

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

31 JANUARY 2015

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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 is imperative to align the IDP and budget processes with one another.

Monthly Reporting:

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

Financial Statements for the Year-ended 30 June 2014:

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

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

MFMA Implementation Oversight:

Council's progress on the implementation of the MFMA proceeds according to set targets and due dates determined for a medium capacity municipality.

A comprehensive oversight report on the progress of implementation and compliance per MFMA requirements is attached as Annexure "**B**" to this report.

Support to Local Municipalities:

No support was requested or rendered to Local Municipalities during the month.

3. COUNCIL RESOLUTIONS

This is the resolution that will be presented to Council when the In-Year Report is tabled.

Recommendation:

- (a) That Council notes the section 71 monthly budget statements and supporting documentation for the period ended 31 January 2015.

4. EXECUTIVE SUMMARY

All variances are calculated against the approved budget figures.

4.1 Statement of Financial Performance

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

Revenue by source

Year-to-date accrued revenue is R 69, 309 million as compared to the full year approved budget of R 107, 992 million. The source of revenue that is below the budget is rental of facilities and equipment, interest from investments and other revenue.

Operating expenditure by type

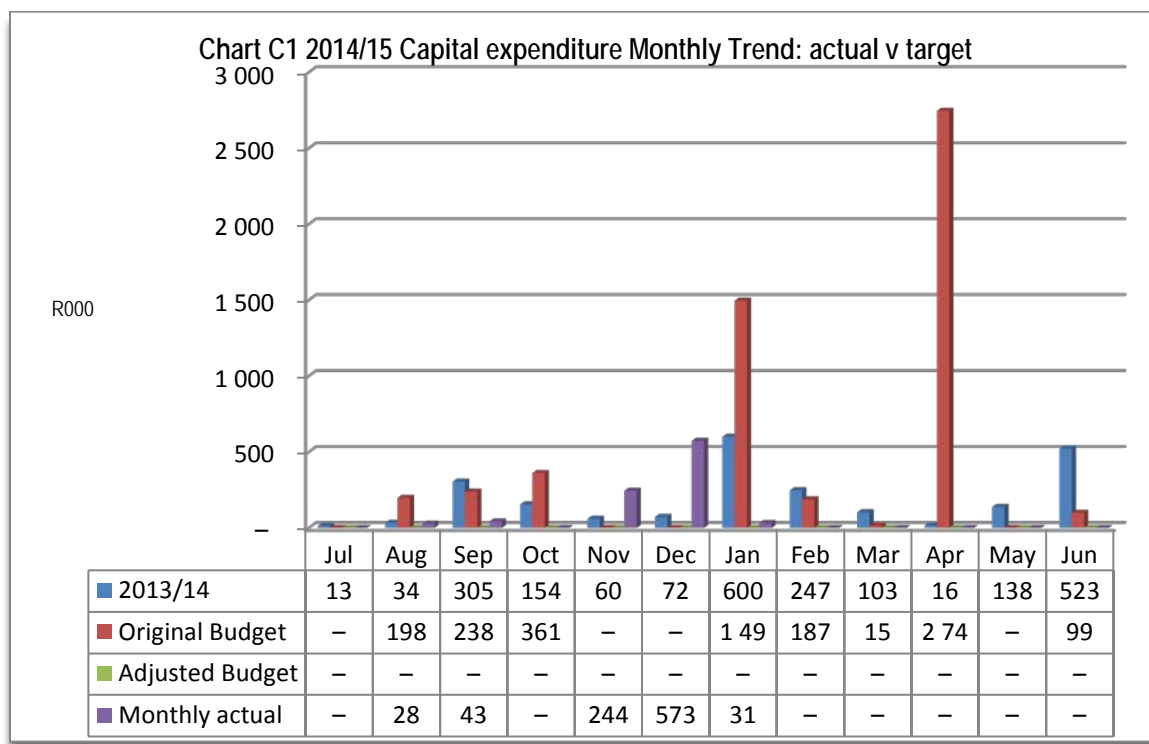
To date, R 53, 361 million has been spent compared to the operational year-to-date budget projections of R 65, 678 million. This does not include non-cash items such as depreciation & amortization. The main areas where expenditure is less than the budget is employee related costs, repairs & maintenance, finance charges (employee benefits), grants and subsidies paid as well as general expenses.

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

Capital Expenditure

Year-to-date expenditure on capital amounts to R0, 919 million as compared to the approved capital budget of R5, 340 million. As per the policy, all capital projects / purchases should be completed / finalized by 31 March of each financial year. Spending on capital assets will gain momentum as the financial year progresses.

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

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

The Municipality started the year with a total cash and cash equivalents of R88, 633 million. For the month of January 2015, the cash and cash equivalents amount to R 106, 746 million. The net increase in cash and cash equivalent for the year to date is R18, 812 million.

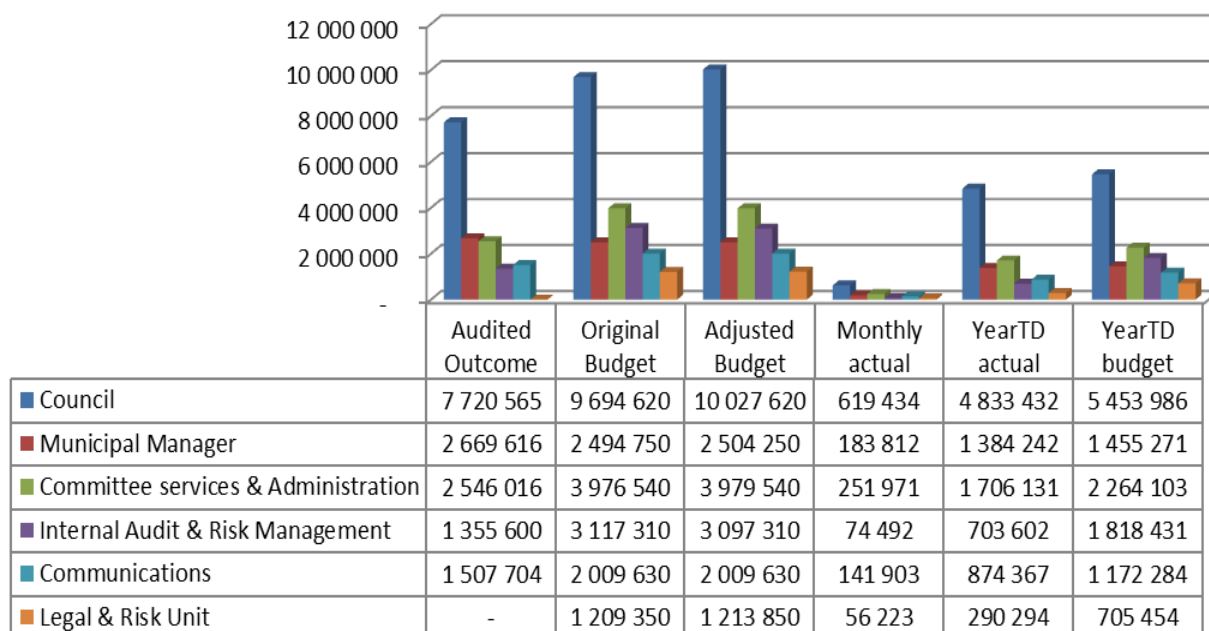
Table C6 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits).

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



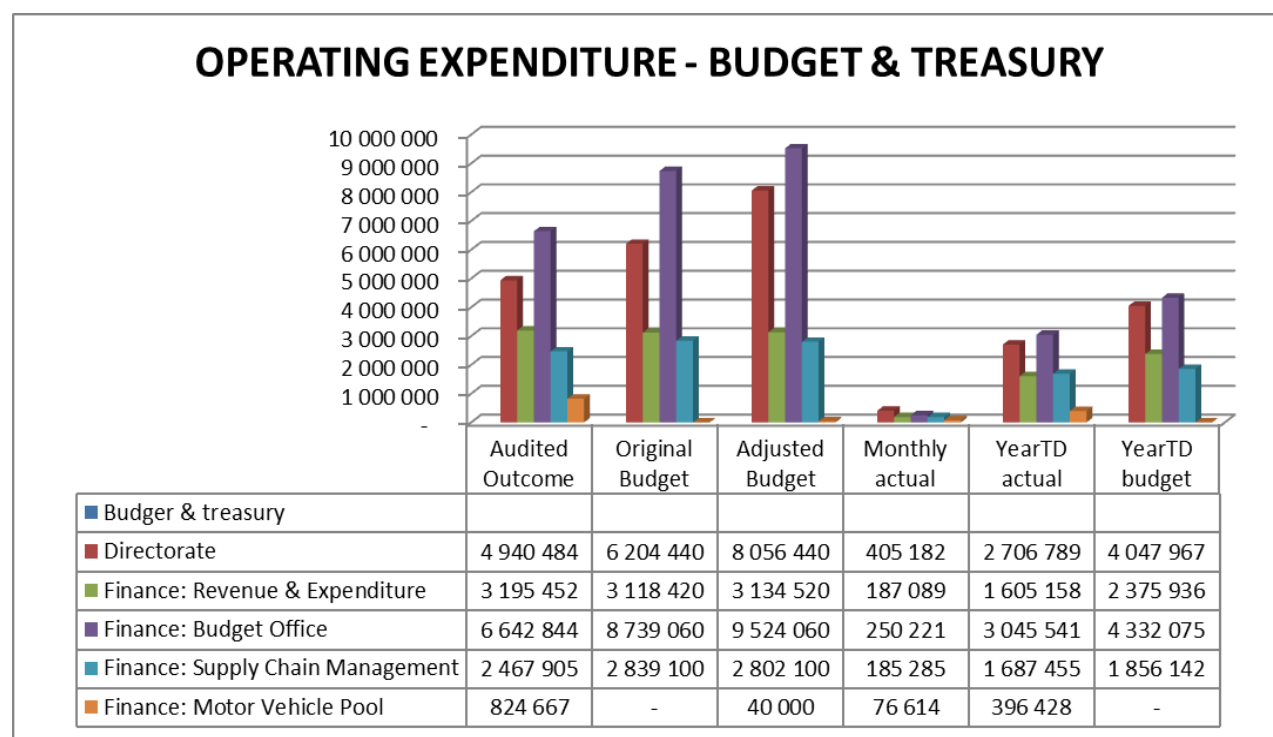
Actual operating expenditure of Council & Executive is R9, 792 067 as compared to the year-to-date budget R12, 869 529. The main areas where expenditure is less than YTD budgets are: employee related costs, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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

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

	YTD Actual	Budget	% Spending	Remarks
<u>INTERNAL AUDIT</u>				
Fraud Prevention Plan	84 000	130 000	64.62%	Will be utilised during the current financial year
Total	84 000	130 000	64.62%	
<u>COMMUNICATIONS</u>				
Branding Communication	-	10 000	0.00%	Complete
PAIA Management Communication	-	5 000	0.00%	Will be utilised during the current financial year
Total	-	15 000	0.00%	

Year to date actual spending on special projects for Council & Executive amounted to R156, 117 as compared to the approved budget of R851 000.



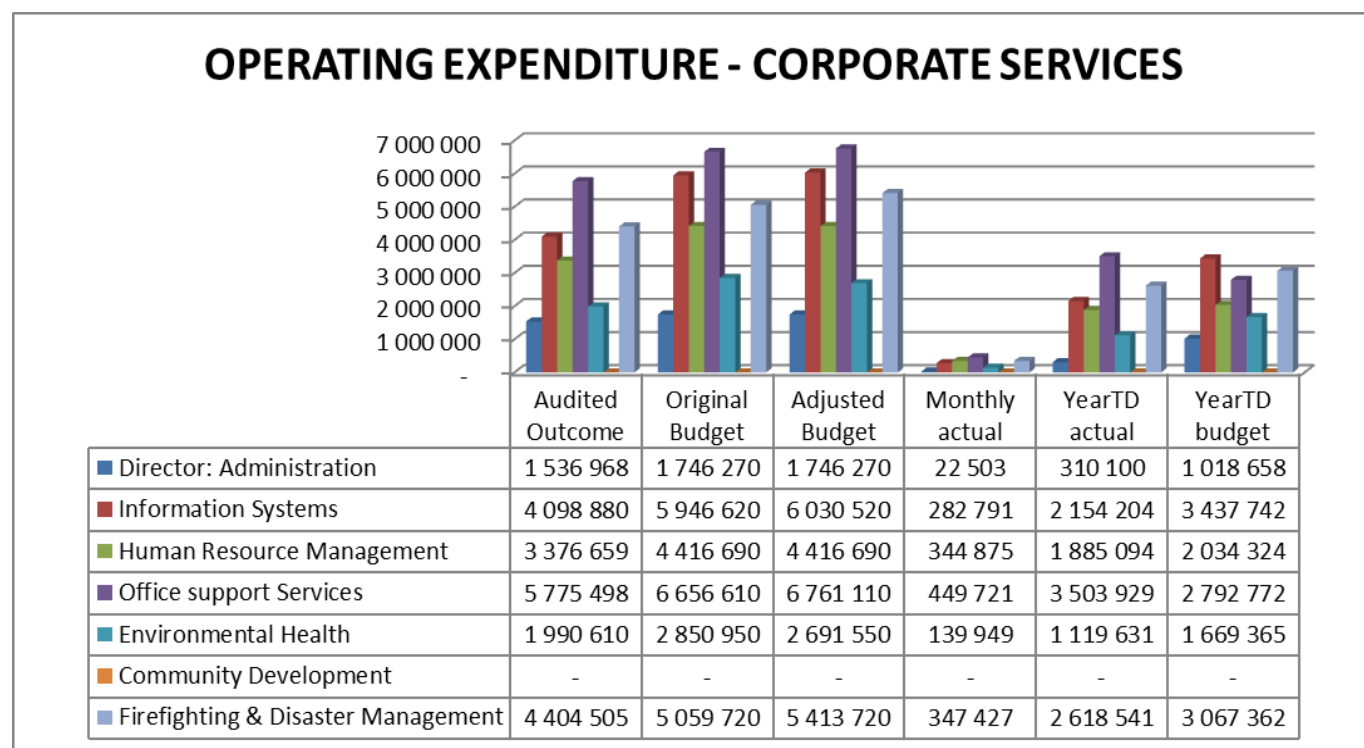
Actual operating expenditure of Budget & Treasury office is R 9, 441 371 as compared to the year-to-date projected budget of R 12, 612 120. The main areas where expenditure is less than YTD budgets are: employee related costs, employee benefits, consultancy, repairs and maintenance, audit fees, actuarial losses, special projects and general expenses.

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

<u>FINANCE: DIRECTORATE</u>				
	YTD Actual	Budget	% Spending	Remarks
Operation Clean Audit	21 582	540 000	4.00%	The local municipalities did not request for any assistance.
AFS Quality Control & GRAP	99 418	160 000	62.14%	Will be utilised during the current financial year
Staff Benefits Actuarial Evaluation	21 819	50 000	43.64%	Will be utilised during the current financial year
Financial System Support Local Municipalities	86 250	300 000	28.75%	The was an adjusted in the adjustment budget
14/15 Support Magareng	-	1 600 000	0.00%	The funds will be used to support Magareng
Total	229 069	2 650 000	8.64%	

The approved budget was R1, 050 000 the amount was adjusted to R2, 650 000. An amount of R1, 600 000 will be utilized to assist Magareng Local Municipality. The actual spending on special projects for the Department of Finance amounted to R229, 069 for the month.

OPERATING EXPENDITURE - CORPORATE SERVICES

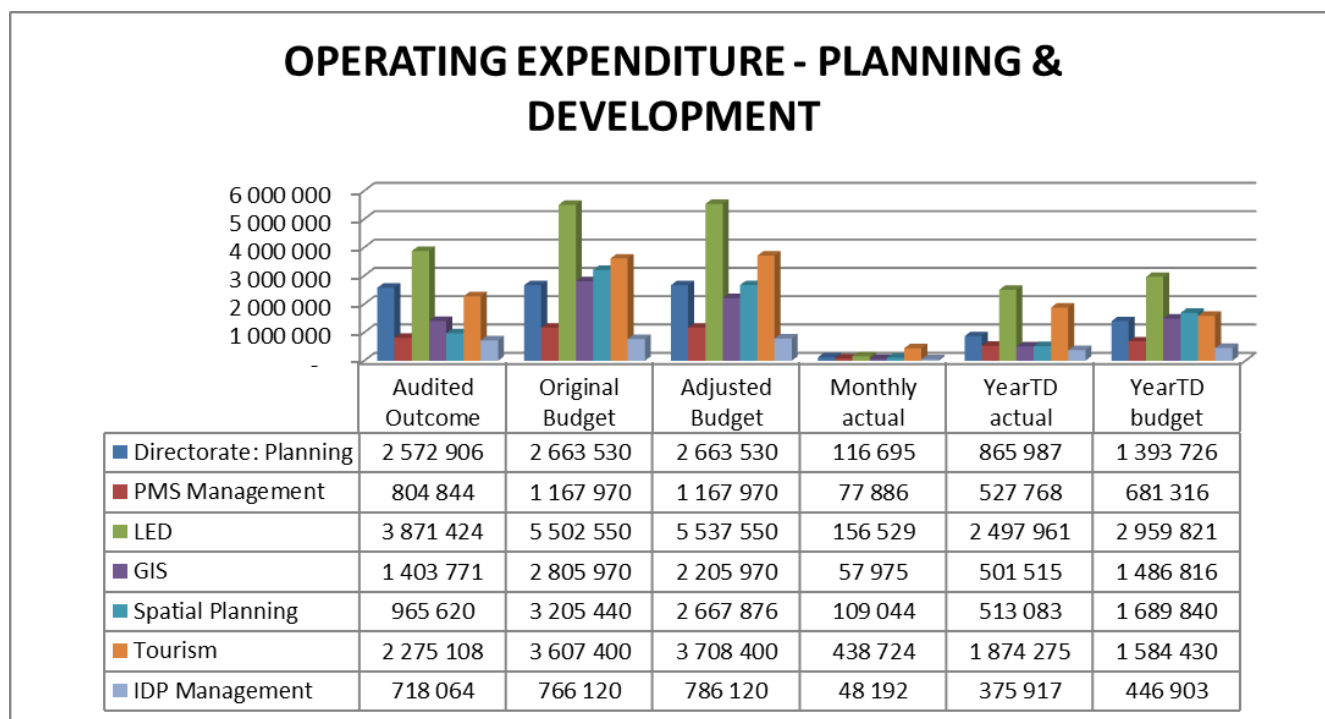


Actual operating expenditure of Corporate Services is R11, 591 500 as compared to the year-to-date projected budget of R14, 020 221. The main areas where expenditure is less than YTD budgets are: employee related costs, maintenance of computer hardware, software, printers, networks and telephone system, consultancy, special projects, training, and general expenses.

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

CORPORATE SERVICES				
	YTD Actual	Budget	% Spending	Remarks
<u>INFORMATION COMMUNICATION & TECHNOLOGY</u>				
ICT Forum Meetings	-	10 000	0.00%	Spending as per the operational plan
Total	-	10 000	0.00%	
<u>HUMAN RESOURCE MANAGEMENT</u>				
Employee Assistance Programme	12 703	80 000	15.88%	Spending as per the operational plan
Employee Wellness	455 649	470 000	96.95%	Spending as per the operational plan
Total	468 352	550 000	85.15%	
	YTD Actual	Budget	% Spending	Remarks
<u>ENVIRONMENTAL HEALTH</u>				
Awareness Programme - HIV, TB & STI	3 358	24 000	13.99%	Spending as per the operational plan
Awareness Programme - Sanitation	3 181	24 000	13.25%	Spending as per the operational plan
Recycling Project	-	20 000	0.00%	Will be used during the 3rd quarter
Air Quality Projects	-	20 000	0.00%	To be adjusted during the adjustment budget
Environmental Health Forum	3 922	20 000	19.61%	Spending as per the operational plan
Greening Projects	-	10 000	0.00%	To be adjusted during the adjustment budget
Waste Management Campaigns	825	20 000	4.13%	To be adjusted during the adjustment budget
Sector 78 Assessment	-	450 000	0.00%	Project implemented - on track
Total	11 286	588 000	1.92%	
<u>FIRE FIGHTING AND DISASTER MANAGEMENT</u>				
Fire Fighting - Volunteers Training	-	75 000	0.00%	Expenditure as per the operational plan during the third quarter
Fire Fighting - Volunteers Stipend	-	63 400	0.00%	Expenditure as per the operational plan during the third quarter
Fire Fighting - Volunteers Ins	-	11 000	0.00%	Annual Esme
Contingency Fund	142 824	360 000	39.67%	On a needs basis per Local Municipality
Disaster Management Forum	-	8 000	0.00%	Will spend on the 3rd Quarter
Awareness Programmes	-	18 000	0.00%	Will spend on the 3rd Quarter
Total	142 824	535 400	26.68%	

The approved budget was R1, 793 400 the amount was adjusted to R1, 683 400. The decrease was caused by the decrease in expenditure. The actual spending on special projects for Corporate Services amounted to R622, 462 for the month.



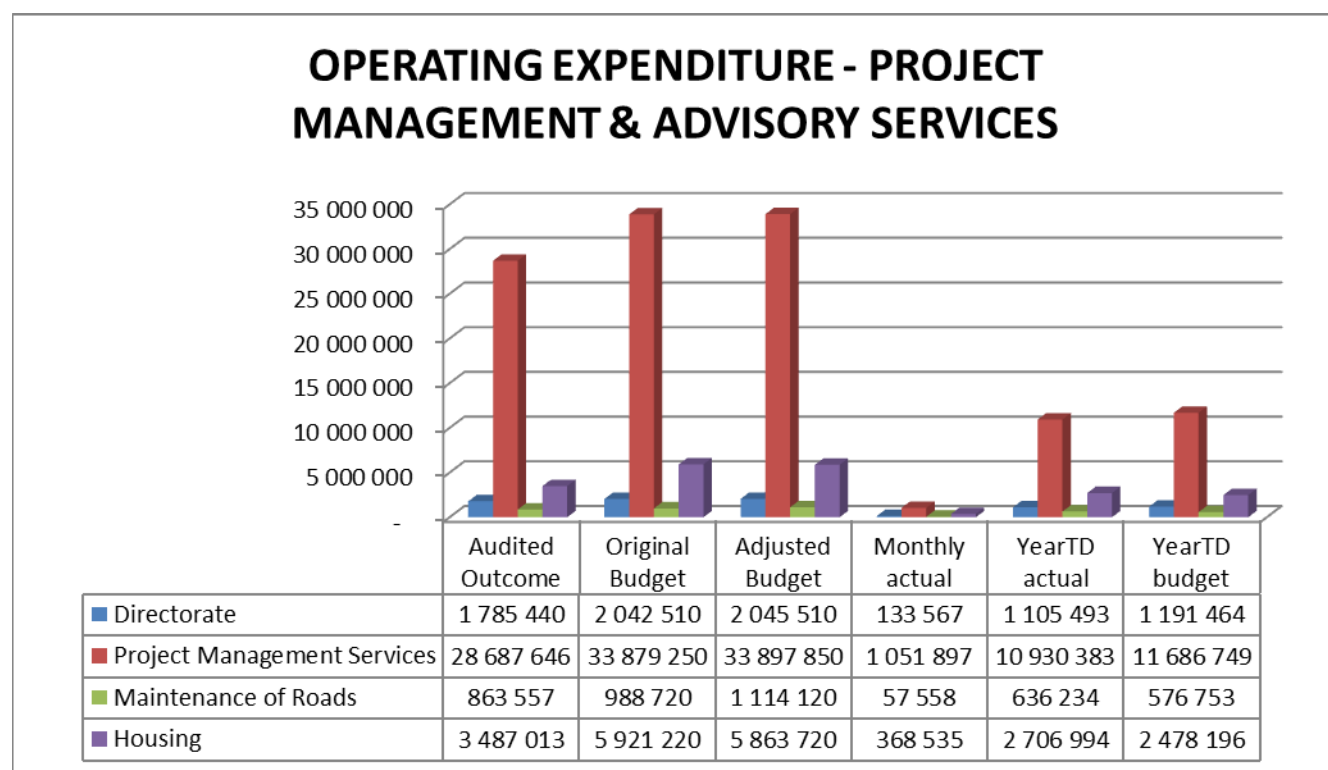
Actual operating expenditure of Planning & Development is R7, 156 507 as compared to the year-to-date projected budget of R10, 242 852. The main areas where expenditure is less than YTD budgets are: employee related costs, depreciation, repairs & maintenance, consultancy, special projects, advertisement general notices and general expenses.

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

PLANNING & DEVELOPMENT				
	YTD Actual	Budget	% Spending	Remarks
<u>PLANNING & DEVELOPMENT</u>				
<u>DIRECTORATE</u>				
MSIG 14/15: Review Mun Polices (FBDM)	-	300 000	0.00%	Project in progress & on schedule
MSIG 14/15: Review FBDM Int Fin Man Plan	-	300 000	0.00%	Project in progress & on schedule
MSIG 14/15: Int Zoning Scheme Magareng Mum	-	334 000	0.00%	Project in progress & on schedule
Total	-	934 000	0.00%	

	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
LED SMME Development	13 800	411 000	3.36%	In progress & NVT Funds committed
LED Richie Incubation Centre	224 150	260 640	86.00%	Completed
LED Promotion Of Smme's	250 836	333 600	75.19%	In progress
LED Coordinte Structures & Forum	7 375	50 000	14.75%	In progress
LED Vegetable Plant - Phokwane	-	50 000	0.00%	In progress
LED Entrepreneurship Programme	150 962	336 050	44.92%	In progress, awaiting new interns
LED Bokomotso Project-Dikgatlong	-	250 000	0.00%	Advertised
LED Expo	628 963	639 000	98.43%	In progress
LED Bio-Mass Dikgatlong	-	-		In progress
Kby Hub	-	120 000	0.00%	In progress
LED Develop Incentive Policies	1 344	30 000	4.48%	In progress
Total	1 277 430	2 480 290	51.50%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
Verify Water Infrastructure	-	-		
Financial Data Clensing	-	1 000 000	0.00%	Appointment of bidder to be finalised
Total	-	1 000 000	0.00%	
<u>SPATIAL PLANNING</u>				
Surveying Of Erven Dikgatlong	-	397 000	0.00%	In progress
Spatial Development Framework - Magareng	-	30 916	0.00%	Saving R261 064
Spatial Development Framework (Fbdm)	-	-		
Zoning Scheme - Magareng	-	316 800	0.00%	In progress (Appointment stage)
EIA - Dikgatlong	-	36 600	0.00%	In progress still waiting for EIA approval
Total	-	781 316	0.00%	
	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
Diamonds & Dorings Support	263 158	550 000	47.85%	In progress
Tourism Contribution: Ncta Support	135 000	135 000	100.00%	In progress
Tourism N12 Promotion	50 000	50 000	100.00%	In progress
Tourism Treasure Route Support	-	40 000	0.00%	In progress
Tourism Businessplan Competition	335 251	615 000	54.51%	In progress
Indaba Trade Expo	73 580	366 930	20.05%	In progress
Tourism Website	-	-		
Tourism Advertising & Promotion	77 950	172 500	45.19%	In progress
Tourism Association	-	17 000	0.00%	In progress
Exhibition	22 960	23 390	98.16%	In progress
Tourguide Busuness Esteb Training	72 656	232 710	31.22%	In progress
Community Awareness Campaigns	128 500	168 000	76.49%	In progress
Total	1 159 055	2 370 530	48.89%	
<u>IDP MANAGEMENT</u>				
IDP Steering Committee Meeting	724	7 600	9.53%	In accordance with Budget
IDP Projects	-	45 170	0.00%	To be adjusted during the adjustment budget
Total	724	52 770	1.37%	

The approved budget was R8, 651 870 the amount was adjusted to R7, 618 906. The decrease was due to the decrease in expenditure. The actual spending on special projects for Planning & Development amounted to R2, 437 209 for the month.



Actual operating expenditure of Project Management & Advisory Services is R15, 379 103 as compared to the year-to-date projected budget of R15, 933 163. The main areas where expenditure is less than YTD budgets are: consultancy, maintenance and provision of infrastructure projects and general expenses.

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

	YTD Actual	Budget	% Spending	Remarks
<i>INFRASTRUCTURE SERVICE DIRECTORATE</i>				
District Technical Forum Meetings	2 311	9 000	25.68%	Will be spent
Total	2 311	9 000	25.68%	

	YTD Actual	Budget	% Spending	Remarks
<u>PROJECT & ADVISORY SERVICES</u>				
Phokwane - Maintenance Municipal Infrastructure.	1 392 688	2 500 000	55.71%	Will be spent
Magareng - Maintenance Municipal Infrastructure	542 634	2 500 000	21.71%	Will be spent
Sol Plaatje - Maintenance Municipal Infrastructure	1 032 221	1 965 000	52.53%	Will be spent
Dikgatlong - Waste Water Operating Room	25 600	480 000	5.33%	Will be spent
Phokwane - Replace Sewer Gravity Line	936 045	1 300 000	72.00%	Will be spent
Phokwane - Resealing Of Reservoir	-	800 000	0.00%	Will be spent
Phokwane - Upgrade Chlorination System	-	500 000	0.00%	Will be spent
Phokwane - Road Infrastructure & Maintenance Plan	-	1 200 000	0.00%	Will be spent
Phokwane - Water & Sanitation Maintenance Plan	-	400 000	0.00%	Will be spent
Phokwane - Resealing Sewer Storage Dam	-	800 000	0.00%	Will be spent
Magareng - Waternetwork. 558 Sites	2 109 464	5 000 000	42.19%	Will be spent
Dikgatlong - Procure TLB	800 000	800 000	100.00%	Will be spent
Dikgatlong - Sanitation Truck	846 939	1 000 000	84.69%	Will be spent
Dikgatlong - Electricity Master Plan	-	1 000 000	0.00%	Will be spent
Dikgatlong - Purchase Cherry Picker	-	800 000	0.00%	Will be spent
Dikgatlong Electricity Infrastructure Upgrade	-	900 000	0.00%	Will be spent
Dikgatlong - Prosess Controller	-	500 000	0.00%	Will be spent
Sol Plaatje - Water Reticulation	-	5 000 000	0.00%	Will be spent
Sol Plaatje - Maintenance Municipal Infrastructure	474 799	535 000	88.75%	Will be spent
Dikgatlong - Maintenance Municipal Infrastructure	614 270	2 500 000	24.57%	Will be spent
Total	8 774 660	30 480 000	28.79%	
	YTD Actual	Budget	% Spending	Remarks
<u>HOUSING</u>				
Special Project: Women's Month	-	16 000	0.00%	Contractor still to claim funding
Special Project: Mandela Month	-	-		Funding secured from Coghsta
Special Project: 16 Days of Activism	-	-		Submission still not approved at Coghsta
Housing Consumer Education	2 097	40 000	5.24%	Programme is still running not completed yet
Housing Field Workers	27 149	48 000	56.56%	Budget increased in adjustment budget
Housing Steering Committee Meeting	5 560	20 000	27.80%	Meeting costs reduced in line with circular 62.
Total	34 806	124 000	28.07%	

The approved budget was R30, 645 000 the amount was adjusted to R30, 631 000. The decrease was due to the decrease in expenditure, and also some projects were funded by Coghsta. The actual spending on special projects for Project Management & Advisory Services amounted to R8, 816 399 for the month.

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

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	5 841	5 673	5 673	527	3 436	3 365	71	2%	5 891
Transfers recognised - operational	95 053	101 083	101 083	30	65 287	68 041	(2 754)	-4%	100 541
Other own revenue	1 208	1 236	1 236	263	586	396	191	48%	1 005
Total Revenue (excluding capital transfers and contributions)	102 102	107 992	107 992	819	69 309	71 801	(2 492)	-3%	107 437
Employee costs	41 012	54 388	54 410	3 519	25 066	29 560	(4 495)	-15%	45 784
Remuneration of Councillors	5 424	6 055	6 055	451	3 153	3 518	(365)	-10%	6 043
Depreciation & asset impairment	4 105	5 380	5 380	406	4 183	2 973	1 211	41%	7 871
Finance charges	2 300	2 854	2 854	–	552	1 474	(922)	-63%	2 746
Materials and bulk purchases	3 376	5 245	5 404	100	1 368	5 024	(3 655)	-73%	2 944
Transfers and grants	33 666	42 973	43 196	1 462	12 257	13 157	(900)	-7%	38 665
Other expenditure	12 605	15 736	17 809	697	6 781	9 972	(3 191)	-32%	16 009
Total Expenditure	102 489	132 631	135 108	6 636	53 361	65 678	(12 317)	-19%	120 063
Surplus/(Deficit)	(387)	(24 639)	(27 116)	(5 817)	15 949	6 124	9 825	160%	(12 625)
Transfers recognised - capital	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(387)	(24 639)	(27 116)	(5 817)	15 949	6 124	9 825	160%	(12 625)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(387)	(24 639)	(27 116)	(5 817)	15 949	6 124	9 825	160%	(12 625)
Capital expenditure & funds sources									
Capital expenditure	2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Capital transfers recognised	–	–	–	–	–	–	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Total sources of capital funds	2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Financial position									
Total current assets	91 792	91 792	87 463		112 621				81 843
Total non current assets	60 983	60 983	57 614		57 719				60 777
Total current liabilities	15 921	15 921	12 786		18 351				14 143
Total non current liabilities	33 232	33 232	29 685		32 454				31 481
Community wealth/Equity	103 623	99 995	102 606		119 536				96 995
Cash flows									
Net cash from (used) operating	9 764	(8 285)	(6 906)	(7 073)	20 800	2 631	18 168	690%	(352)
Net cash from (used) investing	(3 949)	(4 482)	(4 656)	(22)	(1 210)	(1 123)	(88)	8%	(4 175)
Net cash from (used) financing	(1 445)	(1 606)	(1 606)	–	(778)	(569)	(209)	37%	(1 496)
Cash/cash equivalents at the month/year end	87 934	82 960	84 165	106 746	106 746	98 272	8 473	9%	81 911
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Revenue Source	4 471	4	1	0	–	–	–	178	4 655
Creditors Age Analysis									
Total Creditors	438	10	–	–	–	–	–	–	447

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

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Standard										
<i>Governance and administration</i>		87 228	94 768	94 768	574	65 683	66 700	(1 017)	-2%	93 954
Executive and council		3 716	4 683	4 683	-	3 122	3 122	-		4 683
Budget and treasury office		83 512	90 085	90 085	574	62 561	63 578	(1 017)	-2%	89 271
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 600	315	315	-	-	-	-		315
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		600	315	315	-	-	-	-		315
Housing		1 000	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		13 274	12 909	12 909	245	3 626	5 101	(1 475)	-29%	13 168
Planning and development		10 266	9 909	9 909	245	1 626	3 101	(1 475)	-48%	9 739
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3 008	3 000	3 000	-	2 000	2 000	-		3 429
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	102 102	107 992	107 992	819	69 309	71 801	(2 492)	-3%	107 437
Expenditure - Standard										
<i>Governance and administration</i>		48 659	62 169	65 344	3 532	27 087	34 765	(7 678)	-22%	57 453
Executive and council		15 800	22 502	22 832	1 328	9 792	12 870	(3 077)	-24%	20 281
Budget and treasury office		18 071	20 901	23 557	1 104	9 441	12 612	(3 171)	-25%	22 283
Corporate services		14 788	18 766	18 955	1 100	7 853	9 283	(1 430)	-15%	14 889
<i>Community and public safety</i>		7 892	10 981	11 277	716	5 326	5 546	(220)	-4%	9 846
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		4 405	5 060	5 414	347	2 619	3 067	(449)	-15%	4 844
Housing		3 487	5 921	5 864	369	2 707	2 478	229	9%	5 002
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		45 939	59 480	58 486	2 388	20 948	25 367	(4 419)	-17%	52 764
Planning and development		43 948	56 629	55 795	2 248	19 829	23 698	(3 869)	-16%	50 260
Road transport		-	-	-	-	-	-	-		-
Environmental protection		1 991	2 851	2 692	140	1 120	1 669	(550)	-33%	2 504
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	102 489	132 631	135 108	6 636	53 361	65 678	(12 317)	-19%	120 063
Surplus/ (Deficit) for the year		(387)	(24 639)	(27 116)	(5 817)	15 949	6 124	9 825	160%	(12 625)

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

Vote Description [Insert departmental structure etc 3.]	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue by Vote	1									
Vote 1 - Council & Executive		3 716	4 683	4 683	-	3 122	3 122	-		4 683
Vote 2 - Budget & Treasury		83 512	90 085	90 085	574	62 561	63 578	(1 017)	-1.6%	89 271
Vote 3 - Corporate Services		3 608	3 315	3 315	-	2 000	2 000	-		3 744
Vote 4 - Planning & Development		1 128	949	949	-	15	-	15	#DIV/0!	960
Vote 5 - Project Management & Advisory Services		10 138	8 960	8 960	245	1 611	3 101	(1 490)	-48.0%	8 780
Total Revenue by Vote	2	102 102	107 992	107 992	819	69 309	71 801	(2 492)	-3.5%	107 437
Expenditure by Vote	1									
Vote 1 - Council & Executive		15 800	22 502	22 832	1 328	9 792	12 870	(3 077)	-23.9%	20 281
Vote 2 - Budget & Treasury		18 071	20 901	23 557	1 104	9 441	12 612	(3 171)	-25.1%	22 283
Vote 3 - Corporate Services		21 183	26 677	27 060	1 587	11 591	14 020	(2 429)	-17.3%	22 236
Vote 4 - Planning & Development		12 612	19 719	18 737	1 005	7 157	10 243	(3 086)	-30.1%	16 298
Vote 5 - Project Management & Advisory Services		34 824	42 832	42 921	1 612	15 379	15 933	(554)	-3.5%	38 964
Total Expenditure by Vote	2	102 489	132 631	135 108	6 636	53 361	65 678	(12 317)	-18.8%	120 063
Surplus/ (Deficit) for the year	2	(387)	(24 639)	(27 116)	(5 817)	15 949	6 124	9 825	160.4%	(12 625)

Please refer to next page

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

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue By Source										
Property rates		-	-	-	-	-	-	-		-
Property rates - penalties & collection charges		-	-	-	-	-	-	-		-
Service charges - electricity revenue		-	-	-	-	-	-	-		-
Service charges - water revenue		-	-	-	-	-	-	-		-
Service charges - sanitation revenue		-	-	-	-	-	-	-		-
Service charges - refuse revenue		-	-	-	-	-	-	-		-
Service charges - other		-	-	-	-	-	-	-		-
Rental of facilities and equipment		885	1 061	1 061	258	518	343	176	51%	888
Interest earned - external investments		5 841	5 673	5 673	527	3 436	3 365	71	2%	5 891
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines		-	-	-	-	-	-	-		-
Licences and permits		-	-	-	-	-	-	-		-
Agency services		-	-	-	-	-	-	-		-
Transfers recognised - operational		95 053	101 083	101 083	30	65 287	68 041	(2 754)	-4%	100 541
Other revenue		322	115	115	5	60	53	6	12%	102
Gains on disposal of PPE		1	60	60	-	9	-	9	#DIV/0!	15
Total Revenue (excluding capital transfers and contributions)		102 102	107 992	107 992	819	69 309	71 801	(2 492)	-3%	107 437
Expenditure By Type										
Employee related costs		41 012	54 388	54 410	3 519	25 066	29 560	(4 495)	-15%	45 784
Remuneration of councillors		5 424	6 055	6 055	451	3 153	3 518	(365)	-10%	6 043
Debt impairment		-	3	3	-	-	-	-		3
Depreciation & asset impairment		4 105	5 380	5 380	406	4 183	2 973	1 211	41%	7 871
Finance charges		2 300	2 854	2 854	-	552	1 474	(922)	-63%	2 746
Bulk purchases		-	-	-	-	-	2 973	(2 973)	-100%	
Other materials		3 376	5 245	5 404	100	1 368	2 051	(683)	-33%	2 944
Contracted services		-	-	-	-	-	-	-		
Transfers and grants		33 666	42 973	43 196	1 462	12 257	13 157	(900)	-7%	38 665
Other expenditure		12 207	15 533	17 606	697	6 781	9 972	(3 191)	-32%	15 806
Loss on disposal of PPE		398	200	200	-	-	-	-		200
Total Expenditure		102 489	132 631	135 108	6 636	53 361	65 678	(12 317)	-19%	120 063
Surplus/ (Deficit) for the year		(387)	(24 639)	(27 116)	(5 817)	15 949	6 124	9 825	0	(12 625)
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		(387)	(24 639)	(27 116)	(5 817)	15 949	6 124			(12 625)
Taxation								-		
Surplus/(Deficit) after taxation		(387)	(24 639)	(27 116)	(5 817)	15 949	6 124			(12 625)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(387)	(24 639)	(27 116)	(5 817)	15 949	6 124			(12 625)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(387)	(24 639)	(27 116)	(5 817)	15 949	6 124			(12 625)

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

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Council & Executive		–	–	–	–	–	–	–		–
Vote 2 - Budget & Treasury		–	–	–	–	–	–	–		–
Vote 3 - Corporate Services		–	–	–	–	–	–	–		–
Vote 4 - Planning & Development		–	–	–	–	–	–	–		–
Vote 5 - Project Management & Advisory Services		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	–	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 1 - Council & Executive		59	187	187	18	21	–	21	0%	179
Vote 2 - Budget & Treasury		693	1 358	1 358	7	729	1 358	(629)	0%	1 297
Vote 3 - Corporate Services		1 519	3 539	3 539	–	75	738	(663)	-90%	3 380
Vote 4 - Planning & Development		21	124	124	7	7	109	(102)	-94%	151
Vote 5 - Project Management & Advisory Services		261	132	132	–	88	88	0	0%	126
Total Capital single-year expenditure	4	2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Total Capital Expenditure		2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Capital Expenditure - Standard Classification										
Governance and administration		1 197	2 320	2 320	25	788	2 078	(1 291)	-62%	2 216
Executive and council		59	187	187	18	21	–	21	#DIV/0!	179
Budget and treasury office		693	1 358	1 358	7	729	1 358	(629)	-46%	1 297
Corporate services		445	775	775	–	38	720	(682)	-95%	740
Community and public safety		1 147	2 790	2 790	–	62	–	62	#DIV/0!	2 664
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		1 074	2 746	2 746	–	37	–	37	#DIV/0!	2 622
Housing		73	44	44	–	26	–	26	#DIV/0!	42
Health		–	–	–	–	–	–	–		–
Economic and environmental services		209	230	230	7	69	154	(85)	-55%	253
Planning and development		209	212	212	7	69	136	(67)	-49%	235
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	18	18	–	–	18	(18)	-100%	17
Trading services		–	–	–	–	–	–	–		–
Electricity		–	–	–	–	–	–	–		–
Water		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	61	(61)	-100%	–
Total Capital Expenditure - Standard Classification	3	2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Funded by:										
National Government		–	–	–	–	–	–	–		–
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		–	–	–	–	–	–	–		–
Public contributions & donations	5	–	–	–	–	–	–	–		–
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133
Total Capital Funding		2 553	5 340	5 340	31	919	2 293	(1 374)	-60%	5 133

Table C6 Monthly Budget Statement - Financial Position

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		93 130	100 618	100 618	-	2 888	(5 404)	8 292	-153.4%	100 618
Local Government Equitable Share		10 329	9 965	9 965	-	(61 897)	(61 897)	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	4 683	-	3 122	3 122	-		4 683
Levy replacement	3	75 945	82 780	82 780	-	58 775	50 600	8 175	16.2%	82 780
Finance Management Grant		1 250	1 250	1 250	-	1 250	1 250	-		1 250
Municipal Systems Improvement		890	934	934	-	934	934	-		934
Extended Public Works Programme		1 000	1 006	1 006	-	704	587	117	20.0%	1 006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1 850	315	315	-	1 380	184	1 196	651.0%	1 695
Housing	4	1 000	-	-	-	1 380	-	1 380	100.0%	1 380
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	315	-	-	184	(184)	-100.0%	315
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		100	-	-	-	-	-	-		-
Other transfers and grants [ABSA Donation]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		92	150	150	-	12	88	(76)	-86.4%	150
SETA Skills Grant		77	150	150	-	12	88	(76)	-86.4%	150
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		15	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	95 072	101 083	101 083	-	4 280	(5 133)	9 413	-183.4%	102 463
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)		-	-	-	-	-	-	-		-
Water Affairs		-	-	-	-	-	-	-		-
EPWP		-	-	-	-	-	-	-		-
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-		-
<i>[insert description]</i>			-	-						
ESCOM (Electricity on Farms)			-	-						
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	95 072	101 083	101 083	-	4 280	(5 133)	9 413	-183.4%	102 463

1.4.7 Table C7 Monthly Budget Statement - Cash Flow

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		7 363	145	145	241	2 189	440	1 749	398%	135
Government - operating		95 068	101 083	102 463	12	75 172	57 546	17 626	31%	101 083
Government - capital		-	-	-	-	-	-	-	-	-
Interest		6 255	5 673	5 673	529	3 821	3 484	337	10%	5 726
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		(62 483)	(74 941)	(76 113)	(6 333)	(42 435)	(43 871)	(1 436)	3%	(69 808)
Finance charges		(1 215)	(1 569)	(1 569)	-	(552)	527	1 078	205%	(1 462)
Transfers and Grants		(35 225)	(38 676)	(37 505)	(1 522)	(17 395)	(15 493)	1 901	-12%	(36 027)
NET CASH FROM/(USED) OPERATING ACTIVITIES		9 764	(8 285)	(6 906)	(7 073)	20 800	2 631	18 168	690%	(352)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	57	57	-	-	-	-	-	53
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (Increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		(600)	-	-	-	-	-	-	-	-
Payments										
Capital assets		(3 349)	(4 539)	(4 713)	(22)	(1 210)	(1 123)	88	-8%	(4 228)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3 949)	(4 482)	(4 656)	(22)	(1 210)	(1 123)	88	-8%	(4 175)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		(1 445)	(1 606)	(1 606)	-	(778)	(569)	209	-37%	(1 496)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 445)	(1 606)	(1 606)	-	(778)	(569)	209	-37%	(1 496)
NET INCREASE/ (DECREASE) IN CASH HELD		4 370	(14 373)	(13 168)	(7 094)	18 812	940			(6 024)
Cash/cash equivalents at beginning:		83 564	97 333	97 333	113 840	87 934	97 333			87 934
Cash/cash equivalents at month/year end:		87 934	82 960	84 165	106 746	106 746	98 272			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>			
	Rental of facilities and equipment	51.24%	Revenue on rental of grader to local municipalities is less than expected.	The revenue will increase during the year.
	Interest earned - external investments	2.11%	Interest earned on external investment is less than year-to- date budget.	Acceptable and dependant on the market yield.
	Other income	12.17%	Year-to-date actual income more than the year-to-date budget.	Acceptable - No remedial steps required.
2	<u>Expenditure By Type</u>			
	Salaries	-15.20%	Approved vacant posts not filled according to the organogram.	Most vacant post were advertised and will be filled shortly.
	Other Materials	-33.28%	All maintenance projects are needs driven. The District does not have any major infrastructure assets to maintain except for its administrative building.	All maintenance projects are incurred as and when required.
	Transfers and grants	-6.84%	Most projects are in the implementation planning phase as per the procurement plan	Grants & subsidies paid will gain momentum as the financial year progresses.
	Other expenditure	-32.00%	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	-59.92%	Spending on the capita projects is in the implementation phase as per procurement plan.	As per the policy , all capital projects / purchases should have been completed / finalized by 31 March of each year.
4	<u>Financial Position</u>			
	Reserves	R 1 173 268	Under budget.	Will be reviewed during the financial year.
	Property, plant & equipment	R -2 955 066	Under budget.	Will be reviewed during the financial year.
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	690.45%	RSC Levy Replacement Grant Receipts.	Acceptable.
	Net cash from operating / (used) Investing Activities	-7.80%	Capital Expenditure not materialising per SDBIP.	There is a need to accelerate this spending.
6	<u>Measureable performance</u>			

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

Table SC2 Monthly Budget Statement - performance indicators

Description of financial indicator	Basis of calculation	Ref	2013/14	Budget Year 2014/15			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
<u>Borrowing Management</u>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		5.5%	4.7%	4.6%	4.5%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		6.2%	6.2%	6.1%	1.0%	7.3%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		16.0%	13.0%	12.6%	16.7%	13.4%
Gearing	Long Term Borrowing/ Funds & Reserves		29.3%	25.1%	25.1%	27.5%	25.1%
<u>Liquidity</u>							
Current Ratio 1	Current assets/current liabilities	1	576.5%	633.2%	684.1%	613.7%	578.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		579.9%	648.9%	658.3%	605.7%	582.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		12.9%	10.8%	11.6%	21.8%	12.3%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%			
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0.0%	0.0%		0.0%	0.0%
<u>Other Indicators</u>							
Employee costs	Employee costs/Total Revenue - capital revenue		40.2%	50.4%	50.4%	36.2%	42.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.3%	4.9%	5.0%	0.1%	1.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6.3%	7.6%	7.6%	0.8%	8.2%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year		196.4%	148.9%	0.0%	250.5%	295.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		16.1	2.0	2.0	3.9	1.8

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations. The year-to-date ratio of employee costs as compared to the total revenue – capital revenue for the year to date is 36.2%. 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										
		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	Bad Debts	>90 days
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	4 471	4	1	0	-	-	-	178	4 655		179
Total By Revenue Source	2000	4 471	4	1	0	-	-	-	178	4 655	-	179
2014/15 - totals only		4 248	4	1	0	-	-	-	169	4 422		170
Debtors Age Analysis By Customer Category												
Government	2200	427	1	0	-	-	-	-	-	428		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	4 044	3	0	0	-	-	-	178	4 227		
Total By Customer Category	2600	4 471	4	1	0	-	-	-	178	4 655	-	

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

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

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

- ***Provincial and Local Government***

There is no outstanding debt for more than 90 days as at 31 January 2015 in respect of Provincial and Local Governments Department.

- ***Post-Service Benefits***

The only outstanding debts reflected for more than 90 days as at 31 January 2015 is:

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

- ***Sundry Debtors***

There is no outstanding debt reflected for more than 90 days as at 31 January 2015 for sundry debtors.

- Mathe E.M R1, 182.99 for overpayment on her salary after resigning was recovered from Sol Plaatje Municipality and paid to the Municipality's bank account on the 13 January 2015.

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	438	10	-	-	-	-	-	-	447	
Total By Customer Type	2600	438	10	-	-	-	-	-	-	447	-

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

Salary Payment:

Salary payments are under adequate control and occur according to approved policies and agreement in terms of the Bargaining Council. Salary increase of 6.79% for staff has been implemented as from the 1st of July 2014.

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

Trade Creditors:

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month of January 2015 is listed below:

PAYMENTS			
Total value of all payments			R 7 854 112
Electronic transfers			102
Cheques issued			10
SALARIES			
Number of salary beneficiaries			150
Councillors			25
Total Councillors	27		
* Councillors Position - Vacant	0		
* Councillors with Remuneration	25		
* Councillors without Remuneration	2		
Employees			125
* Remunerated Employee's	119		
* Remunerated Terminated Employees			
KB Marumo, BW Ditsebe, MB Phoshoko, S Ndubula	4		
Pensioners	2		
Total remuneration paid			3 329 661
Councillors			397 055
Employees			2 929 765
Pensioners			2 841

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

SUPPLY CHAIN MANAGEMENT:

Although council adopted a new procurement policy effective from 1 January 2008 a number of issues still impact negatively on the effective implementation of the mentioned policy. The following are some of the issues that still need attention in order to ensure full compliance as stipulated in the policy:

- The development and implementation of a new centralized procurement procedure has started and is in line with the SCM policy. Monitoring is on an ongoing basis and as problems arise, they will be dealt with.
- Amendment and procedures with regard to the tender committee system (Specification, Evaluation and Adjudication Committees) still needs more attention. Monitoring is on an ongoing basis and problems are dealt with as when they arise.
- Putting systems in place to monitor and report on supply chain management as required as per approved policy has started as from 1 April 2008. Monitoring is on an ongoing basis and problems are dealt with as and when they arise.

As Council reserves its right to maintain oversight over the implementation of the Supply Chain Management Policy and is empowered to make Supply Chain policy within the ambit of the applicable legislation, the following is hereby reported as stipulated in the SCM policy for the period January 2015.

Implementation of the Approved Supply Chain Management Policy:

The approved Supply Chain Management Policy of 30 November 2005 as amended on 27 November 2007 is implemented and is maintained by all relevant role players as from 01 July 2008. The Supply Chain Management Policy is currently being reviewed. It will be submitted to Council and once approved will be effective from the date of approval.

Implementation of the Supply Chain Management Process:

- Supply Chain Management Training

No training was offered or attended by the supply chain management unit.

- Demand Management

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customized, standard bid documents prescribed by National Treasury. All preconditions were enforced during the opening of bids including the verification on Tax Clearance Certificates issued by SARS.

- Acquisition Management

For the period of January 2015, no contracts (R200 000 +) were awarded by the Municipal Manager.

For the period of January 2015 no written price quotation (R30 000-R200 000) were awarded by the Municipal Manager.

The total orders issued for the month of January amount to R 1, 708, 677.00

Per department

Council and Executive	R 101 347.18
Municipal Manager	R 55 629.78
Finance	R 39 781.11
Administration	R 61 703.56
Planning and Development	R 557 449.20
Technical Service	R 886 567.52
Stores	R 6 198.65

- Disposal Management

No sale off assets

- Deviations

No deviations were approved by the Municipal Manager

- Orders

Total orders issued amount to R9280.32 for all departments

Issues per department

Council	R 681.79
Municipal Manager	R 358.10
Finance	R 1 893.62
Administration	R 14 109.72
Planning and Development	R 3 003.24
Technical Services	R 1 956.05
Stores	R 0.00

- List of accredited Service Providers

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

- Support to Local Municipalities

No official request received from any local to assist.

- *Orders outstanding for more than 30 days at 31 January 2015*

COMPANY	60 DAYS	90 DAYS	COMMENT
ODS Consultants		R332 994.00	Tender Project not completed yet.
Altech Netstar	R684.00	R1 026.00	Installations not done yet
Itec Kimberley	R6177.09		Invoice not received yet (follow-up made)
Hancor Diary	R351.00		Invoice not received yet (follow-up made)

HIC media	R21 950.00		Invoice not received yet (follow-up made)
Imperial Group T/a Imperial GM		R139 399.72	Vehicle not delivered yet.
Madibuseng General Trading	R135 110.00		Invoice not received yet (goods not received)
National health Laboratory		R5064.00	Invoice not received yet (follow-up made)
Pennypinchers	R989.98		Invoice not received yet (follow-up made)
Rennies	R13 968.64	R1 242.56	Invoice not received yet (follow-up made)
Sure Astra	R8 037.51	R14 780.80	Invoice not received yet (follow-up made)
Short's Nissan	R850 916.02		Truck not delivered
Swiftprint		R845.94	Invoice not received yet (follow-up made)
Sedibeng Water	R11 115.00	R11 115.00	Invoice not received yet (follow-up made)
Thandis catering and cleaning	R12 810		Invoice not received yet (follow-up made)
Thomason Consulting		R64 410.00	Invoice not received yet (goods received)

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		31	CALL	31-Jan-15	23 055	5.1%	5 000	▲	5 000
STANDARD BANK		31	CALL	31-Jan-15	9 041	5.0%	2 000	▲	2 000
ABSA - Leave Reserve		365	Fixed	24-Jun-15	28 125	7.1%	4 400	▲	4 400
RMB		31	Call	31-Jan-15	13 562	5.0%	3 000	▲	3 000
ABSA		31	CALL	31-Jan-15	18 986	5.3%	4 000	▲	4 000
NEDCOR		120	Notice	06-Mar-15	56 959	6.3%	10 000	▲	10 000
STANDARD BANK		90	Notice	04-Feb-15	27 575	6.1%	5 000	▲	5 000
NEDCOR		120	Notice	11-Mar-15	39 871	6.3%	7 000	▲	7 000
STANDARD BANK		120	Notice	11-Mar-15	45 574	6.3%	8 000	▲	8 000
ABSA		120	Notice	11-Mar-15	51 271	6.3%	9 000	▲	9 000
RMB		120	Notice	11-Mar-15	56 507	6.3%	10 000	▲	10 000
ABSA		120	Notice	02-Apr-15	40 821	6.5%	7 000	▲	7 000
STANDARD BANK		120	Notice	02-Apr-15	34 181	6.3%	6 000	▲	6 000
STANDARD BANK		31	CALL	31-Jan-15	14 240	5.3%	3 000	▲	3 000
NEDCOR		120	Notice	02-Apr-15	22 603	6.3%	4 000	▲	4 000
RMB		120	Notice	02-Apr-15	16 689	6.2%	3 000	▲	3 000
RMB		120	Notice	17-Apr-15	25 225	6.2%	4 500	▲	4 500
STANDARD BANK		120	Notice	17-Apr-15	25 835	6.4%	4 500	▲	4 500
ABSA		120	Notice	17-Apr-15	26 364	6.5%	4 500	▲	4 500
NEDCOR		120	Notice	17-Apr-15	25 632	6.3%	4 500	▲	4 500
TOTAL INVESTMENTS AND INTEREST							108 400	-	108 400

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

DC9 Frances Baard - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		17 185	100 618	100 618	-	73 929	65 637	8 292	12.6%	100 618
Local Government Equitable Share		10 329	9 965	9 965	-	2 927	2 927	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	4 683	-	3 122	3 122	-		4 683
Levy replacement	3	-	82 780	82 780	-	64 992	56 817	8 175	14.4%	82 780
Finance Management Grant		1 250	1 250	1 250	-	1 250	1 250	-		1 250
Municipal Systems Improvement		890	934	934	-	934	934	-		934
Extended Public Works Programme		1 000	1 006	1 006	-	704	587	117	20.0%	1 006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1 850	315	315	-	1 380	184	1 196	651.0%	1 695
Housing	4	1 000	-	-	-	1 380	-	1 380	100.0%	1 380
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	315	-	-	184	(184)	-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	150	-	12	88	(76)	-86.4%	150
SETA Skills Grant		77	150	150	-	12	88	(76)	-86.4%	150
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		15	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	19 127	101 083	101 083	-	75 321	65 908	9 413	14.3%	102 463
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	19 127	101 083	101 083	-	75 321	65 908	9 413	14.3%	102 463

Table SC7 Monthly Budget Statement - transfers and grant expenditure

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		93 218	100 618	100 618	30	66 778	66 294	483	0.7%	100 476
Local Government Equitable Share		10 329	9 965	9 965	-	2 927	2 927	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	4 683	-	3 122	2 732	390	14.3%	4 683
Levy replacement		75 945	82 780	82 780	-	58 775	58 775	-		82 780
Finance Management Grant		1 250	1 250	1 250	30	1 250	729	521	71.4%	1 250
Municipal Systems Improvement		978	934	934	-	0	545	(545)	-100.0%	792
Extended Public Works Programme		1 000	1 006	1 006	-	704	587	117	20.0%	1 006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1 758	315	315	-	-	184	(184)	-100.0%	315
Housing		1 000	-	-	-	-	-	-		-
Near Grant		300	-	-	-	-	-	-		-
Fire Fighting Equipment Grant		300	315	315	-	-	184	(184)	-100.0%	315
NC Tourism		150	-	-	-	-	-	-		-
Environmental Health Recycling Grant		8	-	-	-	-	-	-		-
District Aids Programme		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		77	150	150	-	12	88	(76)		96
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	-	-	-		-
SETA Skills Grant		77	150	150	-	12	88	(76)		96
Total operating expenditure of Transfers and Grants:		95 053	101 083	101 083	30	66 790	66 566	224	0.3%	100 887
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)										
Water Affairs		-								
EPWP										
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
ESCOM (Electricity on Farms)										
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		95 053	101 083	101 083	30	66 790	66 566	224	0.3%	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 Councillor remuneration	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Salary		3 688	4 055	4 055	308	2 150	2 241	(91)	-4%	4 055
Pension Contributions		173	202	202	14	101	118	(17)	-14%	173
Medical Aid Contributions		17	17	17	1	10	10	-		17
Motor vehicle allowance		1 189	1 402	1 402	103	722	818	(96)	-12%	1 402
Cell phone and other allowances		296	358	358	24	170	209	(39)	-19%	375
Workmen's Compensation		60	20	20	-	-	12	(12)	-100%	20
Unemployment Insurance		-	-	-	-	-	-	-		-
Sub Total - Councillors		5 424	6 055	6 055	451	3 153	3 408	(254)	-7%	6 043
% increase	4		11.6%	11.6%						11.4%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 377	4 826	4 845	249	1 828	1 206	621	52%	3 501
Pension and UIF Contributions		580	811	811	13	100	203	(103)	-51%	774
Medical Aid Contributions		118	139	139	10	68	35	33	95%	133
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		434	464	464				-		443
Motor Vehicle Allowance		480	673	673	26	194	168	25	15%	400
Cellphone Allowance		89	112	112	5	38	28	10	34%	80
Housing Allowances		10	-	-				-		
Other benefits and allowances		52	57	57			14	(14)	-100%	55
Payments in lieu of leave		-	107	107	-			-		102
Long service awards		-	-	-	-			-		
Post-retirement benefit obligations	2	-	-	-	-			-		
Sub Total - Senior Managers of Municipality		6 140	7 188	7 208	302	2 227	1 654	572	35%	5 488
% increase	4		17.1%	17.4%						-10.6%
Other Municipal Staff										
Basic Salaries and Wages		24 337	33 829	33 829	2 292	16 644	19 298	(2 654)	-14%	27 937
Pension and UIF Contributions		3 858	5 480	5 480	402	2 774	2 994	(220)	-7%	4 927
Medical Aid Contributions		1 272	1 674	1 674	108	708	942	(234)	-25%	1 509
Overtime		72	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		2 109	3 112	3 112	246	1 528	1 647	(119)	-7%	2 812
Cellphone Allowance		94	108	130	8	58	63	(5)	-8%	94
Housing Allowances		196	221	221	22	148	129	19	15%	200
Other benefits and allowances		1 038	1 081	1 081	63	455	616	(161)	-26%	1 058
Payments in lieu of leave		1 404	753	753	-	-	-	-		860
Long service awards		131	193	193	-	31	31	-		235
Post-retirement benefit obligations	2	360	748	748	76	492	436	56	13%	550
Sub Total - Other Municipal Staff		34 872	47 199	47 221	3 217	22 839	26 156	(3 317)	-13%	40 181
% increase	4		35.3%	35.4%						15.2%
Total Parent Municipality		46 436	60 443	60 484	3 971	28 219	31 218	(2 999)	-10%	51 713

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace (finance department) for the month of January 2015 averages 69%. The reason for the deviations is mainly due to, annual leave, special annual and family responsibility.

Attendance trends are summarized as follows:

		Senior Management	Middle Management	Supervisory	Clerical
Number of Members		1	3	6	10
Leave		1	16	13	24
Over time		0	0	0	0
Sick Leave		0	9	6	0
Courses / Seminar		4	0	5	1
Meetings		0	0	1	0
Study leave		0	0	0	0
Maternity Leave		0	0	0	0
Family Responsibility		0	5	0	6
Union Meetings		0	0	0	0
Absent		0	0	0	0
Special Leave		2	6	12	20
No. of Workdays Attended		13	27	89	159
Total Workdays		20	63	126	210
Percentage attendance per Group		65%	43%	71%	76%
Average		69%			

Personnel Development:

Two finance officials attended the CPMD training programme during the month of January 2015.

INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five Finance Internship posts and three are filled and two are still vacant. The aim of the programme is to capacitate Finance Graduates to eventually be able to fill CFO and other financial posts in municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the MFMP programme.

Two Finance Interns were registered and have completed the Municipal Finance Management Programme with Deloitte and the other two will be registered in the current financial year. They are also receiving on-the-job training.

Please refer to next page

Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts

Description	Ref	Budget Year 2014/15												2013/14 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		-	-	-	-	-	-	-	-	-	-	-	-			
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - refuse		-	-	-	-	-	-	-	-	-	-	-	-			
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-			
Rental of facilities and equipment		-	-	-	-	-	260	258	-	-	-	-	-	53	56	58
Interest earned - external investments		610	397	728	592	425	541	529	-	-	-	-	-	5 673	4 907	5 103
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-			
Fines		-	-	-	-	-	-	-	-	-	-	-	-			
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-			
Agency services		-	-	-	-	-	-	-	-	-	-	-	-			
Transfer receipts - operating		39 815	1 348	-	1 380	32 617	-	12	-	-	-	-	-	101 083	108 725	115 778
Other revenue		334	67	642	480	182	(18)	(18)	-	-	-	-	-	92	80	80
Cash Receipts by Source		40 759	1 812	1 370	2 452	33 225	782	782	-	-	-	-	-	106 901	113 767	121 019
Other Cash Flows by Source																
Transfer receipts - capital		-	-	-	-	-	-	-	-	-	-	-	-			
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-			
Proceeds on disposal of PPE		-	-	-	10	-	-	-	-	-	-	-	-	57	60	62
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-			
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-			
Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-			
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-			
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-			
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-			
Total Cash Receipts by Source		40 759	1 812	1 370	2 462	33 225	782	782	-	-	-	-	-	106 958	113 827	121 081
Cash Payments by Type																
Employee related costs		3 512	3 827	3 630	3 722	5 671	3 047	4 341	-	-	-	-	-	51 668	55 090	57 884
Remuneration of councillors		439	481	443	451	442	446	451	-	-	-	-	-	5 874	6 145	6 431
Interest paid		-	-	-	-	-	552	-	-	-	-	-	-	1 569	1 129	1 129
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-			
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-			
Other materials		227	587	151	351	149	110	89	-	-	-	-	-	4 196	4 406	4 583
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-			
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		3 849	962	1 731	1 193	5 627	2 512	1 522	-	-	-	-	-	38 676	30 795	30 053
General expenses		1 455	917	1 766	1 655	1 311	1 301	1 451	-	-	-	-	-	13 203	13 895	14 444
Cash Payments by Type		9 483	6 774	7 721	7 371	13 200	7 968	7 855	-	-	-	-	-	115 186	111 460	114 525
Other Cash Flows/Payments by Type																
Capital assets		306	9	23	-	279	573	22	-	-	-	-	-	4 539	749	950
Repayment of borrowing		-	-	-	-	-	778	-	-	-	-	-	-	1 606	1 785	1 980
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-			
Total Cash Payments by Type		9 789	6 782	7 744	7 371	13 478	9 319	7 876	-	-	-	-	-	121 331	113 994	117 455
NET INCREASE/(DECREASE) IN CASH HELD		30 970	(4 971)	(6 374)	(4 909)	19 746	(8 537)	(7 094)	-	-	-	-	-	(14 373)	(167)	3 626
Cash/cash equivalents at the month/year beginning:		87 934	118 904	113 933	107 560	103 339	122 377	113 840	-	-	-	-	-	97 333	82 960	82 793
Cash/cash equivalents at the month/year end:		118 904	113 933	107 560	106 746	123 085	113 840	106 746	-	-	-	-	-	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								%	
Monthly expenditure performance trend									
July	13		-	-	-	-	-		0%
August	34	198	-	28	28	198	170	86.1%	1%
September	305	238	-	43	71	2 293	2 223	96.9%	1%
October	154	361	-	-	-	-	-		0%
November	60		-	244	315	797	482	60.5%	6%
December	72		-	573	888	797	797	100.0%	17%
January	600	1 496	-	31	919	2 293	1 374	59.9%	17%
February	247	187					-		
March	103	15					-		
April	16	2 746					-		
May	138						-		
June	523	99					-		
Total Capital expenditure	2 265	5 340	-	919					

Please refer to next page

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

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-		-
Community		-	-	-	-	-	-	-		-
Parks & gardens								-		
Sportsfields & stadia								-		
Swimming pools								-		
Community halls								-		
Libraries								-		
Recreational facilities								-		
Fire, safety & emergency								-		
Security and policing								-		
Buses								-		
Clinics								-		
Museums & Art Galleries								-		
Cemeteries								-		
Social rental housing								-		
Other								-		
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other		-						-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other					-	-		-		
Other assets		1 029	3 754	-	31	69	615	546	88.8%	3 606
General vehicles		487	2 700	-	-	-		-		2 579
Specialised vehicles		-	-	-	-	-		-		
Plant & equipment		-	28	-	10	15	16	1	6.9%	27
Computers - hardware/equipment		96	858	-	13	41	500	459	91.8%	840
Furniture and other office equipment		38	100	-	8	13	59	46	78.6%	96
Abattoirs		-	-	-	-	-		-		
Markets		-	-	-	-	-		-		
Civic Land and Buildings		-	-	-	-	-		-		
Other Buildings		409	68	-	-	-	40	40	100.0%	65
Other Land		-	-	-	-	-		-		
Surplus Assets - (Investment or Inventory)			-	-				-		
Other - Emergency Equipment			-	-				-		
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
Intangibles		-	-	-	-	-	-	-		-
Computers - software & programming		-	-	-	-	-		-		
Other								-		
Total Capital Expenditure on new assets	1	1 029	3 754	-	31	69	615	546	88.8%	3 606

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

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-		-
Community		-	-	-	-	-	-	-		-
Parks & gardens								-		
Sportsfields & stadia								-		
Swimming pools								-		
Community halls								-		
Libraries								-		
Recreational facilities								-		
Fire, safety & emergency								-		
Security and policing								-		
Buses								-		
Clinics								-		
Museums & Art Galleries								-		
Cemeteries								-		
Social rental housing								-		
Other								-		
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		1 236	1 586	-	-	850	429	(421)	-98.3%	1 527
General vehicles		602	1 160	-	-	718	180	(538)	-298.0%	1 144
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	21	-	-	18	12	(6)	-47.8%	20
Computers - hardware/equipment		406	235	-	-	14	137	123	90.1%	211
Furniture and other office equipment		58	36	-	-	1	21	20	95.8%	30
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		170	133	-	-	99	78	(22)	-27.9%	122
Other Land		-	-	-	-	-	-	-		
Surplus Assets - (Investment or Inventory)								-		
Other		-	-	-	-	-	-	-		
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		-	-	-	-	-	-	-		-
Computers - software & programming			-	-				-		
Other								-		
Total Capital Expenditure on renewal of existing ass	1	1 236	1 586	-	-	850	429	(421)	-98.3%	1 527

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

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-		-
Community		-	-	-	-	-	-	-		-
Parks & gardens								-		
Sportsfields & stadia								-		
Swimming pools								-		
Community halls								-		
Libraries								-		
Recreational facilities								-		
Fire, safety & emergency								-		
Security and policing								-		
Buses								-		
Clinics								-		
Museums & Art Galleries								-		
Cemeteries								-		
Social rental housing								-		
Other								-		
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		1 459	2 769	-	69	668	1 561	893	57.2%	2 645
General vehicles		245	477	-	15	151	278	127	45.6%	456
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		5	53	-	2	2	31	29	93.2%	51
Computers - hardware/equipment		634	883	-	44	326	661	335	50.7%	844
Furniture and other office equipment		90	132	-	-	3	77	73	95.5%	126
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		442	584	-	8	148	341	193	56.6%	558
Other Buildings			-	-	-	-	-	-		
Other Land			-	-	-	7		(7)	#DIV/0!	
Surplus Assets - (Investment or Inventory)			-	-	-	-	-	-		
Other - Emergency Equipment		42	640	-	1	30	173	143	82.8%	611
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		1 744	1 814	-	31	700	828	128	15.5%	1 733
Computers - software & programming		1 744	1 814		31	700	828	128	15.5%	1 733
Other								-		
Total Repairs and Maintenance Expenditure		3 202	4 583	-	100	1 368	2 390	1 021	42.7%	4 377

Table SC13d Monthly Budget Statement - depreciation by asset class

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-		-
Community		3 900	200	-	406	2 690	406	(2 284)	-562.2%	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	-	406	2 690	406	(2 284)	-562.2%	191
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		160	4 930	-	-	1 410	1 410	-		4 708
General vehicles		-	700	-	-	-	-	-		669
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		160	500	-	-	167	167	-		478
Computers - hardware/equipment		-	900	-	-	300	300	-		860
Furniture and other office equipment		-	980	-	-	327	327	-		936
Abattoirs								-		
Markets								-		
Civic Land and Buildings								-		
Other Buildings		-	1 700	-	-	567	567	-		1 624
Other Land		-			-	-		-		
Surplus Assets - (Investment or Inventory)					-			-		
Other		-	150	-	-	50	50	-		143
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		141	250	-	-	83	83	-		239
Computers - software & programming		141	250	-	-	83	83	-		239
Other								-		
Total Repairs and Maintenance Expenditure		4 200	5 380	-	406	4 183	1 900	(2 284)	-120.2%	5 138
Specialised vehicles		-	-	-	-	-	-	-		-
Refuse								-		
Fire								-		
Conservancy								-		
Ambulances								-		

ASSET AND RISK MANAGEMENT**Insurance:**

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

Asset Inventory:

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

Information Backup:

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

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

Motor Vehicle Operating Cost:

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

VEHICLE OPERATING COST	YTD ACTUAL	BUDGET	VARIANCE	VAR %
Depreciation: Motor Vehicle	-	700 000	700 000	100.00%
Insurance	87 747	120 000	32 253	26.88%
MV Administration Levy	8 801	25 000	16 199	64.80%
Fuel	252 747	657 500	404 753	61.56%
License	8 820	13 200	4 380	33.18%
Repairs and Maintenance	38 591	95 600	57 009	59.63%
Tyres	30 726	97 000	66 274	68.32%
TOTAL	427 432.06	1 708 300	1 280 868	74.98%

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 January 2015 is as follows:

Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Previous Km Reading	Current Km Reading	December Utility
Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	120 000	2015/09/30	116 531	116 858	327
Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	60 000	2015/09/30	58 943	59 300	357
Chevrolet Captiva	Pool	2011	CDM 296 NC	75 000	2015/09/30	61 668	63 897	2 229
Toyota Corolla	Pool	2009	BZP 439 NC	135 000	2015/09/30	132 608	133 681	1 073
Toyota Corolla	Pool	2009	BZP 440 NC	135 000	2015/09/30	127 361	128 192	831
Chevrolet Trailblazer	Pool	2013	CGR 575 NC	30 000	2015/12/31	17 391	17 431	40
Isuzu KB 250	Housing	2013	CGR 572 NC	60 000	2015/12/31	47 068	48 180	1 112
Isuzu KB 250	Housing	2013	CGR 576 NC	45 000	2015/12/31	36 863	38 736	1 873
Hyundai H1	Tourism Centre	2013	CGY 587 NC	30 000	2015/02/28	21 711	23 491	1 780
Isuzu 2.4	Housing	2009	CBD 761 NC	135 000	2015/02/28	120 874	121 610	736
Nissan LDV	Community Development	2006	BVC 831 NC	150 000	2015/07/31	141 914	142 073	159
Ford Bantam	Finance	2004	BRD 836 NC	105 000	2016/01/31	91 516	91 800	284
Isuzu KB 250	Disaster Management	2010	CBY 895 NC	45 000	2015/09/30	37 658	37 758	100
Isuzu KB 250	Disaster Management	2010	CBY 898 NC	45 000	2015/09/30	38 165	38 921	756
Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	10 000	2016/01/31	7 344	7 422	78
Toyota Land Cruiser	Disaster Management	2014	CKW 835 NC	10 000	2015/11/30	57	312	255
Isuzu D/Cab	Pool	2013	CGR 974 NC	45 000	2015/12/31	39 351	41 166	1 815
Isuzu Kb 250 D-Teq	Pool	2014	CKR 822 NC	15 000	2015/10/31	28	28	-
Audi Q7	Council	2013	FBDM 1 NC	90 000	2015/09/30	83 712	86 125	2 413
Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2015/06/30	2 001	2 001	-
Toyota Etios	Pool	2014	CJG 979 NC	20 000	2015/12/31	17 029	18 377	1 348
Nissan NP 200	Environmental Health	2014	CJJ 262 NC	15 000	2015/12/31	13 656	13 932	276
Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	15 000	2015/12/31	5 501	5 576	75
Nissan NP 200	Environmental Health	2014	CJJ 258 NC	15 000	2015/12/31	9 344	9 682	338
UTILITY JANUARY 2015 FULL FLEET								
								18 255

Disposal of Vehicles:

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

Motor Vehicle Damage Report:

For the month of January there were no damages reported.

2.14 Quality Certificate

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

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

for the month of January 2015 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

12 March 2015