

# FRANCES BAARD DISTRICT MUNICIPALITY



## **Section 71 Report**

**31 July 2019**

**TABLE OF CONTENTS**

	Page
1. Introduction .....	2
2. Executive Mayor's report .....	2-3
3. Council resolutions .....	3
4. Executive summary .....	3-14
5. In-Year Budget Statement Tables (Annexure A) .....	15-20
6. Supporting documents .....	21-37
7. Municipal Manager's quality certification .....	38

## **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 2019/20 financial year will be approved by the Executive Mayor and Council on 05 August 2019 and will be submitted to National Treasury.

Although the IDP process plan is submitted as a separate item by the Planning and Development Directorate, 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 2019:**

The Annual Financial Statements for the year ended 30 June 2019 will be submitted to the Audit Committee on 19 August 2019 and to the Office of the Auditor General on 31 August 2019 for audit purposes.

The municipality received an Unqualified Audit Opinion with matters for the 2017/18 financial year.

**MFMA implementation oversight:**

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

**3. COUNCIL RESOLUTIONS**

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

***Recommendation:***

- (a) That Council considers the section 71 monthly budget statements and supporting documentation for the month ending 31 July 2019.

**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 R50, 845 million as compared to the year-to-date budget projections of R11, 354 million.

## Operating expenditure by type

To date, R6, 154 million has been spent compared to the operational year-to-date budget projections of R12, 439 million.

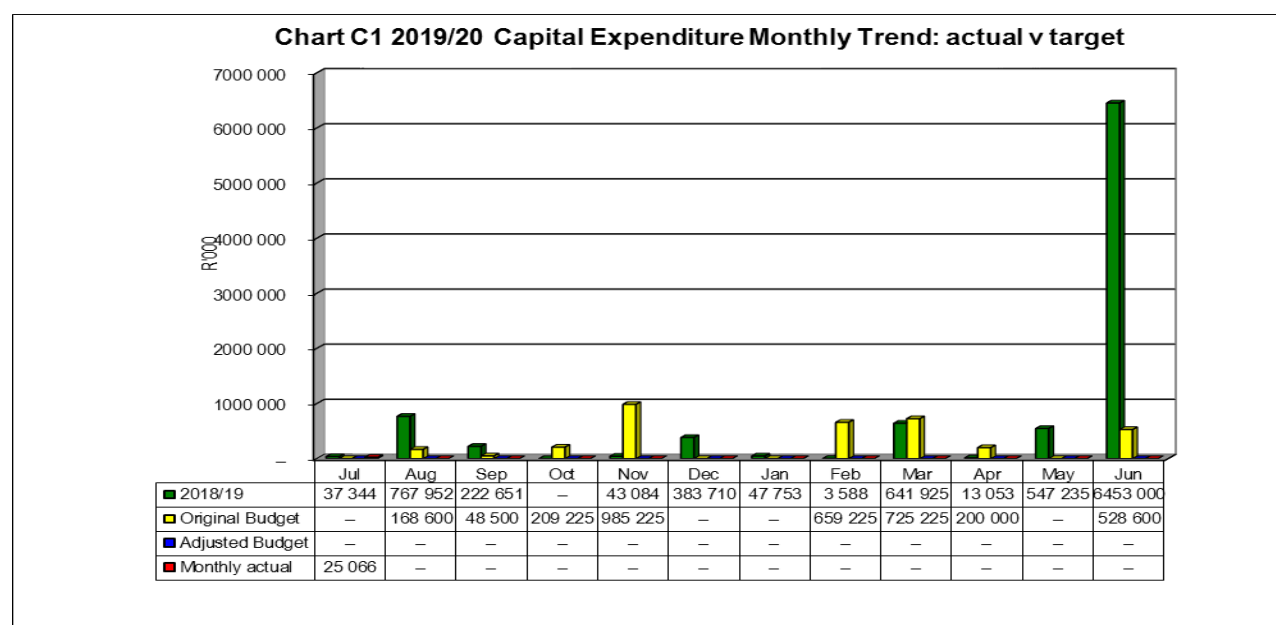
The summary statement of financial performance in Annexure A, Table C4 is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type.

## Capital Expenditure

Year-to-date expenditure on capital amounts to R0, 025 million as compared to the operational year-to-date budget projections of R0, 294 million. Capital expenditure will improve as the financial year progress as projects are currently in the planning phase.

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

### Capital Expenditure Monthly Trend: Actual vs Target



## Cash Flows

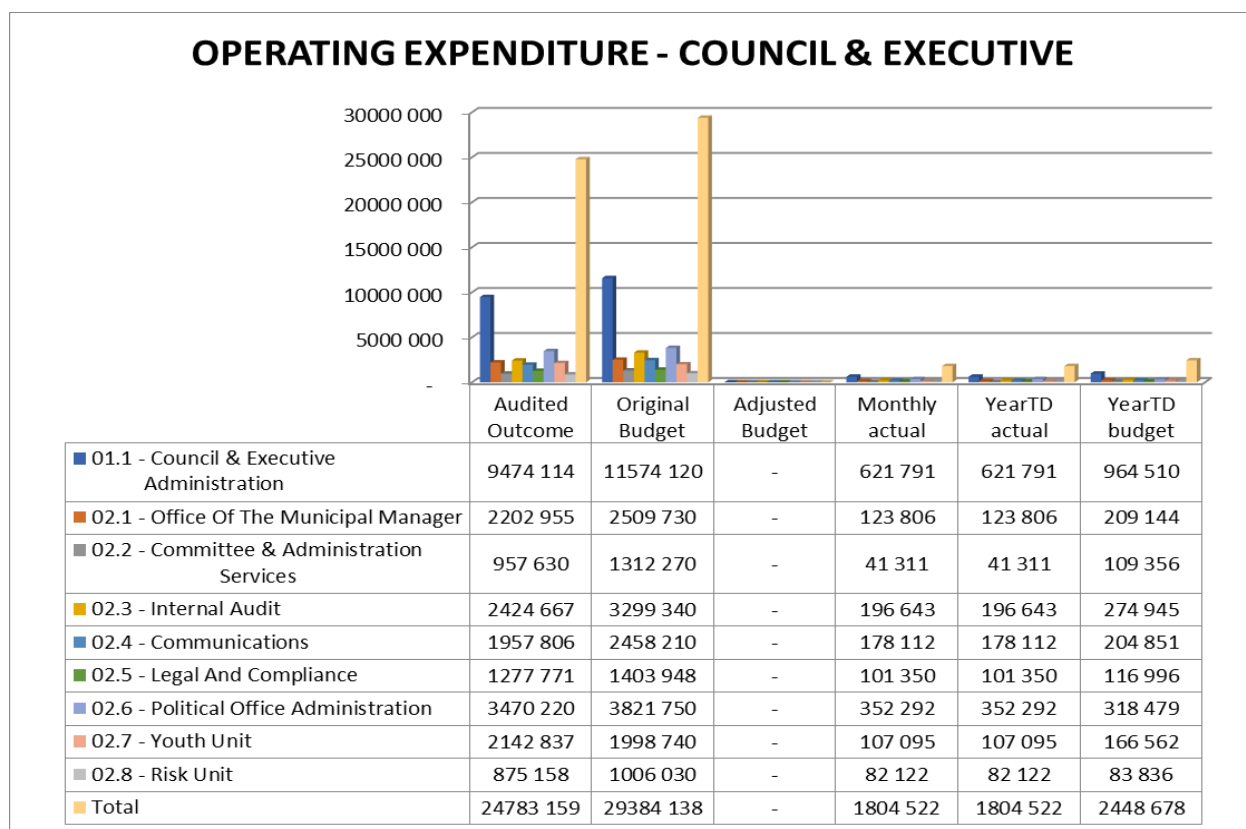
The municipality started the year with a total cash and cash equivalents of -R3, 612 million. The year-to date cash and cash equivalents amounted to R41, 054 million. The net increase in cash and cash equivalents for the year to date is R44, 667 million. The increase is as a result of the grants and external investment interest received during July 2019.

Table C7 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)

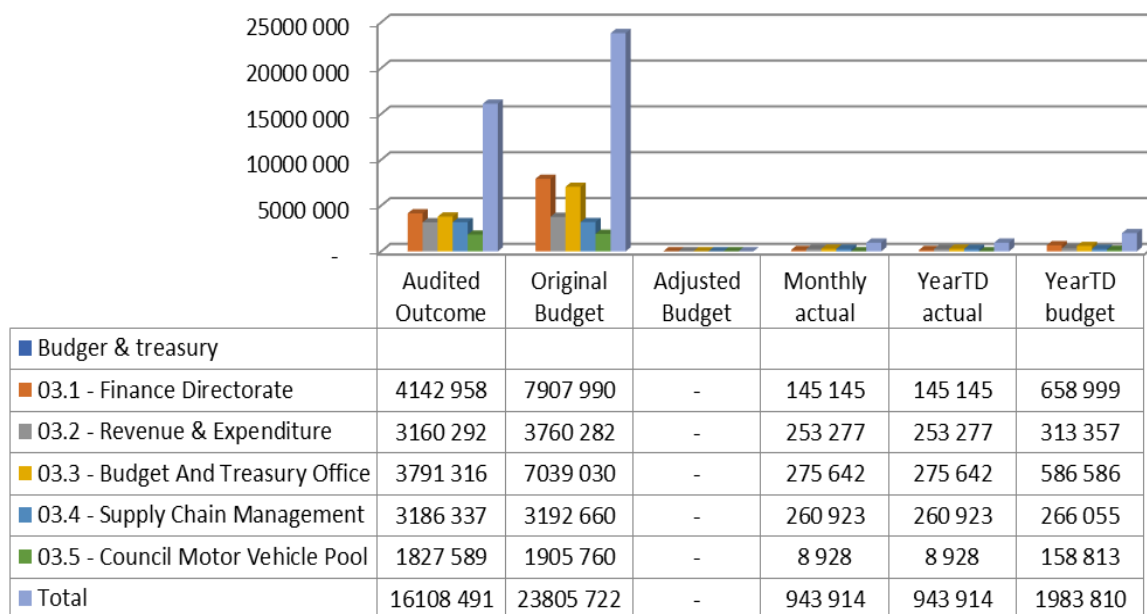
The municipal vote reflects the organisational structure of the municipality which is made up of the following directorates: Council & Executive, Budget & Treasury, Administration, Planning & Development and Project Management & Advisory Services.

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



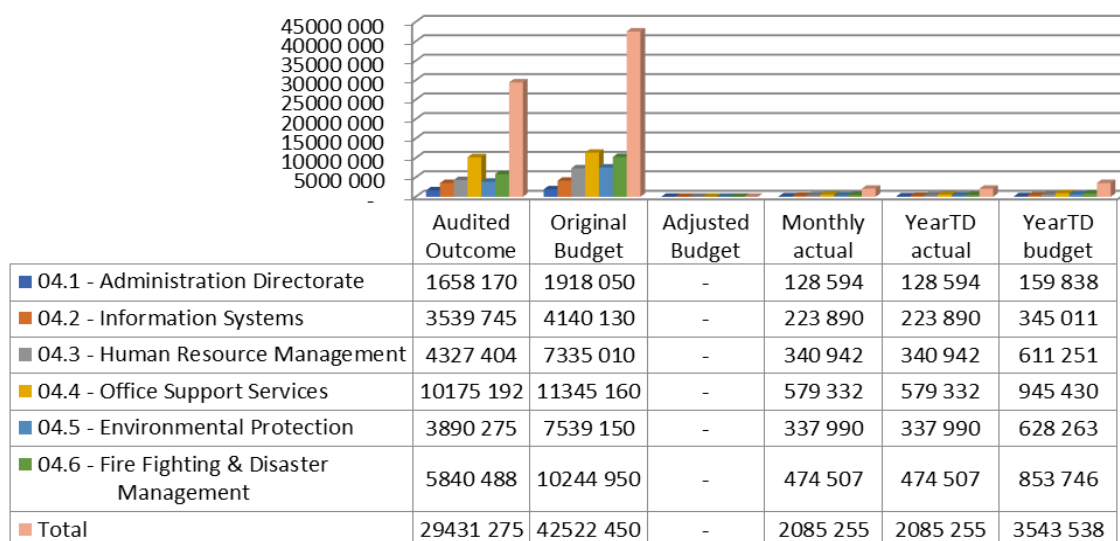
Actual operating expenditure of Council & Executive is R1, 805 million as compared to the year-to-date budget R2, 449 million. Expenditure to improve as the year progress with the implementation of set budgets by the departments.

## OPERATING EXPENDITURE - BUDGET & TREASURY



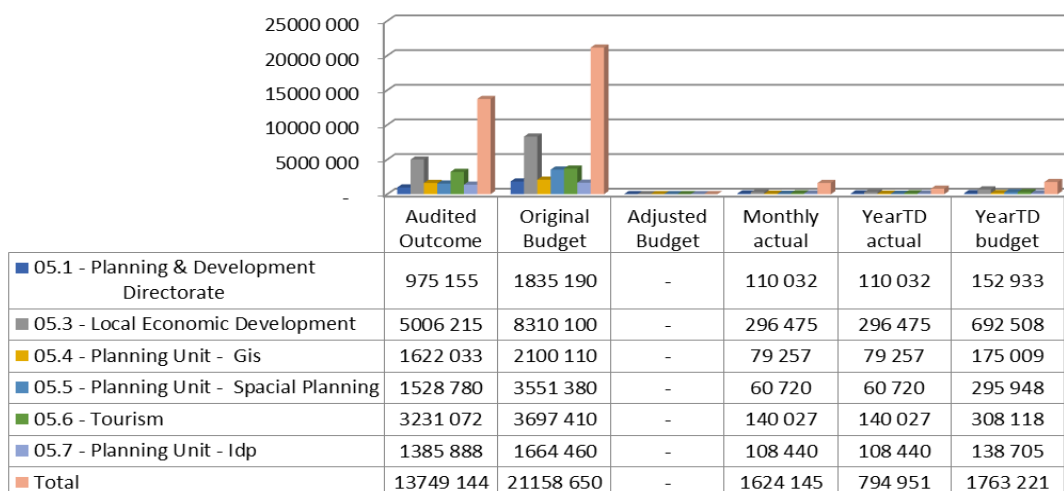
The actual operating expenditure of Budget & Treasury office at the end of the month amounts to R0, 944 million as compared to the year-to-date projected budget of R1, 984 million. Due to the vacant CFO position, spending on the planned budget is below expected projection.

## OPERATING EXPENDITURE - CORPORATE SERVICES



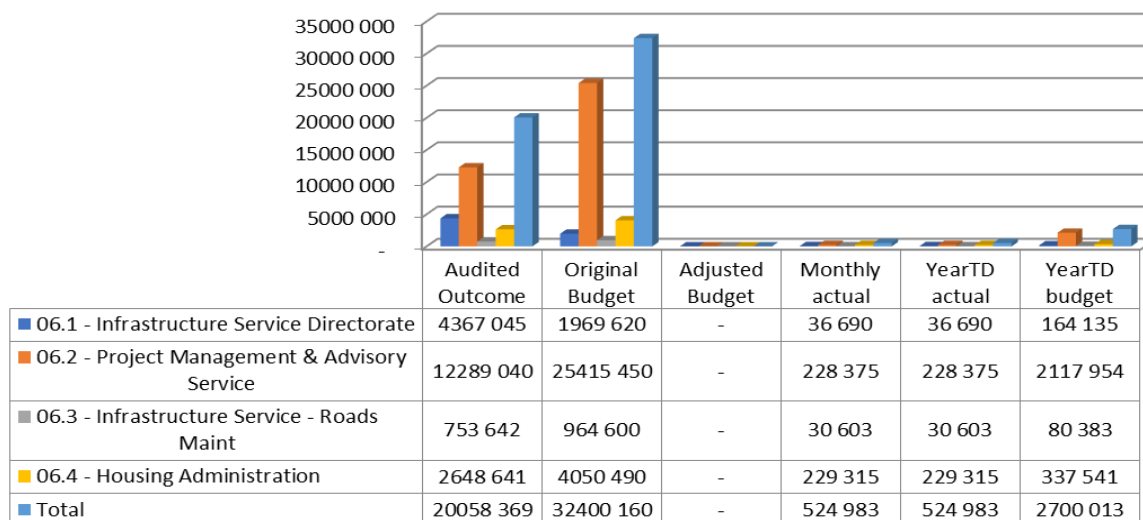
Actual operating expenditure of Corporate Services at the end of the month is R2, 085 million as compared to the year-to-date projected budget of R3, 544 million. Expenditure to improve as the year progress with the implementation of set budgets by the departments.

### OPERATING EXPENDITURE - PLANNING & DEVELOPMENT



Actual operating expenditure of Planning & Development at the end of the month amounts to R0, 795 million as compared to the year-to-date projected budget of R1, 763 million. Due to the vacant director position, spending on the planned budget is below expected projection.

### OPERATING EXPENDITURE - PROJECT MANAGEMENT & ADVISORY SERVICES



Actual operating expenditure of Project Management & Advisory Services at the end of the month amounts to R0, 525 million as compared to the year-to-date projected budget of R2, 700 million. Due to the vacant director position, spending on the planned budget is below expected projection.



### Consolidated performance of year-to-date expenditure on special projects against full year budget

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>COMMUNICATIONS</b>						
Public Participation Programme	30 200	-	-	30 200	0%	Budget to be utilised during the course of the financial year
<b>Total Communications Projects</b>	<b>30 200</b>	<b>-</b>	<b>-</b>	<b>30 200</b>	<b>0%</b>	
<b>POLITICAL OFFICE ADMINISTRATION</b>						
Commemorative Days	220 000,00	5 055,57	57 742,66	162 257,34	26%	Budget to be utilised during the course of the financial year, one commemorative day was celebrated during the first quarter.
Disability Programme	70 000,00	-	-	70 000,00	0%	Budget to be utilised during the course of the financial year
Child Programme	50 000,00	-	-	50 000,00	0%	Budget to be utilised during the course of the financial year
Gender Programme	70 000,00	-	-	70 000,00	0%	Budget to be utilised during the course of the financial year
MRM Prgoramme	5 000,00	-	-	5 000,00	0%	Budget to be utilised during the course of the financial year
Old Age Programme	35 000,00	-	-	35 000,00	0%	Budget to be utilised during the course of the financial year
<b>Total Political Office Projects</b>	<b>450 000,00</b>	<b>5 055,57</b>	<b>57 742,66</b>	<b>392 257,34</b>	<b>13%</b>	
<b>YOUTH UNIT</b>						
Youth Career	25 000,00	-	-	25 000,00	0%	Will be done during the first quarter, on 23rd of September 2019
Sopa Programme	17 000,00	-	-	17 000,00	0%	Will take place during the third quarter
June 16 Programme	45 000,00	-	-	45 000,00	0%	Will take place during the fourth quarter, for the June 16 celebrations
Youth Skills Programme	253 600,00	-	-	253 600,00	0%	Will take place during the second quarter
<b>Total Youth Projects</b>	<b>340 600,00</b>	<b>-</b>	<b>-</b>	<b>340 600,00</b>	<b>0%</b>	
<b>FINANCE DIRECTORATE</b>						
Support to 3 local municipalities (Phok, MG & DK)	150 000,00	-	-	150 000,00	0%	To be utilised during the course of the financial year, upon formal request for assistance from the local municipalities
<b>Total Finance Directorate Projects</b>	<b>150 000,00</b>	<b>-</b>	<b>-</b>	<b>150 000,00</b>	<b>0%</b>	
<b>BUDGET AND TREASURY OFFICE</b>						
Revaluation of Buildings	150 000,00	-	-	150 000,00	0%	To be utilised in the fourth quarter, during the compilation of the 2019/20 AFS
<b>Total BTO Projects</b>	<b>150 000,00</b>	<b>-</b>	<b>-</b>	<b>150 000,00</b>	<b>0%</b>	
<b>HUMAN RESOURCE MANAGEMENT</b>						
Employee Wellness Programme	80 000,00	-	-	80 000,00	0%	Budget to be utilised as and when required by employees.
Team Building	50 000,00	-	-	50 000,00	0%	Budget to be utilised during the course of the financial year.
<b>Total HR Projects</b>	<b>130 000,00</b>	<b>-</b>	<b>-</b>	<b>130 000,00</b>	<b>0%</b>	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>ENVIRONMENTAL PROTECTION</b>						
Air Quality	14 000,00	681,74	973,48	13 026,52	7%	Project is in implementation phase, commitment of R681,74 to be paid in August 2019.
Commemorative Days	85 000,00	208,70	-	85 000,00	0%	Programme in implementation phase, commitment of R208,70 to be paid in August 2019.
Awareness Sanitation Programme	56 600,00	5 053,48	6 000,00	50 600,00	11%	Project is in implementation phase, commitment of R5 053,48 to be paid in August 2019. Programme was held during July 2019.
Environmental Health Framework	200 000,00	-	-	200 000,00	0%	Project in the planning phase, budget will be utilised during the course of the financial year.
Water Analysis	338 500,00	-	21 369,21	317 130,79	6%	Budget to be utilised during the course of the financial year, an analysis was done during July 2019.
Sample Analysis	9 600,00	4 774,17	-	9 600,00	0%	Project in the implementation phase, commitment of R4 774,17 to be paid during August 2019.
Environmental World day Awareness	200 000,00	-	1 113,04	198 886,96	1%	Environmental Health team is in the process of organising the World Environmental Health Day to be held during the first quarter.
Water Full	90 000,00	-	-	90 000,00	0%	Budget to be utilised during the course of the financial year.
<b>Total Environmental Health Projects</b>	<b>993 700,00</b>	<b>10 718,09</b>	<b>29 455,73</b>	<b>964 244,27</b>	<b>3%</b>	
<b>FIRE FIGHTING &amp; DISASTER MANAGEMENT</b>						
Volunteer Training	107 400,00	-	-	107 400,00	0%	To be utilised as and when training is required
Disaster Management Forum	10 800,00	-	-	10 800,00	0%	Hosting forums of disaster management forum, to be used during the financial year
Awareness Programme	7 000,00	-	-	7 000,00	0%	Project to be utilised during the course of the financial year, as per deployment
Disaster Plan Strategy	800 000,00	-	-	800 000,00	0%	Project to be implemented during the course of the financial year.
Contingency Fund	320 000,00	13 400,00	24 300,00	295 700,00	8%	To be utilised as and when the need arise in emergency situations, during July expenditure was incurred for assistance to community members. The commitment of R13 400 to be paid in August 2019.
<b>Total Disaster Management Projects</b>	<b>1 245 200,00</b>	<b>13 400,00</b>	<b>24 300,00</b>	<b>1 220 900,00</b>	<b>2%</b>	
<b>LOCAL ECONOMIC DEVELOPMENT</b>						
Led Small, Medium & Micro Entreprises	795 600,00	-	-	795 600,00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Machinery and equipment SMME	850 000,00	-	-	850 000,00	0%	Advertisement for the application has been placed, submission closes at the end of August 2019.
Led Expo	920 000,00	803 421,93	109 557,54	810 442,46	12%	Project is in the implementation phase, commitment of R803 421,93 to be paid during the course of the financial year.
Youth Enterprenuer	160 000,00	-	-	160 000,00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Exhibition Installers	380 000,00	-	-	380 000,00	0%	Budget to be utilised during the course of the financial year.
Led Trade & Investment Promotion	35 000,00	-	-	35 000,00	0%	Project is in the planning phase, in the process of developing brochures.
Investment Desk	50 000,00	-	-	50 000,00	0%	Project is in the planning phase, research in progress.
Agriculture Emerging Farmers	200 000,00	-	-	200 000,00	0%	Project is in the implementation phase, awaiting appointment of specifications committee.
Advertising and Promotion	208 810,00	-	26 671,30	182 138,70	13%	Project is in the implementation phase, budget to be fully utilised by the end of the financial year.
Women Empowerment	50 000,00	-	-	50 000,00	0%	Budget to be utilised during the course of the financial year.
Hartswater Stalls	600 000,00	-	-	600 000,00	0%	Project is in the implementation phase, awaiting appointment of evaluation committee.
<b>Total LED Projects</b>	<b>4 249 410,00</b>	<b>803 421,93</b>	<b>136 228,84</b>	<b>4 113 181,16</b>	<b>3%</b>	

Project Description	Budget	Commitment	Total Spent	Remaining Budget	% Spent	Comment
<b>PLANNING UNIT - GIS</b>						
Land Use Survey (Dikgatlong)	390 000,00	-	-	390 000,00	0%	Project is in the planning phase, awaiting the appointment of the specification committee before advertising the tender.
<b>Total GIS Projects</b>	<b>390 000,00</b>	<b>-</b>	<b>-</b>	<b>390 000,00</b>	<b>0%</b>	
<b>PLANNING UNIT - SPATIAL PLANNING</b>						
Municipal Tribunal	70 000,00	-	-	70 000,00	0%	The DMPT meetings will take place in August and September 2019 respectively.
FBDM SDF Framework	800 000,00	-	-	800 000,00	0%	The term of reference has been completed. The appointment to be done in September 2019.
Phokwane Infill Development	140 000,00	-	-	140 000,00	0%	Project is in the implementation phase, expenditure to be incurred in the first quarter. The inception report and draft Assessment and Environmental Management Programmes (EMPR) report have been completed.
<b>Total Spatial Planning Projects</b>	<b>1 010 000,00</b>	<b>-</b>	<b>-</b>	<b>1 010 000,00</b>	<b>0%</b>	
<b>TOURISM</b>						
Ganspan	270 000,00	-	-	270 000,00	0%	Project in the environmental impact review phase.
Indaba Expo	325 570,00	-	-	325 570,00	0%	Budget will be utilised during the fourth quarter.
Diamond and Dorings	480 000,00	-	-	480 000,00	0%	Budget to be utilised during March/April 2020.
Tourism Business Competition	501 300,00	2 825,00	-	501 300,00	0%	Project is in implementation phase, school presentation took place during July 2019. The commitment of R2 825 to be paid in August 2019.
Tourism Association	75 000,00	-	-	75 000,00	0%	Tourism association meetings to take place during the course of the financial year.
Northern Cape Tourism Authority	135 000,00	-	-	135 000,00	0%	Payment to be done during the course of the financial year.
Tourism Awareness Campaign	120 000,00	-	-	120 000,00	0%	Budget to be utilised during the course of the financial year.
Travel Guide	150 000,00	-	-	150 000,00	0%	Budget to be utilised during the course of the financial year.
Tourism Advertisement	175 000,00	-	-	175 000,00	0%	Budget to be utilised during the course of the financial year.
N18	61 800,00	-	-	61 800,00	0%	Budget to be utilised during the course of the financial year.
<b>Total Tourism Projects</b>	<b>2 293 670,00</b>	<b>2 825,00</b>	<b>-</b>	<b>2 293 670,00</b>	<b>0%</b>	
<b>PROJECT MANAGEMENT &amp; ADVISORY SERVICE</b>						
Magareng O&M	2 500 000,00	-	-	2 500 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Dikgatlong O&M	2 500 000,00	-	-	2 500 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Phokwane O&M	2 500 000,00	-	-	2 500 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Sol Plaatje O&M	2 500 000,00	-	-	2 500 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Magareng Cap	2 000 000,00	-	-	2 000 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Dikgatlong Cap	2 400 000,00	-	-	2 400 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Phokwane Cap	2 000 000,00	-	-	2 000 000,00	0%	Project implemented by local municipality, no claims have been received to date.
Sol Plaatje Cap	2 000 000,00	-	-	2 000 000,00	0%	Project implemented by local municipality, no claims have been received to date.
<b>Total Infrastructure Projects</b>	<b>18 400 000,00</b>	<b>-</b>	<b>-</b>	<b>18 400 000,00</b>	<b>0%</b>	
<b>HOUSING ADMINISTRATION</b>						
Housing Project	860 000,00	-	-	860 000,00	0%	Budget to be utilised during the course of the financial year.
<b>Total Housing Projects</b>	<b>860 000,00</b>	<b>-</b>	<b>-</b>	<b>860 000,00</b>	<b>0%</b>	
<b>Total Special Projects</b>	<b>30 692 780,00</b>	<b>835 420,59</b>	<b>247 727,23</b>	<b>30 445 052,77</b>	<b>1%</b>	

The actual spending on special projects for for the municipality at the end of the month amounts to R247 727.23, with a commitment of R835 420.59. The municipality has spent 1% of its budgeted special projects.

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

DC9 Frances Baard - Table C1 Monthly Budget Statement Summary - M01 July

Description	2018/19	Budget Year 2019/20							
	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	6 729	5 350	-	585	585	446	139	31%	5 350
Transfers and subsidies	125 350	128 942	-	50 253	50 253	10 745	39 508	368%	128 942
Other own revenue	927	1 953	-	8	8	163	(155)	-95%	130 895
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>133 006</b>	<b>136 245</b>	<b>-</b>	<b>50 845</b>	<b>50 845</b>	<b>11 354</b>	<b>39 492</b>	<b>348%</b>	<b>265 187</b>
Employee costs	57 848	76 174	-	4 859	4 859	6 348	(1 489)	-23%	76 174
Remuneration of Councillors	6 700	7 311	-	508	508	609	(101)	-17%	7 311
Depreciation & asset impairment	2 672	3 629	-	-	-	302	(302)	-100%	3 629
Finance charges	204	-	-	-	-	-	-		-
Materials and bulk purchases	1 263	1 671	-	48	48	139	(92)	-66%	1 671
Transfers and subsidies	7 306	20 411	-	30	30	1 701	(1 671)	-98%	20 411
Other expenditure	28 138	40 074	-	709	709	3 340	(2 631)	-79%	40 074
<b>Total Expenditure</b>	<b>104 130</b>	<b>149 271</b>	<b>-</b>	<b>6 154</b>	<b>6 154</b>	<b>12 439</b>	<b>(6 286)</b>	<b>-51%</b>	<b>149 271</b>
<b>Surplus/(Deficit)</b>	<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>	<b>45 777</b>	<b>-4217%</b>	<b>115 916</b>
Transfers and subsidies - capital (monetary alloc	-	-	-	-	-	-	-		-
Contributions & Contributed assets	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>	<b>45 777</b>	<b>-4217%</b>	<b>115 916</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>	<b>45 777</b>	<b>-4217%</b>	<b>115 916</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>9 161</b>	<b>3 525</b>	<b>-</b>	<b>25</b>	<b>25</b>	<b>294</b>	<b>(269)</b>	<b>-91%</b>	<b>3 525</b>
Capital transfers recognised	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	9 161	3 525	-	25	25	294	(269)	-91%	3 525
<b>Total sources of capital funds</b>	<b>9 161</b>	<b>3 525</b>	<b>-</b>	<b>25</b>	<b>25</b>	<b>294</b>	<b>(269)</b>	<b>-91%</b>	<b>3 525</b>
<b>Financial position</b>									
Total current assets	78 224	53 959	-		46 201				53 959
Total non current assets	71 279	64 934	-		64 960				64 934
Total current liabilities	17 542	15 141	-		11 541				15 141
Total non current liabilities	27 300	35 000	-		34 990				35 000
Community wealth/Equity	104 661	68 753	-		64 629				68 753
<b>Cash flows</b>									
Net cash from (used) operating	32 761	(3 085)	-	44 692	44 692	(758)	(45 450)	5997%	(3 085)
Net cash from (used) investing	(9 811)	(3 525)	-	(25)	(25)	(294)	(269)	91%	(3 525)
Net cash from (used) financing	(2 455)	-	-	-	-	-	-		-
<b>Cash/cash equivalents at the month/year end</b>	<b>71 567</b>	<b>48 779</b>	<b>-</b>	<b>-</b>	<b>41 054</b>	<b>54 336</b>	<b>13 282</b>	<b>24%</b>	<b>(10 222)</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 Income Source	81	351	255	18	190	280	5	627	1 806
<b>Creditors Age Analysis</b>									
Total Creditors	1 161	40	-	-	-	-	-	-	1 201

**Table C2 Monthly Budget Statement - Financial Performance (standard classification)****DC9 Frances Baard - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July**

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		–	130 209	–	50 845	50 845	10 851	39 995	369%	130 209
Executive and council		–	250	–	–	–	21	(21)	-100%	250
Finance and administration		–	129 959	–	50 845	50 845	10 830	40 016	369%	129 959
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		–	246	–	–	–	21	(21)	-100%	246
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	246	–	–	–	21	(21)	-100%	246
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>		–	5 790	–	–	–	483	(483)	-100%	5 790
Planning and development		–	5 790	–	–	–	483	(483)	-100%	5 790
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		–	–	–	–	–	–	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
<i><b>Other</b></i>	<b>4</b>	–	–	–	–	–	–	–	–	–
<b>Total Revenue - Functional</b>	<b>2</b>	–	136 245	–	50 845	50 845	11 354	39 492	348%	136 245
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		–	77 928	–	4 021	4 021	6 494	(2 473)	-38%	77 928
Executive and council		–	29 384	–	1 805	1 805	2 449	(644)	-26%	29 384
Finance and administration		–	48 544	–	2 217	2 217	4 045	(1 829)	-45%	48 544
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		–	14 295	–	704	704	1 191	(487)	-41%	14 295
Community and social services		–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	10 245	–	475	475	854	(379)	-44%	10 245
Housing		–	4 050	–	229	229	338	(108)	-32%	4 050
Health		–	–	–	–	–	–	–	–	–
<i><b>Economic and environmental services</b></i>		–	53 350	–	1 289	1 289	4 446	(3 157)	-71%	53 350
Planning and development		–	45 811	–	951	951	3 818	(2 867)	-75%	45 811
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	7 539	–	338	338	628	(290)	-46%	7 539
<i><b>Trading services</b></i>		–	–	–	–	–	–	–	–	–
Energy sources		–	–	–	–	–	–	–	–	–
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
<i><b>Other</b></i>		–	3 697	–	140	140	308	(168)	-55%	3 697
<b>Total Expenditure - Functional</b>	<b>3</b>	–	149 271	–	6 154	6 154	12 439	(6 286)	-51%	149 271
<b>Surplus/ (Deficit) for the year</b>		–	(13 026)	–	44 692	44 692	(1 086)	45 777	-4217%	(13 026)

### **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) - M01 July

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Council & Executive		498	250	-	-	-	21	(21)	-100,0%	250
Vote 2 - Budget & Treasury		124 172	129 959	-	50 845	50 845	10 830	40 016	369,5%	129 959
Vote 3 - Corporate Services		5	246	-	-	-	21	(21)	-100,0%	246
Vote 4 - Planning & Development		-	800	-	-	-	67	(67)	-100,0%	800
Vote 5 - Project Management & Advisory Services		8 331	4 990	-	-	-	416	(416)	-100,0%	4 990
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	133 006	136 245	-	50 845	50 845	11 354	39 492	347,8%	136 245
Expenditure by Vote	1									
Vote 1 - Council & Executive		24 783	29 384	-	1 805	1 805	2 449	(644)	-26,3%	29 384
Vote 2 - Budget & Treasury		16 108	23 806	-	944	944	1 984	(1 040)	-52,4%	23 806
Vote 3 - Corporate Services		29 431	42 522	-	2 085	2 085	3 544	(1 458)	-41,2%	42 522
Vote 4 - Planning & Development		13 749	21 159	-	795	795	1 763	(968)	-54,9%	21 159
Vote 5 - Project Management & Advisory Services		20 058	32 400	-	525	525	2 700	(2 175)	-80,6%	32 400
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	104 130	149 271	-	6 154	6 154	12 439	(6 286)	-50,5%	149 271
Surplus/ (Deficit) for the year	2	28 876	(13 026)	-	44 692	44 692	(1 086)	45 777	-4217,1%	(13 026)

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

DC9 Frances Baard - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
<b>R thousands</b>									%	
<b>Revenue By Source</b>										
Rental of facilities and equipment		858	1 153		4	4	96	(92)	-96%	1 153
Interest earned - external investments		6 729	5 350		585	585	446	139	31%	5 350
Transfers and subsidies		125 350	128 942		50 253	50 253	10 745	39 508	368%	128 942
Other revenue		70	800		3	3	67	(63)	-95%	800
Gains on disposal of PPE								-		
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>133 006</b>	<b>136 245</b>	<b>-</b>	<b>50 845</b>	<b>50 845</b>	<b>11 354</b>	<b>39 492</b>	<b>348%</b>	<b>265 187</b>
<b>Expenditure By Type</b>										
Employee related costs		57 848	76 174		4 859	4 859	6 348	(1 489)	-23%	76 174
Remuneration of councillors		6 700	7 311		508	508	609	(101)	-17%	7 311
Debt impairment			3				0	(0)	-100%	3
Depreciation & asset impairment		2 672	3 629				302	(302)	-100%	3 629
Finance charges		204					-	-		
Bulk purchases							-	-		
Other materials		1 263	1 671		48	48	139	(92)	-66%	1 671
Contracted services		18 037	24 092		510	510	2 008	(1 498)	-75%	24 092
Transfers and subsidies		7 306	20 411		30	30	1 701	(1 671)	-98%	20 411
Other expenditure		10 030	15 679		199	199	1 307	(1 108)	-85%	15 679
Loss on disposal of PPE		71	300				25	(25)	-100%	300
<b>Total Expenditure</b>		<b>104 130</b>	<b>149 271</b>	<b>-</b>	<b>6 154</b>	<b>6 154</b>	<b>12 439</b>	<b>(6 286)</b>	<b>-51%</b>	<b>149 271</b>
<b>Surplus/(Deficit)</b>		<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>	<b>45 777</b>	<b>(0)</b>	<b>115 916</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>			<b>115 916</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>		<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>			<b>115 916</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>			<b>115 916</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>28 876</b>	<b>(13 026)</b>	<b>-</b>	<b>44 692</b>	<b>44 692</b>	<b>(1 086)</b>			<b>115 916</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, functional classification and funding) - M01 July										
Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Multi-Year expenditure appropriation</b>	2									
<b>Total Capital Multi-year expenditure</b>	4,7	–	–	–	–	–	–	–		–
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Council & Executive		28	8	–	2	2	1	1	196%	8
Vote 2 - Budget & Treasury		15	4	–	–	–	0	(0)	-100%	4
Vote 3 - Corporate Services		3 249	3 408	–	23	23	284	(261)	-92%	3 408
Vote 4 - Planning & Development		17	14	–	–	–	1	(1)	-100%	14
Vote 5 - Project Management & Advisory Services		5 852	91	–	–	–	8	(8)	-100%	91
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–		–
<b>Total Capital single-year expenditure</b>	4	9 161	3 525	–	25	25	294	(269)	-91%	3 525
<b>Total Capital Expenditure</b>		9 161	3 525	–	25	25	294	(269)	-91%	3 525
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		43	12	–	2	2	1	1	98%	12
Executive and council		28	8	–	2	2	1	1	196%	8
Finance and administration		15	4	–	–	–	0	(0)	-100%	4
<b>Community and public safety</b>		1 863	2 016	–	–	–	168	(168)	-100%	2 016
Public safety		1 863	2 016	–	–	–	168	(168)	-100%	2 016
<b>Economic and environmental services</b>		7 255	1 497	–	23	23	125	(102)	-82%	1 497
Planning and development		7 209	1 448	–	23	23	121	(98)	-81%	1 448
Environmental protection		45	49	–	–	–	4	(4)	-100%	49
<b>Trading services</b>		–	–	–	–	–	–	–		–
<b>Other</b>										
<b>Total Capital Expenditure - Functional Classification</b>	3	9 161	3 525	–	25	25	294	(269)	-91%	3 525
<b>Funded by:</b>										
National Government								–		
Provincial Government								–		
District Municipality								–		
Other transfers and grants								–		
<b>Transfers recognised - capital</b>		–	–	–	–	–	–	–		–
<b>Borrowing</b>	6							–		
<b>Internally generated funds</b>		9 161	3 525	–	25	25	294	(269)	-91%	3 525
<b>Total Capital Funding</b>		9 161	3 525	–	25	25	294	(269)	-91%	3 525



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

DC9 Frances Baard - Table C6 Monthly Budget Statement - Financial Position - M01 July						
Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		5 066	(321)		(3 945)	(321)
Call investment deposits		66 501	49 100		45 000	49 100
Consumer debtors						
Other debtors		5 475	4 000		3 995	4 000
Current portion of long-term receivables		819	830		830	830
Inventory		363	350		321	350
<b>Total current assets</b>		<b>78 224</b>	<b>53 959</b>	<b>-</b>	<b>46 201</b>	<b>53 959</b>
<b>Non current assets</b>						
Long-term receivables		7 560	7 653		7 653	7 653
Property, plant and equipment		55 961	56 070		56 095	56 070
Intangible		426	580		580	580
Other non-current assets		631	631		631	631
<b>Total non current assets</b>		<b>71 279</b>	<b>64 934</b>	<b>-</b>	<b>64 960</b>	<b>64 934</b>
<b>TOTAL ASSETS</b>		<b>149 503</b>	<b>118 893</b>	<b>-</b>	<b>111 161</b>	<b>118 893</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft						
Borrowing						
Consumer deposits		0	5		5	5
Trade and other payables		6 464	3 136		(724)	3 136
Provisions		11 078	12 000		12 260	12 000
<b>Total current liabilities</b>		<b>17 542</b>	<b>15 141</b>	<b>-</b>	<b>11 541</b>	<b>15 141</b>
<b>Non current liabilities</b>						
Borrowing						
Provisions		27 300	35 000		34 990	35 000
<b>Total non current liabilities</b>		<b>27 300</b>	<b>35 000</b>	<b>-</b>	<b>34 990</b>	<b>35 000</b>
<b>TOTAL LIABILITIES</b>		<b>44 842</b>	<b>50 141</b>	<b>-</b>	<b>46 531</b>	<b>50 141</b>
<b>NET ASSETS</b>	2	<b>104 661</b>	<b>68 753</b>	<b>-</b>	<b>64 629</b>	<b>68 753</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		76 929	41 548		37 425	41 548
Reserves		27 732	27 205		27 205	27 205
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>104 661</b>	<b>68 753</b>	<b>-</b>	<b>64 629</b>	<b>68 753</b>

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

DC9 Frances Baard - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Other revenue		1 002	903	–	8	8	163	(155)	-95%	903
Government - operating		125 215	128 692	–	50 253	50 253	10 745	39 508	368%	128 692
Government - capital								–		
Interest		6 729	5 350	–	585	585	446	139	31%	5 350
<b>Payments</b>										
Suppliers and employees		(92 675)	(117 619)	–	(6 123)	(6 123)	(10 411)	(4 287)	41%	(117 619)
Finance charges		(204)						–		
Transfers and Grants		(7 306)	(20 411)	–	(30)	(30)	(1 701)	(1 671)	98%	(20 411)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>32 761</b>	<b>(3 085)</b>	<b>–</b>	<b>44 692</b>	<b>44 692</b>	<b>(758)</b>	<b>(45 450)</b>	<b>5997%</b>	<b>(3 085)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		0						–		
Decrease (Increase) in non-current debtors								–		
Decrease (increase) other non-current receivables								–		
Decrease (increase) in non-current investments		(650)						–		
<b>Payments</b>										
Capital assets		(9 161)	(3 525)	–	(25)	(25)	(294)	(269)	91%	(3 525)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(9 811)</b>	<b>(3 525)</b>	<b>–</b>	<b>(25)</b>	<b>(25)</b>	<b>(294)</b>	<b>(269)</b>	<b>91%</b>	<b>(3 525)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								–		
Borrowing long term/refinancing								–		
Increase (decrease) in consumer deposits								–		
<b>Payments</b>										
Repayment of borrowing		(2 455)						–		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(2 455)</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>–</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>20 495</b>	<b>(6 609)</b>	<b>–</b>	<b>44 667</b>	<b>44 667</b>	<b>(1 052)</b>			<b>(6 609)</b>
Cash/cash equivalents at beginning:		51 072	55 388			(3 612)	55 388			(3 612)
Cash/cash equivalents at month/year end:		71 567	48 779	–		41 054	54 336			(10 222)

**5. SUPPORTING DOCUMENTATION**

## Material variance explanations

DC9 Frances Baard - Supporting Table SC1 Material variance explanations - M01 July				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
1	<b><u>Revenue By Source</u></b>			
	Rental of facilities and equipment	-32%	The demand for the rental of facilities and equipment will improve as the financial year progress.	The municipality must advertise the rental facilities to attract more customers.
	Interest earned - external investments	15%	Interest earned is higher than anticipated due to higher interest rates from investments.	None needed
	Other revenue	-93%	The demand for the rental of facilities and equipment will improve as the financial year progress.	The municipality must work on income strategy to improve revenue stream.
2	<b><u>Expenditure By Type</u></b>			
	Salaries	-22%	Employee related cost is lower than budgeted for due to vacancies within the municipality.	Ensure that director positions and other junior positions are filled.
	Other Materials	-30%	Repairs and maintenance on assets was lower than expected. Repairs & maintenance is only done as and when the need arise.	Consult with managers, to ensure that spending is as planned.
	Transfers and grants	-26%	Will improve as the year progress and projects are implemented within the local municipalities. Local municipalities tend to submit claims during the fourth quarter.	Awaiting invoices to finalise payments of the projects, to total percentage to improve in July.
	Other expenditure	-34%	Other expenditure lower than expected, expenditure improved from the third quarter to the fourth quarter as compared to the first and second quarter	Consult with managers, to ensure that spending is as planned.
3	<b><u>Capital Expenditure</u></b>			
	Capital expenditure	-38%	Capital projects spending lower than anticipated, due to the increase on the adjustment budget.	None needed.
4	<b><u>Financial Position</u></b>			
	Current Assets	36%	Current assets shows an increase of 56% which is mainly due to investments being higher than anticipated.	None needed.
	Non-Current Liabilities	0%	No change in non-current liabilities.	None needed.
	Accumulated Surplus	64%	Accumulated surplus shows an increase of 80% which is a result of the accumulated surplus growth being higher than expected.	None needed.
5	<b><u>Cash Flow</u></b>			
	Net cash from operating / (used) Operating Activities	-620%	Net cash from operating activities is higher than the year-to-date budget as a result of receipts being higher than projected.	Consult with managers, to ensure that spending is as planned.
	Net cash from operating / (used) Investing Activities	-19%	Payments relating to capital assets and increase on investments were higher than expected due to having excess cash available to invest due to early payment of grants to the municipality.	Managers of the different units need to monitor the capital expenditure of their units and ensure that they are on track.

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 - M01 July							
Description of financial indicator	Basis of calculation	Ref	2018/19	Budget Year 2019/20			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b><u>Borrowing Management</u></b>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		-1,5%	2,9%	3,2%	0,2%	5,8%
Borrowed funding of 'own' 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		18,3%	23,8%	15,4%	12,8%	15,4%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Liquidity</u></b>							
Current Ratio	Current assets/current liabilities	1	306,6%	180,0%	344,8%	453,7%	344,8%
Liquidity Ratio	Monetary Assets/Current Liabilities		255,9%	167,2%	306,9%	378,1%	306,9%
<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		14,8%	8,6%	11,1%	18,0%	11,1%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
<b><u>Other Indicators</u></b>							
Employee costs	Employee costs/Total Revenue - capital revenue		46,4%	58,1%	57,8%	44,7%	57,8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		2,5%	4,0%	3,8%	2,7%	3,8%
Interest & Depreciation	I&D/Total Revenue - capital revenue		3,5%	3,0%	3,3%	0,2%	5,9%

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 57,8%.

**Table SC3 Monthly Budget Statement - aged debtors**

DC9 Frances Baard - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July													
Description	NT Code	Budget Year 2019/20										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
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	Total over 90 days		
<b>Debtors Age Analysis By Income Source</b>													
Other	1900	81	351	255	18	190	280	5	627	1 806	1 120		
<b>Total By Income Source</b>	<b>2000</b>	<b>81</b>	<b>351</b>	<b>255</b>	<b>18</b>	<b>190</b>	<b>280</b>	<b>5</b>	<b>627</b>	<b>1 806</b>	<b>1 120</b>	<b>-</b>	<b>-</b>
2011/12 - totals only										-	-		
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	62	346	250	985	-	-	-	-	1 643	985		
Other	2500	19	5	5	(967)	190	280	5	627	163	135		
<b>Total By Customer Group</b>	<b>2600</b>	<b>81</b>	<b>351</b>	<b>255</b>	<b>18</b>	<b>190</b>	<b>280</b>	<b>5</b>	<b>627</b>	<b>1 806</b>	<b>1 120</b>	<b>-</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.

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

#### • **Provincial and Local Government**

There are three outstanding debts for more than 90 days as at 31 July 2019 in respect of Provincial and Local Governments Department.

- Department of Safety R81 791.81;
- Department of Transport R902 890.23; and
- Department of Roads R1 432.23.

#### • **Post-Service Benefits**

There are five outstanding debt reflected for more than 90 days as at 31 July 2019.

- Kgantsi N.G R16 601.15 for over payment of post medical aid contribution benefit;
- Mokgoro D.K R5 978.61 for post medical aid contribution benefit;
- AJ Maritz R348.38 for post medical aid contribution benefit;
- SA Greenan R2 271.00 for post medical aid contribution benefit; and
- WJ Neethling R2 665.04, death certificate has been received, claim to be placed against the decease's estate for the repayment of medical aid benefits.

- **Sundry Debtors**

The following outstanding debt reflected for more than 90 days as at 31 July 2019 for sundry debtors.

- Ms. MM Moloi R56 052.60 the account was handed over to Office of the State Attorney for collection;
- Mr. KK Moruri R3 712.50, for the loss of a pool laptop;
- Ms. MP Choche R371.25, for the loss of pool laptop;
- Ms. M Modise R4 000 for failed courses, arrangement made to deduct R1 000 p.m from employee's salary; and
- MTN for the cellphone tower R9 678.10

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

- Mr. W. Johnson R12, 955.51;
- Ms. PR. Molefi R6, 875.41; and
- Ms. T. Nicholas R 8, 771.76.

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

- **Over payment of salaries**

- Mr. BM Maribe R3 465.25. Mr. Maribe signed a commitment to pay the municipality an amount of R500 a month until the expenditure is fully recovered. However only R1 000 has been paid for a year, the account has been handed over to the State Attorney.

DC9 Frances Baard - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Budget Year 2019/20												Prior year totals for chart (same period)
Description	NT Code	0 -	31 -	61 -	91 -	121 -	151 -	181 Days -	Over 1	Total		
R thousands		30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	1 Year	Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100									-		
Bulk Water	0200									-		
PAYE deductions	0300									-		
VAT (output less input)	0400									-		
Pensions / Retirement deductions	0500									-		
Loan repayments	0600									-		
Trade Creditors	0700									-		
Auditor General	0800									-		
Other	0900	1 161	40	-	-	-	-	-	-	1 201		
Total By Customer Type	1000	1 161	40	-	-	-	-	-	-	1 201	-	

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

**Trade Creditors:**

Council purchases and payments to creditors are under adequate control. Expenditure statistics for the month ended on the 31 July 2019 is listed below:

<b>FRANCES BAARD DISTRICT MUNICIPALITY</b>			
<b>EXPENDITURE STATISTICS</b>			<b>Jul-19</b>
<b>PAYMENTS</b>			
	Total value of all payments		<b>R 48 696 126</b>
	Electronic transfers		181
	Cheques issued		1
<b>SALARIES</b>			
	Number of salary beneficiaries		<b>157</b>
	Councillors		<b>27</b>
	<b><u>Total Councillors</u></b>	<b>27</b>	
	* Councillors Position - Vacant	0	
	* Councillors with Remuneration	27	
	* Councillors without Remuneration	0	
	<b><u>Employees</u></b>		<b>130</b>
	* Remunerated Employee's	127	
	* <b>Remunerated Terminated Employees</b>	1	
	Pensioners	2	
	<b>Total remuneration paid</b>		<b>4 286 072</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 adopted a new procurement policy effective from 20 September 2017.

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

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

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

**Implementation of the Supply Chain Management Process:**

- **Training of Supply Chain Management Officials**

Two (2) SCM officials attended a one-day the RT-3 contract workshop during July 2019.

- **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 2019-20 was approved by the Accounting Officer.

- **Acquisition Management**

For the period of July 2019, no contracts (R200 000 +) were awarded by the Municipal Manager.

For the period of July 2019, no written quotations (R30 000-R200 000) were awarded by the Municipal Manager.

**Total orders issued total R1 252 212.69**

Orders per department:

Council & Executive	R	24 800.76
Municipal Manager	R	31 005.83
Finance	R	123 288.42
Administration	R	153 137.48
Planning & Development	R	915 872.29
Technical Service	R	4 107.91

**a. Disposal Management**

For the period July 2019, no assets were disposed of.

**b. Deviations**

For the period July 2019, no deviations were approved by the Municipal Manager.



**c. Issues from Stores****Total orders issued total R46 493.23**

Issues per department

Council & Executive	R	0.00
Municipal Manager	R	6 893.75
Finance	R	6 400.43
Administration	R	31 163.16
Planning & Development	R	832.70
Technical service	R	1 203.19

**d. List of accredited Service Providers**

The 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**

One official request was received from the local municipality to assist with bid committees during the period July 2019.

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

DC9 Frances Baard - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee	Variable or Fixed	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<b>Municipality</b>														
NEDCOR		120	notice	Yes	Fixed	7,87%	0	0	02 August 2019	6 000	52	-	-	6 052
NEDCOR		120	notice	Yes	Fixed	7,94%	0	0	14 November 2019	10 000	261	-	-	10 261
NEDCOR		119	notice	Yes	Fixed	7,92%	0	0	02 August 2019	6 000	155	-	-	6 155
STANDARD BANK		119	notice	Yes	Fixed	7,80%	0	0	02 August 2019	6 000	153	-	-	6 153
STANDARD BANK		120	notice	Yes	Fixed	7,83%	0	0	31 July 2019	10 000	257	-	-	10 257
ABSA		119	notice	Yes	Fixed	7,54%	0	0	02 August 2019	3 000	74	-	-	3 074
FNB		119	notice	Yes	Fixed	7,73%	0	0	02 August 2019	5 000	126	-	-	5 126
														-
<b>Municipality sub-total</b>										<b>46 000</b>	<b>1 077</b>	<b>-</b>	<b>-</b>	<b>47 077</b>
<b>2. List investments in expiry date order</b>														

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 - M01 July										
Description	Ref	2018/19	Budget Year 2019/20							
		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>		120 843	125 546	–	50 253	50 253	50 253	–		125 546
Local Government Equitable Share		5 835	10 232		–	–	–	–		10 232
RSC Levy Replacement		110 374	110 374		50 253	50 253	50 253			110 374
EPWP Incentive		1 113	1 270		–	–	–			1 270
Rural Road Asset Management System (RRAMS)		2 521	2 670		–		–	–		2 670
<b>Provincial Government:</b>		4 433	496	–	–	–	–	–		496
Khotso Pula Nala	4	3 930						–		
Health subsidy		498	250					–		250
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
								–		
<b>Other grant providers:</b>		74	2 900	–	–	–	–	–		2 900
SETA Skills Grant		74	2 900		–	–	–	–		2 900
								–		
<b>Total Operating Transfers and Grants</b>	5	125 350	128 942	–	50 253	50 253	50 253	–		128 942
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		–	–	–	–	–	–	–		–
								–		
<b>Provincial Government:</b>		–	–	–	–	–	–	–		–
								–		
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
								–		
<b>Other grant providers:</b>		–	–	–	–	–	–	–		–
								–		
<b>Total Capital Transfers and Grants</b>	5	–	–	–	–	–	–	–		–
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	125 350	128 942	–	50 253	50 253	50 253	–		128 942

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

DC9 Frances Baard - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		120 843	125 546	–	50 253	50 253	50 253	–		125 546
Local Government Equitable Share		5 835	10 232	–	–	–	–	–		10 232
RSC Levy Replacement		110 374	110 374	–	50 253	50 253	50 253	–		110 374
Finance Management		1 000	1 000	–	–	–	–	–		1 000
EPWP Incentive		1 113	1 270	–	–	–	–	–		1 270
<b>Provincial Government:</b>		4 433	496	–	–	–	–	–		496
Khotso Pula Nala		3 930	–	–	–	–	–	–		–
Health subsidy		498	250	–	–	–	–	–		250
Near		5	246	–	–	–	–	–		246
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		74	2 900	–	–	–	–	–		2 900
SETA Skills Grant		74	2 900	–	–	–	–	–		2 900
<b>Total operating expenditure of Transfers and Grants:</b>		125 350	128 942	–	50 253	50 253	50 253	–		128 942
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		–	–	–	–	–	–	–		–
<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>		125 350	128 942	–	50 253	50 253	50 253	–		128 942

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

DC9 Frances Baard - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July										
Summary of Employee and Councillor remuneration	Ref	2018/19	Budget Year 2019/20							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		5 347	6 443		420	420	537	(117)	-22%	6 443
Pension and UIF Contributions		–	–				–	–		–
Medical Aid Contributions		–	–				–	–		–
Motor Vehicle Allowance		869	829		58	58	69	(11)	-15%	829
Cellphone Allowance		484	40		30	30	3	26	797%	40
Housing Allowances		–	–				–	–		–
Other benefits and allowances		–	–				–	–		–
<b>Sub Total - Councillors</b>		<b>6 700</b>	<b>7 311</b>	<b>–</b>	<b>508</b>	<b>508</b>	<b>609</b>	<b>(101)</b>	<b>-17%</b>	<b>7 311</b>
<b>% increase</b>	4		<b>9,1%</b>							<b>9,1%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		3 459	6 667		388	388	556	(168)	-30%	6 667
Pension and UIF Contributions		5	9		1	1	1	(0)	-21%	9
Medical Aid Contributions		–	–				–	–		–
Overtime		–	–				–	–		–
Performance Bonus		205	440		–	–	37	(37)	-100%	440
Motor Vehicle Allowance		–	193		–	–	16	(16)	-100%	193
Cellphone Allowance		53	96		5	5	8	(4)	-44%	96
Housing Allowances		–	–				–	–		–
Other benefits and allowances		0	1		1	1	0	1	1136%	1
Payments in lieu of leave		195	112		–	–	9	(9)	-100%	112
Long service awards		–	–				–	–		–
Post-retirement benefit obligations	2	–	–				–	–		–
<b>Sub Total - Senior Managers of Municipality</b>		<b>3 917</b>	<b>7 517</b>	<b>–</b>	<b>394</b>	<b>394</b>	<b>626</b>	<b>(233)</b>	<b>-37%</b>	<b>7 517</b>
<b>% increase</b>	4		<b>91,9%</b>							<b>91,9%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		40 473	48 394		3 368	3 368	4 033	(665)	-16%	48 394
Pension and UIF Contributions		5 347	6 230		463	463	519	(57)	-11%	6 230
Medical Aid Contributions		2 406	2 812		186	186	234	(48)	-20%	2 812
Overtime		211	627		22	22	52	(30)	-58%	627
Performance Bonus		–	–				–	–		–
Motor Vehicle Allowance		3 204	3 644		244	244	304	(60)	-20%	3 644
Cellphone Allowance		215	216		16	16	18	(2)	-10%	216
Housing Allowances		431	423		36	36	35	1	3%	423
Other benefits and allowances		457	529		40	40	44	(4)	-10%	529
Payments in lieu of leave		1 187	1 000		1	1	83	(82)	-99%	1 000
Long service awards		–	302		–		25	(25)	-100%	302
Post-retirement benefit obligations	2	–	4 482		89	89	373	(284)	-76%	4 482
<b>Sub Total - Other Municipal Staff</b>		<b>53 930</b>	<b>68 658</b>	<b>–</b>	<b>4 466</b>	<b>4 466</b>	<b>5 721</b>	<b>(1 256)</b>	<b>-22%</b>	<b>68 658</b>
<b>% increase</b>	4		<b>27,3%</b>							<b>27,3%</b>
<b>Total Parent Municipality</b>		<b>64 547</b>	<b>83 486</b>	<b>–</b>	<b>5 367</b>	<b>5 367</b>	<b>6 957</b>	<b>(1 590)</b>	<b>-23%</b>	<b>83 486</b>
			<b>29,3%</b>							<b>29,3%</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>64 547</b>	<b>83 486</b>	<b>–</b>	<b>5 367</b>	<b>5 367</b>	<b>6 957</b>	<b>(1 590)</b>	<b>-23%</b>	<b>83 486</b>
<b>% increase</b>	4		<b>29,3%</b>							<b>29,3%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>57 848</b>	<b>76 174</b>	<b>–</b>	<b>4 859</b>	<b>4 859</b>	<b>6 348</b>	<b>(1 489)</b>	<b>-23%</b>	<b>76 174</b>

**PERSONNEL ATTENDANCES:**

Personnel attendance in the workplace (finance department) for the month of July 2019 averages 84%.

Attendance trends are summarized as follows:

		Senior Management	Middle Management	Supervisory	Clerical
Number of Members		1	3	7	10
Leave		1	2	6	16
Sick Leave		0	0	2	7
Courses / Seminar		0	4	5	0
Meetings		0	0	0	0
Study leave		0	0	0	0
Maternity Leave		0	0	0	23
Family Responsibility		0	4	7	0
Union Meetings		0	0	0	0
Absent		0	0	0	0
Special Leave		0	0	0	0
Over time		0	0	0	0
No. of Workdays Attended		22	37	138	120
Total Workdays		23	47	158	166
Percentage Attendance per Group		96%	79%	87%	72%
Average		84%			

**Personnel Development:**

- Two (2) SCM officials went on a one-day workshop during the month of July 2019 for the use of the RT-3 contracts; and
- Two (2) Budget Office officials went on a three-day GRAP seminar during the month of July for the preparation and mSCOA alignment of the AFS.

**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 was appointed in October 2018 and two (2) were appointed in July 2019, one position is in the process of being filled and the other is to be advertised during the first quarter.

**SUPPORT OF LOCAL MUNICIPALITIES**

- No support was requested from the local municipalities during the month of July 2019.

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 - M01 July																		
Description	Ref	Budget Year 2019/20												2019/20 Medium Term Revenue & Expenditure Framework				
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22		
R thousands	1																	
Cash Receipts By Source																		
Rental of facilities and equipment		4											98	103	103	103		
Interest earned - external investments		585											4 765	5 350	5 350	5 350		
Transfer receipts - operating		50 253											78 439	128 692	128 460	132 563		
Other revenue		3											797	800	800	800		
Cash Receipts by Source		50 845	-	-	-	-	-	-	-	-	-	-	84 099	134 945	134 713	138 816		
Other Cash Flows by Source													-					
Transfer receipts - capital													-					
Contributions & Contributed assets													-					
Proceeds on disposal of PPE													-					
Short term loans													-					
Borrowing long term/refinancing													-					
Increase in consumer deposits													-					
Receipt of non-current debtors													-					
Receipt of non-current receivables													-					
Change in non-current investments													-					
Total Cash Receipts by Source		50 845	-	-	-	-	-	-	-	-	-	-	84 099	134 945	134 713	138 816		
Cash Payments by Type													-					
Employee related costs		4 859											64 386	69 245	74 638	80 044		
Remuneration of councillors		508											6 803	7 311	8 806	8 116		
Interest paid													-	-	-	-		
Other materials													1 671	1 671	1 832	1 760		
Contracted services		48											24 044	24 092	18 161	15 369		
Grants and subsidies paid - other municipalities		510											17 890	18 400	10 000	10 000		
Grants and subsidies paid - other		30											1 980	2 011	2 065	2 125		
General expenses		199											14 981	15 180	15 717	16 169		
Cash Payments by Type		6 154	-	-	-	-	-	-	-	-	-	-	131 756	137 910	131 219	133 582		
Other Cash Flows/Payments by Type																		
Capital assets		25											3 500	3 525	200	-		
Repayment of borrowing													-					
Other Cash Flows/Payments													120	120				
Total Cash Payments by Type		6 179	-	-	-	-	-	-	-	-	-	-	135 375	141 554	131 419	133 582		
NET INCREASE/(DECREASE) IN CASH HELD		44 667	-	-	-	-	-	-	-	-	-	-	(51 276)	(6 609)	3 293	5 233		
Cash/cash equivalents at the month/year beginning:		(3 612)	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	(3 612)	(10 222)	(6 929)		
Cash/cash equivalents at the month/year end:		41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	41 054	(10 222)	(10 222)	(6 929)	(1 695)		

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

DC9 Frances Baard - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
<b>Monthly expenditure performance trend</b>									
July	37	–		25	25	–	(25)	#DIV/0!	1%
August	768	169				169	–		
September	223	49				217	–		
October	–	209				426	–		
November	43	985				1 412	–		
December	384					1 412	–		
January	48					1 412	–		
February	4	659				2 071	–		
March	642	725				2 796	–		
April	13	200				2 996	–		
May	547					2 996	–		
June	6 453	529				3 525	–		
<b>Total Capital expenditure</b>	<b>9 161</b>	<b>3 525</b>	<b>–</b>	<b>25</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 - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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>										
<u>Infrastructure</u>		–	–	–	–	–	–	–		–
<u>Community Assets</u>		–	–	–	–	–	–	–		–
<u>Heritage assets</u>		–	–	–	–	–	–	–		–
<u>Investment properties</u>		–	–	–	–	–	–	–		–
<u>Other assets</u>		5 394	2 055	–	–	–	171	171	100,0%	2 055
<u>Biological or Cultivated Assets</u>		–	–	–	–	–	–	–		–
<u>Intangible Assets</u>		–	–	–	–	–	–	–		–
<u>Computer Equipment</u>		620	350	–	18	18	44	26	58,6%	350
Computer Equipment		620	350		18	18	44	26	58,6%	350
<u>Furniture and Office Equipment</u>		528	58	–	2	2	5	3	58,7%	58
Furniture and Office Equipment		528	58		2	2	5	3	58,7%	58
<u>Machinery and Equipment</u>		32	179	–	–	–	–	–		179
<u>Transport Assets</u>		1 818	–	–	–	–	–	–		–
<u>Land</u>		–	–	–	–	–	–	–		–
<u>Zoo's, Marine and Non-biological Animals</u>		–	–	–	–	–	–	–		–
<b>Total Capital Expenditure on new assets</b>	<b>1</b>	<b>8 393</b>	<b>2 643</b>	<b>–</b>	<b>20</b>	<b>20</b>	<b>220</b>	<b>200</b>	<b>90,8%</b>	<b>2 643</b>



**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 - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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>										
<u>Computer Equipment</u>		645	680	-	-	-	57	57	100,0%	680
<u>Furniture and Office Equipment</u>		22	117	-	-	-	10	10	100,0%	117
<u>Machinery and Equipment</u>		101	86	-	5	5	7	2	32,7%	86
<u>Transport Assets</u>		-	-	-	-	-	-	-		-
<u>Land</u>		-	-	-	-	-	-	-		-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure on renewal of existing assets</b>	1	768	882	-	5	5	74	69	93,5%	882

**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 - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		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>										
<u>Infrastructure</u>		-	-	-	-	-	-	-		-
<u>Community Assets</u>		-	-	-	-	-	-	-		-
<u>Heritage assets</u>		4	-	-	-	-	-	-		-
<u>Investment properties</u>		-	-	-	-	-	-	-		-
<u>Other assets</u>		545	618	-	4	4	51	48	93,0%	618
Operational Buildings		545	618	-	4	4	51	48	93,0%	618
Municipal Offices		545	618	-	4	4	51	48	93,0%	618
<u>Biological or Cultivated Assets</u>		-	-	-	-	-	-	-		-
<u>Intangible Assets</u>		2 012	1 260	-	121	121	105	(16)	-14,8%	1 260
Licences and Rights		2 012	1 260	-	121	121	105	(16)	-14,8%	1 260
<u>Computer Equipment</u>		59	1 276	-	10	10	106	96	90,3%	1 276
Computer Equipment		59	1 276	-	10	10	106	96	90,3%	1 276
<u>Furniture and Office Equipment</u>		383	327	-	-	-	27	27	100,0%	327
Furniture and Office Equipment		383	327	-	-	-	27	27	100,0%	327
<u>Machinery and Equipment</u>		249	779	-	15	15	65	50	76,5%	779
Machinery and Equipment		249	779	-	15	15	65	50	76,5%	779
<u>Transport Assets</u>		206	404	-	-	-	-	-		404
Transport Assets		206	404	-	-	-	-	-		404
<u>Land</u>		-	-	-	-	-	-	-		-
<u>Zoo's, Marine and Non-biological Animals</u>		-	-	-	-	-	-	-		-
<b>Total Repairs and Maintenance Expenditure</b>	1	3 457	4 663	-	150	150	355	205	57,8%	4 663

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

DC9 Frances Baard - Supporting Table SC13d Consolidated Monthly Budget Statement - depreciation by asset class - M01 July

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
<b><u>Depreciation by Asset Class/Sub-class</u></b>										
<b><u>Infrastructure</u></b>		-	-	-	-	-	-	-		-
<b><u>Community Assets</u></b>		-	-	-	-	-	-	-		-
<b><u>Heritage assets</u></b>		-	-	-	-	-	-	-		-
<b><u>Investment properties</u></b>		-	-	-	-	-	-	-		-
<b><u>Other assets</u></b>		624	782	-	-	-	65	65	100,0%	782
Operational Buildings		624	782	-	-	-	65	65	100,0%	782
Municipal Offices		624	782				65	65	100,0%	782
<b><u>Biological or Cultivated Assets</u></b>		-	-	-	-	-	-	-		-
<b><u>Intangible Assets</u></b>		153	101	-	-	-	8	8	100,0%	101
Servitudes								-		
Licences and Rights		153	101	-	-	-	8	8	100,0%	101
Computer Software and Applications		153	101				8	8	100,0%	101
<b><u>Computer Equipment</u></b>		364	665	-	-	-	55	55	100,0%	665
Computer Equipment		364	665				55	55	100,0%	665
<b><u>Furniture and Office Equipment</u></b>		343	358	-	-	-	30	30	100,0%	358
Furniture and Office Equipment		343	358				30	30	100,0%	358
<b><u>Machinery and Equipment</u></b>		184	254	-	-	-	21	21	100,0%	254
Machinery and Equipment		184	254				21	21	100,0%	254
<b><u>Transport Assets</u></b>		1 003	1 469	-	-	-	122	122	100,0%	1 469
Transport Assets		1 003	1 469				122	122	100,0%	1 469
<b><u>Land</u></b>		-	-	-	-	-	-	-		-
<b><u>Zoo's, Marine and Non-biological Animals</u></b>		-	-	-	-	-	-	-		-
<b>Total Depreciation</b>	1	2 672	3 629	-	-	-	302	302	100,0%	3 629

**Table SC13e Monthly Budget Statement – capital expenditure on upgrading of existing assets by asset class**DC9 Frances Baard - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M01  
July

Description	Ref	2018/19	Budget Year 2019/20							
		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 upgrading of existing assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		-	-	-	-	-	-	-		-
Roads Infrastructure		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Water Supply Infrastructure		-	-	-	-	-	-	-		-
Sanitation Infrastructure		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
<b>Community Assets</b>		-	-	-	-	-	-	-		-
Community Facilities		-	-	-	-	-	-	-		-
Halls		-	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
<b>Heritage assets</b>		-	-	-	-	-	-	-		-
<b>Investment properties</b>		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
<b>Other assets</b>		-	-	-	-	-	-	-		-
Operational Buildings		-	-	-	-	-	-	-		-
Municipal Offices		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-		-
<b>Intangible Assets</b>		-	-	-	-	-	-	-		-
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Software and Applications		-	-	-	-	-	-	-		-
<b>Computer Equipment</b>		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-		-
Furniture and Office Equipment		-	-	-	-	-	-	-		-
<b>Machinery and Equipment</b>		-	-	-	-	-	-	-		-
Machinery and Equipment		-	-	-	-	-	-	-		-
<b>Transport Assets</b>		-	-	-	-	-	-	-		-
Transport Assets		-	-	-	-	-	-	-		-
<b>Land</b>		-	-	-	-	-	-	-		-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure on upgrading of</b>	1	-	-	-	-	-	-	-		-

**ASSET AND RISK MANAGEMENT****Insurance:**

All Municipal assets are adequately insured with Lateral Unison. The contract runs from 01 January 2019 for a period of three (3) years, which ends on 31 December 2021.

**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 July 2019 for the 2018/19 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 regarding 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>		<b>July</b>		
<i>COMPARISON: ACTUAL TO BUDGET</i>	<b>FULL YEAR BUDGET 2019/20</b>	<b>YTD ACTUAL</b>	<b>VARIANCES</b>	<b>% SPENT</b>
Municipal Offices	617 510,00	3 609,19	613 900,81	1%
Computer Software and Applications	2 442 320,00	63 012,40	2 379 307,60	3%
Computer Equipment	694 560,00	67 860,22	626 699,78	10%
Furniture and Office Equipment	56 500,00	-	56 500,00	0%
Machinery and Equipment	487 280,00	15 275,96	472 004,04	3%
Transport Assets	344 530,00	-	344 530,00	0%
<b>Total Repairs &amp; Maintenance</b>	<b>4 642 700,00</b>	<b>149 757,77</b>	<b>4 492 942,23</b>	<b>3%</b>

**Motor Vehicles - Utilization Statistics:**

The municipality operates a pool of 28 vehicles as part of its routine activities. Statistical information regarding the year-to-date utility for July 2019 is as follows:

**Disposal of Vehicles:**

	Vehicle	Vehicle	Year	Registration	Service	License	Opening KM	Previous Month	Current month	July '19
	Description	Allocation	Model	Number		Expires	01-Jul-19	Closing Km Reading	Closing KM Reading	Utility
1	Chevrolet Opel Corsa 1.4 i	Disaster Management	2010	CBY 227 NC	105 000	2019-09-30	94 957	94 957	94 957	-
2	Chevrolet Captiva	Pool	2011	CDM 296 NC	120 000	2019-09-30	106 434	106 434	107 029	595
3	Isuzu KB 2.5 CrewCab	Environmental Health	2016	CMV 311 NC	75 000	2020-01-31	60 361	60 361	62 594	2 233
4	Chevrolet Cruze 1,6 North	Pool	2016	CMV 321 NC	90 000	2020-01-31	82 567	82 567	84 000	1 433
5	Toyota Hilux 2.5D	Project Management	2016	CMT 747 NC	45 000	2020-01-31	43 677	43 677	43 677	-
6	Chevrolet Cruze 1,6 North	Pool	2016	CVM 314 NC	90 000	2020-01-31	79 873	79 873	80 765	892
7	Isuzu KB CrewCab	Housing	2016	CMV 319 NC	60 000	2020-01-31	50 506	50 506	51 868	1 362
8	Chevrolet Trailblazer	Pool	2013	CGR 575 NC	90 000	2019-12-31	77 137	77 137	77 137	-
9	Isuzu KB 250	Housing	2013	CGR 572 NC	105 000	2019-12-31	98 096	98 096	99 084	988
10	Isuzu KB 250	Housing	2013	CGR 576 NC	75 000	2019-12-31	73 642	73 642	74 097	455
11	Hyundai H1	Tourism Centre	2013	CGY 587 NC	75 000	2020-03-31	68 508	68 508	68 776	268
12	Isuzu KB 200	Disaster Management	2010	CBY 895 NC	90 000	2019-09-30	78 584	78 584	80 005	1 421
13	Isuzu KB 200	Disaster Management	2010	CBY 898 NC	105 000	2019-09-30	90 724	90 724	92 674	1 950
14	Toyota Landcruiser	Disaster Management	2014	CJL 363 NC	35 000	2020-03-31	33 118	33 118	33 415	297
15	Toyota Landcruiser	Disaster Management	2014	CKW 835 NC	30 000	2020-03-31	27 657	27 657	27 763	106
16	Isuzu Kb 250 D-Teq	Youth Unit	2014	CKR 822 NC	75 000	2019-10-31	68 359	68 359	69 740	1 381
17	Isuzu Fire Engine	Disaster Management	2013	CHM 958 NC	15 000	2020-06-30	2 050	2 050	2 050	-
18	Toyota Etios	Pool	2014	CJG 979 NC	75 000	2019-12-31	65 665	65 665	66 148	483
19	Nissan NP 200	Environmental Health	2014	CJJ 262 NC	75 000	2019-12-31	65 093	65 093	66 547	1 454
20	Nissan Hardbody	Environmental Health	2014	CJJ 263 NC	45 000	2019-12-31	39 068	39 068	40 430	1 362
21	Nissan NP 200	Environmental Health	2014	CJJ 258 NC	60 000	2019-12-31	46 052	46 052	46 958	906
22	Chevrolet Park Van	Supply Chain Management	2015	CLF791 NC	15 000	2020-01-31	11 875	11 875	12 173	298
23	Nissan Almera 1.5 Acenta	Pool	2016	CMT 438 NC	45 000	2020-01-31	37 582	37 582	37 859	277
24	Audi Q7 3.0TFSI Quattro	Council	2017	FBDM 1 NC	45 000	2020/04/31	39 754	39 754	41 160	1 406
25	Nissan NP 300 D/Cab	Housing	2017	CPS 005 NC	30 000	2020/04/31	15 843	15 843	16 898	1 055
26	Nissan NP 300 D/Cab	Environmental Health	2017	CPS 010 NC	30 000	2020/04/31	17 159	17 159	18 794	1 635
27	Nissan NP 300 S/Cab	Roads Maintenance	2017	CPS 006 NC	15 000	2020/04/31	12 358	12 358	13 304	946
28	Nissan NP 300 S/Cab	Pool	2017	CPS 008 NC	30 000	2020/04/31	16 451	16 451	17 711	1 260
<b>FULL FLEET UTILITY JULY 2019</b>										<b>24 463</b>

**Motor Vehicle Damage Report:**

- Chevrolet Opel Corsa 1.4, CBY 227 NC, was written off and donated to Dikgatlong. Awaiting Official documentation from Dikgatlong Municipality to transfer the vehicle.
- Toyota Hilux 2.5D, CMT 747 NC, damage to vehicle on premises 02 May 2019 - under investigation and vehicle is under repairs at Orange Toyota since 15 May 2019 to date.
- Chevrolet Trailblazer, CGR 575 NC, vehicle is at GM Imperial Delta Garage Diesel Leakage: 13/05/2019 to date
- Isuzu KB 250, CGR 576 NC, vehicle is at NC Audio-Airbag light & doors malfunction: 09/05/2019 to date.
- Nissan NP 300 D/Cab, CPS 010 NC, front right bumper reported damaged. Vehicle is at Kmfnt farm gate due to strong wind during hand- and surface swab collection: on 23/07/'19 vehicle was sent in for repairs at the panel beaters.

**2.14 Quality Certificate**

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

- ☒ The monthly budget statement
- ☐ Quarterly report on the implementation of the budget and financial state affairs of the municipality
- ☐ Mid-year budget and performance assessment

The report for the month of July 2019 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

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

Signature



Date

15 August 2019