

# **FRANCES BAARD DISTRICT MUNICIPALITY**



## **SECTION 71 REPORT**

**31 JANUARY 2018**

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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 2017/18 financial year was submitted to the Executive Mayor and to Council for approval on 19 July 2017 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 2017:**

The Annual Financial Statements for the year ended 30 June 2017 was submitted to the Audit Committee on 25 August 2017 and to the Office of the Auditor General on 31 August 2017 for audit purposes.

The municipality received an **Unqualified Audit Opinion with matters** for the 2016/17 financial year. This was the first time in six years that the municipality received an unqualified audit opinion with 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 mid-year budget, performance assessment report and supporting documentation for the period ended 31 December 2017.

#### 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 R51, 728 million as compared to the full year approved budget of R125, 687 million.

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

To date, R58, 912 million has been spent compared to the operational year-to-date budget projections of R65, 846 million.

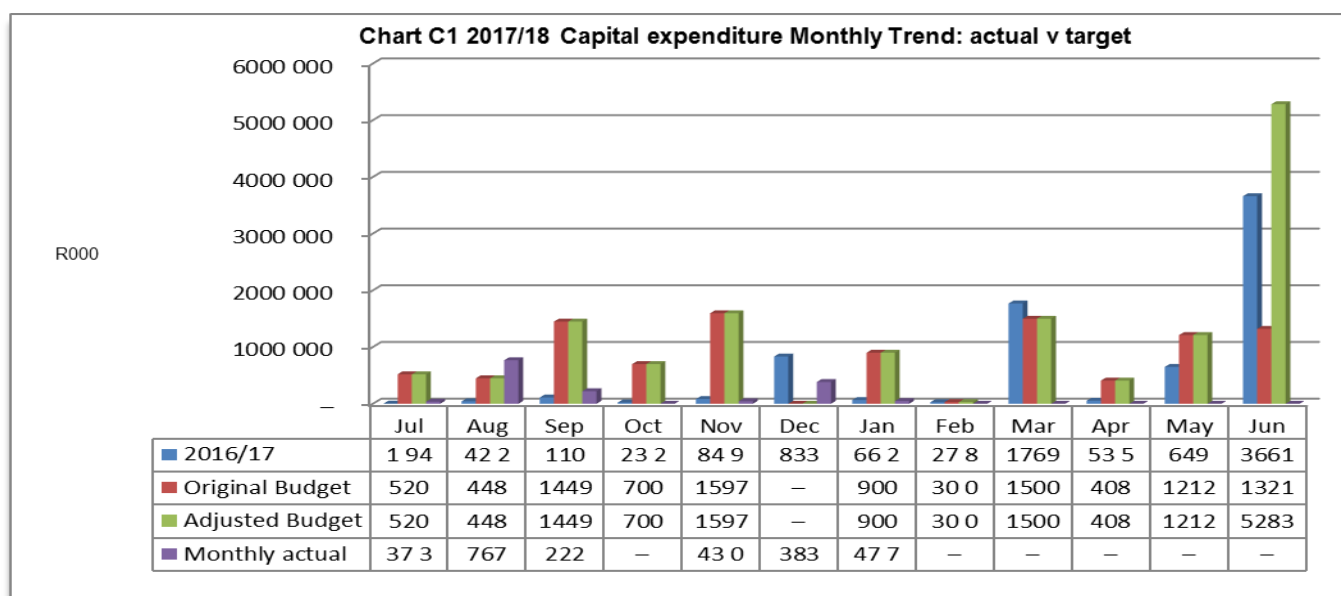
The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

##### **Capital Expenditure**

Year-to-date expenditure on capital amounts to R1, 502 million as compared to the budget of R14, 050 million.

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

##### **Capital Expenditure Monthly Trend: Actual vs Target**



## Cash Flows

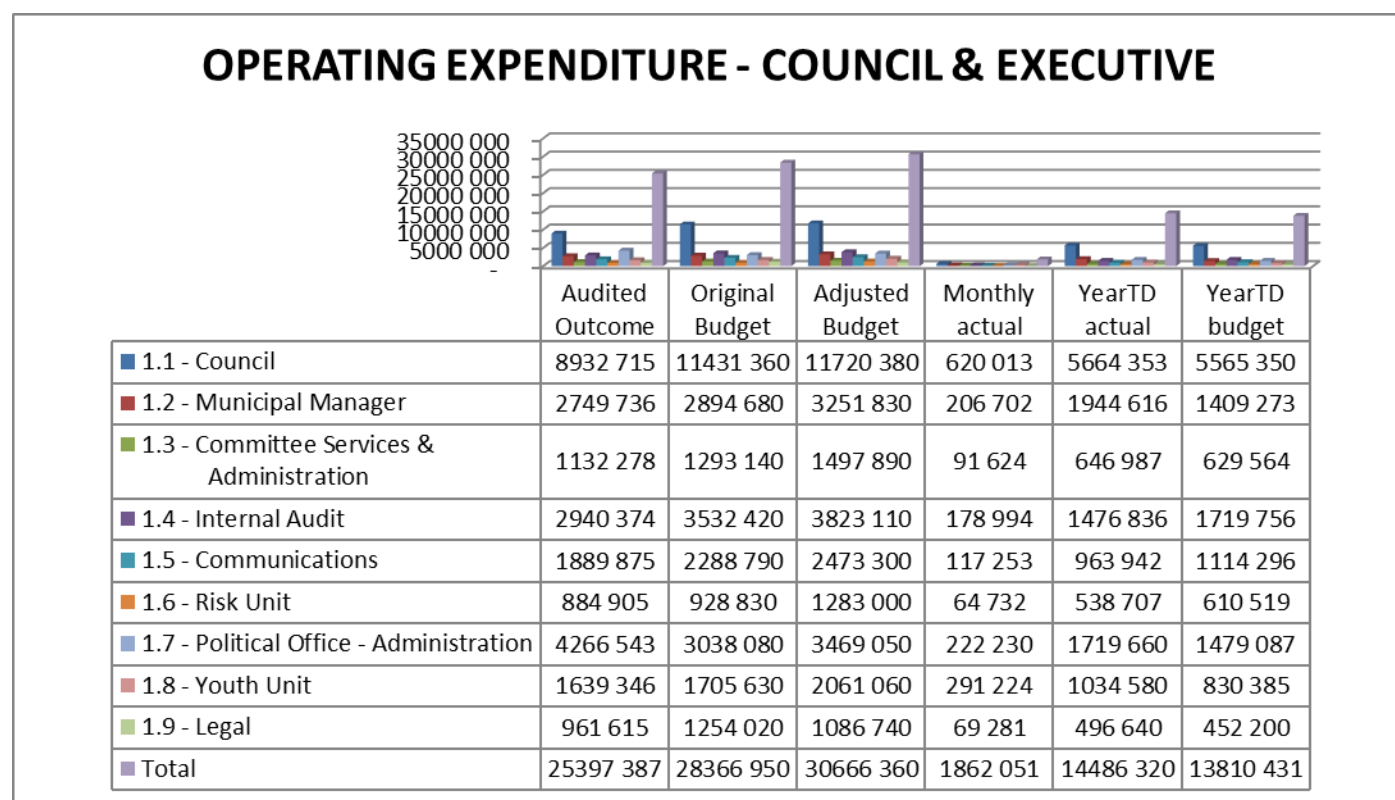
The municipality started the year with a total cash and cash equivalents of R54, 602 million. The year-to date cash and cash equivalents amounted to R69, 834 million. The net increase in cash and cash equivalents for the year to date is R15, 232 million.

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:



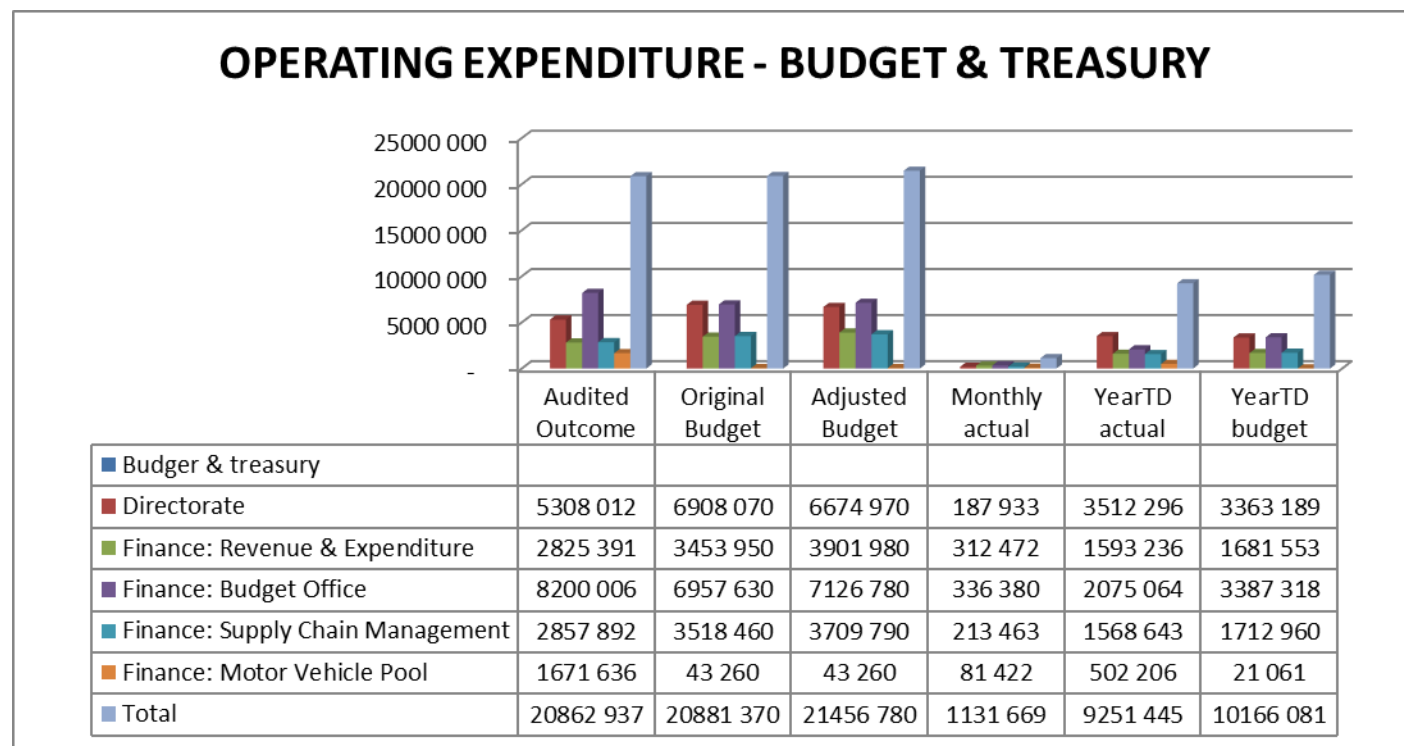
Actual operating expenditure of Council & Executive is R14 486 320 as compared to the year-to-date budget R13 810 431.

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

DESCRIPTION	FULL YEAR BUDGET 2017/18	YTD ACTUAL	% SPENT	COMMENT
<b>EXECUTIVE &amp; COUNCIL</b>				
<b>COUNCIL</b>				
HH OTH TRANS: Bursaries non-employee/Mayor	800 000,00	209 124,66	26%	Expenditure to be incurred as the year progress.
<b>COMMUNICATIONS</b>				
OS: B&A PROJECT MANAGEMENT/PPP	15 000,00	-	0%	No PPP meetings were held thus far.
OS: CATERING SERVICES/PPP	3 000,00	-	0%	No PPP meetings were held thus far.
OC: TRANSPORT - EVENTS/PPP	10 000,00	-	0%	No PPP meetings were held thus far.
CONTR: GRAPHIC DESIGNERS/BRANDING	30 000,00	-	0%	Project to be rolled out during the third quarter.
CONTR: MAINT OF BUILDINGS & FACILITIES/ SIGNAGE	26 000,00	-	0%	Ongoing expenditure, no requests received thus far.
CONTR: MAINTENANCE OF UNSPEC ASSETS/FBDM WEBSITE	45 000,00	45 000,00	100%	Project is completed.
		-		
<b>POLITICAL OFFICE - ADMINISTRATION</b>				
OS: CATERING SERVICES/COMMEMOR	50 100,00	35 872,11	72%	Expenditure to be incurred during the course of the financial year.
CONTR: STAGE & SOUND CREW/COMMEMOR	80 000,00	58 173,69	73%	Expenditure to be incurred during the course of the financial year.
OC: TRANSPORT - MUNICIPAL ACTIVITIES/COMMEMOR	30 000,00	5 263,16	18%	Expenditure to be incurred during the course of the financial year.
OS: CATERING SERVICES/DISAB	10 500,00	3 000,00	29%	Expenditure to be incurred during the course of the financial year.
CONTR: STAGE & SOUND CREW/DISAB	10 000,00	-	0%	Expenditure to be incurred during the course of the financial year.
OC: TRANSPORT - MUNICIPAL ACTIVITIES/DISAB	30 000,00	-	0%	Expenditure to be incurred during the course of the financial year.
OS: CATERING SERVICES/CHILD	10 500,00	10 116,58	96%	Expenditure to be incurred during the course of the financial year.
CONTR: STAGE & SOUND CREW/CHILD	20 000,00	20 000,00	100%	Project is completed
OS: CATERING SERVICES/GENDER	10 500,00	8 694,32	83%	Expenditure to be incurred during the course of the financial year.
OC: TRANSPORT - MUNICIPAL ACTIVITIES/GENDER	30 000,00	-	0%	Expenditure to be incurred during the course of the financial year.
INV - MATERIALS & SUPPLIES/PRINT & STAT/GENDER	2 600,00	189,47	7%	Expenditure to be incurred during the course of the financial year.
OS: CATERING SERVICES/OLD AGE	10 500,00	7 070,79	67%	Expenditure to be incurred during the course of the financial year.
CONTR: STAGE & SOUND CREW/OLD AGE	20 000,00	15 745,34	79%	Expenditure to be incurred during the course of the financial year.
OS: CATERING SERVICES/MRM	1 500,00	-	0%	Expenditure incurred to commemorate Mandela Day on 18 July 2018.
INV - MATERIALS & SUPPLIES/PRINT & STAT/MRM	1 500,00	-	0%	Expenditure to be incurred during the course of the financial year.
<b>YOUTH UNIT</b>				
OS: CATERING SERVICES/YOUTH CAREER	10 000,00	9 950,00	100%	Project is completed.
CONTR: STAGE & SOUND CREW/YOUTH CAREER	7 500,00	-	0%	Exhibition held during the last week of November 2017, no expenditure was incurred relating to stage and sound.
OC: TRANSPORT - EVENTS/YOUTH CAREER	15 000,00	1 618,42	11%	Exhibition held during the last week of November 2017.
OS: CATERING SERVICES/YOUTH JUNE 16	7 000,00	-	0%	Project to be rolled out in June 2018.
CONTR: STAGE & SOUND CREW/YOUTH JUNE 16	25 000,00	-	0%	Project to be rolled out in June 2018.
OC: TRANSPORT - EVENTS/YOUTH JUNE 16	20 000,00	-	0%	Project to be rolled out in June 2018.
OS: CATERING SERVICES/YOUTH ACTION	5 000,00	5 000,00	100%	Project is completed.
CONTR: STAGE & SOUND CREW/YOUTH ACTION	10 000,00	9 324,56	93%	Project to be completed during the fourth quarter.
OC: TRANSPORT - EVENTS/YOUTH ACTION	10 000,00	9 691,23	97%	Project to be completed during the fourth quarter.
OS: CATERING SERVICES/YOUTH SKILLS	3 500,00	-	0%	Skills programme to be done during the third quarter, second quarter skills programme was done during the second week of
CONTR: STAGE & SOUND CREW/YOUTH SKILLS	260 000,00	173 721,61	67%	Skills programme to be done during the third quarter, second quarter skills programme was done during the second week of
CONTR: STAGE & SOUND CREW/SOPA	19 500,00	-	0%	SOPA to be held during the third quarter.
OC: TRANSPORT - EVENTS/SOPA	6 000,00	-	0%	SOPA to be held during the third quarter.
<b>TOTAL</b>	<b>1 645 200,00</b>	<b>627 555,94</b>	<b>38%</b>	

The year to date actual spending on special projects for Council & Executive amounted to R627 555.94, spending to improve during the third and fourth quarter.

## OPERATING EXPENDITURE - BUDGET & TREASURY



The actual operating expenditure of Budget & Treasury office is R9 251 445 as compared to the year-to-date projected budget of R10 166 081.

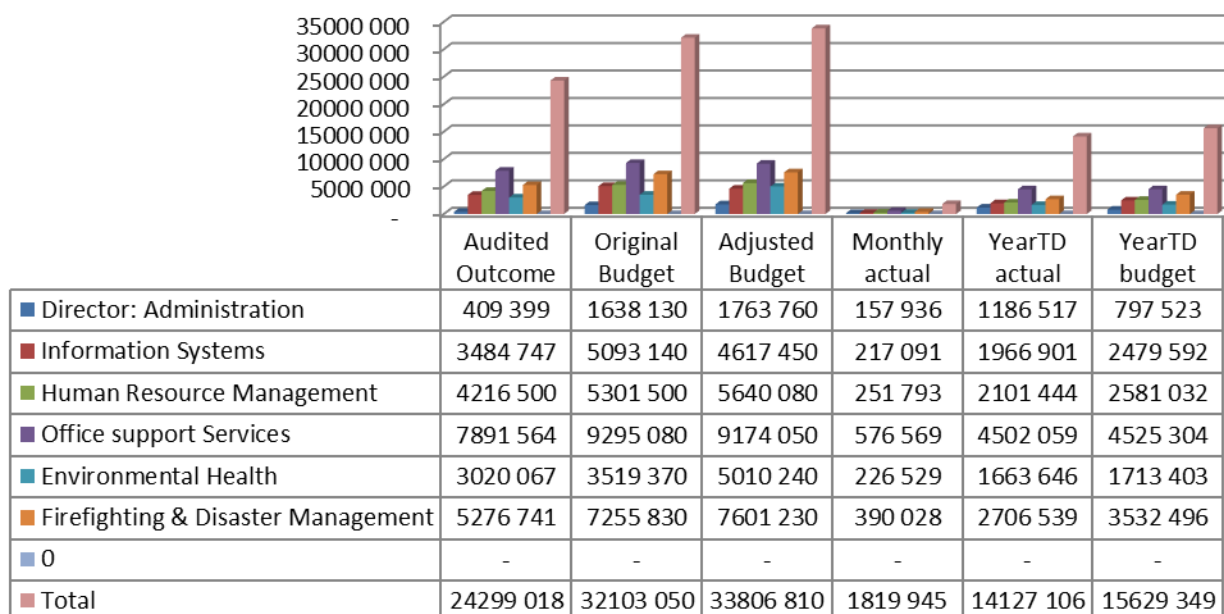
### Consolidated performance of year-to-date expenditure on special projects against full year budget (Budget & Treasury)

DESCRIPTION	FULL YEAR BUDGET 2017/18	YTD ACTUAL	% SPENT	COMMENT
<b>BUDGET &amp; TREASURY</b>				
<b>FINANCE &amp; ADMINISTRATION DIRECTORATE</b>				
C&PS: B&A PROJECT MANAGEMENT/AFS	48 000,00	-	0%	Commitment of R16 421 to be paid for the review of the financial statements in the fourth quarter.
C&PS: B&A PROJECT MANAGEMENT/AFS	152 000,00	111 870,00	74%	Commitment of R40 130 to be paid for the review of the financial statements in the fourth quarter.
OC: T&S DOM PUB TRP - ROAD TRANSPORT/AFS	30 000,00	-	0%	No expenditure incurred during the compilation of the AFS as communication with service provider was done electronically.
DM NC:FB-OPERATION CLEAN AUDIT	450 000,00	321 807,51	72%	Expenditure to be incurred as and when the local municipalities request assistance.
DM NC:FB-FINANCIAL SYSTEM SUPPORT (2) LM	200 000,00	193 371,83	97%	Project completed with a saving.
C&PS: B&A PROJECT MANAGEMENT/FIN SYSTEM SUP	50 000,00	-	0%	Expenditure to be incurred as and when the local municipalities request financial system support.
DM NC:FB-OPERATION CLEAN AUDIT/CAP BUILDING	100 000,00	-	0%	Expenditure to be incurred as the year progress.
<b>TOTAL</b>	<b>1 030 000,00</b>	<b>627 049,34</b>	<b>61%</b>	

The year to date actual spending on special projects for Budget & Treasury amounted to R627 049.34, no expenditure was incurred on special projects during January 2018. Spending to improve during the third and fourth quarter.



## OPERATING EXPENDITURE - CORPORATE SERVICES



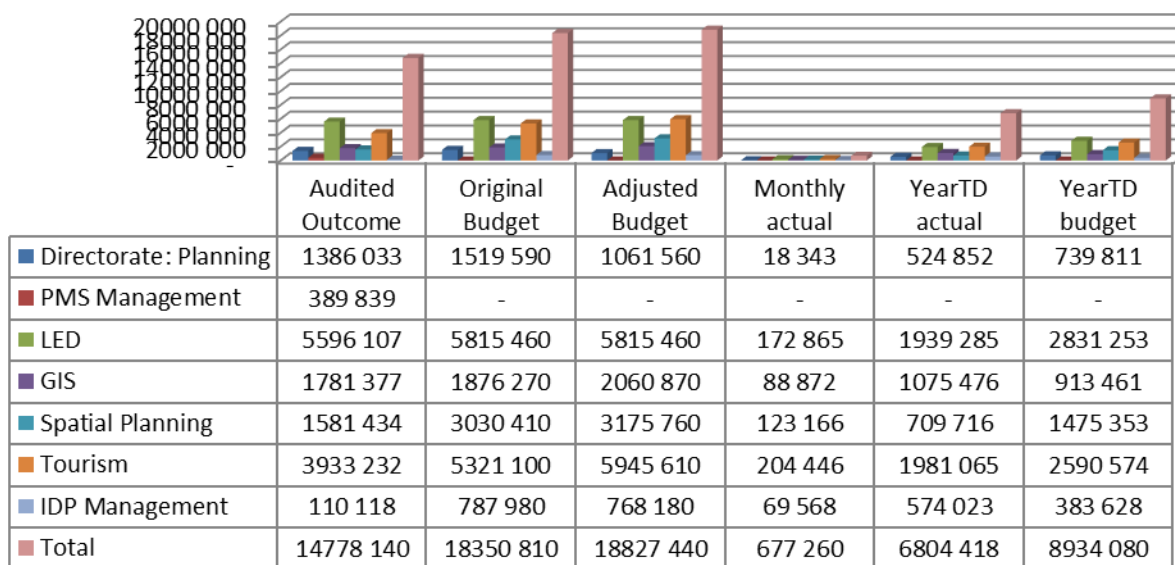
Actual operating expenditure of Corporate Services is R14 127 106 as compared to the year-to-date projected budget of R15 629 349.

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

DESCRIPTION	FULL YEAR BUDGET 2017/18	YTD ACTUAL	% SPENT	COMMENT
<b>CORPORATE SERVICES</b>				
<b><u>INFORMATION SYSTEMS</u></b>				
OS: CATERING SERVICES	500,00	-	0%	Movement projected in the third and fourth quarter for district forums.
<b><u>HUMAN RESOURCES MANAGEMENT</u></b>				
CONTR: EMPLOYEE WELLNESS/EMP ASS PROG	80 000,00	34 678,50	43%	Expenditure to be incurred as and when the need arises, upon request from employees.
CONTR: EMPLOYEE WELLNESS/EMP TEAM BUILD	300 000,00	-	0%	Team building activity is in the process of being planned for February 2018.
<b><u>ENVIRONMENTAL HEALTH</u></b>				
OS: CATERING SERVICES/AWARE SANIT	5 000,00	3 850,89	77%	No campaigns were held during January 2018, project to be completed during the third and fourth quarter.
HH OTH TRANS:HOUSING-UNSPEC/AWARE SANIT	4 000,00	2 586,85	65%	Campaigns were conducted during January 2018, commitment of R219 to be paid in February 2018.
OS: CATERING SERVICES/AIR QUALITY	5 000,00	2 229,53	45%	No campaigns were held during January 2018, project to be completed during the third and fourth quarter.
OS: CATERING SERVICES/ENV HF	6 000,00	3 454,00	58%	Forum meeting took place during December 2017, meetings to be held during the third and fourth quarter.
OS: CATERING SERVICES/COMM CAL DAY	34 000,00	23 191,71	68%	No commemorative days were held during January 2018, project to be completed during the third and fourth quarter.
OS: CATERING SERVICES/WM AWARE PROG	5 000,00	4 362,64	87%	Campaigns were conducted during January 2018, commitment of R433 to be paid in February 2018.
HH OTH TRANS:HOUSING-UNSPEC/WM AWARE PRO	4 000,00	-	0%	Campaigns were conducted during January 2018, no expenditure was incurred with regards to household transfers during the campaign.
DM NC: F BAARD - WASTE WATER MAN/WM CAMP	10 000,00	261,67	3%	No campaigns were held during January 2018, project to be completed during the third and fourth quarter.
HH OTH TRANS:HOUSING-UNSPEC/WM CAMP	40 000,00	6 142,47	15%	No campaigns were held during January 2018, project to be completed during the third and fourth quarter.
<b><u>PUBLIC SAFETY</u></b>				
<b><u>FIREFIGHTING &amp; DISASTER MANAGEMENT</u></b>				
OS: CATERING SERVICES/FF VOL TRAIN	50 000,00	-	0%	Training to take place from 13-15 March 2018.
OS: CATERING SERVICES/FF STIP	17 000,00	400,00	2%	Budget to be used for deployment of volunteers in case of a disaster.
OS: CATERING SERVICES/DIS MAN FOR	3 000,00	880,00	29%	District forum meeting for the 3rd and 4th quarter still to be held.
OC:ADV/PUB/MARK-GIFT&PROMO ITEMS/AW PROG	6 000,00	1 326,23	22%	To be used as per request from the Disaster Management practitioners.
OC: HONORARIA (VOLUNTARILY WORKERS)	14 400,00	-	0%	Budget to be utilised as the need arise for the training of volunteer workers.
<b>TOTAL</b>	<b>583 900,00</b>	<b>83 364,49</b>	<b>14%</b>	

The year to date actual spending on special projects for Corporate Services/Administration amounted to R83 364.49. Spending to improve as the year progress.

## OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



Actual operating expenditure of Planning & Development is R6 804 418 as compared to the year-to-date projected budget of R8 934 080.

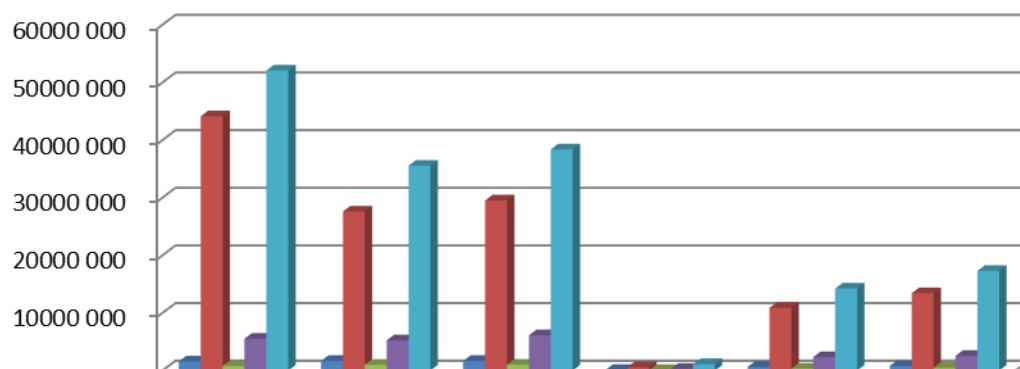
## Consolidated performance of year-to-date expenditure on special projects against full year budget (Planning & Development)

DESCRIPTION	FULL YEAR BUDGET 2017/18	YTD ACTUAL	% SPENT	COMMENT
<b>PLANNING &amp; DEVELOPMENT</b>				
<b>LOCAL ECONOMIC DEVELOPMENT</b>				
OS: B&A PROJECT MANAGEMENT/CORD STRAT	15 000,00	-	0%	To be used during the 3rd and 4th quarter.
OS: B&A PROJECT MANAGEMENT/SMME DEV (ROLL)	33 000,00	-	0%	Awaiting the certificates from SETA.
OS: B&A PROJECT MANAGEMENT/LED SMME	600 000,00	-	0%	Awaiting delivery of items ordered.
OS: B&A PROJECT MANAGEMENT/LED SMME	200 000,00	5 707,68	3%	Awaiting the appointment of a service provider during February 2018.
OS: B&A PROJECT MANAGEMENT/LED EXPO	800 000,00	790 048,00	99%	Project completed.
OS: B&A PROJECT MANAGEMENT/LED TR PR	6 500,00	-	0%	SAITEX to be held in June 2018.
CONTR: EXHIBIT INSTALLERS/LED TR PR	239 640,00	51 680,52	22%	Awaiting the appointment of a service provider.
OC:ADV/PUB/MARK- GIFT&PROMO ITEMS/LED TR	140 000,00	7 400,00	5%	Functionality has been completed, project to be completed during the course of the financial year.
OC: T&S DOM - ACCOMMODATION/LED TR PR	127 200,00	69 614,14	55%	Ongoing expense, SAITEX to be held in June 2018.
OS: B&A PROJECT MANAGEMEN/LED YOUTH ENTR	195 000,00	-	0%	Awaiting the appointment of a service provider.
C&PS: B&A PROJECT MANAGEMENT/INCUBATION STRAT	220 000,00	1 200,00	1%	Functionality has been completed, project to be completed during the course of the financial year.
<b>GIS</b>	-	-	-	-
OS: B&A PROJECT MANAGEMENT/SP CO-FUND	326 180,00	326 173,00	100%	Project complete, fund paid over to Sol Plaatje.
<b>SPATIAL PLANNING</b>				
C&PS: B&A AUDIT COMMITTEE/MUN PLN TRIBUNAL	132 000,00	164,00	0%	The DMPT meeting will take place on the 15 February 2018.
C&PS: B&A PROJECT MANAGEMENT/DIKG REVIEW	250 000,00	-	0%	Completed phased one: Inception report and Phase two: Research, Analysis and Recommendation. Two invoices have been submitted for payments (R17,375,36).
REVIEW LAND USE SCHEME PHOK	250 000,00	-	0%	Completed phased one: Inception report and Phase two: Research, Analysis and Recommendation. Two invoices were submitted for payments (R19,133,24).
<b>TOURISM</b>				
OS: B&A PROJECT MANAGEMENT/GANS	50 000,00	-	0%	In process, awaiting the appointment of a service provider.
OS: B&A PROJECT MANAGEMENT/GANS	750 000,00	121 379,62	16%	Project is in process, service provider was appointed during the second quarter. Project to be implemented during the third quarter.
OS: B&A PROJECT MANAGEMENT/IND EX	99 000,00	-	0%	Exhibition to be held in May 2018.
OC:ADV/PUB/MARK-GIFTS&PROMO ITEMS/IND EX	4 080,00	-	0%	Exhibition to be held in May 2018.
OC: T&S DOM - ACCOMMODATION/IND EX	52 500,00	-	0%	Exhibition to be held in May 2018.
OC: T&S DOM - FOOD&BEVERAGE(SERV)/IND EX	12 400,00	-	0%	Exhibition to be held in May 2018.
OC:T&S DOM TRP-W/OUT OPR OWN TRANP/IND E	7 410,00	-	0%	Exhibition to be held in May 2018.
OS: B&A PROJECT MANAGEMENT/DIAM D	175 000,00	-	0%	Event to be held in March 2018.
DM NC:FB-DIAMONDS & DORINGS SUPPORT	300 000,00	263 157,89	88%	Funds transferred to Sol Plaatje, project complete with a saving.
OS: CATERING SERVICES/TOUR BUSIN	82 500,00	14 139,30	17%	Portion of project done during November 2017, another event to be held in April 2018.
OC: TRANSPORT - EVENTS/TOUR BUSIN	31 500,00	19 760,00	63%	Portion of project done during November 2017, another event to be held in April 2018.
N-P UB SCH: SCHOOL SUPP (OTH EDUC INST)/TOUR BUS	191 500,00	34 836,20	18%	Portion of project done during November 2017, another event to be held in April 2018.
SUPPORTING GRANT-MAG TOURISM ASS	50 000,00	4 600,87	9%	Payment made to the Magareng Tourism Association, commitment of R15 110 to be paid during February 2018. Funds to be paid over to Magareng Tourism Association as the financial year progress.
NON PROF: UNSPECIFIED/TOUR BUS	60 000,00	58 448,60	97%	Portion of project done during November 2017, another event to be held in April 2018.
OS: CATERING SERVICES/TOUR ASS	18 000,00	2 000,00	11%	Project is in process, second quarter meeting was held in December 2017.

DESCRIPTION	FULL YEAR BUDGET 2017/18	YTD ACTUAL	% SPENT	COMMENT
<b>PLANNING &amp; DEVELOPMENT</b>				
<b><u>TOURISM</u></b>				
PRV DPT AGEN - PARK & TOURISM BOARD	70 000,00	29 488,55	42%	Payment made to the Tourism Board, more funds to be paid over to the Tourism Board during the course of the financial year.
PRV DPT AGEN - PARK & TOURISM BOARD/NCTA	135 000,00	135 000,00	100%	Project completed.
SUPPORTING GRANT - DIK TOURISM ASS.	80 000,00	-	0%	Payments to be paid during the course of the financial year to the Dikgatlong Tourism Association.
OS: CATERING SERVICES/EXHIB	2 040,00	929,91	46%	Exhibition was held in September 2017, project completed with a saving.
OS: CLEANING SERVICES	1 050,00	-	0%	Event to be held in April 2018.
C&PS: I&P TOWN PLANNER/TOUR ARTS CENTRE	550 000,00	-	0%	Project in process to be completed by the end of the financial year.
CONTR: CATERING SERVICES/COM AWARE CAMP	150 000,00	28 912,28	19%	Project in process, one campaign was held in September 2017.
CONTR: EVENT PROMOTERS/COM AWARE CAMP	250 000,00	98 223,94	39%	Project in process, one campaign was held in September 2017.
CONTR: EVENT PROMOTERS/TOUR BUS	350 000,00	201 359,16	58%	Ceremony was held in November 2017, another event to be held during April 2018
CONTR: EVENT PROMOTERS/TOUR N18	55 000,00	18 083,51	33%	Project in process to be completed by the end of the financial year.
CONTR: GRAPHIC DESIGNERS	40 000,00	26 526,32	66%	Project in process to be completed by the end of the financial year.
OC: ADV/PUB/MARK- CORP & MUN ACT/TOUR AD	100 000,00	44 950,00	45%	Project is in process, expenditure to increase as the financial year progress.
<b><u>IDP</u></b>				
OS: CATERING SERVICES/IDP STEER	3 150,00	1 891,60	60%	Steering committee meeting was held during the first quarter.
INV - MATERIALS & SUPPLIES/PRINT & STAT-IDP	58 670,00	22 429,82	38%	Expenditure to be incurred during the fourth quarter of the financial year.
<b><u>TOTAL</u></b>	<b>7 263 320,00</b>	<b>2 378 104,91</b>	<b>33%</b>	

The actual spending on special projects for Planning & Development amounted to R2, 378 104.91 for the month. Spending to improve as projects are being implemented.

## OPERATING EXPENDITURE - PROJECT MANAGEMENT & ADVISORY SERVICES



	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Directorate	1590 932	1686 160	1686 160	106 372	660 357	820 906
Project Management Services	44136 294	27596 850	29528 850	607 289	10898 985	13435 508
Maintenance of Roads	796 266	1012 770	1024 110	122 494	341 970	493 066
Housing	5548 516	5250 540	6135 820	298 176	2341 116	2556 222
Total	52072 008	35546 320	38374 940	1134 330	14242 427	17305 703

Actual operating expenditure of Project Management & Advisory Services is R14 242 427 as compared to the year-to-date projected budget of R17 305 703.

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

DESCRIPTION	FULL YEAR BUDGET 2017/18	YTD ACTUAL	% SPENT	COMMENT
<b>PROJECT MANAGEMENT &amp; ADVISORY SERVICES</b>				
<b>INFRASTRUCTURE SERVICES DIRECTORATE</b>				
OS: CATERING SERVICES/FORUM	6 400,00	1 720,00	27%	Will be spent as forums are held. Third Quarter Forum to be held in February 2018.
<b>PROJECT MANAGEMENT &amp; ADVISORY SERVICE</b>				
OS: B&A PROJECT MANAGEMENT/RAMS	2 495 800,00	706 024,02	28%	In implementation phase. Budget will be spent throughout year as project progresses.
OC: T&S DOM - ACCOMMODATION/RAMS	6 200,00	-	0%	No meetings have been held with regards to the RAMS project for the financial year to date.
OC: T&S DOM PUB TRP - AIR TRANSPORT/RAMS	11 000,00	-	0%	No meetings have been held with regards to the RAMS project for the financial year to date.
OC: T&S DOM PUB TRP - ROAD TRANSPORT/RAM	3 000,00	-	0%	No meetings have been held with regards to the RAMS project for the financial year to date.
DM NC: FRANCES BAARD - PLANNING & DEVEL	500 000,00	414 628,60	83%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - ROAD TRANSPORT	200 000,00	-	0%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	300 000,00	289 345,90	96%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	500 000,00	448 647,99	90%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	5 000 000,00	807 359,53	16%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	1 000 000,00	327 677,54	33%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - PLANNING & DEVEL	500 000,00	-	0%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - ROAD TRANSPORT	300 000,00	121 000,00	40%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	268 000,00	13 351,69	5%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	432 000,00	-	0%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	1 000 000,00	101 028,35	10%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	1 000 000,00	782 737,56	78%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	1 779 150,00	1 779 150,00	100%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	1 720 850,00	1 569 946,22	91%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - PLANNING & DEVEL	500 000,00	-	0%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - ROAD TRANSPORT	300 000,00	64 900,00	22%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	700 000,00	-	0%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WATER	1 000 000,00	-	0%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	149 620,00	149 620,00	100%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	500 000,00	500 000,00	100%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	350 380,00	88 133,75	25%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - ROAD TRANSPORT	1 500 000,00	12 100,00	1%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
DM NC: FRANCES BAARD - WASTE WATER MAN	1 000 000,00	355 060,59	36%	Continuous spending throughout year. Claims to be paid as projects/activities continue and LM's submit claims.
<b>HOUSING</b>				
OS: B&A PROJECT MANAGEMENT/HOUSING PROJ	720 000,00	-	0%	Awaiting claim from service provider, project was started in January 2018.
<b>TOTAL</b>	<b>23 742 400,00</b>	<b>8 532 431,74</b>	<b>36%</b>	

The actual spending on special projects for Project Management & Advisory Services amounted to R8 532 431.74 for the month. Spending in line with budget.

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

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M07 January

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	–	–	–	–	–	–	–		–
Service charges	–	–	–	–	–	–	–		–
Investment revenue	6 805	5 262	5 262	577	2 815	3 070	(255)	-8%	60
Transfers recognised - operational	114 013	118 569	118 698	179	48 622	80 044	(31 422)	-39%	14 370
Other own revenue	1 151	1 727	1 727	17	291	719	(427)	-59%	43
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>121 968</b>	<b>125 558</b>	<b>125 687</b>	<b>774</b>	<b>51 728</b>	<b>83 832</b>	<b>(32 104)</b>	<b>-38%</b>	<b>14 473</b>
Employee costs	57 082	66 558	71 240	4 487	32 904	37 938	(5 034)	-13%	66 472
Remuneration of Councillors	5 950	6 369	6 376	500	3 569	3 630	(61)	-2%	6 119
Depreciation & asset impairment	5 152	3 290	3 290	–	–	1 777	(1 777)	-100%	3 290
Finance charges	2 649	487	487	–	256	276	(20)	-7%	487
Materials and bulk purchases	3 936	1 055	1 305	226	658	413	245	59%	1 590
Transfers and grants	48 947	22 995	25 195	364	9 084	9 198	(114)	-1%	19 428
Other expenditure	13 694	34 494	35 239	1 048	12 441	12 614	(173)	-1%	29 411
<b>Total Expenditure</b>	<b>137 409</b>	<b>135 249</b>	<b>143 132</b>	<b>6 625</b>	<b>58 912</b>	<b>65 846</b>	<b>(6 934)</b>	<b>-11%</b>	<b>126 797</b>
<b>Surplus/(Deficit)</b>	<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>	<b>-140%</b>	<b>(112 323)</b>
Transfers and subsidies - capital (monetary allocation)	–	–	–	–	–	–	–		–
Contributions & Contributed assets	–	–	–	–	–	–	–		–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>	<b>-140%</b>	<b>(112 323)</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
<b>Surplus/ (Deficit) for the year</b>	<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>	<b>-140%</b>	<b>(112 323)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>7 325</b>	<b>10 087</b>	<b>14 050</b>	<b>48</b>	<b>1 502</b>	<b>4 766</b>	<b>(3 264)</b>	<b>-68%</b>	<b>10 087</b>
Capital transfers recognised	–	–	–	–	–	–	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	10 848	10 087	14 050	48	1 502	4 766	(3 264)	-68%	10 087
<b>Total sources of capital funds</b>	<b>10 848</b>	<b>10 087</b>	<b>14 050</b>	<b>48</b>	<b>1 502</b>	<b>4 766</b>	<b>(3 264)</b>	<b>-68%</b>	<b>10 087</b>
<b>Financial position</b>									
Total current assets	60 900	60 900	33 480		78 082				43 395
Total non current assets	64 604	64 604	58 639		58 981				74 944
Total current liabilities	24 890	24 890	24 890		51 376				22 767
Total non current liabilities	32 186	32 186	32 186		31 570				30 011
<b>Community wealth/Equity</b>	<b>68 427</b>	<b>65 561</b>	<b>35 044</b>		<b>54 118</b>				<b>65 561</b>
<b>Cash flows</b>									
Net cash from (used) operating	(5 369)	1 115	(6 640)	(12 038)	17 808	23 709	(5 900)	-25%	1 115
Net cash from (used) investing	(7 319)	(10 087)	(14 050)	(48)	(1 502)	(5 615)	4 113	-73%	(10 087)
Net cash from (used) financing	(1 985)	(2 224)	(2 224)	–	(1 073)	(1 079)	5	-0%	(2 224)
<b>Cash/cash equivalents at the month/year end</b>	<b>54 602</b>	<b>40 354</b>	<b>27 189</b>	<b>69 834</b>	<b>69 834</b>	<b>68 564</b>	<b>1 270</b>	<b>2%</b>	<b>40 354</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Revenue Source	6 776	76	64	4	6	4	4	152	7 088
<b>Creditors Age Analysis</b>									
Total Creditors	41 658	–	–	–	–	–	–	–	41 658



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

DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		104 666	111 288	111 288	663	42 143	71 048	(28 905)	-41%	203
Budget and treasury office		104 666	111 288	111 288	663	42 143	71 048	(28 905)	-41%	203
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		1 815	1 168	1 168	-	-	800	(800)		1 168
Public safety		1 015	368	368	-	-	-	-		368
Housing		800	800	800	-	-	800	(800)		800
<i>Economic and environmental services</i>		15 287	13 052	13 052	112	9 584	11 984	(2 400)	-20%	13 102
Planning and development		15 287	13 052	13 052	112	9 584	11 984	(2 400)	-20%	13 102
<i>Other</i>	4	200	50	179	-	-	-	-		-
<b>Total Revenue - Standard</b>	2	121 968	125 558	125 687	774	51 728	83 832	(32 104)	-38%	14 473
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		62 263	77 832	80 920	4 197	33 495	34 360	(865)	-3%	69 290
Executive and council		25 397	20 363	30 666	1 862	14 486	13 810	676	5%	27 003
Budget and treasury office		20 863	20 881	21 457	1 132	9 251	10 166	(915)	-9%	23 145
Corporate services		16 002	36 588	28 797	1 203	9 757	10 383	(627)	-6%	19 141
<i>Community and public safety</i>		10 825	5 251	6 136	688	5 048	6 089	(1 041)	-17%	11 238
Public safety		5 277	-	-	390	2 707	3 532	(826)	-23%	6 251
Housing		5 549	5 251	6 136	298	2 341	2 556	(215)	-8%	4 987
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		60 388	46 845	56 077	1 535	18 388	22 806	(4 418)	-19%	46 269
Planning and development		10 845	43 325	51 067	1 309	16 725	21 093	(4 368)	-21%	43 040
Road transport		46 523	-	-	-	-	-	-		-
Environmental protection		3 020	3 519	5 010	227	1 664	1 713	(50)	-3%	3 229
<i>Trading services</i>		-	-	-	-	-	-	-		-
<i>Other</i>		3 933	5 321	-	204	1 981	2 591	(610)	-24%	-
<b>Total Expenditure - Standard</b>	3	137 409	135 249	143 132	6 625	58 912	65 846	(6 934)	-11%	126 797
<b>Surplus/ (Deficit) for the year</b>		(15 441)	(9 690)	(17 445)	(5 851)	(7 184)	17 987	(25 171)	-140%	(112 323)

**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) M07 January

Vote Description [Insert departmental structure etc 3.]	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue by Vote</b>	1									
Vote 1 - Council & Executive		-	-	-	-	-	-	-		-
Vote 2 - Budget & Treasury		104 666	111 288	111 288	663	42 143	71 048	(28 905)	-40,7%	203
Vote 3 - Corporate Services		1 015	368	368	-	-	-	-		368
Vote 4 - Planning & Development		200	50	179	-	-	-	-		50
Vote 5 - Project Management & Advisory Services		16 087	13 852	13 852	112	9 584	12 784	(3 200)	-25,0%	13 852
<b>Total Revenue by Vote</b>	2	121 968	125 558	125 687	774	51 728	83 832	(32 104)	-38,3%	14 473
<b>Expenditure by Vote</b>	1									
Vote 1 - Council & Executive		25 397	28 367	30 666	1 862	14 486	13 810	676	4,9%	27 003
Vote 2 - Budget & Treasury		20 863	20 881	21 457	1 132	9 251	10 166	(915)	-9,0%	23 145
Vote 3 - Corporate Services		24 299	32 103	33 807	1 820	14 127	15 629	(1 502)	-9,6%	28 621
Vote 4 - Planning & Development		14 778	18 351	18 827	677	6 804	8 934	(2 130)	-23,8%	17 267
Vote 5 - Project Management & Advisory Services		52 072	35 546	38 375	1 134	14 242	17 306	(3 063)	-17,7%	30 761
<b>Total Expenditure by Vote</b>	2	137 409	135 249	143 132	6 625	58 912	65 846	(6 934)	-10,5%	126 797
<b>Surplus/ (Deficit) for the year</b>	2	(15 441)	(9 690)	(17 445)	(5 851)	(7 184)	17 987	(25 171)	-139,9%	(112 323)

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

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

s	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
<b>Revenue By Source</b>										
Rental of facilities and equipment		1 010	1 227	1 227	7	251	427	(176)	-41%	43
Interest earned - external investments		6 805	5 262	5 262	577	2 815	3 070	(255)	-8%	60
Transfers and subsidies		114 013	118 569	118 698	179	48 622	80 044	(31 422)	-39%	14 370
Other revenue		141	500	500	10	40	292	(252)	-86%	-
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>121 968</b>	<b>125 558</b>	<b>125 687</b>	<b>774</b>	<b>51 728</b>	<b>83 832</b>	<b>(32 104)</b>	<b>-38%</b>	<b>14 473</b>
<b>Expenditure By Type</b>										
Employee related costs		57 082	66 558	71 240	4 487	32 904	37 938	(5 034)	-13%	66 472
Remuneration of councillors		5 950	6 369	6 376	500	3 569	3 630	(61)	-2%	6 119
Debt impairment		2	3	3	-	-	-	-	-	3
Depreciation & asset impairment		5 152	3 290	3 290	-	-	1 777	(1 777)	-100%	3 290
Finance charges		2 649	487	487	-	256	276	(20)	-7%	487
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		3 936	1 055	1 305	226	658	413	245	59%	1 590
Contracted services		-	14 532	19 717	590	5 414	-	5 414	#DIV/0!	12 325
Transfers and subsidies		48 947	22 995	25 195	364	9 084	9 198	(114)	-1%	19 428
Other expenditure		13 262	19 709	15 269	458	7 027	12 614	(5 587)	-44%	16 833
Loss on disposal of PPE		429	250	250	-	-	-	-	-	250
<b>Total Expenditure</b>		<b>137 409</b>	<b>135 249</b>	<b>143 132</b>	<b>6 625</b>	<b>58 912</b>	<b>65 846</b>	<b>(6 934)</b>	<b>-11%</b>	<b>126 797</b>
<b>Surplus/ (Deficit) for the year</b>		<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>	<b>(0)</b>	<b>(112 323)</b>
Transfers and subsidies - capital (monetary allocations)										
Transfers and subsidies - capital (monetary allocations)										
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>		<b>(112 323)</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>		<b>(112 323)</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>		<b>(112 323)</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>(15 441)</b>	<b>(9 690)</b>	<b>(17 445)</b>	<b>(5 851)</b>	<b>(7 184)</b>	<b>17 987</b>	<b>(25 171)</b>		<b>(112 323)</b>

**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) - M07 January										
Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Council & Executive		55	195	195	10	71	124	(53)	0%	195
Vote 2 - Budget & Treasury		1 862	897	897	–	19	–	19	0%	897
Vote 3 - Corporate Services		2 345	1 149	3 112	38	280	508	(228)	-45%	1 149
Vote 4 - Planning & Development		68	35	35	–	3	35	(31)	-91%	35
Vote 5 - Project Management & Advisory Services		2 995	7 812	9 812	–	1 130	4 100	(2 970)	-72%	7 812
<b>Total Capital single-year expenditure</b>	4	7 325	10 087	14 050	48	1 502	4 766	(3 264)	-68%	10 087
<b>Total Capital Expenditure</b>		7 325	10 087	14 050	48	1 502	4 766	(3 264)	-68%	10 087
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		2 386	2 230	2 293	48	369	632	(262)	-42%	2 230
Executive and council		55	195	195	10	71	124	(53)	-43%	195
Budget and treasury office		1 862	897	897	–	19	–	19	#DIV/0!	897
Corporate services		469	1 139	1 202	38	280	508	(228)	-45%	1 139
<b>Community and public safety</b>		1 876	11	1 911	–	–	–	–		11
Public safety		1 867	–	1 900	–	–	–	–		–
Health		8	11	11	–	–	–	–		11
<b>Economic and environmental services</b>		3 063	7 847	9 844	–	1 133	4 135	(3 001)	-73%	7 847
Planning and development		68	7 847	9 844	–	1 133	4 135	(3 001)	-73%	7 847
Road transport		2 995								–
<b>Total Capital Expenditure - Standard Classification</b>	3	7 325	10 087	14 050	48	1 502	4 766	(3 264)	-68%	10 087
<b>Internally generated funds</b>		7 325	10 087	14 050	48	1 502	4 766	(3 264)	-68%	10 087
<b>Total Capital Funding</b>		7 325	10 087	14 050	48	1 502	4 766	(3 264)	-68%	10 087

**Table C6 Monthly Budget Statement - Financial Position**

DC9 Frances Baard - Table C6 Monthly Budget Statement - Financial Position - M07 January						
Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		4 598	354	643	(1 470)	354
Call investment deposits		50 004	40 000	26 545	71 305	40 000
Consumer debtors		–	–	–	–	–
Other debtors		5 141	2 000	5 135	7 088	2 000
Current portion of long-term receivables		819	741	819	819	741
Inventory		338	300	338	341	300
<b>Total current assets</b>		<b>60 900</b>	<b>43 395</b>	<b>33 480</b>	<b>78 082</b>	<b>43 395</b>
<b>Non current assets</b>						
Long-term receivables		8 114	8 598	8 114	8 114	8 598
Investments		5 950	5 550	–	5 950	5 550
Property, plant and equipment		49 311	59 174	49 297	42 721	59 174
Intangible assets		597	990	597	1 564	990
Other non-current assets		631	631	631	631	631
<b>Total non current assets</b>		<b>64 604</b>	<b>74 944</b>	<b>58 639</b>	<b>58 981</b>	<b>74 944</b>
<b>TOTAL ASSETS</b>		<b>125 503</b>	<b>118 338</b>	<b>92 120</b>	<b>137 063</b>	<b>118 338</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Borrowing		2 179	–	–	2 179	–
Consumer deposits		–	–	–	4	–
Trade and other payables		12 061	22 767	24 890	41 658	22 767
Provisions		10 651	–	–	7 535	–
<b>Total current liabilities</b>		<b>24 890</b>	<b>22 767</b>	<b>24 890</b>	<b>51 376</b>	<b>22 767</b>
<b>Non current liabilities</b>						
Borrowing		2 485	2 487	2 485	29 462	2 487
Provisions		29 701	27 524	29 701	2 107	27 524
<b>Total non current liabilities</b>		<b>32 186</b>	<b>30 011</b>	<b>32 186</b>	<b>31 570</b>	<b>30 011</b>
<b>TOTAL LIABILITIES</b>		<b>57 076</b>	<b>52 778</b>	<b>57 076</b>	<b>82 945</b>	<b>52 778</b>
<b>NET ASSETS</b>	2	<b>68 427</b>	<b>65 561</b>	<b>35 044</b>	<b>54 118</b>	<b>65 561</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		48 388	38 590	11 963	26 122	38 590
Reserves		20 039	26 971	23 080	27 996	26 971
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>68 427</b>	<b>65 561</b>	<b>35 044</b>	<b>54 118</b>	<b>65 561</b>

**Table C7 Monthly Budget Statement - Cash Flow**

DC9 Frances Baard - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		924	588	588	52	82	346	(263)	-76%	588
Government - operating		111 619	118 401	118 530	934	87 332	80 044	7 288	9%	118 401
Government - capital		-	-	-	-	-	-	-	-	-
Interest		6 805	5 262	5 262	577	2 815	3 070	(255)	-8%	5 262
<b>Payments</b>										
Suppliers and employees		(75 096)	(100 345)	(106 028)	(6 261)	(49 435)	(52 734)	(3 299)	6%	(100 345)
Finance charges		(674)	(487)	(487)	-	(256)	(276)	(20)	7%	(487)
Transfers and Grants		(48 947)	(22 305)	(24 505)	(7 341)	(22 730)	(6 741)	15 989	-237%	(22 305)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(5 369)</b>	<b>1 115</b>	<b>(6 640)</b>	<b>(12 038)</b>	<b>17 808</b>	<b>23 709</b>	<b>(5 900)</b>	<b>-25%</b>	<b>1 115</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>		6								
<b>Payments</b>		-		-						
Capital assets		(7 325)	(10 087)	(14 050)	(48)	(1 502)	(5 615)	(4 113)	73%	(10 087)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(7 319)</b>	<b>(10 087)</b>	<b>(14 050)</b>	<b>(48)</b>	<b>(1 502)</b>	<b>(5 615)</b>	<b>(4 113)</b>	<b>73%</b>	<b>(10 087)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
<b>Payments</b>										
Repayment of borrowing		(1 985)	(2 224)	(2 224)	-	(1 073)	(1 079)	(5)	0%	(2 224)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1 985)</b>	<b>(2 224)</b>	<b>(2 224)</b>	<b>-</b>	<b>(1 073)</b>	<b>(1 079)</b>	<b>(5)</b>	<b>0%</b>	<b>(2 224)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>(14 673)</b>	<b>(11 196)</b>	<b>(22 914)</b>	<b>(12 086)</b>	<b>15 232</b>	<b>17 015</b>			<b>(11 196)</b>
Cash/cash equivalents at beginning:		69 275	51 550	50 102	81 920	54 602	51 550			51 550
Cash/cash equivalents at month/year end:		54 602	40 354	27 189	69 834	69 834	68 564			40 354

## 5. SUPPORTING DOCUMENTATION

### Material variance explanations

DC9 Frances Baard - Supporting Table SC1 Material variance explanations - M07 January

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Property rates</u>			
	Rental of facilities and equipment	-41%	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	-8%	Interest earned will improve as the year progress.	None needed.
	Other income	-86%	The revenue expected from other sources will improve as the year progress.	None needed.
2	<u>Employee related costs</u>			
	Salaries	-13%	Employee related cost is lower than budgeted for.	Positions are advertised, will be filled as soon as possible.
	Other Materials	59%	Will be used at the end of the financial year.	None needed.
	Transfers and grants	-1%	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	-44%	Less money spent on other expenditure than anticipated.	Consult with managers, to ensure that spending is as planned.
3	<u>Capital expenditure</u>			
	Capital expenditure	-68%	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	28%	Current assets shows an increase of 28% which is mainly due to the increase in call investments.	None needed.
	Non-Current Liabilities	-2%	There is a decrease in the non-current liabilities mainly due to the decrease in provisions for the year.	None needed.
	Accumulated Surplus	-46%	Accumulated surplus shows a decrease of 46% which is a result of the deficit which the municipality is operating on.	None needed.
5	<u>Cash Flow</u>			
	Net cash from operating / (used) Operating Activities	106%	Net cash from operating activities is above the year-to-date cash on operating activities.	None needed.
	Net cash from operating / (used) Investing Activities	108%	Net cash from operating activities is above the year-to-date cash on investing activities.	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 - M07 January							
Description of financial indicator	Basis of calculation	Ref	2016/17	Budget Year 2017/18			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>Percentage</b>							
<b><u>Borrowing Management</u></b>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		1,7%	2,1%	2,7%	21,5%	0,0%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		5,7%	2,8%	2,6%	0,4%	5,2%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Safety of Capital</u></b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		24,4%	38,5%	78,1%	135,4%	38,5%
Gearing	Long Term Borrowing/ Funds & Reserves		12,4%	9,2%	10,8%	105,2%	9,2%
<b><u>Liquidity</u></b>							
Current Ratio 1	Current assets/current liabilities	1	244,7%	190,6%	134,5%	152,0%	190,6%
Liquidity Ratio	Monetary Assets/Current Liabilities		243,3%	201,6%	109,2%	147,5%	201,6%
<b><u>Revenue Management</u></b>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		11,5%	9,0%	11,2%	31,0%	78,3%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Creditors Management</u></b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100,0%	100,0%	100,0%	100,0%	100,0%
<b><u>Funding of Provisions</u></b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Other Indicators</u></b>							
Employee costs	Employee costs/Total Revenue - capital revenue		46,8%	53,0%	56,7%	63,6%	459,3%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		3,2%	0,8%	1,0%	0,4%	4,5%
Interest & Depreciation	I&D/Total Revenue - capital revenue		6,4%	3,0%	3,0%	0,5%	45,6%
<b><u>IDP regulation financial viability indicators</u></b>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		202,0%	1435,2%	0,0%	142,5%	40,3%
iii. Cost coverage	(Av ailable cash + Investments)/monthly fixed operational expenditure		10,5	1,0	1,0	2,1	0,6

The above ratios indicate that the municipality is financially stable and adequately funded to continue with its operations. The year-to-date ratio of employee costs as compared to the total revenue – capital revenue for the year to date is 52.6%.

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 - M07 January												
Description	NT Code	Budget Year 2017/18										
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Bad Debts	>90 days
<b>Debtors Age Analysis By Revenue Source</b>												
Rates	1200									–		–
Electricity	1300									–		–
Water	1400									–		–
Sewerage / Sanitation	1500									–		–
Refuse Removal	1600									–		–
Housing (Rental Revenue)	1700									–		–
Other	1900	6 776	76	64	4	6	4	4	152	7 088		171
<b>Total By Revenue Source</b>	<b>2000</b>	<b>6 776</b>	<b>76</b>	<b>64</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>152</b>	<b>7 088</b>	<b>–</b>	<b>171</b>
<b>Debtors Age Analysis By Customer Category</b>												
Government	2200	134	71	62	47	–	–	–	–	314		
Business	2300	–	–	–	–	–	–	–	–	–		
Households	2400	–	–	–	–	–	–	–	–	–		
Other	2500	6 642	5	3	(43)	6	4	4	152	6 774		
<b>Total By Customer Category</b>	<b>2600</b>	<b>6 776</b>	<b>76</b>	<b>64</b>	<b>4</b>	<b>6</b>	<b>4</b>	<b>4</b>	<b>152</b>	<b>7 088</b>	<b>–</b>	

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.

The 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 January 2018 in respect of Provincial and Local Governments Department.

➤ Department of Safety R47 403.90

- ***Post-Service Benefits***

There is one outstanding debt reflected for more than 90 days as at 31 January 2018

➤ Kgantsi N.G R21 490.00 for over payment of post medical aid contribution benefit. Ms. Kgantsi made a payment arrangement of R500 at the Office of State Attorney.

- ***Sundry Debtors***

The following outstanding debts reflected for more than 90 days as at 31 January 2018 for sundry debtors.

- Councillor MM Moloi R56 052.60 for benefit of using the municipal vehicle;
- Councillor PD Bishop R5 337.29; and
- MR KK Moruri R7 425, the matter will be referred back to MPAC.



- ***Repayment of failed courses by councillors:***

- Councillor W. Johnson R12 955.51;
- Councillor PR. Molefi R6 875.41; and
- Councillor T. Nicholas R8 771.76.

The above mentioned councillors were handed over to the Office of State Attorney for collection.

- **Over payment of salaries**

- Councillor BM Maribe R3 465.25. Councillor Maribe signed a commitment to pay the municipality an amount of R500 a month until the expenditure is fully recovered.

**Table SC4 Monthly Budget Statement - aged creditors**

DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January											
Description	NT Code	Budget Year 2017/18									Prior year
R thousands		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	totals for chart (same period)
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 repay ments	0600									-	
Trade Creditors	0700									-	
Auditor General	0800									-	
Other	0900	41 658	-	-	-	-	-	-	-	41 658	
Total By Customer Type	2600	41 658	-	-	-	-	-	-	-	41 658	-

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 7.63% for staff has been implemented as from the 01 July 2017 – 30 June 2018 and 8.1 % for the Municipal Manager. The 2017 upper limits gazette for the senior managers has not been issued as yet.

A gazette no.41335 was issued on the 15 December 2017 for the annual increase for Councillors in terms of the remuneration of Public Office Bearers Act, 1998 for the 2017/18 financial year and it was implemented in January 2018.

**Trade Creditors:**

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 31 January 2018 is listed below:

<b>FRANCES BAARD DISTRICT MUNICIPALITY</b>			
<b>EXPENDTURE STATISTICS</b>			<b>Jan-18</b>
<b>PAYMENTS</b>			
	Total value of all payments		<b>R 8 584 289</b>
	Electronic transfers		112
	Cheques issued		8
<b>SALARIES</b>			
	Number of salary beneficiaries		<b>163</b>
	Councillors		<b>19</b>
	<b><u>Total Councillors</u></b>	<b>27</b>	
	* Councillors Position - Vacant	0	
	* Councillors with Remuneration	19	
	* Councillors without Remuneration	8	
	<b><u>Employees</u></b>		<b>144</b>
	* Remunerated Employee's	139	
	* Remunerated Terminated Employees	3	
	Pensioners	2	
	<b>Total remuneration paid</b>		<b>2 766 204</b>
	Councillors		362 990
	Employees		2 203 667
	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 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. Council adopted a new procurement policy effective from 20 September 2017.

**Implementation of the approved Supply Chain Management Policy:**

The approved Supply Chain Management Policy on 20 September 2017 was implemented and maintained by all relevant role players.

- **Implementation of the Supply Chain Management Process.**

- **Training of Supply Chain Management Officials**

No training was attended by SCM officials during the month of January 2018.

- **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. The procurement plan for 2017-18 was approved by the Accounting Officer.

- **Acquisition Management**

For the period of January 2018, one contract (R200 000 +) was awarded by the Municipal Manager.

1. Biodiversity study for the upgrading of the Ganspan-Pan wetland reserve- EOH COASTAL for R111 902.40 VAT inclusive.

For the period of January 2018 one written quotation (R30 000-R200 000) was awarded by the Municipal Manager.

1. SAQA US ID 117500: Manage finance in small business training- Lebogang Development Specialist (Pty) Ltd-R171 976 VAT inclusive.

**Total orders issued total R669 863.52**

Orders per department:

Council & Executive	R 66 134.40
Municipal Manager	R 173 650.53
Finance	R 3 473.66
Administration	R 103 950.03
Planning & Development	R 319 505.70
Project management	R 3 149.20

**a. Disposal Management**

There were no disposals for the month of January 2018.

**b. Deviations**

No deviation was approved by the Municipal Manager in the month of January 2018.

**c. Issues from Stores**

Total orders issued total R22 692.78

Issues per department

Council & Executive	R 0.00
Municipal Manager	R 4 506.52
Finance	R 2 014.13
Administration	R14 020.04
Planning & Development	R 457.08
Technical service	R 1 695.01

**d. List of accredited Service Providers**

All the suppliers of the municipality are registered on the Central Supplier Database (CSD). Internal supplier's database is updated daily and the database is amended to make provision for the MBD 4 and MBD 9 forms as required by the AG report.

**e. Support to Local Municipalities**

No official request received from any local municipality to assist in January 2018.

**Table SC5 Monthly Budget Statement - investment portfolio**

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

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							
<b>Municipality</b>									
NEDCOR		1	notice	2018-06-27	-	8,65%	5 950		5 950
STANDARD BANK		1	call	2018-01-31	22	6,55%	4 000		4 000
NEDCOR		1	call	2018-01-31	11	6,45%	2 000		2 000
NEDCOR		4	notice	2018-03-09	71	7,61%	11 000		11 000
NEDCOR		4	notice	2018-03-10	36	7,72%	5 500		5 500
STANDARD BANK		4	notice	2018-03-09	77	7,60%	12 000		12 000
STANDARD BANK		4	notice	2018-04-10	29	7,65%	4 500		4 500
ABSA		4	notice	2018-03-08	56	7,37%	9 000		9 000
ABSA		4	notice	2018-04-10	22	7,41%	3 500		3 500
RMB		4	notice	2018-03-12	49	7,20%	8 000		8 000
FNB		4	notice	2018-04-10	29	7,66%	4 500		4 500
ABSA		1	call	2018-01-31	8	6,65%	1 501		1 501
ABSA		1	call	2018-01-31	11	6,55%	2 000		2 000
<b>TOTAL INVESTMENTS AND INTEREST</b>					422		73 451	-	73 451
<b>TOTAL INVESTMENTS AND INTEREST</b>	2				422		73 451	-	73 451

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 - M07 January										
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		109 911	117 251	117 251	755	90 265	89 956	309	0,3%	117 251
Local Government Equitable Share		-	8 268	8 268	-	8 268	8 268	-		8 268
Special Contribution: Councillor Remuneration		-	-	-	-	-	-	-		-
Levy replacement	3	105 416	104 049	104 049	-	79 824	79 824	-		104 049
Finance Management Grant		1 068	1 250	1 250	-	(364)	1 250	(1 614)	-129,1%	1 250
Municipal Systems Improvement		-	-	-	-	-	-	-		-
Extended Public Works Programme		1 000	1 168	1 168	-	22	195	(173)	-88,9%	1 168
Roads asset management		2 427	2 516	2 516	755	2 516	419	2 097	500,0%	2 516
<b>Provincial Government:</b>		4 015	1 218	1 347	-	-	203	(203)	-100,0%	1 218
Housing	4	-	800	800	-	-	133	(133)	100,0%	800
Near Grant		350	368	368	-	-	61	(61)	-100,0%	368
Fire Fighting Equipment Grant		665	50	50	-	-	8	(8)	-100,0%	50
NC Tourism		200	-	129	-	-	-	-		-
Housing Project		800	-	-	-	-	-	-		-
District Aids Programme		-	-	-	-	-	-	-		-
Operation Khptso Pula Nala		2 000	-	-	-	-	-	-		-
Other transfers and grants [ABSA Donation]		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>										
<b>Other grant providers:</b>		86	100	100	17	(95)	181	53	29,3%	100
SETA Skills Grant		86	100	100	17	70	17	53	317,2%	100
Koopmansfontein Self Build Scheme		-	-	-	-	-	-	-		-
ABSA		-	-	-	-	(164)	164	-		-
<b>Total Operating Transfers and Grants</b>	5	114 013	118 569	118 698	772	90 171	90 340	159	0,2%	118 569
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		-	-	-	-	-	-	-		-
Other capital transfers [insert description]										
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<i>ESCOM (Electricity on Farms)</i>										
<b>Total Capital Transfers and Grants</b>	5	-	-	-	-	-	-	-		-
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	114 013	118 569	118 698	772	90 171	90 340	159	0,2%	118 569

**Table SC7 Monthly Budget Statement - transfers and grant expenditure**

DC9 Frances Baard - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		43 402	117 251	117 251	179	48 622	47 853	769	1,6%	117 251
Local Government Equitable Share		–	8 268	8 268	–	8 268	8 268	–		8 268
Special Contribution: Councillor Remuneration		–	–	–	–	–	–	–		–
Levy replacement		38 906	104 049	104 049	–	38 531	36 707	1 824	5,0%	104 049
Finance Management Grant		1 068	1 250	1 250	68	704	729	(25)	-3,4%	1 250
Municipal Systems Improvement		–	–	–	–	–	–	–		–
Extended Public Works Programme		1 000	1 168	1 168	62	314	681	(368)	-54,0%	1 168
Roads asset management		2 427	2 516	2 516	49	805	1 468	(663)	-45,2%	2 516
<b>Provincial Government:</b>		5 459	1 218	1 347	–	–	711	(711)	-100,0%	1 218
Housing		–	800	800	–	–	467	(467)	-100,0%	800
Near Grant		350	368	368	–	–	215	(215)		368
Fire Fighting Equipment Grant		446	50	50	–	–	29	(29)	-100,0%	50
NC Tourism		2 606	–	129	–	–	–	–		–
Operation Khptso Pula Nala		2 056	–	–	–	–	–	–		–
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		86	100	–	–	–	58	(58)		100
Koopmansfontein Self Build Scheme		–	–	–	–	–	–	–		–
ABSA		–	–	–	–	–	–	–		–
SETA Skills Grant		86	100	–	–	–	58	(58)		100
<b>Total operating expenditure of Transfers and Grants:</b>		48 947	118 569	118 598	179	48 622	48 622	0	0,0%	118 569
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		–	–	–	–	–	–	–		–
Other capital transfers [insert description]		–	–	–	–	–	–	–		–
<b>Provincial Government:</b>		–	–	–	–	–	–	–		–
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
<b>Total capital expenditure of Transfers and Grants</b>		–	–	–	–	–	–	–		–
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		48 947	118 569	118 598	179	48 622	48 622	0	0,0%	118 569

**Table SC8 Monthly Budget Statement - councillor and staff benefits**

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January										
Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Salary		4 638	5 239	5 306	385	2 733	2 986	(253)	-8%	4 685
Pension Contributions		16	-	-	-	-	-	-	-	-
Medical Aid Contributions		1	-	-	-	-	-	-	-	-
Motor vehicle allowance		999	1 027	1 007	89	620	586	34	6%	1 062
Cell phone and other allowances		295	103	64	25	217	59	158	270%	371
Workmen's Compensation		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>5 950</b>	<b>6 369</b>	<b>6 376</b>	<b>500</b>	<b>3 569</b>	<b>3 630</b>	<b>(61)</b>	<b>-2%</b>	<b>6 119</b>
<b>% increase</b>	4			7,2%						2,8%
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 555	5 109	4 509	311	3 267	2 912	355	12%	4 801
Pension and UIF Contributions		452	224	269	33	224	128	96	75%	382
Medical Aid Contributions		34	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		653	784	648	-	-	447	(447)	-100%	784
Motor Vehicle Allowance		569	271	271	28	157	154	2	2%	634
Cellphone Allowance		66	96	96	5	47	55	(8)	-14%	81
Housing Allowances		11	-	-	-	-	-	-	-	-
Other benefits and allowances		38	118	118	-	0	67	(67)	-100%	0
Payments in lieu of leave		(77)	148	131	-	-	84	(84)	-100%	148
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	568	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>5 870</b>	<b>6 750</b>	<b>6 041</b>	<b>378</b>	<b>3 695</b>	<b>3 848</b>	<b>(153)</b>	<b>-4%</b>	<b>6 829</b>
<b>% increase</b>	4		15,0%	2,9%						16,3%
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		35 851	41 101	42 948	3 049	21 808	23 428	(1 619)	-7%	42 085
Pension and UIF Contributions		5 130	5 787	5 822	451	3 186	3 299	(112)	-3%	5 538
Medical Aid Contributions		1 665	1 916	1 988	149	1 021	1 092	(71)	-6%	1 778
Overtime		131	382	382	20	101	218	(116)	-53%	252
Performance Bonus		2 666	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		3 251	2 719	6 469	272	1 965	1 550	416	27%	3 369
Cellphone Allowance		124	437	171	11	78	249	(172)	-69%	289
Housing Allowances		344	663	362	30	213	378	(165)	-44%	382
Other benefits and allowances		500	1 284	1 283	36	293	732	(439)	-60%	507
Payments in lieu of leave		1 330	1 145	1 405	-	-	653	(653)	-100%	1 145
Long service awards		220	1 385	1 381	0	0	789	(789)	-100%	1 316
Post-retirement benefit obligations	2	-	2 987	2 987	90	542	1 703	(1 160)	-68%	2 981
<b>Sub Total - Other Municipal Staff</b>		<b>51 212</b>	<b>59 807</b>	<b>65 198</b>	<b>4 109</b>	<b>29 209</b>	<b>34 090</b>	<b>(4 881)</b>	<b>-14%</b>	<b>59 643</b>
<b>% increase</b>	4		16,8%	27,3%						16,5%
<b>Total Parent Municipality</b>		<b>63 033</b>	<b>72 926</b>	<b>77 615</b>	<b>4 986</b>	<b>36 473</b>	<b>41 568</b>	<b>(5 095)</b>	<b>-12%</b>	<b>72 591</b>
			15,7%	23,1%						15,2%
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>63 033</b>	<b>72 926</b>	<b>77 615</b>	<b>4 986</b>	<b>36 473</b>	<b>41 568</b>	<b>(5 095)</b>	<b>-12%</b>	<b>72 591</b>
<b>% increase</b>	4		15,7%	23,1%						15,2%
<b>TOTAL MANAGERS AND STAFF</b>		<b>57 082</b>	<b>66 557</b>	<b>71 239</b>	<b>4 487</b>	<b>32 904</b>	<b>37 938</b>	<b>(5 034)</b>	<b>-13%</b>	<b>66 472</b>



**PERSONNEL ATTENDANCES:**

Personnel attendance in the workplace (finance department) for the month of January 2018 averages 66%. The reason for the deviations is mainly due to annual leave during the month of January 2018.

Attendance trends are summarized as follows:

		Senior	Middle	Supervisory	Clerical
		Management	Management		
Number of Members		1	3	7	11
Leave		0	11	36	21
Sick Leave		0	0	0	4
Courses / Seminar		0	0	0	0
Meetings		2	6	0	0
Study leave		0	0	0	0
Maternity Leave		0	0	0	0
Family Responsibility		0	0	0	3
Union Meetings		0	0	0	0
Absent		0	0	0	0
Special Leave		4	12	28	44
Over time		0	0	0	0
No. of Workdays Attended		16	37	90	170
Total Workdays		22	66	154	220
Percentage Attendance per Group		73%	56%	58%	77%
Average		66%			

**Personnel Development:**

- No finance interns attended MFMP training during the month of January 2018.
- Four (4) managers from the finance department attended the strategic planning sessions on 29-30 January 2018.

**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).

One (1) intern completed the MFMP training; the other four (4) started in October 2017.

**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 are invited for meetings as support stakeholders of the municipalities.

One official from the Budget office is in the process of altering Magareng Local Municipality's Section 71 report for to ensure easy completion of the document. The official is waiting for the 12 Trial Balances for 2016-2017 year from Magareng, to complete some of the outstanding returns. During December 2017 another eight outstanding returns for 2017-2018 was completed for submission.

**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 been transacting on mSCOA as of 1 July 2016;
- mSCOA version 6.2 was implement in July 2017.
- Monthly data strings are submitted to Treasury on a monthly basis, no errors have been reported on the monthly data strings.
- The PROR reports were submitted in December 2017, errors were sorted out during January and the report has been submitted successfully.
- The Creditors' Age Analysis and Debtors' Age Analysis for the 6 months were submitted, errors were reported on the Debtors' Age Analysis. A new template has been provided for the Debtors' Age Analysis which will be completed and submitted in February 2018.
- The quarter 1 and 2 investment and borrowings monitoring tools were uploaded on the LG Portal, no errors were reported on these reports.

**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 - M07 January											
Description	Ref	Budget Year 2017/18							2015/16 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Ddj Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<b>R thousands</b>	<b>1</b>										
<b>Cash Receipts By Source</b>											
Rental of facilities and equipment		–	–	–	–	–	–	2	84	88	88
Interest earned - external investments		100	691	368	461	525	93	577	5 262	5 525	5 525
Transfer receipts - operating		46 799	47 733	(46 236)	–	547	37 555	934	118 401	124 171	124 731
Other revenue		49	9	1	3	(40)	8	50	504	–	–
<b>Cash Receipts by Source</b>		<b>46 948</b>	<b>48 433</b>	<b>(45 867)</b>	<b>464</b>	<b>1 031</b>	<b>37 656</b>	<b>1 564</b>	<b>124 251</b>	<b>129 784</b>	<b>130 344</b>
<b>Other Cash Flows by Source</b>											
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		–	–	–	–	–	–	–	–	–	–
<b>Total Cash Receipts by Source</b>		<b>46 948</b>	<b>48 433</b>	<b>(45 867)</b>	<b>464</b>	<b>1 031</b>	<b>37 656</b>	<b>1 564</b>	<b>124 251</b>	<b>129 784</b>	<b>130 344</b>
<b>Cash Payments by Type</b>											
Employee related costs		4 888	4 808	4 745	4 745	4 598	4 634	4 487	68 006	67 101	70 769
Remuneration of councillors		2 376	(1 354)	513	510	513	511	500	6 051	6 477	6 724
Interest paid		–	–	–	–	–	256	–	487	230	–
Bulk purchases - Electricity		–	(0)	–	–	–	–	–	(0)	–	–
Bulk purchases - Water & Sewer		–	–	–	–	–	–	–	–	–	–
Other materials		51	84	88	92	104	12	226	844	1 075	1 193
Contracted services		322	517	942	879	2 165	337	590	15 459	16 881	17 086
Grants and subsidies paid - other municipalities		–	–	–	–	–	–	–	–	8 500	8 500
Grants and subsidies paid - other		7 601	475	1 748	4 912	(2 901)	3 554	7 341	24 825	5 805	2 191
General expenses		574	911	1 031	1 199	1 303	1 076	458	15 219	21 498	20 148
<b>Cash Payments by Type</b>		<b>15 812</b>	<b>5 441</b>	<b>9 068</b>	<b>12 337</b>	<b>5 781</b>	<b>10 379</b>	<b>13 602</b>	<b>130 891</b>	<b>127 568</b>	<b>126 612</b>
<b>Other Cash Flows/Payments by Type</b>											
Capital assets		37	768	223	–	43	384	48	14 050	530	440
Repayment of borrowing		–	–	–	–	–	1 073	–	2 224	2 487	–
Other Cash Flows/Payments		–	–	–	–	–	–	–	–	–	–
<b>Total Cash Payments by Type</b>		<b>15 850</b>	<b>6 209</b>	<b>9 290</b>	<b>12 337</b>	<b>5 824</b>	<b>11 836</b>	<b>13 650</b>	<b>147 165</b>	<b>130 585</b>	<b>127 052</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>31 098</b>	<b>42 224</b>	<b>(55 158)</b>	<b>(11 873)</b>	<b>(4 793)</b>	<b>25 820</b>	<b>(12 086)</b>	<b>(22 914)</b>	<b>(801)</b>	<b>3 292</b>
Cash/cash equivalents at the month/year beginning:		54 602	85 700	127 924	72 766	60 893	56 100	81 920	50 102	27 189	26 388
Cash/cash equivalents at the month/year end:		85 700	127 924	72 766	60 893	56 100	81 920	69 834	27 189	26 388	29 680

**Table SC12 Monthly Budget Statement - capital expenditure trend**

DC9 Frances Baard - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January									
Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	2	520	520	37	37	520	483	92,8%	0%
August	42	449	449	768	805	969	163	16,9%	8%
September	110	1 450	1 450	223	1 028	2 418	1 390	57,5%	10%
October	23	700	700	–	1 028	3 118	2 090	67,0%	10%
November	85	1 597	1 597	43	1 071	4 715	3 644	77,3%	11%
December	833	–	–	384	1 455	4 715	3 260	69,1%	14%
January	66	900	900	48	1 502	5 615	4 113	73,2%	15%
February	28	30	30			5 645	–		
March	1 769	1 500	1 500			7 145	–		
April	54	409	409			7 554	–		
May	649	1 212	1 212			8 766	–		
June	3 662	1 321	5 284			14 050	–		
<b>Total Capital expenditure</b>	<b>7 324</b>	<b>10 087</b>	<b>14 050</b>	<b>1 502</b>	<b>6 927</b>	<b>65 229</b>	<b>15 143</b>	<b>23,2%</b>	<b>69%</b>

**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 - 07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		104	-	-	-	-	-	-		-
Other		104								
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings										
Other		-								
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development										
Other										
<b>Other assets</b>		6 359	8 767	12 763	35	1 446	3 616	(2 170)	-60,0%	8 767
General vehicles		1 343	-	1 900	-	-	-	-		-
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment		66	233	228	2	23	97	(75)	-76,8%	233
Computers - hardware/equipment		96	463	505		215	193	22	11,3%	463
Furniture and other office equipment		105	743	802	10	57	310	(253)	-81,7%	743
Abattoirs		-	-	-						
Markets		-	-	-						
Civic Land and Buildings		-	-	-						
Other Buildings		2 995	7 328	9 328	23	1 152	3 016	(1 864)	-61,8%	7 328
Other		-	-	-						
Surplus Assets - (Investment or Inventory)										
Other - Emergency Equipment		1 754		-	-	-	-	-		
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class										
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class										
<b>Intangibles</b>		-	590	590	-	-	246	(246)	-	590
Computers - software & programming		-	590	590	-	-	246	(246)	0,0%	590
Other										
<b>Total Capital Expenditure on new assets</b>	1	6 463	9 357	13 353	35	1 446	3 862	(2 416)	-62,6%	9 357

**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 - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		-	-	-	-	-	-	-		-
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
Buildings										
Other		-	-	-	-	-	-	-		-
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development										
Other										
<b>Other assets</b>		862	480	477	13	40	758	719	94,8%	480
General vehicles		512	350	350	-	-	682	(682)	-100,0%	350
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment		-	-	-	-	8	-	8	#DIV/0!	-
Computers - hardware/equipment		350	130	127	13	32	76	(44)	-58,4%	130
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
List sub-class										
<b>Biological assets</b>		-	-	-	-	-	-	-		-
List sub-class										
<b>Intangibles</b>		-	250	220	-	17	146	(129)	-88,6%	250
Computers - software & programming		-	250	220	-	17	146	(129)	-88,6%	250
Other										
<b>Total Capital Expenditure on renewal of existing assets</b>	1	862	730	697	13	56	904	(848)	-93,8%	730

**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 - M07 January										
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		-	-	-	-	-	-	-		1
Other		-	-	-	-	-	-	-		1
<b>Heritage assets</b>		0	-	-	-	-	-	-		-
Buildings		-	-	-	-	-	-	-		-
Other		0	-	-	-	-	-	-		-
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Housing development		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
<b>Other assets</b>		1 605	2 010	2 224	226	658	(922)	(1 580)	171,3%	1 589
General vehicles		468	523	724	172	352	(1 790)	(2 142)	119,7%	1 058
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment		239	441	441	-	-	257	257	100,0%	285
Computers - hardware/equipment		123	190	190	-	129	111	(19)	-16,9%	190
Furniture and other office equipment		442	521	521	55	176	304	128	42,1%	21
Other Buildings		334	335	348	-	-	195	195	100,0%	35
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
<b>Biological assets</b>		-	-	-	-	-	-	-		-
<b>Intangibles</b>		2 330	2 289	2 325	-	-	1 335	1 335	100,0%	-
Computers - software & programming		2 330	2 289	2 325	-	-	1 335	1 335	100,0%	-
Other		-	-	-	-	-	-	-		-
<b>Total Repairs and Maintenance Expenditure</b>		<b>3 936</b>	<b>4 299</b>	<b>4 549</b>	<b>226</b>	<b>658</b>	<b>413</b>	<b>(245)</b>	<b>-59,4%</b>	<b>1 590</b>

**Table SC13d Monthly Budget Statement - depreciation by asset class**

DC9 Frances Baard - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M07 January										
Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
<b>Community</b>		115	-	-	-	-	-	-		-
Other		115	-	-	-	-	-	-		-
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
<b>Investment properties</b>		-	-	-	-	-	-	-		-
<b>Other assets</b>		4 871	3 194	3 194	-	-	1 720	1 720	100,0%	3 194
General vehicles		2 688	1 370	1 370	-	-	657	657	100,0%	1 370
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment		446	368	368	-	-	215	215	100,0%	368
Computers - hardware/equipment		453	457	457	-	-	266	266	100,0%	457
Furniture and other office equipment		521	488	488	-	-	285	285	100,0%	488
Civic Land and Buildings		-	-	-	-	-	-	-		-
Other Buildings		763	510	510	-	-	298	298	100,0%	510
<b>Agricultural assets</b>		-	-	-	-	-	-	-		-
<b>Biological assets</b>		-	-	-	-	-	-	-		-
<b>Intangibles</b>		166	97	97	-	-	56	56	100,0%	97
Computers - software & programming		166	97	97	-	-	56	56	100,0%	97
<b>Total Repairs and Maintenance Expenditure</b>		<b>5 152</b>	<b>3 290</b>	<b>3 290</b>	<b>-</b>	<b>-</b>	<b>1 777</b>	<b>1 777</b>	<b>100,0%</b>	<b>3 290</b>
<b>Specialised vehicles</b>		-	-	-	-	-	-	-		-
Fire		-	-	-	-	-	-	-		-
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 2017 for the 2016/17 financial year.

**Information Backup:**

All shared data stored on file server (*O & P drives only*) is backed up on backup tapes which are extended automatically on a daily, weekly, monthly and annually basis. 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, daily, weekly, tapes are stored on premises, monthly and annually are stored off site

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>	<i>Jan-18</i>	<i>FULL YEAR</i>		
<i>COMPARISON: ACTUAL TO BUDGET</i>	<i>YTD ACTUAL</i>	<i>BUDGET 2017/18</i>	<i>VARIANCES</i>	<i>VARIANCES %</i>
<b>DEPRECIATION</b>	-	<b>2 780 420,00</b>	<b>2 780 420,00</b>	<b>100%</b>
DEP&AMOR:FURNITURE&OFFICE EQUIP ALL	-	11 440,00	11 440,00	100%
DEP&AMOR:BUILDINGS-ALL OR EXCL NERSA	-	71 730,00	71 730,00	100%
DEP&AMOR:INTANGIBLE ASSETS	-	4 730,00	4 730,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	500,00	500,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	13 880,00	13 880,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	580,00	580,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	3 020,00	3 020,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	1 150,00	1 150,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	30,00	30,00	100%
DEP & AMOR: COMMUNITY ASSETS	-	420,00	420,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	70,00	70,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	2 970,00	2 970,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	790,00	790,00	100%
DEP & AMOR: INTAN. ASSETS C/SOFTW & APPL	-	29 300,00	29 300,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	520,00	520,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	7 710,00	7 710,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	8 680,00	8 680,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	5 540,00	5 540,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	2 730,00	2 730,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	11 850,00	11 850,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	1 310,00	1 310,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	610,00	610,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	37 720,00	37 720,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	3 800,00	3 800,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	9 630,00	9 630,00	100%
DEP & AMOR: INTAN. ASSETS C/SOFTW & APPL	-	30 000,00	30 000,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	18 100,00	18 100,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	3 730,00	3 730,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	17 500,00	17 500,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	970,00	970,00	100%
DEP & AMOR: OTHER ASSETS	-	200,00	200,00	100%
DEP & AMOR: TRANSPORT ASSETS	-	1 000 000,00	1 000 000,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	20,00	20,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	1 170,00	1 170,00	100%
DEP & AMOR: INTAN. ASSETS C/SOFTW & APPL	-	37 400,00	37 400,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	318 890,00	318 890,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	107 710,00	107 710,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	4 720,00	4 720,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	4 950,00	4 950,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	10 560,00	10 560,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	42 180,00	42 180,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	14 020,00	14 020,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	370,00	370,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	8 970,00	8 970,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	3 900,00	3 900,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	5 690,00	5 690,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	4 740,00	4 740,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	215 810,00	215 810,00	100%
DEP & AMOR: TRANSPORT ASSETS	-	365 170,00	365 170,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	300,00	300,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	2 200,00	2 200,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	8 030,00	8 030,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	5 970,00	5 970,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	2 580,00	2 580,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	5 740,00	5 740,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	7 180,00	7 180,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	2 960,00	2 960,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	12 640,00	12 640,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	19 100,00	19 100,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	3 990,00	3 990,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	80,00	80,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	120,00	120,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	820,00	820,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	2 570,00	2 570,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	5 110,00	5 110,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	540,00	540,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	2 390,00	2 390,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	127 540,00	127 540,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	1 130,00	1 130,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	100 000,00	100 000,00	100%
DEP & AMOR: DEP COMPUTER EQUIPMENT	-	6 420,00	6 420,00	100%
DEP & AMOR: DEP FURNITURE & OFFICE EQUIP	-	9 100,00	9 100,00	100%
DEP & AMOR: MACHINERY & EQUIPMENT	-	1 590,00	1 590,00	100%
DEP & AMOR: TRANSPORT ASSETS	-	4 840,00	4 840,00	100%

<i>OPERATING RESULTS ANALYSIS</i>	Jan-18	FULL YEAR		
<i>COMPARISON: ACTUAL TO BUDGET</i>	YTD ACTUAL	BUDGET 2017/18	VARIANCES	VARIANCES %
<b>REPAIRS &amp; MAINTENANCE</b>	<b>1 746 738,11</b>	<b>4 327 070,00</b>	<b>2 580 331,89</b>	<b>60%</b>
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	13 419,43	95 400,00	81 980,57	86%
CONTR: MAINT OF BUILDINGS & FACILITIES/ SINAGE	-	26 000,00	26 000,00	100%
CONTR: MAINTENANCE OF EQUIPMENT/OFFICE EQUIP	-	1 500,00	1 500,00	100%
CONTR: MAINTENANCE OF EQUIPMENT/SOUND SYSTEM	-	5 500,00	5 500,00	100%
CONTR: MAINTENANCE OF UNSPEC ASSETS/FBDM WEBSITE	45 000,00	45 000,00	-	0%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	103 252,00	240 000,00	136 748,00	57%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	129 962,41	351 000,00	221 037,59	63%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	-	249 000,00	249 000,00	100%
CONTR: MAINTENANCE OF EQUIPMENT	-	82 800,00	82 800,00	100%
CONTR: MAINTENANCE OF EQUIPMENT	5 459,22	180 000,00	174 540,78	97%
CONTR: MAINTENANCE OF EQUIPMENT	33 532,87	94 080,00	60 547,13	64%
CONTR: MAINTENANCE OF EQUIPMENT/COMP EQUIP	14 670,34	19 200,00	4 529,66	24%
CONTR: MAINTENANCE OF EQUIPMENT/PRINTERS	156 342,59	420 000,00	263 657,41	63%
CONTR: MAINTENANCE OF UNSPEC ASSETS/COMP SOFTW	528 054,55	785 600,00	257 545,45	33%
CONTR: MAINTENANCE OF UNSPEC ASSETS/COMP NETWORK	57 868,00	170 400,00	112 532,00	66%
CONTR: MAINTENANCE OF UNSPEC ASSETS/TEL SYSTEMS	700,00	30 000,00	29 300,00	98%
CONTR: MAINT OF BUILDINGS & FACILITIES	189 543,16	225 000,00	35 456,84	16%
CONTR: MAINT OF BUILDINGS & FACILITIES	39 161,75	43 990,00	4 828,25	11%
CONTR: MAINT OF BUILDINGS & FACILITIES	16 925,48	39 940,00	23 014,52	58%
CONTR: MAINTENANCE OF EQUIPMENT	3 394,95	15 000,00	11 605,05	77%
CONTR: MAINTENANCE OF EQUIPMENT	11 738,10	30 000,00	18 261,90	61%
CONTR: MAINTENANCE OF EQUIPMENT	3 697,00	60 000,00	56 303,00	94%
CONTR: MAINTENANCE OF EQUIPMENT	12 434,45	56 000,00	43 565,55	78%
CONTR: MAINTENANCE OF EQUIPMENT	12 469,65	15 000,00	2 530,35	17%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	116 694,20	219 730,00	103 035,80	47%
CONTR: MAINTENANCE OF EQUIPMENT	-	15 000,00	15 000,00	100%
CONTR: MAINTENANCE OF EQUIPMENT/PLANT&MACH	27 046,98	69 230,00	42 183,02	61%
CONTR: MAINTENANCE OF EQUIPMENT/CCTV	31 356,11	79 000,00	47 643,89	60%
CONTR: MAINTENANCE OF EQUIPMENT/EMERG SERV	-	28 000,00	28 000,00	100%
CONTR: MAINTENANCE OF EQUIPMENT/ACCESS CONT	40 168,21	94 000,00	53 831,79	57%
CONTR: MAINTENANCE OF EQUIPMENT/SKID UNITS	19 356,01	40 000,00	20 643,99	52%
CONTR: MAINTENANCE OF EQUIPMENT	-	4 000,00	4 000,00	100%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	42 100,00	135 000,00	92 900,00	69%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	54 533,22	121 200,00	66 666,78	55%
CONTR: MAINTENANCE OF UNSPECIFIED ASSETS	-	62 000,00	62 000,00	100%
INV - MATERIALS & SUPPL/MAINT COMP SOFTW	-	13 000,00	13 000,00	100%
CONTR: MAINTENANCE OF EQUIPMENT	30 939,92	31 500,00	560,08	2%
CONTR: MAINTENANCE OF EQUIPMENT	6 917,51	135 000,00	128 082,49	95%
<b>GENERAL EXPENSES</b>	<b>188 180,33</b>	<b>719 980,00</b>	<b>531 799,67</b>	<b>74%</b>
CONTR: MAINTENANCE OF EQUIPMENT	5 459,22	180 000,00	174 540,78	97%
CONTR: MAINTENANCE OF EQUIPMENT	33 532,87	94 080,00	60 547,13	64%
OC: INSUR UNDER - INSURANCE AGGREGATION	131 165,79	130 000,00	(1 165,79)	-1%
INV - MATERIALS & SUPPLIES/OFF REQ:INV	504,56	600,00	95,44	16%
OC: INSUR UNDER - PREMIUMS	17 207,89	15 000,00	(2 207,89)	-15%
OC: WET FUEL	-	300,00	300,00	100%
INVENTORY - MAT & SUP/TYRES	310,00	-	(310,00)	-100%
OC: WET FUEL	-	300 000,00	300 000,00	100%
<b>TOTAL</b>	<b>1 934 918,44</b>	<b>7 827 470,00</b>	<b>5 892 551,56</b>	<b>75%</b>

The increase provided for the insurance expenditure vote is not sufficient due to inflation. Adjustment budget was approved during January, budget to be loaded during February 2018.



**Motor Vehicles - Utilization Statistics:**

The municipality operates a pool of 29 vehicles as part of its routine activities. Statistical information regarding the year-to-date utility for January 2018 is as follows:

**Disposal of Vehicles:**

	Vehicle	Vehicle	Year	Registration	Service	License	Opening KM	Previous Month	Current month	Jan '18
	Description	Allocation	Model	Number		Expires	01-Jul-17	Closing Km Reading	Closing KM Reading	Utility
1	Chevrolet Cruze 1.8 LS	Pool	2010	CBY 226 NC	165 000	2018-09-30	157 056	158 871	158 871	-
2	Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	90 000	2018-09-30	81 482	88 131	89 452	1 321
3	Chevrolet Captiva	Pool	2011	CDM 296 NC	105 000	2018-09-30	93 716	94 175	95 272	1 097
4	Isuzu KB 2.5 CrewCab	Environmental Health	2016	CMV 311 NC	45 000	2019-01-31	24 392	35 334	37 077	1 743
5	Chevrolet Cruze 1.6	Pool	2016	VMV 321 NC	60 000	2019-01-31	31 410	46 035	47 336	1 301
6	Toyota Hilux 2.5D	Project Management	2016	CMT 747 NC	30 000	2019-01-31	22 940	27 671	27 999	328
7	Chevrolet Cruze 1.6 North	Pool	2016	VMT 314 NC	60 000	2019-01-31	32 002	47 364	48 568	1 204
8	Isuzu KB CrewCab	Housing	2016	CMV 319 NC	30 000	2019-01-31	22 391	29 284	29 472	188
9	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	75 000	2018-12-31	52 676	61 068	61 886	818
10	Isuzu KB 250	Housing	2013	CGR 572 NC	90 000	2018-12-31	87 922	89 148	89 169	21
11	Isuzu KB 250	Housing	2013	CGR 576 NC	75 000	2018-12-31	62 866	64 374	64 374	-
12	Hyundai H1	Tourism Centre	2013	CGY 587 NC	60 000	2018-02-28	51 664	56 456	56 456	-
13	Isuzu KB 200	Disaster Management	2010	CBY 895 NC	75 000	2018-09-30	55 033	61 035	61 769	-
14	Isuzu KB 200	Disaster Management	2010	CBY 898 NC	75 000	2018-09-30	65 793	73 480	73 824	344
15	Toyota Land Cruiser	Disaster Management	2014	CJL 363 NC	30 000	2019-01-31	24 619	26 438	26 828	390
16	Toyota Land Cruiser	Disaster Management	2014	CKW 835 NC	20 000	2018-11-30	16 770	18 416	18 931	515
17	Isuzu Kb 250 D-Teq	Youth Unit	2014	CKR 822 NC	60 000	2018-10-31	46 957	54 495	55 608	1 113
18	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2018-06-30	2 009	2 050	2 050	-
19	Toyota Erios	Pool	2014	CJG 979 NC	60 000	2018-12-31	50 329	54 227	54 559	332
20	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	60 000	2018-12-31	42 761	48 889	48 901	12
21	Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	45 000	2018-12-31	29 769	31 051	31 058	7
22	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	45 000	2018-12-31	30 122	33 993	34 278	285
23	Chevrolet Park Van	Supply Chain Management	2015	CLF791 NC	15 000	2019-01-31	6 507	7 874	7 996	122
24	Nissan Almera 1.5 Acenta	Pool	2016	CMT 438 NC	30 000	2019-01-31	20 297	25 517	25 870	353
25	Audi Q7 3.0 TDI V6	Council	2017	FBDM 1 NC	30 000	2018/04/31	4 117	16 024	17 079	1 055
26	Nissan NP 300 D/Cab	Housing	2017	CPS 005 NC	15 000	2018/04/31	981	3 627	3 831	204
27	Nissan NP 300 D/Cab	Environmental Health	2017	CPS 010 NC	15 000	2018/04/31	501	5 267	5 724	457
28	Nissan NP 300 S/Cab	Roads Maintenance	2017	CPS 006 NC	15 000	2018/04/31	588	4 452	5 172	720
29	Nissan NP 300 S/Cab	Pool	2017	CPS 008 NC	15 000	2018/04/31	62	3 415	3 643	228
<b>FULL FLEET UTILITY JANUARY 2018</b>										<b>14 158</b>

**Motor Vehicle Damage Report:**

- Chevrolet Cruze CBY 226 NC - Front brake pads worn out and air conditioner malfunctioning
- Hyundai H1 CGY 587 NC - Left sliding & right driver's door damaged at guest house wall in Bloemfontein on 04 October 2017. P C Struwig Panel beaters will start 2018 with pair of damages.
- Isuzu KB 250 CGR 576 - Not used during January 2018 as Housing officials had no site visits.
- Isuzu Fire Engine CHM 958 NC – Not used during January 2018 by the Disaster Management unit.
- Isuzu KB200 CBY 895 NC - Not used during January 2018 by the Disaster Management unit.

**2.14 Quality Certificate**

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

- ☒ The monthly budget statements
- ☐ 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 January 2018 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

**Ms. ZM Bogatsu**  
**Municipal Manager**

Signature



Date

12 February 2018