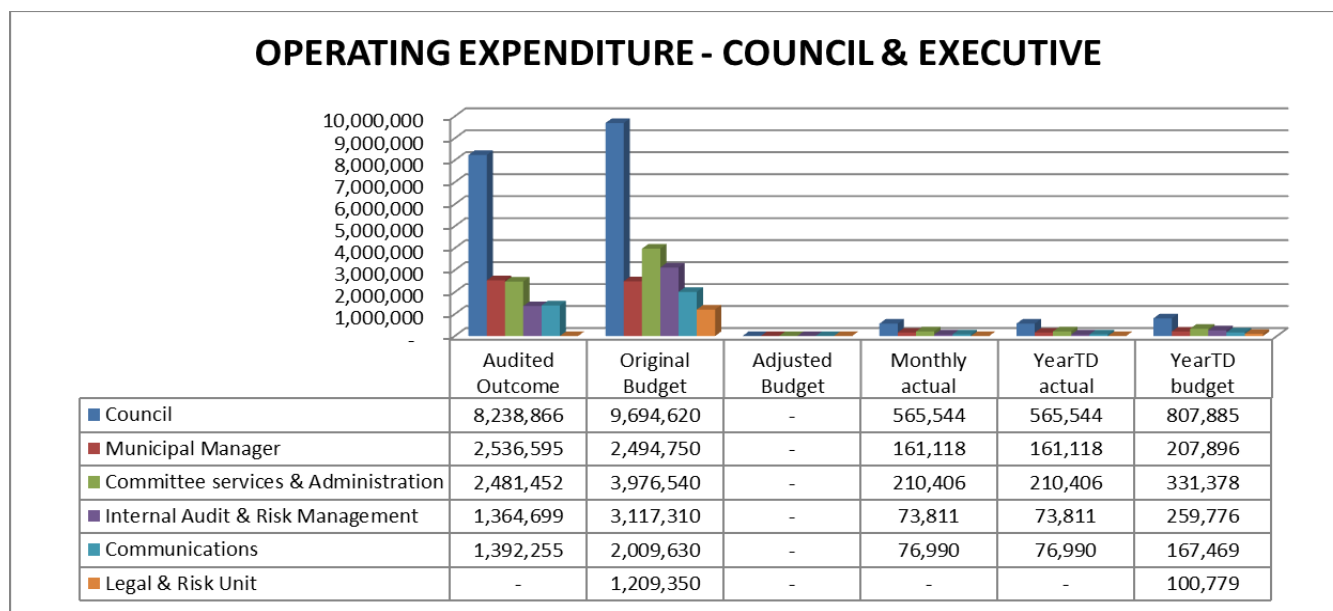
The Municipality started the year with a total cash and cash equivalents of R87, 934 million. For the month of July 2014, the cash and cash equivalents amount to R118, 904 million. The net increase in cash and cash equivalent for the month of July 2014 is R30, 970 million as a result of receiving equitable share grant for the first quarter of the 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:

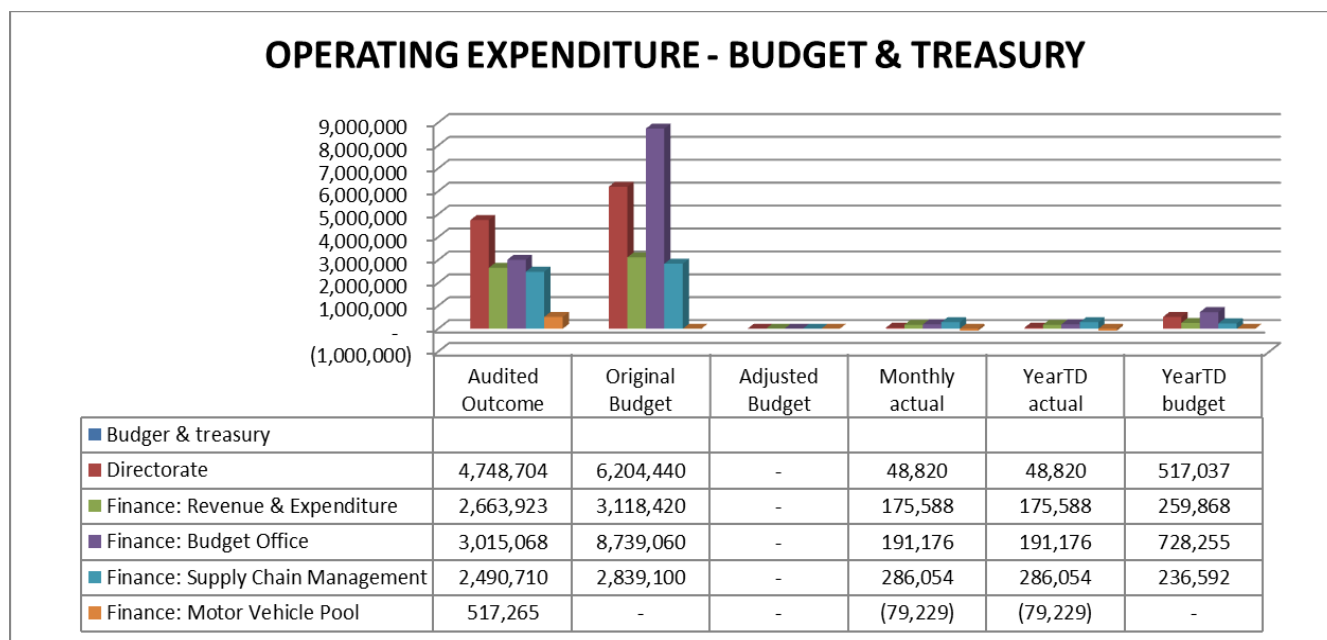


Actual operating expenditure of Council & Executive is R1, 087 870 as compared to the year-to-date budget R1, 875 183. The main areas where expenditure is less than YTD budgets are: employee related costs, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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

	YTD Actual	Budget	% Spending	Remarks
<u>COUNCIL</u>				
Commemorative Days		86,000	0.00%	
Mayoral Bursary Fund		200,000	0.00%	
Total	-	286,000	0.00%	
<u>COMMITTEE & ADMINISTRATION SERVICES</u>				
Youth Unit Special Projects	-	200,000	0.00%	
Total	-	200,000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>INTERNAL AUDIT</u>				
Fraud Prevention Plan	-	350,000	0.00%	
Total	-	350,000	0.00%	Remarks
<u>COMMUNICATIONS</u>				
14/15: Branding Communication	-	10,000	0.00%	
14/15: Paia Management Communication	-	5,000	0.00%	

There is currently no spending on special projects of Council & Executive. The approved budget on special projects for the 2014/15 financial year is R851 000.



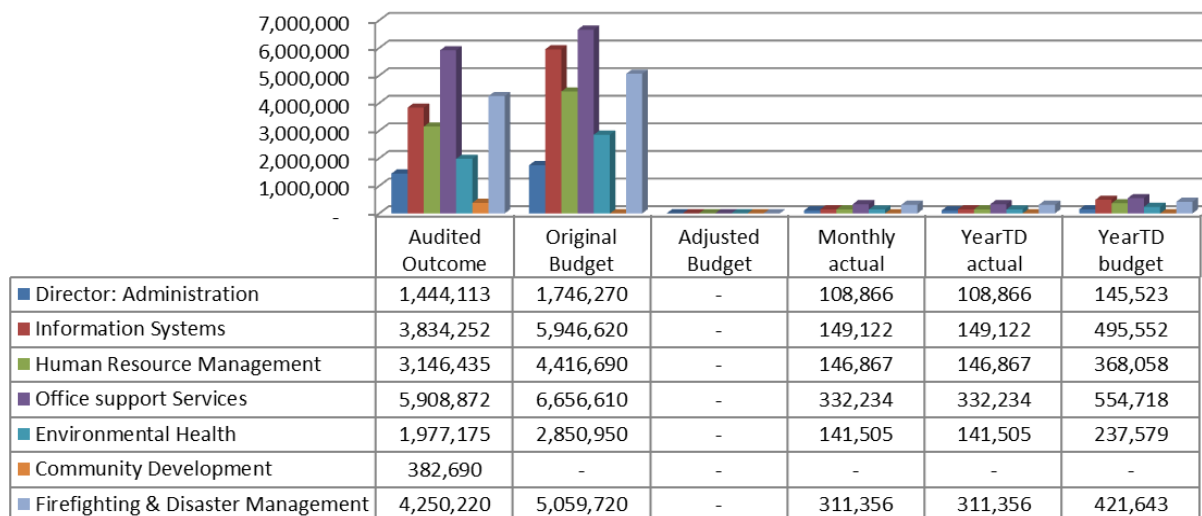
Actual operating expenditure of Budget & Treasury office is R622 409 as compared to the year-to-date projected budget of R1, 741 752. The main areas where expenditure is less than YTD budgets are: employee related costs, employee benefits, consultancy, repairs and maintenance, audit fees, actuarial losses, special projects and general expenses.

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

	YTD Actual	Budget	% Spending	Remarks
<u>FINANCE: DIRECTORATE</u>				
14/15 Financial System Support (2) Lm	-	300,000	0.00%	
(FMG) 14/15: Operation Clean Audit	-	540,000	0.00%	
(FMG) 14/15: AFS Quality Control & GRAP	-	160,000	0.00%	
(FMG) 14/15: Staff Benefits Actuarial Evaluation	-	50,000	0.00%	
Total	-	1,050,000	0.00%	

There is currently no spending on special projects of Budget & Treasury Office. The approved budget on special projects for the 2014/15 financial year is R1050 000.

OPERATING EXPENDITURE - CORPORATE SERVICES



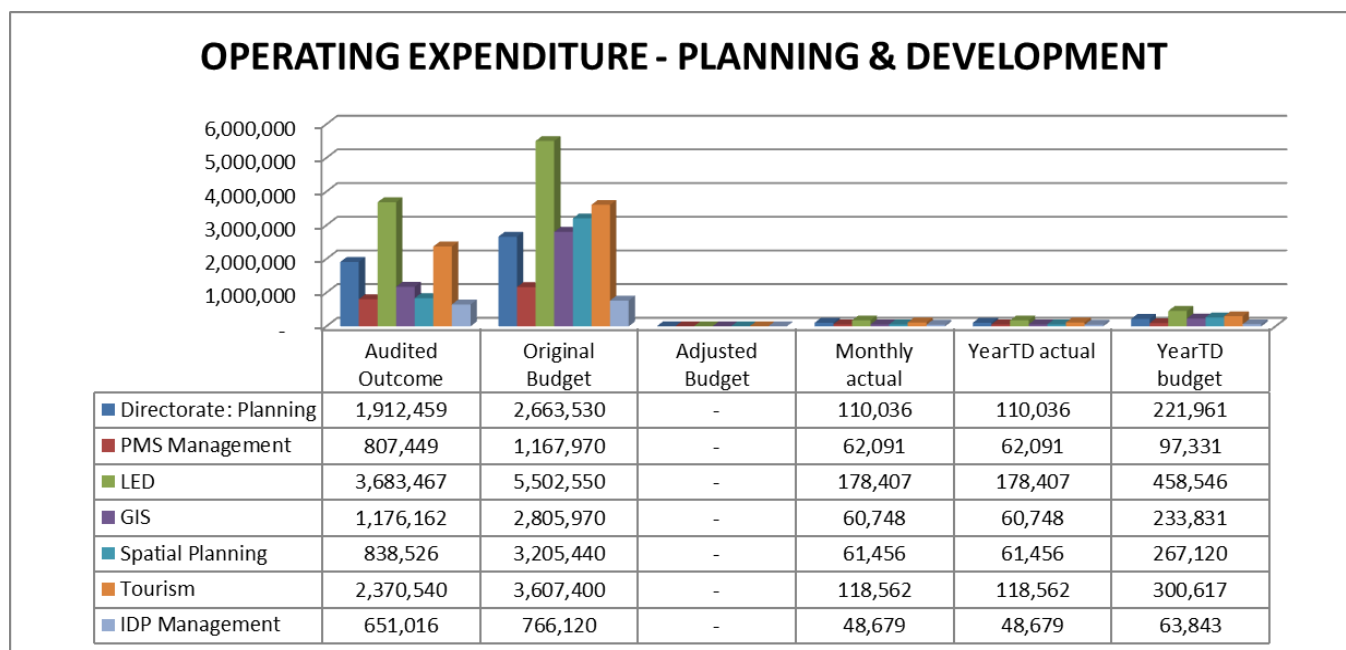
Actual operating expenditure of Corporate Services is R1, 189 950 as compared to the year-to-date projected budget of R2, 223 072. The main areas where expenditure is less than YTD budgets are: employee related costs, maintenance of computer hardware, software, printers, networks and telephone system, 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>				
12/13: Ict Forum Meetings	-	10,000	0.00%	
Total	-	10,000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>HUMAN RESOURCE MANAGEMENT</u>				
12/13: Employee Assistance Programme	-	100,000	0.00%	
10/11: Employee Wellness	-	450,000	0.00%	
Total	-	550,000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>ENVIRONMENTAL HEALTH</u>				
14/15: Awareness Programme - Hiv, Tb & Sti	-	24,000	0.00%	
14/15: Awareness Programme - Sanitation	-	24,000	0.00%	
14/15: Recycling Project	-	20,000	0.00%	
14/15: Air Quality Projects	-	120,000	0.00%	
14/15: Environmental Health Forum	1,449	20,000	7.24%	
14/15: Greening Projects	-	60,000	0.00%	
13/14: Waste Management Campaigns	197	40,000	0.49%	
14/15: Sector 78 Assessment	-	450,000	0.00%	
Total	1,646	758,000	0.22%	

	YTD Actual	Budget	% Spending	
<i>FIRE FIGHTING AND DISASTER MANAGEMENT</i>				
14/15: Fire Fighting - Volunteers Training	-	75,000	0.00%	
14/15: Fire Fighting - Volunteers Stipen	-	63,400	0.00%	
14/15: Fire Fighting - Volunteers Ins	-	11,000	0.00%	
14/15: Contingency Fund	42,532	300,000	14.18%	
14/15: Disaster Management Forum	-	8,000	0.00%	
14/15: Awareness Programmes	-	18,000	0.00%	
Total	42,532	475,400	8.95%	

Actual spending on special projects of Corporate Services is R44 178 as compared to the approved budget R1 793 400.



Actual operating expenditure of Planning & Development is R639 979 as compared to the year-to-date projected budget of R1, 643 248. 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.

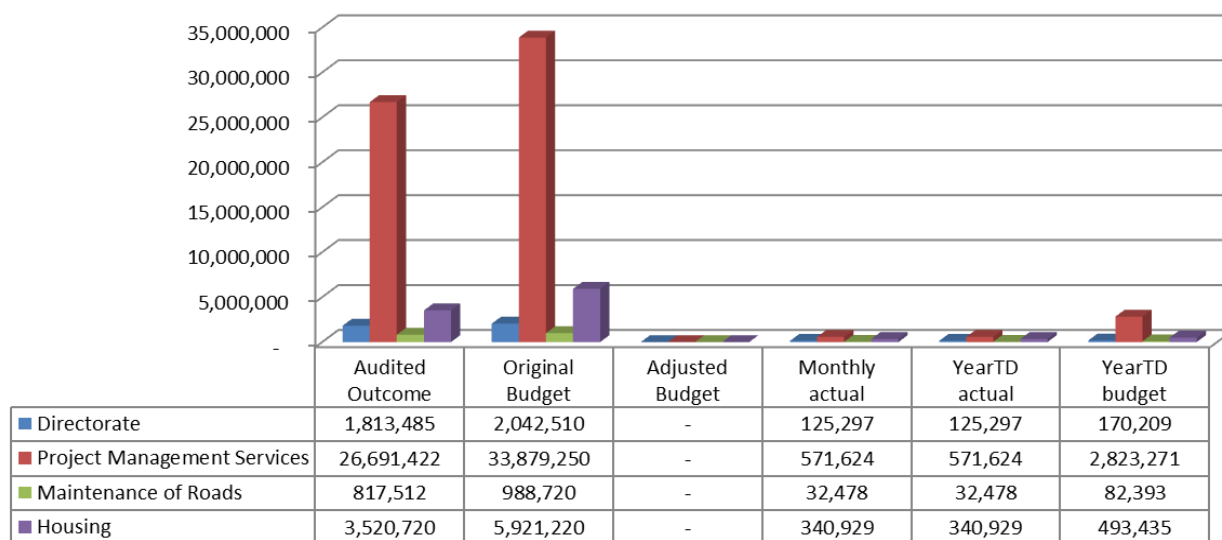
Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

<i>PLANNING & DEVELOPMENT</i>				
<i>DIRECTORATE</i>				
Review of municipal policies (FBDM)	-	300,000	0.00%	
Integrated Zoning Scheme (Magareng Municipality	-	334,000	0.00%	
Integrated Financial Management Plan (FBDM)	-	300,000	0.00%	
Total	-	934,000	0.00%	

	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
14/15: Led Smme Development	-	411,000	0.00%	
14/15: Led Richie Incubation Centre	-	260,640	0.00%	
14/15: Led Promotion Of Smme's	-	333,600	0.00%	
14/15: Led Coordinat Structures & Foru	4,435	50,000	8.87%	
10/11: Led Vegetable Plant - Phokwane	-	50,000	0.00%	
10/11: Led Entrepreneurship Programme	5,280	336,050	1.57%	
10/11: Led Bokomotso Project-Dikgatlong	-	100,000	0.00%	
14/15: Led Expo	-	639,000	0.00%	
11/12: Led Bio-Mass Dikgatlong	-	120,000	0.00%	
14/15: Kby Hub	-	120,000	0.00%	
11/12: Led Develop Incentive Policies	-	30,000	0.00%	
Total	9,715	2,450,290	0.40%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
13/14 Gis: Verify Water Infrastructure	-	600,000	0.00%	
14/15: Financial Data Clensing	-	1,000,000	0.00%	
Total	-	1,600,000	0.00%	
<u>SPATIAL PLANNING</u>				
12/13: Surveying Of Erven Dikgatlong	-	397,000	0.00%	
14/15 Spat Dev Framework - Magareng	-	291,980	0.00%	
13/14 Spat: Dev Spat Dev Framew (Fbdm)	-	276,500	0.00%	
14/15 Zoning Scheme - Magareng	-	316,800	0.00%	
12/13 Eia - Dikgatlong	-	36,600	0.00%	
Total	-	1,318,880	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
12/13: Diamonds & Dorings Support	-	550,000	0.00%	
12/13: Tour Contrb. Ncta Support	-	135,000	0.00%	
12/13: Tour N12 Promotion	-	50,000	0.00%	
12/13: Tour Treasure Route Support	-	20,000	0.00%	
12/13: Tour Businessplan Competition	-	615,000	0.00%	
12/13: Indaba Trade Expo	-	316,930	0.00%	
12/13: Tour Website	-	5,400	0.00%	
12/13: Tour Advertising & Promotion	-	172,500	0.00%	
12/13: Tour Association	-	17,000	0.00%	
14/15: Exhibition	20,420	23,390	87.30%	
14/15: Tourguide Business Esteb Training	-	232,710	0.00%	
13/14: Community Awareness Campaigns	-	168,000	0.00%	
Total	20,420	2,305,930	0.89%	
	YTD Actual	Budget	% Spending	Remarks
<u>IDP MANAGEMENT</u>				
12/13: Idp Steering Committee Meeting	-	7,600	0.00%	
13/14: Idp Projects	-	35,170	0.00%	
Total	-	42,770	0.00%	

Actual spending on special projects of Planning & Development is R24 855 as compared to the approved budget of R8 651 870.

OPERATING EXPENDITURE - PROJECT MANAGEMENT & ADVISORY SERVICES



Actual operating expenditure of Project Management & Advisory Services is R1 070 328 as compared to the year-to-date projected budget of R3 569 308. 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
<u>PROJECT & ADVISORY SERVICES</u>				
12/13: District Tec. Forum Meetings	308	9,000	3.43%	
Eqs 14/15: Phok-Maint Mun Infrast.	298,436	2,500,000	11.94%	
Eqs 14/15: Mag-Maint Mun Infrast.	-	2,500,000	0.00%	
Eqs 14/15: Sol-Maint Mun Infrast.	-	1,965,000	0.00%	
Cap 13/14 - Dik-Waste Wat Operating Room	-	480,000	0.00%	
14/15: Phok-Replace Sewer Granity Line	-	1,300,000	0.00%	
14/15: Phok-Resealing Of Reservoir	-	800,000	0.00%	
14/15: Phok-Upgrade Chlorination System	-	500,000	0.00%	
14/15: Phok-Road Infr & Maint Plan	-	1,200,000	0.00%	
14/15: Phok-Wat. & San Maint Plan	-	400,000	0.00%	
14/15: Phok-Resealing Sewer Storage Dam	-	800,000	0.00%	
14/15: Mag-Waternetw. 558 Sites	-	5,000,000	0.00%	
14/15: Dik-Procure Tlb	-	800,000	0.00%	
14/15: Dik-San Truck	-	1,000,000	0.00%	
14/15: Dik-Elect Master Plan	-	1,000,000	0.00%	
14/15: Dik-Purchase Cherry Picker	-	800,000	0.00%	
14/15: Dik-Elect. Infrast. Upgrade	-	900,000	0.00%	
14/15: Dik-Prosess Controller	-	500,000	0.00%	
14/15: Sol-Water Reticulation	-	5,000,000	0.00%	
Eqs 14/15: Sol-Maint Mun Infrast	-	535,000	0.00%	
Eqs 14/15: Dik-Maint Mun Infrast	-	2,500,000	0.00%	
Total	298,744	30,489,000	0.98%	

	YTD Actual	Budget	% Spending	Remarks
<u>HOUSING</u>				
1314: Special Project: Women's Month	-	16,000	0.00%	
1314: Special Project: Mandela Month	-	16,000	0.00%	
1314: Special Project: 16 Days of Activism	-	16,000	0.00%	
1314: Housing Consumer Education	-	40,000	0.00%	
1314: Housing Field Workers	3,878	30,000	12.93%	
1213:Housing Steering Committee Meeting	-	20,000	0.00%	
Total	3,878	138,000	2.81%	

Actual spending on special projects of Project Management & Advisory Services is R302 622 as compared to the approved budget of R30 627 000.

Please refer to next page

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	5,459	5,673	–	610	610	385	225	58%	5,418
Transfers recognised - operational	94,485	101,083	–	29,377	29,377	35,585	(6,208)	-17%	96,534
Other own revenue	1,188	1,236	–	10	10	142	(132)	-93%	1,180
Total Revenue (excluding capital transfers and contributions)	101,132	107,992	–	29,997	29,997	36,112	(6,115)	-17%	103,132
Employee costs	40,873	54,388	–	3,340	3,340	4,532	(1,192)	-26%	52,586
Remuneration of Councillors	5,424	6,055	–	439	439	505	(65)	-13%	5,069
Depreciation & asset impairment	4,059	5,380	–	–	–	448	(448)	-100%	5,138
Finance charges	1,215	2,854	–	–	–	238	(238)	-100%	2,725
Materials and bulk purchases	3,202	5,245	–	42	42	437	(395)	-90%	5,009
Transfers and grants	29,888	42,973	–	377	377	3,581	(3,204)	-89%	38,949
Other expenditure	10,016	15,736	–	411	411	1,311	(900)	-69%	15,028
Total Expenditure	94,676	132,631	–	4,611	4,611	11,053	(6,442)	-58%	124,504
Surplus/(Deficit)	6,456	(24,639)	–	25,386	25,386	25,059	327	1%	(21,371)
Transfers recognised - capital	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	6,456	(24,639)	–	25,386	25,386	25,059	327	1%	(21,371)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	6,456	(24,639)	–	25,386	25,386	25,059	327	1%	(21,371)
Capital expenditure & funds sources									
Capital expenditure	2,265	5,340	–	–	–	445	(445)	-100%	5,133
Capital transfers recognised	–	–	–	–	–	–	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	2,265	5,340	–	–	–	445	(445)	-100%	5,133
Total sources of capital funds	2,265	5,340	–	–	–	445	(445)	-100%	5,133
Financial position									
Total current assets	89,808	89,808	–		121,756				84,597
Total non current assets	61,658	61,658	–		61,811				57,577
Total current liabilities	9,918	9,918	–		21,267				14,789
Total non current liabilities	31,597	31,597	–		33,393				30,955
Community wealth/Equity	109,952	103,522	–		128,908				96,431
Cash flows									
Net cash from (used) operating	9,764	(8,285)	–	31,275	31,275	(690)	31,966	-4630%	(352)
Net cash from (used) investing	(3,949)	(4,482)	–	(306)	(306)	(374)	68	-18%	(4,175)
Net cash from (used) financing	(1,445)	(1,606)	–	–	–	(134)	134	-100%	(1,496)
Cash/cash equivalents at the month/year end	87,934	82,960	–	118,904	118,904	6,913	111,991	1620%	81,911
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	2,352	1	181	2	1	–	13	2,551
Creditors Age Analysis									
Total Creditors	1,948	12,079	–	–	–	–	–	–	12,079

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>		86,826	94,768	-	28,698	28,698	31,589	(2,891)	-9%	90,714
Executive and council		3,716	4,683	-	1,561	1,561	1,561	-		4,683
Budget and treasury office		83,110	90,085	-	27,137	27,137	30,028	(2,891)	-10%	86,031
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		1,600	315	-	-	-	105	(105)	-100%	283
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		600	315	-	-	-	105	(105)		283
Housing		1,000	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		12,706	12,909	-	1,298	1,298	4,417	(3,119)	-71%	12,134
Planning and development		9,698	9,909	-	298	298	3,417	(3,119)	-91%	9,434
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3,008	3,000	-	1,000	1,000	1,000	-		2,700
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	101,132	107,992	-	29,997	29,997	36,112	(6,115)	-17%	103,132
Expenditure - Standard										
<i>Governance and administration</i>		43,783	62,169	-	2,447	2,447	5,181	(2,733)	-53%	59,062
Executive and council		16,014	22,502	-	1,088	1,088	1,875	(787)	-42%	21,165
Budget and treasury office		13,436	20,901	-	622	622	1,742	(1,119)	-64%	20,210
Corporate services		14,334	18,766	-	737	737	1,564	(827)	-53%	17,687
<i>Community and public safety</i>		8,343	10,981	-	652	652	915	(263)	-29%	10,402
Community and social services		383	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		4,440	5,060	-	311	311	422	(110)	-26%	4,832
Housing		3,521	5,921	-	341	341	493	(153)	-31%	5,570
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		42,550	59,480	-	1,511	1,511	4,957	(3,446)	-70%	55,040
Planning and development		40,573	56,629	-	1,369	1,369	4,719	(3,350)	-71%	52,417
Road transport		-	-	-	-	-	-	-		-
Environmental protection		1,977	2,851	-	142	142	238	(96)	-40%	2,623
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	94,676	132,631	-	4,611	4,611	11,053	(6,442)	-58%	124,504
Surplus/ (Deficit) for the year		6,456	(24,639)	-	25,386	25,386	25,059	327	1%	(21,371)

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	-	1,561	1,561	1,561	-		4,683
Vote 2 - Budget & Treasury		83,110	90,085	-	27,137	27,137	30,028	(2,891)	-9.6%	86,031
Vote 3 - Corporate Services		3,608	3,315	-	1,000	1,000	1,105	(105)	-9.5%	2,983
Vote 4 - Planning & Development		560	949	-	-	-	311	(311)	-100.0%	907
Vote 5 - Project Management & Advisory Services		10,138	8,960	-	298	298	3,106	(2,807)	-90.4%	8,527
Total Revenue by Vote	2	101,132	107,992	-	29,997	29,997	36,112	(6,115)	-16.9%	103,132
Expenditure by Vote	1									
Vote 1 - Council & Executive		16,014	22,502	-	1,088	1,088	1,875	(787)	-42.0%	21,165
Vote 2 - Budget & Treasury		13,436	20,901	-	622	622	1,742	(1,119)	-64.3%	20,210
Vote 3 - Corporate Services		20,944	26,677	-	1,190	1,190	2,223	(1,033)	-46.5%	25,141
Vote 4 - Planning & Development		11,440	19,719	-	640	640	1,643	(1,003)	-61.1%	18,502
Vote 5 - Project Management & Advisory Services		32,843	42,832	-	1,070	1,070	3,569	(2,499)	-70.0%	39,485
Total Expenditure by Vote	2	94,676	132,631	-	4,611	4,611	11,053	(6,442)	-58.3%	124,504
Surplus/ (Deficit) for the year	2	6,456	(24,639)	-	25,386	25,386	25,059	327	1.3%	(21,371)

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	-	6	6	80	(74)	-92%	1,013
Interest earned - external investments		5,459	5,673	-	610	610	385	225	58%	5,418
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines		-	-	-	-	-	-	-		-
Licences and permits		-	-	-	-	-	-	-		-
Agency services		-	-	-	-	-	-	-		-
Transfers recognised - operational		94,485	101,083		29,377	29,377	35,585	(6,208)	-17%	96,534
Other revenue		303	115	-	4	4	2	2	107%	110
Gains on disposal of PPE		1	60	-	-	-	60	(60)	-100%	57
Total Revenue (excluding capital transfers and contributions)		101,132	107,992	-	29,997	29,997	36,112	(6,115)	-17%	103,132
Expenditure By Type										
Employee related costs		40,873	54,388	-	3,340	3,340	4,532	(1,192)	-26%	52,586
Remuneration of councillors		5,424	6,055	-	439	439	505	(65)	-13%	5,069
Debt impairment		-	3	-	-	-	-	(0)	-100%	3
Depreciation & asset impairment		4,059	5,380	-	-	-	448	(448)	-100%	5,138
Finance charges		1,215	2,854	-	-	-	238	(238)	-100%	2,725
Bulk purchases		-	-	-	-	-	-	-		-
Other materials		3,202	5,245	-	42	42	437	(395)	-90%	5,009
Contracted services		-	-	-	-	-	-	-		-
Transfers and grants		29,888	42,973	-	377	377	3,581	(3,204)	-89%	38,949
Other expenditure		10,016	15,533	-	411	411	1,294	(883)	-68%	14,834
Loss on disposal of PPE		-	200	-	-	-	17	(17)	-100%	191
Total Expenditure		94,676	132,631	-	4,611	4,611	11,053	(6,442)	-58%	124,504
Surplus/ (Deficit) for the year		6,456	(24,639)	-	25,386	25,386	25,059	327	0	(21,371)
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		6,456	(24,639)	-	25,386	25,386	25,059			(21,371)
Taxation								-		
Surplus/(Deficit) after taxation		6,456	(24,639)	-	25,386	25,386	25,059			(21,371)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		6,456	(24,639)	-	25,386	25,386	25,059			(21,371)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		6,456	(24,639)	-	25,386	25,386	25,059			(21,371)

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	–	–	–	16	(16)	-100%	179
Vote 2 - Budget & Treasury		693	1,358	–	–	–	113	(113)	-100%	1,297
Vote 3 - Corporate Services		1,231	3,539	–	–	–	295	(295)	-100%	3,380
Vote 4 - Planning & Development		21	124	–	–	–	10	(10)	-100%	151
Vote 5 - Project Management & Advisory Services		261	132	–	–	–	11	(11)	-100%	126
Total Capital single-year expenditure	4	2,265	5,340	–	–	–	445	(445)	-100%	5,133
Total Capital Expenditure		2,265	5,340	–	–	–	445	(445)	-100%	5,133
Capital Expenditure - Standard Classification										
Governance and administration		1,134	2,320	–	–	–	193	(193)	-100%	2,216
Executive and council		59	187	–	–	–	16	(16)	-100%	179
Budget and treasury office		693	1,358	–	–	–	113	(113)	-100%	1,297
Corporate services		382	775	–	–	–	65	(65)	-100%	740
Community and public safety		922	2,790	–	–	–	233	(233)	-100%	2,664
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		848	2,746	–	–	–	229	(229)	-100%	2,622
Housing		73	44	–	–	–	4	(4)	-100%	42
Health		–	–	–	–	–	–	–		–
Economic and environmental services		209	230	–	–	–	19	(19)	-100%	253
Planning and development		209	212	–	–	–	18	(18)	-100%	235
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	18	–	–	–	2	(2)	-100%	17
Trading services		–	–	–	–	–	–	–		–
Electricity		–	–	–	–	–	–	–		–
Water		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Standard Classification	3	2,265	5,340	–	–	–	445	(445)	-100%	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		2,265	5,340	–	–	–	445	(445)	-100%	5,133
Total Capital Funding		2,265	5,340	–	–	–	445	(445)	-100%	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	9,934	–	2,904	9,254
Call investment deposits		78,000	78,000	–	116,000	72,657
Consumer debtors		–	–			–
Other debtors		1,582	2,592	–	2,551	2,414
Current portion of long-term receivables		–				
Inventory		292	292	–	301	272
Total current assets		89,808	90,818	–	121,756	84,597
Non current assets						
Long-term receivables		10,612	10,477	–	10,477	9,759
Investments		4,400	4,400	–	4,400	4,099
Investment property						
Investments in Associate						
Property, plant and equipment		45,797	45,801	–	46,086	42,664
Agricultural						
Biological assets						
Intangible assets		849	1,134	–	849	1,056
Other non-current assets		–	–	–	–	–
Total non current assets		61,658	61,811	–	61,811	57,577
TOTAL ASSETS		151,466	152,629	–	183,567	142,174
LIABILITIES						
Current liabilities						
Bank overdraft		–	–			–
Borrowing		1,445	1,606	–	1,445	1,496
Consumer deposits						
Trade and other payables		1,282	6,521	–	12,079	6,074
Provisions		7,191	7,750	–	7,742	7,219
Total current liabilities		9,918	15,876	–	21,267	14,789
Non current liabilities						
Borrowing		8,596	8,435	–	8,596	7,857
Provisions		23,001	24,797	–	24,797	23,098
Total non current liabilities		31,597	33,232	–	33,393	30,955
TOTAL LIABILITIES		41,514	49,108	–	54,659	45,744
NET ASSETS	2	109,952	103,522	–	128,908	96,431
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		80,570	74,484	–	99,870	69,382
Reserves		29,382	29,038	–	29,038	27,049
TOTAL COMMUNITY WEALTH/EQUITY	2	109,952	103,522	–	128,908	96,431

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		334	334	12	322	2665%	135
Government - operating		95,068	101,083		39,815	39,815	8,424	31,391	373%	101,083
Government - capital		-			-	-		-		-
Interest		6,255	5,673		610	610	473	137	29%	5,726
Dividends			-	-				-		-
Payments										
Suppliers and employees		(62,483)	(74,941)		(5,635)	(5,635)	(6,245)	(611)	10%	(69,808)
Finance charges		(1,215)	(1,569)		-	-	(131)	(131)	100%	(1,462)
Transfers and Grants		(35,225)	(38,676)		(3,849)	(3,849)	(3,223)	626	-19%	(36,027)
NET CASH FROM/(USED) OPERATING ACTIVITIES		9,764	(8,285)	-	31,275	31,275	(690)	31,966	-4630%	(352)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	57	-	-		5	(5)	-100%	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)		(306)	(306)	(378)	(72)	19%	(4,228)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3,949)	(4,482)	-	(306)	(306)	(374)	(68)	18%	(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)		-	-	(134)	(134)	100%	(1,496)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,445)	(1,606)	-	-	-	(134)	(134)	100%	(1,496)
NET INCREASE/ (DECREASE) IN CASH HELD		4,370	(14,373)	-	30,970	30,970	(1,198)			(6,024)
Cash/cash equivalents at beginning:		83,564	97,333		87,934	87,934	8,111			87,934
Cash/cash equivalents at month/year end:		87,934	82,960	-	118,904	118,904	6,913			81,911

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	-17%	Equitable Share Grant received for the first quarter	Acceptable - No remedial steps required
	Rental of facilities and equipment	-92.44%	Low demand for rental grader services.	Acceptable - No remedial steps required
	Interest earned - external investments	58.35%	Interest earned on external investment is more than year-to-date budget.	Acceptable and dependant on the market yield.
	Other income	106.87%	Year-to-date actual income more than the year-to-date budget	Acceptable - No remedial steps required
2	<u>Expenditure By Type</u>			
	Salaries	-26.30%	Approved vacant posts not filled according to the organogram	Most vacant post were advertised and will be filled shortly.
	Depreciation	-100.00%	A new program is being developed to link it to the Financial System	Busy verifying and updating data of the previous financial year.
	Other Materials	-90.28%	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	-89.47%	Most projects are in the planning phase as per the procurement plan for the first quarter.	Grants & subsidies paid will gain momentum as the financial year progresses.
	Other expenditure	-68.21%	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	-100.00%	Spending on capital projects are in the planning phase as per the procurement plan for the first quarter.	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 0	Acceptable	Acceptable
	Property, plant & equipment	R 285,086	Acceptable	Acceptable
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	-4629.88%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	18.14%	Capital Expenditure not materialising per SDBIP	There is a need to accelerate this spending
	Net cash from operating / (used) Financing Activities	100.00%	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	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		5.7%	5.5%	0.0%	4.7%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5.6%	6.2%	0.0%	0.0%	6.3%
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		10.3%	16.0%	0.0%	17.2%	16.0%
Gearing	Long Term Borrowing/ Funds & Reserves		29.3%	29.0%	0.0%	29.6%	29.0%
<u>Liquidity</u>							
Current Ratio 1	Current assets/current liabilities	1	905.5%	572.0%	0.0%	572.5%	572.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		931.0%	581.6%	0.0%	579.8%	581.6%
<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		12.1%	12.1%	0.0%	43.4%	11.8%
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>							
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		40.4%	50.4%	0.0%	11.1%	51.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.2%	4.9%	0.0%	0.1%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		5.2%	7.6%	0.0%	0.0%	7.6%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		265.5%	154.9%	0.0%	42.9%	441.1%
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		25.8	2.2	-	2.1	1.6

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 40.4%. 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									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	2,352	1	181	2	0	1	-	13	2,551		17
Total By Revenue Source	2000	2,352	1	181	2	0	1	-	13	2,551	-	17
2011/12 - totals only		2,235	1	172	2	0	1	-	13	2,423		16
Debtors Age Analysis By Customer Category												
Government	2200	220	0	4	-	-	-	-	-	225		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	2,132	1	177	2	0	880.00	-	13	2,326		
Total By Customer Category	2600	2,352	1	181	2	0	1	-	13	2,551	-	

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

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

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

- ***Provincial and Local Government***

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

- Dikgatlong Municipality R4 2802.47 payment for street lighting at Koopmansfontein.

- ***Post-Service Benefits***

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

- Payne ME R7 210.60, Benson SC R3 484.70 and Maritz AJ R1 543.90 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 long outstanding debtors will be handed over to Council's attorneys to recover the debt.

- **Sundry Debtors**

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

- Mathe E.M R1 182.99 for overpayment on her salary after resigning. A letter will be sent to Sol Plaatje Local Municipality to have the money deducted from her salary.

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	12,079	-	-	-	-	-	-	-	12,079	
Total By Customer Type	2600	12,079	-	-	-	-	-	-	-	12,079	-

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 6.79% for staff was been implemented in 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 July 2014 is listed below:

PAYMENTS		
Total value of all payments		R 60,605,981
Electronic transfers		216
Cheques issued		25
STORES		
Value of Stores issued		26,228
SALARIES		
Number of salary beneficiaries		154
Councillors		17
Total Councillors	27	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	17	
* Councillors without Remuneration	10	
Employees		124
* Remunerated Employee's	121	
* Remunerated Terminated Employees		
<i>Moshane TM</i>	1	
Pensioners	2	
Total remuneration paid		3,149,792
Councillors		421,921
Employees		2,725,030
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 more 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 July 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 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 July 2014, no contract (R200 000 +) was awarded by the Bid Adjudication Committee.

For the period of July 2014 no written price quotation (R30 000-R200 000) was awarded by the Municipal Manager.

The value of orders issued for the period ended 31 July 2014 total R464 549.27 (*See Annexure "C"*)

Orders per department

Council and Executive	R79 809.33
Municipal Manager	R52 023.15

Finance	R152 206.30
Administration	R134 832.30
Planning and Development	R212 898.42
Technical Service	R10156.46
Stores	R35 521.73

- Disposal Management

No disposal of redundant goods was awarded for month of July 2014.

- Deviations

No deviation was approved by the Municipal Manager

Total orders issued amount to R26 228.48 for all departments.

Council and Executive	R3 719.88
Municipal Manager	R2 756.99
Finance	R596.05
Administration	R14 251.28
Planning and Development	R4 376.38
Technical Services	R527.90
Stores	R0.00

Orders outstanding at 30 July 2014

There are no outstanding orders for more than 30 days as at 31 July 2014

- 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 provided at the end of the first quarter.

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-Jul-14	21	5.1%	5,000		5,000
STANDARD BANK		31	CALL	31-Jul-14	12	5.0%	3,000		3,000
ABSA - Leave Reserve		365	FIXED	24-Jun-15	26	7.1%	4,400		4,400
RMB		59	NOTICE	22-Aug-14	21	5.8%	4,500		4,500
STANDARD BANK		88	CALL	22-Sep-14	21	5.7%	4,500		4,500
ABSA		57	NOTICE	22-Aug-14	21	5.7%	4,500		4,500
NEDCOR		90	NOTICE	22-Sep-14	22	5.9%	4,500		4,500
ABSA		120	NOTICE	28-Oct-14	20	6.0%	4,000		4,000
RMB		30	CALL	31-Jul-14	25	5.0%	6,000		6,000
STANDARD BANK		120	NOTICE	6-Nov-14	25	6.1%	5,000		5,000
NEDCOR		120	NOTICE	6-Nov-14	75	6.1%	15,000		15,000
NEDCOR		119	NOTICE	10-Nov-14	35	6.1%	7,000		7,000
NEDCOR		17	CALL	31-Jul-14	13	5.1%	3,000		3,000
RMB		119	NOTICE	10-Nov-14	65	6.1%	13,000		13,000
STANDARD BANK		120	NOTICE	11-Nov-14	41	6.1%	8,000		8,000
STANDARD BANK		17	CALL	31-Jul-14	13	5.0%	3,000		3,000
ABSA		113	NOTICE	11-Nov-14	47	6.1%	9,000		9,000
ABSA		10	CALL	31-Jul-14	23	5.5%	5,000		5,000
STANDARD BANK		0	NOTICE	27-Nov-14	62	6.1%	12,000		12,000
TOTAL INVESTMENTS AND INTEREST					587		120,400	-	120,400
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				587		120,400	-	120,400

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	-	39,815	39,815	34,373	5,442	15.8%	96,090
Local Government Equitable Share		10,329	9,965	-	1,298	1,298	3,322	(2,023)	-60.9%	9,517
Special Contribution: Councillor Remuneration		3,716	4,683	-	1,561	1,561	1,561	-		4,472
Levy replacement	3	75,945	82,780	-	35,706	35,706	27,593	8,112	29.4%	79,055
Finance Management Grant		1,250	1,250	-	1,250	1,250	1,250	-		1,194
Municipal Systems Improvement		890	934	-	-	-	311	(311)	-100.0%	892
Extended Public Works Programme		1,000	1,006	-	-	-	335	(335)	-100.0%	961
Water Affairs		-	-	-	-	-	-	-		
Provincial Government:		1,750	315	-	-	-	105	(105)	-100.0%	301
Housing	4	1,000	-	-	-	-	-	-		
Near Grant		300	-	-	-	-	-	-		
Fire Fighting Equipment Grant		300	315	-	-	-	105	(105)	-100.0%	301
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		
District Aids Programme		-	-	-	-	-	-	-		
Other transfers and grants [ABSA Donation]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		92	150	-	-	-	50	(50)	-100.0%	143
SETA Skills Grant		77	150	-	-	-	50	(50)	-100.0%	143
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		
ABSA		15	-	-	-	-	-	-		
Total Operating Transfers and Grants	5	94,972	101,083	-	39,815	39,815	34,528	5,287	15.3%	96,534
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	94,972	101,083	-	39,815	39,815	34,528	5,287	15.3%	96,534

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										
Operating expenditure of Transfers and Grants										
National Government:		92,650	100,618	-	29,377	29,377	27,781	1,596	5.7%	96,090
Local Government Equitable Share		10,329	9,965	-	1,298	1,298	2,491	(1,193)	-47.9%	9,517
Special Contribution: Councillor Remuneration		3,716	4,683	-	1,561	1,561	1,561	-		4,472
Levy replacement		75,945	82,780	-	26,478	26,478	23,541	2,937	12.5%	79,055
Finance Management Grant		1,250	1,250	-	39	39	104	(65)	-62.1%	1,194
Municipal Systems Improvement		410	934	-	-	-	-	-		892
Extended Public Works Programme		1,000	1,006	-	-	-	84	(84)	-100.0%	961
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1,758	315	-	-	-	26	(26)	-100.0%	301
Housing		1,000	-	-	-	-	-	-		-
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	-	-	-	26	(26)	-100.0%	301
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		8	-	-	-	-	-	-		-
District Aids Programme		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		77	150	-	-	-	13	(13)		143
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	-	-	-		-
SETA Skills Grant		77	150	-	-	-	13	(13)		143
Total operating expenditure of Transfers and Grants:		94,485	101,083	-	29,377	29,377	27,820	1,557	5.6%	96,534
Capital expenditure of Transfers and Grants										
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		94,485	101,083	-	29,377	29,377	27,820	1,557	5.6%	96,534

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	-	296	296	338	(42)	-12%	3,514
Pension Contributions		173	202	-	14	14	17	(2)	-14%	165
Medical Aid Contributions		17	17	-	1	1	1	-		17
Motor vehicle allowance		1,189	1,402	-	103	103	117	(14)	-12%	1,109
Cell phone and other allowances		296	358	-	24	24	30	(6)	-19%	218
Workmen's Compensation		60	20	-	-	-	2	(2)	-100%	
Unemployment Insurance		-	-	-	-	-	-	-		45
Sub Total - Councillors		5,424	6,055	-	439	439	505	(65)	-13%	5,069
% increase	4		11.6%							-6.5%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4,377	4,826	-	334	334	402	(68)	-17%	4,608
Pension and UIF Contributions		580	811	-	42	42	68	(26)	-38%	774
Medical Aid Contributions		118	139	-	8	8	12	(4)	-31%	133
Overtime		-	-	-	-	-	-	-		
Performance Bonus		-	464	-	-	-	39	(39)	-100%	443
Motor Vehicle Allowance		480	673	-	34	34	56	(22)	-39%	642
Cellphone Allowance		89	112	-	7	7	9	(3)	-30%	107
Housing Allowances		10	-	-	-	-	-	-		
Other benefits and allowances		52	57	-	4	4	5	(1)	-24%	55
Payments in lieu of leave		-	107	-	-	-	9	(9)	-100%	102
Long service awards		-	-	-	-	-	-	-		
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		
Sub Total - Senior Managers of Municipality		5,706	7,188	-	429	429	599	(170)	-28%	6,865
% increase	4		26.0%							20.3%
Other Municipal Staff										
Basic Salaries and Wages		24,337	33,829	-	2,119	2,119	2,819	(700)	-25%	29,949
Pension and UIF Contributions		3,858	5,480	-	352	352	457	(105)	-23%	5,233
Medical Aid Contributions		1,272	1,674	-	101	101	140	(38)	-28%	1,599
Overtime		72	-	-	-	-	-	-		
Performance Bonus		-	-	-	-	-	-	-		
Motor Vehicle Allowance		2,109	3,112	-	188	188	259	(71)	-27%	2,972
Cellphone Allowance		94	108	-	9	9	9	(0)	-5%	3,107
Housing Allowances		196	221	-	20	20	18	1	6%	211
Other benefits and allowances		1,038	1,081	-	55	55	90	(35)	-39%	1,032
Payments in lieu of leave		1,404	753	-	-	-	63	(63)	-100%	720
Long service awards		11	193	-	-	-	16	(16)	-100%	184
Post-retirement benefit obligations	2	775	748	-	67	67	62	5	8%	714
Sub Total - Other Municipal Staff		35,167	47,199	-	2,912	2,912	3,933	(1,022)	-26%	45,721
% increase	4		34.2%							30.0%
Total Parent Municipality		46,297	60,443	-	3,780	3,780	5,037	(1,257)	-25%	57,655

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for July 2014 averages 77%. The reason for the deviations is mainly due to, annual, sick, courses, study and family responsibility leave.

Attendance trends are summarized as follows:

		Senior Management	Middle Management	Supervisory	Clerical
Number of Members		1	4	7	11
Annual Leave		0	12	31	14
Sick Leave		0	0	1	8
Courses / Seminar		1	2	10	20
Meetings		0	0	0	0
Family Responsibility		0	0	3	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	0	0
No. of Workdays Attended		22	55	92	165
Total Workdays		23	69	137	207
Percentage attendance per Group		96%	80%	67%	80%
Average		77%			

Personnel Development:

Two finance officials attended the CPMD training programme during the month of July 2014.

INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five Finance Internship posts and four are filled and one is 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 programme.

Two Finance Interns have been registered and have started the Municipal Finance Management Programme with Deloitte and the other two will be registered in the new 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 Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands	1															
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	-	-	-	-	-	-	-	-	-	-	-	5,673	4,907	5,103
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-			
Fines		-	-	-	-	-	-	-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-			
Agency services		-	-	-	-	-	-	-	-	-	-	-	-			
Transfer receipts - operating		39,815	-	-	-	-	-	-	-	-	-	-	-	101,083	108,725	115,778
Other revenue		334	-	-	-	-	-	-	-	-	-	-	-	92	80	80
Cash Receipts by Source		40,759	-	-	-	-	-	-	-	-	-	-	-	106,901	113,767	121,019
Other Cash Flows by Source																
Transfer receipts - capital		-	-	-	-	-	-	-	-	-	-	-	-			
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-			
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	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	-	-	-	-	-	-	-	-	-	-	-	106,958	113,827	121,081
Cash Payments by Type																
Employee related costs		3,512	-	-	-	-	-	-	-	-	-	-	-	51,668	55,090	57,884
Remuneration of councillors		439	-	-	-	-	-	-	-	-	-	-	-	5,874	6,145	6,431
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	1,569	1,129	1,129
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-			
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-			
Other materials		227	-	-	-	-	-	-	-	-	-	-	-	4,196	4,406	4,583
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-			
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		3,849	-	-	-	-	-	-	-	-	-	-	-	38,676	30,795	30,053
General expenses		1,455	-	-	-	-	-	-	-	-	-	-	-	13,203	13,895	14,444
Cash Payments by Type		9,483	-	-	-	-	-	-	-	-	-	-	-	115,186	111,460	114,525
Other Cash Flows/Payments by Type																
Capital assets		306	-	-	-	-	-	-	-	-	-	-	-	4,539	749	950
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	1,606	1,785	1,980
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-			
Total Cash Payments by Type		9,789	-	-	-	-	-	-	-	-	-	-	-	121,331	113,994	117,455
NET INCREASE/(DECREASE) IN CASH HELD		30,970	-	-	-	-	-	-	-	-	-	-	-	(14,373)	(167)	3,626
Cash/cash equivalents at the monthly year beginning:		87,934	-	-	-	-	-	-	-	-	-	-	-	97,333	82,960	82,793
Cash/cash equivalents at the monthly year end:		118,904	-	-	-	-	-	-	-	-	-	-	-	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	53	–	–	–	53	53	100.0%	0%
August	34	587					–		
September	305	107					–		
October	154	587					–		
November	60	1,121					–		
December	72	694					–		
January	600	427					–		
February	247	481					–		
March	103	534					–		
April	16	374					–		
May	138	267					–		
June	523	107					–		
Total Capital expenditure	2,265	5,340	–	–					

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	-	-	-	313	313	100.0%	3,606
General vehicles		487	2,700	-	-	-	225	225	100.0%	2,579
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	28	-	-	-	2	2	100.0%	27
Computers - hardware/equipment		96	858	-	-	-	71	71	100.0%	840
Furniture and other office equipment		38	100	-	-	-	8	8	100.0%	96
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		409	68	-	-	-	6	6	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	-	-	-	313	313	100.0%	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								%	
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		1,236	1,586	-	-	-	132	132	100.0%	1,527
General vehicles		602	1,160	-	-	-	97	97	100.0%	1,144
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	21	-	-	-	2	2	100.0%	20
Computers - hardware/equipment		406	235	-	-	-	20	20	100.0%	211
Furniture and other office equipment		58	36	-	-	-	3	3	100.0%	30
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		170	133	-	-	-	11	11	100.0%	122
Other Land		-	-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-		
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		-	-	-	-	-	-	-		-
Computers - software & programming		-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-		
Total Capital Expenditure on renewal of existing ass	1	1,236	1,586	-	-	-	132	132	100.0%	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	-	25	25	1,385	1,360	98.2%	2,645
General vehicles		245	477	-	12	12	239	226	94.8%	456
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		5	53	-	-	-	27	27	100.0%	51
Computers - hardware/equipment		634	883	-	7	7	442	435	98.5%	844
Furniture and other office equipment		90	132	-	-	-	66	66	100.0%	126
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		442	584	-	6	6	292	286	98.1%	558
Other Buildings			-	-	-	-	-	-		
Other Land			-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-		
Other - Emergency Equipment		42	640	-	-	-	320	320	100.0%	611
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		1,744	1,814	-	18	18	907	889	98.0%	1,733
Computers - software & programming		1,744	1,814		18	18	907	889	98.0%	1,733
Other								-		
Total Repairs and Maintenance Expenditure		3,202	4,583	-	42	42	2,292	2,249	98.1%	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	-	-	-	17	17	100.0%	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	-	-	-	17	17	100.0%	191
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		160	4,930	-	-	-	411	411	100.0%	4,708
General vehicles		-	700	-	-	-	58	58	100.0%	669
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		160	500	-	-	-	42	42	100.0%	478
Computers - hardware/equipment		-	900	-	-	-	75	75	100.0%	860
Furniture and other office equipment		-	980	-	-	-	82	82	100.0%	936
Abattoirs								-		
Markets								-		
Civic Land and Buildings								-		
Other Buildings		-	1,700	-	-	-	142	142	100.0%	1,624
Other Land		-			-	-	-	-		
Surplus Assets - (Investment or Inventory)					-	-	-	-		
Other		-	150	-	-	-	13	13		143
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		141	250	-	-	-	21	21	100.0%	239
Computers - software & programming		141	250	-	-	-	21	21	100.0%	239
Other								-		
Total Repairs and Maintenance Expenditure		4,200	5,380	-	-	-	448	448	100.0%	5,138

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:

The financial year-end asset stock-take will start on 07 July 2014 and the stock-take team will be Mr. Jaco Burger from Mubesco Africa CC and the finance interns. Asset management unit is currently busy with the verification of missing assets.

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	-	58,333	(58,333)	-100.00%
Insurance	-	6,667	(6,667)	-100.00%
MV Administration Levy	-	2,083	(2,083)	-100.00%
Fuel	-	54,792	(54,792)	-100.00%
Licence	501	1,100	(599)	-54.45%
Repairs and Maintenance	-	7,967	(7,967)	-100.00%
Tyres	-	8,083	(8,083)	-100.00%
TOTAL	501	139,025	(138,524)	-99.64%

Motor Vehicles - Utilization Statistics:

Council operates a pool of 22 vehicles as part of its routine activities.

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

	Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	July Utility
1	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	105,000	9/30/2014	104,323	106,287	1,964
2	Chevrolet Opel Corsa	Disaster Management	2010	CBY 227 NC	60,000	9/30/2014	52,463	54,012	1,549
3	Chevrolet Captiva	Pool	2011	CDM 296 NC	60,000	11/30/2014	55,532	55,852	320
4	Toyota Corolla	Pool	2009	BZP 439 NC	135,000	9/30/2014	121,118	123,922	2,804
5	Toyota Corolla	Pool	2009	BZP 440 NC	120,000	9/30/2014	111,710	114,257	2,547
6	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	15,000	12/31/2014	12,775	13,376	601
7	Isuzu KB 250	Housing	2013	CGR 572 NC	45,000	12/31/2014	28,320	32,553	4,233
8	Isuzu KB 250	Housing	2013	CGR 576 NC	30,000	12/31/2014	26,851	28,580	1,729
9	Hyundai H1	LED	2013	CGY 587 NC	30,000	2/28/2015	16,330	16,632	302
10	Isuzu 2.4	Housing	2009	CBD 761 NC	120,000	2015/02/29	108,367	110,993	2,626
11	Nissan LDV	Environmental Health	2006	BVC 831 NC	150,000	7/31/2014	136,375	138,624	2,249
12	Ford Bantam	Finance	2004	BRD 836 NC	90,000	1/31/2015	86,975	87,704	729
13	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	45,000	9/30/2014	32,612	33,326	714
14	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	30,000	9/30/2014	29,813	31,276	1,463
15	Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	10,000	3/30/2015	2,675	4,448	1,773
16	Isuzu D/Cab	Pool	2013	CGR 974 NC	45,000	12/31/2014	27,302	30,507	3,205
17	Audi Q7	Council	2013	FBDM 1 NC	75,000	1/23/2015	70,668	72,424	1,756
18	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15000	6/30/2014	2,001	2,001	-
19	Toyota Etios	Pool	2014	CJG 979 NC	15000	12/31/2014	8,411	9,571	1,160
20	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	15000	12/31/2014	6,684	8,543	1,859
21	Nissan Hard Body	Environmental Health	2014	CJJ 263 NC	15000	12/31/2014	2,309	2,835	526
22	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	15000	1/1/2015	4,360	5,757	1,397
UTILITY FOR JULY 2014 - FULL FLEET									35,506

Disposal of Vehicles:

The following vehicles will be written off in terms of the Asset Management Policy and Council Resolution (FIN02 06/2014) dated 25 June 2014;

1. City Golf registration number BSM 014 NC.
2. Nissan Double Cab registration number BTT 376 NC.
3. Toyota Hilux registration number BRF 837 NC.

Motor Vehicle Damage Report:

No accidents took place during the month of July 2014.

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

ZM Bogatsu

Municipal Manager: Frances Baard District Municipality

Signature



Date

10 August 2014