

FRANCES BAARD DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT

31 August 2016

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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 2016/17 financial year was submitted to the Executive Mayor and to Council for approval on 29 June 2016 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 2016:

The Annual Financial Statements for the year ended 30 June 2016 will be submitted to the Audit Committee on 22 August 2016 for their input and to the Office of the Auditor General on 31 August 2016 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 31 August 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 R40, 294 million as compared to the full year approved budget of R119, 645 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, R13, 078 million has been spent compared to the operational year-to-date budget projections of R15, 544 million.

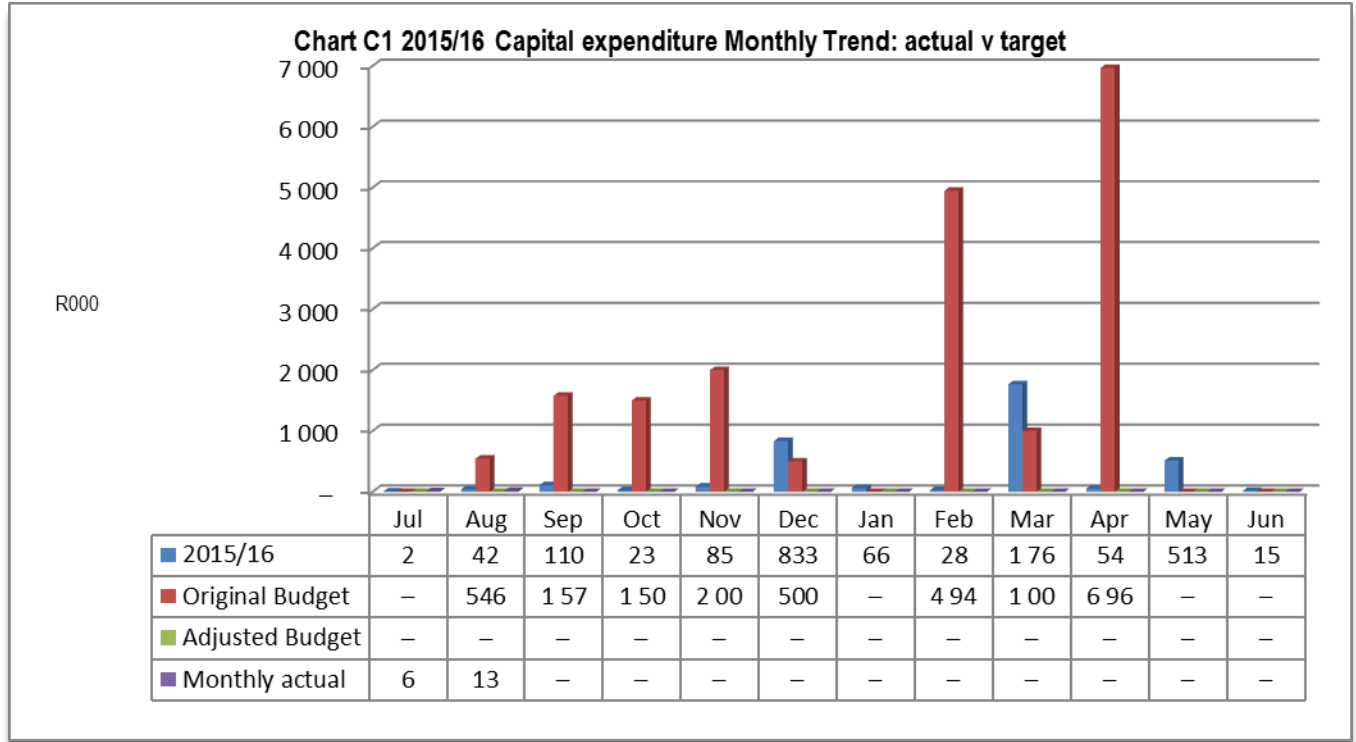
The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

Capital Expenditure

Year-to-date expenditure on capital amounts to R0, 19 million as compared to the budget of R19, 036 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 R158, 573 million. The year-to date cash and cash equivalents amounted to R145, 959 million. The net decrease in cash and cash equivalents for the year to date is R12, 614 million.

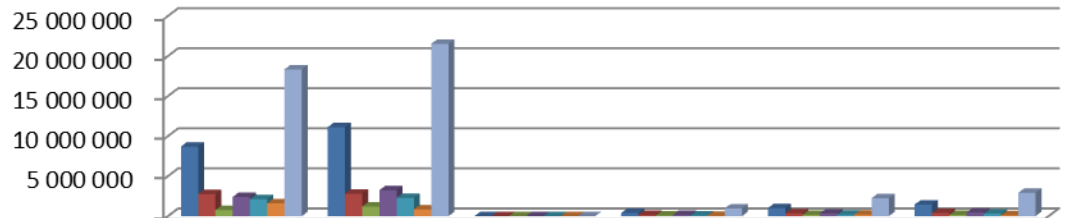
Table C6 includes all cash and cash equivalents (cashbook balances, petty cash balances and short and long term deposits).

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	8 690 800	11 112 450	-	399 372	1 010 265	1 452 750
■ 1.2 - Municipal Manager	2 747 186	2 817 450	-	175 736	352 297	400 024
■ 1.3 - Committee Services & Administration	761 421	1 198 450	-	83 373	166 371	168 376
■ 1.4 - Internal Audit	2 397 975	3 249 450	-	159 974	340 139	452 919
■ 1.5 - Communications	2 124 095	2 293 000	-	89 149	183 302	317 784
■ 1.6 - Risk Unit	1 612 833	856 000	-	60 229	185 632	120 311
■ Total	18 334 310	21 526 800	-	967 833	2 238 007	2 912 165

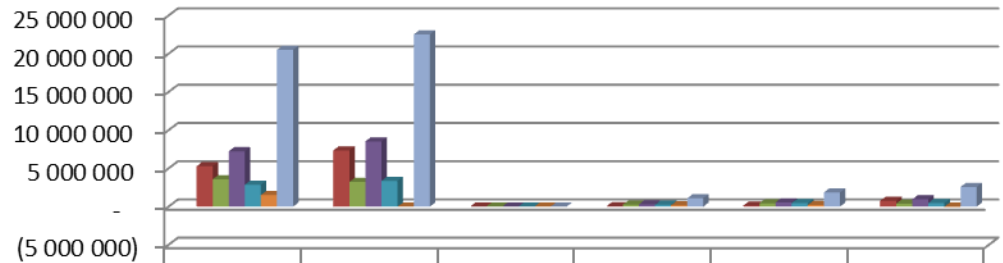
Actual operating expenditure of Council & Executive is R2, 238 007 as compared to the year-to-date budget R2, 912 165. The expenditure compared to the year-to-date budget will improve as the financial year progresses.

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				
HH OTH TRANS: Bursaries non-employee/Mayor	600 000,00	-	0%	To be utilised during the third quarter.
COMMUNICATIONS				
Contr: Graphic designers/branding	32 000,00	-	0%	As/when required
Oc: T&S Dom-daily allowance	2 400,00	-	0%	Project in progress
Oc: T&S Dom-accomodation/PAIA	15 000,00	-	0%	Training to be rolled out in Q3
POLITICAL OFFICE - ADMINISTRATION				
Inv-Mat&Supp/printing and stationery/commemorative	17 100,00	12 672,62	74%	To be utilised as the financial year progress.
Oc: Catering Municipal Act/Commemorative	153 900,00	13 000,00	8%	To be utilised as the financial year progress.
Inv-Mat&Supp/printing and stationery/Disability	3 800,00	-	0%	To be utilised as the financial year progress.
Oc: Catering Municipal Act/Disability	34 200,00	-	0%	To be utilised as the financial year progress.
Inv-Mat&Supp/printing and stationery/Children	2 050,00	-	0%	To be utilised as the financial year progress.
Oc: Catering Municipal Act/Children	18 450,00	-	0%	To be utilised as the financial year progress.
Inv-Mat&Supp/printing and stationery/Gender	2 600,00	-	0%	To be utilised as the financial year progress.
Oc: Catering Municipal Act/Gender	23 400,00	-	0%	To be utilised as the financial year progress.
Oc: Catering Municipal Act/Older persons	14 850,00	-	0%	To be utilised as the financial year progress.
Inv-Mat&Supp/printing and stationery/Older persons	1 650,00	-	0%	To be utilised as the financial year progress.
Inv-Mat&Supp/printing and stationery/MRM	500,00	-	0%	To be utilised as the financial year progress.
Inv-Mat&Supp/printing and stationery/HIV Programme	420 000,00	-	0%	To be utilised as the financial year progress.
Oc: Catering Municipal Act/MRM	4 500,00	-	0%	To be utilised as the financial year progress.
YOUTH UNIT				
Contr:Stage and sound crew/Youth summit	10 000,00	-	0%	To be utilised during the course of the financial year
Oc:Catering Municipal Act/Youth summit	20 000,00	-	0%	To be utilised during the course of the financial year
Oc:Transport-events/Youth summit	15 000,00	-	0%	To be utilised during the course of the financial year
Inv-Mat&Supp/printing and stationery/Youth summit	5 000,00	-	0%	To be utilised as the financial year progress.
Contr:Stage and sound crew/Youth Career Exhibition	90 000,00	-	0%	To be utilised as the financial year progress.
Oc:Catering Municipal Act/Youth Career Exhibition	160 000,00	-	0%	To be utilised as the financial year progress.
Oc:Transport-events/Youth Career Exhibition	50 000,00	-	0%	To be utilised as the financial year progress.
Contr:Stage and sound crew/District Sopa Debate	20 000,00	-	0%	To be utilised as the financial year progress.
Oc:adv/pub/Mark-gift&promotion/ District Sopa Debate	10 000,00	-	0%	To be utilised as the financial year progress.
Contr:Stage and sound crew/June 16 youth event	15 000,00	-	0%	To be utilised as the financial year progress.
Oc:adv/pub/Mark-gift&promotion/ June 16 youth event	15 000,00	-	0%	To be utilised as the financial year progress.
Oc:Catering Municipal Act/June 16 youth event	100 000,00	-	0%	To be utilised as the financial year progress.
Oc:Transport-events/June 16 youth event	20 000,00	-	0%	To be utilised as the financial year progress.
Contr:Stage and sound crew/Youth in action	10 000,00	-	0%	To be utilised as the financial year progress.
Oc:adv/pub/Mark-gift&promotion/ Youth in action	5 000,00	-	0%	To be utilised as the financial year progress.
Oc:Catering Municipal Act/Youth in action	20 000,00	-	0%	To be utilised as the financial year progress.
Oc:Transport-events Act/Youth in action	15 000,00	-	0%	To be utilised as the financial year progress.
Oc:Catering Municipal Act/Districts Forum Meetings	15 000,00	-	0%	To be utilised as the financial year progress.
TOTAL	1 941 400,00	25 672,62	1%	

The year to date actual spending on special projects for Council & Executive amounted to R25,672.62.

OPERATING EXPENDITURE - BUDGET & TREASURY



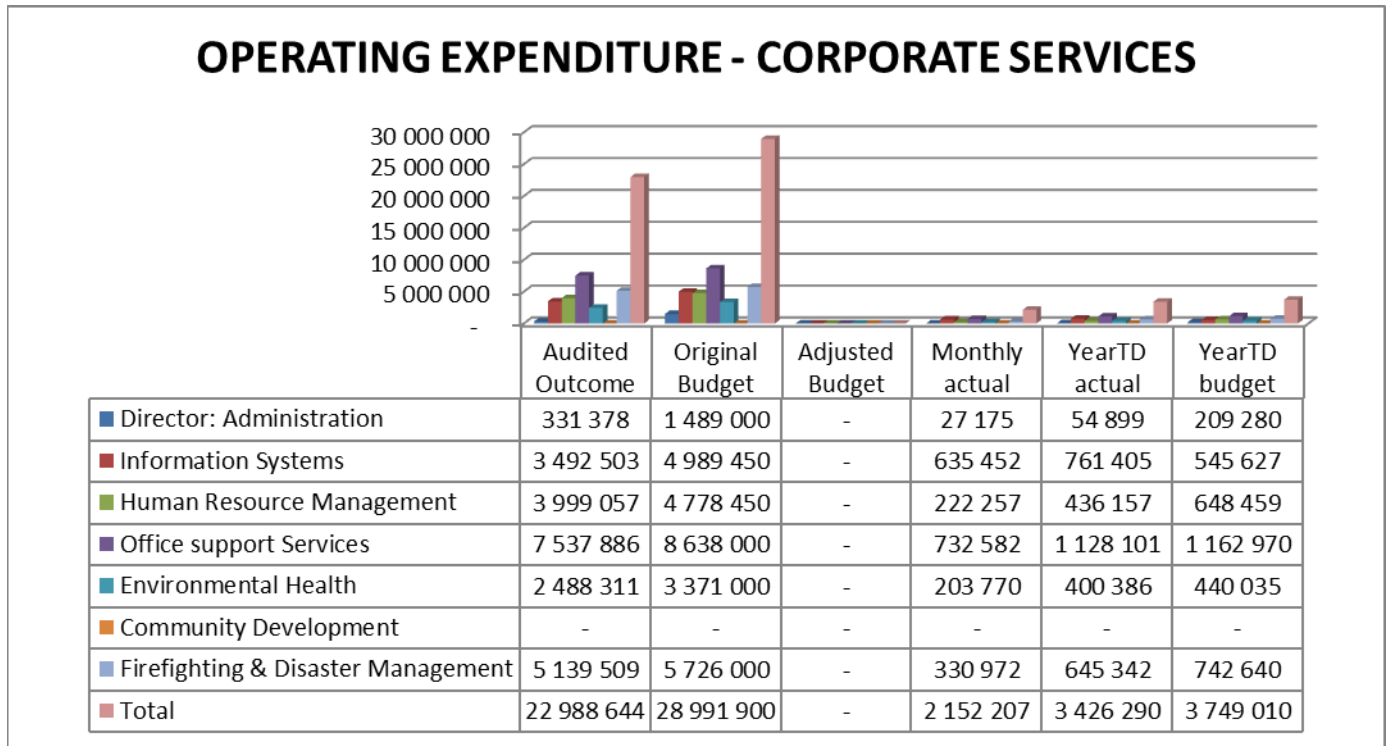
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
■ Budget & treasury						
■ Directorate	5 287 290	7 361 450	-	76 642	154 516	765 948
■ Finance: Revenue & Expenditure	3 591 259	3 241 450	-	263 244	455 165	402 544
■ Finance: Budget Office	7 250 222	8 547 000	-	310 509	565 225	965 907
■ Finance: Supply Chain Management	2 878 311	3 386 000	-	249 653	468 510	479 741
■ Finance: Motor Vehicle Pool	1 525 704	-	-	190 919	213 542	(32 554)
■ Total	20 532 786	22 535 900	-	1 090 968	1 856 959	2 581 587

The actual operating expenditure of Budget & Treasury office is R1, 856 959 as compared to the year-to-date projected budget of R2, 581 587. The expenditure compared to the year-to-date budget will improve as the financial year progresses.

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				
Oc: T&S Dom-accommodation/ Operation Clean Audit	100 000,00	-	0%	To be utilised as the financial year progress.
DM NC: Finance & Admin/Cap Building	100 000,00	-	0%	To be utilised as the financial year progress.
C&PS: B&A Project Man/Operation Clean Audit	300 000,00	-	0%	To be utilised as the financial year progress.
DM NC: Finance & Admin/Operation Clean Audit	200 000,00	-	0%	To be utilised as the financial year progress.
C&PS: B&A Project Man/ AFS	100 000,00	-	0%	Invoice submitted for payment.
Oc: T&S Dom public Transport-road transport/AFS	60 000,00	-	0%	Invoice submitted for payment.
C&PS: B&A Project Man/ Clean Audit FMG stuff	50 000,00	-	0%	Invoice submitted for payment.
DM NC: Finance & Admin/Fin sys sup	900 000,00	-	0%	To be utilised as the financial year progress.
TOTAL	1 810 000,00	-	0%	

No spending was incurred on special projects for Budget & Treasury for the month.

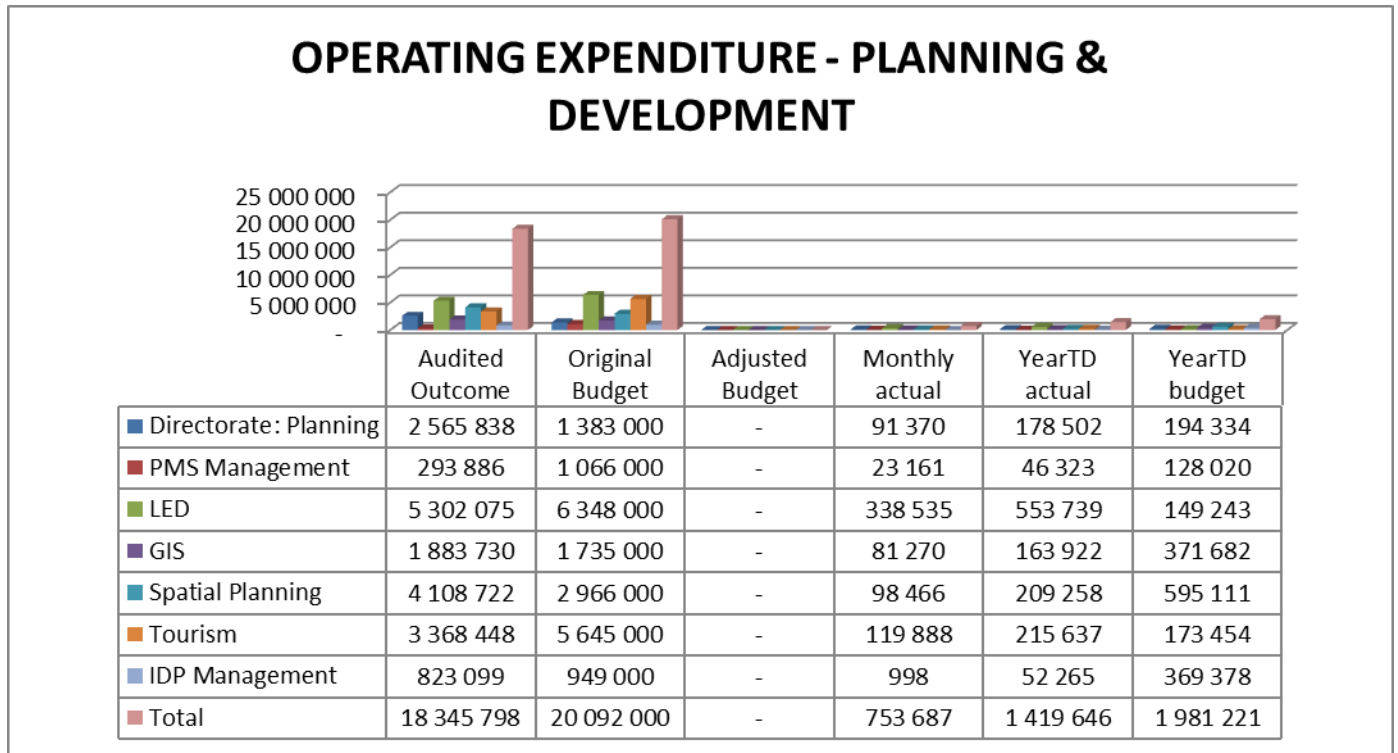


Actual operating expenditure of Corporate Services is R3, 426 290 as compared to the year-to-date projected budget of R3, 749 010. The expenditure compared to the year-to-date budget will improve as the financial year progresses.

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				
INFORMATION SYSTEMS				
Oc:Catering Municipal Act/ICT Forum meeting	6 000,00	-	0%	movement will be seen during the financial year
HUMAN RESOURCES MANAGEMENT				
Contr:Employee Wellness/Employee Assistance Programme	80 000,00	-	0%	To be utilised during the course of the financial year
Contr: Sports & Recreation/ Employee Games	300 000,00	-	0%	To be utilised during the course of the
ENVIRONMENTAL HEALTH				
Oc:Catering Municipal Act/Sanitation awareness	5 000,00	569,30	11%	Campaign was held during August 2016
HH OTH transp:Housing-unspe /Sanitation awareness	3 000,00	1 715,44	57%	Campaign was held during August 2017
Oc:Catering Municipal Act/HIV awareness	9 600,00	-	0%	Campaigns were done during august 2016
Oc:Catering Municipal Act/waste management awareness	5 000,00	-	0%	Program not implemented
HH OTH transp:Housing-unspec waste management awareness	5 000,00	2 112,49	42%	Program was implemented
Oc:Catering Municipal Act/Air Quality	3 500,00	500,00	14%	Campaigns were done in august 2016
Inv-Mat&Supp/printing and stationery/Air Quality	1 500,00	-	0%	No procurement done
Oc:Catering Municipal Act/Enviromental Health Forum meeting	6 000,00	-	0%	Forum meeting scheduled for 30 sept
Oc:Honoraria(Voluntary work) Waste management Campaign	78 840,00	-	0%	Busy with arrangement
DM NC:FB-waste management Campaign	50 000,00	-	0%	Busy with arrangement
Oc:Catering Municipal Act/Comm cal day	45 000,00	-	0%	As per operational plan
Inv-Mat&Supp/printing and stationery/Comm cal day	15 000,00	-	0%	No stationery procured
Oc:Courier & Delivery serv/Air quality project	18 000,00	-	0%	No services provider appointed
Oc:System access & Inform Fees/Air quality project	22 000,00	-	0%	No samples were analysed
C&PS: B&A Air polution/Air quality project	40 000,00	-	0%	Program not implemented
HH OTH transp:Housing-unspec waste management campaign	50 000,00	-	0%	No programme implemented
	-			
PUBLIC SAFETY				
FIREFIGHTING & DISASTER MANAGEMENT				
Oc:Catering Municipal Act/FF Volunteers Training	35 000,00	-	0%	To be executed in 3rd quarter
Oc:Catering Municipal Act/FF Stipend	5 000,00	-	0%	As per deployment
Oc:Honoraria(Voluntary work) /FF Stipend	19 000,00	-	0%	As per deployment
HH SSP SOC ASS:Grant in aid/Contingency Fund	350 000,00	-	0%	As per request received from local municipalities
Oc:Catering Municipal Act/Disaster Management Forum	6 000,00	-	0%	As per meeting
Oc:adv/pub/Mark-gift&promotion/AW Programme	4 000,00	-	0%	Second quarter
OS:B & A Proj management/awareness programme	8 000,00	-	0%	Second quarter
TOTAL	1 170 440,00	4 897,23	0%	

The year to date actual spending on special projects for Corporate Services/Administration amounted to R4, 897.23.



Actual operating expenditure of Planning & Development is R1, 419 646 as compared to the year-to-date projected budget of R1, 981 221. The expenditure compared to the year-to-date budget will improve as the financial year progresses.

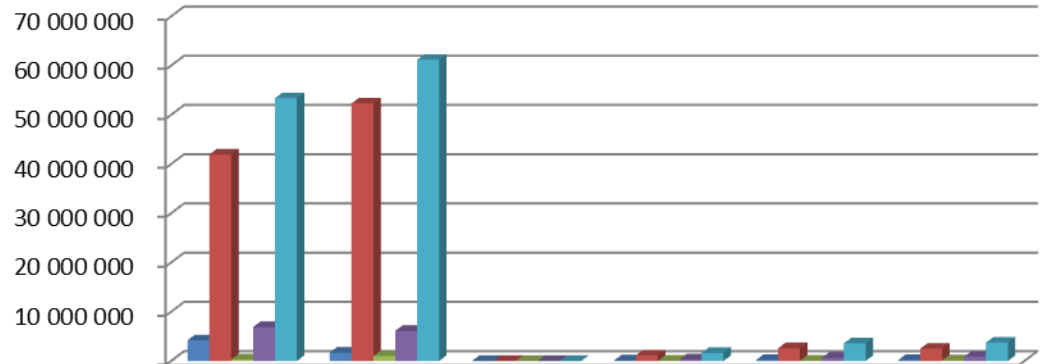
Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
<u>PLANNING & DEVELOPMENT</u>				
<u>LOCAL ECONOMIC DEVELOPMENT</u>				
OS:B & A Proj management/LED youth event	300 000,00	-	0%	To be utilised during the course of the
Oc: T&S Dom public Transport-road transport/LED TR PR	12 000,00	-	0%	To be utilised during the course of the financial year
Contri: Exhibit Installers/LED TR PR	226 000,00	43 857,54	19%	To be utilised during the course of the
Oc:Catering Municipal Act/LED TR PR	4 500,00	1 266,10	28%	To be utilised during the course of the
Oc:adv/pub/Mark-gift&promotion/ LED TR	142 500,00	-	0%	To be utilised during the course of the
Oc: T&S Dom-accomodation/ LED TR PR	98 050,00	3 000,00	3%	To be utilised during the course of the
OS:B & A Proj management/LED TR PR	10 000,00	6 044,00	60%	To be utilised during the course of the
Priv Ent:Oth Trf-Unspec/LED sup SMME	600 000,00	-	0%	To be utilised during the course of the
OS:B & A Proj management/LED sup SMME	360 000,00	-	0%	To be utilised during the course of the
C&PS: I&P Agriculture/Sector Strategy	420 000,00	-	0%	To be utilised during the course of the
OS:B & A Proj management/LED Expo	750 000,00	80 875,15	11%	To be utilised during the course of the
Oc: T&S Dom-accomodation/ LED Coordinte	5 000,00	-	0%	To be utilised during the course of the
Oc: T&S-Non-Employees/LED Coordinte	10 000,00	-	0%	To be utilised during the course of the
Oc:Catering Municipal Act/LED Coordinte	15 000,00	1 975,00	13%	To be utilised during the course of the
OS:B & A Proj management/LED Coordinte	14 800,00	-	0%	To be utilised during the course of the
<u>GIS</u>	-			
OS:B & A Proj management/BIL Date Dikgatlong	150 000,00		0%	Committed to a project procurement
OS:B & A Proj management/Land Audit	275 000,00	-	0%	Committed to a project procurement
<u>SPATIAL PLANNING</u>				
Oc:adv/pub/Mark-Corp & Mun act/Magareng CBD Renewal	10 000,00	-	0%	Inception report completed.
Inv-Mat&Supp/printing and stationery/Magareng CBD Renewal	10 000,00	-	0%	To be utilised during the course of the financial year
C&PS: I&P Town Planner/ Nkandla	144 000,00	-	0%	Commenced with the floodline study.
C&PS: I&P Town Planner/ Vaalharts Set B Ganspan	72 000,00	-	0%	Finalising the appointment of the service provider.
C&PS: I&P Town Planner/ Delportshoop Township establish	96 000,00	-	0%	Finalising the appointment of the service provider.
C&PS: I&P Town Planner/ Windsornton Development	140 000,00	-	0%	Finalising the appointment of the service provider.
Oc:adv/pub/Mark-Corp & Mun act/Windsornton	10 000,00	-	0%	Finalising the appointment of the service provider.

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
PLANNING & DEVELOPMENT				
TOURISM				
OS:B & A Proj management/Diamond & dorings	250 000,00	-	0%	To be utilised during the course of the
Non-Prof:OTH Institute/Grants&Don/ Diamond& Dorings	300 000,00	-	0%	To be utilised during the course of the financial year
Contr:Event Promoters/Tour N18	906 000,00	-	0%	To be utilised during the course of the
Contr:Graphic Designers/Tour N18	100 000,00	-	0%	To be utilised during the course of the
C&PS: I&P Land&Quantity Survey/Tour Ganspan	570 000,00	-	0%	To be utilised during the course of the financial year
Contr:Graphic Designers/Tour Adv	18 000,00	-	0%	To be utilised during the course of the
Oc:adv/pub/Mark-Corp & Mun act/Tour Ad	100 000,00	-	0%	To be utilised during the course of the
Oc:Catering Municipal Act/Exhibition	11 100,00	-	0%	To be utilised during the course of the
Contri: Exhibit Installers/Exhibition	20 000,00	-	0%	To be utilised during the course of the
PRV DPT AGEN-Park & Tourism Board/NCTA	135 000,00	-	0%	To be utilised during the course of the financial year
PRV DPT AGEN-Park & Tourism Board/N12	50 000,00	-	0%	To be utilised during the course of the
Non-Prof:other non-profit institutes/Tour Dik	80 000,00	-	0%	To be utilised during the course of the
Contr:Event Promoters/Tour business plan competition	200 000,00	2 965,44	1%	To be utilised during the course of the financial year
Oc:Catering Municipal Act/Tour business plan competition	70 000,00	-	0%	To be utilised during the course of the financial year
Oc:Transport-events/Tour business plan competition	30 000,00	-	0%	To be utilised during the course of the financial year
Non-Prof:other non-profit institutes/Tour business plan competition	50 000,00	-	0%	To be utilised during the course of the financial year
N-P Ub Sch: School Supp(Oth Ed Institute)Tour business plan com	100 400,00	-	0%	To be utilised during the course of the financial year
OS:B & A Proj management/Indaba Trade Expo	80 000,00	-	0%	To be utilised during the course of the
Contri: Exhibit Installers/Indaba Trade Expo	50 000,00	-	0%	To be utilised during the course of the
Oc:adv/pub/Mark-Corp & Mun act/Indaba Trade Expo	2 000,00	-	0%	To be utilised during the course of the financial year
Oc: T&S Dom-accomodation/ Indaba Trade Expo	50 000,00	-	0%	To be utilised during the course of the financial year
Oc: T&S Dom-Food Bev(Served)/Indaba Trade Expo	25 000,00	-	0%	To be utilised during the course of the financial year
Oc:adv/pub/Mark-gift&promotion Item/Indaba Trade Expo	2 000,00	-	0%	To be utilised during the course of the financial year
Oc: T&S Dom TRP-W/out Opr Own Trans/Indaba Trade Expo	8 000,00	-	0%	To be utilised during the course of the financial year
Os:Cleaning Serv/Indaba Trade Expo	3 250,00	-	0%	To be utilised during the course of the
Oc:Catering Municipal Act/Tour Ass	18 000,00	199,90	1%	To be utilised during the course of the
C&PS: I&P Town Planner/ Tour Arts and Craft Centre	50 000,00	-	0%	To be utilised during the course of the financial year
Contri: Catering Serv/ Community Awareness Campaign	130 000,00	-	0%	To be utilised during the course of the financial year
Contr:Event Promoter/Community Awareness Campaign	130 000,00	17 600,00	14%	To be utilised during the course of the financial year
C&PS: I&P Land&Quantity Survey/gong-gong	665 000,00	-	0%	To be utilised during the course of the
IDP				
Oc:Catering Municipal Act/IDP Steering Committee Meeting	8 000,00	-	0%	Reviewing of the IDP in progress and the printing will be done after the completion of the draft and Final IDP. The process plan has been adopted by Council and the first IDP steering committee was done on the 30 August 2016.
Inv-Mat&Supp/printing and stationery/IDP Projects	55 000,00	-	0%	Reviewing of the IDP in progress and the printing will be done after the completion of the draft and Final IDP. The process plan has been adopted by Council and the first IDP steering committee was done on the 30 August 2016
TOTAL	8 141 600,00	157 783,13	2%	

The actual spending on special projects for Planning & Development amounted to R157, 783.13 for the month.

OPERATING EXPENDITURE - PROJECT MANAGEMENT & ADVISORY SERVICES



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Directorate	4 199 180	1 710 000	-	111 993	223 147	229 657
Project Management Services	41 949 893	52 330 000	-	1 148 541	2 602 977	2 506 211
Maintenance of Roads	311 675	1 009 000	-	51 865	67 049	127 534
Housing	6 912 812	6 141 400	-	335 012	670 991	874 511
Total	53 373 560	61 190 400	-	1 647 411	3 564 164	3 737 913

Actual operating expenditure of Project Management & Advisory Services is R3, 564 164 as compared to the year-to-date projected budget of R3, 737 913. The expenditure compared to the year-to-date budget will improve as the financial year progresses.

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				
Oc:Catering Municipal Act/District Forum Meeting	6 000,00	-	0%	Spending on track.
PROJECT MANAGEMENT & ADVISORY SERVICE				
Oc: T&S Dom-accomodation/RAMS	606 750,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
Oc:adv/pub/Mark-Corp & Mun act/RAMS	606 750,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
Oc: T&S Dom public Transport-Air transport/RAMS	606 750,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
Oc: T&S Dom public Transport-Road transport/RAMS	606 750,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Plan & Dev/O&M Magareng EL	250 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Road Transport/O&M Magareng	500 000,00	0,10	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Waste Water Management/O&M Magareng	750 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Water /O&M Magareng	1 000 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Plan & Dev/O&M Phokwane EL	500 000,00	163 244,50	33%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Road Transport /O&M Phokwane	250 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Waste Water Management/O&M Phokwane	750 000,00	137 122,90	18%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Water /O&M Phokwane	1 000 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Plan & Dev/O&M Dikgatlong EL	250 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Road Transport /O&M Dikgatlong	500 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Waste Water Management/O&M Dikgatlong	750 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Water /O&M Dikgatlong	1 000 000,00	-	0%	In Implementation. Claims to be submitted as activities are completed. Continuous activities until funds are depleted.
DM NC:FB-Road Transport /O&M Sol Plaatje	1 500 000,00	-	0%	In Implementation. First claim expected in Sep '16.
DM NC:FB-Waste Water Management/O&M Sol Plaatje	1 000 000,00	-	0%	In Implementation. First claim expected in Sep '16.
OS:B & A Proj management/Khutso Pula Nala	1 500 000,00	1 500 000,00	100%	Work on contracted service provider is completed in Aug '16. Busy with environmental awareness. Work by FBDM to be completed by Dec '16.
Oc:Honoraria(Voluntary work) /Khutso Pula Nala	500 000,00	170 000,00	34%	Work on contracted service provider is completed in Aug '16. Busy with environmental awareness. Work by FBDM to be completed by Dec '16.

DESCRIPTION	FULL YEAR BUDGET 2015/16	YTD ACTUAL	% SPENT	COMMENT
PROJECT MANAGEMENT & ADVISORY SERVICES				
PROJECT MANAGEMENT & ADVISORY SERVICE				
DM NC:FB-Water /Cap Pr Magareng	5 000 000,00	-	0%	To go out on tender. Await final DWS approvals.
DM NC:FB-Water /Cap Pr Dikgatlong Vehicle	1 400 000,00	-	0%	To go out on tender. Await specifications approvals.
DM NC:FB-Waste Water Management/Cap Pr Phokwane	4 500 000,00	-	0%	In Implementation. To be completed by Oct '16.
DM NC:FB-Water /Cap Pr Windsorholpan RBIG project	5 000 000,00	-	0%	In Implementation. To be completed by Oct '16.
DM NC:FB-Water /Cap Pr Dikgatlong water	3 600 000,00	-	0%	In Implementation. Halted because we are waiting for DWS approval to continue.
DM NC:FB-Water /Cap Pr Dikgatlong R	2 600 000,00	-	0%	In bid evaluation stage. Appointment to be made in Sep '16. Est completion is May '17.
DM NC:FB-Road Transport/Cap Pr Sol Plaatje	5 000 000,00	-	0%	In bid evaluation stage. Appointment to be made in Sep '16. Est completion is May '17.
DM NC:FB-Plan & Dev/O&M FBDM EL-EPWP	400 000,00	-	0%	Will start in Sep '16. First claims expected in Oct '16.
DM NC:FB-Road Transport / Maint FBDM-EPWP	100 000,00	-	0%	To go out on tender. Await specifications approvals
DM NC:FB-Waste Water Management/ Maint FBDM-EPWP	500 000,00	-	0%	To go out on tender. Await specifications approvals
DM NC:FB-Water / Maint FBDM-EPWP	4 000 000,00	-	0%	To go out on tender. Await specifications approvals
DM NC:FB-Waste Water Management/Cap Pr Phokwane GUL	500 000,00	-	0%	To go out on tender. Await specifications approvals
DM NC:FB-Waste Water Management/ Cap Pr Phokwane R	1 200 000,00	-	0%	Tender doc complete. Phokwane to decide whether to change project.
HOUSING				
Inv-Mat&Supp/printing and stationery/Housing Consumer Education	20 000,00	-	0%	Ongoing
Oc:Catering Municipal Act/ Housing Steering Committee Meeting	15 000,00	-	0%	Funding to be awarded
TOTAL	48 268 000,00	1 970 367,50	4%	

The actual spending on special projects for Project Management & Advisory Services amounted to R1, 970 367.50 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 - M02 August									
Description	2015/16	Budget Year 2016/17							
	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	7 866	5 443	-	(5 409)	942	907	35	4%	5 443
Transfers recognised - operational	110 413	112 991	-	-	39 287	35 139	4 148	12%	112 991
Other own revenue	2 779	1 211	-	(258)	65	195	(131)	-67%	1 211
Total Revenue (excluding capital transfers and contributions)	121 058	119 645	-	(5 667)	40 294	36 241	4 052	11%	119 645
Employee costs	52 744	61 215	-	3 994	8 061	8 495	(434)	-5%	61 215
Remuneration of Councillors	5 988	6 715	-	207	712	940	(228)	-24%	6 715
Depreciation & asset impairment	4 927	3 827	-	-	-	536	(536)	-100%	3 827
Finance charges	2 397	2 166	-	-	-	-	-	-	2 166
Materials and bulk purchases	3 521	4 406	-	726	806	187	618	330%	4 406
Transfers and grants	54 621	61 335	-	18	304	2 345	(2 041)	-87%	61 335
Other expenditure	13 358	20 605	-	1 984	3 195	3 041	154	5%	20 605
Total Expenditure	137 555	160 269	-	6 928	13 078	15 544	(2 466)	-16%	160 269
Surplus/(Deficit)	(16 497)	(40 624)	-	(12 595)	27 216	20 697	6 519	31%	(40 624)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(16 497)	(40 624)	-	(12 595)	27 216	20 697	6 519	31%	(40 624)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(16 497)	(40 624)	-	(12 595)	27 216	20 697	6 519	31%	(40 624)
Capital expenditure & funds sources									
Capital expenditure	5 582 005	19 036	-	13	19	546	(527)	-97%	19 036
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	5 582 005	19 036	-	13	19	546	(527)	-97%	19 036
Total sources of capital funds	5 582 005	19 036	-	13	19	546	(527)	-97%	19 036
Financial position									
Total current assets	77 476	77 476	-	-	104 673	-	-	-	44 837
Total non current assets	61 617	61 617	-	-	61 636	-	-	-	67 065
Total current liabilities	22 961	22 961	-	-	22 758	-	-	-	25 487
Total non current liabilities	32 375	32 375	-	-	32 578	-	-	-	34 730
Community wealth/Equity	83 757	51 685	-	-	110 973	-	-	-	51 685
Cash flows									
Net cash from (used) operating	(11 670)	(20 103)	-	-	(12 602)	23 508	(36 109)	-154%	(20 103)
Net cash from (used) investing	(4 782)	(15 229)	-	-	(13)	(437)	424	-97%	(15 229)
Net cash from (used) financing	(1 785)	(1 800)	-	-	-	-	-	-	(1 800)
Cash/cash equivalents at the month/year end	69 246	41 637	-	-	145 959	101 840	44 119	43%	41 637
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	7 080	83	4	1	-	-	1	117	7 286
Creditors Age Analysis									
Total Creditors	9 462	-	-	-	-	-	-	-	9 462

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

DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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>		100 801	103 993	-	(5 383)	40 294	33 595	6 699	20%	103 993
Executive and council		388	420	-	-	-	-	-		420
Budget and treasury office		100 413	103 573	-	(5 383)	40 294	33 595	6 699	20%	103 573
Corporate services		-	-	-	-	-	-	-		-
<i>Community and public safety</i>		3 650	2 258	-	-	-	-	-		2 258
Public safety		350	1 458	-	-	-	-	-		1 458
Housing		3 300	800	-	-	-	-	-		800
<i>Economic and environmental services</i>		16 607	13 394	-	(283)	-	2 646	(2 646)	-100%	13 394
Planning and development		16 607	13 394	-	(283)	-	2 646	(2 646)	-100%	13 394
<i>Trading services</i>		-	-	-	-	-	-	-		-
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	121 058	119 645	-	(5 667)	40 294	36 241	4 052	11%	119 645
Expenditure - Standard										
<i>Governance and administration</i>		58 339	69 889	-	3 992	7 048	8 768	(1 720)	-20%	69 890
Executive and council		22 314	27 459	-	1 283	2 811	3 621	(810)	-22%	27 459
Budget and treasury office		20 664	22 536	-	1 091	1 857	2 582	(725)	-28%	22 536
Corporate services		15 361	19 894	-	1 617	2 381	2 566	(186)	-7%	19 895
<i>Community and public safety</i>		11 921	11 869	-	331	645	1 617	(972)	-60%	11 867
Public safety		5 140	5 728	-	331	645	743	(97)	-13%	5 726
Housing		6 781	6 141	-	-	-	875	(875)	-100%	6 141
<i>Economic and environmental services</i>		67 295	72 867	-	2 605	5 384	5 111	273	5%	78 512
Planning and development		64 807	69 496	-	2 401	4 984	4 671	313	7%	75 141
Environmental protection		2 488	3 371	-	204	400	440	(40)	-9%	3 371
<i>Trading services</i>		-	-	-	-	-	-	-		-
<i>Other</i>		-	5 645	-	-	-	173	(173)	-100%	-
Total Expenditure - Standard	3	137 555	160 269	-	6 928	13 078	15 670	(2 592)	-17%	160 269
Surplus/ (Deficit) for the year		(16 497)	(40 624)	-	(12 595)	27 216	20 571	6 645	32%	(40 624)

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) M02 August										
Vote Description [Insert departmental structure etc 3.]	Ref	2015/16	Budget Year 2016/17							
		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		388	420	-	-	-	-	-		420
Vote 2 - Budget & Treasury		100 413	103 573	-	(5 383)	40 294	33 595	6 699	19,9%	103 573
Vote 3 - Corporate Services		350	1 458	-	-	-	-	-		1 458
Vote 4 - Planning & Development		894	-	-	-	-	-	-		-
Vote 5 - Project Management & Advisory Services		19 013	14 194	-	(283)	-	2 646	(2 646)	-100,0%	14 194
Total Revenue by Vote	2	121 058	119 645	-	(5 667)	40 294	36 241	4 052	11,2%	119 645
Expenditure by Vote	1									
Vote 1 - Council & Executive		22 314	27 459	-	1 283	2 811	3 621	(810)	-22,4%	27 459
Vote 2 - Budget & Treasury		20 533	22 536	-	1 091	1 857	2 582	(725)	-28,1%	22 536
Vote 3 - Corporate Services		22 989	28 992	-	2 152	3 426	3 749	(323)	-8,6%	28 992
Vote 4 - Planning & Development		18 346	20 092	-	754	1 420	1 981	(562)	-28,3%	20 092
Vote 5 - Project Management & Advisory Services		53 374	61 190	-	1 647	3 564	3 738	(174)	-4,6%	61 190
Total Expenditure by Vote	2	137 555	160 269	-	6 928	13 078	15 670	(2 592)	-16,5%	160 269
Surplus/ (Deficit) for the year	2	(16 497)	(40 624)	-	(12 595)	27 216	20 571	6 645	32,3%	(40 624)

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

Description	Ref	Budget Year 2016/17								
		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										
Rental of facilities and equipment		644	1 081	-	(277)	14	179	(165)	-92%	1 081
Interest earned - external investments		7 866	5 443	-	(5 409)	942	907	35	4%	5 443
Transfers recognised - operational		110 413	112 991	-	-	39 287	35 139	4 148	12%	112 991
Other revenue		2 135	100	-	19	51	17	34	206%	100
Gains on disposal of PPE		-	30	-	-	-	-	-		30
Total Revenue (excluding capital transfers and contributions)		121 058	119 645	-	(5 667)	40 294	36 241	4 052	11%	119 645
Expenditure By Type										
Employee related costs		52 744	61 215	-	3 994	8 061	8 495	(434)	-5%	61 215
Remuneration of councillors		5 988	6 715	-	207	712	940	(228)	-24%	6 715
Debt impairment		-	3	-	-	-	-	-		3
Depreciation & asset impairment		4 927	3 827	-	-	-	536	(536)	-100%	3 827
Finance charges		2 397	2 166	-	-	-	-	-		2 166
Other materials		3 521	4 406	-	726	806	187	618	330%	4 406
Contracted services		-	-	-	823	1 750	-	1 750	#DIV/0!	-
Transfers and grants		54 621	61 335	-	18	304	2 345	(2 041)	-87%	61 335
Other expenditure		13 141	20 392	-	1 160	1 446	3 041	(1 596)	-52%	20 392
Loss on disposal of PPE		216	210	-	-	-	-	-		210
Total Expenditure		137 555	160 269	-	6 928	13 078	15 544	(2 466)	-16%	160 269
Surplus/ (Deficit) for the year		(16 497)	(40 624)	-	(12 595)	27 216	20 697	6 519	0	(40 624)
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		(16 497)	(40 624)	-	(12 595)	27 216	20 697			(40 624)
Taxation								-		
Surplus/(Deficit) after taxation		(16 497)	(40 624)	-	(12 595)	27 216	20 697			(40 624)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(16 497)	(40 624)	-	(12 595)	27 216	20 697			(40 624)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(16 497)	(40 624)	-	(12 595)	27 216	20 697			(40 624)

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) - MID2 August										
Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Single Year expenditure appropriation	2									
Vote 1 - Council & Executive		192 370	79	–	6	13	–	13	0%	79
Vote 2 - Budget & Treasury		3 317 459	1 746	–	5	5	–	5	0%	1 746
Vote 3 - Corporate Services		346 100	5 165	–	–	–	–	–	–	5 165
Vote 4 - Planning & Development		1 605 818	46	–	2	2	46	(44)	-96%	46
Vote 5 - Project Management & Advisory Services		120 257	12 000	–	–	–	500	(500)	-100%	12 000
Total Capital single-year expenditure	4	5 582 005	19 036	–	13	19	546	(527)	-97%	19 036
Total Capital Expenditure		5 582 005	19 036	–	13	19	546	(527)	-97%	19 036
Capital Expenditure - Standard Classification										
Governance and administration		3 855 929	2 860	–	11	17	–	17	#DIV/0!	2 860
Executive and council		192 370	79	–	6	13	–	13	#DIV/0!	79
Budget and treasury office		3 317 459	1 746	–	5	5	–	5	#DIV/0!	1 746
Corporate services		346 100	1 035	–	–	–	–	–	–	1 035
Community and public safety		–	4 120	–	–	–	–	–	–	4 120
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	4 120	–	–	–	–	–	–	4 120
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		1 726 076	12 040	–	2	2	530	(528)	-100%	12 040
Planning and development		1 726 076	12 030	–	2	2	530	(544)	-103%	12 030
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	10	–	–	–	–	–	–	10
Trading services		–	–	–	–	–	–	–	–	–
Other		–	16	–	–	–	16	(16)	-100%	16
Total Capital Expenditure - Standard Classification	3	5 582 005	19 036	–	13	19	546	(527)	-97%	19 036
Funded by:										
National Government		–	–	–	–	–	–	–	–	–
Provincial Government		–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		–	–	–	–	–	–	–	–	–
Public contributions & donations	5	–	–	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		5 582 005	19 036	–	13	19	546	(527)	-97%	19 036
Total Capital Funding		5 582 005	19 036	–	13	19	546	(527)	-97%	19 036

Table C6 Monthly Budget Statement - Financial Position

DC9 Frances Baard - Table C6 Monthly Budget Statement - Financial Position - M02 August						
Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		3 275	1 637		1 733	1 637
Call investment deposits		66 000	40 000		94 574	40 000
Consumer debtors		-	-			-
Other debtors		7 157	2 000		7 286	2 000
Current portion of long-term receivables		741	900		741	900
Inventory		303	300		339	300
Total current assets		77 476	44 837	-	104 673	44 837
Non current assets						
Long-term receivables		8 598	8 679		8 598	8 679
Investments		5 550	5 250	-	5 550	5 250
Investment property				-		
Investments in Associate				-		
Property, plant and equipment		46 728	52 063		46 747	52 063
Agricultural				-		
Biological assets				-		
Intangible assets		740	443		740	443
Other non-current assets		-	631	-	-	631
Total non current assets		61 617	67 065	-	61 636	67 065
TOTAL ASSETS		139 093	111 902	-	166 308	111 902
LIABILITIES						
Current liabilities						
Bank overdraft		-	-			-
Borrowing		1 988	487		1 988	487
Consumer deposits						
Trade and other payables		11 532	15 000		11 276	15 000
Provisions		9 441	10 000		9 494	10 000
Total current liabilities		22 961	25 487	-	22 758	25 487
Non current liabilities						
Borrowing		4 661	4 899		4 661	4 899
Provisions		27 714	29 832		27 917	29 832
Total non current liabilities		32 375	34 730	-	32 578	34 730
TOTAL LIABILITIES		55 336	60 217	-	55 336	60 217
NET ASSETS	2	83 757	51 685	-	110 973	51 685
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		48 172	36 095		75 388	36 095
Reserves		35 585	15 590		35 585	15 590
TOTAL COMMUNITY WEALTH/EQUITY	2	83 757	51 685	-	110 973	51 685

Table C7 Monthly Budget Statement - Cash Flow

DC9 Frances Baard - Table C7 Monthly Budget Statement - Cash Flow - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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		2 292	1 181	-	-	(265)	179	(443)	-248%	1 181
Government - operating		112 569	111 813	-	-	-	35 139	(35 139)	-100%	111 813
Government - capital		-	-	-	-	-	-	-	-	-
Interest		7 866	5 443	-	-	(5 409)	907	(6 316)	-696%	5 443
Payments										
Suppliers and employees		(78 891)	(74 710)	-	-	(6 910)	(10 699)	(3 789)	35%	(74 710)
Finance charges		(884)	(2 165)	-	-	-	-	-	-	(2 165)
Transfers and Grants		(54 621)	(61 665)	-	-	(18)	(2 018)	(2 000)	99%	(61 665)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(11 670)	(20 103)	-	-	(12 602)	23 508	(36 109)	-154%	(20 103)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
		1 100								
Payments										
Capital assets		(5 582)	(15 229)	-	-	(13)	(437)	(424)	97%	(15 229)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(4 782)	(15 229)	-	-	(13)	(437)	(424)	97%	(15 229)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Payments										
Repayment of borrowing		(1 785)	(1 800)	-	-	-	-	-	-	(1 800)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 785)	(1 800)	-	-	-	-	-	-	(1 800)
NET INCREASE/ (DECREASE) IN CASH HELD		(18 237)	(37 132)	-	-	(12 614)	23 071			(37 132)
Cash/cash equivalents at beginning:		87 483	78 769	-	-	158 573	78 769			78 769
Cash/cash equivalents at month/year end:		69 246	41 637	-	-	145 959	101 840			41 637

5. SUPPORTING DOCUMENTATION

Material variance explanations

DC9 Frances Baard - Supporting Table SC1 Material variance explanations - M01 August				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Property rates</u>			
	Rental of facilities and equipment	-92%	The demand for the rental of facilities and equipment is lower than anticipated. Local municipalities may be using other	Communicate with the local municipalities and encourage them to make use of the district municipality for the rental of facilities
	Interest earned - external investments	4%	Interest earned will improve as the year progress.	None needed.
	Other income	206%	The revenue expected from other sources will improve as the year progress.	None needed.
2	<u>Employee related costs</u>			
	Salaries	-5%	Employee related cost is lower than budgeted for.	Positions are advertised, will be filled as soon as possible.
	Other Materials	330%	Will be used at the end of the financial year.	None needed.
	Transfers and grants	-87%	Will improve as the year progress and projects are implemented within the local municipalities.	Communicate with local municipalities to utilise the funds available to them from the district municipality for the relevant projects.
	Other expenditure	-52%	Less money spent on other expenditure than anticipated.	Consult with managers, to ensure that spending is as planned.
3				
	Capital expenditure	0%	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 on track.
4	<u>Financial Position</u>			
	Current Assets		Current assets shows an increase of 105% which is mainly	None needed.
	Non-Current Liabilities		There is an increase in the non-current liabilities mainly due to the increase in provisions for the year.	None needed.
	Accumulated Surplus		Accumulated surplus shows an increase of 123% which is a	None needed.
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	-154%	Net cash from operating activities is above the year-to-date budget as a result of expenditure being lower than budgeted	None needed.
	Net cash from operating / (used) Investing Activities	0%	Payments relating to capital assets will improve as the year progress	None needed.

More detail on operating variances is available on pages 04 to 15 of this report.

Table SC2 Monthly Budget Statement - performance indicators

DC9 Frances Baard - Supporting Table SC2 Monthly Budget Statement - performance indicators - M02 August							
Description of financial indicator	Basis of calculation	Ref	2015/16	Budget Year 2016/17			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
Borrowing Management							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		3,4%	4,4%	0,0%	2,8%	0,0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5,3%	3,7%	0,0%	0,0%	5,5%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		21,7%	39,4%	0,0%	16,2%	39,4%
Gearing	Long Term Borrowing/ Funds & Reserves		13,1%	31,4%	0,0%	13,1%	31,4%
Liquidity							
Current Ratio 1	Current assets/current liabilities	1	337,4%	175,9%	0,0%	459,9%	175,9%
Liquidity Ratio	Monetary Assets/Current Liabilities		325,9%	184,0%	0,0%	447,6%	184,0%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		13,6%	9,7%	0,0%	41,3%	9,7%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100,0%	100,0%	100,0%	100,0%	100,0%
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0,0%	0,0%	0,0%	0,0%	0,0%
Other Indicators							
Employee costs	Employee costs/Total Revenue - capital revenue		43,6%	51,2%	0,0%	20,0%	51,2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2,9%	3,7%	0,0%	1,8%	0,7%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6,0%	5,0%	0,0%	0,0%	7,4%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year		288,8%	250,8%	0,0%	50,6%	1366,3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		21,1	-	-	12,6	0,7

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 51.2%.

The municipality still depends on grant funding of over 94.4% 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 - M02 August												
Description	NT Code	Budget Year 2016/17									Total	Bad Debts
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Revenue Source												
Rates	1200											
Electricity	1300											
Water	1400											
Sewerage / Sanitation	1500											
Refuse Removal	1600											
Housing (Rental Revenue)	1700											
Other	1900	7 080	83	4	1	-	-	1	117	7 286		
Total By Revenue Source	2000	7 080	83	4	1	-	-	1	117	7 286	-	
Debtors Age Analysis By Customer Category												
Government	2200	147	20	4	7	-	-	-	-	178		
Business	2300	-	-	-	-	-	-	-	-	-		
Households	2400	-	-	-	-	-	-	-	-	-		
Other	2500	6 933	64	0	(6)	-	-	1	117	7 107		
Total By Customer Category	2600	7 080	83	4	1	-	-	1	117	7 286	-	

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 31 August 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 31 August 2016. Kgantsi N.G R23 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 31 August 2016 for sundry debtors.

- Moloi M.M R87, 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 - M02 August												
Description	NT Code	Budget Year 2016/17									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100											-
Bulk Water	0200											-
PAYE deductions	0300											-
VAT (output less input)	0400											-
Pensions / Retirement deductions	0500											-
Loan repayments	0600											-
Trade Creditors	0700											-
Auditor General	0800											-
Other	0900	9 462	-	-	-	-	-	-	-	-	9 462	-
Total By Customer Type	2600	9 462	-	-	-	-	-	-	-	-	9 462	-

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% for staff has been implemented as from the 1st July 2016 – 30 June 2017 and 6.73% for the directors.

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 31 August 2016 is listed below:

PAYMENTS		
Total value of all payments		R 7 843 189
Electronic transfers		123
Cheques issued		14
SALARIES		
Number of salary beneficiaries		155
Councillors		15
Total Councillors	27	
* Councillors Position - Vacant	0	
* Councillors with Remuneration	15	
* Councillors without Remuneration	12	
Employees		140
* Remunerated Employee's	136	
* Remunerated Terminated Employees		
	Kok P, Malander K	2
Pensioners		2
Total remuneration paid		3 586 149
Councillors		676 409
Employees		3 376 453
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**

Ms L Ndlazi went on training for the MFMA programme during August 2016.

- **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 August 2016, no contract (R200 000 +) was awarded by the Municipal Manager.

For the period of August 2016 one written price quotation (R30 000-R200 000) was awarded by the Municipal Manager.

1. Flood line study-Moedi Consulting Engineers-R84 047.64

Total orders issued total R 1 773 151.58

Per department

Council And Executive	R 28 401.82
Municipal Manager	R 76 619.77
Finance	R 100 318.79
Administration	R 624 242.09
Planning And Development	R 937 730.27
Technical Service	R 5 838.84

- **Disposal Management**

No disposals were approved by the Municipal Manager for the month of August 2016.

- **Deviations**

One deviation was approved by the Municipal Manager:

1. ESRI South Africa-GIS maintenance software-R114 000.00

- **Issues from Stores**

Total orders issued total R20 835.57

Issues per department

Council	R 0.00
Municipal Manager	R 4 380.83
Finance	R 2 243.56
Administration	R 11 756.72
Planning and Development	R 1 653.06
Technical Service	R 801.40

- **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 was received from any local municipality for the month of August 2016.

- **Orders outstanding more than 30 days**

No orders outstanding for more than 30 days.

Table SC5 Monthly Budget Statement - investment portfolio

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August									
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		365	notice	27-Jun-17	41 739	9,2%	5 550		5 550
STANDARD BANK		31	call	31-Aug-16	27 945	6,8%	5 000		5 000
NEDCOR		31	call	31-Aug-16	27 534	6,7%	5 000		5 000
RMB		31	call	31-Aug-16	22 553	6,9%	4 000		4 000
STANDARD BANK		31	call	31-Aug-16	33 534	6,8%	6 000		6 000
ABSA		31	call	31-Aug-16	38 260	6,7%	7 000		7 000
STANDARD BANK		120	notice	24-Nov-16	32 256	7,8%	5 000		5 000
NEDCOR		120	notice	24-Nov-16	32 342	7,9%	5 000		5 000
RMB		120	notice	24-Nov-16	-	7,4%	-		-
NEDCOR		120	notice	18-Nov-16	30 040	7,9%	4 500		4 500
STANDARD BANK		120	notice	18-Nov-16	29 528	7,7%	4 500		4 500
ABSA		120	notice	18-Nov-16	28 741	7,5%	4 500		4 500
RMB		120	notice	18-Nov-16	28 091	7,4%	4 500		4 500
NEDCOR		90	notice	12-Oct-16	65 397	7,7%	10 000		10 000
ABSA		90	notice	12-Oct-16	64 973	7,7%	10 000		10 000
RMB		86	notice	12-Oct-16	60 853	7,2%	10 000		10 000
STANDARD BANK		90	notice	12-Oct-16	65 822	7,8%	10 000		10 000
TOTAL INVESTMENTS AND INTEREST					630		100 550	-	100 550

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 - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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:		104 279	110 093	-	-	38 585	27 523	11 062	40,2%	110 093
Local Government Equitable Share		10 002	8 958		-	-	2 240	(2 240)	-100,0%	8 958
Special Contribution: Councillor Remuneration		-	-		-	-	-	-		
Levy replacement	3	88 934	96 458		-	38 529	24 115	14 414	59,8%	96 458
Finance Management Grant		1 250	1 250		-	56	313	(256)	-82,1%	1 250
Municipal Systems Improvement		940	-		-	-	-	-		
Extended Public Works Programme		1 000	1 000		-	-	250	(250)	-100,0%	1 000
Roads asset management		2 153	2 427		-	-	607	(607)	-100,0%	2 427
Provincial Government:		8 200	1 500	-	-	-	375	(375)	-100,0%	1 500
Housing	4	1 050	800		-	-	200	(200)	100,0%	800
Near Grant		350	350		-	-	88	(88)	-100,0%	350
Fire Fighting Equipment Grant		350	350		-	-	88	(88)	-100,0%	350
NC Tourism		200	-		-	-	-	-		
Housing Project		2 250	-		-	-	-	-		
District Aids Programme		-	-		-	-	-	-		
Operation Khptso Pula Nala		4 000	-		-	-	-	-		
Other transfers and grants [ABSA Donation]		-	-		-	-	-	-		
District Municipality:		-	-	-	-	-	-	-		
Other grant providers:		90	220	-	-	702	55	647	1175,9%	220
SETA Skills Grant		90	220		-	702	55	647	1175,9%	220
Total Operating Transfers and Grants	5	112 569	111 813	-	-	39 287	27 953	11 334	40,5%	111 813
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	112 569	111 813	-	-	39 287	27 953	11 334	40,5%	111 813

Table SC7 Monthly Budget Statement - transfers and grant expenditure

DC9 Frances Baard - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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:		104 233	110 093	-	84	146	926	(780)	-84,2%	110 093
Local Government Equitable Share		10 002	8 958		-	-	-	-		8 958
Special Contribution: Councillor Remuneration		-	-		-	-	-	-		-
Levy replacement		88 934	96 458		84	146	146	-		96 458
Finance Management Grant		1 250	1 250		-	-	208	(208)	-100,0%	1 250
Municipal Systems Improvement		894	-		-	-	-	-		-
Extended Public Works Programme		1 000	1 000		-	-	167	(167)	-100,0%	1 000
Roads asset management		2 153	2 427		-	-	405	(405)	-100,0%	2 427
Provincial Government:		6 090	1 500	-	188	188	250	(250)	-100,0%	1 500
Housing		1 050	800		-	-	133	(133)	-100,0%	800
Near Grant		350	350		-	-	58	(58)		350
Fire Fighting Equipment Grant		-	350		-	-	58	(58)	-100,0%	350
NC Tourism		-	-		-	-	-	-		-
Housing Project		2 250	-		-	-	-	-		-
District Aids Programme		388	-		18	18	-	-		-
Environmental Health Recycling Project		52	-		-	-	-	-		-
Operation Khptso Pula Nala		2 000	-		170	170	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
Other grant providers:		90	220	-	-	-	37	(37)		220
SETA Skills Grant		90	220	-	-	-	37	(37)		220
Total operating expenditure of Transfers and Grants:		110 413	111 813	-	272	334	1 212	(1 066)	-87,9%	111 813
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		110 413	111 813	-	272	334	1 212	(1 066)	-87,9%	111 813

Table SC8 Monthly Budget Statement - councilor and staff benefits

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August										
Summary of Employee and Councillor remuneration	Ref	2015/16		Budget Year 2016/17						
		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		4 095	4 792		148	502	799	(297)	-37%	4 792
Pension Contributions		194	212		-	16	35	(19)	-54%	212
Medical Aid Contributions		17	-		-	1	-	1	#DIV/0!	-
Motor vehicle allowance		1 368	1 390		51	165	232	(66)	-29%	1 390
Cell phone and other allowances		275	223		8	27	37	(10)	-28%	223
Workmen's Compensation		39	-		-	-	-	-	-	-
Other benefits and allowances		-	98		-	-	16	(16)	-100%	98
Sub Total - Councillors		5 988	6 715	-	207	712	1 119	(407)	-36%	6 715
% increase	4		12,1%							12,1%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	3 113	4 759		281	561	198	363	183%	4 759
Pension and UIF Contributions		428	401		38	76	17	59	355%	401
Medical Aid Contributions		-	-		3	6	-	6	#DIV/0!	-
Overtime		-	-		-	-	-	-	-	-
Performance Bonus		344	440		-	-	-	-	-	440
Motor Vehicle Allowance		271	487		47	95	41	54	134%	487
Cellphone Allowance		60	96		7	14	8	6	79%	96
Housing Allowances		-	-		1	1	-	1	#DIV/0!	-
Other benefits and allowances		42	67		2	4	6	(2)	-30%	67
Payments in lieu of leave		-	100		-	-	-	-	-	100
Sub Total - Senior Managers of Municipality		4 258	6 350	-	378	757	269	488	181%	6 350
% increase	4		49,1%							49,1%
Other Municipal Staff										
Basic Salaries and Wages		31 430	40 521		2 681	5 369	6 555	(1 186)	-18%	40 521
Pension and UIF Contributions		4 960	6 733		434	871	1 105	(234)	-21%	6 733
Medical Aid Contributions		1 587	1 655		139	271	276	(5)	-2%	1 655
Overtime		-	-		10	20	-	20	#DIV/0!	-
Performance Bonus		2 184	-		-	-	-	-	-	-
Motor Vehicle Allowance		3 682	3 456		271	527	535	(8)	-1%	3 456
Cellphone Allowance		145	123		10	19	13	7	53%	123
Housing Allowances		390	391		28	56	65	(9)	-14%	391
Other benefits and allowances		1 302	448		41	82	69	13	18%	448
Payments in lieu of leave		1 674	850		-	-	-	-	-	850
Long service awards		130	152		-	-	-	-	-	152
Post-retirement benefit obligations	2	2	536		3	88	89	(1)	-1%	536
Sub Total - Other Municipal Staff		47 486	54 865	-	3 616	7 304	8 708	(1 404)	-16%	54 865
% increase	4		15,5%							15,5%
Total Parent Municipality		57 732	67 930	-	4 201	8 773	10 096	(1 323)	-13%	67 930
			17,7%							17,7%
TOTAL SALARY, ALLOWANCES & BENEFITS		57 732	67 930	-	4 201	8 773	10 096	(1 323)	-13%	67 930
% increase	4		17,7%							17,7%
TOTAL MANAGERS AND STAFF		51 744	61 215	-	3 994	8 061	8 977	(916)	-10%	61 215

PERSONNEL ATTENDANCES:

Personnel attendance in the workplace (finance department) for the month of August 2016 averages 87%. 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	3	5	18
Sick Leave	0	0	8	3
Courses / Seminar	3	0	0	15
Meetings	0	0	0	0
Study leave	0	0	0	0
Maternity Leave	0	0	0	0
Family Responsibility	0	0	1	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	18	64	124	169
Total Workdays	21	67	138	205
Percentage Attendance per Group	86%	96%	90%	82%
Average	87%			

Personnel Development:

- Two (2) finance interns, one Income & Expenditure clerk and one Supply Chain Management clerk attended the MFMP programme during the month of August 2016.
- The acting CFO attended the CPMD programme during the month of August 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. The regional offices of COGHSTA and Provincial Treasury were invited for meetings as support stakeholders of the municipality.

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 municipality has implemented mSCOA as of 1 July 2016;
- An internal training session was held with E-Venus users and all managers to explain the new vote numbers;
- The risk register was reviewed on 22 July 2016; and
- The business processes of the municipality will be reviewed from September 2016, to ensure that all business processes are mSCOA compliant.

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 - M02 August							
Description	Ref	Budget Year 2016/17			2015/16 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	June Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands	1						
Cash Receipts By Source							
Rental of facilities and equipment		-	-	-	1 081	1 120	1 176
Interest earned - external investments		6 351	(5 409)	-	5 443	5 648	5 820
Interest earned - outstanding debtors		-	-	-	-	-	-
Dividends received		-	-	-	-	-	-
Fines		-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-
Agency services		-	-	-	-	-	-
Transfer receipts - operating		39 287	-	-	111 813	117 778	124 358
Other revenue		32	(265)	-	100	100	100
Cash Receipts by Source		45 670	(5 674)	-	118 437	124 646	131 454
Other Cash Flows by Source							
Transfer receipts - capital			-	-			
Contributions & Contributed assets			-	-			
Proceeds on disposal of PPE			-	-		-	-
Short term loans			-	-			
Borrowing long term/refinancing			-	-			
Increase in consumer deposits			-	-			
Receipt of non-current debtors			-	-			
Receipt of non-current receivables			-	-			
Change in non-current investments		-	-	-			
Total Cash Receipts by Source		45 670	(5 674)	-	118 437	124 646	131 454
Cash Payments by Type							
Employee related costs		4 067	3 994	-	52 032	59 993	63 306
Remuneration of councillors		505	207	-	6 379	6 576	6 826
Interest paid		-	-	-	2 166	4 693	4 548
Other materials		-	-	-	3 966	4 056	4 163
Contracted services		80	726	-	806		
Grants and subsidies paid - other		1 213	18	-	61 665	26 457	26 141
General expenses		286	1 984	-	17 333	18 105	17 488
Cash Payments by Type		6 150	6 928	-	144 347	119 879	122 472
Other Cash Flows/Payments by Type							
Capital assets		6	13	-	15 229	656	816
Repayment of borrowing		-	-	-	1 800	3 000	3 000
Other Cash Flows/Payments		-	-	-	(5 000)		
Total Cash Payments by Type		6 157	6 940	-	156 376	123 535	126 288
NET INCREASE/(DECREASE) IN CASH HELD		39 513	(12 614)	-	(37 939)	1 111	5 166
Cash/cash equivalents at the month/year beginning:		119 060	158 573		78 769	82 960	82 793
Cash/cash equivalents at the month/year end:		158 573	145 959		41 636	43 748	48 914

Table SC12 Monthly Budget Statement - capital expenditure trend

DC9 Frances Baard - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August									
Month	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	2	-		6	6	-	(6)	#DIV/0!	0%
August	42	546		13	19				0%
September	110	1 579							
October	23	1 500							
November	85	2 000							
December	833	500							
January	66								
February	28	4 946							
March	1 769	1 000							
April	54	6 965							
May	513	-						73,6%	28%
June	15	-							
Total Capital expenditure	3 540	19 036	-	19					

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 - 02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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	16 134	-	6	13	-	(13)	#DIV/0!	16 134
General vehicles		-	-	-	-	-	-	-	-	-
Specialised vehicles		-	3 800	-	-	-	-	-	-	3 800
Plant & equipment		630	-	-	-	-	-	-	-	-
Computers - hardware/equipment		161	53	-	6	13	-	13	#DIV/0!	53
Furniture and other office equipment		-	49	-	-	-	-	-	-	49
Civic Land and Buildings		-	12 000	-	-	-	-	-	-	12 000
Other Buildings		14	-	-	-	-	-	-	-	-
Other		3	232	-	-	-	-	-	-	232
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Intangibles</u>		-	10	-	-	-	-	-	-	10
Computers - software & programming		-	10	-	-	-	-	-	-	-
Other										
Total Capital Expenditure on new assets	1	808	16 144	-	6	13	-	13	#DIV/0!	16 144

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 - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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										
<u>Infrastructure</u>		-	-	-	-	-	-	-	-	-
<u>Community</u>		-	-	-	-	-	-	-	-	-
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		909	2 892	-	6	6	546	540	98,8%	2 892
General vehicles		520	1 720							1 720
Specialised vehicles		-	359							359
Plant & equipment		-	150		5	5	546	(541)	-99,1%	150
Computers - hardware/equipment		343	594		2	2	-	2	#DIV/0!	594
Furniture and other office equipment		46	70							70
<u>Agricultural assets</u>		-	-							-
List sub-class										
<u>Biological assets</u>		-	-							-
List sub-class										
<u>Intangibles</u>		77	-							-
Computers - software & programming		77	-							-
Other										
Total Capital Expenditure on renewal of existing ass	1	986	2 892	-	6	6	546	(540)	-98,8%	2 892

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 - M02 August										
Description	Ref	2015/16	Budget Year 2016/17							
		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>		-	154	-	-	-	-	-	-	154
Other		-	154	-	-	-	-	-	-	154
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		1 652	1 870	-	656	724	312	(413)	-132,4%	1 870
General vehicles		243	395	-	13	19	66	47	71,8%	395
Specialised vehicles		-	-							-
Plant & equipment		62	744	-	1	1	124	123	99,1%	744
Computers - hardware/equipment		764	310	-	611	655	52	(603)	-1167,0%	310
Furniture and other office equipment		8	21	-	19	27	4	(24)	-682,0%	21
Civic Land and Buildings		531	-	-	-	-	-	-	-	-
Other Buildings		10	370	-	12	22	62	39	63,6%	370
Other Land		34	30				5	5		30
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
List sub-class										
<u>Intangibles</u>		1 612	2 382	-	-	-	397	397	100,0%	2 382
Computers - software & programming		1 612	2 382	-	-	-	397	397	100,0%	2 382
Total Repairs and Maintenance Expenditure		3 264	4 406	-	656	724	709	(16)	-2,2%	4 406

Table SC13d Monthly Budget Statement - depreciation by asset class

DC9 Frances Baard - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M02August										
Description	Ref	2015/16	Budget Year 2016/17							
		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>		4 105	414	-	-	-	35	35	100.0%	414
Other		4 105	414	-	-	-	35	35	100.0%	414
<u>Heritage assets</u>		-	-	-	-	-	-	-	-	-
<u>Investment properties</u>		-	-	-	-	-	-	-	-	-
<u>Other assets</u>		-	3 267	-	-	-	272	272	100.0%	3 267
General v ehicles		-	900	-	-	-	75	75	100.0%	900
Specialised v ehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	198	-	-	-	17	17	100.0%	198
Computers - hardware/equipment		-	900	-	-	-	75	75	100.0%	900
Furniture and other office equipment		-	750	-	-	-	63	63	100.0%	750
Other Buildings		-	519	-	-	-	43	43	100.0%	519
<u>Agricultural assets</u>		-	-	-	-	-	-	-	-	-
<u>Biological assets</u>		-	-	-	-	-	-	-	-	-
<u>Intangibles</u>		-	146	-	-	-	12	12	100.0%	146
Computers - softw are & programming		-	146	-	-	-	12	12	100.0%	146
Total Repairs and Maintenance Expenditure		4 105	3 827	-	-	-	319	319	100.0%	3 827
<u>Specialised vehicles</u>		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

ASSET AND RISK MANAGEMENT**Insurance:**

All Municipal assets are adequately insured with Lateral Unison. The contract runs 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 last asset count was done during the month of June 2016 for the 2015/16 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>	Aug-16	FULL YEAR		
<i>COMPARISON: ACTUAL TO BUDGET</i>	YTD ACTUAL	BUDGET 2015/16	VARIANCES	VARIANCES %
DEPRECIATION	-	3 826 620	3 826 620	100%
DEP&AMOR:FURNITURE&OFFICE EQUIP ALL	-	749 800,00	749 800,00	100%
DEP&AMOR:BUILDINGS-ALL OR EXCL NERSA	-	518 600,00	518 600,00	100%
DEP&AMOR:MACH&EQUIP ALL OR EX NERSA	-	316 710,00	316 710,00	100%
DEP&AMOR:INTANGIBLE ASSETS	-	145 910,00	145 910,00	100%
DEP&AMOR:TRANSPT ASS ALL OR EX NERSA	-	900 000,00	900 000,00	100%
DEP&AMOR:COMP EQUIP-ALL OR EXCL NERSA	-	900 000,00	900 000,00	100%
DEP&AMOR:MACH&EQUIP ALL OR EX NERSA	-	200 000,00	200 000,00	100%
DEP&AMOR:MACH&EQUIP ALL OR EX NERSA	-	95 600,00	95 600,00	100%
REPAIRS & MAINTENANCE	18 611,56	397 100,00	378 488,44	95%
INV-MAT&SUPP/MAINT:MOTOR VEHICLES REPAIR	2 175,89	64 000,00	61 824,11	97%
INV-MAT&SUPP/MAINT:MOTOR VEHICLES TYRES	1 305,00	81 600,00	80 295,00	98%
INV-MAT&SUPP/MAINT:SPEED CONTROL EQUIP	5 275,05	73 500,00	68 224,95	93%
INV-MAT&SUPP/MAINT:MOTOR VEHICLES REPAIR	9 574,92	120 000,00	110 425,08	92%
INV-MAT&SUPP/MAINT:MOTOR VEHICLES TYRES	280,70	58 000,00	57 719,30	100%
GENERAL EXPENSES	361 148,38	1 059 500,00	698 351,62	66%
OC:CLEAN SERV-CAR VALET/WASHING SERV	3 575,62	65 250,00	61 674,38	95%
OC:INSUR UNDER-PREMIUMS	109 999,96	110 000,00	0,04	0%
OC:LIC-VEHICLE LIC®ISTRATIONS	576,00	14 560,00	13 984,00	96%
MOTOR VEHICLE USAGE	872,50	20 250,00	19 377,50	96%
OC: BC/FAC/C FEES - FLT&OTH CT/DT CARDS	184 279,14	20 000,00	(164 279,14)	-821%
INV-MAT&SUPP/MOTOR VEHICLES:FUEL	34 508,24	479 000,00	444 491,76	93%
OC:INSUR UNDER-PREMIUMS	13 513,94	18 000,00	4 486,06	25%
MOTOR VEHICLE USAGE	3 390,00	27 040,00	23 650,00	87%
OC: BC/FAC/C FEES - FLT&OTH CT/DT CARDS	184,33	5 000,00	4 815,67	96%
INV-MAT&SUPP/MOTOR VEHICLES:FUEL	10 248,65	300 000,00	289 751,35	97%
OC:LIC-VEHICLE LIC®ISTRATIONS	-	400,00	400,00	100%
TOTAL	379 759,94	5 283 220,00	4 903 460,06	93%

Motor Vehicles - Utilization Statistics:

The municipality operates a pool of 28 vehicles as part of its routine activities.

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

Disposal of Vehicles:

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

	Vehicle	Vehicle	Year	Registration	Service	License	Opening KM	Previous Month	Current month	August '16
	Description	Allocation	Model	Number		expires	01-Jul-16	Closing Km Reading	Closing KM Reading	Utility
1	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	150 000	2017-09-30	144 781	146 813	148 544	1 731
2	Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	75 000	2017-09-30	72 076	73 161	73 569	408
3	Chevrolet Captiva	Pool	2011	CDM 296 NC	90 000	2017-09-30	86 957	87 582	88 542	960
4	Isuzu KB 2.5 CrewCab	Enviromental Health	2016	CMV 311 NC	15 000	2017-01-31	4 577	7 257	9 922	2 665
5	Chevrolet Cruze 1.6	Pool	2016	VMV 321 NC	15 000	2017-01-31	4 736	8 116	9 414	1 298
6	Toyota Hilux	Project Management	2016	CMT 747 NC	15 000	2017-01-31	4 048	5 074	6 810	1 736
7	Chevrolet Cruze 1,6 North	Pool	2016	VMT 314 NC	15 000	2017-01-31	8 070	8 074	8 462	388
8	Isuzu KB 2.5 CrewCab	Housing	2016	CMV 319 NC	15 000	2017-01-31	4 256	5 965	7 744	1 779
9	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	45 000	2016-12-31	37 614	37 675	38 583	908
10	Isuzu KB 250	Housing	2013	CGR 572 NC	90 000	2016-12-31	82 351	83 405	84 504	1 099
11	Isuzu KB 250	Housing	2013	CGR 576 NC	60 000	2016-12-31	55 856	56 842	57 568	726
12	Hyundai HI	Tourism Centre	2013	CGY 587 NC	45 000	2017-02-28	39 853	40 353	41 523	1 170
13	Isuzu 2.4	Housing	2009	CBD 761 NC	150 000	2017-02-28	138 697	138 899	139 394	495
14	Nissan LDV	Community Development	2006	BVC 831 NC	165 000	2017-07-31	153 112	154 058	154 597	539
15	Ford Bantam	Finance Office Support	2004	BRD 836 NC	105 000	2017-01-31	100 944	100 944	100 944	-
16	Isuzu KB 200	Disaster Management	2010	CBY 895 NC	60 000	2017-09-30	49 717	49 717	49 753	36
17	Isuzu KB 200	Disaster Management	2010	CBY 898 NC	60 000	2017-09-30	56 696	56 965	57 706	741
18	Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	20 000	2017-01-31	15 572	16 724	17 920	1 196
19	Toyota Land Cruiser	Disaster Management	2014	CKW 835 NC	15 000	2016-11-30	11 581	11 934	12 728	794
20	Isuzu Kb 250 D-Teq	Youth Unit	2014	CKR 822 NC	45 000	2016-10-31	27 980	30 283	32 263	1 980
21	Audi Q7	Council	2013	FBDM 1 NC	150 000	2017-09-30	134 746	136 985	137 288	303
22	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2017-06-30	2 009	2 009	2 009	8
23	Toyota Erios	Pool	2014	CJG 979 NC	50 000	2016-12-31	40 091	40 758	41 690	932
24	Nissan NP 200	Enviromental Health	2014	CJJ 262 NC	45 000	2016-12-31	30 799	31 859	32 516	657
25	Nissan Hardbody	Enviromental Health	2014	CJJ 263 NC	30 000	2016-12-31	20 606	21 000	21 460	460
26	Nissan NP 200	Enviromental Health	2014	CJJ 258 NC	30 000	2016-12-31	22 350	22 986	23 497	511
27	Chevrolet Park Van	Supply Chain Management	2015	CLF791 NC	15 000	2017-01-31	3 823	3 878	4 087	209
28	Nissan Almera 1.5 Acenta	Pool	2016	CMT 438 NC	15 000	2017-01-31	5 044	5 713	7 045	1 332
	FULL FLEET UTILITY AUGUST 2016									25 061

Motor Vehicle Damage Report:

No vehicle damages were reported for the month of August 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 July 2016 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Ms. ZM Bogatsu
Municipal Manager

Signature _____

Date 13 September 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 July 2016 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Ms. ZM Bogatsu
Municipal Manager

Signature  _____

Date 13 September 2016