

# FRANCES BAARD DISTRICT MUNICIPALITY



## **MONTHLY BUDGET STATEMENT**

**31 OCTOBER 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 not 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. The format consists of seven financial statements and thirteen tables consisting of supporting documentation.

### **Budget Process:**

The budget process plan in respect of the 2015/16 financial year was submitted to the Executive Mayor for approval on 23 July 2014 and has also been submitted to National Treasury.

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

**Monthly Reporting:**

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

**Financial Statements for the Year-ended 30 June 2014:**

The Annual Financial Statements for the year ended 30 June 2014 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 rendered to Local Municipalities.

**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 30 September 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 R32, 270 million as compared to the full year approved budget of R107, 992 million. The source of revenue that is below the budget is rental of facilities and equipment, interest from investments and other revenue.

##### **Operating expenditure by type**

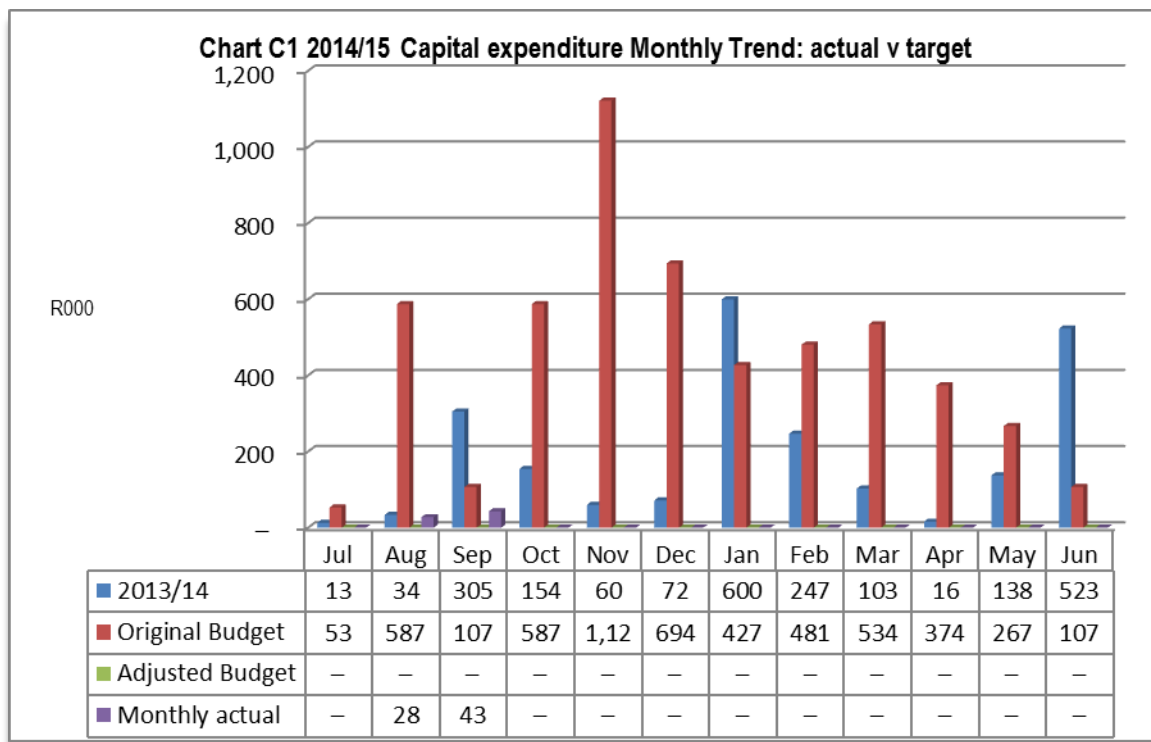
To date, R17, 085 million has been spent compared to the operational year-to-date budget projections of R23, 135 million. This does not include non-cash items such as depreciation & amortization. The main areas where expenditure is less than the budget is employee related costs, depreciation and asset 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 R0.071 million as compared to the approved capital budget of R5, 340 million. As per the policy, all capital projects / purchases should be completed / finalized by 31 March of each financial year. Spending on capital assets will gain momentum as the financial year progresses.

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

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

The Municipality started the year with a total cash and cash equivalents of R87, 934 million. For the month of September 2014, the cash and cash equivalents amount to R107, 560 million. The net increase in cash and cash equivalent for the month of September 2014 is R19, 625 million.

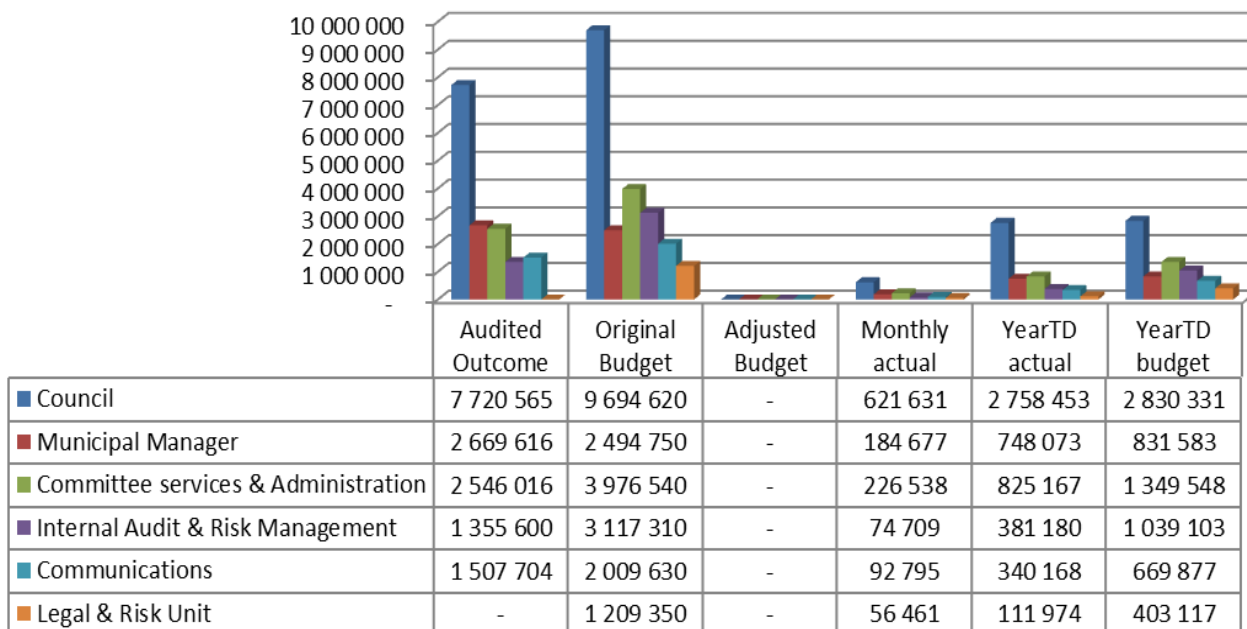
Table C6 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits).

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

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

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

## OPERATING EXPENDITURE - COUNCIL & EXECUTIVE



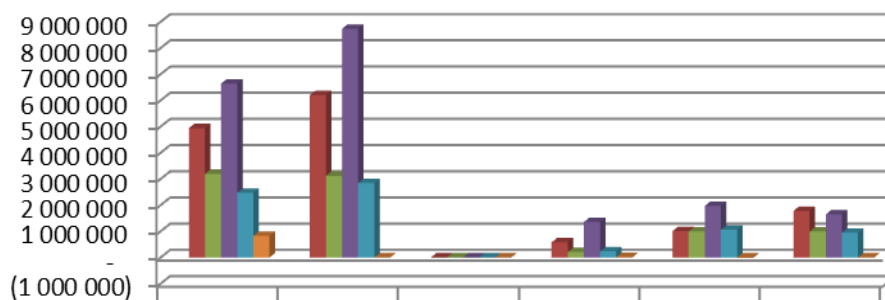
Actual operating expenditure of Council & Executive is R5, 165 016 as compared to the year-to-date budget R7, 123 559. The main areas where expenditure is less than YTD budgets are: employee related costs, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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

<b>COUNCIL &amp; EXECUTIVE</b>			
	<b>YTD Actual</b>	<b>Budget</b>	<b>% Spending</b>
<b><u>COUNCIL</u></b>			
Commemorative Days	5 749	86 000	6.69%
Mayoral Bursary Fund	-	200 000	0.00%
<b>Total</b>	<b>5 749</b>	<b>286 000</b>	<b>2.01%</b>
<b><u>COMMITTEE &amp; ADMINISTRATION SERVICES</u></b>			
Youth Unit Special Projects	-	200 000	0.00%
<b>Total</b>	<b>-</b>	<b>200 000</b>	<b>0.00%</b>
<b><u>INTERNAL AUDIT</u></b>			
Fraud Prevention Plan	-	350 000	0.00%
<b>Total</b>	<b>-</b>	<b>350 000</b>	<b>0.00%</b>
<b><u>COMMUNICATIONS</u></b>			
Branding Communication	-	10 000	0.00%
PAIA Management Communication	-	5 000	0.00%
<b>Total</b>	<b>-</b>	<b>15 000</b>	<b>0.00%</b>

Actual spending on special projects of Council & Executive is R5, 749 as compared to the approved budget of R851 000.

## OPERATING EXPENDITURE - BUDGET & TREASURY



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Budget & treasury						
■ Directorate	4 940 484	6 204 440	-	580 557	1 011 929	1 782 047
■ Finance: Revenue & Expenditure	3 195 452	3 118 420	-	209 658	997 984	996 331
■ Finance: Budget Office	6 642 844	8 739 060	-	1 357 464	1 974 537	1 647 310
■ Finance: Supply Chain Management	2 467 905	2 839 100	-	231 130	1 062 170	946 367
■ Finance: Motor Vehicle Pool	824 667	-	-	12 729	(13 505)	-



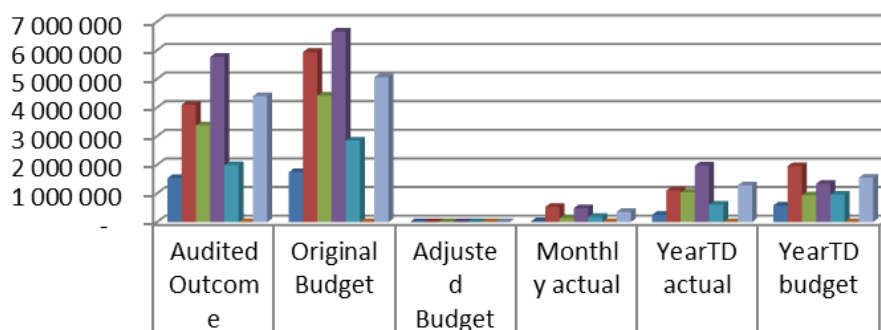
Actual operating expenditure of Budget & Treasury office is R5, 033 115 as compared to the year-to-date projected budget of R5, 372 055. The main areas where expenditure is less than YTD budgets are: employee related costs, employee benefits, consultancy, repairs and maintenance, audit fees, actuarial 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
<b><i>FINANCE: DIRECTORATE</i></b>			
Financial System Support Local Municipalities	86 250	300 000	28.75%
Operation Clean Audit	12 232	540 000	2.27%
AFS Quality Control & GRAP	-	160 000	0.00%
Staff Benefits Actuarial Evaluation	-	50 000	0.00%
<b>Total</b>	<b>98 482</b>	<b>1 050 000</b>	<b>9.38%</b>

In the current month the municipality spent R86 250 on Financial System Support Local Municipality. Also an amount of R12 323 was spent on Operation Clean Audit. The approved budget on special projects for the 2014/15 financial year is R1, 050 000.

## OPERATING EXPENDITURE - CORPORATE SERVICES



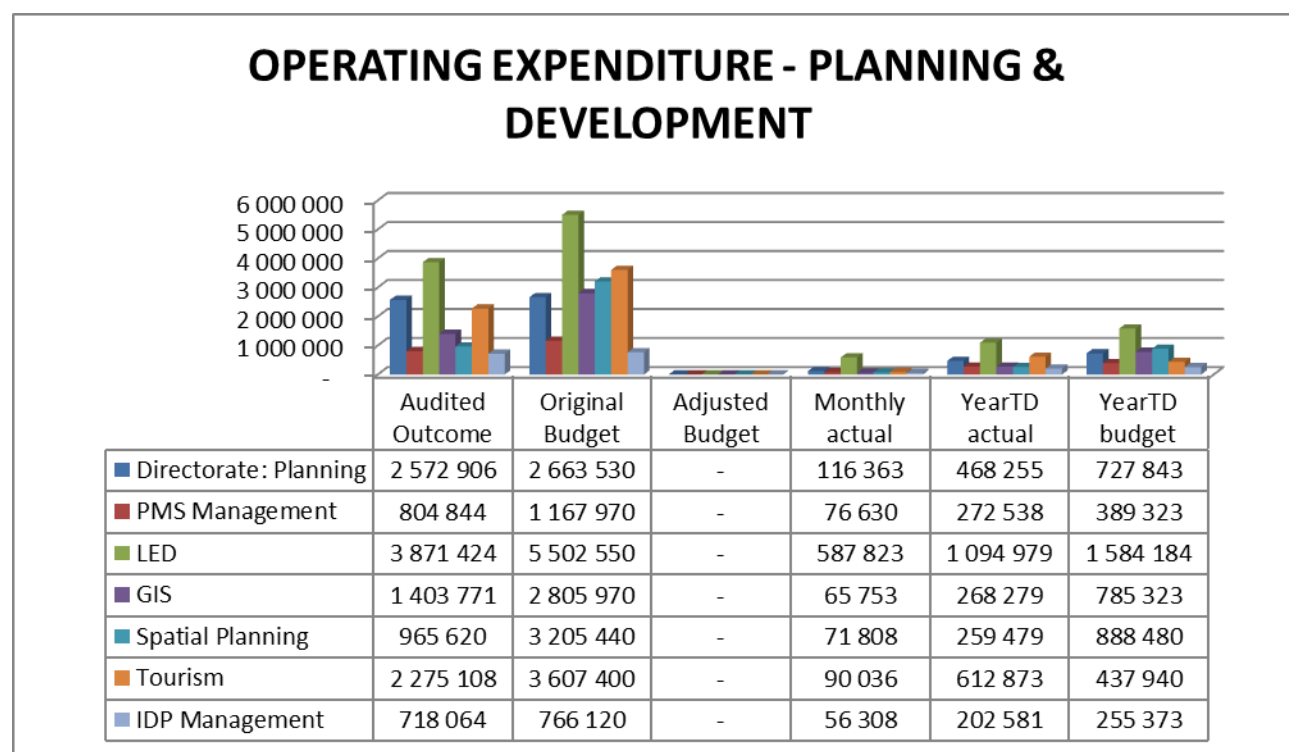
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Director: Administration	1 536 968	1 746 270	-	28 012	256 253	582 090
Information Systems	4 098 880	5 946 620	-	527 805	1 107 749	1 959 079
Human Resource Management	3 376 659	4 416 690	-	134 874	1 041 428	936 150
Office support Services	5 775 498	6 656 610	-	487 467	1 977 917	1 338 870
Environmental Health	1 990 610	2 850 950	-	183 353	614 480	960 609
Community Development	-	-	-	-	-	-
Firefighting & Disaster Management	4 404 505	5 059 720	-	354 935	1 282 889	1 556 019

Actual operating expenditure of Corporate Services is R6, 280 716 as compared to the year-to-date projected budget of R7, 332 817. 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)**

<b>CORPORATE SERVICES</b>			
	<b>YTD Actual</b>	<b>Budget</b>	<b>% Spending</b>
<b><u>INFORMATION COMMUNICATION &amp; TECHNOLOGY</u></b>			
ICT Forum Meetings	-	10 000	0.00%
<b>Total</b>	<b>-</b>	<b>10 000</b>	<b>0.00%</b>
<b><u>HUMAN RESOURCE MANAGEMENT</u></b>			
Employee Assistance Programme	1 129	100 000	1.13%
Employee Wellness	241 062	450 000	53.57%
<b>Total</b>	<b>242 191</b>	<b>550 000</b>	<b>44.03%</b>
<b><u>ENVIRONMENTAL HEALTH</u></b>			
Awareness Programme - HIV, TB & STI	1 691	24 000	7.05%
Awareness Programme - Sanitation	2 280	24 000	9.50%
Recycling Project	-	20 000	0.00%
Air Quality Projects	-	120 000	0.00%
Environmental Health Forum	1 449	20 000	7.24%
Greening Projects	-	60 000	0.00%
Waste Management Campaigns	197	40 000	0.49%
Sector 78 Assessment	-	450 000	0.00%
<b>Total</b>	<b>5 617</b>	<b>758 000</b>	<b>0.74%</b>
<b><u>FIRE FIGHTING AND DISASTER MANAGEMENT</u></b>			
Fire Fighting - Volunteers Training	-	75 000	0.00%
Fire Fighting - Volunteers Stipend	-	63 400	0.00%
Fire Fighting - Volunteers Ins	-	11 000	0.00%
Contingency Fund	81 088	300 000	27.03%
Disaster Management Forum	-	8 000	0.00%
Awareness Programmes	-	18 000	0.00%
<b>Total</b>	<b>81 088</b>	<b>475 400</b>	<b>17.06%</b>

Actual spending on special projects of Corporate Services is R328 897 as compared to the approved budget R1, 793 400.



Actual operating expenditure of Planning & Development is R3, 178 983 as compared to the year-to-date projected budget of R5, 068 467. The main areas where expenditure is less than YTD budgets are: employee related costs, depreciation, repairs & maintenance, consultancy, special projects, advertisement general notices and general expenses.

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

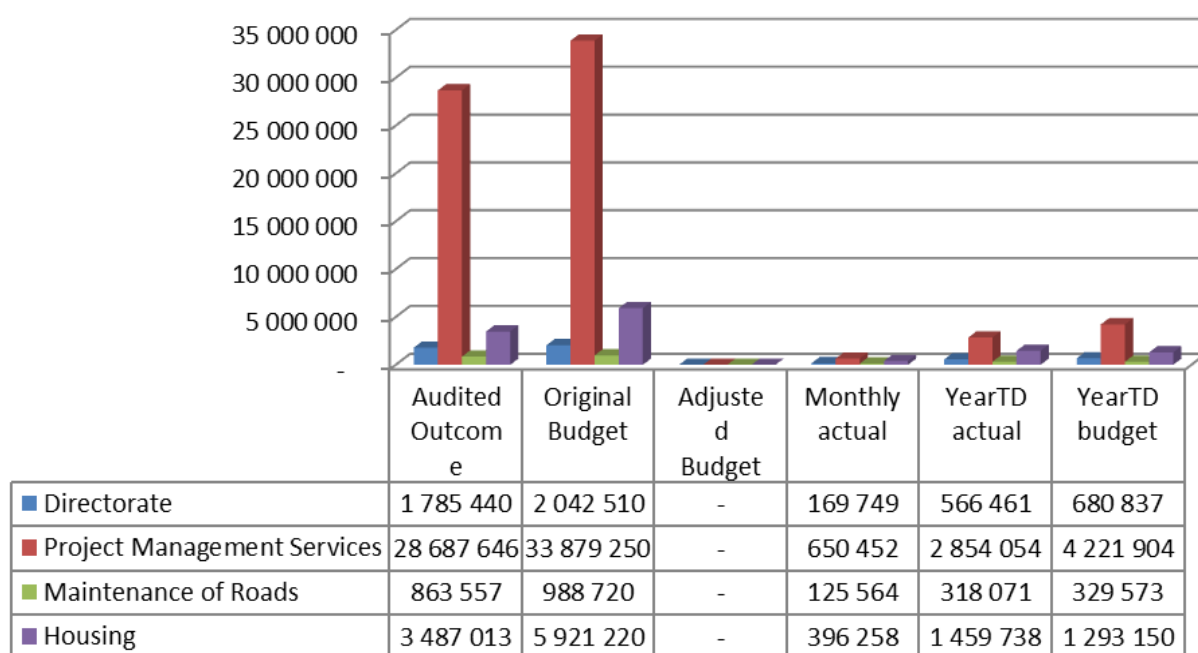
PLANNING & DEVELOPMENT			
	YTD Actual	Budget	% Spending
<b><u>PLANNING &amp; DEVELOPMENT</u></b>			
<b><u>DIRECTORATE</u></b>			
Review of Municipal Policies (FBDM)	-	300 000	0.00%
Integrated Zoning Scheme (Magareng Municipality)	-	334 000	0.00%
Integrated Financial Management Plan (FBDM)	-	300 000	0.00%
<b>Total</b>	<b>-</b>	<b>934 000</b>	<b>0.00%</b>

	YTD Actual	Budget	% Spending
<b><u>LED</u></b>			
LED SMME Development	-	411 000	0.00%
LED Richie Incubation Centre	224 150	260 640	86.00%
LED Promotion Of Smme's	72 750	333 600	21.81%
LED Coördinate Structures & Forum	7 375	50 000	14.75%
LED Vegetable Plant - Phokwane	-	50 000	0.00%
LED Entrepreneurship Programme	70 453	336 050	20.96%
LED Bokomotso Project-Dikgatlong	-	100 000	0.00%
LED Expo	-2 376	639 000	-0.37%
LED Bio-Mass Dikgatlong	-	120 000	0.00%
Kby Hub	-	120 000	0.00%
LED Develop Incentive Policies	1 344	30 000	4.48%
<b>Total</b>	<b>373 696</b>	<b>2 450 290</b>	<b>15.25%</b>
<b><u>GIS</u></b>			
Verify Water Infrastructure	-	600 000	0.00%
Financial Data Clensing	-	1 000 000	0.00%
<b>Total</b>	<b>-</b>	<b>1 600 000</b>	<b>0.00%</b>
<b><u>SPATIAL PLANNING</u></b>			
Surveying Of Erven Dikgatlong	-	397 000	0.00%
Spatial Development Framework - Magareng	-	291 980	0.00%
Spatial Development Framework (Fbdm)	-	276 500	0.00%
Zoning Scheme - Magareng	-	316 800	0.00%
EIA - Dikgatlong	-	36 600	0.00%
<b>Total</b>	<b>-</b>	<b>1 318 880</b>	<b>0.00%</b>
<b><u>TOURISM</u></b>			
Diamonds & Dorings Support	-	550 000	0.00%
Tourism Contribution: Ncta Support	-	135 000	0.00%
Tourism N12 Promotion	-	50 000	0.00%
Tourism Treasure Route Support	-	20 000	0.00%
Tourism Businessplan Competition	49 714	615 000	8.08%
Indaba Trade Expo	-	316 930	0.00%
Tourism Website	-	5 400	0.00%
Tourism Advertising & Promotion	23 950	172 500	13.88%
Tourism Association	-	17 000	0.00%
Exhibition	22 960	23 390	98.16%
Tourguide Busness Esteb Training	-	232 710	0.00%
Community Awareness Campaigns	128 500	168 000	76.49%
<b>Total</b>	<b>225 124</b>	<b>2 305 930</b>	<b>9.76%</b>

	YTD Actual	Budget	% Spending
<b><u>IDP MANAGEMENT</u></b>			
IDP Steering Committee Meeting	724	7 600	9.53%
IDP Projects	-	35 170	0.00%
<b>Total</b>	<b>724</b>	<b>42 770</b>	<b>1.69%</b>

Actual spending on special projects of Planning & Development is R599 544 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 R5, 198 325 as compared to the year-to-date projected budget of R6, 525 464. 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)**

<b>PROJECT MANAGEMENT &amp; ADVISORY SERVICES</b>			
	<b>YTD Actual</b>	<b>Budget</b>	<b>% Spending</b>
<b><i>PROJECT &amp; ADVISORY SERVICES</i></b>			
District Technical Forum Meetings	1 365	9 000	15.16%
Phokwane - Maintenance Municipal Infrastructure.	1 007 302	2 500 000	40.29%
Magareng - Maintenance Municipal Infrastructure	283 347	2 500 000	11.33%
Sol Plaatje - Maintenance Municipal Infrastructure	-	1 965 000	0.00%
Dikgatlong - Waste Water Operating Room	25 600	480 000	5.33%
Phokwane - Replace Sewer Gravity Line	-	1 300 000	0.00%
Phokwane - Resealing Of Reservoir	-	800 000	0.00%
Phokwane - Upgrade Chlorination System	-	500 000	0.00%
Phokwane - Road Infrastructure & Maintenance Plan	-	1 200 000	0.00%
Phokwane - Water & Sanitation Maintenance Plan	-	400 000	0.00%
Phokwane - Resealing Sewer Storage Dam	-	800 000	0.00%
Magareng - Waternetwork. 558 Sites	-	5 000 000	0.00%
Dikgatlong - Procure TLB	-	800 000	0.00%
Dikgatlong - Sanitation Truck	-	1 000 000	0.00%
Dikgatlong - Electricity Master Plan	-	1 000 000	0.00%
Dikgatlong - Purchase Cherry Picker	-	800 000	0.00%
Dikgatlong Electricity Infrastructure Upgrade	-	900 000	0.00%
Dikgatlong - Prosess Controller	-	500 000	0.00%
Sol Plaatje - Water Reticulation	-	5 000 000	0.00%
Sol Plaatje - Maintenance Municipal Infrastructure	-	535 000	0.00%
Dikgatlong - Maintenance Municipal Infrastructure	430 932	2 500 000	17.24%
<b>Total</b>	<b>1 748 545</b>	<b>30 489 000</b>	<b>5.74%</b>

	YTD Actual	Budget	% Spending
<b><i>HOUSING</i></b>			
Special Project: Women's Month	-	16 000	0.00%
Special Project: Mandela Month	-	16 000	0.00%
Special Project: 16 Days of Activism	-	16 000	0.00%
Housing Consumer Education	1 658	40 000	4.14%
Housing Field Workers	16 871	30 000	56.24%
Housing Steering Committee Meeting	3 171	20 000	15.86%
<b>Total</b>	<b>21 700</b>	<b>138 000</b>	<b>15.72%</b>

Actual spending on special projects of Project Management & Advisory Services is R1,770 245 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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	5,841	5,673	-	728	1,352	1,519	(168)	-11%	5,418
Transfers recognised - operational	95,053	101,083	-	542	32,659	32,509	150	0%	96,534
Other own revenue	1,208	1,236	-	240	260	74	185	249%	1,180
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>102,102</b>	<b>107,992</b>	<b>-</b>	<b>1,510</b>	<b>34,270</b>	<b>34,103</b>	<b>167</b>	<b>0%</b>	<b>103,132</b>
Employee costs	41,012	54,388	-	3,447	10,181	11,944	(1,762)	-15%	52,586
Remuneration of Councillors	5,424	6,055	-	443	1,363	1,514	(151)	-10%	5,069
Depreciation & asset impairment	4,105	5,380	-	-	-	-	-	-	5,138
Finance charges	2,300	2,854	-	-	-	-	-	-	2,725
Materials and bulk purchases	3,376	5,245	-	163	709	620	89	14%	5,009
Transfers and grants	33,666	42,973	-	1,410	1,980	4,760	(2,781)	-58%	38,949
Other expenditure	12,605	15,736	-	1,585	2,852	4,297	(1,445)	-34%	15,028
<b>Total Expenditure</b>	<b>102,489</b>	<b>132,631</b>	<b>-</b>	<b>7,049</b>	<b>17,085</b>	<b>23,135</b>	<b>(6,051)</b>	<b>-26%</b>	<b>124,504</b>
<b>Surplus/(Deficit)</b>	<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>	<b>6,218</b>	<b>57%</b>	<b>(21,371)</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>	<b>6,218</b>	<b>57%</b>	<b>(21,371)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>	<b>6,218</b>	<b>57%</b>	<b>(21,371)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>2,553</b>	<b>5,340</b>	<b>-</b>	<b>43</b>	<b>71</b>	<b>1,335</b>	<b>(1,264)</b>	<b>-95%</b>	<b>5,133</b>
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2,553	5,340	-	43	71	1,335	(1,264)	-95%	5,133
<b>Total sources of capital funds</b>	<b>2,553</b>	<b>5,340</b>	<b>-</b>	<b>43</b>	<b>71</b>	<b>1,335</b>	<b>(1,264)</b>	<b>-95%</b>	<b>5,133</b>
<b>Financial position</b>									
Total current assets	90,894	90,894	-		110,693				113,108
Total non current assets	61,881	61,881	-		61,952				65,314
Total current liabilities	15,921	15,921	-		18,605				20,066
Total non current liabilities	33,232	33,232	-		33,232				35,059
<b>Community wealth/Equity</b>	<b>103,623</b>	<b>99,995</b>	<b>-</b>		<b>120,808</b>				<b>123,296</b>
<b>Cash flows</b>									
Net cash from (used) operating	9,764	(8,285)	-	(6,351)	19,963	8,004	11,959	149%	(352)
Net cash from (used) investing	(3,949)	(4,482)	-	(23)	(337)	(106)	(231)	218%	(4,175)
Net cash from (used) financing	(1,445)	(1,606)	-	-	-	-	-	-	(1,496)
<b>Cash/cash equivalents at the month/year end</b>	<b>87,934</b>	<b>82,960</b>	<b>-</b>	<b>107,560</b>	<b>107,560</b>	<b>105,231</b>	<b>2,329</b>	<b>2%</b>	<b>81,911</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Revenue Source	2,560	68	-	-	176	1	-	11	2,816
<b>Creditors Age Analysis</b>									
Total Creditors	9,576	-	-	-	-	-	-	-	9,576

**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								%	
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		87,228	94,768	-	783	32,117	32,163	(46)	0%	90,714
Executive and council		3,716	4,683	-	-	1,561	1,561	-		4,683
Budget and treasury office		83,512	90,085	-	783	30,556	30,602	(46)	0%	86,031
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		1,600	315	-	-	-	-	-		283
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		600	315	-	-	-	-	-		283
Housing		1,000	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		13,274	12,909	-	727	2,154	1,940	213	11%	12,134
Planning and development		10,266	9,909	-	727	1,154	940	213	23%	9,434
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3,008	3,000	-	-	1,000	1,000	-		2,700
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
<b>Total Revenue - Standard</b>	2	102,102	107,992	-	1,510	34,270	34,103	167	0%	103,132
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		48,659	62,169	-	3,893	9,755	13,427	(3,672)	-27%	59,062
Executive and council		15,800	22,502	-	1,470	3,908	5,372	(1,464)	-27%	21,165
Budget and treasury office		18,071	20,901	-	1,090	2,642	3,896	(1,254)	-32%	20,210
Corporate services		14,788	18,766	-	1,333	3,205	4,159	(953)	-23%	17,687
<i>Community and public safety</i>		7,892	10,981	-	731	1,991	2,211	(219)	-10%	10,402
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		4,405	5,060	-	340	928	1,259	(331)	-26%	4,832
Housing		3,487	5,921	-	391	1,063	951	112	12%	5,570
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		45,939	59,480	-	2,425	5,338	7,498	(2,160)	-29%	55,040
Planning and development		43,948	56,629	-	2,273	4,907	6,851	(1,944)	-28%	52,417
Road transport		-	-	-	-	-	-	-		-
Environmental protection		1,991	2,851	-	152	431	647	(216)	-33%	2,623
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
<b>Total Expenditure - Standard</b>	3	102,489	132,631	-	7,049	17,085	23,135	(6,051)	-26%	124,504
<b>Surplus/ (Deficit) for the year</b>		(387)	(24,639)	-	(5,539)	17,186	10,968	6,218	57%	(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									%	
<b>Revenue by Vote</b>	1									
Vote 1 - Council & Executive		3,716	4,683	-	-	1,561	1,561	-		4,683
Vote 2 - Budget & Treasury		83,512	90,085	-	783	30,556	30,602	(46)	-0.2%	86,031
Vote 3 - Corporate Services		3,608	3,315	-	-	1,000	1,000	-		2,983
Vote 4 - Planning & Development		1,128	949	-	-	-	-	-		907
Vote 5 - Project Management & Advisory Services		10,138	8,960	-	727	1,154	940	213	22.7%	8,527
<b>Total Revenue by Vote</b>	2	102,102	107,992	-	1,510	34,270	34,103	167	0.5%	103,132
<b>Expenditure by Vote</b>	1									
Vote 1 - Council & Executive		15,800	22,502	-	1,470	3,908	5,372	(1,464)	-27.3%	21,165
Vote 2 - Budget & Treasury		18,071	20,901	-	1,090	2,642	3,896	(1,254)	-32.2%	20,210
Vote 3 - Corporate Services		21,183	26,677	-	1,825	4,564	6,065	(1,501)	-24.7%	25,141
Vote 4 - Planning & Development		12,612	19,719	-	813	2,114	3,858	(1,744)	-45.2%	18,502
Vote 5 - Project Management & Advisory Services		34,824	42,832	-	1,851	3,856	3,944	(88)	-2.2%	39,485
<b>Total Expenditure by Vote</b>	2	102,489	132,631	-	7,049	17,085	23,135	(6,051)	-26.2%	124,504
<b>Surplus/ (Deficit) for the year</b>	2	(387)	(24,639)	-	(5,539)	17,186	10,968	6,218	56.7%	(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										
<b>Revenue By Source</b>										
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	-	233	246	42	204	481%	1,013
Interest earned - external investments		5,841	5,673	-	728	1,352	1,519	(168)	-11%	5,418
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		95,053	101,083	-	542	32,659	32,509	150	0%	96,534
Other revenue		322	115	-	7	13	32	(19)	-58%	110
Gains on disposal of PPE		1	60	-	-	-	-	-	-	57
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>102,102</b>	<b>107,992</b>	<b>-</b>	<b>1,510</b>	<b>34,270</b>	<b>34,103</b>	<b>167</b>	<b>0%</b>	<b>103,132</b>
<b>Expenditure By Type</b>										
Employee related costs		41,012	54,388	-	3,447	10,181	11,944	(1,762)	-15%	52,586
Remuneration of councillors		5,424	6,055	-	443	1,363	1,514	(151)	-10%	5,069
Debt impairment		-	3	-	-	-	-	-	-	3
Depreciation & asset impairment		4,105	5,380	-	-	-	-	-	-	5,138
Finance charges		2,300	2,854	-	-	-	-	-	-	2,725
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		3,376	5,245	-	163	709	620	89	14%	5,009
Contracted services		-	-	-	-	-	-	-	-	-
Transfers and grants		33,666	42,973	-	1,410	1,980	4,760	(2,781)	-58%	38,949
Other expenditure		12,207	15,533	-	1,585	2,852	4,297	(1,445)	-34%	14,834
Loss on disposal of PPE		398	200	-	-	-	-	-	-	191
<b>Total Expenditure</b>		<b>102,489</b>	<b>132,631</b>	<b>-</b>	<b>7,049</b>	<b>17,085</b>	<b>23,135</b>	<b>(6,051)</b>	<b>-26%</b>	<b>124,504</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>	<b>6,218</b>	<b>0</b>	<b>(21,371)</b>
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>			<b>(21,371)</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>		<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>			<b>(21,371)</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>			<b>(21,371)</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>(387)</b>	<b>(24,639)</b>	<b>-</b>	<b>(5,539)</b>	<b>17,186</b>	<b>10,968</b>			<b>(21,371)</b>

**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
<b>R thousands</b>	<b>1</b>									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - Council & Executive		—	—	—	—	—	—	—		—
Vote 2 - Budget & Treasury		—	—	—	—	—	—	—		—
Vote 3 - Corporate Services		—	—	—	—	—	—	—		—
Vote 4 - Planning & Development		—	—	—	—	—	—	—		—
Vote 5 - Project Management & Advisory Services		—	—	—	—	—	—	—		—
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	—	—	—	—	—	—	—		—
<b>Single Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - Council & Executive		59	187	—	—	2	47	(44)	-95%	179
Vote 2 - Budget & Treasury		693	1,358	—	—	4	340	(335)	-99%	1,297
Vote 3 - Corporate Services		1,519	3,539	—	17	38	885	(846)	-96%	3,380
Vote 4 - Planning & Development		21	124	—	—	—	31	(31)	-100%	151
Vote 5 - Project Management & Advisory Services		261	132	—	26	26	33	(7)	-22%	126
<b>Total Capital single-year expenditure</b>	<b>4</b>	2,553	5,340	—	43	71	1,335	(1,264)	-95%	5,133
<b>Total Capital Expenditure</b>		2,553	5,340	—	43	71	1,335	(1,264)	-95%	5,133
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		1,197	2,320	—	17	45	580	(535)	-92%	2,216
Executive and council		59	187	—	—	2	47	(44)	-95%	179
Budget and treasury office		693	1,358	—	—	4	340	(335)	-99%	1,297
Corporate services		445	775	—	17	38	194	(155)	-80%	740
<b>Community and public safety</b>		1,147	2,790	—	26	26	698	(672)	-96%	2,664
Community and social services		—	—	—	—	—	—	—		—
Sport and recreation		—	—	—	—	—	—	—		—
Public safety		1,074	2,746	—	—	—	687	(687)	-100%	2,622
Housing		73	44	—	26	26	11	15	134%	42
Health		—	—	—	—	—	—	—		—
<b>Economic and environmental services</b>		209	230	—	—	—	57	(57)	-100%	253
Planning and development		209	212	—	—	—	53	(53)	-100%	235
Road transport		—	—	—	—	—	—	—		—
Environmental protection		—	18	—	—	—	5	(5)	-100%	17
<b>Trading services</b>		—	—	—	—	—	—	—		—
Electricity		—	—	—	—	—	—	—		—
Water		—	—	—	—	—	—	—		—
Waste water management		—	—	—	—	—	—	—		—
Waste management		—	—	—	—	—	—	—		—
<b>Other</b>		—	—	—	—	—	—	—		—
<b>Total Capital Expenditure - Standard Classification</b>	<b>3</b>	2,553	5,340	—	43	71	1,335	(1,264)	-95%	5,133
<b>Funded by:</b>										
National Government		—	—	—	—	—	—	—		—
Provincial Government		—	—	—	—	—	—	—		—
District Municipality		—	—	—	—	—	—	—		—
Other transfers and grants		—	—	—	—	—	—	—		—
<b>Transfers recognised - capital</b>		—	—	—	—	—	—	—		—
<b>Public contributions &amp; donations</b>	<b>5</b>	—	—	—	—	—	—	—		—
<b>Borrowing</b>	<b>6</b>	—	—	—	—	—	—	—		—
<b>Internally generated funds</b>		2,553	5,340	—	43	71	1,335	(1,264)	-95%	5,133
<b>Total Capital Funding</b>		2,553	5,340	—	43	71	1,335	(1,264)	-95%	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					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		9,934	1,081	-	560	4,150
Call investment deposits		78,000	77,479	-	107,000	106,050
Consumer debtors		-	-			
Other debtors		2,668	2,000	-	2,816	2,601
Current portion of long-term receivables		-				
Inventory		292	400	-	317	308
<b>Total current assets</b>		<b>90,894</b>	<b>80,960</b>	<b>-</b>	<b>110,693</b>	<b>113,108</b>
<b>Non current assets</b>						
Long-term receivables		10,477	9,674	-	10,477	11,053
Investments		4,400	4,400	-	4,400	4,642
Investment property						
Investments in Associate						
Property, plant and equipment		46,228	46,003	-	46,299	48,800
Agricultural						
Biological assets						
Intangible assets		777	1,429	-	777	819
Other non-current assets		-		-	-	
<b>Total non current assets</b>		<b>61,881</b>	<b>61,505</b>	<b>-</b>	<b>61,952</b>	<b>65,314</b>
<b>TOTAL ASSETS</b>		<b>152,775</b>	<b>142,465</b>	<b>-</b>	<b>172,645</b>	<b>178,422</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-			-
Borrowing		1,606	1,786	-	1,606	1,694
Consumer deposits						
Trade and other payables		6,566	4,500	-	9,576	10,515
Provisions		7,750	6,500	-	7,423	7,858
<b>Total current liabilities</b>		<b>15,921</b>	<b>12,786</b>	<b>-</b>	<b>18,605</b>	<b>20,066</b>
<b>Non current liabilities</b>						
Borrowing		8,435	6,685	-	8,435	8,899
Provisions		24,797	23,000	-	24,797	26,160
<b>Total non current liabilities</b>		<b>33,232</b>	<b>29,685</b>	<b>-</b>	<b>33,232</b>	<b>35,059</b>
<b>TOTAL LIABILITIES</b>		<b>49,153</b>	<b>42,470</b>	<b>-</b>	<b>51,836</b>	<b>55,126</b>
<b>NET ASSETS</b>	2	<b>103,623</b>	<b>99,995</b>	<b>-</b>	<b>120,808</b>	<b>123,296</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		74,819	73,333	-	92,004	92,908
Reserves		28,804	26,662	-	28,804	30,388
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>103,623</b>	<b>99,995</b>	<b>-</b>	<b>120,808</b>	<b>123,296</b>

#### 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									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		7,363	145		642	1,044	153	891	584%	135
Government - operating		95,068	101,083		-	41,163	30,548	10,615	35%	101,083
Government - capital		-			-	-		-		-
Interest		6,255	5,673		728	1,734	1,249	485	39%	5,726
Dividends			-	-				-		-
<b>Payments</b>										
Suppliers and employees		(62,483)	(74,941)		(5,990)	(17,437)	(18,527)	(1,090)	6%	(69,808)
Finance charges		(1,215)	(1,569)		-	-		-		(1,462)
Transfers and Grants		(35,225)	(38,676)		(1,731)	(6,541)	(5,418)	1,123	-21%	(36,027)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>9,764</b>	<b>(8,285)</b>	<b>-</b>	<b>(6,351)</b>	<b>19,963</b>	<b>8,004</b>	<b>11,959</b>	<b>149%</b>	<b>(352)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	57	-	-			-		53
Decrease (Increase) in non-current debtors		-	-	-	-			-		-
Decrease (Increase) other non-current receivables			-	-	-			-		-
Decrease (Increase) in non-current investments		(600)	-	-	-	-		-		-
<b>Payments</b>										
Capital assets		(3,349)	(4,539)		(23)	(337)	(106)	231	-218%	(4,228)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(3,949)</b>	<b>(4,482)</b>	<b>-</b>	<b>(23)</b>	<b>(337)</b>	<b>(106)</b>	<b>231</b>	<b>-218%</b>	<b>(4,175)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-				-		
Borrowing long term/refinancing			-	-				-		
Increase (decrease) in consumer deposits			-	-				-		
<b>Payments</b>										
Repayment of borrowing		(1,445)	(1,606)		-	-		-		(1,496)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1,445)</b>	<b>(1,606)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(1,496)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>4,370</b>	<b>(14,373)</b>	<b>-</b>	<b>(6,374)</b>	<b>19,625</b>	<b>7,898</b>			<b>(6,024)</b>
Cash/cash equivalents at beginning:		83,564	97,333		113,933	87,934	97,333			87,934
Cash/cash equivalents at month/year end:		87,934	82,960	-	107,560	107,560	105,231			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	0%	Equitable Share Grant received for the first quarter	Acceptable - No remedial steps required
	Rental of facilities and equipment	481.33%	Rental of grader to local municipalities for the first quarter.	Acceptable - No remedial steps required
	Interest earned - external investments	-11.04%	Interest earned on external investment is less than year-to-date budget.	Acceptable and dependant on the market yield.
	Other income	-58.44%	Year-to-date actual income more than the year-to-date budget	Acceptable - No remedial steps required
2	<u>Expenditure By Type</u>			
	Salaries	-14.76%	Approved vacant posts not filled according to the organogram	Most vacant post were advertised and will be filled shortly.
	Depreciation		Busy verifying and updating data of the previous financial year.	Depreciation will be run after the 2013/14 financial statements have been Audited.
	Other Materials	14.30%	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	-58.41%	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	-33.64%	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	-94.71%	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 2,141,908	Acceptable	Acceptable
	Property, plant & equipment	R 296,259	Acceptable	Acceptable
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	149.41%	RSC Levy Replacement Grant Receipts	Acceptable
	Net cash from operating / (used) Investing Activities	-218.09%	Capital Expenditure not materialising per SDBIP	There is a need to accelerate this spending
	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	2013/14	Budget Year 2014/15			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
<b><u>Borrowing Management</u></b>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		5.5%	4.7%	0.0%	4.9%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		6.2%	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%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		16.0%	13.0%	0.0%	16.2%	17.1%
Gearing	Long Term Borrowing/ Funds & Reserves		29.3%	25.1%	0.0%	29.3%	29.3%
<b><u>Liquidity</u></b>							
Current Ratio 1	Current assets/current liabilities	1	570.9%	633.2%	0.0%	595.0%	563.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		579.9%	648.9%	0.0%	601.8%	572.3%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		12.9%	10.8%	0.0%	38.8%	13.2%
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%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%			
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0.0%	0.0%		0.0%	0.0%
<b><u>Other Indicators</u></b>							
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		40.2%	50.4%	0.0%	29.7%	51.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.3%	4.9%	0.0%	0.5%	0.7%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6.3%	7.6%	0.0%	0.0%	7.6%
<b><u>IDP regulation financial viability indicators</u></b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		196.4%	148.9%	0.0%	100.4%	389.5%
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		15.3	2.0	-	10.3	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 29.7%. The level of employee costs should be monitored and managed effectively to keep the national norm of 35 % in consideration.

The municipality still depends on grant funding of over 93.4% to fund its operations. All council's provisions and the Capital Replacement Reserve are cash backed and the cash and cash equivalents are sufficient to cover outstanding debt.

Table SC3 Monthly Budget Statement - aged debtors



Description	NT Code	Budget Year 2014/15									Total	Bad Debts	>90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr				
R thousands													
Debtors Age Analysis By Revenue Source													
Rates	1200									✓	-	-	
Electricity	1300										-	-	
Water	1400									✓	-	-	
Sewerage / Sanitation	1500										-	-	
Refuse Removal	1600										-	-	
Housing (Rental Revenue)	1700										-	-	
Other	1900	2,560	68	-	-	176	1	-	11	2,816		188	
Total By Revenue Source	2000	2,560	68	-	-	176	1	-	11	2,816	-	188	
2014/15 - totals only		2,432	65	-	-	167	1	-	10	2,675		178	
Debtors Age Analysis By Customer Category													
Government	2200	418	68	-	-	-	-	-	-	486			
Business	2300	-	-	-	-	-	-	-	-	-			
Households	2400	-	-	-	-	-	-	-	-	-			
Other	2500	2,143	-	-	-	176	1,182.00	-	11	2,330			
Total By Customer Category	2600	2,560	68	-	-	176	1	-	11	2,816	-		

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***

There is no outstanding debt for more than 90 days as at 30 September 2014 in respect of Provincial and Local Governments Department.

- ***Post-Service Benefits***

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

- Payne ME R7, 210.60 and Benson SC R3, 484.70 for post medical-aid. Payne ME & Benson SC have since passed on and the Revenue Unit is struggling to recover the monies from the deceased estates.

- ***Sundry Debtors***

The only outstanding debt reflected for more than 90 days as at 30 September 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	9,576	-	-	-	-	-	-	-	9,576	
Total By Customer Type	2600	9,576	-	-	-	-	-	-	-	9,576	-

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 September 2014 is listed below:

<b>PAYMENTS</b>		
Total value of all payments		<b>R 7,609,260</b>
Electronic transfers		215
Cheques issued		17
<b>STORES</b>		
Value of Stores issued		21,534
<b>SALARIES</b>		
Number of salary beneficiaries		<b>149</b>
Councillors		21
<b>Total Councillors</b>	<b>27</b>	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	21	
* Councillors without Remuneration	6	
<b>Employees</b>		124
* Remunerated Employee's	123	
<b>* Remunerated Terminated Employees</b>		
TAL Mocumi, OM Gopane, SP Nkumbi	3	
Pensioners	2	
<b>Total remuneration paid</b>		<b>3,289,120</b>
Councillors		432,690
Employees		2,853,589
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 are dealt with as when they arise.

- 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 are dealt with as and when they arise.

As Council reserves its right to maintain oversight over the implementation of the Supply Chain Management Policy and is empowered to make Supply Chain policy within the ambit of the applicable legislation, the following is hereby reported as stipulated in the SCM policy for the period September 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 September 2014, no contract (R200 000 +) was awarded by the Bid Adjudication Committee.

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

1. Investment Guide Broucher: M Marketch – R130, 000.00
2. Tourism Plan Competition: ICS – R259, 245.12

The value of orders issued for the period ended 30 September 2014 total R1, 262 976.52 (*See Annexure “C”*)

**Orders per department**

Council and Executive	R72, 874.15
Municipal Manager	R18, 983.99
Finance	R111, 957.18
Administration	R449, 634.21
Planning and Development	R527, 174.60
Technical Service	R66, 570.48
Stores	R15, 781.91

- Disposal Management

No disposal of redundant goods was awarded for the month of September 2014.

- Deviations

No deviation was approved by the Municipal Manager.

- Orders

Total orders issued amount to R21, 534.12 for all departments.

Council and Executive	R494.25
Municipal Manager	R830.91
Finance	R1, 452.67
Administration	R17, 863.23
Planning and Development	R373.15
Technical Services	R0.00
Stores	R519.91

**Orders outstanding more than 30 days at 30 September 2014**

COMPANY	60 DAYS	90 DAYS	COMMENT
Altech Netstar	R1, 026.00		Installations not done yet
Sure Astra	R4, 077.24		Invoice not received yet
UFS Centre for Business	R7, 479.30		Work not completed
Uhuru Design studio	R20, 520.00		Work not completed
Yes Media	R22, 500.00	R19, 950.00	Advert not placed yet

- 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.

*Attached please find the “Procurement Plan Report” for the first quarter ended 30 September 2014 as Annexure ‘E’.*

**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							
<u>Municipality</u>									
NEDCOR		30	Call Deposit	30-Sep-14	22	5.1%	5,000	▲	5,000
STANDARD BANK		31	Notice Depos	31-Aug-14	13	5.0%	3,000	▲	3,000
ABSA - Leave Reserve		365	Fixed Depos	24-Jun-15	26	7.1%	4,400	▲	4,400
ABSA		120	Notice Depos	28-Oct-14	24	7.1%	4,000	▲	4,000
RMB		30	Call Deposit	30-Sep-14	13	5.0%	3,000	▲	3,000
STANDARD BANK		120	Notice Depos	6-Nov-14	26	6.1%	5,000	▲	5,000
NEDCOR		120	Notice Depos	6-Nov-14	77	6.1%	15,000	▲	15,000
NEDCOR		119	Notice Depos	10-Nov-14	36	6.1%	7,000	▲	7,000
RMB		119	Notice Depos	10-Nov-14	67	6.1%	13,000	▲	13,000
STANDARD BANK		120	Notice Depos	11-Nov-14	41	6.1%	8,000	▲	8,000
ABSA		113	Notice Depos	11-Nov-14	47	6.1%	9,000	▲	9,000
ABSA		30	Call Deposit	30-Sep-14	23	5.5%	5,000	▲	5,000
STANDARD BANK		120	Notice Depos	27-Nov-14	62	6.1%	12,000	▲	12,000
ABSA		118	Notice Depos	18-Dec-14	24	6.2%	4,500	▲	4,500
RMB		118	Notice Depos	18-Dec-14	24	6.2%	4,500	▲	4,500
NEDCOR		87	Notice Depos	18-Dec-14	24	6.2%	4,500	▲	4,500
STANDARD BANK		87	Notice Depos	18-Dec-14	24	6.2%	4,500	▲	4,500
TOTAL INVESTMENTS AND INTEREST					572		111,400	-	111,400
<u>Entities</u>									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				572		111,400	-	111,400

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										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		93,130	100,618	-	501	41,151	33,691	7,460	22.1%	96,123
Local Government Equitable Share		10,329	9,965	-	501	1,927	2,491	(565)	-22.7%	8,471
Special Contribution: Councillor Remuneration		3,716	4,683	-	-	1,561	1,171	390	33.3%	4,683
Levy replacement	3	75,945	82,780	-	-	35,077	27,593	7,484	27.1%	79,779
Finance Management Grant		1,250	1,250	-	-	1,250	1,250	-		1,250
Municipal Systems Improvement		890	934	-	-	934	934	-		934
Extended Public Works Programme		1,000	1,006	-	-	402	252	151	59.8%	1,006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1,850	315	-	-	-	79	(79)	-100.0%	315
Housing	4	1,000	-	-	-	-	-	-		-
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	-	-	-	79	(79)	-100.0%	315
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		100	-	-	-	-	-	-		-
Other transfers and grants [ABSA Donation]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		92	150	-	-	12	38	(26)	-68.2%	96
SETA Skills Grant		77	150	-	-	12	38	(26)	-68.2%	96
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		15	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	95,072	101,083	-	501	41,163	33,807	7,356	21.8%	96,534
<b>Capital Transfers and Grants</b>										
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)		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-		-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	95,072	101,083	-	501	41,163	33,807	7,356	21.8%	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										
<b>EXPENDITURE</b>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		93,218	100,618	-	542	32,647	28,391	4,256	15.0%	100,476
Local Government Equitable Share		10,329	9,965	-	501	1,927	2,491	(565)	-22.7%	9,965
Special Contribution: Councillor Remuneration		3,716	4,683	-	-	1,561	1,171	390	33.3%	4,683
Levy replacement		75,945	82,780	-	-	29,039	23,931	5,108	21.3%	82,780
Finance Management Grant		1,250	1,250	-	41	120	313	(192)	-61.5%	1,250
Municipal Systems Improvement		978	934	-	-	-	234	(234)	-100.0%	792
Extended Public Works Programme		1,000	1,006	-	-	-	252	(252)	-100.0%	1,006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1,758	315	-	-	2	79	(79)	-100.0%	315
Housing		1,000	-	-	-	-	-	-		-
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	-	-	-	79	(79)	-100.0%	315
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		8	-	-	-	-	-	-		-
District Aids Programme		-	-	-	-	2	-	-		-
		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		77	150	-	-	12	38	(26)		96
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	-	-	-		-
SETA Skills Grant		77	150	-	-	12	38	(26)		96
Total operating expenditure of Transfers and Grants:		95,053	101,083	-	542	32,661	28,507	4,152	14.6%	100,887
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-		-
Water Affairs		-	-	-	-	-	-	-		-
EPWP		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Other capital transfers [insert description]		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
ESCOM (Electricity on Farms)		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		95,053	101,083	-	542	32,661	28,507	4,152	14.6%	100,887

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



Table SC8 Monthly Budget Statement - councilor and staff benefits

Summary of Employee and Councilor remuneration	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Salary		3,688	4,055	-	300	933	1,014	(81)	-8%	3,514
Pension Contributions		173	202	-	14	43	50	(7)	-14%	165
Medical Aid Contributions		17	17	-	1	4	4	-		17
Motor vehicle allowance		1,189	1,402	-	103	309	351	(41)	-12%	1,109
Cell phone and other allowances		296	358	-	24	73	90	(17)	-19%	218
Workmen's Compensation		60	20	-	-	-	5	(5)	-100%	
Unemployment Insurance		-	-	-	-	-	-	-		45
<b>Sub Total - Councillors</b>		<b>5,424</b>	<b>6,055</b>	<b>-</b>	<b>443</b>	<b>1,363</b>	<b>1,514</b>	<b>(151)</b>	<b>-10%</b>	<b>5,069</b>
% increase	4		11.6%							-6.5%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		4,377	4,826	-	302	1,023	1,206	(183)	-15%	4,608
Pension and UIF Contributions		580	811	-	33	122	203	(81)	-40%	774
Medical Aid Contributions		118	139	-	-	8	35	(27)	-77%	133
Overtime		-	-	-	-	-	-	-		
Performance Bonus		-	464	-	-	-	116	(116)	-100%	443
Motor Vehicle Allowance		480	673	-	26	91	168	(77)	-46%	642
Cellphone Allowance		89	112	-	5	18	28	(10)	-37%	107
Housing Allowances		10	-	-	-	-	-	-		
Other benefits and allowances		52	57	-	3	11	14	(3)	-20%	55
Payments in lieu of leave		-	107	-	-	-	27	(27)	-100%	102
Long service awards		-	-	-	-	-	-	-		
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>5,706</b>	<b>7,188</b>	<b>-</b>	<b>369</b>	<b>1,273</b>	<b>1,797</b>	<b>(524)</b>	<b>-29%</b>	<b>6,865</b>
% increase	4		26.0%							20.3%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		24,337	33,829	-	2,227	6,441	7,251	(810)	-11%	29,949
Pension and UIF Contributions		3,858	5,480	-	379	1,087	1,167	(80)	-7%	5,233
Medical Aid Contributions		1,272	1,674	-	111	318	384	(66)	-17%	1,599
Overtime		72	-	-	-	-	-	-		
Performance Bonus		434	-	-	-	-	-	-		
Motor Vehicle Allowance		2,109	3,112	-	202	582	610	(28)	-5%	2,972
Cellphone Allowance		94	108	-	9	26	27	(1)	-4%	3,107
Housing Allowances		196	221	-	20	61	55	6	11%	211
Other benefits and allowances		1,038	1,081	-	59	171	256	(85)	-33%	1,032
Payments in lieu of leave		1,404	753	-	-	-	162	(162)	-100%	720
Long service awards		131	193	-	-	18	48	(30)	-63%	184
Post-retirement benefit obligations	2	360	748	-	70	205	187	18	10%	714
<b>Sub Total - Other Municipal Staff</b>		<b>35,307</b>	<b>47,199</b>	<b>-</b>	<b>3,078</b>	<b>8,908</b>	<b>10,147</b>	<b>(1,239)</b>	<b>-12%</b>	<b>45,721</b>
% increase	4		33.7%							29.5%
<b>Total Parent Municipality</b>		<b>46,436</b>	<b>60,443</b>	<b>-</b>	<b>3,890</b>	<b>11,544</b>	<b>13,458</b>	<b>(1,913)</b>	<b>-14%</b>	<b>57,655</b>

**PERSONNEL ATTENDANCES:**

Personnel attendance in the workplace for September 2014 averages 81%. The reason for the deviations is mainly due to, annual, sick, courses, study, family responsibility and special leave to participate in SAMSRA games.

Attendance trends are summarized as follows:

		Senior Management	Middle Management	Supervisory	Clerical
<b>Number of Members</b>		<b>1</b>	<b>4</b>	<b>7</b>	<b>11</b>
Annual Leave		1	7	13	10
Sick Leave		0	0	1	6
Courses / Seminar		0	1	12	10
Meetings		1	0	4	0
Family Responsibility		0	2	0	0
Study		0	0	0	0
Maternity Leave		0	0	0	0
Union Matters		0	0	0	0
Special Leave - Overtime		0	0	0	0
Special Annual Leave (SAMSRA)		0	0	4	12
<b>No. of Workdays Attended</b>		<b>19</b>	<b>53</b>	<b>92</b>	<b>193</b>
<b>Total Workdays</b>		<b>21</b>	<b>63</b>	<b>126</b>	<b>231</b>
<b>Percentage attendance per Group</b>		<b>90%</b>	<b>84%</b>	<b>73%</b>	<b>84%</b>
<b>Average</b>		<b>81%</b>			

### Personnel Development:

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

### INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five Finance Internship posts and three are filled and two 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	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-			
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - refuse		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-			
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	-	53	56	58
Interest earned - external investments		610	397	728	-	-	-	-	-	-	-	-	-	5,673	4,907	5,103
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-			
Fines		-	-	-	-	-	-	-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-			
Agency services		-	-	-	-	-	-	-	-	-	-	-	-			
Transfer receipts - operating		39,815	1,348	-	-	-	-	-	-	-	-	-	-	101,083	108,725	115,778
Other revenue		334	67	642	-	-	-	-	-	-	-	-	-	92	80	80
<b>Cash Receipts by Source</b>		<b>40,759</b>	<b>1,812</b>	<b>1,370</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106,901</b>	<b>113,767</b>	<b>121,019</b>
<b>Other Cash Flows by Source</b>																
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		-	-	-	-	-	-	-	-	-	-	-	-			
<b>Total Cash Receipts by Source</b>		<b>40,759</b>	<b>1,812</b>	<b>1,370</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106,958</b>	<b>113,827</b>	<b>121,081</b>
<b>Cash Payments by Type</b>																
Employee related costs		3,512	3,827	3,630	-	-	-	-	-	-	-	-	-	51,668	55,090	57,884
Remuneration of councillors		439	481	443	-	-	-	-	-	-	-	-	-	5,874	6,145	6,431
Interest paid		-	-	-	-	-	-	-	-	-	-	-	-	1,569	1,129	1,129
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-			
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-			
Other materials		227	587	151	-	-	-	-	-	-	-	-	-	4,196	4,406	4,583
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-			
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		3,849	962	1,731	-	-	-	-	-	-	-	-	-	38,676	30,795	30,053
General expenses		1,455	917	1,766	-	-	-	-	-	-	-	-	-	13,203	13,895	14,444
<b>Cash Payments by Type</b>		<b>9,483</b>	<b>6,774</b>	<b>7,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,186</b>	<b>111,460</b>	<b>114,525</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		306	9	23	-	-	-	-	-	-	-	-	-	4,539	749	950
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-	1,606	1,785	1,980
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-			
<b>Total Cash Payments by Type</b>		<b>9,789</b>	<b>6,782</b>	<b>7,744</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>121,331</b>	<b>113,994</b>	<b>117,455</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>30,970</b>	<b>(4,971)</b>	<b>(6,374)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,373)</b>	<b>(167)</b>	<b>3,626</b>
Cash/cash equivalents at the month/year beginning:		87,934	118,904	113,933	-	-	-	-	-	-	-	-	-	97,333	82,960	82,793
Cash/cash equivalents at the month/year end:		118,904	113,933	107,560	-	-	-	-	-	-	-	-	-	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	–	28	28	587	560	95.3%	1%
September	305	107	–	43	71	107	36	33.9%	1%
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					–		
<b>Total Capital expenditure</b>	<b>2,265</b>	<b>5,340</b>	<b>–</b>	<b>71</b>					

*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									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		-	-	-	-	-	-	-		-
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								-		
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings								-		
Other		-						-		
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development								-		
Other					-	-		-		
<b>Other assets</b>		1,029	3,754	-	26	38	939	901	96.0%	3,606
General vehicles		487	2,700	-	-	-	675	675	100.0%	2,579
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	28	-	(0)	5	7	2	22.8%	27
Computers - hardware/equipment		96	858	-	26	28	214	186	86.9%	840
Furniture and other office equipment		38	100	-	-	4	25	21	83.5%	96
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		409	68	-	-	-	17	17	100.0%	65
Other Land		-	-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)			-	-				-		
Other - Emergency Equipment			-	-				-		
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class								-		
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class								-		
<b>Intangibles</b>		-	-	-	-	-	-	-		-
Computers - software & programming		-	-	-	-	-		-		
Other								-		
<b>Total Capital Expenditure on new assets</b>	1	1,029	3,754	-	26	38	939	901	96.0%	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									
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		-	-	-	-	-	-	-		-
<u>Community</u>		-	-	-	-	-	-	-		-
Parks & gardens								-		
Sportsfields & stadia								-		
Swimming pools								-		
Community halls								-		
Libraries								-		
Recreational facilities								-		
Fire, safety & emergency								-		
Security and policing								-		
Buses								-		
Clinics								-		
Museums & Art Galleries								-		
Cemeteries								-		
Social rental housing								-		
Other								-		
<u>Heritage assets</u>		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
<u>Investment properties</u>		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
<u>Other assets</u>		1,236	1,586	-	17	33	396	364	91.7%	1,527
General vehicles		602	1,160	-	-	-	290	290	100.0%	1,144
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	21	-	17	18	5	(13)	-244.9%	20
Computers - hardware/equipment		406	235	-	-	14	59	45	76.9%	211
Furniture and other office equipment		58	36	-	-	1	9	8	90.1%	30
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		170	133	-	-	-	33	33	100.0%	122
Other Land		-	-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-		
<u>Agricultural assets</u>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<u>Biological assets</u>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<u>Intangibles</u>		-	-	-	-	-	-	-		-
Computers - software & programming		-	-	-	-	-	-	-		
Other		-	-	-	-	-	-	-		
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>1</b>	<b>1,236</b>	<b>1,586</b>	<b>-</b>	<b>17</b>	<b>33</b>	<b>396</b>	<b>364</b>	<b>91.7%</b>	<b>1,527</b>

**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									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		-	-	-	-	-	-	-		-
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								-		
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
<b>Other assets</b>		1,459	2,769	-	151	255	692	437	63.1%	2,645
General vehicles		245	477	-	30	50	119	70	58.5%	456
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		5	53	-	-	-	13	13	100.0%	51
Computers - hardware/equipment		634	883	-	74	143	221	78	35.2%	844
Furniture and other office equipment		90	132	-	-	1	33	32	97.7%	126
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		442	584	-	47	62	146	84	57.9%	558
Other Buildings			-	-	-	-	-	-		
Other Land			-	-	0	0		(0)	#DIV/0!	
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-		
Other - Emergency Equipment		42	640	-	-	-	160	160	100.0%	611
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<b>Intangibles</b>		1,744	1,814	-	13	454	454	(0)	0.0%	1,733
Computers - software & programming		1,744	1,814		13	454	454	(0)	0.0%	1,733
Other								-		
<b>Total Repairs and Maintenance Expenditure</b>		3,202	4,583	-	163	709	1,146	437	38.1%	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									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		3,900	200	-	-	-	-	-		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	-	-	-	-	-		191
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
<b>Other assets</b>		160	4,930	-	-	-	-	-		4,708
General vehicles		-	700	-	-	-	-	-		669
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		160	500	-	-	-	-	-		478
Computers - hardware/equipment		-	900	-	-	-	-	-		860
Furniture and other office equipment		-	980	-	-	-	-	-		936
Abattoirs								-		
Markets								-		
Civic Land and Buildings								-		
Other Buildings		-	1,700	-	-	-	-	-		1,624
Other Land		-			-	-	-	-		
Surplus Assets - (Investment or Inventory)					-	-	-	-		
Other		-	150	-	-	-	-	-		143
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
<b>Intangibles</b>		141	250	-	-	-	-	-		239
Computers - software & programming		141	250	-	-	-	-	-		239
Other								-		
<b>Total Repairs and Maintenance Expenditure</b>		4,200	5,380	-	-	-	-	-		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 September 2012.

**Asset Inventory:**

The inventory list is awaited from some of the officials to update the system of any changes that might have occurred. The next asset stock take will take place in October 2014.

**Information Backup:**

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

The “e-Venus” financial system was implemented on 1 September 2009. A daily backup is done as well as a day end procedure to integrate daily transactions. On the last working day of each month a 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:

<b>VEHICLE OPERATING COST</b>	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	<b>VAR %</b>
Depreciation: Motor Vehicles	-	175,000	(175,000)	-100.00%
Insurance	79,410	20,000	59,410	297.05%
MV Administration Levy	2,258	6,250	(3,992)	-63.87%
Fuel	102,354	164,375	(62,021)	-37.73%
Licence	3,612	3,300	312	9.45%
Repairs and Maintenance	9,813	23,900	(14,087)	-58.94%
Tyres	7,032	24,250	(17,218)	-71.00%
<b>TOTAL</b>	<b>204,479</b>	<b>417,075</b>	<b>(212,596)</b>	<b>-50.97%</b>

**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 September 2014 is as follows:

	Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	September Utility
1	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	120,000	9/30/2015	108,603	111,744	3,141
2	Chevrolet Opel Corsa	Disaster Management	2010	CBY 227 NC	60,000	9/30/2015	55,221	55,821	600
3	Chevrolet Captiva	Pool	2011	CDM 296 NC	60,000	9/30/2015	56,687	57,708	1,021
4	Toyota Corolla	Pool	2009	BZP 439 NC	135,000	9/30/2015	126,192	128,123	1,931
5	Toyota Corolla	Pool	2009	BZP 440 NC	135,000	9/30/2015	118,016	120,352	2,336
6	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	15,000	12/31/2014	13,418	13,606	188
7	Isuzu KB 250	Housing	2013	CGR 572 NC	45,000	12/31/2014	36,207	40,196	3,989
8	Isuzu KB 250	Housing	2013	CGR 576 NC	45,000	12/31/2014	29,627	31,368	1,741
9	Hyundai HI	Tourism Centre	2013	CGY 587 NC	30,000	2/28/2015	17,396	19,814	2,418
10	Isuzu 2.4	Housing	2009	CBD 761 NC	120,000	2/28/2015	113,007	115,545	2,538
11	Nissan LDV	Community Development	2006	BVC 831 NC	150,000	7/31/2015	140,339	141,327	988
12	Ford Bantam	Finance	2004	BRD 836 NC	90,000	1/31/2015	88,523	89,202	679
13	Isuzu KB. 200	Disaster Management	2010	CBY 895 NC	45,000	9/30/2015	33,941	34,730	789
14	Isuzu KB. 200	Disaster Management	2010	CBY 898 NC	45,000	9/30/2015	33,196	34,242	1,046
15	Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	10,000	12/31/2014	5,626	6,140	514
16	Isuzu D/Cab	Pool	2013	CGR 974 NC	45 000	12/31/2014	32,318	34,029	1,711
17	Audi Q7	Council	2013	FBDM 1 NC	90,000	1/31/2015	77,886	82,540	4,654
18	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15000	6/30/2015	2,001	2,001	-
19	Toyota Etios	Pool	2014	CJG 979 NC	20000	12/31/2014	10,486	12,200	1,714
20	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	15000	12/31/2014	10,148	11,351	1,203
21	Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	15000	12/31/2014	3,218	4,190	972
22	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	15000	12/31/2014	6,707	7,410	703
<b>UTILITY FOR JULY 2014 - FULL FLEET</b>									<b>34,876</b>

**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:**

The right front bumper of Audi Q7 was damaged when the driver hit a goat on his way from SAMSR games. The incident has been reported to the asset management unit and a claim will be lodged with the insurance company.

**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 September 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

13 November 2014