

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

30 June 2016

TABLE OF CONTENTS

	Page
1. Introduction	2
2. Executive Mayor’s report	2-3
3. Council resolutions	3
4. Executive summary	3-15
5. In-Year Budget Statement Tables (Annexure A)	15-21
6. Supporting documents	22-43
7. Municipal Manager’s quality certification	44

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 and to Council 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 2015:

The Annual Financial Statements for the year ended 30 June 2015 were submitted to the Audit Committee on 21 August 2015 for their input and to the Office of the Auditor General on 31 August 2015 for audit purposes.

The municipality received an **Unqualified Audit Opinion** for the 2014/15 financial year with no matter of emphasis. This is the third time in five years that the municipality receives an unqualified audit opinion with no matters.

MFMA implementation oversight:

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

3. COUNCIL RESOLUTIONS

The following recommendation will be presented to Council for its resolution when the in-year report is tabled.

Recommendation:

- (a) That Council considers the section 71 monthly budget statements and supporting documentation for the month ending 30 June 2016.

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 R114, 718 million as compared to the full year approved budget of R124, 463 million. The source of revenue that is below the year to date budget is disposal of Property Plant Equipment (PPE).

Operating expenditure by type

To date, R126, 211 million has been spent compared to the operational year-to-date budget projections of R164, 688 million.

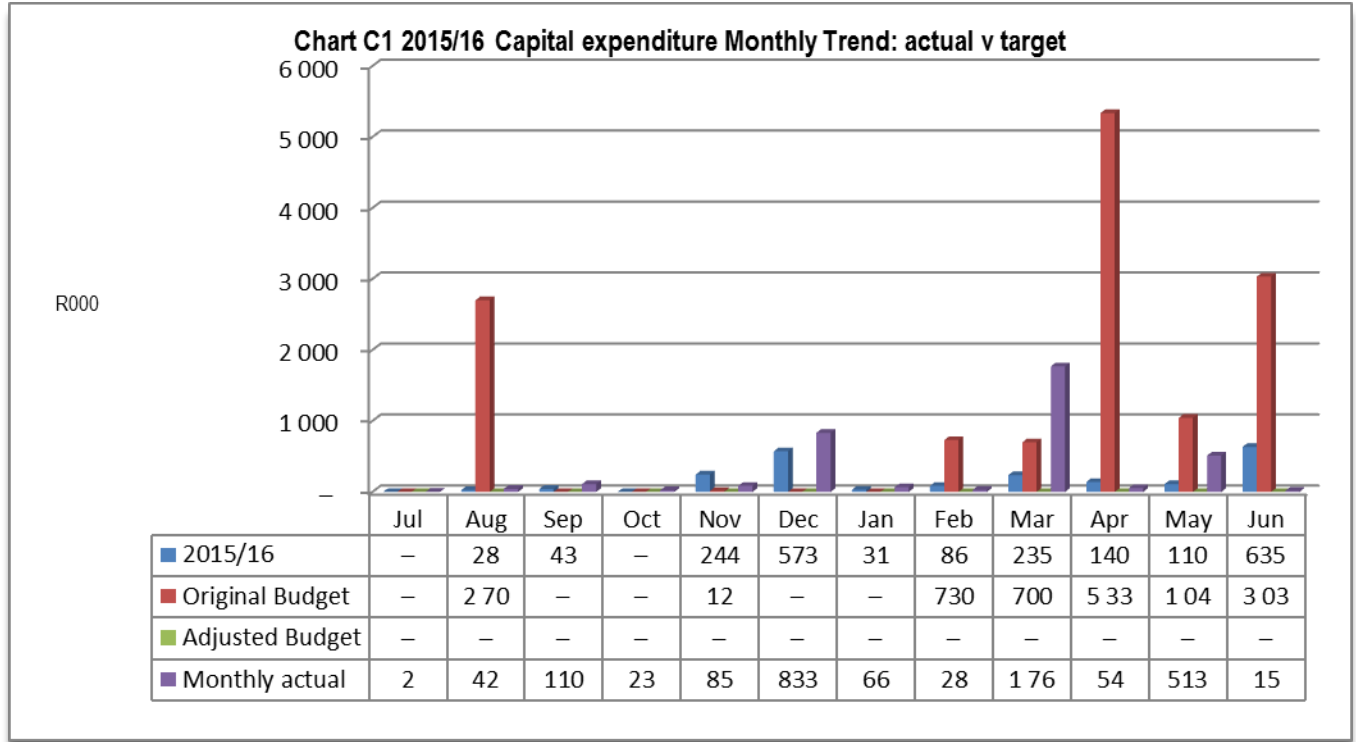
The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

Capital Expenditure

Year-to-date expenditure on capital amounts to R3, 677 million as compared to the budget of R11, 679 million.

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 R119, 060 million. The net increase in cash and cash equivalents for the year to date is R31, 126 million.

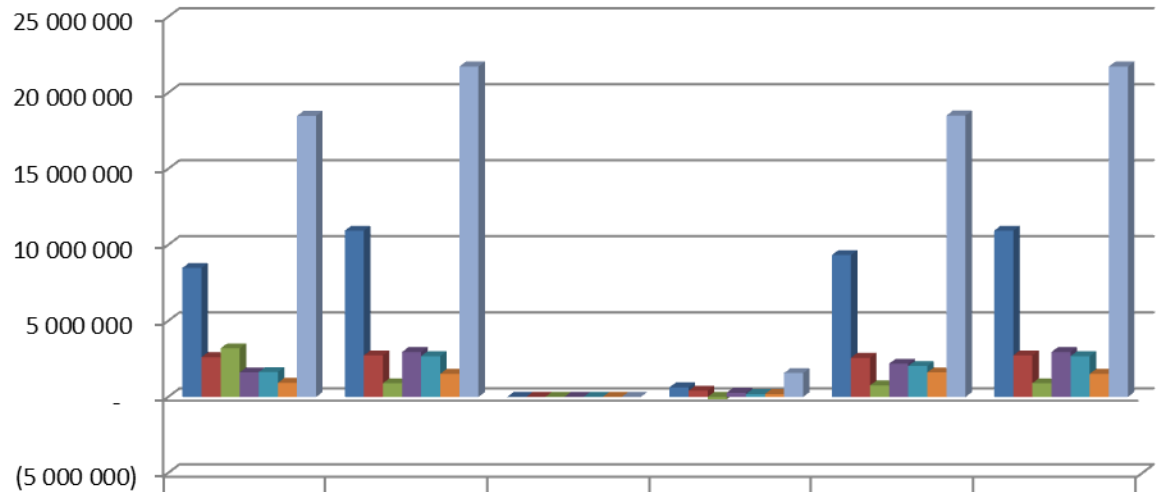
Table C6 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits).

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, Administration, Planning & Development and Project Management & Advisory Services.

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

OPERATING EXPENDITURE - COUNCIL & EXECUTIVE



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ 1.1 - Council	8 485 808	10 936 690	-	634 591	9 331 991	10 936 690
■ 1.2 - Municipal Manager	2 615 762	2 733 000	-	410 555	2 576 427	2 733 000
■ 1.3 - Committee Services & Administration*	3 200 240	900 240	-	(144 383)	760 244	900 240
■ 1.4 - Internal Audit	1 614 289	2 957 050	-	282 548	2 186 707	2 957 050
■ 1.5 - Communications	1 640 019	2 683 680	-	194 127	2 033 542	2 683 680
■ 1.6 - Legal & Risk	928 733	1 519 430	-	197 295	1 615 706	1 519 430
■ TOTAL	18 484 851	21 730 090	-	1 574 734	18 504 616	21 730 090

Actual operating expenditure of Council & Executive is R18, 504 616 as compared to the year-to-date budget R21, 730 090. The expenditure compared to the year-to-date budget will improve as the financial year progresses.

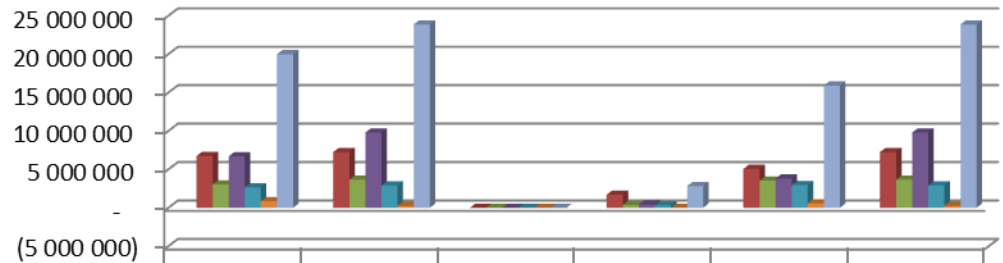
* The (R144 383) was due to the correction of the leave benefits in the Committee Services & Administration unit.

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

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
EXECUTIVE & COUNCIL				
COUNCIL				
Mayoral Bursary Fund	400 000,00	57 134,27	14%	Funds were not utilized for the financial year, savings
COMMUNICATIONS				
14/15: Branding Communication	30 000,00	13 107,89	44%	Project completed with savings
09/10: External Survey	450 000,00	342 820,26	76%	Project completed with savings
14/15: Paia Management Communication	15 000,00	1 447,37	10%	Project completed with savings
POLITICAL OFFICE - ADMINISTRATION				
15/16: Commemorative Days	100 000,00	64 823,24	65%	Savings, number of commemorative days programmes held were less than anticipated
15/16: Disability Programme	76 000,00	-	0%	Due to the vacant position of Mr Pholoholo who was managing the special programmes for the unit
15/16: Children Program	41 000,00	13 920,00	34%	Savings, number of programmes held less than anticipated.
15/16: Gender Programme	52 000,00	24 000,00	46%	Savings, number of programmes held less than anticipated.
15/16: Older Persons Programme	37 000,00	-	0%	Due to the vacant position of Mr Pholoholo who was managing the special programmes for the unit
15/16: MRM Programme	25 000,00	-	0%	Due to the vacant position of Mr Pholoholo who was managing the special programmes for the unit
YOUTH UNIT				
15/16: Youth Summit	250 000,00	195 363,29	78%	Savings, number of programmes held less than anticipated.
15/16: Youth Career Exhibition	50 000,00	39 640,35	79%	Savings, number of programmes held less than anticipated.
15/16: District Sopa Debate	30 000,00	7 680,00	26%	Savings, number of programmes held less than anticipated.
15/16: June 16 Youth Event	150 000,00	83 744,91	56%	Project complete with a saving
15/16: Youth In Action	50 000,00	40 658,75	81%	Savings, number of programmes held less than anticipated.
15/16: Districts Forum Meetings	20 000,00	-	0%	No meetings were held for the year .
TOTAL	1 776 000,00	884 340,33	50%	

The year to date actual spending on special projects for Council & Executive amounted to R884,340.33.

OPERATING EXPENDITURE - BUDGET & TREASURY



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Budger & treasury						
■ Directorate	6 738 873	7 253 770	-	1 700 022	5 071 088	7 253 748
■ Finance: Revenue & Expenditure	3 043 939	3 667 515	-	371 656	3 522 404	3 667 515
■ Finance: Budget Office	6 692 925	9 791 790	-	424 644	3 801 732	9 791 790
■ Finance: Supply Chain Management	2 666 871	2 894 020	-	326 572	2 936 264	2 894 020
■ Finance: Motor Vehicle Pool	849 256	257 283	-	(2 431)	571 476	257 283
■ TOTAL	19 991 865	23 864 378	-	2 820 463	15 902 964	23 864 356

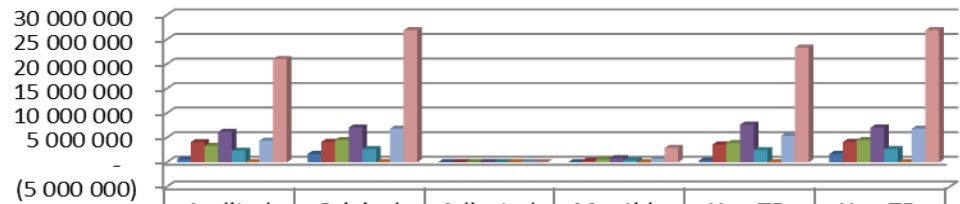
The actual operating expenditure of Budget & Treasury office is R15, 902 964 as compared to the year-to-date projected budget of R23, 864 356.

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

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
BUDGET & TREASURY				
FINANCE & ADMINISTRATION DIRECTORATE				
FMG 14/15 Operation Clean Audit	600 000,00	599 588,60	100%	Project complete with a saving of R200 000,a journal to be captured
FMG 14/15 AFS Qual Cont. & Grap	150 000,00	137 590,00	92%	Project completed with savings
FMG 14/15 Staff Benefits Actuarial	50 000,00	23 650,00	47%	Project completed with savings
14/15: Financial System Support (2) LM	900 000,00	555 414,00	62%	R265 583,52 for magareng still to be paid and the remainder will be saving
TOTAL	1 700 000,00	1 316 242,60	77%	

There year to date actual spending on special projects for Budget & Treasury amounted to R1, 316 242.60.

OPERATING EXPENDITURE - CORPORATE SERVICES



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Director: Administration	585 348	1 677 630	-	35 563	321 901	1 677 630
■ Information Systems	4 117 530	4 142 182	-	311 589	3 608 581	4 142 182
■ Human Resource Management	3 358 689	4 506 660	-	608 058	3 924 013	4 506 718
■ Office support Services	6 188 835	7 055 960	-	832 167	7 647 060	7 055 960
■ Environmental Health	2 346 833	2 666 620	-	445 801	2 468 014	2 666 620
■ Community Development	-	-	-	(8 841)	(8 841)	-
■ Firefighting & Disaster Management	4 399 407	6 832 964	-	696 000	5 396 775	6 832 964
■ TOTAL	20 996 642	26 882 016	-	2 920 338	23 357 504	26 882 074

Actual operating expenditure of Corporate Services is R23, 357 504 as compared to the year-to-date projected budget of R26, 882 074.

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

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
CORPORATE SERVICES				
<u>INFORMATION SYSTEMS</u>				
12/13: ICT Forum Meetings	7 000,00	552,70	8%	Savings, number of programmes held less than anticipated.
<u>HUMAN RESOURCES MANAGEMENT</u>				
12/13: Employee Assistance Programme	100 000,00	9 124,92	9%	Savings, request from employees were less than expected
10/11: Employee Wellness	200 000,00	142 639,43	71%	project complete with a saving
<u>ENVIRONMENTAL HEALTH</u>				
14/15: Awareness Programme - Sanitation	10 000,00	9 835,88	98%	One campaign was held in June 2016.
14/15: Air Quality Projects	29 850,00	7 612,14	26%	Workshop was held on 22 June 2016.
14/15: Environmental Health Forum	10 000,00	4 549,20	45%	Forum was held on 31 May 2016.
13/14: Waste Management Campaigns	40 000,00	22 492,07	56%	Two campaigns were held in June 2016.
<u>PUBLIC SAFETY</u>				
<u>FIREFIGHTING & DISASTER MANAGEMENT</u>				
15/16: DWAF Funded Projects M- Project 1	350 000,00	-	0%	Project rolled over
14/15: Fire Fighting - Volunteers Training	81 770,00	81 745,00	100%	Project completed
14/15: Fire Fighting - Volunteers Stipend	23 850,00	21 622,00	91%	Project completed with a saving
14/15: Contingency Fund	870 000,00	702 581,74	81%	All requests were addressed
14/15: Disaster Management Forum	6 000,00	5 999,80	100%	Project completed
14/15: Awareness Programmes	6 000,00	5 850,00	98%	Project completed
TOTAL	1 734 470,00	1 014 604,88	58%	

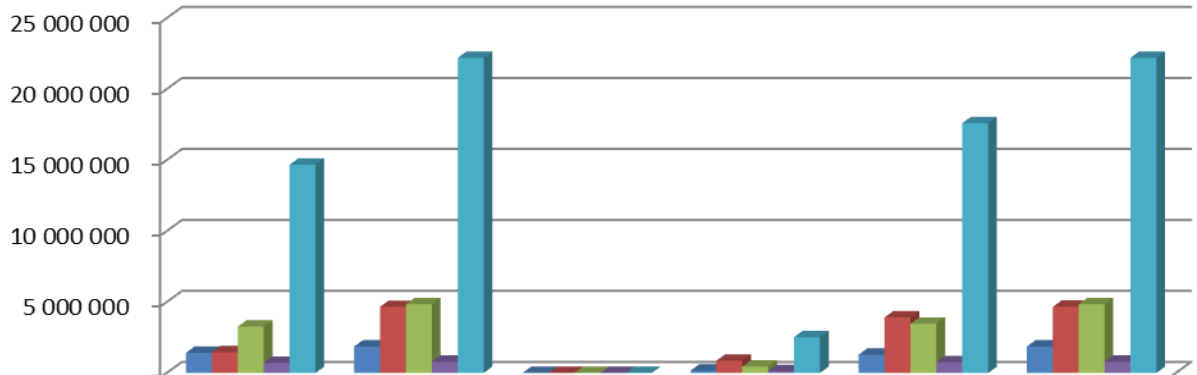
The year to date actual spending on special projects for Corporate Services/Administration amounted to R1, 014 604.88.

OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Directorate: Planning	2 443 796	2 675 270	-	269 084	2 552 018	2 675 270
■ PMS Management	978 478	1 112 320	-	46 694	295 363	1 112 320
■ LED	4 348 424	6 225 050	-	586 958	5 304 733	6 225 165
■ GIS	1 430 761	1 871 900	-	170 875	1 296 824	1 871 900
■ Spatial Planning	1 480 100	4 663 620	-	874 452	3 920 918	4 664 330
■ Tourism	3 266 322	4 853 200	-	450 464	3 472 326	4 852 606
■ IDP Management	727 115	803 959	-	132 635	761 780	803 959

OPERATING EXPENDITURE - PLANNING & DEVELOPMENT CONTINUED



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ GIS	1 430 761	1 871 900	-	170 875	1 296 824	1 871 900
■ Spatial Planning	1 480 100	4 663 620	-	874 452	3 920 918	4 664 330
■ Tourism	3 266 322	4 853 200	-	450 464	3 472 326	4 852 606
■ IDP Management	727 115	803 959	-	132 635	761 780	803 959
■ TOTAL	14 674 995	22 205 319	-	2 531 163	17 603 962	22 205 550

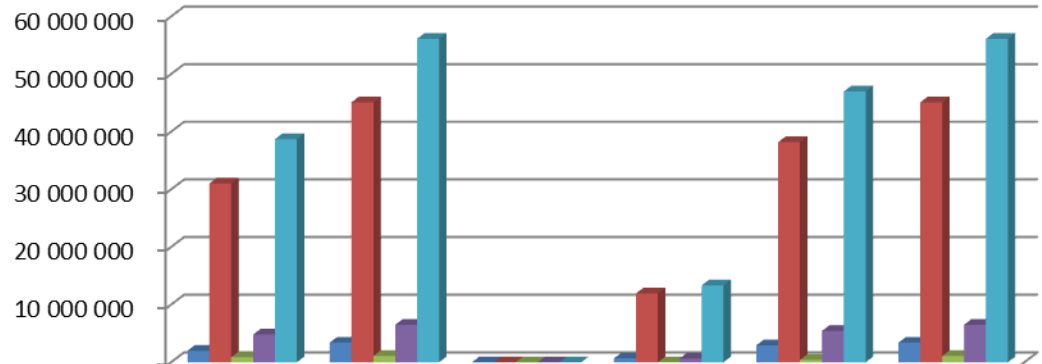
Actual operating expenditure of Planning & Development is R17, 603 962 as compared to the year-to-date projected budget of R22, 205 550.

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

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
PLANNING & DEVELOPMENT				
PLANNING & DEVELOPMENT DIRECTORATE				
MSIG 13/14: Review Led Strategy Of LM's	600 000,00	485 910,00	81%	Saving-The project has been completed
MSIG 14/15: Development Of By Laws	340 000,00	-	0%	The allocated budget has been spent. The project has been completed, expenditure was captured against wrong vote,journal will be done in july
LOCAL ECONOMIC DEVELOPMENT				
15/16: LED Youth Entrepreneurship Pro	442 500,00	433 480,00	98%	Project completed
15/16: LED Trade & Inv. Promotion	432 400,00	361 114,44	84%	Project completed
15/16: LED Direct Support To SMMES	300 000,00	278 563,80	93%	Project completed
15/16: LED Business Support Centre	150 000,00	147 161,80	98%	Project completed
15/16: LED Dev Sup Strat-Small SC Miners	200 000,00	175 070,00	88%	Project completed
15/16: LED EPWP Ent Dev Framework	72 000,00	27 126,98	38%	Project completed with a saving
14/15: LED SMME Development	300 000,00	171 473,11	57%	Project completed with a saving
14/15: LED Richie Incubation Centre	175 500,00	175 438,60	100%	Project completed
15/16: Gariep	100 000,00	100 000,00	100%	Project completed
14/15: LED Expo	735 000,00	733 367,22	100%	Project completed
14/15: LED Develop Incentive Policies	35 000,00	-	0%	Amount was budgeted for catering, however due to the cost containment circular ,no expenditure was incurred
11/12: LED Coordinate Structure And Inst Sup	36 400,00	8 307,70	23%	Project completed
GIS				
11/12: GIS Capture Water Infrastructure	600 000,00	-	0%	Expenditure on project will form part of commitment as payment
SPATIAL PLANNING				
12/13: Surveying Of Erven Dikgatlong	397 000,00	377 757,72	95%	Project has been completed
15/16: By-Laws For 3 Local Mun	300 000,00	87 113,16	29%	Project has been completed, Phokwane Local Municipality
15/16: Magareng CBD Renewal	20 000,00	-	0%	Saving-Project has been completed
15/16: Erf 258 Nkandla Ext 2	451 330,00	405 698,05	90%	Saving-Project has been completed
15/16: Erf 775 Vaalharts Set B Ganspan	428 150,00	398 772,94	93%	Saving-Project has been completed
15/16: Delpoortshoop Township Establish	381 250,00	359 842,24	94%	Saving-Project has been completed
15/16: Sol Plaatje Spat Dev Framework	400 000,00	202 500,00	51%	The final invoice will be submitted before the 15 July 2016 for
TOURISM				
15/16: Diamonds & Dorings Support	550 000,00	413 157,89	75%	Project completed with a saving
15/16: Tour- N18 Tour Route Implement	512 000,00	16 517,05	3%	In progress phase 2 - roll over, R43 000 committed for the
15/16: Tour - Advertising & Promotion	227 760,00	167 362,49	73%	Project completed with a saving
15/16: Exhibition	36 100,00	25 662,81	71%	Project completed with a saving
15/16: Tour Gide Business Establishment	65 500,00	13 845,40	21%	Project completed with a saving
15/16: Kimberley Diamond Cup	40 000,00	18 593,46	46%	Project completed with a saving
15/16: Tour - Contrb. Neta Support	135 000,00	135 000,00	100%	Project completed with a saving
15/16: Tour - N12 Promotion	50 000,00	50 000,00	100%	Project completed with a saving
15/16: Trade Expo	402 607,00	336 303,97	84%	Project completed with a saving
12/13: Tour - Business Plan Competition	664 220,00	504 958,82	76%	Project completed with a saving
15/16: Tour - Association	18 000,00	3 185,35	18%	Project completed with a saving
15/16: Tour -FBDM Arts & Craft Centre	50 000,00	-	0%	In progress, phase 1- roll over
15/16: Community Awareness Campaigns	250 000,00	180 959,24	72%	Project completed with a saving
15/16: Gong-Gong Waterfall Feasibility &	450 000,00	289 369,20	64%	In progress phase 4-roll over
IDP				
12/13: IDP Steering Committee Meeting	8 030,00	4 656,60	58%	Savings
13/14: IDP Projects	50 690,00	-	0%	Budget was not utilized
TOTAL	10 406 437,00	7 088 270,04	68%	

The actual spending on special projects for Planning & Development amounted to R7, 088 270.04 for the month.

OPERATING EXPENDITURE - PROJECT MANAGEMENT & ADVISORY SERVICES



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Directorate	2 009 302	3 408 890	-	687 762	2 927 020	3 408 890
Project Management Services	31 022 192	45 118 075	-	11 946 973	38 199 049	45 117 595
Maintenance of Roads	872 539	1 089 430	-	25 750	421 183	1 089 430
Housing	4 816 511	6 518 000	-	675 308	5 433 444	6 518 000
TOTAL	38 720 543	56 134 395	-	13 335 792	46 980 696	56 133 915

Actual operating expenditure of Project Management & Advisory Services is R46, 980 696 as compared to the year-to-date projected budget of R56, 133 915.

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

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
PROJECT MANAGEMENT & ADVISORY SERVICES				
INFRASTRUCTURE SERVICES DIRECTORATE				
12/13: District Tec. Forum Meetings	5 800,00	5 300,00	91%	Completed.
15/16: RURAL ROAD ASSET MAN SYSTEM	2 153 000,00	1 168 669,67	54%	Three year contract, Phase 1 will be completed. Last claim received, awaiting payment.
PROJECT MANAGEMENT & ADVISORY SERVICE				
O&M 15/16 - Magagareng	2 500 000,00	2 350 747,85	94%	Project completed. Final grader costs to be added.
O&M 15/16 - Phokwane	2 500 000,00	2 289 846,09	92%	Project completed. Final grader costs to be added.
O&M 15/16 - Dikgatlong	2 500 000,00	1 701 736,47	68%	Completed. Last claims received, awaiting payment.
O&M 15/16 - Sol Plaatje	2 500 000,00	2 450 365,60	98%	Completed. Last claim received, awaiting payment.
Cap 15/16 - Magareng -Warrenvale Sew Ret 558	8 100 000,00	7 728 009,87	95%	Project completed. Savings and retention to be held back.
Cap 15/16 - Magareng -Procurement Of TLB	854 400,00	854 400,00	100%	Completed. Truck delivered.
Cap 15/16 - Magareng -Procurement Of San Trucks	1 040 000,00	1 019 500,00	98%	Completed. Truck delivered.
Cap 15/16 - Phokwane -Upgr J/K WWTW	1 300 000,00	984 405,82	76%	Completed. Last claim received, awaiting payment.
Cap 15/16 - Phokwane -Ref Old Syst J/K WWTW	1 100 000,00	1 100 000,00	100%	Completed. Last claim received, awaiting payment.
Cap 15/16 - Phokwane -Fencing Hartswater WTW	1 500 000,00	1 298 823,75	87%	Completed, saving.
Cap 15/16 - Dikgatlong -Proc San Truck	2 200 000,00	2 000 636,00	91%	Completed. Truck delivered.
Cap 15/16 - Dikgatlong -Wat Ret-Rep Stee/ASB Pipes	2 800 000,00	201 373,00	7%	Still in tender phase. Funds rolled over as part of new allocation to do construction.
Cap 15/16 - Sol Plaatje -Bulk Wat Sup Rit./Mod	5 000 000,00	5 000 000,00	100%	Completed.
Cap 15/16 - Phokwane -Mater Plan: Bulk Wat & San	1 100 000,00	974 445,30	89%	Completed. Last claim received, awaiting payment.
Cap 15/16 - Phokwane -Wat Con & Demand Manag	1 000 000,00	535 216,00	54%	Completed. Last claim received, awaiting payment.
Cap 15/16 - Phokwane -Guldentskat - Wat & San 608	4 000 000,00	2 834 127,61	71%	Phokwane still to go out for construction tenders. Unspent funds rolled over as part of new allocation to do construction.
14/15: Phok-Road Infr & Maint Plan	800 000,00	528 585,00	66%	Completed. Last claim received, awaiting payment.
14/15: Phok-Resealing Res Stor Dam	200 000,00	125 459,34	63%	Completed, saving.
14/15: Dikgatlong Elect Master Plan	320 000,00	200 641,15	63%	Completed, saving.
HOUSING				
13/14: Spec Proj: 16 Days Of Activism	15 900,00	-	0%	programme cancelled
13/14: Spec Proj – Women’s Month	16 500,00	14 322,72	87%	Completed and paid
13/14: Spec Proj: Mandela Month	16 500,00	(16 000,00)	-97%	Completed and paid
13/14: Housing Consumer Education	5 600,00	5 575,00	100%	Completed
12/13: Housing Steering Committee Meeting	10 000,00	7 494,00	75%	Project complete with a saving
TOTAL	43 537 700,00	35 363 680,24	81%	

The actual spending on special projects for Project Management & Advisory Services amounted to R35, 363 680.24 for the month.

IN-YEAR BUDGET STATEMENT TABLES (ANNEXURE: A)

Table C1: Monthly Budget Statement Summary

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M12 June

Description	2014/15	Budget Year 2015/16							
	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	6 882	5 443	5 843	965	7 640	5 843	1 797	31%	5 843
Transfers recognised - operational	102 395	106 509	113 435	3 347	106 333	113 435	(7 102)	-6%	113 435
Other own revenue	1 124	5 185	5 185	292	746	5 185	(4 439)	-86%	5 185
Total Revenue (excluding capital transfers and contributions)	110 402	117 137	124 463	4 604	114 718	124 463	(9 744)	-8%	124 463
Employee costs	47 113	57 549	57 549	7 021	52 807	57 549	(4 742)	-8%	57 549
Remuneration of Councillors	5 691	6 337	6 337	502	5 988	6 337	(349)	-6%	6 337
Depreciation & asset impairment	3 769	5 615	5 615	-	4 105	5 615	(1 510)	-27%	5 615
Finance charges	2 381	3 054	3 054	421	884	3 054	(2 170)	-71%	3 054
Materials and bulk purchases	3 254	3 956	4 695	193	3 264	4 695	(1 431)	-30%	4 695
Transfers and grants	37 276	56 992	66 321	14 683	47 474	66 321	(18 847)	-28%	66 321
Other expenditure	13 385	21 599	21 118	1 020	11 690	21 118	(9 428)	-45%	21 118
Total Expenditure	112 869	155 102	164 688	23 840	126 211	164 688	(38 477)	-23%	164 688
Surplus/(Deficit)	(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)	28 733	-71%	(40 226)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)	28 733	-71%	(40 226)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)	28 733	-71%	(40 226)
Capital expenditure & funds sources									
Capital expenditure	2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Total sources of capital funds	2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Financial position									
Total current assets	97 164	64 942	63 593		77 194				64 943
Total non current assets	53 259	55 220	47 454		46 129				55 219
Total current liabilities	22 579	16 694	16 694		15 459				16 694
Total non current liabilities	33 379	28 649	28 649		31 595				28 649
Community wealth/Equity	94 465	74 819	65 703		76 270				74 819
Cash flows									
Net cash from (used) operating	4 082	(21 733)	(21 655)	(18 822)	35 952	(21 655)	(57 607)	266%	(21 655)
Net cash from (used) investing	(2 927)	(9 429)	(4 323)	(15)	(3 540)	(4 323)	(783)	18%	(4 323)
Net cash from (used) financing	(1 607)	(1 111)	(1 111)	(421)	(1 287)	(1 111)	175	-16%	(1 111)
Cash/cash equivalents at the month/year end	87 483	61 743	60 393	-	119 060	60 393	(58 666)	-97%	60 845
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 Income Source	5 981	86	140	2	1	-	-	143	6 352
Creditors Age Analysis									
Total Creditors	4 432	-	-	-	-	-	-	-	4 432

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

DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June

Description	Ref	2014/15	Budget Year 2015/16							
		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>		95 955	100 012	100 912	2 287	98 747	100 912	(2 165)	-2%	100 912
Executive and council		4 733	-	500	388	388	500	(112)	-22%	500
Budget and treasury office		91 223	100 012	100 412	1 899	98 359	100 412	(2 053)	-2%	100 412
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		1 695	2 030	4 456	1 686	2 690	4 456	(1 766)	-40%	4 456
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		315	630	700	350	350	700	(350)	-50%	700
Housing		1 380	1 400	3 756	1 336	2 340	3 756	(1 416)	-38%	3 756
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		12 751	15 095	19 095	631	13 282	19 095	(5 813)	-30%	19 095
Planning and development		9 751	15 095	19 095	631	13 282	19 095	(5 813)	-30%	19 095
Road transport		-	-	-	-	-	-	-		-
Environmental protection		3 000	-	-	-	-	-	-		-
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	110 402	117 137	124 463	4 604	114 718	124 463	(9 744)	-8%	124 463
Expenditure - Standard										
<i>Governance and administration</i>		52 832	67 263	69 567	6 840	53 771	69 567	(15 796)	-23%	69 567
Executive and council		18 485	26 016	26 659	2 232	22 366	26 659	(4 292)	-16%	26 659
Budget and treasury office		19 992	23 864	23 981	2 820	15 903	23 981	(8 078)	-34%	23 981
Corporate services		14 355	17 382	18 927	1 787	15 502	18 927	(3 425)	-18%	18 927
<i>Community and public safety</i>		9 112	13 351	15 221	1 362	10 821	15 221	(4 400)	-29%	15 221
Community and social services		-	-	-	(9)	(9)	-	(9)	#DIV/0!	-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		4 295	6 833	6 504	696	5 397	6 504	(1 108)	-17%	6 504
Housing		4 817	6 518	8 717	675	5 433	8 717	(3 283)	-38%	8 717
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		50 925	69 635	75 146	15 637	61 619	75 146	(13 526)	-18%	75 146
Planning and development		48 579	66 969	72 275	15 192	59 151	72 275	(13 124)	-18%	72 275
Road transport		-	-	-	-	-	-	-		-
Environmental protection		2 347	2 667	2 870	446	2 468	2 870	(402)	-14%	2 870
<i>Trading services</i>		-	-	-	-	-	-	-		-
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<i>Other</i>		-	4 853	4 755	-	-	4 755	(4 755)	-100%	4 755
Total Expenditure - Standard	3	112 869	155 102	164 688	23 840	126 211	164 688	(38 477)	-23%	164 688
Surplus/ (Deficit) for the year		(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)	28 733	-71%	(40 226)

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

DC9 Frances Baard - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	2014/15	Budget Year 2015/16							
		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 - Executive & Council		4 733	-	500	388	388	500	(112)	-22,4%	500
Vote 2 - Budget & Treasury		91 223	100 012	100 412	1 899	98 359	100 412	(2 053)	-2,0%	100 412
Vote 3 - Corporate Services		315	630	700	975	975	700	275	39,3%	700
Vote 4 - Planning & Development		12 751	940	940	85	836	940	(104)	-11,0%	940
Vote 5 - Project Management & Advisory Services		1 380	15 555	21 911	1 256	14 160	21 911	(7 751)	-35,4%	21 911
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	110 402	117 137	124 463	4 604	114 718	124 463	(9 744)	-7,8%	124 463
Expenditure by Vote	1									
Vote 1 - Executive & Council		18 485	26 016	26 659	2 232	22 366	26 659	(4 292)	-16,1%	26 659
Vote 2 - Budget & Treasury		19 992	23 864	23 981	2 820	15 903	23 981	(8 078)	-33,7%	23 981
Vote 3 - Corporate Services		20 997	26 882	28 302	2 920	23 358	28 302	(4 944)	-17,5%	28 302
Vote 4 - Planning & Development		14 675	22 205	22 173	2 531	17 604	22 173	(4 569)	-20,6%	22 173
Vote 5 - Project Management & Advisory Services		38 720	56 134	63 574	13 336	46 981	63 574	(16 594)	-26,1%	63 574
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	112 869	155 102	164 688	23 840	126 211	164 688	(38 477)	-23,4%	164 688
Surplus/ (Deficit) for the year	2	(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)	28 733	-71,4%	(40 226)

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

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		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		972	1 072	1 072	7	358	1 072	(714)	-67%	1 072
Interest earned - external investments		6 882	5 443	5 843	965	7 640	5 843	1 797	31%	5 843
Interest earned - outstanding debtors		-	-		-	-	-	-		-
Dividends received		-	-		-	-	-	-		-
Fines		-	-		-	-	-	-		-
Licences and permits		-	-		-	-	-	-		-
Agency services		-	-		-	-	-	-		-
Transfers recognised - operational		102 395	106 509	113 435	3 347	106 333	113 435	(7 102)	-6%	113 435
Other revenue		153	4 053	4 053	285	388	4 053	(3 665)	-90%	4 053
Gains on disposal of PPE		-	60	60	-	-	60	(60)	-100%	60
Total Revenue (excluding capital transfers and contributions)		110 402	117 137	124 463	4 604	114 718	124 463	(9 744)	-8%	124 463
Expenditure By Type										
Employee related costs		47 113	57 549	57 549	7 021	52 807	57 549	(4 742)	-8%	57 549
Remuneration of councillors		5 691	6 337	6 337	502	5 988	6 337	(349)	-6%	6 337
Debt impairment		1 211	3	3	-	-	3	(3)	-100%	3
Depreciation & asset impairment		3 769	5 615	5 615	-	4 105	5 615	(1 510)	-27%	5 615
Finance charges		2 381	3 054	3 054	421	884	3 054	(2 170)	-71%	3 054
Bulk purchases		-	-		-	-	-	-		-
Other materials		3 254	3 956	4 695	193	3 264	4 695	(1 431)	-30%	4 695
Contracted services		-	-		-	-	-	-		-
Transfers and grants		37 276	56 992	66 321	14 683	47 474	66 321	(18 847)	-28%	66 321
Other expenditure		12 064	21 386	20 905	1 020	11 690	20 905	(9 215)	-44%	20 905
Loss on disposal of PPE		111	210	210	-	-	210	(210)	-100%	210
Total Expenditure		112 869	155 102	164 688	23 840	126 211	164 688	(38 477)	-23%	164 688
Surplus/(Deficit)		(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)	28 733	(0)	(40 226)
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)			(40 226)
Taxation								-		
Surplus/(Deficit) after taxation		(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)			(40 226)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)			(40 226)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(2 467)	(37 965)	(40 226)	(19 236)	(11 493)	(40 226)			(40 226)

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

DC9 Frances Baard - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M12 June										
Vote Description	Ref	2014/15	Budget Year 2015/16							
		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									
Single Year expenditure appropriation	2									
Vote 1 - Executive & Council		311	165	167	-	30	167	(137)	-82%	167
Vote 2 - Budget & Treasury		936	1 924	2 143	-	1 945	2 143	(199)	-9%	2 143
Vote 3 - Corporate Services		739	10 409	8 180	31	1 114	8 180	(7 066)	-86%	8 180
Vote 4 - Planning & Development		45	32	169	(17)	140	169	(29)	-17%	169
Vote 5 - Project Management & Advisory Services		94	1 027	1 019	-	449	1 019	(570)	-56%	1 019
Total Capital single-year expenditure	4	2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Total Capital Expenditure		2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Capital Expenditure - Standard Classification										
Governance and administration		1 935	2 751	2 310	31	2 340	2 310	29	1%	2 310
Executive and council		311	165	167	-	30	167	(137)	-82%	167
Budget and treasury office		936	1 924	2 143	-	1 945	2 143	(199)	-9%	2 143
Corporate services		688	663		31	365	-	365	#DIV/0!	-
Community and public safety		62	9 726	8 180	-	739	8 180	(7 441)	-91%	8 180
Community and social services		-	-	517			517	(517)	-100%	517
Sport and recreation		-	-							
Public safety		37	9 726	7 663	-	739	7 663	(6 924)	-90%	7 663
Housing		26	-							
Health		-	-							
Economic and environmental services		127	1 079	1 189	-	478	1 189	(711)	-60%	1 189
Planning and development		113	1 059	1 168	-	468	1 168	(700)	-60%	1 168
Road transport		-	-							
Environmental protection		14	20	20	-	10	20	(11)	-53%	20
Trading services		-	-	-	-	-	-	-		-
Other					(17)	120		120	#DIV/0!	
Total Capital Expenditure - Standard Classification	3	2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Funded by:										
National Government										
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		-	-	-	-	-	-	-		-
Public contributions & donations	5									
Borrowing	6									
Internally generated funds		2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679
Total Capital Funding		2 125	13 556	11 679	15	3 677	11 679	(8 002)	-69%	11 679

Table C6 Monthly Budget Statement - Financial Position

DC9 Frances Baard - Table C6 Monthly Budget Statement - Financial Position - M12 June						
Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		324	2 142	2 966	3 275	2 143
Call investment deposits		87 159	59 600	57 427	66 300	59 600
Consumer debtors		-	-			-
Other debtors		8 394	2 000	2 000	6 353	2 000
Current portion of long-term receivables		963	900	900	963	900
Inventory		324	300	300	303	300
Total current assets		97 164	64 942	63 593	77 194	64 943
Non current assets						
Long-term receivables		9 475	8 679	8 679	9 475	8 679
Investments		5 250	-		5 250	-
Investment property						
Investments in Associate						
Property, plant and equipment		37 644	46 098	38 333	30 514	45 467
Agricultural						
Biological assets						
Intangible assets		890	443	443	890	443
Other non-current assets		-			-	630
Total non current assets		53 259	55 220	47 454	46 129	55 219
TOTAL ASSETS		150 423	120 162	111 047	123 323	120 162
LIABILITIES						
Current liabilities						
Bank overdraft		-	-			-
Borrowing		1 735	1 694	1 694	1 735	1 694
Consumer deposits						
Trade and other payables		10 535	7 000	7 000	4 458	7 000
Provisions		10 308	8 000	8 000	9 266	8 000
Total current liabilities		22 579	16 694	16 694	15 459	16 694
Non current liabilities						
Borrowing		6 699	6 649	6 649	4 914	6 649
Provisions		26 681	22 000	22 000	26 681	22 000
Total non current liabilities		33 379	28 649	28 649	31 595	28 649
TOTAL LIABILITIES		55 958	45 343	45 343	47 054	45 343
NET ASSETS	2	94 465	74 819	65 703	76 270	74 819
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		70 161	48 469	41 400	58 493	48 469
Reserves		24 303	26 350	24 303	17 776	26 350
TOTAL COMMUNITY WEALTH/EQUITY	2	94 465	74 819	65 703	76 270	74 819

Table C7 Monthly Budget Statement - Cash Flow

DC9 Frances Baard - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		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										
Property rates, penalties & collection charges								-		
Service charges								-		
Other revenue		39	5 125	5 125	285	350	5 125	(4 774)	-93%	5 125
Government - operating		103 405	106 509	106 579	3 347	145 971	106 579	39 392	37%	106 579
Government - capital			-		-	-		-		
Interest		6 882	5 443	5 443	965	7 640	5 443	2 197	40%	5 443
Dividends								-		
Payments										
Suppliers and employees		(67 916)	(83 177)	(83 210)	(8 736)	(70 072)	(83 210)	(13 139)	16%	(83 210)
Finance charges		(1 052)	(1 054)	(1 054)	-	(463)	(1 054)	(591)	56%	(1 054)
Transfers and Grants		(37 276)	(54 578)	(54 537)	(14 683)	(47 474)	(54 537)	(7 064)	13%	(54 537)
NET CASH FROM/(USED) OPERATING ACTIVITIES		4 082	(21 733)	(21 655)	(18 822)	35 952	(21 655)	(57 607)	266%	(21 655)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		10	60	60	-	-	60	(60)	-100%	60
Decrease (Increase) in non-current debtors		38						-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments		(850)		5 250			5 250	(5 250)	-100%	5 250
Payments										
Capital assets		(2 125)	(9 489)	(9 633)	(15)	(3 540)	(9 633)	(6 093)	63%	(9 633)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(2 927)	(9 429)	(4 323)	(15)	(3 540)	(4 323)	(783)	18%	(4 323)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(1 607)	(1 111)	(1 111)	(421)	(1 287)	(1 111)	175	-16%	(1 111)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 607)	(1 111)	(1 111)	(421)	(1 287)	(1 111)	175	-16%	(1 111)
NET INCREASE/ (DECREASE) IN CASH HELD		(452)	(32 273)	(27 089)	(19 258)	31 126	(27 089)			(27 089)
Cash/cash equivalents at beginning:		87 934	94 016	87 483		87 934	87 483			87 934
Cash/cash equivalents at month/year end:		87 483	61 743	60 393		119 060	60 393			60 845

5. SUPPORTING DOCUMENTATION

Material variance explanations

DC9 Frances Baard - Supporting Table SC1 Material variance explanations - M12 June				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue By Source			
	Rental of facilities and equipment	-67%	The demand for the rental of facilities and equipment is lower than anticipated. Local municipalities may be using other service providers to rent the facilities and equipment.	Communicate with the local municipalities and encourage them to make use of the district municipality for the rental of facilities and equipment. Market the facilities and equipment to the public to inform them of the availability of the service provided by the municipality.
	Interest earned - external investments	31%	Received more of the scheduled grant income than anticipated.	None needed.
	Other income	-90%	The revenue expected from other sources is lower than budgeted for.	None needed.
2	Expenditure By Type			
	Salaries	-8%	Employee related cost is lower than budgeted for.	Positions are advertised, will be filled as soon as possible.
	Other Materials	-30%	Will be used at the end of the financial year.	None needed.
	Transfers and grants	-28%	Less money was transferred than budgeted for, may be as a result of local municipalities not requesting the funds.	Communicate with local municipalities to utilise the funds available to them from the district municipality for the relevant projects.
	Other expenditure	-44%	Less money spent on other expenditure than anticipated.	Consult with managers, to ensure that spending is as planned.
3	Capital Expenditure			
	Capital expenditure	-69%	Capital projects are in the planning phase as per the procurement plan for the first quarter.	Managers of the different units need to monitor the capital expenditure of their units and ensure that they are on track.
4	Financial Position			
	Current Assets	19%	Current assets shows an increase of 105% which is mainly due to the increase in call investments.	None needed.
	Non-Current Liabilities	-16%	There is an increase in the non-current liabilities mainly due to the increase in provisions for the year.	None needed.
	Accumulated Surplus	21%	Accumulated surplus shows an increase of 123% which is a result of the accumulated surplus growth being higher than expected.	None needed.
5	Cash Flow			
	Net cash from operating / (used) Operating Activities	266%	Net cash from operating activities is above the year-to-date budget as a result of expenditure being lower than budgeted for.	None needed.
	Net cash from operating / (used) Investing Activities	18%	Payments relating to capital assets is lower than budgeted for.	None needed.

More detail on operating variances is available on pages 04 to 14 of this report.

Table SC2 Monthly Budget Statement - performance indicators

DC9 Frances Baard - Supporting Table SC2 Monthly Budget Statement - performance indicators - M12 June							
Description of financial indicator	Basis of calculation	Ref	2014/15	Budget Year 2015/16			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0,7%	5,6%	5,3%	0,7%	5,7%
Borrowed funding of 'own' 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		20,1%	20,5%	23,4%	14,6%	20,5%
Gearing	Long Term Borrowing/ Funds & Reserves		27,6%	25,2%	27,4%	27,6%	25,2%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	430,3%	389,0%	380,9%	499,4%	389,0%
Liquidity Ratio	Monetary Assets/Current Liabilities		387,5%	369,8%	361,8%	450,1%	369,9%
<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		17,1%	9,9%	9,3%	14,6%	9,3%
Longstanding Debtors Recovered	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						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		42,7%	49,1%	46,2%	46,0%	46,2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0,0%	0,0%	0,0%	0,0%	0,0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		5,6%	7,4%	7,0%	0,8%	7,5%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		342,4%	219,6%	0,0%	45,9%	382,2%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		-2382,6%	206,5%	0,0%	1421,0%	227,2%

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 46.2%.

The municipality still depends on grant funding of over 90.9% to fund its operations. All municipal 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

DC9 Frances Baard - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June													
Description	NT Code	Budget Year 2015/16									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy
		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 Income Source													
Other	1900	5 981	86	140	2	1	-	-	143	6 352	145		
Total By Income Source	2000	5 981	86	140	2	1	-	-	143	6 352	145	-	-
2014/15 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	93	89	-	6	-	-	-	-	188	6		
Commercial	2300	-	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-	-		
Other	2500	5 888	(2)	140	(5)	1	-	-	143	6 164	139		
Total By Customer Group	2600	5 981	86	140	2	1	-	-	143	6 352	145	-	-

Municipal 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 2016 in respect of Provincial and Local Governments Department.

- Dikgatlong local municipality R6, 416.73 for the Koopmansfontein streetlights.

- ***Post-Service Benefits***

There is one outstanding debt reflected for more than 90 days as at 30 June 2016.

- Kgantsi N.G R24 190 for under payment of post medical aid contribution benefit.

- **Sundry Debtors**

There is one outstanding debt reflected for more than 90 days as at 30 June 2016 for sundry debtors.

- Moloi M.M R112, 636.80 for benefit of using the municipal vehicle.

Table SC4 Monthly Budget Statement - aged creditors

DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June											
Description	NT Code	Budget Year 2015/16									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	4 432	-	-	-	-	-	-	-	-	4 432
Total By Customer Type	1000	4 432	-	-	-	-	-	-	-	-	4 432

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 7% for staff has been implemented as from the 1st of July 2015 – 30 June 2016 and 7.93% for the directors. The salary increase was finalized and back-pay was paid with the October 2015 salary run.

A gazette no.39429 was issued on the 20 November 2015 for the annual increase for Councilors in terms of the remuneration of Public Office Bearers Act, 1998 for the 2015/16 financial year.

Trade Creditors:

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 30 June 2016 is listed below:

PAYMENTS		
Total value of all payments		R 30 468 096
Electronic transfers		206
Cheques issued		22
SALARIES		
Number of salary beneficiaries		169
Councillors		25
Total Councillors	27	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	25	
* Councillors without Remuneration	2	
Employees		144
* Remunerated Employee's	139	
* Remunerated Terminated Employees		
F Mdee, A Ralukake, M Mda	3	
Pensioners	2	
Total remuneration paid		4 032 955
Councillors		676 409
Employees		3 549 532
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:

Council adopted a new procurement policy effective from 23 September 2015.

Council is empowered by the MFMA and its regulation to exercise oversight over the implementation of the Supply Chain Management Policy. 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 23 September 2015 is implemented and is maintain by all relevant role players.

- **Implementation of the Supply chain Management Process.**
 - **Training of Supply Chain Management Officials**

All SCM officials attended the Central Supplier Database workshop.

- **Demand Management**

Bids and quotations were invited in accordance with the Supply Chain Management Policy. Bid documents used were customised, standard bid documents prescribe 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 2016, no contract (R200 000 +) was awarded by the Municipal Manager.

For the period of June 2016 no written price quotations (R30 000-R200 000) were awarded by the Municipal Manager.

Total orders issued total R 430 642.25

Per department

Council And Executive	R 17 297.47
Municipal Manager	R 85 070.48
Finance	R 2 840.00
Administration	R304 321.37
Planning and Development	R 11 340.00
Technical Service	R 9 772.93
Stores	R 0.00

- **Disposal Management**

The transfer of one vehicle to Dikgatlong Municipality and one vehicle and one trailer to Magareng Municipalities were approved by the Municipal Manager.

- **Deviations**

No deviations were approved by the Municipal Manager

- **Issues from Stores**

Total orders issued total R32 331.42

Issues per department

Council	R 0.00
Municipal Manager	R 104.27
Finance	R 2 683.96
Administration	R14 352.50
Planning and Development	R 935.75
Technical Service	R14 254.94
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 municipality to assist.

- **Orders outstanding more than 30 days**

Company	60 Days	90 Days	Comment
Altech Netstar		R9, 425.52	Invoices not receive yet
Cocekisa Cleaning And Hygiene Group	R2, 696 270.71		Project not completed
Civil Sense Consulting		R52, 896.00	Project not completed yet
Franic Signs & Clothing	R5, 472.00		Invoice not received
GXY Architects		R47, 984.30	Project not completed
Letselebe Transport And Trading	R706, 256.42		Project not completed
Morar Incorporated		R238, 000.00	Project not completed
Natiol Health Laboratory		R1, 343.89	Invoice not received yet
Rennies		R22, 980.96	Invoice not received yet
Redeals Four Consulting		R275, 615.64	Project not completed
		R2, 374 101.81	Project not completed

Re Masike Construction			
Tshawe Infrastructure Technologies		R752, 400.00	Project not completed
Tshani Consulting		R165, 280.40	Project not completed
Worldwide Travel & Tours		R3, 045.00	Awaits invoices

Table SC5 Monthly Budget Statement - investment portfolio

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June									
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							
ABSA		1	notice	2017-06-27	41739	9,150%	5 550 000		5 550 000
NEDCOR		1	call	2016-06-30	55068	6,700%	10 000 000		10 000 000
RMB		1	call	2016-06-30	22553	6,860%	4 000 000		4 000 000
STANDARD BANK		1	call	2016-06-30	33534	6,800%	6 000 000		6 000 000
ABSA		1	call	2016-06-30	38260	6,650%	7 000 000		7 000 000
ABSA		4	notice	2016-07-27	37381	7,580%	6 000 000		6 000 000
NEDCOR		4	notice	2016-07-27	37923	7,690%	6 000 000		6 000 000
STANDARD BANK		4	notice	2016-07-27	23507	7,150%	4 000 000		4 000 000
ABSA		4	notice	2016-07-21	29199	7,640%	4 500 000		4 500 000
NEDCOR		4	notice	2016-07-21	28966	7,579%	4 500 000		4 500 000
RMB		4	notice	2016-07-21	28282	7,400%	4 500 000		4 500 000
NEDCOR		4	notice	2016-07-21	27327	7,150%	4 500 000		4 500 000
Municipality sub-total					403741		66 550	-	66 550
TOTAL INVESTMENTS AND INTEREST	2				403741		66 550	-	66 550

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

DC9 Frances Baard - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		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:		100 358	104 279	104 279	-	104 279	104 279	-		104 279
Local Government Equitable Share		6 965	10 002	10 002	-	10 002	10 002	-		10 002
Special Contribution: Councillor Remuneration		4 683	-	-	-	-	-	-	0,0%	
Levy replacement		85 780	88 934	88 934	-	88 934	88 934	-		88 934
Finance Management Grant		1 250	1 250	1 250	-	1 250	1 250	-	0,0%	1 250
Municipal Systems Improvement		674	940	940	-	940	940	-		940
Extended Public Works Programme	3	1 006	1 000	1 000	-	1 000	1 000	-		1 000
Roads asset management		-	2 153	2 153	-	2 153	2 153	-		2 153
Provincial Government:		1 945	2 030	11 311	-	8 000	11 311	(3 311)	-29,3%	11 311
Housing		1 380	1 400	3 756	-	944	3 756	(2 811)	-74,9%	3 756
Near Grant		315	315	350	-	350	350	-		350
Fire Fighting Equipment Grant		-	315	350	-	350	350	-		350
NC Tourism	4	200	-	-	-	-	-	-		-
Environmental Health Recycling Grant		-	-	-	-	-	-	-		-
District Aids Programme		50	-	-	-	-	-	-		-
HIV/AIDS Programme		-	-	500	-	-	500	(500)		500
Operation Khptso Pula Nala		-	-	4 000	-	4 000	4 000	-		4 000
Housing Project		-	-	2 356	-	2 356	2 356	-		2 356
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
Other grant providers:		92	200	200	-	90	200	(110)	-54,9%	200
SETA Skills Grant		77	200	200	-	90	200	(110)	-54,9%	200
ABSA		15	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	102 395	106 509	115 790	-	112 369	115 790	(3 421)	-3,0%	115 790
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-		-
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	102 395	106 509	115 790	-	112 369	115 790	(3 421)	-3,0%	115 790

Table SC7 Monthly Budget Statement - transfers and grant expenditure

DC9 Frances Baard - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		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:		100 358	104 279	104 279	1 166	104 076	104 279	(203)	-0,2%	104 279
Local Government Equitable Share		9 965	10 002	10 002	-	10 002	10 002	-		10 002
Special Contribution: Councillor Remuneration		4 683	-	-	-	-	-	-		-
Levy replacement		82 780	88 934	88 934	-	88 934	88 934	-		88 934
Finance Management Grant		1 250	1 250	1 250	398	1 250	1 250	-		1 250
Municipal Systems Improvement		674	940	940	85	1 096	940	156	16,6%	940
Extended Public Works Programme		1 006	1 000	1 000	58	1 000	1 000	-		1 000
Roads asset management		-	2 153	2 153	625	1 794	2 153	(359)	-16,7%	2 153
Provincial Government:		1 945	2 030	13 667	2 760	5 500	13 667	(8 167)	-59,8%	13 667
Housing		1 380	1 400	3 756	-	1 306	3 756	(2 450)	-65,2%	3 756
Fire Fighting Equipment Grant			315	350	350	350	350	-		350
Near Grant		315	315	350	-	-	350	(350)	-100,0%	350
NC Tourism		200								
Housing Project		-	-	2 356	-	-	2 356	(2 356)	-100,0%	2 356
HIV/AIDS Programme				500	353	388	500	(112)	-22,4%	500
Operation Khptso Pula Nala				4 000	722	1 101	4 000	(2 899)	-72,5%	4 000
Housing Project		50		2 356	1 336	2 356	2 356	(0)	0,0%	2 356
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		92	200	200	-	64	200	(136)	-67,9%	200
ABSA		15								
SETA Skills Grant		77	200	200	-	64	200	(136)	-67,9%	200
Total operating expenditure of Transfers and Grants:		102 395	106 509	118 146	3 926	109 640	118 146	(8 506)	-7,2%	118 146
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-		-
Provincial Government:		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-		-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		102 395	106 509	118 146	3 926	109 640	118 146	(8 506)	-7,2%	118 146

Table SC8 Monthly Budget Statement - councillor and staff benefits

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June										
Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16							
		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)										
Basic Salaries and Wages		3 716	4 478	4 478	348	4 095	4 478	(383)	-9%	4 478
Pension and UIF Contributions		184	200	200	16	194	200	(6)	-3%	200
Medical Aid Contributions		17	-	-	1	17	-	17	#DIV/0!	-
Motor Vehicle Allowance		1 306	1 321	1 321	114	1 368	1 321	47	4%	1 321
Cellphone Allowance		209	244	244	23	275	244	30	12%	244
Housing Allowances					-	39		39	#DIV/0!	
Other benefits and allowances		259	94	94	-	-	94	(94)	-100%	94
Sub Total - Councillors		5 691	6 337	6 337	502	5 988	6 337	(349)	-6%	6 337
% increase	4		11,3%	11,3%						11,3%
Senior Managers of the Municipality										
Basic Salaries and Wages		4 377	5 212	5 212	240	3 113	5 212	(2 099)	-40%	5 212
Pension and UIF Contributions		580	914	914	36	428	914	(486)	-53%	914
Medical Aid Contributions		118	4	4	-	-	4	(4)	-100%	4
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		434	440	440	136	344	440	(96)	-22%	440
Motor Vehicle Allowance		480	317	317	23	271	317	(46)	-15%	317
Cellphone Allowance		89	96	96	5	60	96	(36)	-38%	96
Housing Allowances		10	6	6			6	(6)	-100%	6
Other benefits and allowances		52	81	81	-	42	81	(40)	-49%	81
Payments in lieu of leave		-	115	115	-	-	115	(115)	-100%	115
Long service awards		-	26	26	-	-	26	(26)	-100%	26
Post-retirement benefit obligations	2	-			-	-		-		
Sub Total - Senior Managers of Municipality		6 140	7 211	7 211	439	4 257	7 211	(2 953)	-41%	7 211
% increase	4		17,4%	17,4%						17,4%
Other Municipal Staff										
Basic Salaries and Wages		29 143	36 860	36 860	2 583	31 430	36 860	(5 430)	-15%	36 860
Pension and UIF Contributions		4 468	6 533	6 533	376	4 960	6 533	(1 574)	-24%	6 533
Medical Aid Contributions		1 285	447	447	137	1 587	447	1 139	255%	447
Overtime		-	78	78	-	-	78	(78)	-100%	78
Performance Bonus		51	-	-	1 319	2 184	-	2 184	#DIV/0!	-
Motor Vehicle Allowance		2 812	3 109	3 109	296	3 682	3 109	573	18%	3 109
Cellphone Allowance		96	97	97	10	145	97	48	49%	97
Housing Allowances		256	236	236	31	390	236	153	65%	236
Other benefits and allowances		888	1 090	1 090	91	1 302	1 090	212	19%	1 090
Payments in lieu of leave		1 439	825	825	1 674	1 674	825	849	103%	825
Long service awards		140	188	188	11	130	188	(58)	-31%	188
Post-retirement benefit obligations	2	395	874	874	54	1 066	874	192	22%	874
Sub Total - Other Municipal Staff		40 973	50 339	50 339	6 582	48 550	50 339	(1 789)	-4%	50 339
% increase	4		22,9%	22,9%						22,9%
Total Parent Municipality		52 804	63 886	63 886	7 523	58 795	63 886	(5 091)	-8%	63 886
			21,0%	21,0%						21,0%
TOTAL SALARY, ALLOWANCES & BENEFITS		52 804	63 886	63 886	7 523	58 795	63 886	(5 091)	-8%	63 886
% increase	4		21,0%	21,0%						21,0%
TOTAL MANAGERS AND STAFF		47 113	57 549	57 549	7 021	52 807	57 549	(4 742)	-8%	57 549

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace (finance department) for the month of June 2016 averages 88%. The reason for the deviations is mainly due to, annual leave, sick leave taken and courses attended during the month.

Attendance trends are summarized as follows:

	Senior Management	Middle Management	Supervisory	Clerical
Number of Members	1	3	7	12
Leave	0	1	7	10
Sick Leave	0	0	3	5
Courses / Seminar	0	0	0	4
Meetings	0	0	0	0
Study leave	0	0	0	0
Maternity Leave	0	0	0	0
Family Responsibility	0	0	0	0
Union Meetings	0	0	0	0
Absent	0	0	0	0
Special Leave	0	0	0	0
Over time	0	0	0	0
No. of Workdays Attended	0	62	137	170
Total Workdays	21	63	147	189
Percentage Attendance per Group	0%	98%	93%	90%
Average	88%			

Personnel Development:

- One (1) finance interns attended the MFMP programme during the month of June 2016.

INTERNSHIP PROGRAMME

As per National Treasury regulations, there are five finance internship posts. 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 elsewhere in other municipalities. Their appointment is for a period of 24 to 36 months depending on completion of the Municipal Finance Management Programme (MFMP).

Two (2) interns are enrolled for the MFMP; the other three (3) interns will be enrolled with the new intake of the MFMP course.

SUPPORT OF LOCAL MUNICIPALITIES

The municipality established a district CFO Forum on 1 October 2015. The aim of the forum is to share best practices with our local municipalities, ensuring better financial management in all our local municipalities. Regional offices of COGHSTA and Provincial Treasury were also invited as support stakeholders of the municipality.

- One (1) senior accountant from the budget office went to Magareng Local Municipality during the month of June to assist with the correction of the annual budget.

mSCOA Implementation Progress

In terms of the MFMA mSCOA Circular 1, The Municipal Regulations on a Standard Chart of Accounts (mSCOA) is applicable to all municipalities and municipal entities with effect from 1 July 2017.

- The income statement and balance sheet vote structure has been 100% reviewed, new vote numbers are being created to be mSCOA compliant.
- The municipality has established the implementation team and the steering committee; both bodies have had two meetings thus far.
- Implementation of the new votes will be loaded from 1 July 2016.
- New budget year will be process on the mSCOA vote structures.

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

DC9 Frances Baard - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M12 June																
Description	Ref	Budget Year 2015/16												2015/16 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Receipts By Source																
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-	-	-	-	56	58	
Interest earned - external investments		238	499	517	681	732	339	560	704	1 108	654	643	965	7 640	4 907	5 103
Transfer receipts - operating		41 280	49	201	6 701	33 266	-	414	(45)	25 274	34 148	1 335	3 347	145 971	108 725	115 778
Other revenue		17	29	15	4	2	(35)	4	5	3	12	9	285	350	80	80
Cash Receipts by Source		41 535	578	733	7 387	34 001	304	977	663	26 385	34 813	1 988	4 597	153 961	113 767	121 019
Other Cash Flows by Source																
Proceeds on disposal of PPE															60	62
Total Cash Receipts by Source		41 535	578	733	7 387	34 001	304	977	663	26 385	34 813	1 988	4 597	153 961	113 827	121 081
Cash Payments by Type																
Employee related costs		3 851	3 842	4 417	3 965	5 180	4 023	3 980	4 019	4 208	438	3 918	7 021	48 862	55 090	57 884
Remuneration of councillors		466	473	461	454	480	472	454	686	502	533	504	502	5 988	6 145	6 431
Interest paid		-	-	-	-	-	-	463	-	-	-	-	-	463	1 129	1 129
Bulk purchases - Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials		163	106	600	286	121	232	148	380	297	332	407	193	3 264	4 406	4 583
Contracted services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		161	745	419	1 834	1 651	6 458	808	1 199	6 850	6 175	6 489	14 683	47 474	30 795	30 053
General expenses		11 377	(10 086)	11 227	(8 678)	1 165	1 123	790	726	1 486	1 105	702	1 020	11 958	13 895	14 444
Cash Payments by Type		16 017	(4 920)	17 124	(2 138)	8 596	12 308	6 643	7 011	13 343	8 584	12 022	23 419	118 009	111 460	114 525
Other Cash Flows/Payments by Type																
Capital assets		2	42	110	23	85	833	66	28	1 769	54	513	15	3 540	749	950
Repayment of borrowing								866					421	1 287	1 785	1 980
Total Cash Payments by Type		16 019	(4 878)	17 234	(2 115)	8 681	13 141	7 576	7 039	15 112	8 637	12 534	23 854	122 836	113 994	117 455
NET INCREASE/(DECREASE) IN CASH HELD		25 515	5 456	(16 502)	9 502	25 320	(12 837)	(6 599)	(6 376)	11 273	26 176	(10 547)	(19 258)	31 126	(167)	3 626
Cash/cash equivalents at the month/year beginning:		87 934	113 450	118 905	102 404	111 906	137 227	124 390	117 791	111 415	122 688	148 864	138 318	87 934	119 060	118 893
Cash/cash equivalents at the month/year end:		113 450	118 905	102 404	111 906	137 227	124 390	117 791	111 415	122 688	148 864	138 318	119 060	119 060	118 893	122 520

Table SC12 Monthly Budget Statement - capital expenditure trend

DC9 Frances Baard - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M12 June										
Month	2014/15		Budget Year 2015/16							% spend of Original Budget
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %		
R thousands										
Monthly expenditure performance trend										
July	-		2	2	2	2	(0)	0,0%	0%	
August	28	2 700	42	42	44	44	1	1,2%	0%	
September	43		110	110	154	155	1	0,4%	1%	
October	-		23	23	177	178	1	0,3%	1%	
November	244	12	85	85	262	263	1	0,2%	2%	
December	573		833	833	1 095	1 096	1	0,1%	8%	
January	31		28	66	1 162	1 124	(37)	-3,3%	9%	
February	86	730	204	28	1 189	1 328	139	10,4%	9%	
March	235	700	4 745	1 769	2 959	6 073	3 114	51,3%	22%	
April	140	5 337	296	54	3 012	6 369	3 356	52,7%	0	
May	110	1 043	95	513	3 525	6 464	2 939	45,5%	0	
June	635	3 033	5 070	15	3 540	11 534	7 995	69,3%	0	
Total Capital expenditure	2 125	13 556	11 534	3 540						

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

DC9 Frances Baard - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		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										
<u>Infrastructure</u>		-	-	-	-	-	-	-	-	-
<u>Community</u>		-	-	-	-	-	-	-	-	-
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		808	12 177	8 230	15	2 691	8 230	5 539	67,3%	8 230
General v ehicles				2 900	-	1 236	2 900	1 664	57,4%	2 900
Specialised v ehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		630	1 070	1 033	-	84	1 033	949	91,9%	1 033
Computers - hardware/equipment		161	6 614	-	-	70	-	(70)	#DIV/0!	-
Furniture and other office equipment		-	9	298	15	194	298	103	34,7%	298
Abattoirs		-	228	-	-	-	-	-	-	-
Markets		-	257	-	-	-	-	-	-	-
Other Buildings		-	-	4 000	-	-	4 000	4 000	100,0%	4 000
Other Land		14	-	-	-	1 108	-	(1 108)	#DIV/0!	-
Other		3	4 000	-	-	-	-	-	-	-
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
<u>Intangibles</u>		168	-	-	-	-	-	-	-	-
Computers - software & programming		168	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	976	12 177	8 230	15	2 691	8 230	5 539	67,3%	8 230
<u>Specialised vehicles</u>		-	-	-	-	-	-	-	-	-
Refuse										
Fire				-	-	-	-	-	-	
Conservancy										
Ambulances										

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

DC9 Frances Baard - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>										
<u>Infrastructure</u>		-	-	-	-	-	-	-		-
<u>Community</u>		-	-	-	-	-	-	-		-
<u>Heritage assets</u>		-	-	-	-	-	-	-		-
<u>Investment properties</u>		-	-	-	-	-	-	-		-
<u>Other assets</u>		1 149	1 278	3 204	-	909	3 204	2 295	71,6%	3 204
General vehicles		840	617	617	-	520	617	97	15,7%	617
Specialised vehicles		-	-	2 040	-	-	2 040	2 040	100,0%	2 040
Plant & equipment		63	69	-	-	-	-	-		-
Computers - hardware/equipment		209	152	-	-	343	-	(343)	#DIV/0!	-
Furniture and other office equipment		-	441	547	-	46	547	501	91,7%	547
Other		37	-	-	-	-	-	-		-
<u>Agricultural assets</u>		-	-	-	-	-	-	-		-
<u>Biological assets</u>		-	-	-	-	-	-	-		-
<u>Intangibles</u>		-	100	100	-	77	100	23	23,3%	100
Computers - software & programming		-	100	100	-	77	100	23	23,3%	100
Total Capital Expenditure on renewal of existing assets	1	1 149	1 378	3 304	-	985	3 304	2 319	70,2%	3 304
<u>Specialised vehicles</u>		-	-	2 040	-	-	2 040	2 040	0	2 040
Refuse		-	-	-	-	-	-	-		-
Fire		-	-	2 040	-	-	2 040	2 040	0	2 040
Conservancy		-	-	-	-	-	-	-		-
Ambulances		-	-	-	-	-	-	-		-

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

DC9 Frances Baard - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		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										
<u>Infrastructure</u>		-	-	-	-	-	-	-	-	-
<u>Community</u>		40	142	4	-	-	4	4	100,0%	4
Other		40	142	4	-	-	4	4	100,0%	4
<u>Heritage assets</u>		4	-	-	-	-	-	-	-	-
Buildings		4	-	-	-	-	-	-	-	-
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		1 308	1 436	2 298	63	1 652	2 298	647	28,1%	2 298
General vehicles		230	349	412	11	243	412	168	40,9%	412
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		229	99	574	4	62	574	512	89,2%	574
Computers - hardware/equipment		626	192		25	764	-	(764)	#DIV/0!	-
Furniture and other office equipment		-	417	924	1	8	924	916	99,2%	924
Civic Land and Buildings		38			14	531		(531)	#DIV/0!	
Other Buildings		-	379	389	-	-	389	389	100,0%	389
Other Land		184			2	10		(10)	#DIV/0!	
Other					6	34		(34)	#DIV/0!	
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
<u>Intangibles</u>		1 903	2 377	2 317	130	1 612	2 317	705	30,4%	2 317
Computers - software & programming		1 903	2 377	2 317	130	1 612	2 317	705	30,4%	2 317
Total Repairs and Maintenance Expenditure		3 254	3 956	4 620	193	3 264	4 620	1 356	29,4%	4 620
<u>Specialised vehicles</u>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

Table SC13d Monthly Budget Statement - depreciation by asset class

DC9 Frances Baard - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M12 June										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Community		204	214	214	-	4 105	214	(3 891)	-1818,1%	214
Other		204	214	214	-	4 105	214	(3 891)	-1818,1%	214
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		3 426	5 134	5 134	-	-	5 134	5 134	100,0%	5 134
General vehicles		1 008	800	800	-	-	800	800	100,0%	800
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		375	353	353	-	-	353	353	100,0%	353
Computers - hardware/equipment		728	963	963	-	-	963	963	100,0%	963
Furniture and other office equipment		716	1 038	1 038	-	-	1 038	1 038	100,0%	1 038
Civic Land and Buildings		600	-	-	-	-	-	-	-	-
Other Buildings		-	1 605	1 605	-	-	1 605	1 605	100,0%	1 605
Other		-	375	375	-	-	375	375	100,0%	375
Agricultural assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		139	268	268	-	-	268	268	100,0%	268
Computers - software & programming		139	268	268	-	-	268	268	100,0%	268
Total Depreciation		3 769	5 615	5 615	-	4 105	5 615	1 510	26,9%	5 615
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse		-	-	-	-	-	-	-	-	-
Fire		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Ambulances		-	-	-	-	-	-	-	-	-

ASSET AND RISK MANAGEMENT**Insurance:**

All Municipal assets are adequately insured with Lateral Unison. The contract expired 30 June 2015; extension was entered into from 01 July 2015 to 31 December 2015. Lateral Unison was appointed again from 01 January 2016 for a period of three (3) years.

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 was done during the month of June 2015 for the 2014/15 financial year.

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 the municipal motor vehicles incurred for the year to date as required in terms of the motor vehicle fleet policy are set out below:

<i>OPERATING RESULTS ANALYSIS</i>	Jun-16	FULL YEAR		
<i>COMPARISON: ACTUAL TO BUDGET</i>	YTD ACTUAL	BUDGET 2015/16	VARIANCES	VARIANCES %
DEPRECIATION	-	800 000	800 000	100%
OTHER ASSETS: MOTOR VEHICLES	-	800 000,00	800 000,00	100%
REPAIRS & MAINTENANCE	171 255,79	253 700,00	82 444,21	32%
MAINT.: MOTOR VEHICLES REPAIRS	75 364,35	82 900,00	7 535,65	9%
MAINT.: MOTOR VEHICLES TYRES	36 482,15	88 000,00	51 517,85	59%
MAINT.: SPEED CONTROL EQUIPMENT	59 409,29	82 800,00	23 390,71	28%
GENERAL EXPENSES	565 388,52	1 124 168,00	558 779,48	50%
MOTOR VEHICLE CLEANING	13 780,00	65 260,00	51 480,00	79%
INSURANCE	119 018,95	110 000,00	(9 018,95)	-8%
LICENSES	13 038,00	17 700,00	4 662,00	26%
MOTOR VEHICLE USAGE	5 097,50	17 200,00	12 102,50	70%
MOTOR VEHICLES: ADMINISTRATION LEVY	18 779,73	25 000,00	6 220,27	25%
MOTOR VEHICLES: FUEL	395 674,34	889 008,00	493 333,66	55%
TOTAL	736 644,31	2 177 868,00	1 441 223,69	66%

Motor Vehicles - Utilization Statistics:

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

Statistical information regarding the year-to-date utility for June 2016 is as follows:

Disposal of Vehicles:

There was no disposal of any vehicles for the month of June 2016.

	Vehicle	Vehicle	Year	Registration	Service	License	Opening KM	Previous Month	Current month	June '16	YTD
	Description	Allocation	Model	Number		expires	01-Jul-15	Closing Km Reading	Closing KM Reading	Utility	Utility
1	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	150 000	2016-09-30	128 918	142 804	144 781	1 977	15 863
2	Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	75 000	2016-09-30	63 785	71 673	72 076	403	8 291
3	Chevrolet Captiva	Pool	2011	CDM 296 NC	90 000	2016-09-30	72 127	86 168	86 957	789	14 830
4	Isuzu KB 2.5 CrewCab	Enviromental Health	2016	CMV 311 NC	15 000	2017-01-31	30	1 734	4 577	2 843	4 547
5	Chevrolet Cruze 1,6	Pool	2016	VMV 321 NC	15 000	2017-01-31	29	3 958	4 736	778	4 707
6	Toyota Hilux	Project Management	2016	CMT 747 NC	15 000	2017-01-31	23	2 152	4 048	1 896	4 025
7	Chevrolet Cruze 1,6 North	Pool	2016	VMT 314 NC	15 000	2017-01-31	28	5 706	8 070	2 364	8 042
8	Isuzu KB CrewCab	Housing	2016	CMV 319 NC	15 000	2017-01-31	33	2 480	4 256	1 776	4 223
9	Toyota Corolla	Pool	2009	BZP 439 NC	180 000	2016-09-30	150 464	171 673	171 673	-	21 209
10	Toyota Corolla	Pool	2009	BZP 440 NC	180 000	2016-09-30	143 854	166 443	166 443	-	22 589
11	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	45 000	2016-12-31	25 031	36 150	37 614	1 464	12 583
12	Isuzu KB 250	Housing	2013	CGR 572 NC	90 000	2016-12-31	61 434	80 723	82 351	1 628	20 917
13	Isuzu KB 250	Housing	2013	CGR 576 NC	60 000	2016-12-31	44 538	55 016	55 856	840	11 318
14	Hyundai HI	Tourism Centre	2013	CGY 587 NC	45 000	2017-02-28	29 024	38 711	39 853	1 142	10 829
15	Isuzu 2.4	Housing	2009	CBD 761 NC	150 000	2017-02-28	128 452	138 581	138 697	116	10 245
16	Nissan LDV	Community Development	2006	BVC 831 NC	165 000	2016-07-31	144 223	152 975	153 112	137	8 889
17	Ford Bantam	Finance Office Support	2004	BRD 836 NC	105 000	2017-01-31	95 527	100 944	100 944	-	5 417
18	Isuzu KB 200	Disaster Management	2010	CBY 895 NC	60 000	2016-09-30	43 937	49 717	49 717	-	5 780
19	Isuzu KB 200	Disaster Management	2010	CBY 898 NC	60 000	2016-09-30	45 364	56 335	56 696	361	11 332
20	Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	20 000	2017-01-31	10 970	15 092	15 572	480	4 602
21	Toyota Land Cruiser	Disaster Management	2014	CKW 835 NC	15 000	2016-11-30	2 672	10 774	11 581	807	8 909
22	Isuzu D/Cab	Pool	2013	CGR 974 NC	75 000	2016-12-31	50 520	68 428	68 428	-	17 908
23	Isuzu Kb 250 D-Teq	Youth Unit	2014	CKR 822 NC	30 000	2016-10-31	7 102	25 438	27 980	2 542	20 878
24	Audi Q7	Council	2013	FBDM 1 NC	135 000	2016-09-30	103 781	132 456	134 746	2 290	30 965
25	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2017-06-30	2 001	2 009	2 009	8	8
26	Toyota Etios	Pool	2014	CJG 979 NC	50 000	2016-12-31	27 338	38 778	40 091	1 313	12 753
27	Nissan NP 200	Enviromental Health	2014	CJJ 262 NC	45 000	2016-12-31	21 209	29 934	30 799	865	9 590
28	Nissan Hardbody	Enviromental Health	2014	CJJ 263 NC	30 000	2016-12-31	10 760	20 562	20 606	44	9 846
29	Nissan NP 200	Enviromental Health	2014	CJJ 258 NC	30 000	2016-12-31	13 980	22 149	22 350	201	8 370
30	Chevrolet Park Van	Supply Chain Management	2015	CLF791 NC	15 000	2017-01-31	1 044	3 664	3 823	159	2 779
31	Nissan Almera 1.5 Acenta	Pool	2016	CMT 438 NC	15 000	2017-01-31	49	4 137	5 044	907	4 995
	FULL FLEET UTILITY JUNE 2016									28 130	337 239

Motor Vehicle Damage Report:

No vehicle damages were reported for the month of June 2016.

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

The report for the month of June 2016 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

ZM Bogatsu
Municipal Manager: Frances Baard District Municipality

Signature _____

Date 13 July 2016

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ZM Bogatsu
Municipal Manager: Frances Baard District Municipality

Signature



Date

13 July 2016