

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

30 NOVEMBER 2013

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1. INTRODUCTION

1.1 PURPOSE

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in Government Gazette No 32141 of 17 April 2009 (Municipal budgeting and reporting requirements).

1.2 STRATEGIC OBJECTIVE

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

1.3 BACKGROUND

Section 71 of the MFMA and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“Section 71(1) of the MFMA states that, The accounting officer of a municipality must by no later than **10 working days after the end of each month** submit to the mayor of the municipality and the relevant treasury a statement in the prescribed format on the implementation of the municipality’s approved budget”.

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

2. MAYOR’S REPORT

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

Budget Process:

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

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" and "C" to this report.

Support to Local Municipalities:

No support was offered or rendered by the District Municipality for the month of November 2013.

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 monthly budget statement and supporting documentation for the month ended 30 November 2013.

4. EXECUTIVE SUMMARY

4.1 Statement of Financial Performance

Consolidated performance against annual budget (Projected Operating Results)

Revenue by source

Year-to-date accrued revenue is R35, 357 million as compared to the year-to-date budget projections of R38, 469 million for November 2013. The source of revenue that is below budget is rental of facilities and equipment.

Operating expenditure by type

To date, R32, 396 million has been spent compared to the operational approved budget of R121, 160 million. This does not include non-cash items such as depreciation & impairment. The main areas where expenditure is less than the budget is employee related costs, depreciation, amortization, actuarial losses, repairs & maintenance, finance charges (employee benefits), DBSA loan repayment, contracted services, grants and subsidies paid as well as general expenses. Expenditure will gain momentum as the financial year progresses.

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

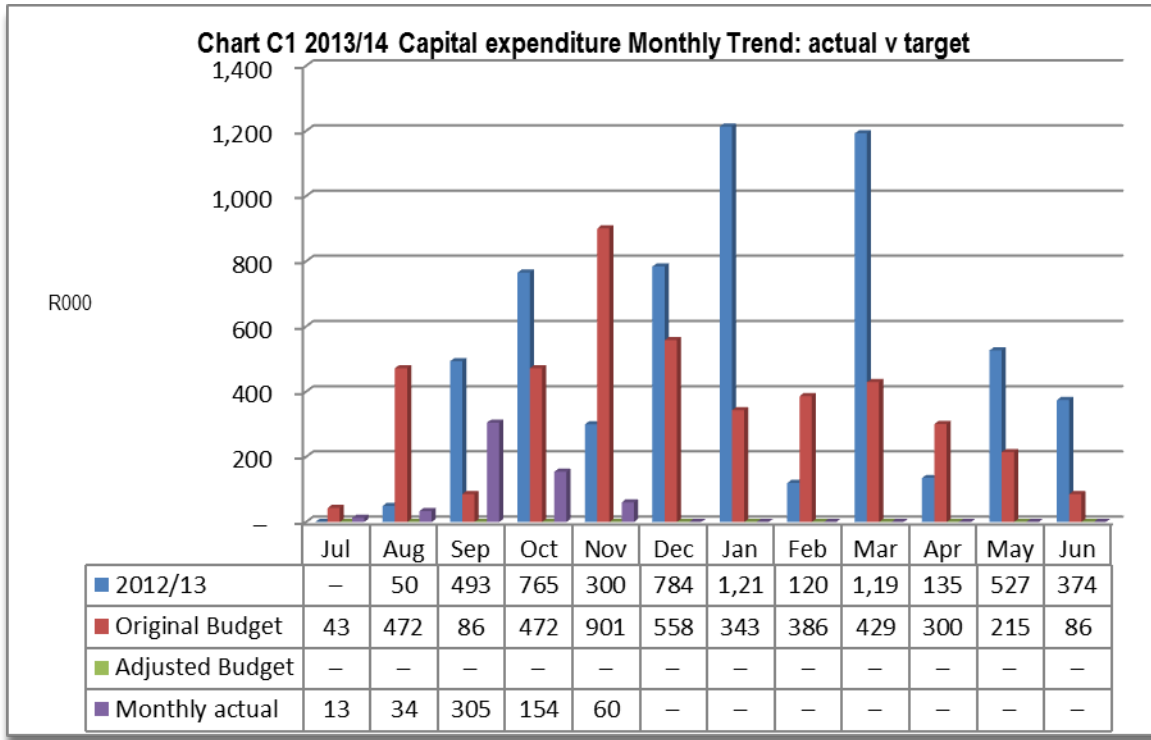
Capital Expenditure

Year-to-date expenditure on capital amounts to R0, 566 million or 13.20% of the total original budget of R4, 289 million. As per the policy, all capital projects / purchases should be completed / finalized by 31 March of each financial year. Expenditure is expected to gain momentum as the financial year progresses.

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

Please refer to next page

Capital Expenditure Monthly Trend: Actual vs Target



Cash Flows

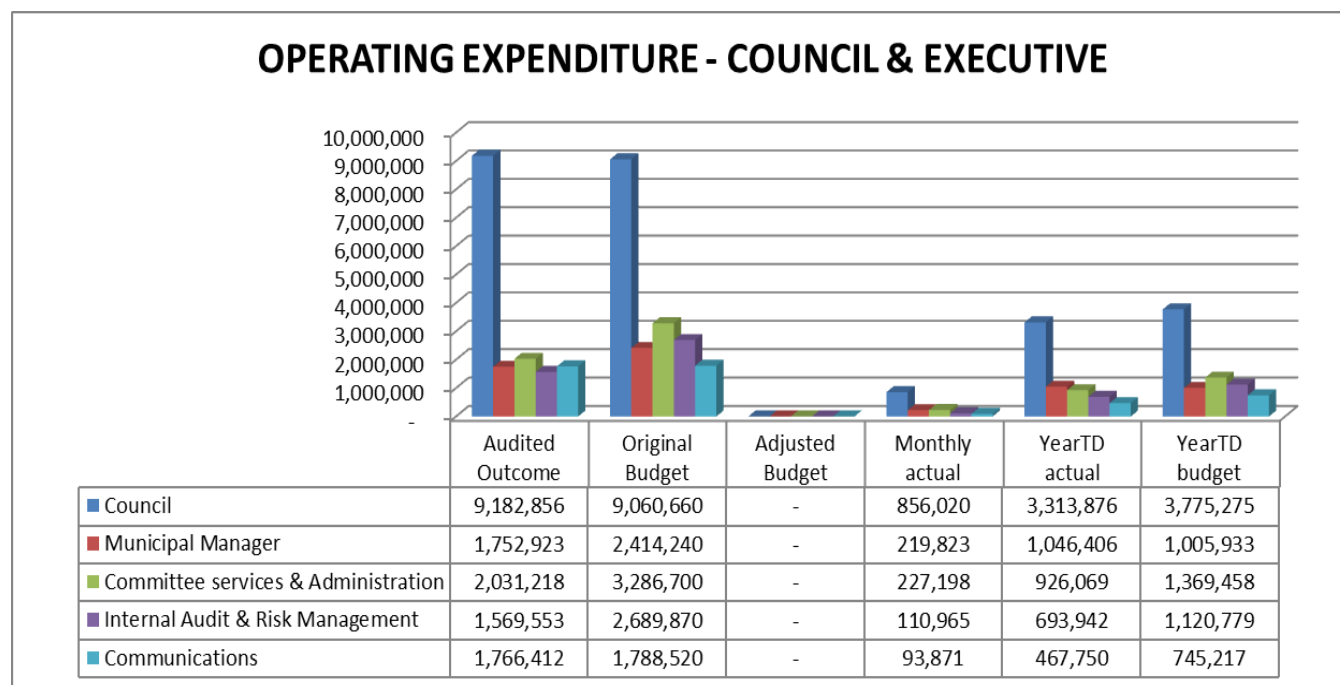
The Municipality started the year with a total cash and cash equivalents of R83, 564 million. For the month of November 2013, the cash and cash equivalents amount to R117.945 million. The net increase of R34, 381 million is as a result of receiving two thirds of the equitable share grant allocation for the 2013/14 financial year.

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

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

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

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



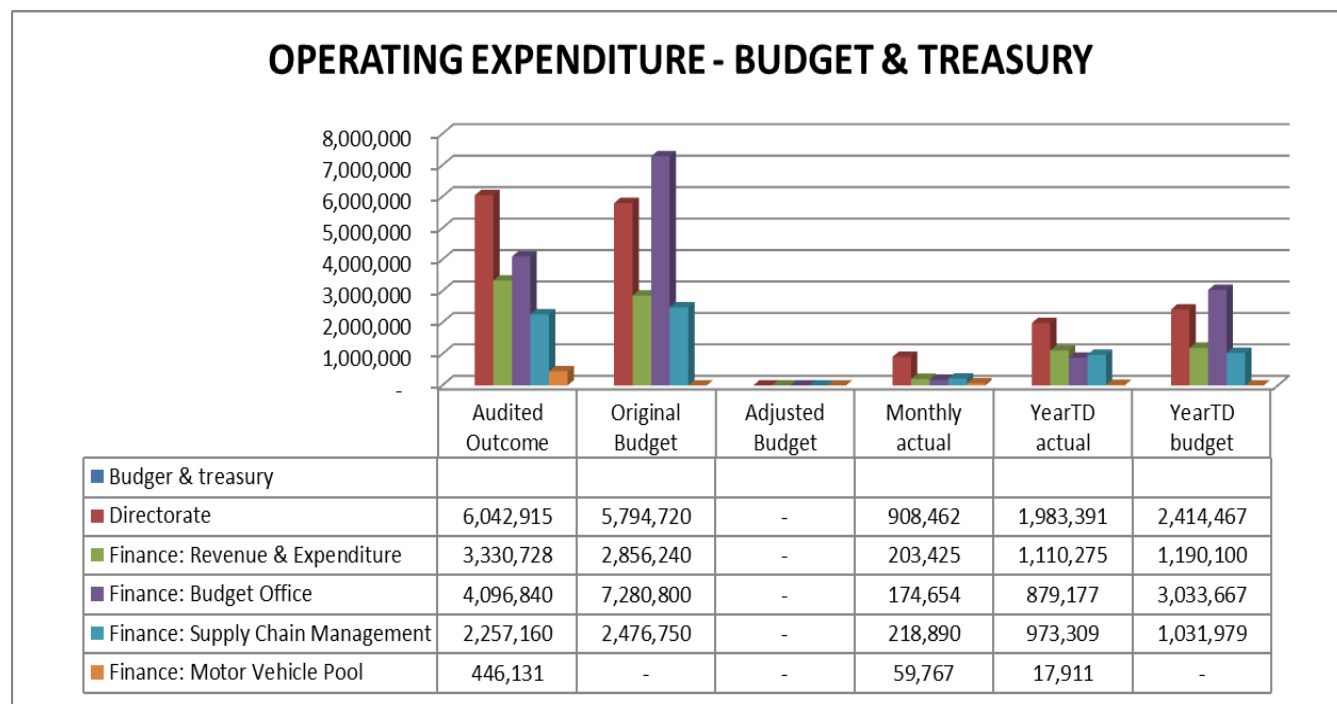
Actual operating expenditure of Council & Executive is 80.43% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: salaries and allowances, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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)

COUNCIL & EXECUTIVE	YTD Actual	Budget	% Spending	Remarks
<u>COMMITTEE & ADMINISTRATION SERVICES</u>				
Youth Unit Special Projects	38,800	100,000	38.80%	Project in process
Commemorative Days	16,244	100,000	16.24%	Project in process
Total	55,044	200,000	27.52%	
	YTD Actual	Budget	% Spending	Remarks
<u>INTERNAL AUDIT</u>				
		350,000		
Fraud Prevention Plan	-	350,000	0.00%	SCM evaluation process to be finalised during second quarter of the financial year
Total	-	350,000	0.00%	Remarks
<u>COMMUNICATIONS</u>				
GFS System	-	5,000	0.00%	Contract renewed annually
Branding	-	10,000	0.00%	Branding material to be acquired in January 2014
PAIA Management	-	15,000	0.00%	Training and branding to be scheduled
Total	-	30,000	0.00%	

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



Actual operating expenditure of Budget & Treasury office is 64.72% 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.

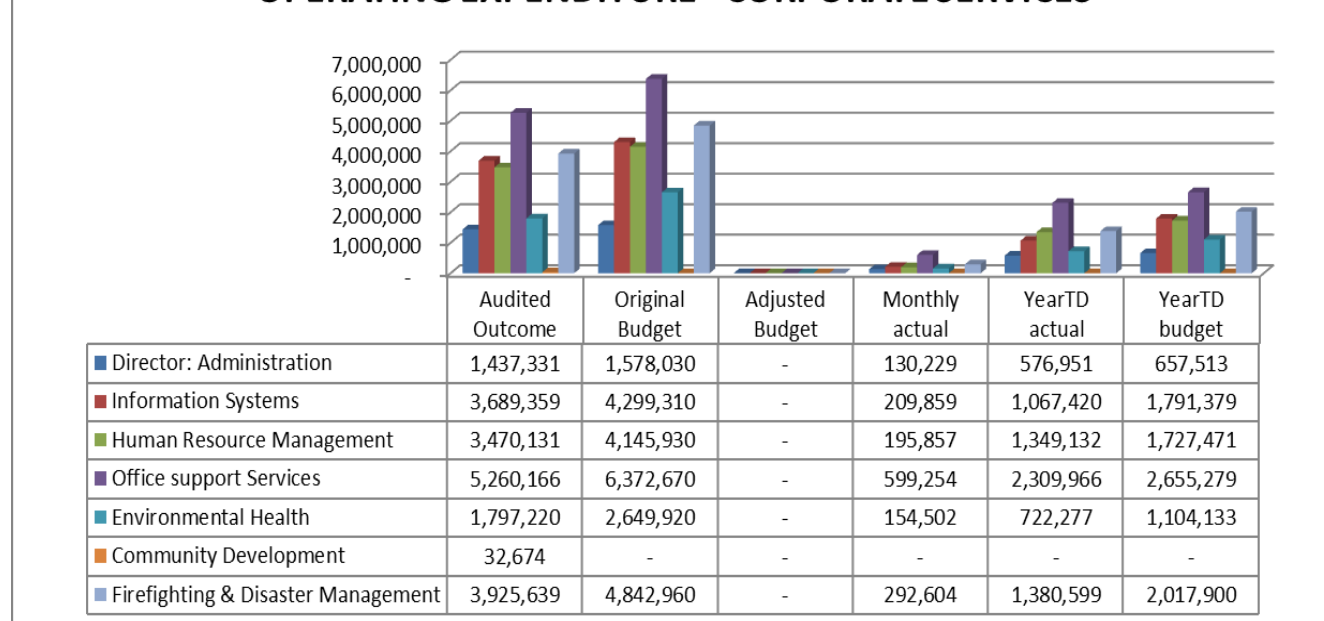
Approved vacant post of Accountant: Budget Office has to be filled.

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

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

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

OPERATING EXPENDITURE - CORPORATE SERVICES



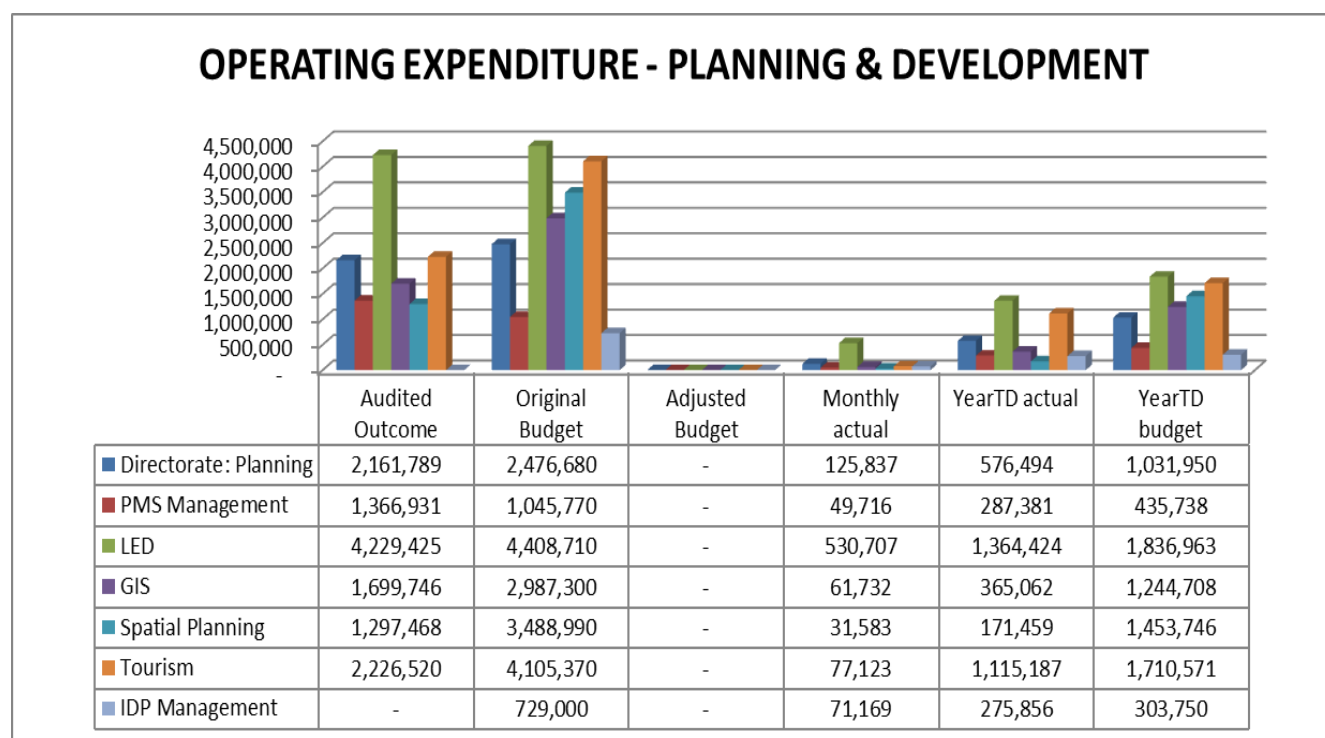
Actual operating expenditure of Corporate Services is 74.41% of the year-to-date budget projections. The main areas where expenditure is less than YTD budgets are: maintenance of computer hardware, software, printers, networks and telephone system, consultancy, special projects, training, and general expenses.

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

CORPORATE SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<i>INFORMATION COMMUNICATION & TECHNOLOGY</i>				
ICT District Forum Meetings	-	14,000	0.00%	Meetings scheduled for 3rd & 4th quarter of the financial year
Total	-	14,000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<i>HUMAN RESOURCE MANAGEMENT</i>				
Employee Assistance Programme	11,575	100,000	11.58%	Project is needs driven
Employee Wellness	220,509	300,000	73.50%	Project in process
Total	232,084	400,000	58.02%	
	YTD Actual	Budget	% Spending	Remarks
<i>ENVIRONMENTAL HEALTH</i>				
Awareness Programme - HIV, TB & STI	4,420	6,000	73.67%	As per operational plan
Awareness Programme - Sanitation	1,371	6,000	22.85%	As per operational plan
Implementation of Recycling Project	-	40,000	0.00%	MOA has been signed
Air Quality Projects	92	190,000	0.05%	Submission for appointment of interns not yet completed
Awareness Programme - Air Quality	-	16,000	0.00%	Campaign to be held in December 2013
Implement Air Quality Plan	336	216,000	0.16%	Busy with the terms of reference for workshop
Waste Management Campaigns	-	2,000	0.00%	Campaign to be held in December 2013
EMI Internship Programme - Air Quality	-	196,200	0.00%	Awaiting response from service providers on the provision of training
Total	6,219	672,200	0.93%	

	YTD Actual	Budget	% Spending	Remarks
<u>FIRE FIGHTING / DISASTER MANAGEMENT.</u>				
Fire Fighting - Volunteers Training	-	30,000	0.00%	Awating Training Programme
Fire Fighting - Volunteers Stipend	-	58,850	0.00%	Awating Training Programme
Fire Fighting - Volunteers Insurance	-	10,490	0.00%	Awating Training Programme
Contingency Fund	85,155	220,000	38.71%	As per request
Disaster Management Forum	491	8,800	5.58%	Forum meeting to take place during the 3rd quarter
Develop Risk REC & RESP Strategy	-	600,000	0.00%	Need to be evaluated and adjudicated
Total	85,646	928,140	9.23%	

Actual spending on special projects of Corporate Services is 11.61% as compared to the approved budget - projects will gain momentum as the financial year progresses.



Actual operating expenditure of Planning & Development is 51.84% 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.

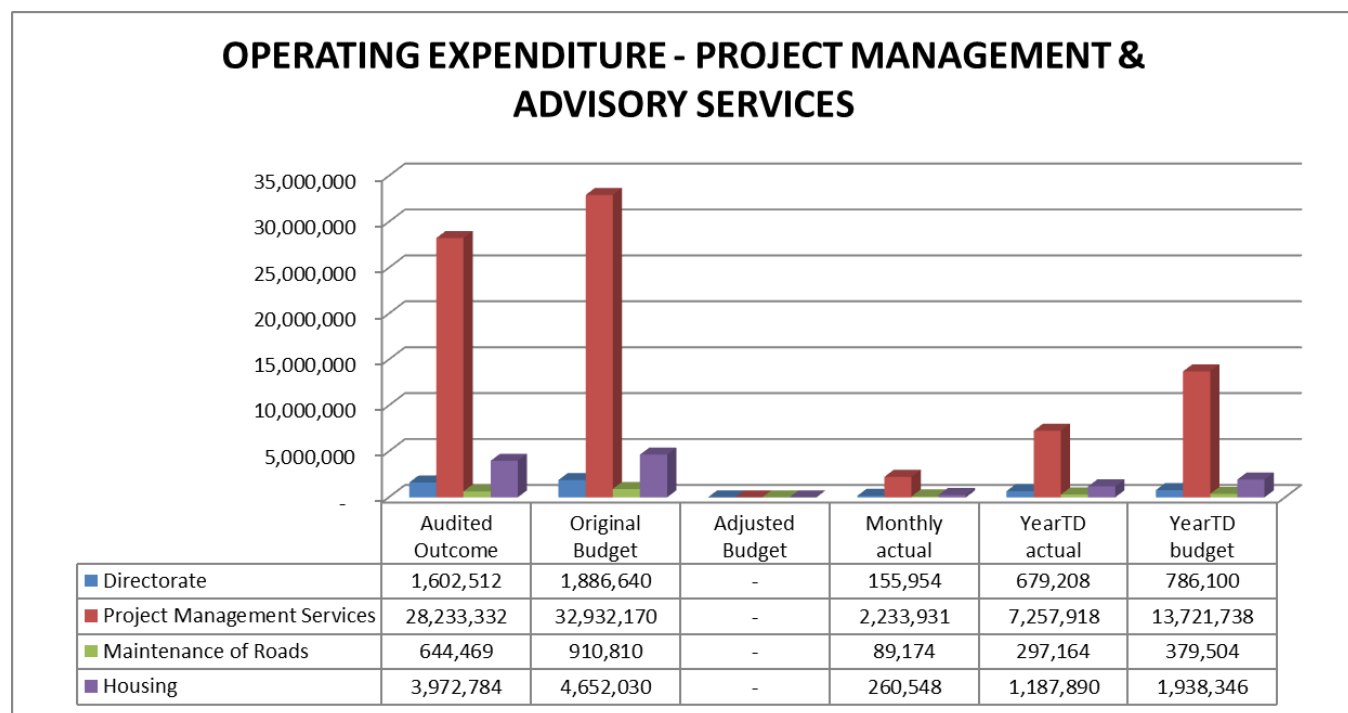
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Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

PLANNING & DEVELOPMENT	YTD Actual	Budget	% Spending	Remarks
<u>PLANNING & DEVELOPMENT DIRECTORATE</u>				
Review LED Strategy	-	290,000	0.00%	Project on planning phase
Review DGDS Strategy	-	350,000	0.00%	Project on planning phase
Integrated Rezoning Scheme	-	250,000	0.00%	Project on planning phase
Total	-	890,000	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
LED SMME Development	24,250	200,000	12.13%	Project in process
LED Cooperative Registration	-	42,900	0.00%	Project in process
LED Promotion of SMME'S	116,311	200,000	58.16%	Project in process
LED Emerging Farmer Support	-	120,000	0.00%	Project in process
LED Small Miner Support	-	100,000	0.00%	Project in process
LED EPWP Support	-	10,000	0.00%	Project in process
LED Training for Graduates	-	360,000	0.00%	Project in process
LED Phokwane Processing Plant	-	40,000	0.00%	Project in process
LED EXPO	170,400	500,000	34.08%	Project in process
LED BIO-Mass Dikgatlong	-	20,000	0.00%	Project in process
KBY HUB	57,000	450,000	12.67%	Project in process
LED Develop Incentive Policies	4,113	40,000	10.28%	Project in process
LED Coordinate Structure and Institutional Support	4,612	86,000	5.36%	Project in process
Total	376,685	2,168,900	17.37%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
GIS: Verify Water Infrastructure	-	600,000	0.00%	Third and fourth quarter project
Financial Data Cleansing	-	1,200,000	0.00%	Awaiting claims from the service provider
Total	-	1,800,000	0.00%	
<u>SPATIAL PLANNING</u>				
Surveying of Erven Dikgatlong	-	397,010	0.00%	Project in process
Zoning Scheme Phokwane	-	165,520	0.00%	Project in process
Spatial Development Framework (FBDM)	2,206	789,750	0.28%	Project in process
Spatial Development Framework (LM)	-	526,500	0.00%	Project in process
Environmental Impact Assessment - Dikgatlong	-	36,600	0.00%	Project in process
Total	2,206	1,915,380	0.12%	
	YTD Actual	Budget	% Spending	Remarks
<u>IDP MANAGEMENT</u>				
IDP Steering Committee Meeting	1,749	7,600	23.02%	Project in process
Total	1,749	7,600	23.02%	

	YTD Actual	Budget	% Spending	Remarks
TOURISM				
Diamonds & Dorings Support	263,158	300,000	87.72%	Project completed - Savings
TOUR - Contribution . NCTA Support	135,000	135,000	100.00%	Project complete
TOUR - N12 Promotion	50,000	50,000	100.00%	Project complete
TOUR - N12 Treasury Route Support	20,000	20,000	100.00%	Project complete
TOUR - Business Plan Competition	202,395	360,000	56.22%	Project in process
Indaba Trade EXPO	-	275,180	0.00%	Project in process
12/13: TOUR - Website	-	97,100	0.00%	Project in process
12/13: TOUR - Route Feasibility & Business Plan	7,175	316,800	2.26%	Project in process
TOUR - Advertising & Promotion	35,004	140,000	25.00%	Project in process
TOUR - Association	733	8,500	8.62%	Spent on 2 meetings
TOUR - FBDM Arts and Craft Centre	-	210,000	0.00%	Project in process
TOUR - Marketing Brochure	-	90,000	0.00%	Project in process
Community Awareness Campaigns	135,045	160,000	84.40%	Project in process
Gong-Gong Feasibility Study	-	263,250	0.00%	Project in process
Malool 2013 Exhibition	1,066	28,430	3.75%	Project in process
Total	849,576	2,454,260	34.62%	

Actual spending on special projects of Planning & Development is 8.98% as compared to the approved budget - projects will gain momentum as the financial year progresses.



Actual operating expenditure of Project Management & Advisory Services is 56.00% 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
PROJECT & ADVISORY SERVICES				
District Technical Forum Meetings	761	8,000	9.51%	Project in process
EQS: O&M Phokwane - Maintenance Water & Waste Infrastructure	1,383,920	1,810,000	76.46%	Project in process
EQS: O&M Magareng - Maintenance Electricity Infrastructure	-	500,000	0.00%	Project on schedule as planned
EQS: O&M Magareng - Maintenance Water & Wastewater Infrastructure	-	1,000,000	0.00%	Project on schedule as planned
EQS: O&M Magareng - Maintenance Street & Storm Water	132,326	1,000,000	13.23%	Project in process
EQS: O&M Sol Plaatje - Maintenance Platfontein Sewer System	98,064	500,000	19.61%	Project in process
EQS: O&M Phokwane - Maintenance Electricity Infrastructure	489,310	550,000	88.97%	Project in process
EQS: O&M Sol Plaatje - Maintenance Street & Storm Water	-	1,000,000	0.00%	Project on schedule as planned
EQS: O&M Phokwane - Maintenance Street & Storm Water	171,930	700,000	24.56%	Project in process
EQS: O&M Dikgatlong - Maintenance Water & Waste Infrastructure	76,010	1,550,000	4.90%	Project in process
EQS: O&M Dikgatlong - Maintenance Electricity Infrastructure	-	550,000	0.00%	Project on schedule as planned
EQS: O&M Dikgatlong - Maintenance Street & Storm Water	85,910	500,000	17.18%	Project in process
CAP - Magareng: Provision of Water Reticulation	1,699,000	2,355,000	72.14%	Project in process
CAP - Magareng: Upgrade of Water Network	1,519,123	1,899,000	80.00%	Project in process
CAP - Phokwane: Electricity Masterplan	-	450,000		Project in process
CAP - Phokwane: Gangspan Bulk Water Support	-	1,200,000	0.00%	Project on schedule as planned
CAP - Phokwane: Sewer Truck	-	2,000,000	0.00%	Project on schedule as planned
CAP - Phokwane: Electricity	-	450,000	0.00%	Project on schedule as planned
CAP - Phokwane: Install Water Meters	-	550,000	0.00%	Project on schedule as planned
CAP - Magareng: Water Reticulation Warrenvale	-	1,500,000	0.00%	Project on schedule as planned
CAP - Magareng: Sewer Reticulation Warrenvale	-	1,200,000	0.00%	Project on schedule as planned
CAP Magareng: Upgrade Water Network	720,943	1,500,000	48.06%	Project in process
CAP - Sol Plaatje: Water & Sanitation	-	3,000,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Refuse Truck	-	2,000,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Upgrade Electricity Network	-	1,500,000	0.00%	Project on schedule as planned
CAP - Dikgatlong: Waste Water Operating Room	-	650,000	0.00%	Project on schedule as planned
Total	6,377,296	29,922,000	21.31%	
	YTD Actual	Budget	% Spending	Remarks
HOUSING				
Special Project: 16 Days of Activism	-	15,000	0.00%	Pending requests
Special Project: Women's Month	-	15,000	0.00%	Savings
Special Project: Mandela Month	15,000	15,000	100.00%	Project completed
Housing Consumer Education	8,555	40,000	21.39%	Ongoing
Housing Field Workers	9,549	30,000	31.83%	Ongoing
Housing Steering Committee Meeting	3,732	20,000	18.66%	Ongoing
Total	36,836	135,000	27.29%	

Actual spending on special projects of Project Management & Advisory Services is 14.35% as compared to the approved budget - projects will gain momentum as the financial year progresses.

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	-	361	2,010	1,925	86	4%	3,490
Transfers recognised - operational	94,579	93,815	-	1,097	33,267	36,108	(2,841)	-8%	90,325
Other own revenue	1,670	1,045	-	12	79	436	(356)	-82%	990
Total Revenue (excluding capital transfers and contributions)	101,921	99,479	-	1,470	35,357	38,469	(3,112)	-8%	94,805
Employee costs	39,423	47,498	-	3,373	16,106	19,791	(3,685)	-19%	19,774
Remuneration of Councillors	5,160	5,679	-	419	2,128	2,366	(238)	-10%	2,160
Depreciation & asset impairment	3,429	5,050	-	-	-	2,104	(2,104)	-100%	5,050
Finance charges	2,318	2,215	-	-	-	923	(923)	-100%	2,215
Materials and bulk purchases	2,569	3,983	-	156	1,222	1,660	(438)	-26%	1,689
Transfers and grants	35,437	42,937	-	2,786	8,404	17,891	(9,487)	-53%	32,775
Other expenditure	11,189	13,798	-	1,609	4,537	5,749	(1,212)	-21%	6,392
Total Expenditure	99,524	121,161	-	8,343	32,396	50,484	(18,087)	-36%	70,055
Surplus/(Deficit)	2,396	(21,681)	-	(6,873)	2,960	(12,015)	14,976	-125%	24,750
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2,396	(21,681)	-	(6,873)	2,960	(12,015)	14,976	-125%	24,750
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	2,396	(21,681)	-	(6,873)	2,960	(12,015)	14,976	-125%	24,750
Capital expenditure & funds sources									
Capital expenditure	5,953	4,290	-	60	566	1,787	(1,221)	-68%	3,164
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	5,953	4,290	-	60	566	1,787	(1,221)	-68%	3,164
Total sources of capital funds	5,953	4,290	-	60	566	1,787	(1,221)	-68%	3,164
Financial position									
Total current assets	86,488	86,488	-	-	120,933	-	-	-	51,655
Total non current assets	63,332	63,332	-	-	63,898	-	-	-	63,599
Total current liabilities	12,802	12,802	-	-	44,854	-	-	-	11,034
Total non current liabilities	33,042	33,042	-	-	33,042	-	-	-	26,442
Community wealth/Equity	103,975	77,802	-	-	106,935	-	-	-	77,778
Cash flows									
Net cash from (used) operating	6,112	6,112	(11,892)	20,215	35,591	14,210	21,381	150%	(17,312)
Net cash from (used) investing	(7,463)	(7,463)	(3,861)	(61)	(1,210)	(702)	(508)	72%	(3,761)
Net cash from (used) financing	(1,299)	(1,299)	(1,606)	-	-	-	-	-	(1,139)
Cash/cash equivalents at the month/year end	83,564	59,959	59,959	117,945	117,945	90,825	27,120	30%	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	2,300	122	155	64	1	1	7	2,712
Creditors Age Analysis									
Total Creditors	1,948	37,906	20	-	-	-	-	-	37,925

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	-	700	31,821	33,892	(2,071)	-6%	83,075
Executive and council		3,318	3,716	-	-	1,239	1,239	0	0%	3,716
Budget and treasury office		81,983	82,034	-	700	30,583	32,653	(2,071)	-6%	79,359
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		3,272	600	-	-	-	200	(200)	-100%	600
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2,288	600	-	-	-	200	(200)	-	600
Housing		983	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		13,348	13,130	-	770	3,536	4,377	(841)	-19%	11,130
Planning and development		10,342	10,130	-	770	2,536	3,377	(841)	-25%	10,130
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		3,006	3,000	-	-	1,000	1,000	-	-	1,000
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	101,921	99,479	-	1,470	35,357	38,469	(3,112)	-8%	94,805
Expenditure - Standard										
<i>Governance and administration</i>		46,334	54,044	-	4,208	16,716	22,519	(5,803)	-26%	27,685
Executive and council		16,303	19,240	-	1,508	6,448	8,017	(1,569)	-20%	7,613
Budget and treasury office		16,174	18,409	-	1,565	4,964	7,670	(2,706)	-35%	11,996
Corporate services		13,857	16,396	-	1,135	5,303	6,832	(1,528)	-22%	8,076
<i>Community and public safety</i>		7,931	9,495	-	587	2,568	3,956	(1,388)	-35%	4,138
Community and social services		33	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,926	4,843	-	326	1,381	2,018	(637)	-32%	2,671
Housing		3,973	4,652	-	261	1,188	1,938	(750)	-39%	1,468
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		45,259	57,621	-	3,548	13,112	24,009	(10,896)	-45%	38,231
Planning and development		43,462	54,971	-	3,393	12,390	22,905	(10,515)	-46%	37,148
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		1,797	2,650	-	155	722	1,104	(382)	-35%	1,083
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	99,524	121,161	-	8,343	32,396	50,484	(18,087)	-36%	70,055
Surplus/ (Deficit) for the year		2,396	(21,681)	-	(6,873)	2,960	(12,015)	14,976	-125%	24,750

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	-	-	1,239	1,239	0	0.0%	3,716
Vote 2 - Budget & Treasury		81,983	82,034	-	700	30,583	32,653	(2,071)	-6.3%	79,359
Vote 3 - Corporate Services		5,294	3,600	-	-	1,000	1,200	(200)	-16.7%	1,600
Vote 4 - Planning & Development		733	890	-	-	-	297	(297)	-100.0%	890
Vote 5 - Project Management & Advisory Services		10,593	9,240	-	770	2,536	3,080	(544)	-17.7%	9,240
Total Revenue by Vote	2	101,921	99,479	-	1,470	35,357	38,469	(3,112)	-8.1%	94,805
Expenditure by Vote	1									
Vote 1 - Council & Executive		16,303	19,240	-	1,508	6,448	8,017	(1,569)	-19.6%	7,613
Vote 2 - Budget & Treasury		16,174	18,409	-	1,565	4,964	7,670	(2,706)	-35.3%	11,996
Vote 3 - Corporate Services		19,613	23,889	-	1,582	7,406	9,954	(2,547)	-25.6%	11,830
Vote 4 - Planning & Development		12,982	19,242	-	948	4,156	8,017	(3,862)	-48.2%	10,487
Vote 5 - Project Management & Advisory Services		34,453	40,382	-	2,740	9,422	16,826	(7,404)	-44.0%	28,129
Total Expenditure by Vote	2	99,524	121,161	-	8,343	32,396	50,484	(18,087)	-35.8%	70,055
Surplus/ (Deficit) for the year	2	2,396	(21,681)	-	(6,873)	2,960	(12,015)	14,976	-124.6%	24,750

Please refer to next page

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

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		596	961	-	5	30	401	(370)	-92%	941
Interest earned - external investments		5,672	4,619	-	361	2,010	1,925	86	4%	3,490
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		94,579	93,815	-	1,097	33,267	36,108	(2,841)	-8%	90,325
Other revenue		1,073	24	-	7	48	10	38	382%	48
Gains on disposal of PPE		-	60	-	-	1	25	(24)	-98%	1
Total Revenue (excluding capital transfers and contributions)		101,921	99,479	-	1,470	35,357	38,469	(3,112)	-8%	94,805
Expenditure By Type										
Employee related costs		39,423	47,498	-	3,373	16,106	19,791	(3,685)	-19%	19,774
Remuneration of councillors		5,160	5,679	-	419	2,128	2,366	(238)	-10%	2,160
Debt impairment		-	3	-	-	-	1	(1)	-100%	3
Depreciation & asset impairment		3,429	5,050	-	-	-	2,104	(2,104)	-100%	5,050
Finance charges		2,318	2,215	-	-	-	923	(923)	-100%	2,215
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		2,569	3,983	-	156	1,222	1,660	(438)	-26%	1,689
Contracted services		212	-	-	-	-	-	-	-	-
Transfers and grants		35,437	42,937	-	2,786	8,404	17,891	(9,487)	-53%	32,775
Other expenditure		9,926	13,595	-	1,609	4,537	5,664	(1,127)	-20%	6,189
Loss on disposal of PPE		1,050	200	-	-	-	83	(83)	-100%	200
Total Expenditure		99,524	121,161	-	8,343	32,396	50,484	(18,087)	-36%	70,055
Surplus/ (Deficit) for the year		2,396	(21,681)	-	(6,873)	2,960	(12,015)	14,976	(0)	24,750
Transfers recognised - capital										
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		2,396	(21,681)	-	(6,873)	2,960	(12,015)			24,750
Taxation										
Surplus/(Deficit) after taxation		2,396	(21,681)	-	(6,873)	2,960	(12,015)			24,750
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		2,396	(21,681)	-	(6,873)	2,960	(12,015)			24,750
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		2,396	(21,681)	-	(6,873)	2,960	(12,015)			24,750

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

Vote Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Council & Executive		-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 4 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 5 - Project Management & Advisory Services		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Council & Executive		57	82	-	-	6	34	(28)	-83%	81
Vote 2 - Budget & Treasury		1,853	862	-	-	9	359	(351)	-98%	860
Vote 3 - Corporate Services		874	2,593	-	42	458	1,081	(623)	-58%	1,492
Vote 4 - Planning & Development		2,558	141	-	19	21	59	(38)	-64%	139
Vote 5 - Project Management & Advisory Services		611	611	-	-	73	255	(181)	-71%	593
Total Capital single-year expenditure	4	5,953	4,290	-	60	566	1,787	(1,221)	-68%	3,164
Total Capital Expenditure		5,953	4,290	-	60	566	1,787	(1,221)	-68%	3,164
Capital Expenditure - Standard Classification										
Governance and administration		2,784	2,092	-	42	431	872	(441)	-51%	1,746
Executive and council		57	82	-	-	6	34	(28)	-83%	81
Budget and treasury office		1,853	862	-	-	9	359	(351)	-98%	860
Corporate services		874	1,148	-	42	416	478	(62)	-13%	805
Community and public safety		3,006	1,476	-	-	73	615	(542)	-88%	700
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		2,470	1,385	-	-	-	577	(577)	-100%	626
Housing		535	91	-	-	73	38	35	93%	73
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		163	721	-	19	21	301	(280)	-93%	719
Planning and development		163	661	-	19	21	276	(255)	-92%	659
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	60	-	-	-	25	(25)	-100%	60
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	5,953	4,290	-	60	525	1,787	(1,262)	-71%	3,164
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	-	60	566	1,787	(1,221)	-68%	3,164
Total Capital Funding		5,953	4,290	-	60	566	1,787	(1,221)	-68%	3,164

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	-	32,595	959
Call investment deposits		83,200	59,000	-	85,350	48,996
Consumer debtors		-	-	-	-	-
Other debtors		2,658	1,400	-	2,712	1,400
Current portion of long-term receivables		-	-	-	-	-
Inventory		266	300	-	276	300
Total current assets		86,488	61,659	-	120,933	51,655
Non current assets						
Long-term receivables		10,612	-	-	10,612	10,612
Investments		3,800	3,000	-	3,800	3,800
Investment property		-	-	-	-	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		48,071	48,087	-	48,637	48,087
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		849	2,163	-	849	1,099
Other non-current assets		-	-	-	-	-
Total non current assets		63,332	53,250	-	63,898	63,599
TOTAL ASSETS		149,820	114,909	-	184,831	115,254
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		1,444	1,606	-	1,444	1,444
Consumer deposits		-	-	-	-	-
Trade and other payables		4,499	3,035	-	37,925	3,566
Provisions		6,860	6,024	-	5,484	6,024
Total current liabilities		12,802	10,665	-	44,854	11,034
Non current liabilities						
Borrowing		10,041	8,470	-	10,041	8,470
Provisions		23,001	17,971	-	23,001	17,971
Total non current liabilities		33,042	26,442	-	33,042	26,442
TOTAL LIABILITIES		45,845	37,107	-	77,896	37,476
NET ASSETS	2	103,975	77,802	-	106,935	77,778
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		75,967	54,541	-	78,928	54,517
Reserves		28,008	23,261	-	28,008	23,261
TOTAL COMMUNITY WEALTH/EQUITY	2	103,975	77,802	-	106,935	77,778

1.4.7 Table C7 Monthly Budget Statement - Cash Flow

Description	Ref	2012/13			Budget Year 2013/14					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		9,655	72	-	293	1,548	315	1,233	392%	668
Government - operating		92,105	93,815	-	29,997	70,725	47,097	23,628	50%	92,592
Government - capital		-	-	-	-	-	-	-	-	-
Interest		5,575	4,619	-	361	2,806	1,927	879	46%	4,708
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(61,273)	(61,427)	-	(7,558)	(28,308)	(26,732)	1,575	-6%	(67,226)
Finance charges		(1,360)	(1,215)	-	-	-	-	-	-	(2,362)
Transfers and Grants		(38,589)	(41,756)	-	(2,878)	(11,180)	(8,396)	2,784	-33%	(45,692)
NET CASH FROM/(USED) OPERATING ACTIVITIES		6,112	(11,892)	-	20,215	35,591	14,210	21,381	150%	(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)	-	(61)	(1,210)	(702)	508	-72%	(3,861)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(7,463)	(3,861)	-	(61)	(1,210)	(702)	508	-72%	(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)	-	-	-	-	-	-	(1,139)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1,299)	(1,606)	-	-	-	-	-	-	(1,139)
NET INCREASE/ (DECREASE) IN CASH HELD		(2,650)	(17,358)	-	20,154	34,381	13,508			(22,211)
Cash/cash equivalents at beginning:		86,214	77,317	-	97,791	83,564	77,317			83,564
Cash/cash equivalents at month/year end:		83,564	59,959	-	117,945	117,945	90,825			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	-8%	Equitable Share received during November 2013 was not allocated to the various revenue accounts.	Equitable Share apportionment will be done in December 2013.
	Rental of facilities and equipment	-92.44%	Rental of grader to local municipalities not yet charged for the period under review .	Revenue from grader charges not realised as anticipated. The operations will gain momentum as the financial year progresses.
	Interest earned - external investments	4.45%	Interest earned on external investment is more than full year budget.	Acceptable and dependant on the market yield.
	Other income	382.25%	Revenue generated is more than the full year budget .	Acceptable
2	<u>Expenditure By Type</u>			
	Salaries	-18.62%	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	Depreciation will be run after the financial audit and the development of the program.
	Other Materials	-26.40%	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	-53.03%	Most projects are in the planning phase of implementation as per the procurement plan.	Most projects have not started, Implementation will gain momentum as the financial year progresses.
	Other expenditure	-19.90%	Underspending occurred on payment of municipal services, audit fees and motor vehicle usage and other general expenses.	General expenses will gain momentum as the financial year progresses.
3	<u>Capital Expenditure</u>			
	Capital expenditure	-68.31%	As per the policy , all capital projects / purchases should have been completed / finalized by 31 March of each year	Most capital projects will gain momentum as the financial year progresses.
4	<u>Financial Position</u>			
	Reserves	R 4,746,335	Under budgeted	Acceptable
	Property, plant & equipment	R 550,012	Under budgeted	Acceptable
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	150.47%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	-72.29%	Capital Expenditure not materialising per SDBIP	Departments are urged to spent their budget allocations
	Net cash from operating / (used) Financing Activities		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%	0.0%	5.4%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5.8%	6.0%	0.0%	0.0%	6.2%
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%	0.0%	46.2%	17.3%
Gearing	Long Term Borrowing/ Funds & Reserves		35.9%	36.4%	0.0%	35.9%	36.4%
Liquidity							
Current Ratio 1	Current assets/current liabilities	1	675.6%	578.1%	0.0%	269.6%	468.1%
Liquidity Ratio	Monetary Assets/Current Liabilities		682.4%	590.3%	0.0%	271.4%	487.2%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		13.0%	1.4%	0.0%	37.7%	12.7%
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%	0.0%	45.6%	20.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2.5%	4.0%	0.0%	0.4%	1.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		5.6%	7.3%	0.0%	0.0%	4.6%
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%	144.7%	310.3%
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		14.1	2.5	-	5.6	3.1

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 37.6%. 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	2,300	122	155	64	63	1	1	7	2,712		136
Total By Revenue Source	2000	2,300	122	155	64	63	1	1	7	2,712	-	136
2011/12 - totals only		2,185	116	147	61	60	1	1	7	2,577		130
Debtors Age Analysis By Customer Category												
Government	2200	198	118	277	-	-	-	-	-	594		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	2,102	4	(123)	64	63	961.00	1	7	2,119		
Total By Customer Category	2600	2,300	122	155	64	63	1	1	7	2,712	-	

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 November 2013 in respect of Provincial and Local Governments department is:

- Department of Roads and Public Works R91 802.29 for sundry services such as water & electricity, telephone, etc and R184 838.60 for post service medical aid paid by the District Municipality on behalf the Department.
- Dikgatlong Municipality R802.43 payment for street lighting at Koopmansfontein.

- ***Post-Service Benefits***

The only outstanding debts reflected for more than 90 days as at 30 November 2013 is:

- Payne ME R7 210.60, Benson SC R3 484.70 and Meyer PJ R1 519.60 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 November 2013 for sundry debtors is:

- Maribe BM R1 400.00 for traffic fine.

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

Table SC4 Monthly Budget Statement - aged creditors

Description	NT Code	Budget Year 2013/14									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			
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	37,906	20	-	-	-	-	-	-	-	-	37,925
Total By Customer Type	2600	37,906	20	-	-	-	-	-	-	-	-	37,925

The expenditure section continues to administer, manage, assess and improve creditors, salaries and sundry payments subject to internal prescriptions.

Salary Payment:

Salary payments are under adequate control and occur according to approved policies and agreement in terms of the Bargaining Council. Salary increases of 6.4% for staff has been implemented in July 2013.

The annual increase for Councilors' in terms of the remuneration of Public Office Bearers Act, 1998 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 November 2013 is listed below:

PAYMENTS	
Total value of all payments	R 25,485,817
Electronic transfers	166
Cheques issued	36
STORES	
Value of Stores issued	
SALARIES	
Number of salary beneficiaries	145
Councillors	22
Employees	121
Pensioners	2
Total remuneration paid	
Councillors	401,314
Employees	4,366,674
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 November 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 November 2013, two contracts (R200 000+) were awarded by the Bid Adjudication Committee.

1. BID 14/13: LED EXPO (Small Business Week) – Tshimologo Consulting R434 900.00
2. BID 12/13: Security Services – Batsha ba Tirong Security Services R672 402.11 for 1 year or R2 017 206.30 over 3 years.

For the period of November 2013 two written price quotations (R30 000-R200 000) were awarded by the Municipal Manager.

1. WQUOTE 07/13: Tender Training – Sello & Associates R87 500.00
2. WQUOTE 14/13: Supply & Delivery of office furniture – Cecil Nurse Business Furniture R46 060.16

The value of orders issued for the period ended 30 November 2013 total R1 330 790.12 (*See Annexure "D"*)

Orders per department

Council and Executive	R75 611.28
Municipal Manager	R59 451.20
Finance	R36 286.68
Administration	R64 682.64
Planning and Development	R1 035 149.98
Technical Service	R14 721.92

Stores R44 886.42

- Disposal Management

There was no disposal of redundant goods for November 2013.

- Deviations

No deviation was approved by the Municipal Manager for the month of November 2013.

- Issues from Stores

Total orders issued amount to R27 367.23 for all departments.

Council and Executive	R 0.00
Municipal Manager	R401.36
Finance	R1 563.22
Administration	R22 731.26
Planning and Development	R1 214.62
Technical Services	R1 456.77

- Orders outstanding more than 30 days for November 2013

COMPANY	60 DAYS	90 DAYS	COMMENT
The Drain Surgeon	-	R2 502.98	Invoice not yet received
ITEC	-	R12 844.30	Service not yet rendered
Humelani Water Services	-	R334 839.60	Project not yet completed
Ikamva Resource Group Projects	R183 550.00	-	Service not yet rendered
Kevin & Lerroy Enterprise	R50 109.50	-	Service not yet rendered
K201302601307	R12 707.90	-	Service not yet rendered
LASEC SA	-	R748.06	Invoice not yet received
National Health Laboratory Services	-	R451.32	Invoice not yet received
OG Media	-	R28 500.00	Service not yet rendered
Rennies Travel	R25 013.82	R4 701.52	Invoice not yet received
Sure Astra Travel	R18 276.06	R10 824.20	Invoice not yet received
Sedibeng Water Vaal Gamagara	R4 500.00	-	Invoice not yet received
Trophy & Gift Centre	R168.00	-	Invoice not yet received
UFS Centre for Business	-	R345 000.00	Project not completed
Yes Media	-	R19 950.00	Invoice not yet received

- List of accredited service providers

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

The next Procurement Plan report for the second quarter will be provided at the end of December 2013 as annexure "E" outlining details in respect of the 2013/14 financial year.

Table SC5 Monthly Budget Statement - investment portfolio

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands		Yrs/Months							
Municipality									
ABSA		30	Call	30-Nov-13	2	4.5%	500	500	
STANDARD BANK		363	Fixed	22-Jun-14	217	5.8%	3,800	3,800	
NEDCOR		120	Notice	4-Dec-13	22	5.2%	5,000	5,000	
ABSA		120	Notice	4-Dec-13	32	5.3%	7,000	7,000	
RMB		119	Notice	5-Dec-13	27	5.2%	6,000	6,000	
STANDARD BANK		90	Notice	5-Dec-13	26	5.1%	6,000	6,000	
ABSA		30	Call	30-Nov-13	3	4.5%	700	700	
ABSA		119	Notice	20-Feb-14	14	5.4%	3,000	3,000	
ABSA		30	Call	30-Nov-13	11	4.5%	3,000	3,000	
NEDCOR		30	Call	30-Nov-13	16	4.6%	4,000	4,000	
NEDCOR		119	Notice	20-Feb-14	27	5.4%	6,000	6,000	
STANDARD BANK		30	Call	30-Nov-13	14	5.4%	3,000	3,000	
ABSA		30	Call	30-Nov-13	2	4.5%	400	400	
STANDARD BANK		119	Notice	7-Mar-14	140	5.4%	8,000	8,000	
NEDCOR		119	Notice	7-Mar-14	28	5.6%	6,000	6,000	
NEDCOR		120	Notice	11-Mar-14	274	5.6%	15,000	15,000	
ABSA		119	Notice	11-Mar-14	124	5.4%	7,000	7,000	
ABSA		119	Notice	14-Mar-14	85	5.5%	4,750	4,750	
TOTAL INVESTMENTS AND INTEREST					1,062		89,150	-	89,150
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				1,062		89,150	-	89,150

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	-	30,767	70,033	66,606	3,427	5.1%	91,330
Local Government Equitable Share		10,391	10,329	-	770	3,437	4,304	(866)	-20.1%	10,329
Special Contribution: Councillor Remuneration		3,318	3,716	-	-	1,239	2,787	(1,548)	-55.6%	3,716
Levy replacement	3	73,733	75,945	-	29,997	62,817	56,959	5,858	10.3%	74,811
Finance Management Grant		1,250	1,250	-	-	1,250	1,250	-		1,250
Municipal Systems Improvement		1,000	890	-	-	890	890	-		890
Extended Public Works Programme		1,000	1,000	-	-	400	417	(17)	-4.0%	333
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		2,558	600	-	-	415	120	295	246.0%	600
Housing	4	270	-	-	-	415	-	415		-
Near Grant		1,176	300	-	-	-	60	(60)		300
Fire Fighting Equipment Grant		1,112	300	-	-	-	60	(60)		300
NC Tourism		-	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		175	85	-	-	14	35	(22)		180
SETA Skills Grant		175	85	-	-	14	35	(22)		180
Koopmansfontein Self Build Sceme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	93,425	93,815	-	30,767	70,462	66,762	3,700	5.5%	92,110
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-		-
Water Affairs		-	-	-	-	-	-	-		-
EPWP		-	-	-	-	-	-	-		-
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	93,425	93,815	-	30,767	70,462	66,762	3,700	5.5%	92,110

Table SC7 Monthly Budget Statement - transfers and grant expenditure

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		90,532	93,130	-	1,097	33,254	38,804	(5,551)	-14.3%	89,987
Local Government Equitable Share		10,391	10,329	-	770	3,437	4,304	(866)	-20.1%	9,796
Special Contribution: Councillor Remuneration		3,318	3,716	-	-	1,239	1,548	(310)	-20.0%	3,318
Levy replacement		73,733	75,945	-	-	27,928	31,644	(3,715)	-11.7%	73,733
Finance Management Grant		1,250	1,250	-	328	551	521	30	5.8%	1,250
Municipal Systems Improvement		733	890	-	-	-	371	(371)	-100.0%	890
Extended Public Works Programme		1,107	1,000	-	-	98	417	(319)	-76.5%	1,000
Water Affairs		-	-	-	-	-	-	-	-	-
Provincial Government:		3,277	600	-	-	-	250	(250)	-100.0%	600
Housing		983	-	-	-	-	-	-	-	-
Near Grant		1,176	300	-	-	-	125	(125)	-	300
Fire Fighting Equipment Grant		1,112	300	-	-	-	125	(125)	-	300
NC Tourism		-	-	-	-	-	-	-	-	-
Environmental Health Recycling Grant		6	-	-	-	-	-	-	-	-
District Aids Programme		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		769	85	-	-	14	35	(22)	-	180
Koopmansfontein Self Build Scheme		595	-	-	-	-	-	-	-	-
ABSA		-	-	-	-	-	-	-	-	-
SETA Skills Grant		175	85	-	-	14	35	(22)	-	180
Total operating expenditure of Transfers and Grants:		94,579	93,815	-	1,097	33,267	39,090	(5,822)	-14.9%	90,767
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		-	-	-	-	-	-	-	-	-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-	-	-
Water Affairs		-	-	-	-	-	-	-	-	-
EPWP		-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		94,579	93,815	-	1,097	33,267	39,090	(5,822)	-14.9%	90,767

External funding account balances reflect transfers to revenue adequate to cover the relevant operating or capital expenditure for which the funds have been received. Grant funding is reflected as unspent grants where relevant, with revenue transferred to the income statement as expenditure is incurred.

Table SC8 Monthly Budget Statement - councilor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2012/13		Budget Year 2013/14						
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Salary		3,670	3,833	-	290	1,482	1,597	(115)	-7%	1,482
Pension Contributions		165	174	-	14	69	72	(4)	-5%	69
Medical Aid Contributions		17	19	-	1	7	8	(1)	-10%	7
Motor vehicle allowance		994	1,315	-	92	461	548	(87)	-16%	461
Cell phone and other allowances		314	307	-	22	110	128			141
Workmen's Compensation		-	21	-	-	-	9			21
Unemployment Insurance		-	11	-	-	-	4			11
Sub Total - Councillors		5,160	5,679	-	419	2,128	2,366	(238)	-10%	2,160
% increase	4		10.1%							-58.1%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	2,295	4,407	-	317	634	1,836	(1,202)	-65%	1,836
Pension and UIF Contributions		225	630	-	19	39	263	(224)	-85%	262
Medical Aid Contributions		68	146	-	5	10	61	(51)	-84%	61
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	584	-	-	-	243	(243)	-100%	243
Motor Vehicle Allowance		195	530	-	44	88	221	(133)	-60%	221
Cellphone Allowance		48	96	-	8	16	40	(24)	-60%	40
Housing Allowances		18	36	-	3	6	15	(9)	-59%	15
Other benefits and allowances		24	139	-	3	7	58	(51)	-88%	58
Payments in lieu of leave		-	98	-	-	-	41	(41)	-100%	41
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		2,872	6,666	-	400	800	2,778	(1,977)	-71%	2,777
% increase	4		132.1%							-3.3%
Other Municipal Staff										
Basic Salaries and Wages		24,934	29,252	-	2,210	11,220	12,188	(968)	-8%	12,172
Pension and UIF Contributions		4,002	4,672	-	348	1,820	1,947	(127)	-7%	1,946
Medical Aid Contributions		1,202	1,300	-	106	560	542	19	3%	542
Overtime		54	-	-	4	35	-	35	#DIV/0!	-
Performance Bonus		366	-	-	-	-	-	-		-
Motor Vehicle Allowance		2,108	2,090	-	153	931	871	61	7%	871
Cellphone Allowance		144	134	-	8	63	56	7	13%	56
Housing Allowances		395	442	-	14	86	184	(98)	-53%	184
Other benefits and allowances		977	1,256	-	67	269	523	(254)	-49%	523
Payments in lieu of leave		1,121	659	-	-	-	274	(274)	-100%	274
Long service awards		209	206	-	-	11	86	(75)	-87%	86
Post-retirement benefit obligations	2	1,038	821	-	62	309	342	(33)	-10%	342
Sub Total - Other Municipal Staff		36,551	40,832	-	2,973	15,305	17,013	(1,708)	-10%	16,996
% increase	4		11.7%							-53.5%
Total Parent Municipality		44,583	53,177	-	3,792	18,234	22,157	(3,923)	-18%	21,934

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace for November 2013 averages 82%. The reason for the deviations is mainly due to, annual, sick, courses and study leave.

Attendance trends are summarized as follows:

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	4	7	11
Annual Leave	0	8	15	10
Sick Leave	0	15	3	3
Courses / Seminar	3	2	0	9
Meetings	0	0	2	0
Family Responsibility	0	0	1	0
Study	0	0	1	6
Maternity Leave	0	0	0	0
Union Matters	0	0	0	0
Absent	0	0	0	0
Special Annual Leave	0	0	0	1
No. of Workdays Attended	18	59	105	181
Total Workdays	21	84	127	210
Percentage attendance per Group	86%	70%	83%	86%
Average	82%			

Personnel Development:

No training was offered or attended by the finance personnel for the month of November 2013.

INTERNSHIP PROGRAMME

As per National Treasury regulations, five Finance Interns were appointed (three on 19 November 2012, one on 03 December 2012 and one on 02 May 2013). Two vacant posts of Finance Interns were advertised in November 2013 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	-	-	-	-	-	-	-	4,619	4,850	5,044
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-			
Fines		-	-	-	-	-	-	-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-			
Agency services		-	-	-	-	-	-	-	-	-	-	-	-			
Transfer receipts - operating		38,903	-	1,707	117	29,997	-	-	-	-	-	-	-	93,815	100,419	106,938
Other revenue		87	361	278	528	293	-	-	-	-	-	-	-	72	72	74
Cash Receipts by Source		39,437	1,341	2,493	1,156	30,651								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								98,506	105,341	112,056
Cash Payments by Type																
Employee related costs		3,380	3,167	3,265	3,292	4,951	-	-	-	-	-	-	-	44,698	45,692	48,860
Remuneration of councillors		437	429	418	425	419	-	-	-	-	-	-	-	5,508	5,784	6,073
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	1,215	1,053	874
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-			
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-			
Other materials		698	381	389	257	407	-	-	-	-	-	-	-	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	-	-	-	-	-	-	-			
General expenses		1,121	741	1,274	1,075	1,781	-	-	-	-	-	-	-	13,436	13,788	14,006
Cash Payments by Type		8,186	5,874	8,538	6,453	10,436								110,433	97,164	102,459
Other Cash Flows/Payments by Type																
Capital assets		256	373	346	174	61	-	-	-	-	-	-	-	3,861	7,218	1,559
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	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								115,899	106,168	106,004
NET INCREASE/(DECREASE) IN CASH HELD		30,995	(4,906)	(6,392)	(5,471)	20,154								(17,393)	(827)	6,052
Cash/cash equivalents at the monthly year beginning:		83,564	114,559	109,653	103,262	97,791	-	-	-	-	-	-	-	77,317	59,925	59,098
Cash/cash equivalents at the monthly year end:		114,559	109,653	103,262	97,791	117,945	-	-	-	-	-	-	-	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	-	13	13	43	30	70.1%	0%
August	50	472	-	34	47	515	468		1%
September	493	86	-	305	352	601	249	41.4%	8%
October	765	472	-	154	506	1,073	566	52.8%	12%
November	300	901	-	60	566	1,973	1,407	71.3%	13%
December	784	558	-						
January	1,213	343	-						
February	120	386	-						
March	1,192	429	-						
April	135	300	-						
May	527	215	-						
June	374	86	-						
Total Capital expenditure	5,953	4,290	-	566					

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	-	19	174	954	780	81.8%	1,619
General vehicles		3,063	595	-	-	38	248	210	84.8%	446
Specialised vehicles										
Plant & equipment		402	-	-	-	-	-	-		-
Computers - hardware/equipment		121	432	-	19	69	180	111	61.7%	324
Furniture and other office equipment		52	81	-	-	18	34	16	46.4%	61
Abattoirs		-	-	-	-	-	-	-		-
Markets		-	-	-	-	-	-	-		-
Civic Land and Buildings		-	-	-	-	-	-	-		-
Other Buildings		584	1,182	-	-	49	493	444	90.1%	788
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		319	60	-	-	-	25	25	100.0%	40
Computers - software & programming		319	60	-	-	-	25	25	100.0%	40
Other										
Total Capital Expenditure on new assets	1	4,541	2,350	-	19	174	979	805	82.3%	1,659

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

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		1,412	1,940	-	42	393	808	415	51.4%	1,465
General vehicles		714	800	-	-	-	333	333	100.0%	600
Specialised vehicles			-	-	-	-	-	-		
Plant & equipment		4	-	-	-	-	-	-		
Computers - hardware/equipment		439	859	-	42	379	358	(21)	-6.0%	644
Furniture and other office equipment		-	81	-	-	13	34	20	60.0%	61
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		248	200	-	-	-	83	83	100.0%	160
Other Land			-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)										
Other		7	-	-	-	-	-	-		
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other										
Total Capital Expenditure on renewal of existing ass	1	1,412	1,940	-	42	393	808	415	51.4%	1,465

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	2,778	-	103	639	1,158	519	44.8%	2,337
General vehicles		348	477	-	28	169	199	30	15.2%	404
Specialised vehicles										
Plant & equipment		221	53	-	-	-	22	22	100.0%	265
Computers - hardware/equipment		513	883	-	51	232	368	136	36.9%	810
Furniture and other office equipment		27	132	-	5	7	55	48	87.1%	27
Abattoirs										
Markets										
Civic Land and Buildings		286	584	-	18	224	243	19	7.9%	282
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other - Emergency Equipment			649		0	7	270	263	97.4%	549
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		1,174	1,814	-	54	583	756	173	22.9%	1,086
Computers - software & programming		1,174	1,814	-	54	583	756	173	22.9%	1,086
Other										
Total Repairs and Maintenance Expenditure		2,569	4,592	-	157	1,222	1,913	691	36.1%	3,423

Table SC13d Monthly Budget Statement - depreciation by asset class

Description	Ref	Budget Year 2012/13								
		2011/12 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		125	200	-	-	-	83	83	100.0%	200
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other		125	200	-	-	-	83	83	100.0%	200
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		3,162	4,600	-	-	-	1,917	1,917	100.0%	4,098
General vehicles		624	600	-	-	-	250	250	100.0%	550
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		302	680	-	-	-	283	283	100.0%	645
Computers - hardware/equipment		760	850	-	-	-	354	354	100.0%	650
Furniture and other office equipment		767	970	-	-	-	404	404	100.0%	853
Abattoirs										
Markets										
Civic Land and Buildings		-	-							
Other Buildings		588	1,500	-	-	-	625	625	100.0%	1,400
Other Land		-	-							
Surplus Assets - (Investment or Inventory)		-	-							
Other		121								
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		141	250	-	-	-	104	104	100.0%	200
Computers - software & programming		141	250	-	-	-	104	104	100.0%	200
Other										
Total Repairs and Maintenance Expenditure		3,429	5,050	-	-	-	2,104	2,104	100.0%	4,498

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

ASSET AND RISK MANAGEMENT**Insurance:**

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

Asset Inventory:

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

The asset register and its management have in the meantime continued. The asset stock take took place during the second and third week of May 2013. Reconciliation of items that do not appear on the asset system is being verified and was completed prior to submitting the annual financial statements to the Auditor General in August 2013.

Information Backup:

All shared data on the internet system (*O & P drives only*) is backed up on the server with a further daily tape backup kept on the premises. System users are responsible for ensuring that data backup and maintenance is carried out with regard to their specific usage. General ledger and associated financial system data is backed up on the network server tape system.

The “e-Venus” financial system was implemented on 1 July 2009. A daily backup is done as well as a day end procedure to integrate daily transactions. On the last working day of each month a monthly calendar and financial (a few days after month end to accommodate financial transactions pertaining to the month closed) backup and integration including closing of votes and opening thereof in the new month is done.

Motor Vehicle Operating Cost:

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

VEHICLE OPERATING COST	ACTUAL	BUDGET	VARIANCE	VAR %
Depreciation: Motor Vehicles	-	250,000	(250,000)	-100.00%
Insurance	57,423	25,000	32,423	129.69%
MV Administration Levy	14,433	8,333	6,100	73.20%
Fuel	215,268	240,246	(24,977)	-10.40%
Licence	6,105	5,042	1,063	21.09%
Repairs and Maintenance	38,889	38,417	473	1.23%
Tyres	19,861	32,917	(13,055)	-39.66%
TOTAL	351,980	599,954	(247,974)	-41.33%

Motor Vehicles - Utilization Statistics:

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

Statistical information regarding the year-to-date utility for November 2013 is as follows:

	Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	October Utility
1	Citi Golf	Pool	2005	BSM 014 NC	105,000	2014/04/30	95,198	95,738	540
2	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	105,000	2014/09/30	92,849	94,685	1,836
3	Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	45,000	2014/09/30	44,811	45,655	844
4	Chevrolet Captiva	Pool	2011	CDM 296 NC	60,000	2014/09/30	47,279	48,732	1,453
5	Isuzu 2.4	Environmental Health	2006	BVC 305 NC	180,000	2014/07/31	178,220	178,220	-
6	Isuzu 2.4	Environmental Health	2006	BTT 339 NC	180,000	2014/04/30	173,802	173,802	-
7	Nissan D/Cab	Disaster Management	2006	BTT 376 NC	120,000	2014/04/30	116,748	117,981	1,233
8	Toyota Corolla	Pool	2009	BZP 439 NC	120,000	2014/09/30	108,523	109,895	1,372
9	Toyota Corolla	Pool	2009	BZP 440 NC	105,000	2014/09/30	96,431	98,167	1,736
10	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	15,000	2014/12/31	9,733	10,911	1,178
11	Isuzu KB 250	Housing	2013	CGR 572 NC	30,000	2014/12/31	13,306	15,176	1,870
12	Isuzu KB 250	Housing	2013	CGR 576 NC	30,000	2014/12/31	14,498	16,267	1,769
13	Hyundai HI	Tourism Centre	2013	CGY 587 NC	15,000	2014/02/28	7,859	9,141	1,282
14	Isuzu 2.4	Housing	2009	CBD 761 NC	105,000	2014/02/28	96,391	98,663	2,272
15	Toyota Corolla	Pool	2008	BXL 799 NC	150,000	2014/02/28	150,475	151,432	957
16	Nissan LDV	Community Development	2006	BVC 831 NC	135,000	2014/07/31	129,965	131,385	1,420
17	Ford Bantam	Finance	2004	BRD 836 NC	90,000	2014/01/31	85,063	85,325	262
18	Toyota Hilux	PMU	2004	BRF 837 NC	140,000	2014/02/28	132,688	133,657	969
19	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	30,000	2014/09/30	26,050	26,537	487
20	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	30,000	2014/09/30	24,249	24,638	389
21	Isuzu D/Cab	Pool	2013	CGR 974 NC	15,000	2014/12/31	14,985	16,448	1,463
22	Audi Q7	Council	2013	FBDM 1 NC	60,000	2014/12/31	51,938	53,892	1,954
23	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15,000	2014/06/30	2,001	2,001	-
	UTILITY FOR NOVEMBER 2013-FULL FLEET								
									25,286

Motor Vehicle Damage Report:

No accidents or incidents took place during the month of November 2013.

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.

Resolved:

Audi Q7, registration number FBDM1 NC - A bakkie reversed into the front of it whilst parked at a tyre centre. The incident was reported to the asset management unit and the vehicle was taken in for repairs during the month of August 2013. Said vehicle is repaired and fully operational.

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

2.14 Quality Certificate

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

- the monthly budget statement
- quarterly report on the implementation of the budget and financial state affairs of the municipality
- mid-year budget and performance assessment

for the month of November 2013 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 December 2013

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Municipal Manager: Frances Baard District Municipality

Signature



Date

10 December 2013