

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

30 JUNE 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.

According to 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 municipality received an **Unqualified Audit Opinion** for the 2013/14 financial year with no matter of emphasis. This is the second time in five years that the municipality receives an unqualified audit opinion with no matters.

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:

The municipality assisted Magareng Local Municipality with their valuation roll. The last invoice for Magareng's valuation roll will be paid in July 2015 after all the objections are finalized.

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 June 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 R109, 279 million as compared to the full year approved budget of R107, 992 million. The source of revenue that is below the year to date budget is disposal of PPE.

Operating expenditure by type

To date, R102, 166 million has been spent compared to the operational year-to-date budget projections of R133, 832 million. The main areas where expenditure is less than the year to date budget is employee related costs, repairs & maintenance, transfers and grants paid as well as other general expenses.

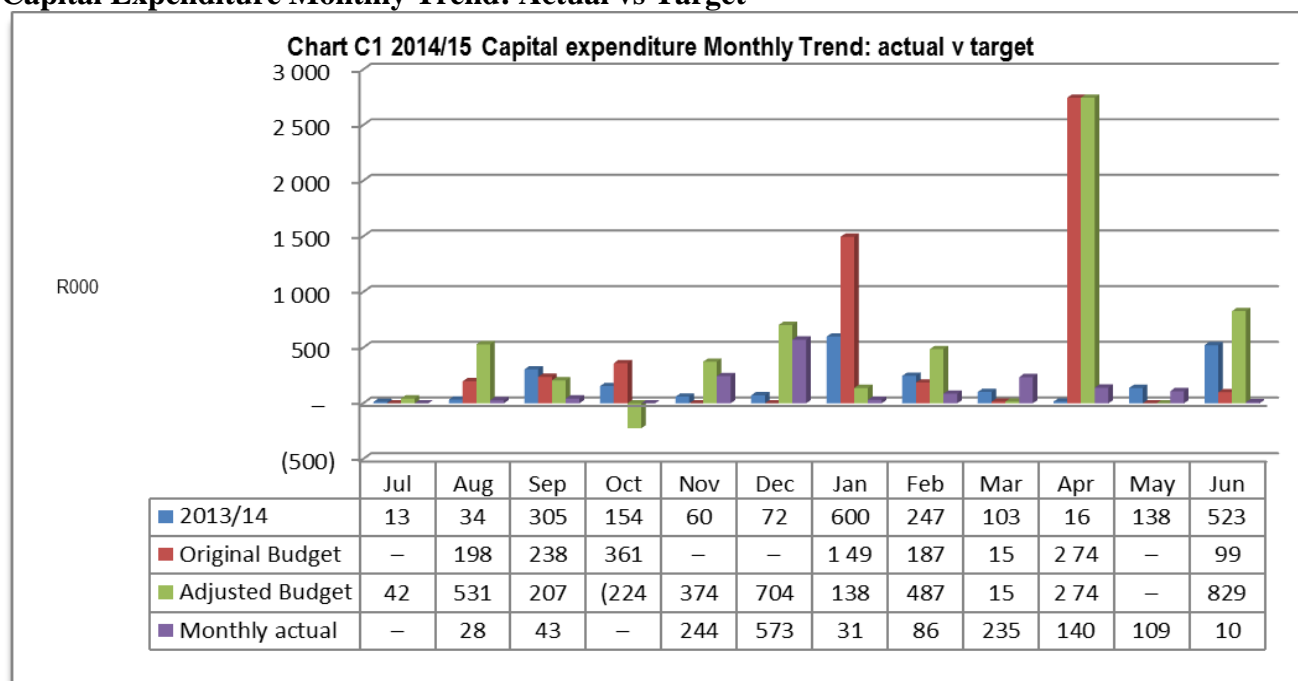
Refer to Annexure A, Table SC1 for further explanation for material variances on both revenue by source and expenditure by type. The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and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

Capital Expenditure

Year-to-date expenditure on capital amounts to R1, 500 million as compared to the adjusted capital budget of R3, 332 million. The R2, 7 million for purchase of a firefighting truck will not be utilized and a provision has been made for the capital expenditure in the 2015/2016 budget. The transfer of office equipment to the value of R334, 000.00 from the Department of Tourism did not take place.

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

Capital Expenditure Monthly Trend: Actual vs Target



Cash Flows

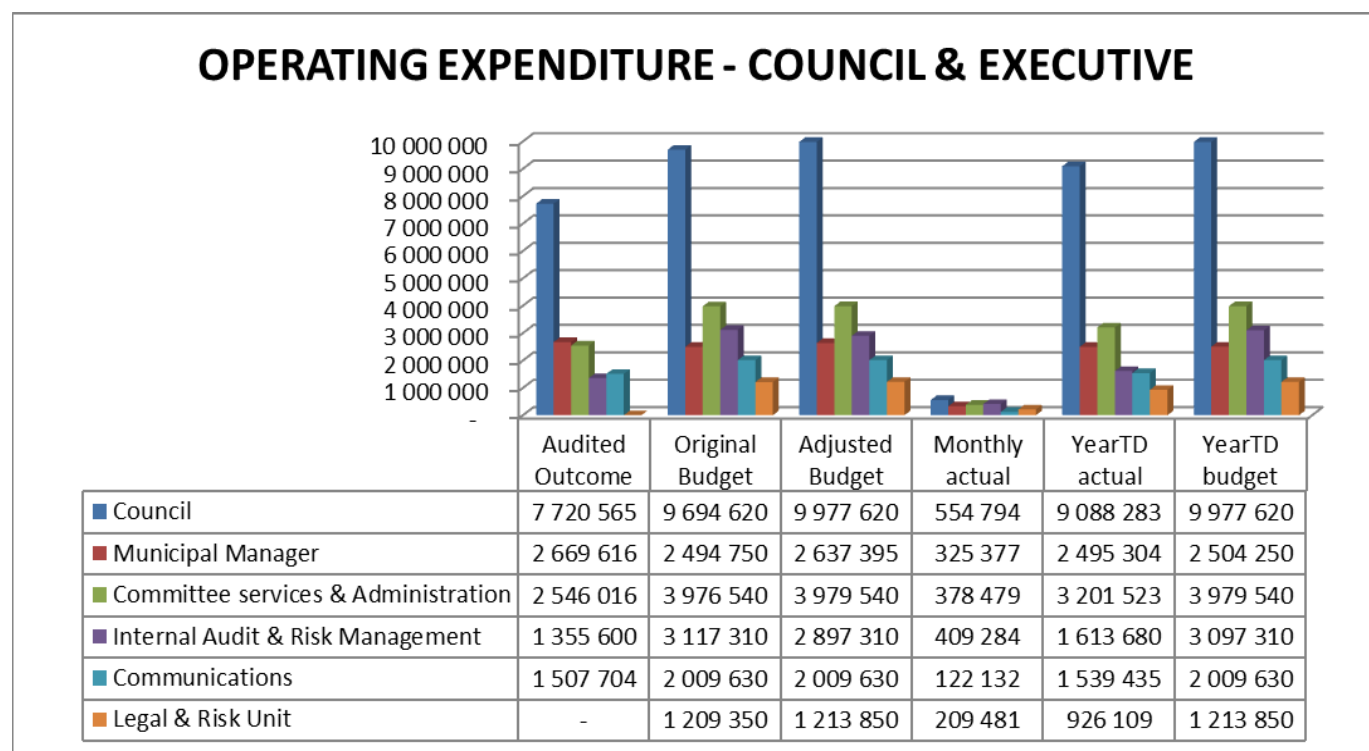
The Municipality started the year with a total cash and cash equivalents of R87, 934 million. The year-to date cash and cash equivalents amounted to R88, 333million. The net increase in cash and cash equivalent for the year to date is R0, 398 million.

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:

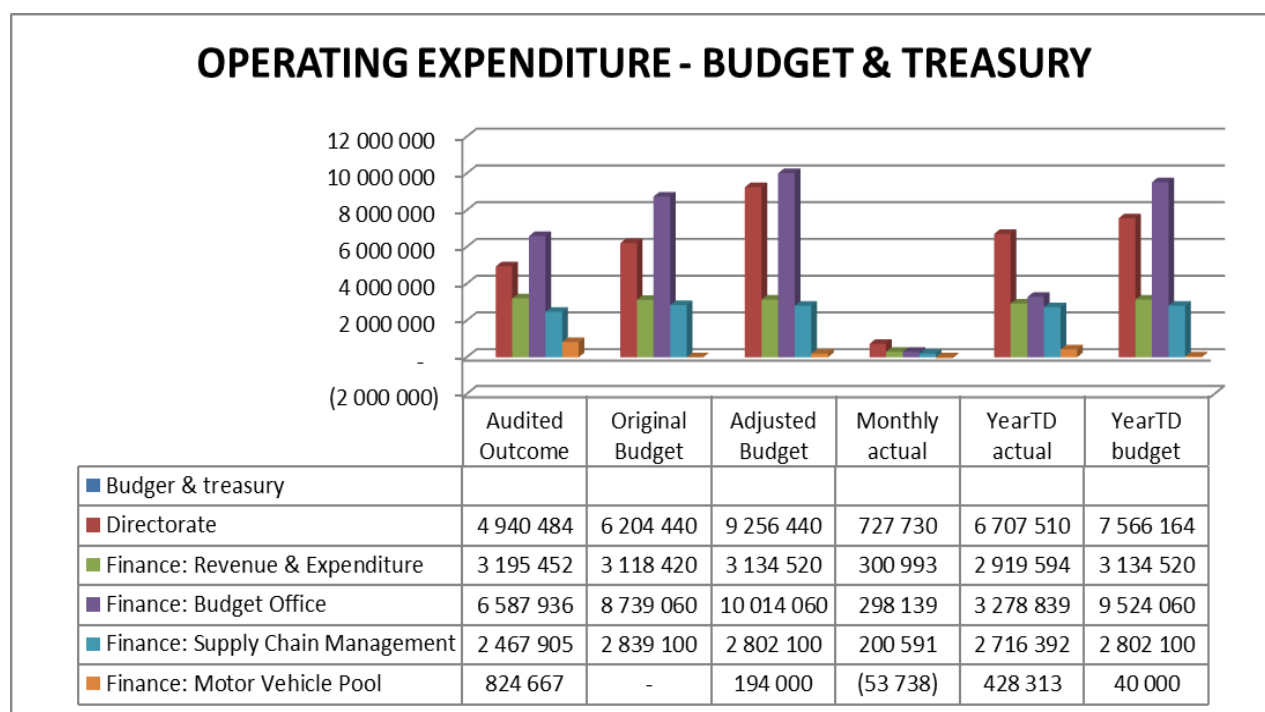


Actual operating expenditure of Council & Executive is R18, 864 334 as compared to the year-to-date budget R22, 782 200. The main areas where expenditure is less than YTD budgets are: employee related costs, consultancy, repairs and maintenance, legal services, special projects and general expenses.

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>				
District AID Council	49 610	100 000	49.61%	The project is needs driven.
Commorative Days	20 372	86 000	23.69%	The project is needs driven.
Mayoral Bursary Fund	41 000	200 000	20.50%	The project is needs driven.
Total	110 982	386 000	28.75%	
<u>OFFICE OF THE MUNICIPAL MANAGER</u>				
14/15: NAT Mun Managers Forum	9 172	113 145	8.11%	The project is needs driven.
Total	9 172	113 145	8.11%	
<u>COMMITTEE & ADMINISTRATION SERVICES</u>				
Youth Unit Special Projects	111 132	200 000	55.57%	The project is needs driven.
Total	111 132	200 000	55.57%	
<u>INTERNAL AUDIT</u>				
Fraud Prevention Plan	84 000	130 000	64.62%	Project completed (saving).
Total	84 000	130 000	64.62%	
<u>COMMUNICATIONS</u>				
Branding Communication	7 546	10 000	75.46%	Project completed (saving).
PAIA Management Communication	-	5 000	0.00%	Training has been postponed. Saving
Total	7 546	15 000	50.31%	

The year to date actual spending on special projects for Council & Executive amounted to R322, 832.



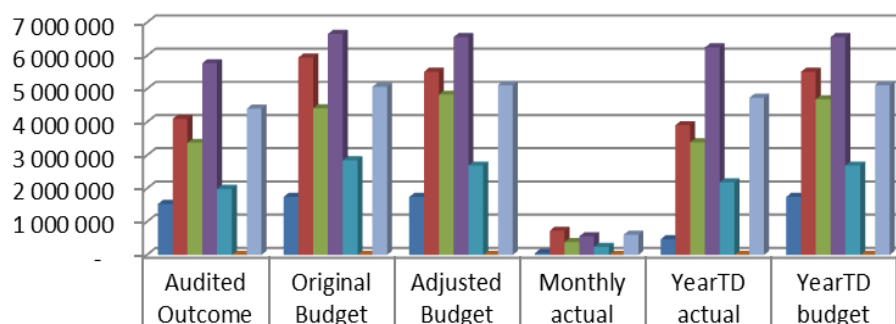
The actual operating expenditure of Budget & Treasury office is R16, 050 648 as compared to the year-to-date projected budget of R23, 066 844. The actual operating expenditure is in line with the year-to-date projected budget.

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

FINANCE: DIRECTORATE				
	YTD Actual	Budget	% Spending	Remarks
Operation Clean Audit	22 700	540 000	4.20%	Spending per request from local municipalities.
AFS Quality Control & GRAP	99 418	160 000	62.14%	Project completed (saving).
Staff Benefits Actuarial Evaluation	21 819	50 000	43.64%	Project completed (saving).
Financial System Support Local Municipalities	160 000	300 000	53.33%	Spending per request from local municipalities.
Support Magareng Local Municipality	2 424 483	2 800 000	86.59%	The last invoice for Magareng valuation roll will be paid in July 2015 after all the objections are finalized.
Total	2 728 420	3 850 000	70.87%	

The year to date actual spending on special projects for the Department of Finance amounted to R2, 728 420.

OPERATING EXPENDITURE - CORPORATE SERVICES



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Director: Administration	1 536 968	1 746 270	1 746 270	56 138	471 511	1 746 270
Information Systems	4 098 880	5 946 620	5 517 375	728 640	3 907 573	5 517 375
Human Resource Management	3 376 659	4 416 690	4 826 690	385 665	3 392 389	4 686 690
Office support Services	5 775 498	6 656 610	6 561 110	559 846	6 250 402	6 561 110
Environmental Health	1 990 610	2 850 950	2 691 550	243 757	2 181 660	2 691 550
Community Development	-	-	-	-	-	-
Firefighting & Disaster Management	4 404 505	5 059 720	5 113 720	609 687	4 733 056	5 113 720

Actual operating expenditure of Corporate Services is R20, 936 591 as compared to the year-to-date projected budget of R26, 316 715. The main areas where expenditure is less than the year to date projected budgets are the employee related costs and general expenses.

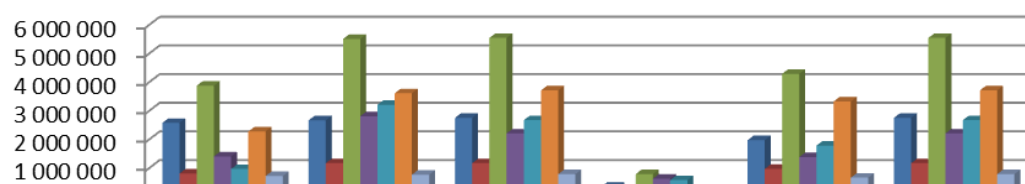
Consolidated performance of year-to-date expenditure on special projects against full year budget (Corporate Services)

CORPORATE SERVICES				
	YTD Actual	Budget	% Spending	Remarks
INFORMATION COMMUNICATION & TECHNOLOGY				
ICT Forum Meetings	866	10 000	8.66%	Project completed (saving). The budget was mainly for refreshments,
Total	866	10 000	8.66%	
HUMAN RESOURCE MANAGEMENT				
Employee Assistance Programme	15 627	100 000	15.63%	Spending as per needs of the officials.
Employee Wellness	456 324	470 000	97.09%	Spending as per needs of the officials.
Total	471 951	570 000	82.80%	

	YTD Actual	Budget	% Spending	Remarks
<i>ENVIRONMENTAL HEALTH</i>				
Awareness Programme - HIV, TB & STI	9 008	24 000	37.53%	Project completed (saving).
Awareness Programme - Sanitation	12 441	24 000	51.84%	Project completed (saving).
Recycling Project	-	20 000	0.00%	The project will not materialize, due to the municipality not continuing to pay the allocation to the project anymore.
Air Quality Projects	3 349	20 000	16.75%	Project completed (saving).
Environmental Health Forum	9 062	20 000	45.31%	Project completed (saving).
Greening Projects	8 354	10 000	83.54%	Project completed (saving).
Waste Management Campaigns	10 391	20 000	51.95%	Project completed (saving).
Sector 78 Assessment	44 804	450 000	9.96%	Awaiting for the service provider to complete the final report, to pay the invoice by 31 July 2015.
Total	97 409	588 000	16.57%	
<i>FIRE FIGHTING AND DISASTER MANAGEMENT</i>				
Fire Fighting - Volunteers Training	52 577	75 000	70.10%	Project completed (saving).
Fire Fighting - Volunteers Stipend	8 400	63 400	13.25%	Project completed (saving).
Fire Fighting - Volunteers Ins	-	11 000	0.00%	The funds will not be utilised, as the funds are budgeted for under the council budget (vote).
Contingency Fund	309 716	360 000	86.03%	On a needs basis per local municipalities.
Disaster Management Forum	2 076	8 000	25.95%	The last quarterly meeting was held during the month of June 2015. Only three quarterly meetings sat and catering is as per confirmed attendance
Awareness Programmes	9 808	18 000	54.49%	Project completed (saving).
Total	382 578	535 400	71.46%	

The year to date actual spending on special projects for Corporate Services amounted to R1, 703 400.

OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Directorate: Planning	2 572 906	2 663 530	2 749 780	342 708	1 970 930	2 749 780
PMS Management	804 844	1 167 970	1 167 970	108 191	968 067	1 167 970
LED	3 871 424	5 502 550	5 537 550	785 725	4 282 928	5 537 550
GIS	1 403 771	2 805 970	2 205 970	626 161	1 381 651	2 205 970
Spatial Planning	965 620	3 205 440	2 667 876	576 649	1 781 365	2 667 876
Tourism	2 275 108	3 607 400	3 708 400	246 556	3 320 750	3 709 400
IDP Management	718 064	766 120	786 120	60 677	661 493	786 120

Actual operating expenditure of Planning & Development is R14, 367 182 as compared to the year-to-date projected budget of R18, 824 666. The main areas where expenditure is less than YTD budgets are the employee related costs, depreciation, repairs & maintenance, consultancy, special projects, and general expenses.

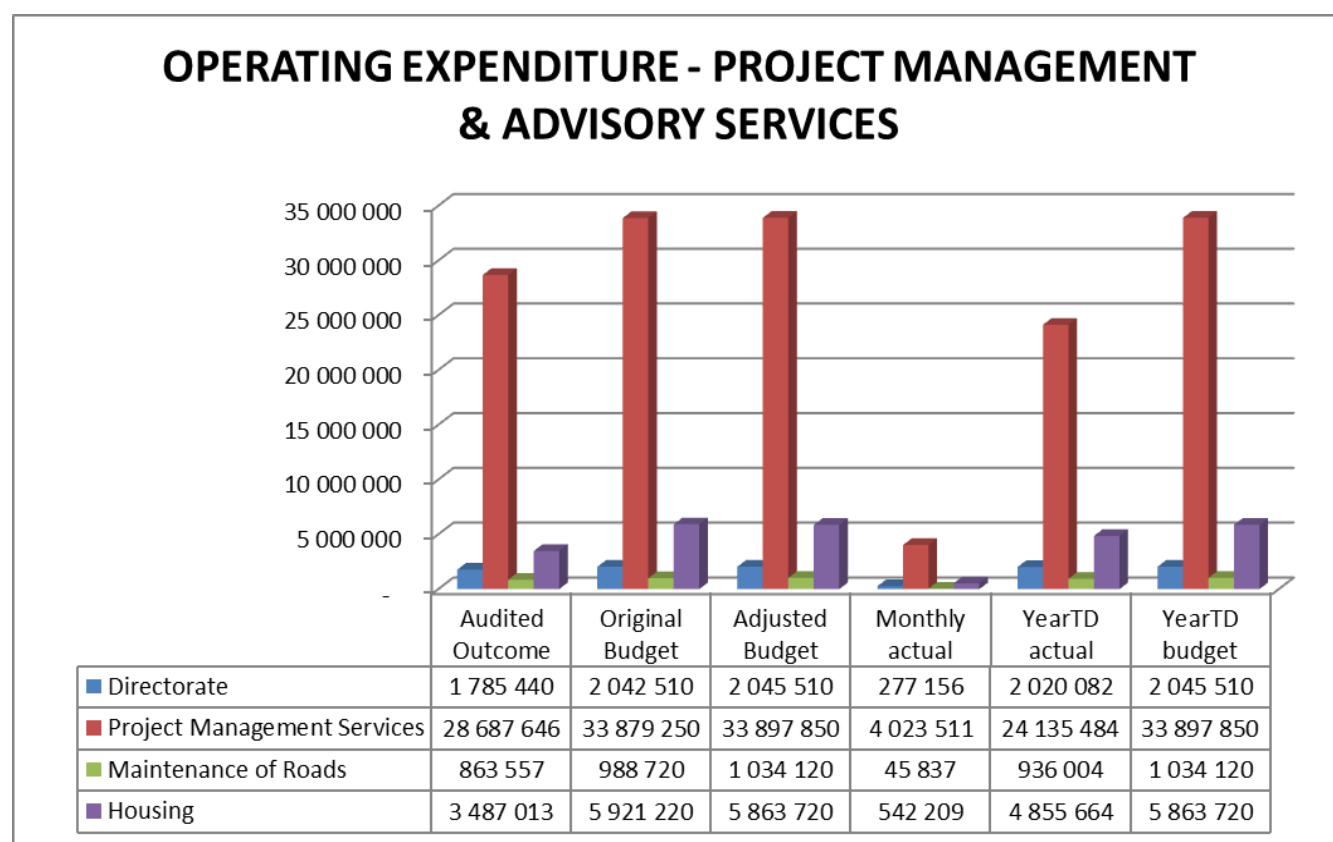
Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

PLANNING & DEVELOPMENT				
	YTD Actual	Budget	% Spending	Remarks
<i>PLANNING & DEVELOPMENT DIRECTORATE</i>				
MSIG 14/15: Review Mun Polices (FBDM)	202 500	300 000	67.50%	The final invoice will be paid in July 2015 after the workshop of councillors.
MSIG 14/15: Review FBDM Int Fin Man Plan	-	300 000	0.00%	The funds have been moved to the Rezoning Scheme.
MSIG 14/15: Review Tourism Strategy	113 253	334 000	33.91%	Project on schedule as planned, the final invoice to be paid by 31 July 2015.
14/15 Institutional Plan	86 250	86 250	100.00%	Project completed
Total	402 003	1 020 250	39.40%	

	YTD Actual	Budget	% Spending	Remarks
<u>LED</u>				
14/15: LED SMME Development	274 340	411 000	66.75%	Project completed, awaiting for the last payment.
14/15: LED Richie Incubation Centre	224 150	260 640	86.00%	Project completed.
14/15: LED Promotion of SMME'S	333 546	333 600	99.98%	Project completed.
14/15: LED Coordinate Structures & Forum	27 646	50 000	55.29%	Project completed.
10/11: LED Vegetable Plant - Phokwane	35 850	50 000	71.70%	Project completed.
10/11: LED Entrepreneurship Programme	294 962	336 050	87.77%	Project completed.
10/11: LED Bokomoto Project -Dikgatlong	188 749	250 000	75.50%	Project completed, awaiting for the last payment in July 2015.
14/15: LED Expo	630 051	639 000	98.60%	Project completed.
14/15: KBY Hub	-	120 000	0.00%	Project completed.
11/12: LED Develop Incentive Policies	1 344	30 000	4.48%	Project completed.
11/12: LED Coordinate Structure & Institutional	107	-		
Total	2 010 744	2 480 290	81.07%	
	YTD Actual	Budget	% Spending	Remarks
<u>GIS</u>				
Financial Data Cleansing	525 947	1 000 000	52.59%	The project is ongoing, waiting for the last invoice to be paid in July 2015.
Total	525 947	1 000 000	52.59%	
<u>SPATIAL PLANNING</u>				
Surveying Of Erven Dikgatlong	-	397 000	0.00%	The project has been rolled over to 2015/16 financial year.
Spatial Development Framework - Magareng	30 916	30 916	100.00%	Project completed.
Zoning Scheme - Magareng	296 450	316 800	93.58%	Project completed.
EIA - Dikgatlong	32 105	36 600	87.72%	Project completed (saving).
Total	359 471	781 316	46.01%	
	YTD Actual	Budget	% Spending	Remarks
<u>TOURISM</u>				
Diamonds & Dorings Support	432 017	550 000	78.55%	Project completed (saving).
Tourism Contribution: Neta Support	135 000	135 000	100.00%	Project completed.
Tourism N12 Promotion	50 000	50 000	100.00%	Project completed.
Tourism Treasure Route Support	-	40 000	0.00%	Participation cancelled (saving), Council resolution.
Tourism Business plan Competition	527 670	615 000	85.80%	Project completed.
Indaba Trade Expo	319 121	366 930	86.97%	Project completed.
Tourism Advertising & Promotion	156 600	172 500	90.78%	Project completed.
Tourism Association	16 545	17 000	97.32%	Project completed.
Exhibition	22 960	23 390	98.16%	Project completed (saving).
Tourguide Business Esteb Training	210 622	232 710	90.51%	In progress, awaiting for the last claim to be paid in July 2015.
Community Awareness Campaigns	128 500	168 000	76.49%	Project completed.
Total	1 999 035	2 370 530	84.33%	

	YTD Actual	Budget	% Spending	Remarks
IDP MANAGEMENT				
IDP Steering Committee Meeting	3 035	7 600	39.94%	Project completed (saving)
IDP Projects	-	45 170	0.00%	In progress, awaiting for the last invoice to be paid in July 2015.
Total	3 035	52 770	5.75%	

The actual spending on special projects for Planning & Development amounted to R5, 300 235 for the month.



Actual operating expenditure of Project Management & Advisory Services is R31, 947 233 as compared to the year-to-date projected budget of R42, 841 200.

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

<u>INFRASTRUCTURE SERVICE</u>				
	YTD Actual	Budget	% Spending	Remarks
<u>INFRASTRUCTURE SERVICE DIRECTORATE</u>				
District Technical Forum Meetings	7 001	9 000	77.79%	Project completed (saving)
Total	7 001	9 000	77.79%	
<u>PROJECT & ADVISORY SERVICES</u>				
Phokwane - Maintenance Municipal Infrastructure.	2 494 104	2 500 000	99.76%	Project completed
Magareng - Maintenance Municipal Infrastructure	2 500 210	2 500 000	100.01%	Project completed
Sol Plaatje - Maintenance Municipal Infrastructure	1 965 000	1 965 000	100.00%	Project completed
Dikgatlong - Waste Water Operating Room	25 600	480 000	5.33%	Project completed, last claim to be paid in July 2015.
Phokwane - Replace Sewer Gravity Line	1 110 570	1 300 000	85.43%	Project completed, In retention
Phokwane - Resealing Of Reservoir	-	800 000	0.00%	In progress, awaiting for the last claim to be paid in July 2015.
Phokwane - Upgrade Chlorination System	359 039	500 000	71.81%	In progress, awaiting for the last claim to be paid in July 2015.
Phokwane - Road Infrastructure & Maintenance Plan	-	1 200 000	0.00%	In progress, roll over (R800 000) requested for the 2015/16 financial year.
Phokwane - Water & Sanitation Maintenance Plan	-	400 000	0.00%	In progress
Phokwane - Resealing Sewer Storage Dam	-	800 000	0.00%	Awaiting for the last claim to be paid in July 2015. A roll over of (R200 000) was requested.
Magareng - Water network. 558 Sites	5 000 000	5 000 000	100.00%	Project completed.
Dikgatlong - Procure TLB	800 000	800 000	100.00%	Delivered, savings
Dikgatlong - Sanitation Truck	846 939	1 000 000	84.69%	Delivered, savings
Dikgatlong - Electricity Master Plan	460 070	1 000 000	46.01%	In progress, and an amount of R230 000 has been rolled over as requested.
Dikgatlong - Purchase Cherry Picker	746 638	800 000	93.33%	Delivered, savings
Dikgatlong - Electricity Infrastructure Upgrade	897 897	900 000	99.77%	Project completed
Dikgatlong - Process Controller	405 921	500 000	81.18%	Project completed, last claim to be paid in July 2015.
Sol Plaatje - Water Reticulation	-	5 000 000	0.00%	The project is in progress, and the last claim to be paid in July 2015.
Sol Plaatje - Maintenance Municipal Infrastructure	535 000	535 000	100.00%	Project completed
Dikgatlong - Maintenance Municipal Infrastructure	2 118 487	2 500 000	84.74%	In progress, awaiting for the last claim to be paid in July 2015.
Total	20 265 475	30 480 000	66.49%	
<u>HOUSING</u>				
Special Project: Women's Month	-	16 000	0.00%	The submission was not approved by COGHSTA, project cancelled.
Housing Consumer Education	18 589	40 000	46.47%	Project completed
Housing Field Workers	48 203	48 000	100.42%	Project completed
Housing Steering Committee Meeting	15 371	20 000	76.85%	Project completed
Total	82 163	124 000	66.26%	

The actual spending on special projects for Project Management & Advisory Services amounted to R20, 354 639 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	1 314	6 673	5 673	1 000	18%	6 008
Transfers recognised - operational	95 053	101 083	102 798	1 154	101 439	102 898	(1 459)	-1%	102 347
Other own revenue	1 208	1 236	1 336	(28)	1 168	1 236	(68)	-6%	1 554
Total Revenue (excluding capital transfers and contributions)	102 102	107 992	109 807	2 441	109 279	109 807	(528)	-0%	109 909
Employee costs	41 012	54 388	54 410	6 070	46 996	54 407	(7 410)	-14%	50 343
Remuneration of Councillors	5 424	6 055	6 055	470	5 691	6 055	(364)	-6%	5 691
Depreciation & asset impairment	4 050	5 380	5 380	–	4 149	5 380	(1 231)	-23%	7 045
Finance charges	2 300	2 854	3 344	501	1 052	2 854	(1 801)	-63%	2 854
Materials and bulk purchases	3 376	5 245	4 874	528	3 037	5 325	(2 289)	-43%	3 255
Transfers and grants	33 666	42 973	44 716	5 495	29 659	41 803	(12 144)	-29%	41 421
Other expenditure	12 581	15 736	17 460	629	11 583	18 008	(6 426)	-36%	14 771
Total Expenditure	102 411	132 631	136 238	13 693	102 166	133 832	(31 665)	-24%	125 379
Surplus/(Deficit)	(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)	31 137	-130%	(15 470)
Transfers recognised - capital	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)	31 137	-130%	(15 470)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)	31 137	-130%	(15 470)
Capital expenditure & funds sources									
Capital expenditure	2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Capital transfers recognised	–	–	–	–	–	–	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Total sources of capital funds	2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Financial position									
Total current assets	91 792	91 792	87 463		96 590				81 843
Total non current assets	60 983	60 983	57 614		58 335				60 777
Total current liabilities	15 921	15 921	12 786		12 435				14 143
Total non current liabilities	33 232	33 232	29 685		31 625				31 481
Community wealth/Equity	103 623	99 995	102 606		110 865				96 995
Cash flows									
Net cash from (used) operating	9 764	(8 285)	(6 906)	(10 953)	3 494	(11 008)	14 502	-132%	3 494
Net cash from (used) investing	(3 949)	(4 482)	(4 656)	131	(1 489)	(2 385)	896	-38%	(1 489)
Net cash from (used) financing	(1 445)	(1 606)	(1 606)	(829)	(1 607)	(1 139)	(468)	41%	(1 607)
Cash/cash equivalents at the month/year end	87 934	82 960	84 165	88 333	88 333	82 802	5 531	7%	88 333
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	676	0	–	0	1	–	–	158	7 034
Creditors Age Analysis									
Total Creditors	376	–	–	–	–	–	–	–	376

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	95 203	2 302	95 739	95 203	536	1%	95 203
Executive and council		3 716	4 683	4 783	76	4 744	4 783	(39)	-1%	4 783
Budget and treasury office		83 512	90 085	90 420	2 226	90 995	90 420	575	1%	90 420
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 600	315	1 695	-	1 380	1 695	(315)		1 695
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		600	315	315	-	-	315	(315)		315
Housing		1 000	-	1 380	-	1 380	1 380	-		1 380
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		13 274	12 909	12 909	138	12 159	12 909	(750)	-6%	13 011
Planning and development		10 266	9 909	9 909	138	9 159	9 909	(750)	-8%	10 011
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3 008	3 000	3 000	-	3 000	3 000	-		3 000
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	102 102	107 992	109 807	2 440	109 279	109 807	(528)	0%	109 909
Expenditure - Standard										
<i>Governance and administration</i>		48 659	62 169	66 768	5 193	48 772	64 360	(15 589)	-24%	60 474
Executive and council		15 800	22 502	22 715	2 000	18 864	22 782	(3 918)	-17%	20 155
Budget and treasury office		18 071	20 901	25 401	1 463	15 885	23 067	(7 182)	-31%	24 892
Corporate services		14 788	18 766	18 651	1 730	14 022	18 511	(4 490)	-24%	15 428
<i>Community and public safety</i>		7 892	10 981	10 977	1 152	9 589	10 977	(1 389)	-13%	10 055
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		4 405	5 060	5 114	610	4 733	5 114	(381)	-7%	5 002
Housing		3 487	5 921	5 864	542	4 856	5 864	(1 008)	-17%	5 053
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		45 884	59 480	58 493	7 337	43 640	58 494	(14 853)	-25%	54 850
Planning and development		43 893	56 629	55 801	7 093	41 459	55 802	(14 343)	-26%	52 603
Road transport		-	-	-	-	-	-	-		-
Environmental protection		1 991	2 851	2 692	244	2 182	2 692	(510)	-19%	2 247
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	102 434	132 631	136 238	13 682	102 001	133 832	(31 831)	-24%	125 379
Surplus/ (Deficit) for the year		(333)	(24 639)	(26 431)	(11 241)	7 278	(24 025)	31 303	-130%	(15 470)

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	4 783	76	4 744	4 783	(39)	-0.8%	4 783
Vote 2 - Budget & Treasury		83 512	90 085	90 420	2 226	90 995	90 420	575	0.6%	90 420
Vote 3 - Corporate Services		3 608	3 315	3 315	-	3 000	3 315	(315)	-9.5%	3 315
Vote 4 - Planning & Development		1 128	949	949	-	298	949	(652)	-68.7%	1 149
Vote 5 - Project Management & Advisory Services		10 138	8 960	10 340	138	10 242	10 340	(98)	-0.9%	10 242
Total Revenue by Vote	2	102 102	107 992	109 807	2 440	109 279	109 807	(528)	-0.5%	109 909
Expenditure by Vote	1									
Vote 1 - Council & Executive		15 800	22 502	22 715	2 000	18 864	22 782	(3 918)	-17.2%	20 155
Vote 2 - Budget & Treasury		18 016	20 901	25 401	1 474	16 051	23 067	(7 016)	-30.4%	24 892
Vote 3 - Corporate Services		21 183	26 677	26 457	2 584	20 937	26 317	(5 380)	-20.4%	22 677
Vote 4 - Planning & Development		12 612	19 719	18 824	2 747	14 367	18 825	(4 457)	-23.7%	16 363
Vote 5 - Project Management & Advisory Services		34 824	42 832	42 841	4 889	31 947	42 841	(10 894)	-25.4%	41 293
Total Expenditure by Vote	2	102 434	132 631	136 238	13 692	102 166	133 832	(31 666)	-23.7%	125 379
Surplus/ (Deficit) for the year	2	(333)	(24 639)	(26 431)	(11 252)	7 113	(24 025)	31 137	-129.6%	(15 470)

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	70	971	1 061	(90)	-8%	1 069
Interest earned - external investments		5 841	5 673	5 673	1 314	6 673	5 673	1 000	18%	6 008
Interest earned - outstanding debtors		-	-	-	-	-	-	-		-
Dividends received		-	-	-	-	-	-	-		-
Fines		-	-	-	-	-	-	-		-
Licences and permits		-	-	-	-	-	-	-		-
Agency services		-	-	-	-	-	-	-		-
Transfers recognised - operational		95 053	101 083	102 798	1 154	101 439	102 898	(1 459)	-1%	102 347
Other revenue		322	115	215	(98)	187	115	72	63%	475
Gains on disposal of PPE		1	60	60	1	10	60	(50)	-84%	10
Total Revenue (excluding capital transfers and contributions)		102 102	107 992	109 807	2 441	109 279	109 807	(528)	0%	109 909
Expenditure By Type										
Employee related costs		41 012	54 388	54 410	6 070	46 996	54 407	(7 410)	-14%	50 343
Remuneration of councillors		5 424	6 055	6 055	470	5 691	6 055	(364)	-6%	5 691
Debt impairment		-	3	3	-	11	3	8		11
Depreciation & asset impairment		4 050	5 380	5 380	-	4 149	5 380	(1 231)	-23%	7 045
Finance charges		2 300	2 854	3 344	501	1 052	2 854	(1 801)	-63%	2 854
Bulk purchases		-	-	-	-	-	-	-		-
Other materials		3 376	5 245	4 874	528	3 037	5 325	(2 289)	-43%	3 255
Contracted services		-	-	-	-	-	-	-		-
Transfers and grants		33 666	42 973	44 716	5 495	29 659	41 803	(12 144)	-29%	41 421
Other expenditure		12 207	15 533	17 257	618	11 406	17 805	(6 399)	-36%	14 560
Loss on disposal of PPE		374	200	200	11	165	200	(35)	-17%	200
Total Expenditure		102 411	132 631	136 238	13 693	102 166	133 832	(31 665)	-24%	125 379
Surplus/ (Deficit) for the year		(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)	31 137	(0)	(15 470)
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)			(15 470)
Taxation								-		
Surplus/(Deficit) after taxation		(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)			(15 470)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)			(15 470)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(309)	(24 639)	(26 431)	(11 252)	7 113	(24 025)			(15 470)

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	390	2	143	187	(44)	0%	335
Vote 2 - Budget & Treasury		693	1 358	1 365	2	936	1 358	(422)	0%	936
Vote 3 - Corporate Services		1 519	3 539	984	3	282	839	(557)	-66%	789
Vote 4 - Planning & Development		19	124	459	–	45	520	(475)	-91%	108
Vote 5 - Project Management & Advisory Services		261	132	135	3	94	132	(38)	-29%	94
Total Capital single-year expenditure	4	2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Total Capital Expenditure		2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Capital Expenditure - Standard Classification										
Governance and administration		1 197	2 320	2 675	7	1 310	2 320	(1 010)	-44%	2 009
Executive and council		59	187	390	2	143	187	(44)	-23%	335
Budget and treasury office		693	1 358	1 365	2	936	1 358	(422)	-31%	936
Corporate services		445	775	920	3	231	775	(544)	-70%	738
Community and public safety		1 147	2 790	90	–	62	90	(28)		62
Community and social services		–	–	–	–	–	–	–		–
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		1 074	2 746	46	–	37	46	(9)		37
Housing		73	44	44	–	26	44	(18)		26
Health		–	–	–	–	–	–	–		–
Economic and environmental services		207	230	172	3	83	169	(86)	-51%	146
Planning and development		207	212	154	3	68	151	(495)	-328%	131
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	18	18	–	14	18	(4)	-21%	14
Trading services		–	–	–	–	–	–	–		–
Electricity		–	–	–	–	–	–	–		–
Water		–	–	–	–	–	–	–		–
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	396	–	45	457	(412)	-90%	45
Total Capital Expenditure - Standard Classification	3	2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Funded by:										
National Government		–	–	–	–	–	–	–		–
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		–	–	–	–	–	–	–		–
Public contributions & donations	5	–	–	–	–	–	–	–		–
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261
Total Capital Funding		2 551	5 340	3 332	10	1 500	3 036	(1 536)	-51%	2 261

Table C6 Monthly Budget Statement - Financial Position

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		9 934	1 081	3 165	2 983	4 150
Call investment deposits		78 000	77 479	81 000	85 350	73 887
Consumer debtors		-	-	-	-	-
Other debtors		2 668	2 000	2 000	7 034	2 601
Current portion of long-term receivables		898		898	898	898
Inventory		292	400	400	325	308
Total current assets		91 792	80 960	87 463	96 590	81 843
Non current assets						
Long-term receivables		9 579	9 674	9 674	9 579	9 674
Investments		4 400	4 400	-	4 400	4 400
Investment property				-		
Investments in Associate				-		
Property, plant and equipment		46 228	46 003	46 511	43 579	46 003
Agricultural				-		
Biological assets				-		
Intangible assets		777	1 429	1 429	777	700
Other non-current assets		-		-	-	
Total non current assets		60 983	61 505	57 614	58 335	60 777
TOTAL ASSETS		152 775	142 465	145 077	154 925	142 619
LIABILITIES						
Current liabilities						
Bank overdraft		-	-			-
Borrowing		1 606	1 786	1 786	1 606	1 786
Consumer deposits						
Trade and other payables		6 566	4 500	4 500	2 460	4 500
Provisions		7 750	6 500	6 500	8 368	7 858
Total current liabilities		15 921	12 786	12 786	12 435	14 143
Non current liabilities						
Borrowing		8 435	6 685	6 685	6 828	6 685
Provisions		24 797	23 000	23 000	24 797	24 797
Total non current liabilities		33 232	29 685	29 685	31 625	31 481
TOTAL LIABILITIES		49 153	42 470	42 471	44 059	45 624
NET ASSETS	2	103 623	99 995	102 606	110 865	96 995
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		74 819	73 333	75 943	80 504	70 333
Reserves		28 804	26 662	26 662	30 361	26 662
TOTAL COMMUNITY WEALTH/EQUITY	2	103 623	99 995	102 606	110 865	96 995

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	699	3 873	712	3 160	444%	3 873
Government - operating		95 068	101 083	102 463	500	103 026	101 083	1 943	2%	103 026
Government - capital		-	-	-	-	-	-	-		-
Interest		6 255	5 673	5 673	929	6 673	5 673	1 000	18%	6 673
Dividends			-	-				-		-
Payments										
Suppliers and employees		(62 483)	(74 941)	(76 113)	(7 154)	(74 978)	(76 557)	(1 579)	2%	(74 978)
Finance charges		(1 215)	(1 569)	(1 569)	(501)	(1 052)	1 054	2 106	200%	(1 052)
Transfers and Grants		(35 225)	(38 676)	(37 505)	(5 426)	(34 048)	(42 973)	(8 926)	21%	(34 048)
NET CASH FROM/(USED) OPERATING ACTIVITIES		9 764	(8 285)	(6 906)	(10 953)	3 494	(11 008)	14 502	-132%	3 494
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	57	57	1	11	-	11		11
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)	130	(1 500)	(2 385)	(885)	37%	(1 500)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(3 949)	(4 482)	(4 656)	131	(1 489)	(2 385)	(896)	38%	(1 489)
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)	(829)	(1 607)	(1 139)	468	-41%	(1 607)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 445)	(1 606)	(1 606)	(829)	(1 607)	(1 139)	468	-41%	(1 607)
NET INCREASE/ (DECREASE) IN CASH HELD		4 370	(14 373)	(13 168)	(11 651)	398	(14 531)			398
Cash/cash equivalents at beginning:		83 564	97 333	97 333	99 983	87 934	97 333			87 934
Cash/cash equivalents at month/year end:		87 934	82 960	84 165	88 333	88 333	82 802			88 333

5. SUPPORTING DOCUMENTATION

Table SC1 Material variance explanations

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands			
<u>Revenue By Source</u>			
Rental of facilities and equipment	-8.46%	Rental of grader to local municipalities was less than expected at year end.	Acceptable - No remedial steps required
Interest earned - external investments	17.62%	Interest earned on external investment is more than year-to-date budget.	Acceptable and dependant on the market yield.
Other income	62.51%	Year-to-date actual income more than the year-to-date budget	Acceptable - No remedial steps required
<u>Expenditure By Type</u>			
Salaries	-13.62%	Some of the approved vacant posts are still not filled according to the organogram	Most vacant post were advertised and will be filled in the next financial year.
Other Materials	-42.98%	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	-29.05%	Most projects are in the implementation phase as per the procurement plan.	Grants & subsidies were rolled over to the next financial year, due to circumstances beyond the municipality's control.
Other expenditure	-35.94%	Year-to-date actual general expenditure is less than the year-to-date budget	Must encourage spending from the 1st quarter in the next financial year.
<u>Capital Expenditure</u>			
Capital expenditure	-50.60%	Spending on capital projects are in the implementation phase as per the procurement plan.	As per the policy, all capital projects / purchases should have been completed / finalized by 31 March of each year
<u>Financial Position</u>			
Reserves	R 3 699 252	The year to date actual is more than the original budget	Acceptable
Property, plant & equipment	R -2 423 236	Year to date actual is less than the original budget	Acceptable
<u>Cash Flow</u>			
Net cash from operating / (used) Operating Activities	-131.74%	RSC Levy Replacement Grant Receipts	Acceptable
Net cash from operating / (used) Investing Activities	37.57%	Capital Expenditure not materialising per SDBIP	There is a need to accelerate this spending
<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%	4.4%	0.0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		6.2%	6.2%	6.4%	1.0%	6.8%
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%	9.8%	13.4%
Gearing	Long Term Borrowing/ Funds & Reserves		29.3%	25.1%	25.1%	22.5%	25.1%
<u>Liquidity</u>							
Current Ratio 1	Current assets/current liabilities	1	576.5%	633.2%	684.1%	776.8%	578.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		579.9%	648.9%	658.3%	745.8%	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%	11.4%	16.0%	12.0%
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%	100.0%	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%	0.0%
<u>Other Indicators</u>							
Employee costs	Employee costs/Total Revenue - capital revenue		40.2%	50.4%	49.6%	43.0%	45.8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3.3%	4.9%	4.4%	0.5%	2.8%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6.2%	7.6%	7.9%	1.0%	7.8%
<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%	372.2%	266.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		6.5	1.6	1.6	1.8	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 43.0%.

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

Table SC3 Monthly Budget Statement - aged debtors

Description	NT Code	Budget Year 2014/15									Bad Debts	>90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total		
R thousands												
Debtors Age Analysis By Revenue Source												
Rates	1200									➡	-	-
Electricity	1300										-	-
Water	1400									➡	-	-
Sewerage / Sanitation	1500										-	-
Refuse Removal	1600										-	-
Housing (Rental Revenue)	1700										-	-
Other	1900	6 874	1	0	0	1	-		158	7 034	➡	159
Total By Revenue Source	2000	6 874	1	0	0	1	-	-	158	7 034	-	159
Debtors Age Analysis By Customer Category												
Government	2200	311	-	-	2	-	-	-	-	313		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	6 563	1	0	(1)	1	-	-	158	6 721		
Total By Customer Category	2600	6 874	1	0	0	1	-	-	158	7 034	-	

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 one outstanding debt for more than 90 days as at 30 June 2015 in respect of Provincial and Local Governments Department.

- Dikgatlong local municipality R1, 825.87 for the Koopmansfontein streetlights.

- ***Post-Service Benefits***

There is no outstanding debt reflected for more than 90 days as at 30 June 2015.

- ***Sundry Debtors***

There is one outstanding debt reflected for more than 90 days as at 30 June 2015 for sundry debtors.

- Moloi M.M R157, 636.80 for using the municipal vehicle.

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	376	-	-	-	-	-	-	-	376	
Total By Customer Type	2600	376	-	-	-	-	-	-	-	376	-

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

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 – 30 June 2015.

A gazette no.10400 was issued on the 26 March 2015 for the annual increase for Councilors' in terms of the remuneration of Public Office Bearers Act, 1998 for the current financial year.

Trade Creditors:

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 30 June 2015 is listed below:

PAYMENTS		
Total value of all payments		R 14 552 973
Electronic transfers		204
Cheques issued		26
SALARIES		
Number of salary beneficiaries		164
Councillors		22
Total Councillors	27	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	22	
* Councillors without Remuneration	5	
Employees		142
* Remunerated Employee's	137	
* Remunerated Terminated Employees		
JA Nel, C Smit, CM Majahe	3	
Pensioners	2	
Total remuneration paid		3 717 964
Councillors		452 587
Employees		3 262 535
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 are 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.

Council is empowered by the MFMA and its regulation to exercise oversight over the implementation of the Supply Chain Management Policy and to make Supply Chain policy within the ambit of the applicable legislation. The following is hereby reported as stipulated in the SCM policy.

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 attended by scm officials during the month of June 2015.

- 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 June 2015, one contract to the value of R200 000 and more was awarded by the Municipal Manager.

Service provider	Service	Amount
VOX Telecommunications	Telephone system	R698 643.95

For the period of June 2015 two written price quotations between R30 000 and R200 000 were awarded by the Municipal Manager. The following bids were awarded:

Service provider	Service	Amount
Street light Media	printing of news letter	R85 160.00
Swiftprint	printing of IDP	R46 707.00

The total orders issued for the month of June 2015 amounted to R 117, 252.43 broken down per department as follows:

Council and Executive	R 5 813.20
Office of the Municipal Manager	R 19 374.16
Finance	R 0.00
Administration	R 50 559.65
Planning and Development	R 17 205.95
Project Management and Advisory services	R 18 617.61
Stores	R 5 681.86

- Disposal Management

Redundant assets were sold to Tlhatlogang Building Construction for R 1 000.00

- Deviations

Two deviations were approved by the Municipal Manager.

Service provider	Service	Amount
Price Water House Coopers/Combined Systems (PTY) LTD	Asset register-upload	R 59 280.00
Wolters Kluwer Tax & Accounting	TEAMMATE Software	R 191 240.93

- Orders

Total orders issued amount to R19 558.06 broken down per department as follows:

Council	R 0.00
Office of the Municipal Manager	R 503.39
Finance	R 6 251.37
Administration	R 12 377.52
Planning and Development	R 344.43
Project Management and Advisory services	R 81.35
Stores	R 0.00

- List of accredited service providers

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

- Support to local municipalities

The municipality did not receive any request for assistance from the local municipalities.

- Orders outstanding for more than 30 days at 30 June 2015

COMPANY	60 DAYS	90 DAYS	COMMENT
Abuti 1007 CC		R25 650.00	Project not completed
Aganang Consulting Engineers		R465 779.14	Project not completed
Kimberley Central Business		R45 960.00	Project not completed
MHP Geospace		R139 099.66	Project not completed
ODS Consultants		R281 917.95	Project not completed
National Health Laboratory		R3 051.00	Invoice not received yet (follow-up made)
Rennies		R1 242.86	Invoice not received yet (follow-up made)
Sure Astra		R2 120.00	Invoice not received yet

			(follow-up made) and bookings not attended yet
Skylar Investments		R25 018.75	
Worldwide Travel		R16 456.00	Invoice not received yet (follow-up made) and bookings not attended yet

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		14	CALL	30-Jun-15	43 166	5.4%	9 500	▲	9 500
STANDARD BANK		119	NOTICE	03-Jul-15	54 772	6.4%	10 000	▲	10 000
ABSA		120	NOTICE	09-Jul-15	48 615	6.4%	9 000	▲	9 000
RMB		120	NOTICE	09-Jul-15	53 932	6.4%	10 000	▲	10 000
NEDCOR		120	NOTICE	09-Jul-15	38 941	6.6%	7 000	▲	7 000
STANDARD BANK		120	NOTICE	09-Jul-15	43 818	6.4%	8 000	▲	8 000
ABSA		13	CALL	30-Jun-15	20 256	5.3%	4 500	▲	4 500
STANDARD BANK		13	CALL	30-Jun-15	20 065	5.3%	4 500	▲	4 500
NEDCOR		120	NOTICE	20-Oct-15	31 064	6.7%	5 500	▲	5 500
ABSA		120	NOTICE	20-Oct-15	30 410	6.5%	5 500	▲	5 500
RMB		91	NOTICE	21-Sep-15	28 495	6.1%	5 500	▲	5 500
STANDARD BANK		91	NOTICE	21-Sep-15	28 934	6.2%	5 500	▲	5 500
ABSA		369	NOTICE	27-Jun-16	35 225	7.9%	5 250	▲	5 250
									-
TOTAL INVESTMENTS AND INTEREST					478		89 750	-	89 750
<u>Entities</u>									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				478		89 750	-	89 750

Surplus cash is invested at approved banking institutions in accordance with current cash and investment policy.

Table SC6 Monthly Budget Statement - transfers and grant receipts

Description	Ref	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:		96 601	100 618	100 618	-	100 618	100 618	-		100 618
Local Government Equitable Share		6 965	9 965	9 965	-	9 965	9 965	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	4 683	-	4 683	4 683	-		4 683
Levy replacement	3	82 780	82 780	82 780	-	82 780	82 780	-		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	-	1 006	1 006	-		1 006
Water Affairs		-	-	-	-	-	-	-		-
				-				-		
Provincial Government:		1 850	315	1 695	-	2 210	2 210	-		2 210
Housing	4	1 000	-	1 380	-	1 380	1 380	-	100.0%	1 380
Near Grant		300	-	-	-	315	315	-	0.0%	315
Fire Fighting Equipment Grant		300	315	315	-	315	315	-	0.0%	315
NC Tourism		150	-	-	-	200	200	-		200
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		100	-	-	-	-	-	-		-
		-		-				-		-
Other transfers and grants [ABSA Donation]		-		-	-	-		-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Other grant providers:		92	150	150	(0)	77	150	(73)	-48.6%	150
SETA Skills Grant		77	150	150	(0)	77	150	(73)	-48.6%	150
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		15	-	-						
								-		
Total Operating Transfers and Grants	5	98 543	101 083	102 463	(0)	102 905	102 978	(73)	-0.1%	102 978
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	98 543	101 083	102 463	(0)	102 905	102 978	(73)	-0.1%	102 978

Table SC7 Monthly Budget Statement - transfers and grant expenditure

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		93 218	100 618	100 618	939	99 767	100 618	(851)	-0.8%	100 476
Local Government Equitable Share		10 329	9 965	9 965	-	9 965	9 965	-		9 965
Special Contribution: Councillor Remuneration		3 716	4 683	4 683	-	4 683	4 683	-		4 683
Levy replacement		75 945	82 780	82 780	-	82 780	82 780	-		82 780
Finance Management Grant		1 250	1 250	1 250	863	1 250	1 250	-		1 250
Municipal Systems Improvement		978	934	934	-	83	934	(851)	-91.2%	792
Extended Public Works Programme		1 000	1 006	1 006	76	1 006	1 006	-		1 006
Water Affairs		-	-	-	-	-	-	-		-
Provincial Government:		1 758	315	1 695	1 418	1 580	315	1 265	401.6%	2 228
Housing		1 000	-	1 380	1 380	1 380	-	1 380	#DIV/0!	1 380
Near Grant		300	-	-	-	-	-	-		315
Fire Fighting Equipment Grant		300	315	315	-	-	315	(315)	-100.0%	315
NC Tourism		150	-	-	-	200	-	200	#DIV/0!	218
Environmental Health Recycling Grant		8	-	-	-	-	-	-		-
District Aids Programme		-	-	-	38	-	-	-		-
					-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
								-		
[insert description]								-		
Other grant providers:		77	150	150	-	92	150	(58)		150
Koopmansfontein Self Build Scheme		-				-	-	-		-
ABSA		-				15	-	-		-
SETA Skills Grant		77	150	150	-	77	150	(73)		96
Total operating expenditure of Transfers and Grants:		95 053	101 083	102 463	2 357	101 439	101 083	356	0.4%	102 854
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Municipal Infrastructure (MIG)								-		
Water Affairs		-						-		
EPWP								-		
								-		
Other capital transfers [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
								-		
								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
ESCOM (Electricity on Farms)								-		
								-		
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		95 053	101 083	102 463	2 357	101 439	101 083	356	0.4%	102 854

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	323	3 891	3 892	(1)	0%	3 891
Pension Contributions		173	202	202	15	184	202	(18)	-9%	184
Medical Aid Contributions		17	17	17	1	17	17	-		17
Motor vehicle allowance		1 189	1 402	1 402	108	1 306	1 402	(97)	-7%	1 306
Cell phone and other allowances		296	358	358	23	273	358	(86)	-24%	273
Workmen's Compensation		60	20	20	-	20	20	(0)	-2%	20
Unemployment Insurance		-	-	-	-	-	-	-		-
Sub Total - Councillors		5 424	6 055	6 055	470	5 691	5 893	(202)	-3%	5 691
% increase	4		11.6%	11.6%						4.9%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 377	4 826	4 845	249	2 963	4 845	(1 882)	-39%	3 501
Pension and UIF Contributions		580	811	811	13	155	811	(656)	-81%	774
Medical Aid Contributions		118	139	139	10	112	139	(27)	-20%	133
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		434	464	464	-	435	464	(30)	-6%	443
Motor Vehicle Allowance		480	673	673	26	307	673	(366)	-54%	400
Cellphone Allowance		89	112	112	5	60	112	(52)	-46%	80
Housing Allowances		10	-	-	-	-	-	-		-
Other benefits and allowances		52	57	57	8	65	57	8	13%	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	311	4 096	7 101	(3 005)	-42%	5 488
% increase	4		17.1%	17.4%						-10.6%
Other Municipal Staff										
Basic Salaries and Wages		24 337	33 829	33 829	3 214	30 557	28 812	1 744	6%	30 154
Pension and UIF Contributions		3 858	5 480	5 480	433	4 894	4 669	224	5%	5 048
Medical Aid Contributions		1 272	1 674	1 674	122	1 291	1 535	(244)	-16%	1 522
Overtime		72	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		2 109	3 112	3 092	298	2 986	2 439	547	22%	2 812
Cellphone Allowance		94	108	130	24	125	108	17	15%	94
Housing Allowances		196	221	221	24	265	221	45	20%	200
Other benefits and allowances		1 038	1 081	1 081	62	875	1 024	(149)	-15%	1 929
Payments in lieu of leave		1 404	753	753	1 437	1 437	-	1 437	#DIV/0!	2 359
Long service awards		131	193	193	11	42	42	-		213
Post-retirement benefit obligations	2	360	748	748	135	864	748	116	15%	550
Sub Total - Other Municipal Staff		34 872	47 199	47 202	5 759	43 335	39 598	3 737	9%	44 881
% increase	4		35.3%	35.4%						28.7%
Total Parent Municipality		46 436	60 443	60 465	6 541	53 122	52 591	531	1%	56 060

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace (finance department) for the month of June 2015 averages 90%. The reason for the deviations is mainly due to, annual leave and sick leave taken during the month.

Attendance trends are summarized as follows:

		Senior	Middle	Supervisory	Clerical
		Management	Management		
Number of Members		1	3	6	12
Leave		3	3	6	13
Sick Leave		0	4	1	5
Courses / Seminar		3	0	3	0
Meetings		0	0	0	0
Study leave		0	0	0	0
Maternity Leave		0	0	0	0
Family Responsibility		0	0	0	1
Union Meetings		0	0	0	0
Absent		0	0	0	0
Special Leave		0	0	0	2
Over time		0	0	0	0
No. of Workdays Attended		15	56	116	231
Total Workdays		21	63	126	252
Percentage attendance per Group		71%	89%	92%	92%
Average		90%			

Personnel Development:

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

INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five Finance Internship posts and all are filled. The aim of the programme is to capacitate Finance Graduates to eventually build their capacity to take up any senior position in the municipality if possible and else ware in other municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the MFMP programme.

The five interns will be enrolled for the Municipal Finance Management Programme during the current financial year, but for now they are receiving on-the-job training.

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	Outcome	Outcome	Outcome	Outcome	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	203	7	167	7	70	971	56	58
Interest earned - external investments		610	397	728	592	425	541	529	574	585	547	217	929	6 673	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	932	26 416	6	3150	500	103 026	108 725	115 778
Other revenue		334	67	642	480	182	(18)	(18)	123	208	10	261	629	2 902	80	80
Cash Receipts by Source		40 759	1 812	1 370	2 452	33 225	782	782	1 832	27 215	731	484	2 128	113 571	113 767	121 019
Other Cash Flows by Source																
Transfer receipts - capital		-	-	-	-	-	-	-	-	-	-	-	-			
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-			
Proceeds on disposal of PPE		-	-	-	10	-	-	-	-	-	-	-	1	11	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	1 832	27 215	731	484	2 129	113 582	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	3 761	4 063	4 577	4 198	3 728	48 079	55 090	57 884
Remuneration of councillors		439	481	443	451	442	446	451	445	448	448	470	726	5 691	6 145	6 431
Interest paid		-	-	-	-	-	552	-	-	-	-	-	501	1 052	1 129	1 129
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		227	587	151	355	149	110	89	207	386	182	295	512	3 250	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	4 412	2 726	1 241	2 848	5 426	34 048	30 795	30 053
General expenses		1 455	917	1 766	1 658	1 324	1 301	1 451	952	1 840	1 556	1 549	2 188	17 958	13 895	14 444
Cash Payments by Type		9 483	6 774	7 721	7 378	13 213	7 968	7 855	9 778	9 463	8 004	9 361	13 081	110 078	111 460	114 525
Other Cash Flows/Payments by Type																
Capital assets		306	9	23	-	279	573	22	80	241	140	(42)	(130)	1 500	749	950
Repayment of borrowing		-	-	-	-	-	778	-	-	-	-	-	829	1 607	1 785	1 980
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		9 789	6 782	7 744	7 378	13 491	9 319	7 876	9 858	9 704	8 144	9 319	13 780	113 184	113 994	117 455
NET INCREASE/(DECREASE) IN CASH HELD		30 970	(4 971)	(6 374)	(4 916)	19 733	(8 537)	(7 094)	(8 026)	17 512	(7 413)	(8 835)	(11 651)	398	(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	106 746	98 720	116 231	108 818	99 983	87 934	82 960	82 793
Cash/cash equivalents at the month/year end:		118 904	113 933	107 560	88 333	123 085	113 840	106 746	98 720	116 231	108 818	99 983	88 333	88 333	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		42	–	–	42	42	100.0%	0%
August	34	198	531	28	28	531	503	94.8%	1%
September	305	238	207	43	71	3 036	2 965	97.7%	1%
October	154	361	(224)	–	–	–	–		0%
November	60		374	244	315	797	482	60.5%	6%
December	72		704	573	888	797	(91)	-11.4%	17%
January	600	1 496	138	31	919	2 293	1 374	59.9%	17%
February	247	187	487	86	1 005	2 480	1 475	59.5%	19%
March	103	15	15	235	1 234	2 495	1 261	50.5%	23%
April	16	2 746	2 746	140	1 380	5 637	4 257	75.5%	26%
May	138		–	109	1 490	5 637	4 147	73.6%	28%
June	523	99	829	10	1 500	3 036	1 536	50.6%	28%
Total Capital expenditure	2 265	5 340	5 848	1 500					

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		631	-	-	-	-	-	-		-
Buildings								-		
Other		631						-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other					-	-		-		
Other assets		1 029	4 004	4 470	2	386	4 434	4 048	91.3%	4 252
General vehicles		487	2 700	2 716	-	-	2 716	(2 716)	-100.0%	2 579
Specialised vehicles		-	-	-	-	-		-		
Plant & equipment		-	28	28	-	15	28	(13)	-45.7%	27
Computers - hardware/equipment		96	1 064	1 186	-	210	1 082	(872)	-80.6%	1 046
Furniture and other office equipment		38	144	362	2	105	540	(435)	-80.6%	536
Abattoirs		-	-	-	-	-		-		
Markets		-	-	-	-	-		-		
Civic Land and Buildings		-	-	-	-	-		-		
Other Buildings		409	68	178	-	57	68	(12)	-16.9%	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	1 660	4 004	4 470	2	386	4 434	(4 048)	-91.3%	4 252

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		631	-	-	-	-	-	-		-
Buildings								-		
Other		631	-	-	-	-	-	-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		1 236	1 586	1 628	3	1 109	1 628	520	31.9%	1 527
General vehicles		602	1 160	1 160	-	840	1 160	(320)	-27.6%	1 144
Specialised vehicles		-	-	-	-	-	-	-		
Plant & equipment		-	21	21	-	18	21	(3)	-13.8%	20
Computers - hardware/equipment		406	235	235	3	136	235	(99)	-41.9%	211
Furniture and other office equipment		58	36	50	-	14	50	(35)	-71.3%	30
Abattoirs		-	-	-	-	-	-	-		
Markets		-	-	-	-	-	-	-		
Civic Land and Buildings		-	-	-	-	-	-	-		
Other Buildings		170	133	162	-	99	162	(63)	-38.9%	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 assets	1	1 868	1 586	1 628	3	1 109	1 628	(520)	-31.9%	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		40	159	278	-	-	-	-		40
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		40	159	278				-		40
Heritage assets		4			-	-	-	-		-
Buildings		4	4	4	-	-		-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		1 452	2 420	2 381	103	1 501	2 566	1 065	41.5%	1 203
General vehicles		230	391	351	5	284	391	107	27.3%	235
Specialised vehicles		-	-	-	-	-		-		
Plant & equipment		229	157	158	-	22	157	134	85.8%	154
Computers - hardware/equipment		626	1 198	1 199	60	692	1 344	652	48.5%	600
Furniture and other office equipment		-	269	269	1	7	269	262	97.5%	100
Abattoirs		-			-	-		-		
Markets		-			-	-		-		
Civic Land and Buildings		38						-		
Other Buildings		-	405	405	20	407	405	(2)	-0.6%	100
Other Land		329			0	22		(22)		14
Surplus Assets - (Investment or Inventory)		-			-	-		-		
Other - Emergency Equipment					16	66		(66)		
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
								-		
Intangibles		1 881	2 666	2 666	415	1 460	1 358	(103)	-7.6%	1 573
Computers - software & programming		1 881	2 666	2 666	415	1 460	1 358	(103)	-7.6%	1 573
Other								-		
Total Repairs and Maintenance Expenditure		3 376	5 245	5 325	518	2 961	3 923	962	24.5%	2 816

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		183	200	200	-	4 149	167	(3 982)	-2389.2%	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		183	200	200	-	4 149	167	(3 982)	-2389.2%	191
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		3 750	4 930	4 930	-	-	4 905	4 905	100.0%	4 930
General vehicles		895	700	700	-	-	700	700	100.0%	700
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment		490	500	500	-	(0)	500	500	100.0%	500
Computers - hardware/equipment		822	900	900	-	-	900	900	100.0%	900
Furniture and other office equipment		850	980	980	-	0	980	980	100.0%	980
Abattoirs								-		
Markets								-		
Civic Land and Buildings		693						-		
Other Buildings			1 700	1 700	-	0	1 700	1 700	100.0%	1 700
Other Land					-	-		-		
Surplus Assets - (Investment or Inventory)					-			-		
Other			150	150	-	-	125	125		150
Agricultural assets		-	-	-	-	-	-	-		-
List sub-class								-		
Biological assets		-	-	-	-	-	-	-		-
List sub-class								-		
Intangibles		117	250	250	-	(0)	147	147	100.0%	250
Computers - software & programming		117	250	250	-	(0)	147	147	100.0%	250
Other								-		
Total Repairs and Maintenance Expenditure		4 050	5 380	5 380	-	4 149	5 219	1 070	20.5%	5 371
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 Management:

The asset register is updated on monthly basis; this is done to keep up with any changes that might have occurred. The final stock take will be done during the month of June 2015.

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%
Repairs and Maintenance	55 490	95 600	40 110	41.96%
Tyres	33 927	97 000	63 073	65.02%
Insurance	91 930	120 000	28 070	23.39%
License	10 647	13 200	2 553	19.34%
MV Administration Levy	14 960	25 000	10 040	40.16%
Fuel	444 502	657 500	212 998	32.40%
TOTAL	651 456.75	1 708 300	1 056 843	61.87%

Motor Vehicles - Utilization Statistics:

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

Statistical information regarding the year-to-date utility for June 2015 is as follows:

Vehicle Description	Vehicle Allocation	Year Model	Registration Number	Service	License expires	Year End Km Reading	Current Km Reading	YTD Utility
Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	135 000	2015/09/30	104 323	128 918	24 595
Chevrolet Opel Corsa 1	Disaster Management	2010	CBY 227 NC	75 000	2015/09/30	52 463	63 785	11 322
Chevrolet Captiva	Pool	2011	CDM 296 NC	75 000	2015/09/30	55 532	72 127	16 595
Toyota Corolla	Pool	2009	BZP 439 NC	165 000	2015/09/30	121 118	150 464	29 346
Toyota Corolla	Pool	2009	BZP 440 NC	150 000	2015/09/30	111 710	143 854	32 144
Chevrolet Trailblazer	Pool	2013	CGR 575 NC	30 000	2015/12/31	12 775	25 031	12 256
Isuzu KB 250	Housing	2013	CGR 572 NC	75 000	2015/12/31	28 320	61 434	33 114
Isuzu KB 250	Housing	2013	CGR 576 NC	45 000	2015/12/31	26 851	44 538	17 687
Hyundai H1	LED	2013	CGY 587 NC	30 000	2016/02/28	16 330	29 024	12 694
Isuzu 2.4	Housing	2009	CBD 761 NC	135 000	2016/02/28	108 367	128 452	20 085
Nissan LDV	Environmental Health	2006	BVC 831 NC	150 000	2015/07/31	136 375	144 223	7 848
Ford Bantam	Finance	2004	BRD 836 NC	105 000	2016/01/31	86 975	95 527	8 552
Isuzu KB 250	Disaster Management	2010	CBY 895 NC	45 000	2015/09/30	32 612	43 937	11 325
Isuzu KB 250	Disaster Management	2010	CBY 898 NC	60 000	2015/09/30	29 813	45 364	15 551
Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	15 000	2016/01/31	2 675	10 970	8 295
Toyota Land Cruiser	Disaster Management	2014	CKW 835 NC	10 000	2015/11/30	57	2 672	2 615
Isuzu D/Cab	Pool	2013	CGR 974 NC	60 000	2015/12/31	27 302	50 520	23 218
Isuzu Kb	Pool	2014	CKR 822 NC	15 000	2015/10/31	28	7 102	7 074
Audi Q7	Council	2013	FBDM 1 NC	105 000	2015/09/30	70 668	103 781	33 113
Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2016/06/30	2 001	2 001	-
Toyota Etios	Pool	2014	CJG 979 NC	30 000	2015/12/31	8 411	27 338	18 927
Nissan NP 200	Environmental Health	2014	CJJ 262 NC	30 000	2015/12/31	6 684	21 209	14 525
Nissan Hard Body	Environmental Health	2014	CJJ 263 NC	15 000	2015/12/31	2 309	10 760	8 451
Nissan NP 200	Environmental Health	2014	CJJ 258 NC	15 000	2015/12/31	4 360	13 980	9 620
Chevrolet Spark Van	Supply Chain Management	2015	CLF791	15 000	2016/01/31	23	1 044	1 021

Disposal of Vehicles:

There was no disposal of any vehicles for the month of June 2015.

Motor Vehicle Damage Report:

Spare wheel of the Chevrolet Opel Corsa 1.4i was reported missing on 08/06/2015 it was investigated and has been replaced on the 17/06/2015.

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 June 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 09 July 2015

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- ☒ the monthly budget statement
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ZM Bogatsu

Municipal Manager: Frances Baard District Municipality

Signature 

Date 09 July 2015