



MAKANA
MUNICIPALITY | EASTERN CAPE



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FINANCIAL MONTHLY REPORT

OCTOBER 2014

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Legislative Framework

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

This report has been prepared in terms of the following legislative framework:

- a) MFMA Act- No.56 of 2003, Section 71 and
- b) Municipal Budget and Reporting Regulations

The objectives of these Regulations is to secure sound and sustainable management of the budgeting and reporting practices of municipalities by establishing uniform norms and standards and other requirements for transparency, accountability and appropriate lines of responsibility in the budget and reporting process and other relevant matters as required by the Act.

To The Executive Mayor

In accordance with Section 71 (1) of the MFMA, I submit the required statement of the state of Makana Municipality' budget reflecting monthly expenditure.

Section 54 (1) of the MFMA requires the Mayor of the municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

Recommendations

- The content of this report and supporting documents for October 2014 is noted.
- It be noted that the directors ensure that the budget is implemented in accordance with the Service Delivery and Budget Implementation Plan projections and in accordance with the approved budget.
- It be noted that any material variances will receive remedial or corrective action.

QUALITY CERTIFICATE

I, Acting Municipal Manager of Makana Municipality, hereby certify that –

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

for the month of October 2014 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Name:

Acting Municipal Manager of Makana Municipality (EC104)

Signature:

Date:

2. EXECUTIVE SUMMARY

Section 7 (1) of the MFMA requires that the Municipal Manager, to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the municipality's budget.

Section 54 of the MFMA requires the Mayor to consider the Section 71 Report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

3. Consolidated Performance

The following table summarizes the overall position on the capital and operating budgets.

	Capital Expenditure R'000	Operating Expenditure R'000	Operating Revenue R'000
Budget	63 679	382 011	382 010
Budget to date	21 226	123 091	122 556
Year to date Actual	6 465	108 296	137 587
% of Annual Budget	11%	29%	36%

Relevant Information

- At present, operating expenditure incurred amounts to R108 296 million of the annual budget budgeted expenditure and operating revenue amounts to R137 587 million of the annual budgeted revenue.
- Year-to date expenditure on capital, amounts to R 6 465 million of the total capital budget of R63 679 million.

EC104 Makana - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M04 October

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		77 277	94 517	-	5 583	36 581	31 505	5 076	16%	94 517
Executive and council		3 858	4 869	-	0	2 043	1 623	420	26%	4 869
Budget and treasury office		68 737	86 472	-	5 493	34 135	28 824	5 311	18%	86 472
Corporate services		4 682	3 175	-	89	403	1 058	(655)	-62%	3 175
<i>Community and public safety</i>		8 971	5 615	-	106	784	1 872	(1 088)	-58%	5 615
Community and social services		2 682	2 976	-	49	217	992	(774)	-78%	2 976
Sport and recreation		3 784	17	-	1	9	6	3	56%	17
Public safety		711	1 205	-	55	106	402	(296)	-74%	1 205
Housing		-	-	-	-	-	-	-	-	-
Health		1 793	1 416	-	0	451	472	(21)	-4%	1 416
<i>Economic and environmental services</i>		13 097	5 168	-	(520)	558	1 723	(1 165)	-68%	5 168
Planning and development		2 455	652	-	13	479	217	262	121%	652
Road transport		9 620	3 795	-	(535)	71	1 265	(1 194)	-94%	3 795
Environmental protection		1 022	721	-	2	7	240	(233)	-97%	721
<i>Trading services</i>		226 212	263 964	-	12 037	103 272	87 988	15 284	17%	263 964
Electricity		100 108	144 242	-	7 683	54 266	48 081	6 185	13%	144 242
Water		72 354	68 093	-	2 367	23 518	22 697	820	4%	68 093
Waste water management		37 692	34 924	-	1 302	17 143	11 641	5 502	47%	34 924
Waste management		16 057	16 706	-	684	8 345	5 568	2 776	50%	16 706
<i>Other</i>	4	3	15	-	-	-	5	(5)	-100%	15
Total Revenue - Standard	2	325 560	369 279	-	17 205	141 195	123 093	18 102	15%	369 279
Expenditure - Standard										
<i>Governance and administration</i>		112 266	100 848	-	6 261	57 774	33 615	24 158	72%	100 848
Executive and council		23 560	23 090	-	1 755	6 839	7 696	(857)	-11%	23 090
Budget and treasury office		54 090	36 853	-	1 908	42 732	12 284	30 448	248%	36 853
Corporate services		34 617	40 905	-	2 599	8 203	13 635	(5 432)	-40%	40 905
<i>Community and public safety</i>		36 345	37 111	-	3 449	12 199	12 370	(171)	-1%	37 111
Community and social services		9 599	9 519	-	869	3 077	3 173	(96)	-3%	9 519
Sport and recreation		8 685	9 090	-	881	2 884	3 030	(146)	-5%	9 090
Public safety		15 768	16 026	-	1 482	5 452	5 342	110	2%	16 026
Housing		45	51	-	31	36	17	19	110%	51
Health		2 249	2 425	-	186	751	808	(58)	-7%	2 425
<i>Economic and environmental services</i>		26 514	22 004	-	1 751	6 167	7 334	(1 167)	-16%	22 004
Planning and development		9 675	7 052	-	523	1 816	2 351	(535)	-23%	7 052
Road transport		12 399	10 348	-	927	3 325	3 449	(124)	-4%	10 348
Environmental protection		4 440	4 604	-	301	1 026	1 535	(508)	-33%	4 604
<i>Trading services</i>		177 967	209 071	-	9 060	32 064	901	31 163	3460%	209 071
Electricity		86 155	103 184	-	2 884	7 775	(34 395)	42 169	-123%	103 184
Water		53 585	56 174	-	3 125	12 384	18 724	(6 341)	-34%	56 174
Waste water management		21 801	30 712	-	1 863	7 093	10 237	(3 144)	-31%	30 712
Waste management		16 426	19 001	-	1 187	4 812	6 334	(1 521)	-24%	19 001
<i>Other</i>		252	245	-	33	93	82	11	14%	245
Total Expenditure - Standard	3	353 344	369 279	-	20 554	108 296	54 302	53 994	99%	369 279
Surplus/ (Deficit) for the year		(27 785)	0	-	(3 350)	32 899	68 791	(35 892)	-52%	0

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

This table reflects the operating budget (Financial Performance) in the standard classifications which is the Government Finance Statistics Functions and Sub-function. These are used by National Treasury to assist in the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures being used by the different institutions.

The main functions are Governance and Administration, Community and Public Safety, Economic and Environmental Services and Trading services. It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3

Operating Revenue:

Operating revenue totals R137 587 million for the period ending 30 October 2014.

Operating Expenditure

Operating expenditure reported is R108 296 million for the period. Most of the spending will start increasing over the next couple of months due to planning and SCM processes been initiated.

EC104 Makana - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M04 October

Vote Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue by Vote										
Vote 1 - TECHNICAL SERVICES	1	48 698	36 558	-	1 399	17 572	12 186	5 386	44.2%	36 558
Vote 2 - CORPORATE SERVICES		306	1 038	-	11	381	346	35	10.1%	1 038
Vote 3 - FINANCIAL SERVICES		68 737	86 472	-	5 493	34 135	28 824	5 311	18.4%	86 472
Vote 4 - COMMUNITY & SOCIAL SERVICES		29 435	26 715	-	246	9 190	8 905	285	3.2%	26 715
Vote 5 - EXECUTIVE & COUNCIL		2 427	4 827	-	-	1 294	1 609	(315)	-19.6%	4 827
Vote 6 - MUNICIPALITY MANAGER		1 449	2	-	-	740	1	739	#####	2
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		2 015	1 275	-	6	99	425	(326)	-76.6%	1 275
Vote 8 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 9 - ELECTRICITY		100 108	144 242	-	7 683	54 266	48 081	6 185	12.9%	144 242
Vote 10 - WATER		72 354	68 093	-	2 367	23 518	22 697	820	3.6%	68 093
Vote 11 - DOG TAX		-	1	-	-	-	0	(0)	-100.0%	1
Vote 12 - PARKING METERS		32	56	-	-	-	19	(19)	-100.0%	56
Vote 13 -		-	-	-	-	-	-	-	-	#N/A
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	325 560	369 279	-	17 205	141 195	123 093	18 102	14.7%	#N/A
Expenditure by Vote										
Vote 1 - TECHNICAL SERVICES	1	44 373	48 682	-	3 618	13 195	16 227	(3 032)	-18.7%	48 682
Vote 2 - CORPORATE SERVICES		26 979	27 249	-	2 858	9 225	9 083	142	1.6%	27 249
Vote 3 - FINANCIAL SERVICES		54 090	36 853	-	1 908	42 732	12 284	30 448	247.9%	36 853
Vote 4 - COMMUNITY & SOCIAL SERVICES		59 415	64 769	-	5 070	18 569	21 589	(3 020)	-14.0%	64 769
Vote 5 - EXECUTIVE & COUNCIL		14 257	16 235	-	483	2 016	5 412	(3 395)	-62.7%	16 235
Vote 6 - MUNICIPALITY MANAGER		7 961	4 745	-	338	1 369	1 582	(213)	-13.4%	4 745
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		6 485	11 334	-	239	995	3 778	(2 783)	-73.7%	11 334
Vote 8 - HOUSING		45	51	-	31	36	17	19	110.4%	51
Vote 9 - ELECTRICITY		86 155	103 184	-	2 884	7 775	34 395	(26 620)	-77.4%	103 184
Vote 10 - WATER		53 585	56 174	-	3 125	12 384	18 724	(6 341)	-33.9%	56 174
Vote 11 - DOG TAX		-	1	-	-	-	0	(0)	-100.0%	1
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	353 344	369 279	-	20 554	108 296	123 091	(14 795)	-12.0%	369 279
Surplus/ (Deficit) for the year	2	(27 785)	0	-	(3 350)	32 899	2	32 897	#####	#N/A

3.1.3 Table C3: Monthly Budget Statement – Financial I Performance (revenue and expenditure by municipal vote)

Reporting per municipal vote provide details on the spread of spending over the various functions of council. Income is mainly budgeted under the Executive and Council function and therefor the majority of the income will be reflected under this section.

EC104 Makana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		46 135	45 925	-	5 247	27 990	15 308	12 682	83%	45 925
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		95 766	138 423	-	7 681	53 414	46 141	7 274	16%	138 423
Service charges - water revenue		59 346	74 770	-	3 669	21 899	24 923	(3 025)	-12%	74 770
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		6 363	10 883	-	683	3 272	3 628	(356)	-10%	10 883
Service charges - other		90	284	-	5	22	95	(72)	-76%	284
Rental of facilities and equipment		789	153	-	(30)	305	51	254	497%	153
Interest earned - external investments		11 221	9 600	-	196	3 621	3 200	421	13%	9 600
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-
Fines		656	1 041	-	14	42	347	(305)	-88%	1 041
Licences and permits		2 597	2 430	-	17	225	810	(585)	-72%	2 430
Agency services		877	1 345	-	(552)	(149)	448	(597)	-133%	1 345
Transfers recognised - operational		73 127	80 108	-	-	29 958	26 703	3 255	12%	80 108
Other revenue		7 309	2 706	-	(4 962)	(3 012)	902	(3 914)	-434%	2 706
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		304 275	367 669	-	11 969	137 587	122 556	15 031	12%	367 669
Expenditure By Type										
Employee related costs		126 902	130 779	-	10 348	41 929	43 592	(1 663)	-4%	130 779
Remuneration of councillors		8 337	9 310	-	699	3 442	3 103	339	11%	9 310
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		59 239	27 081	-	1 876	44 158	9 027	35 131	389%	27 081
Finance charges		6 337	-	-	26	35	-	35	#DIV/0!	-
Bulk purchases		67 096	79 624	-	121	121	26 541	(26 420)	-100%	79 624
Other materials		-	-	-	-	-	-	-	-	-
Contracted services		6 469	3 657	-	408	461	1 219	(758)	-62%	3 657
Transfers and grants		22 093	40 799	-	1 714	6 984	13 600	(6 616)	-49%	40 799
Other expenditure		56 871	78 029	-	5 363	11 166	26 009	(14 843)	-57%	78 029
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		353 345	369 279	-	20 554	108 296	123 091	(14 794)	-12%	369 279
Surplus/(Deficit)										
Transfers recognised - capital		21 302	1 609	-	-	-	536	(536)	(0)	1 609
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		(27 767)	0	-	(8 585)	29 291	2			0
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		(27 767)	0	-	(8 585)	29 291	2			0
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		(27 767)	0	-	(8 585)	29 291	2			0
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		(27 767)	0	-	(8 585)	29 291	2			0

3.1.4 Table C4: Monthly Budget Statement - Financial Performance (revenue and expenditure) Revenue by Source

Revenue by sources explains the types of incomes budgeted for and the performance of their items individually.

Rental of facilities and equipment:

New rental contracts are also continuously being negotiated and a municipal property task team is addressing the various shortcomings experienced in the past in terms of rental income and other property related issues.

Interest earned – External Investments:

Reflects the investment of access funds not needed in the operations of the municipality over the short term period of time which will be readily available when needed.

Other revenue / Sundry income

Other revenue reflects a low income due to this being the early months of the financial year. The winter season and occupation rates at the resorts for these months are lower than high season.

Gains on disposal of PPE (Sale of Land)

No income was recorded under the Gains on disposal of PPE.

Expenditure by Type

Expenditure by type reflects the operational budget per main type/category of expenditure.

Employee Related cost / Remuneration of councillors

Employee related cost reported 17% of the total expenditure (for October year to date).

Debt Impairment / Depreciation and asset impairment

These items account for non-cash budgeted items which are calculated at the end of the financial year.

Finance charges

Yearly repayment of the loans are processed in December and June.

Other expenditure

Other expenditure reflects all other expenses not identified. The spending on other expenditure is low and will pick up as the year progresses.

The other capital projects will also commence in the near future after the completion of all the planning and SCM processes.

EC104 Makana - Table C6 Monthly Budget Statement - Financial Position - M04 October

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1 595	-	-	34 877	-
Call investment deposits		-	-	-	-	-
Consumer debtors		128 393	-	-	135 226	-
Other debtors		29 209	-	-	35 780	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		13 122	-	-	13 920	-
Total current assets		172 319	-	-	219 804	-
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		25 587	-	-	25 642	-
Investment property		227 072	-	-	227 072	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		811 186	-	-	818 408	-
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		948	-	-	1 855	-
Other non-current assets		-	-	-	-	-
Total non current assets		1 064 793	-	-	1 072 977	-
TOTAL ASSETS		1 237 112	-	-	1 292 780	-
LIABILITIES						
Current liabilities						
Bank overdraft		15 062	-	-	-	-
Borrowing		4 293	-	-	3 888	-
Consumer deposits		2 298	-	-	2 349	-
Trade and other payables		158 098	-	-	148 728	-
Provisions		3 365	-	-	3 365	-
Total current liabilities		183 116	-	-	158 331	-
Non current liabilities						
Borrowing		50 117	-	-	50 117	-
Provisions		65 103	-	-	64 699	-
Total non current liabilities		115 220	-	-	114 816	-
TOTAL LIABILITIES		298 336	-	-	273 147	-
NET ASSETS	2	938 776	-	-	1 019 634	-
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		933 349	(1 007)	-	1 014 200	(1 007)
Reserves		5 428	-	-	5 434	-
TOTAL COMMUNITY WEALTH/EQUITY	2	938 776	(1 007)	-	1 019 634	(1 007)

EC104 Makana - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		227 576	277 962	-	20 068	90 604	92 654	(2 049)	-2%	435 564
Government - operating		73 127	80 108	-	-	29 958	26 703	3 255	12%	80 108
Government - capital		21 302	1 609	-	-	-	536	(536)	-100%	1 609
Interest		11 221	9 600	-	196	3 621	3 200	421	13%	9 600
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(250 164)	(301 398)	-	(18 930)	(71 057)	(100 464)	(29 407)	29%	(514 843)
Finance charges		(6 337)	-	-	(26)	(35)	-	35	#DIV/0!	-
Transfers and Grants		(22 093)	(40 799)	-	(1 714)	(6 984)	(13 600)	(6 616)	49%	(40 799)
NET CASH FROM/(USED) OPERATING ACTIVITIES		54 632	27 081	-	(405)	46 107	9 029	37 078	411%	(28 761)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		(15 115)	-	-	(10)	(15 170)	-	(15 170)	#DIV/0!	-
Payments										
Capital assets		(54 423)	-	-	(6 940)	(62 552)	(62 552)	0	0%	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(69 538)	-	-	(6 950)	(77 722)	(62 552)	15 170	-24%	-
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		30 770	-	-	-	30 365	-	30 365	#DIV/0!	-
Increase (decrease) in consumer deposits		91	-	-	(4)	100	-	100	#DIV/0!	(2 298)
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		(54 410)
NET CASH FROM/(USED) FINANCING ACTIVITIES		30 861	-	-	(4)	30 465	-	(30 465)	#DIV/0!	(56 707)
NET INCREASE/ (DECREASE) IN CASH HELD		15 955	27 081	-	(7 359)	(1 149)	(53 523)			(85 468)
Cash/cash equivalents at beginning:		9 833	-	-	-	9 289	-	-		9 289
Cash/cash equivalents at month/year end:		25 788	27 081	-	-	8 140	(53 523)	-		(76 179)

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

EC104 Makana - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2014/15										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total					
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	(15 461)	7 289	2 468	1 580	2 046	10 726	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	7 297	4 792	8 628	6 576	1 144	9 027	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1 043	3 817	2 866	7 006	1 667	17 803	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	(18)	1	0	0	0	3	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	(3 307)	457	402	364	287	2 600	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	(198)	80	78	76	40	514	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	(3 181)	96	1	80	322	348	-	-	-	-	-	-	-	-
Total By Income Source	2000	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2013/14 - totals only															
Debtors Age Analysis By Customer Group															
Organs of State	2200	477	934	1 001	1 721	214	1 074	-	-	-	-	-	-	-	-
Commercial	2300	1 022	7 380	8 082	7 052	1 367	11 392	-	-	-	-	-	-	-	-
Households	2400	(14 825)	7 266	4 562	5 771	3 261	22 975	-	-	-	-	-	-	-	-
Other	2500	(498)	952	798	1 140	664	5 580	-	-	-	-	-	-	-	-
Total By Customer Group	2600	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The municipality will be writing off all unrecoverable debts in order to be in a position to do the correct reporting as required and will verify and distribute the correct information to the relevant role-players.

Section 5 – Creditors' analysis

EC104 Makana - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2014/15									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	10 546	14 109	13 917	11 493	-	-	-	-	-	-
Bulk Water	0200	-	-	-	2 214	-	-	-	-	-	-
PAYE deductions	0300	1 208	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	219	232	102	-	-	-	-	-	-
Trade Creditors	0700	1 616	3 635	4 617	17 429	-	-	-	-	-	-
Auditor General	0800	100	211	425	7 264	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	-	-	-	-	-	-	-	-	-

Creditors section is busy with a total overhaul of their operating procedures. Standard operating procedures are being developed and various challenges that were hindering better performance in terms of payment of Creditors are being addressed.

This should improve the reporting in future in terms of outstanding creditors but for the time being a year to date status quo will maintain. No proper reporting on the outstanding creditors can be done for the period 30 October 2014 until the SOP's have been completed and implemented.

Section 6 – Allocation and grant receipts and expenditure

6.1 Supporting Table C6

EC104 Makana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		67 646	74 718	-	-	29 507	24 906	4 512	18.1%	74 718
Local Government Equitable Share		53 602	72 184	-	-	28 573	24 061	4 512	18.8%	72 184
		-	-	-	-	-	-	-	-	-
Finance Management		1 240	1 600	-	202	202	533	-	-	1 600
Municipal Systems Improvement		938	934	-	-	934	311	-	-	934
EPWP Incentive		-	1 070	-	208	208	-	-	-	-
	3	11 866	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		4 010	3 844	-	-	450	1 281	(832)	-64.9%	3 844
Health subsidy		1 788	1 409	-	-	450	470	(20)	-4.3%	1 409
		-	-	-	-	-	-	-	-	-
Sport and Recreation		2 222	2 435	-	-	-	812	(812)	-100.0%	2 435
	4	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		1 276	-	-	-	-	-	-	-	-
[insert description]		1 276	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		196	539	-	-	1	180	(179)	-99.4%	539
[insert description]		196	539	-	-	1	180	(179)	-99.4%	539
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	73 127	79 101	-	-	29 958	26 367	3 501	13.3%	79 101
Capital Transfers and Grants										
National Government:		21 302	1 609	-	-	-	536	(536)	-100.0%	1 609
Regional Bulk Infrastructure		-	10 000	-	-	-	2 500	(536)	-100.0%	1 609
Municipal Infrastructure Grant (MIG)		-	23 298	-	215	4 505	5 825	-	-	-
Neighbourhood Development Partnership		-	893	-	-	-	223	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
INEP		-	2 020	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Sport and Recreation		-	1 550	-	-	-	258	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
External Funding		-	27 535	-	-	-	6 884	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	21 302	1 609	-	-	-	536	(536)	-100.0%	1 609
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	94 430	80 710	-	-	29 958	26 903	2 965	11.0%	80 710

6.2 Supporting Table C7

EC104 Makana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	75 725	-	410	30 122	18 932	11 190	59.1%	-
Local Government Equitable Share			72 184			28 573	18 046	10 527	58.3%	
Finance Management			1 600		202	604	400	204	51.0%	
Municipal Systems Improvement			934			584	234	350	149.6%	
EPWP Incentive			1 007		208	361	252	109	43.1%	
Other transfers and grants [insert description]										
Provincial Government:		-	3 844	-	-	-	-	-	-	-
Health subsidy			1 409							
Sport and Recreation			2 435							
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		-	79 569	-	410	30 122	18 932	11 190	59.1%	-
Capital expenditure of Transfers and Grants										
National Government:		35 318	-	-	-	164	5 825	(5 661)	-97.2%	-
Regional Bulk Infrastructure		10 000								
		23 298				164	5 825	(5 661)	-97.2%	
INEP		2 020								
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		35 318	-	-	-	164	5 825	(5 661)	-97.2%	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		35 318	79 569	-	410	30 286	24 757	5 529	22.3%	-

Performance reporting on grants will be enhanced to ensure compliance with the Division of Revenue Act that stipulates reporting on all grant performance should be done.

Section 7 – Expenditure on councillor and board members allowances and employee benefits

Supporting Table C8

EC104 Makana - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

Summary of Employee and Councillor remuneration	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		6 066	6 434	-	489	2 603	2 145	459	21%	6 434
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1 866	2 145	-	163	652	715	(62)	-9%	2 145
Cellphone Allowance		404	732	-	47	186	244	(57)	-24%	732
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		8 337	9 310	-	699	3 442	3 103	339	11%	9 310
% increase	4		11.7%							11.7%
Senior Managers of the Municipality										
Basic Salaries and Wages		-	-	-	175	-	-	-	-	-
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	-	-	33	-	-	-	-	-
Cellphone Allowance		-	-	-	3	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	-	-	211	-	-	-	-	-
% increase	4									
Other Municipal Staff										
Basic Salaries and Wages		84 584	96 141	-	7 487	30 160	32 047	#REF!	#REF!	96 141
Pension and UIF Contributions		14 890	15 468	-	1 304	5 212	5 156	#REF!	#REF!	15 468
Medical Aid Contributions		6 096	6 075	-	499	2 015	2 025	#REF!	#REF!	6 075
Overtime		8 478	6 096	-	580	2 523	2 032	#REF!	#REF!	6 096
Performance Bonus		498	400	-	14	133	133	#REF!	#REF!	400
Motor Vehicle Allowance		3 278	3 357	-	275	1 150	1 119	#REF!	#REF!	3 357
Cellphone Allowance		162	189	-	13	50	63	#REF!	#REF!	189
Housing Allowances		270	885	-	21	81	295	#REF!	#REF!	885
Other benefits and allowances		1 125	927	-	101	392	309	#REF!	#REF!	927
Payments in lieu of leave		-	-	-	-	-	-	#REF!	#REF!	-
Long service awards		7 521	1 240	-	54	214	413	#REF!	#REF!	1 240
Post-retirement benefit obligations	2	-	-	-	-	-	-	#REF!	#REF!	-
Sub Total - Other Municipal Staff		#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
% increase	4		#REF!	#REF!						#REF!
Total Parent Municipality		#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!	#REF!
Unpaid salary, allowances & benefits in arrears:			----	----						----