



**MAKANA**  
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Report To: **FINANCE ADMINISTRATION AND EVALUATION PORTFOLIO COMMITTEE**

File ref : \_\_\_\_\_

Collaborator/Item no: AME 8.2(F)

Date: **11 September 2015**

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**SUBJECT: MONTHLY REPORT: AUGUST 2015**

**REPORT DATED 11 SEPTEMBER 2015 FROM THE ACTING CHIEF FINANCIAL OFFICER TO THE  
FINANCE ADMINISTRATION AND EVALUATION PORTFOLIO COMMITTEE**

**PURPOSE:**

The purpose of this item is to submit a financial report for the month ending AUGUST 2015 to the Finance Administration and Evaluation Committee for **APPROVAL**.

**LEGAL COMPLIANCE:**

In terms of Section 71 of the Municipal Finance Management No.56 of 2003

**BACKGROUND:**

It is the role of the Finance Department to table, on a monthly basis, financial report indicating the financial performance of the institution at a given point in time. The attached report attempts to comply with that requirement, for the period ending AUGUST

**DISCUSSION:**

Annexure 1 - Operating Income and Expenditure as at end AUGUST 2015.

Annexure 2 – Capital Expenditure per Vote as at end AUGUST 2015.

Annexure 3 – 12 Supporting Documents

**RECOMMENDATIONS:**

- a) That the Finance Administration and Evaluation Committee **APPROVE** the financial report from the Acting Chief Financial Officer, for the month ending AUGUST 2015.

**COMMENTS FROM THE EXECUTIVE MANAGEMENT:**

- 1.1.1. TECHNICAL AND INFRASTRUCTURE SERVICES: None Required
- 1.1.2. COMMUNITY AND SOCIAL SERVICES: None Required
- 1.1.3. CORPORATE SERVICES: None Required
- 1.1.4. BUDGET AND TREASURY SERVICES:
- 1.1.5. LOCAL ECONOMIC DEVELOPMENT: None Required
- 1.1.6. MUNICIPAL MANAGER: None Required

**FOR FURTHER DETAILS CONTACT:**

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ACTING CHIEF FINANCIAL OFFICER  
MS. B KHUMALO

  
.....  
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**MAKANA**  
MUNICIPALITY | EASTERN CAPE  
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# In-Year Report of the Municipality

Prepared in terms of the Local Government: Municipal Finance  
Management Act (56/2003): Municipal Budget and Reporting  
Regulations, Government Gazette 32141, 17 May 2009.

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## Monthly Budget Statement AUGUST 2015

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# Glossary

<b>Adjustments budget</b> – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.
<b>Allocations</b> – Money received from Provincial or National Government or other municipalities.
<b>Budget</b> – The financial plan of the Municipality.
<b>Budget related policy</b> – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy, credit control and debt collection policy.
<b>Capital expenditure</b> - Spending on assets such as land, buildings and machinery.
Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.
<b>Cash flow statement</b> – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.
<b>DORA</b> – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.
<b>Equitable share</b> – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.
<b>Fruitless and wasteful expenditure</b> – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.
<b>GFS</b> – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.
<b>GRAP</b> – Generally Recognised Accounting Practice. The new standard for municipal accounting.
<b>IDP</b> – Integrated Development Plan. The main strategic planning document of the Municipality.
<b>IHHS</b> – Informal Housing and Human Settlements, provincial grant.
<b>KEDA</b> – Entity of Makana Municipality, Makana Economic Development Agency.
<b>MBRR</b> – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.
<b>MDMG</b> – Municipal Disaster Management Grant.
<b>MFMA</b> – Local Government: Municipal Finance Management Act (56/2003). The principle piece of legislation relating to municipal financial management. Sometimes referred to as the Act.
<b>MIG</b> – Municipal Infrastructure Grant.
<b>MTREF</b> – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.
<b>NDPG</b> – Neighbourhood Development Partnership Grant.
<b>Operating expenditure</b> – Spending on the day to day expenses of the Municipality such as salaries and wages
<b>Rates</b> – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.
<b>SDBIP</b> – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.
<b>Strategic objectives</b> – The main priorities of the Municipality as set out in the IDP.
Budgeted spending must contribute towards the achievement of the strategic objectives.
<b>Unauthorised expenditure</b> – Generally, is spending without, or in excess of, an approved budget.
<b>Virement</b> – A transfer of budget.
<b>Virement policy</b> - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.
<b>Vote</b> – One of the main segments into which a budget. In Makana Municipality this means at directorate level.

# **PART 1 – IN-YEAR REPORT**

## **Section 1 – Mayor's Report**

### **1.1 In-Year Report - Monthly Budget Statement**

The monthly budget statement for August 2015 has been prepared to meet the legislative requirements of the Municipal Budget and Reporting Regulations. The audited outcomes for 2013/2014 reflected in this report are provisional for June 2015 as the Annual Financial Statements were submitted to the Auditor General on 31 August 2015.

#### **1.1.1 Financial problems or risks facing the municipality**

The municipality continues to experience challenges regarding liquidity. This is mainly due to the under-collection of revenue and large outstanding debt owed to creditors carried over from previous financial years. These financial challenges continue to persist but some headway has been made in ensuring financial stability. A revenue enhancement strategy has been formulated and presented to council for approval. As a result a debt collection company (REVCO) was appointed and commenced work on 01 February 2015. The scope of work for work entails debt collection and data cleansing. The implementation of these functions should improve the debtors' information used to bill customers and the revenue collection rate thus reducing the liquidity challenges. The REVCO performance report is included under section 5 of this report.

#### **1.1.2 Relevant information**

As at 30 June 2015, the municipality had an amount of R13 461 200.00 unspent on the Municipal Infrastructure Grant (MIG). Since these funds were under the control of Sara Baartman District Municipality, the District Municipality has applied for the grant roll-over on Makana Municipality's behalf. The roll-over application outcome is pending.

## **Section 2 – IN-YEAR REPORTS 2015/2016**

### **RECOMMENDATION:**

- (a) That Finance Administration and Evaluation Portfolio Committee notes the monthly budget statement and supporting documentation for August 2015.



## Section 3 – Executive Summary

### 3.1 Introduction

The Annual Financial Statements for the 2014/15 year were submitted to the Auditor General on 31 August 2015.

### 3.2 Consolidated performance

#### 3.2.1 Against annual budget (original approved and latest adjustments)

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

	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Annual Budget %
Operating Revenue	418 312	-	96 396	30%
Operating Expenditure	417 484	-	42 060	10%
Capital Expenditure	190 292	-	7 971	10%

#### Revenue by Source

The annual billing for rates and fixed service charges is reflected in this report. Year-to-date property rates, fixed refuse and sanitation charges equate to 40% of their total respective annual budgets. The table above summarizes the overall position on the capital and operating budgets

Year-to-date revenue realised 30%, R5 332 000.00 more when compared to year-to-date budget projections for August 2015.

#### Operating expenditure by type

Year-to-date adjusted expenditure is 10% or R12 358 000.00 more when compared to the year-to-date budget as at 31 August 2015.

*Refer to Section 4 – Table C4 for further details on both revenue by source and expenditure by type*

#### Capital expenditure

Year-to-date expenditure on capital project amounts to R7 971 million of the adjusted capital budget of R190 292 million.

*Refer to Section 4 – Table C5 for more detail.*

#### Cash flows

The financial month commenced with a **negative** cash & cash equivalents balance but has since improved to end n a positive balance of R35 858 000.00.

*Refer to section 4 – Supporting Table C9 and Section 7 for more detail on the cash position.*

# Section 4 – In-year budget statement tables

## 4.1 *Monthly budget statements*

### 4.1.1 Table C1: s71 Monthly Budget Statement Summary

Choose name from list - Table C1 Monthly Budget Statement Summary - M02 August

Description	2014/15	Budget Year 2015/16				
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
<b>R thousands</b>						
<b>Financial Performance</b>						
Property rates	49 813	52 695	–	1 355	20 730	8 782
Service charges	197 214	261 544	–	9 730	39 134	43 591
Investment revenue	12 392	11 893	–	1 346	2 174	1 982
Transfers recognised - operational	81 144	82 734	–	930	33 357	34 937
Other own revenue	5 400	8 262	–	746	1 002	1 377
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>345 963</b>	<b>417 127</b>	<b>–</b>	<b>14 108</b>	<b>96 396</b>	<b>90 670</b>
Employee costs	129 931	121 519	–	10 257	21 070	20 253
Remuneration of Councillors	9 458	9 721	–	719	1 437	1 620
Depreciation & asset impairment	55 486	32 538	–	1 876	3 752	5 423
Finance charges	8 707	1	–	1 837	1 837	0
Materials and bulk purchases	79 094	88 002	–	15 552	15 361	14 667
Transfers and grants	25 328	74 434	–	385	(273)	12 406
Other expenditure	55 757	91 268	–	4 806	(1 125)	15 211
<b>Total Expenditure</b>	<b>363 763</b>	<b>417 484</b>	<b>–</b>	<b>35 432</b>	<b>42 060</b>	<b>69 580</b>
<b>Surplus/(Deficit)</b>	<b>(17 799)</b>	<b>(357)</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 090</b>
Transfers recognised - capital	215	1 185	–	–	–	395
Contributions & Contributed assets	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(17 585)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 485</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>(17 585)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 485</b>
<b>Capital expenditure &amp; funds sources</b>						
<b>Capital expenditure</b>	<b>36 197</b>	<b>191 857</b>	<b>–</b>	<b>972</b>	<b>30 172</b>	<b>31 976</b>
Capital transfers recognised	–	–	–	–	–	–
Public contributions & donations	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–
<b>Total sources of capital funds</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Financial position</b>						
Total current assets	211 810	–	–		249 923	
Total non current assets	1 111 381	191 857	–		1 105 357	
Total current liabilities	247 697	(903)	–		249 250	
Total non current liabilities	114 816	–	–		114 816	
<b>Community wealth/Equity</b>	<b>960 678</b>	<b>(250)</b>	<b>–</b>		<b>991 214</b>	
<b>Cash flows</b>						
Net cash from (used) operating	102 194	32 463	–	(22 311)	38 367	26 757
Net cash from (used) investing	(43 844)	(191 857)	–	(973)	(37 775)	(37 828)
Net cash from (used) financing	23	–	–	14	53	–
<b>Cash/cash equivalents at the month/year end</b>	<b>44 502</b>	<b>(159 394)</b>	<b>–</b>	<b>–</b>	<b>36 503</b>	<b>(11 071)</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>Debtors Age Analysis</b>						
Total By Income Source	–	–	–	–	–	–
<b>Creditors Age Analysis</b>						
Total Creditors	–	–	–	–	–	–



#### **4.1.2 Table C2: Monthly Budget Statement – Financial Performance (standard classification)**

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

Choose name from list - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	Ref	2014/15	Budget Year 2015/16				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year ID actual	Year ID budget
R thousands	1						
<b>Revenue - Standard</b>							
<i><b>Governance and administration</b></i>		89 764	105 973	-	4 180	29 612	28 628
Executive and council		4 937	6 091	-	401	1 828	2 281
Budget and treasury office		83 700	97 170	-	3 656	27 564	25 697
Corporate services		1 127	2 712	-	123	220	650
<i><b>Community and public safety</b></i>		6 484	5 908	-	92	188	985
Community and social services		4 509	3 128	-	70	155	521
Sport and recreation		31	18	-	0	1	3
Public safety		204	1 255	-	22	31	209
Housing		-	-	-	-	-	-
Health		1 740	1 507	-	-	1	251
<i><b>Economic and environmental services</b></i>		4 291	4 059	-	104	137	760
Planning and development		641	403	-	23	35	150
Road transport		3 172	3 634	-	79	98	606
Environmental protection		478	23	-	2	4	4
<i><b>Trading services</b></i>		245 769	302 356	-	9 732	66 460	60 689
Electricity		116 556	174 087	-	12 533	25 449	30 437
Water		76 715	73 098	-	(3 940)	19 184	16 728
Waste water management		34 102	37 277	-	931	14 978	9 022
Waste management		18 396	17 893	-	208	6 848	4 501
<i><b>Other</b></i>	4	-	15	-	-	-	3
<b>Total Revenue - Standard</b>	2	346 308	418 312	-	14 108	96 396	91 064
<b>Expenditure - Standard</b>							
<i><b>Governance and administration</b></i>		109 057	133 666	-	7 560	4 248	22 277
Executive and council		19 612	25 083	-	1 130	(5 609)	4 180
Budget and treasury office		60 708	64 096	-	3 525	5 008	10 683
Corporate services		28 737	44 487	-	2 906	4 849	7 414
<i><b>Community and public safety</b></i>		38 208	37 681	-	3 066	6 049	6 280
Community and social services		10 159	9 772	-	847	1 761	1 628
Sport and recreation		8 925	9 527	-	755	1 281	1 588
Public safety		16 661	15 225	-	1 287	2 655	2 537
Housing		48	53	-	2	3	9
Health		2 415	3 104	-	176	350	517
<i><b>Economic and environmental services</b></i>		22 290	24 564	-	1 922	3 578	4 094
Planning and development		6 931	9 649	-	771	1 302	1 608
Road transport		12 404	11 757	-	893	1 714	1 959
Environmental protection		2 955	3 158	-	258	562	526
<i><b>Trading services</b></i>		193 954	221 414	-	22 856	28 145	(2 976)
Electricity		106 402	119 634	-	17 159	17 500	(19 939)
Water		48 304	52 203	-	3 365	5 649	8 700
Waste water management		23 455	29 900	-	1 451	3 251	4 983
Waste management		15 793	19 677	-	882	1 745	3 279
<i><b>Other</b></i>		253	160	-	28	40	27
<b>Total Expenditure - Standard</b>	3	363 762	417 484	-	35 432	42 060	29 702
<b>Surplus/ (Deficit) for the year</b>		(17 454)	827	-	(21 325)	54 336	61 363

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

The operating expenditure budget is approved by Council on the municipal vote level.

The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Technical and Infrastructure; Corporate Services; Financial Services; Community and Social Services; Executive Mayor; Municipal Manager; Local Economic Development; Housing; Electricity; Water.

Choose name from list - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August							
Vote Description	Ref	2014/15	Budget Year 2015/16				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
<b>R thousands</b>							
<b>Revenue by Vote</b>	1						
Vote 1 - TECHNICAL SERVICES		35 407	38 563	–	1 058	15 201	9 434
Vote 2 - CORPORATE SERVICES		403	729	–	4	46	205
Vote 3 - FINANCIAL SERVICES		83 700	98 172	–	4 057	27 965	25 864
Vote 4 - COMMUNITY & SOCIAL SERVICES		28 469	27 317	–	377	7 092	6 072
Vote 5 - EXECUTIVE & COUNCIL		4 209	5 066	–	–	1 429	2 111
Vote 6 - MUNICIPALITY MANAGER		740	3	–	–	–	1
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		109	1 275	–	20	31	213
Vote 8 - HOUSING		–	–	–	–	–	–
Vote 9 - ELECTRICITY		116 556	174 087	–	12 533	25 449	30 437
Vote 10 - WATER		76 715	73 098	–	(3 940)	19 184	16 728
Vote 11 - DOG TAX		–	1	–	–	–	0
Vote 12 - PARKING METERS		–	–	–	–	–	–
<b>Total Revenue by Vote</b>	2	<b>346 308</b>	<b>418 312</b>	<b>–</b>	<b>14 108</b>	<b>96 396</b>	<b>91 064</b>
<b>Expenditure by Vote</b>	1						
Vote 1 - TECHNICAL SERVICES		44 396	49 829	–	3 127	6 444	8 305
Vote 2 - CORPORATE SERVICES		25 738	31 262	–	2 192	3 532	5 210
Vote 3 - FINANCIAL SERVICES		60 708	64 653	–	3 525	5 008	10 775
Vote 4 - COMMUNITY & SOCIAL SERVICES		58 543	64 645	–	4 329	8 545	10 774
Vote 5 - EXECUTIVE & COUNCIL		11 099	16 824	–	891	1 886	2 804
Vote 6 - MUNICIPALITY MANAGER		4 158	5 244	–	269	(7 411)	874
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		4 866	13 136	–	575	1 056	2 189
Vote 8 - HOUSING		48	53	–	2	3	9
Vote 9 - ELECTRICITY		106 402	119 634	–	17 159	17 500	19 939
Vote 10 - WATER		48 304	52 203	–	3 365	5 649	8 700
Vote 11 - DOG TAX		–	1	–	–	–	0
Vote 12 - PARKING METERS		–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	2	<b>364 262</b>	<b>417 484</b>	<b>–</b>	<b>35 432</b>	<b>42 210</b>	<b>69 580</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>(17 954)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 186</b>	<b>21 485</b>

The monthly budget statements show a deficit of R21 325 million. This is a result of payments made to Eskom for Electricity Bulk Purchases. The relevant journal has not been recorded on the financial system to recognise the funds from investments, hence the system shows a such a high deficit.



#### 4.1.4 Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)

Choose name from list - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2014/15	Budget Year 2015/16				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
<b>R thousands</b>							
<b>Revenue By Source</b>							
Property rates		49 813	52 695	–	1 355	20 730	8 782
Property rates - penalties & collection charges		–	–	–	–	–	–
Service charges - electricity revenue		112 430	168 523	–	12 533	24 547	28 087
Service charges - water revenue		53 344	54 900	–	(3 940)	4 924	9 150
Service charges - sanitation revenue		21 525	26 037	–	931	8 508	4 340
Service charges - refuse revenue		9 813	11 783	–	206	1 149	1 964
Service charges - other		102	301	–	1	6	50
Rental of facilities and equipment		1 012	155	–	136	275	26
Interest earned - external investments		12 392	11 893	–	1 346	2 174	1 982
Interest earned - outstanding debtors		–	–	–	–	–	–
Dividends received		–	–	–	–	–	–
Fines		55	1 089	–	18	19	181
Licences and permits		2 344	2 293	–	187	207	382
Agency services		850	1 300	–	(106)	(106)	217
Transfers recognised - operational		81 144	82 734	–	930	33 357	34 937
Other revenue		1 138	3 424	–	510	607	571
Gains on disposal of PPE		–	–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>345 963</b>	<b>417 127</b>	<b>–</b>	<b>14 108</b>	<b>96 396</b>	<b>90 670</b>
<b>Expenditure By Type</b>							
Employee related costs		129 931	121 519	–	10 257	21 070	20 253
Remuneration of councillors		9 458	9 721	–	719	1 437	1 620
Debt impairment		–	–	–	–	–	–
Depreciation & asset impairment		55 486	32 538	–	1 876	3 752	5 423
Finance charges		8 707	1	–	1 837	1 837	0
Bulk purchases		79 094	88 002	–	15 552	15 361	14 667
Other materials		–	–	–	–	–	–
Contracted services		4 302	4 569	–	570	1 351	761
Transfers and grants		25 328	74 434	–	385	(273)	12 406
Other expenditure		51 455	86 699	–	4 236	(2 475)	14 449
Loss on disposal of PPE		–	–	–	–	–	–
<b>Total Expenditure</b>		<b>363 763</b>	<b>417 484</b>	<b>–</b>	<b>35 432</b>	<b>42 060</b>	<b>69 580</b>
<b>Surplus/(Deficit)</b>		<b>(17 799)</b>	<b>(357)</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 090</b>
Transfers recognised - capital		215	1 185	–	–	–	395
Contributions recognised - capital		–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(17 585)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 485</b>
Taxation		–	–	–	–	–	–
<b>Surplus/(Deficit) after taxation</b>		<b>(17 585)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 485</b>
Attributable to minorities		–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(17 585)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 485</b>
Share of surplus/ (deficit) of associate		–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>		<b>(17 585)</b>	<b>827</b>	<b>–</b>	<b>(21 325)</b>	<b>54 336</b>	<b>21 485</b>

The Annual budget is approved for 'Total Revenue by Source'.

The year-to-date actual reflects an achievement of **30%** of the annual budget.

Current expenditure is **10%**, **R12 358 000.00** more year-to-date budget projections for August 2015.

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



Choose name from list - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M02 August

Vote Description	Ref	2014/15	Budget Year 2015/16				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
<b>R thousands</b>	<b>1</b>						
<b>Multi-Year expenditure appropriation</b>	<b>2</b>						
Vote 1 - TECHNICAL SERVICES		20 937	153 683	–	75	14 013	25 614
Vote 2 - CORPORATE SERVICES		915	600	–	286	1 201	100
Vote 3 - FINANCIAL SERVICES		(3)	–	–	–	(3)	–
Vote 4 - COMMUNITY & SOCIAL SERVICES		1 078	14 286	–	–	1 078	2 381
Vote 5 - EXECUTIVE & COUNCIL		–	–	–	–	–	–
Vote 6 - MUNICIPALITY MANAGER		–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		344	–	–	–	344	–
Vote 8 - HOUSING		–	–	–	–	–	–
Vote 9 - ELECTRICITY		1 904	6 724	–	20	1 923	1 121
Vote 10 - WATER		10 804	15 000	–	1	10 806	2 500
Vote 11 - DOG TAX		–	–	–	–	–	–
Vote 12 - PARKING METERS		–	–	–	–	–	–
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	<b>35 980</b>	<b>190 292</b>	<b>–</b>	<b>382</b>	<b>29 363</b>	<b>31 715</b>
<b>Single Year expenditure appropriation</b>	<b>2</b>						
Vote 1 - TECHNICAL SERVICES		–	–	–	591	591	–
Vote 2 - CORPORATE SERVICES		(0)	600	–	–	(0)	100
Vote 3 - FINANCIAL SERVICES		218	–	–	–	218	–
Vote 4 - COMMUNITY & SOCIAL SERVICES		–	15	–	–	–	3
Vote 5 - EXECUTIVE & COUNCIL		–	–	–	–	–	–
Vote 6 - MUNICIPALITY MANAGER		–	–	–	–	–	–
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		–	–	–	–	–	–
Vote 8 - HOUSING		–	–	–	–	–	–
Vote 9 - ELECTRICITY		–	950	–	–	–	158
Vote 10 - WATER		–	–	–	–	–	–
Vote 11 - DOG TAX		–	–	–	–	–	–
Vote 12 - PARKING METERS		–	–	–	–	–	–
<b>Total Capital single-year expenditure</b>	<b>4</b>	<b>218</b>	<b>1 565</b>	<b>–</b>	<b>591</b>	<b>808</b>	<b>261</b>
<b>Total Capital Expenditure</b>		<b>36 197</b>	<b>191 857</b>	<b>–</b>	<b>972</b>	<b>30 172</b>	<b>31 976</b>
<b>Capital Expenditure - Standard Classification</b>							
<b>Governance and administration</b>		<b>1 130</b>	<b>1 200</b>	<b>–</b>	<b>286</b>	<b>1 415</b>	<b>200</b>
Executive and council		–	–	–	–	–	–
Budget and treasury office		215	–	–	–	215	–
Corporate services		915	1 200	–	286	1 201	200
<b>Community and public safety</b>		<b>1 080</b>	<b>13 983</b>	<b>–</b>	<b>1</b>	<b>1 081</b>	<b>2 330</b>
Community and social services		–	3 574	–	–	–	596
Sport and recreation		1 078	10 409	–	–	1 078	1 735
Public safety		2	–	–	1	4	–
Housing		–	–	–	–	–	–
Health		–	–	–	–	–	–
<b>Economic and environmental services</b>		<b>18 174</b>	<b>14 801</b>	<b>–</b>	<b>666</b>	<b>11 841</b>	<b>2 467</b>
Planning and development		344	–	–	–	344	–
Road transport		17 830	14 683	–	666	11 497	2 447
Environmental protection		–	118	–	–	–	20
<b>Trading services</b>		<b>15 815</b>	<b>161 674</b>	<b>–</b>	<b>21</b>	<b>15 837</b>	<b>26 946</b>
Electricity		1 904	7 674	–	20	1 923	1 279
Water		10 804	15 000	–	1	10 806	2 500
Waste water management		3 107	139 000	–	–	3 107	23 167
Waste management		–	–	–	–	–	–
<b>Other</b>		<b>–</b>	<b>200</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>33</b>
<b>Total Capital Expenditure - Standard Classification</b>	<b>3</b>	<b>36 199</b>	<b>191 857</b>	<b>–</b>	<b>973</b>	<b>30 175</b>	<b>31 976</b>

#### 4.1.6 Table C6: Monthly Budget Statement - Financial Position

Choose name from list - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		10 391	-	-	30 643	-
Call investment deposits		-	-	-	-	-
Consumer debtors		153 086	-	-	155 868	-
Other debtors		34 256	-	-	48 285	-
Current portion of long-term receivables		-	-	-	-	-
Inventory		14 078	-	-	15 127	-
<b>Total current assets</b>		<b>211 810</b>	<b>-</b>	<b>-</b>	<b>249 923</b>	<b>-</b>
<b>Non current assets</b>						
Long-term receivables		-	-	-	-	-
Investments		25 579	-	-	25 579	-
Investment property		230 233	-	-	230 233	-
Investments in Associate		-	-	-	-	-
Property, plant and equipment		847 533	190 292	-	841 223	190 292
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		4 357	1 565	-	4 642	1 565
Other non-current assets		3 679	-	-	3 679	-
<b>Total non current assets</b>		<b>1 111 381</b>	<b>191 857</b>	<b>-</b>	<b>1 105 357</b>	<b>191 857</b>
<b>TOTAL ASSETS</b>		<b>1 323 191</b>	<b>191 857</b>	<b>-</b>	<b>1 355 280</b>	<b>191 857</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		3 888	-	-	3 888	-
Consumer deposits		2 321	-	-	2 370	-
Trade and other payables		238 122	-	-	239 627	-
Provisions		3 365	(903)	-	3 365	(903)
<b>Total current liabilities</b>		<b>247 697</b>	<b>(903)</b>	<b>-</b>	<b>249 250</b>	<b>(903)</b>
<b>Non current liabilities</b>						
Borrowing		50 117	-	-	50 117	-
Provisions		64 699	-	-	64 699	-
<b>Total non current liabilities</b>		<b>114 816</b>	<b>-</b>	<b>-</b>	<b>114 816</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>362 513</b>	<b>(903)</b>	<b>-</b>	<b>364 066</b>	<b>(903)</b>
<b>NET ASSETS</b>	<b>2</b>	<b>960 678</b>	<b>192 760</b>	<b>-</b>	<b>991 214</b>	<b>192 760</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		955 232	(250)	-	985 764	(250)
Reserves		5 447	-	-	5 450	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>960 678</b>	<b>(250)</b>	<b>-</b>	<b>991 214</b>	<b>(250)</b>



#### 4.1.7 Table C7: Monthly Budget Statement - Cash Flow

Choose name from list - Table C7 Monthly Budget Statement - Cash Flow - M02 August							
Description	Ref	2014/15	Budget Year 2015/16				
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
R thousands	1						
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>							
<b>Receipts</b>							
Ratepayers and other		222 670	322 501	-	21 408	44 055	53 750
Government - operating		81 144	82 734	-	930	33 357	34 937
Government - capital		215	1 185	-	-	-	395
Interest		12 392	11 893	-	1 346	2 174	1 982
Dividends		-	-	-	-	-	-
<b>Payments</b>							
Suppliers and employees		(180 191)	(311 413)	-	(43 773)	(39 654)	(51 901)
Finance charges		(8 707)	(1)	-	(1 837)	(1 837)	(0)
Transfers and Grants		(25 328)	(74 434)	-	(385)	273	(12 406)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>102 194</b>	<b>32 463</b>	<b>-</b>	<b>(22 311)</b>	<b>38 367</b>	<b>26 757</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
<b>Receipts</b>							
Proceeds on disposal of PPE		(5 054)	-	-	-	(5 054)	(5 054)
Decrease (Increase) in non-current debtors		-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-
Decrease (increase) in non-current investments		8	-	-	-	53	-
<b>Payments</b>							
Capital assets		(38 799)	(191 857)	-	(973)	(32 775)	(32 775)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(43 844)</b>	<b>(191 857)</b>	<b>-</b>	<b>(973)</b>	<b>(37 775)</b>	<b>(37 828)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
<b>Receipts</b>							
Short term loans		-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-
Increase (decrease) in consumer deposits		23	-	-	14	53	-
<b>Payments</b>							
Repayment of borrowing		-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>23</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>53</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>58 374</b>	<b>(159 394)</b>	<b>-</b>	<b>(23 271)</b>	<b>644</b>	<b>(11 071)</b>
Cash/cash equivalents at beginning:		(13 872)	-	-		35 858	-
Cash/cash equivalents at month/year end:		44 502	(159 394)	-		36 503	(11 071)

## 4.1.8 Supporting Table SC9: Monthly Budget Statement – Actual and revised targets for cash receipts and cash flows

This supporting table gives a detailed breakdown of information summarised in Table C7.

Choose name from list - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August

Description	Ref	Budget Year 2015/16											
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget
<b>R thousands</b>	<b>1</b>												
<b>Cash Receipts By Source</b>													
Property rates		4 391	4 391	4 391	4 391	4 391	4 391	4 391	4 391	4 391	4 391	4 391	4 391
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		14 044	14 044	14 044	14 044	14 044	14 044	14 044	14 044	14 044	14 044	14 044	14 044
Service charges - water revenue		4 575	4 575	4 575	4 575	4 575	4 575	4 575	4 575	4 575	4 575	4 575	4 575
Service charges - sanitation revenue		2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 170	2 170
Service charges - refuse		982	982	982	982	982	982	982	982	982	982	982	982
Service charges - other		25	25	25	25	25	25	25	25	25	25	25	25
Rental of facilities and equipment		13	13	13	13	13	13	13	13	13	13	13	13
Interest earned - external investments		991	991	991	991	991	991	991	991	991	991	991	991
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-
Fines		91	91	91	91	91	91	91	91	91	91	91	91
Licences and permits		191	191	191	191	191	191	191	191	191	191	191	191
Agency services		108	108	108	108	108	108	108	108	108	108	108	108
Transfer receipts - operating		34 556	382	382	382	25 030	382	382	382	19 713	382	382	382
Other revenue		285	285	285	285	285	285	285	285	285	285	285	285
<b>Cash Receipts by Source</b>		<b>62 422</b>	<b>28 248</b>	<b>28 248</b>	<b>28 248</b>	<b>52 896</b>	<b>28 248</b>	<b>28 248</b>	<b>28 248</b>	<b>47 579</b>	<b>28 248</b>	<b>28 248</b>	<b>28 248</b>
<b>Other Cash Flows by Source</b>													
Transfer receipts - capital		395	-	-	-	395	-	-	-	395	-	-	-
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>62 817</b>	<b>28 248</b>	<b>28 248</b>	<b>28 248</b>	<b>53 291</b>	<b>28 248</b>	<b>28 248</b>	<b>28 248</b>	<b>47 974</b>	<b>28 248</b>	<b>28 248</b>	<b>28 248</b>
<b>Cash Payments by Type</b>													
Employee related costs		10 126	10 126	10 126	10 126	10 126	10 126	10 126	10 126	10 126	10 126	10 126	10 129
Remuneration of councillors		810	810	810	810	810	810	810	810	810	810	810	810
Interest paid		0	0	0	0	0	0	0	0	0	0	0	0
Bulk purchases - Electricity		7 167	7 167	7 167	7 167	7 167	7 167	7 167	7 167	7 167	7 167	7 167	7 167
Bulk purchases - Water & Sewer		167	167	167	167	167	167	167	167	167	167	167	167
Other materials		-	-	-	-	-	-	-	-	-	-	-	-
Contracted services		381	381	381	381	381	381	381	381	381	381	381	381
Grants and subsidies paid - other municipalities		6 203	6 203	6 203	6 203	6 203	6 203	6 203	6 203	6 203	6 203	6 203	6 203
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-
General expenses		7 225	7 225	7 225	7 225	7 225	7 225	7 225	7 225	7 225	7 225	7 225	7 228
<b>Cash Payments by Type</b>		<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 078</b>	<b>32 085</b>
<b>Other Cash Flows/Payments by Type</b>													
Capital assets		15 988	15 988	15 988	15 988	15 988	15 988	15 988	15 988	15 988	15 988	15 988	15 988
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>		<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 066</b>	<b>48 073</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>14 750</b>	<b>(19 819)</b>	<b>(19 819)</b>	<b>(19 819)</b>	<b>5 224</b>	<b>(19 819)</b>	<b>(19 819)</b>	<b>(19 819)</b>	<b>(93)</b>	<b>(19 819)</b>	<b>(19 819)</b>	<b>(19 825)</b>
Cash/cash equivalents at the monthly year beginning:		14 750	(5 068)	(24 887)	(44 706)	(39 481)	(59 300)	(79 119)	(98 937)	(99 030)	(118 848)	(138 667)	(138 667)
Cash/cash equivalents at the monthly year end:		14 750	(5 068)	(24 887)	(44 706)	(39 481)	(59 300)	(79 119)	(98 937)	(99 030)	(118 848)	(138 667)	(158 492)

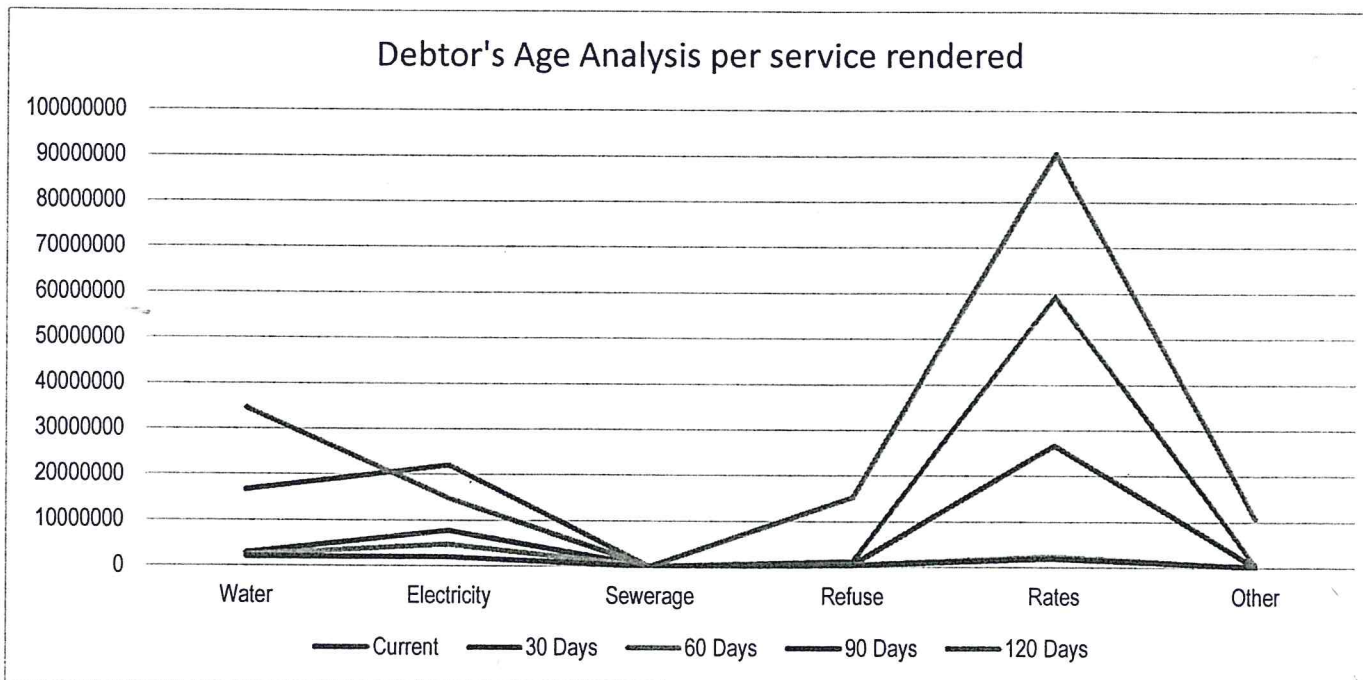


## PART 2 – SUPPORTING DOCUMENTATION

### Section 5 – Debtors' analysis

#### Debtors' analysis per service rendered

Analysis of Debt	Current (plus interest)	30 Days	60 Days	90 Days	120 Days +	Total
Water	R16 625 154.59	R2 878 057.98	R2 321 594.28	R2 061 416.65	R34 573 852.35	R58 460 075.85
Electricity	R22 076 523.14	R7 773 483.60	R4 777 590.86	R1 971 431.36	R14 833 882.21	R51 432 911.17
Sewerage	R65 427.77	R0.00	R598.40	R598.40	R54 263.00	R120 887.57
Refuse	R1 248 456.69	R551 714.89	R430 013.61	R407 939.05	R15 240 406.41	R17 878 530.65
Rates	R59 364 100.72	R26 721 190.81	R2 417 813.08	R1 960 817.75	R90 672 096.79	R181 136 021.15
Other	R593 858.81	R214 579.63	R122 477.17	R211 401.39	R10 814 230.80	R11 956 547.80
<b>Total</b>	<b>R99 973 521.72</b>	<b>R38 139 026.91</b>	<b>R10 070 087.40</b>	<b>R6 613 606.60</b>	<b>R166 188 731.56</b>	<b>R320 984 974.19</b>



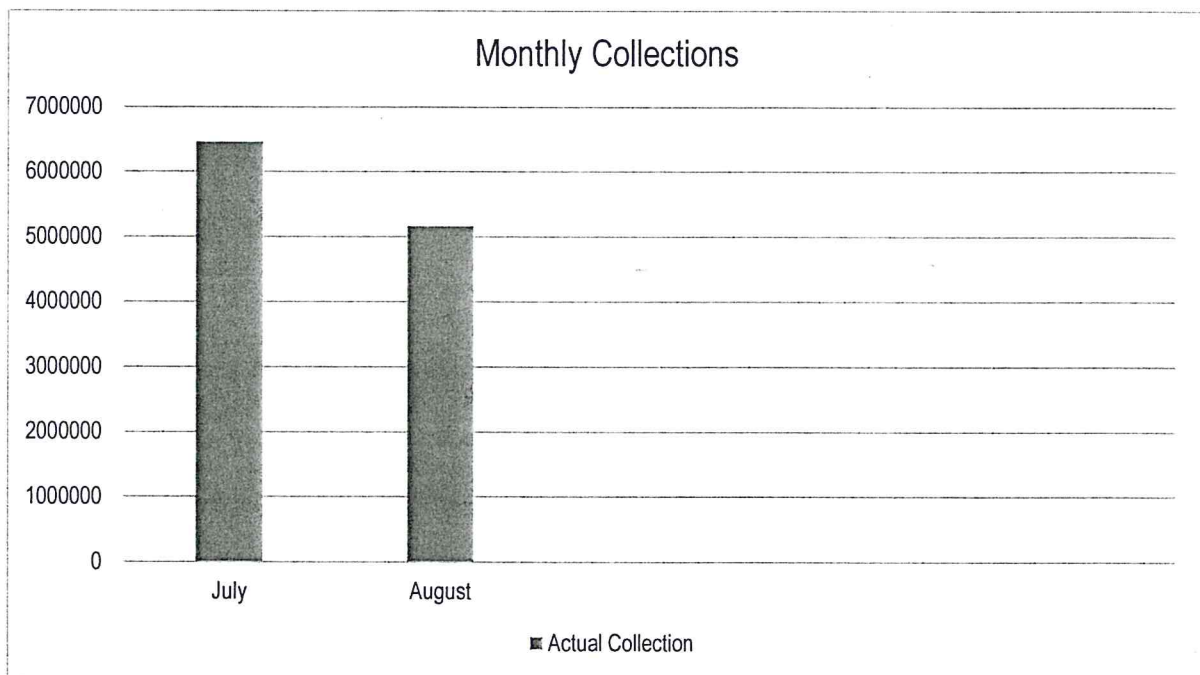
The financial position includes the total annual billing to date and some debtor classifications which do not form part of the consumer debtors, whereas the age analysis only includes those consumer amounts which have become due and not the 'future' amounts which will only fall due in coming months for consumers who pay for their accounts by 30 September annually or monthly on an instalment basis.



## REVCO Performance Report

Average Payment Value Per Month					
Month	Active Accounts Balance	Actual Collection	Number of Accounts Paid	% Yield Achieved on Collection	Average Payment Value
July	R134 846 307.00	R6 464 294.00	7 162	4.79%	R903.00
August	R114 034 939.00	R5 165 886.00	7 051	4.53%	R733.00

2 Month Activation Analysis						
Month	Number of Accounts Handed Over	Value of Accounts Handed Over	Number of Accounts Paid	Value of Payments Received	Average Payment Amount Received	% of Rand Value Activation
July	125	R111 828.00	40	9 548	239	8.54%
August	53	R18 958.00	28	6 033	215	31.82%



## Section 6 – Creditors' analysis

### 6.1 Supporting Table SC4

#### Summary of all creditor's paid at 31AUGUST 2015

DESCRIPTION	TOTAL PAID IN AUGUST
Total payments	R20 821 103.71

#### Top 10 Payments made in AUGUST 2015

DESCRIPTION	AMOUNT PAID
Eskom Bulk Accounts	R13 436 472.87
Maqadi Ayanda Transport	R673 658.20
Siya Green Village	R653 018.20
Revenue Consulting (Pty) LTD	R589 543.60
Department of Transport	R468 083.09
Tactpro Protection Service CC	R386 815.41
PE Fuel Distribution	R336 893.40
Aurocon	R250 000.00
Imbewu Communications	R210 465.00
Sizwe Pants (Pty) LTD	R197 337.52
<b>TOTAL</b>	<b>R17 202 287.29</b>

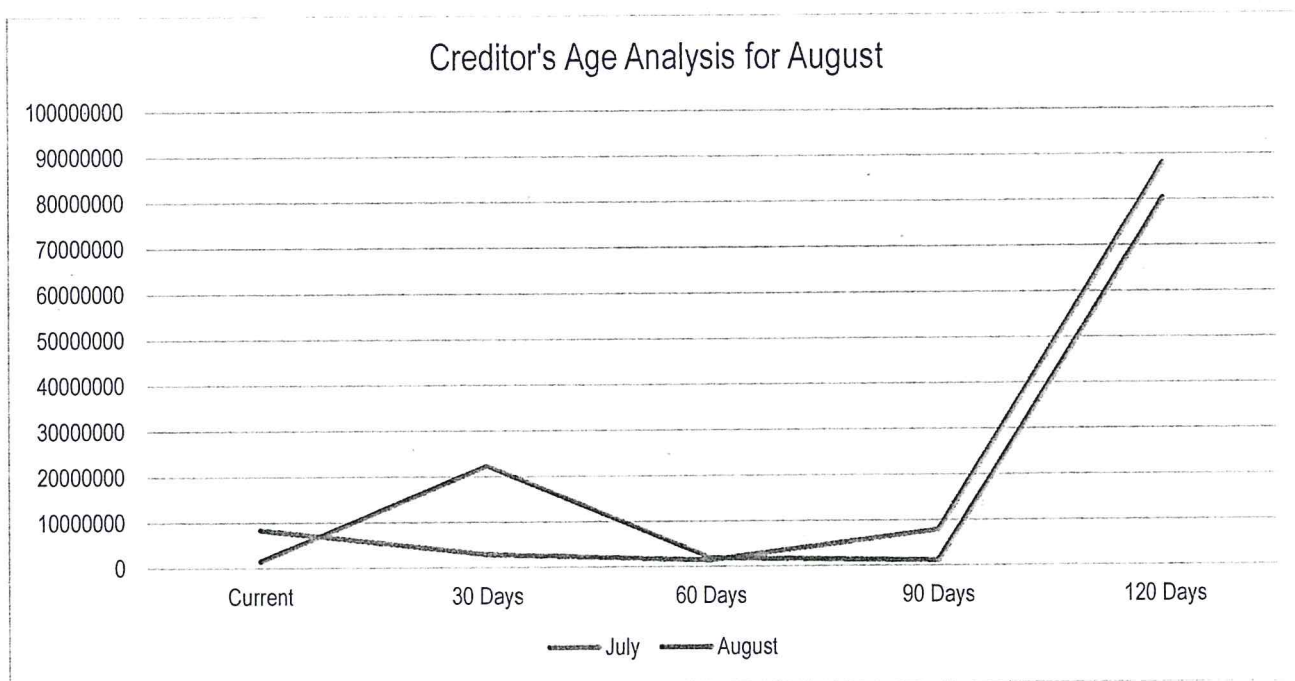
#### Summary of payables at 31 AUGUST 2015

##### Age analysis

TOTAL	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS
R107 034 509.24	R1 432 138.89	R22 263 679.05	R1 892 581.79	R1 111 720.98	R80 334 388.53

##### Top 10 Creditors

COMPANY NAME	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS
Eskom		R21 282 750.19		R572 329.57	R58 584 350.18
Ducharme Consulting	R1 404 716.94				
Auditor General				R101 923.78	R12 482 660.85
Department of Water Affairs					R5 597 937.40
North & Robertson			R941 285.78		
MBB Consulting Services					R931 658.92
Actom Electrical Products					R531 493.46
National Arts Festival					R500 000.00
Zipho Zethu CC			R429 852.77		
Business Connexion		R325 482.43			
<b>TOTAL</b>	<b>R1 404 716.94</b>	<b>R21 608 232.62</b>	<b>R1 371 138.55</b>	<b>R674 253.35</b>	<b>R78 628 100.81</b>



The outstanding creditors have decreased by **R1 233 148.92** from the previous month to **R107 034 509.24** in the current month. Although the municipality has entered into payment arrangements with all major creditors, it is imperative that austerity measures be strictly adhered to, in order not to incur further debt.

## Section 7 – Allocations, grant receipts and expenditure

### Summary of grants received

<u>GRANT</u>	<u>BUDGET</u>	<u>AMOUNT RECEIVED TO DATE</u>	<u>EXPENDITURE IN AUGUST</u>	<u>EXPENDITURE YEAR-TO-DATE</u>
MIG	R23 270 948.00	R0.00	R109 481.97	R181 464.76
MSIG	R930 000.00	R930 000.00	R0.00	R0.00
FMG	R1 675 000.00	R1 675 000.00	R142 471.00	R250 259.00
EPWP	R1 002 000.00	R0.00	R164 168.00	R212 333.00
<b>TOTAL</b>	<b>R26 877 948.00</b>	<b>R2 605 000.00</b>	<b>R416 120.97</b>	<b>R644 056.76</b>

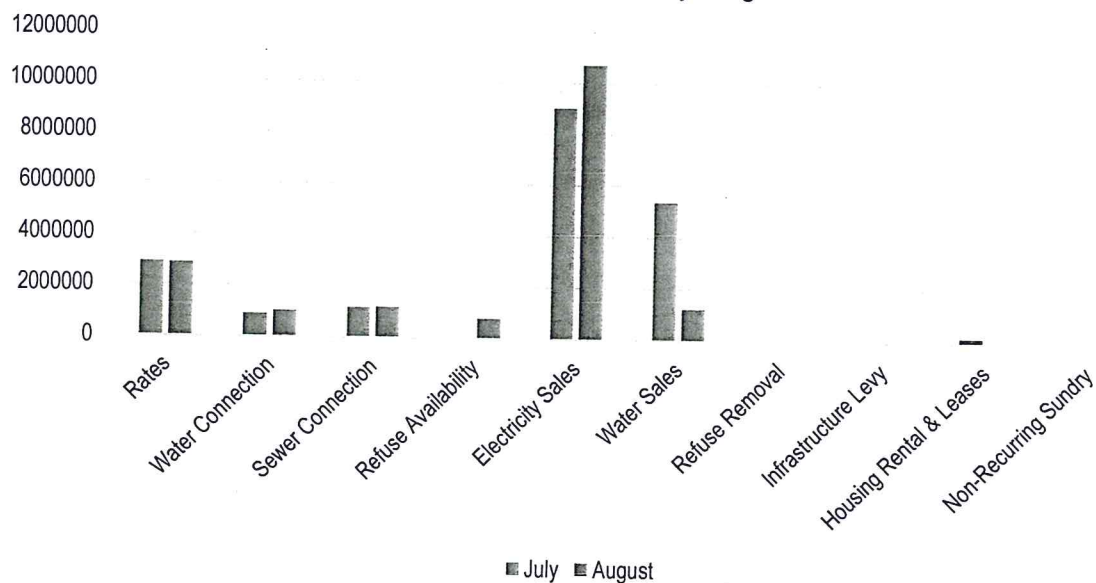
It should be noted that no provincial or national grants should be received during May to June of any year. This is to prevent confusion from the overlap of the national government and the local government financial years and the negative impact this has previously had on reporting.



### Analysis of revenue collected

<u>DESCRIPTION</u>	<u>OPENING BALANCE</u>	<u>AMOUNT BILLED</u>	<u>AMOUNT RECEIVED</u>	<u>CLOSING BALANCE</u>
Rates	R2 882 271.00	R3 731 059.00	R2 845 327.00	R5 727 598.00
Water Connection	R890 635.00	R1 973 904.00	R1 012 324.00	R1 902 959.00
Sewer Connection	R1 171 036.00	R1 779 819.00	R1 188 793.00	R2 359 829.00
Refuse Availability	R12 416.00	R939 025.00	R778 084.00	R790 500.00
Electricity Sales	R 9 004 183.00	R12 354 112.00	R10 690 702.00	R19 694 885.00
Water Sales	R5 378 658.00	R5 580 037.00	R1 234 112.00	R6 612 770.00
Refuse Removal	R6 880.00	R0.00	R600.00	R7 480.00
Infrastructure Levy	R141.00	R0.00	R0.00	R141.00
Housing Rentals & Leases	R185 517.00	R94 388.00	R39 370.00	R224 887.00
Non-recurring Sundry	R8 058.00	R0.00	R18 872.00	R26 930.00
<b>TOTAL</b>	<b>R19 539 795.00</b>	<b>R26 452 344.00</b>	<b>R17 808 184.00</b>	<b>R37 347 979.00</b>

Revenue Collected July-August



In overall, the municipality has collected 67.32% of its revenue for the month of August, however, 90%, 30% and 80% was collected for electricity charges, water sales and rates respectively. The below average collection rates, when compared to billed amounts, could be attributed to the fact that payments made first address arrear debt before the current and also the annual rate payers that are still on arrears.





## Section 8 – Expenditure on councillor allowances and employee benefits

### Employee related costs per vote

<u>ITEM DESCRIPTION</u>	<u>BUDGET</u>	<u>ACTUAL FOR AUGUST</u>	<u>YEAR-TO-DATE EXPENDITURE</u>	<u>% EXPENDITURE TO DATE</u>
Salaries	R91 473 408.00	R 302 625.00	R14 676 475.00	16.04%
Overtime	R3 235 230.00	R455 823.00	R1 290 479.00	39.89%
All: Housing	R264 678.00	R22 749.00	R45 498.00	17.19%
All: Telephone	R359 609.00	R12 418.00	R25 003.00	6.95%
All: Transport	R3 804 270 .00	R297 330.00	R595 707.00	15.66%
All: Inconvenience	R604 509.00	R51 606.00	R152 053.00	25.15%
Pension/Provident Fund	R16 638 221.00	R1 140 365.00	R2 305 119.00	13.85%
Medical Aid Fund	R1 494 818.00	R535 982.00	R1 070 273.00	71.60%
Group Life Assurance	R865 856.00	R51 274.00	R102 236.00	11.81%
<b>Total</b>	<b>R118 740 599.00</b>	<b>R9 870 172.00</b>	<b>R20 262 843.00</b>	<b>17.06%</b>

### Councillor remuneration

<u>ITEM DESCRIPTION</u>	<u>BUDGET</u>	<u>ACTUAL FOR AUGUST</u>	<u>YEAR-TO-DATE EXPENDITURE</u>	<u>% EXPENDITURE TO DATE</u>
Councillor Allowance	R6 819 680.00	R505 191.00	R1 010 382.00	14.82%
Telephone Allowance	R628 448.00	R44 920.00	R89 840.00	14.30%
Travelling Allowance	R2 273 137.00	R168 397.00	R336 794.00	14.82%
<b>Total</b>	<b>R9 721 265.00</b>	<b>R718 508.00</b>	<b>R1 437 016.00</b>	<b>14.64%</b>



## Section 9 – Capital programme performance

### Year-to-date Capital Budget vs. Expenditure

VOTE NO	DEPARTMENT/SECTION : DETAILS	FUNDING SOURCE	COST 2015/16	ACTUAL 2015/16
90/10/50 9722	<b>TECHNICAL &amp; INFRASTRUCTURAL SERVICES</b> <b>Roads &amp; Stormwater</b> Surfacing Existing Gravel Road: Makana Way	AFF	2 000 000	219 947
			2 000 000	219 947
90/10/35/ 8595/185 8595/186	<b>SEWAGE DISPOSAL</b> <b>Belmont Valley</b> Belmont Valley WWTW Upgrade Belmont Valley WWTW Upgrade	ECDC DWS	10 000 000 127 000 000	
			137 000 000	-
90/10/35 8595/187	<b>Mayfield</b> Mayfield WWTW Upgrade	ECDC	-	
			-	
90/10/40/ 9723	<b>SEWERAGE RETICULATION</b> <b>Grahamstown</b> Eluxolweni Plumbing Works	AFF	2 000 000	
			2 000 000	-
	<b>TOTAL TECHNICAL &amp; INFRASTRUCTURAL SERVICES</b>		141 000 000	-219 947
90/30/38 9724 9725 9726	<b>INFORMATION TECHNOLOGY</b> Offsite Backup Solution Backup Generator Computer Equipment	AFF AFF AFF	600 000 300 000 300 000	
			1 200 000	-
	<b>TOTAL CORPORATE SERVICES</b>		1 200 000	-
90/50/44/ 8595/188	<b>LIBRARIES</b> <b>Hill street</b> Office Equipment	DSRAC	696 100	
			696 100	-
90/50/38 8595/189	<b>Fingo</b> Renovation and extension of Library	DSRAC	300 000	
			300 000	-



<b>90/50/12</b>	<b>CEMETERIES</b>			
9727	Infrastructure - KwaNonzwakazi - New Cemetery	AFF	500 000	
9728	Infrastructure - Mayfield Cemetery	AFF	500 000	
9729	Waainek Cemetery	AFF	400 000	
			<b>1 400 000</b>	<b>-</b>
<b>90/50/18</b>	<b>COMMONAGE</b>			
9730	4x Brush Cutters	AFF	36 000	
9731	Pole Pruners	AFF	7 000	
9732	Chainsaw	AFF	10 000	
9733	GPS	AFF	15 000	
9734	Pound	AFF	50 000	
			<b>118 000</b>	<b>-</b>
<b>90/50/27</b>	<b>PARKS TRANSPORT</b>			
9735	7 Ton Water Tanker	AFF	950 000	
			<b>950 000</b>	<b>-</b>
<b>90/50/03</b>	<b>AERODROME</b>			
9736	Runway Lights	AFF	200 000	
			<b>200 000</b>	<b>-</b>
<b>90/50/66</b>	<b>STRET ISLAND &amp; VERGES</b>			
9737	Tractor Drawn Bush Cutter	AFF	50 000	
9738	4x Weed Eaters - R/East	AFF	35 000	
9739	2x Weed Eaters - A/lice	AFF	35 000	
9740	6x Weed Eaters - GHT	AFF	70 000	
9741	2x Chainsaws	AFF	16 000	
9742	2x Pole Pruners	AFF	15 000	
9743	2x Extension Ladder	AFF	7 000	
			<b>228 000</b>	<b>-</b>
<b>90/50/63</b>	<b>SPORTS GROUNDS</b>			
9744	Construction of Playgrounds - KwaNonzwakazi	AFF	385 000	
9745	Erecting of Fence & Gates - Oval	AFF	250 000	
9746	Cleaning Machine	AFF	150 000	
9747	20x Tables	AFF	20 000	
9748	6x Marking Machines	AFF	200 000	
			<b>1 005 000</b>	<b>-</b>
	<b>TOTAL COMMUNITY AND SOCIAL SERVICES</b>		<b>4 897 100</b>	<b>-</b>
	<b>TECHNICAL &amp; INFRASTRUCTURAL SERVICES</b>			
<b>90/20/10/</b>	<b>ELECTRICITY DISTRIBUTION</b>			
	Fleet Management			

9749	2x 4x2 LDV's	AFF	400 000	
			<b>400 000</b>	-
9750	<b>Tools and equipment</b> Stamping Machine	AFF	50 000	
			<b>50 000</b>	-
9751	<b>Refurbishment &amp; Extension 11KV Overheadlines</b> FNB Switching Unit	AFF	280 000	
			<b>280 000</b>	-
9752	<b>Substations(Faulty switchgear &amp; Overloaded t/formers)</b> Repeater Unit	AFF	50 000	
			<b>50 000</b>	-
8595/190	<b>Electrification</b> Mayfield	INEP	1 777 000	
8595/191	Ethembeni	INEP	2 917 000	
			<b>4 694 000</b>	-
9753	<b>Network Protection Upgrade</b> Master Plan	AFF	950 000	
9754	Replacement Protection Relays	AFF	300 000	
9755	Battery Tripping Units	AFF	150 000	
			<b>1 400 000</b>	-
9756	<b>ENERGY MANAGEMENT</b> Remote metering	AFF	100 000	
			<b>100 000</b>	-
9757	<b>ALICEDALE NETWORK UPGRADE</b> 11 KV underground cable	AFF	500 000	
			<b>500 000</b>	-
9758	<b>REFURBISHMENT &amp; EXTENTION 11 KV OVERHEAD LINES</b> Stones Hill	AFF	200 000	
			<b>200 000</b>	-
	<b>TOTAL ELECTRICITY</b>		<b>7 674 000</b>	-
	<b>WATER</b>			
90/10/65	<b>JAMES KLEYNHANS</b>			
8595/192	Upgrading James Kleynhans	RBIG	15 000 000	
			<b>15 000 000</b>	-
	<b>TOTAL WATER</b>		<b>15 000 000</b>	-
8595/174	<b>MIG PROJECTS</b> Construction of Vukani Road	MIG	12 682 510	6 734 833

8595/193	Multipurpose Centre - Foley's Ground Ward 7	MIG	9 403 688	
	TOTAL MIG		22 086 198	6 734 833
	TOTAL CAPITAL BUDGET		191 857 298	6 954 780

## Section 10 – Supply Chain Management

### Deviations for the month

<u>COMPANY NAME</u>	<u>DESCRIPTION</u>	<u>DEPARTMENT</u>	<u>REASON</u>	<u>AMOUNT</u>
Soga Enterprise	Portable toilets	DTIS	Service Done	R19 680.00
<b>TOTAL</b>				<b>R19 680.00</b>

### Tenders awarded for the month

No tenders were awarded in August.




## Section 11 – Municipal Manager's Quality Certification

I, Riana Meiring, Acting Municipal Manager of Makana Municipality, hereby certify that the information provided in this report and supporting documents have been prepared to the best of our ability in accordance with the Municipal Finance Management Act and the regulations made under this Act.

NAME: Riana Meiring

SIGNATURE: .....



DATE: .....

