



REPORT TO: BUDGET STEERING COMMITTEE

File ref (9/1/2/3)

Collaborator/Item no ()

Date: 10 MAY 2017

SUBJECT: BUDGET IMPLEMENTATION REPORT FOR THE MONTH OF APRIL 2017

REPORT DATED 11 MAY 2017 FROM THE CHIEF FINANCIAL OFFICER TO BUDGET STEERING COMMITTEE

PURPOSE

The purpose of this item is to submit a financial report for the month ending April 2017 to the Council.

LEGAL REQUIREMENTS

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

STATUTORY AUTHORITY

Chapter 24 of the MFMA No. 56 of 2003

BACKGROUND AND REASONING

The monthly Sec 71 reports aims to provide a regular update on indicators critical to the organisation's viability and serve as an early warning indicator where remedial action is required.

The Municipal Manager of the Municipality, is required by Section 71(1) of the Municipal Finance Management Act 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.

This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP). 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.

1. FINANCIAL IMPLICATIONS

The following table summarises the overall position on the capital and operating budgets. Take note that the Operating Expenditure only reflects the direct expenditure and exclude all indirect expenditure e.g. Administrative Recharges

Description	Original Budget R'000	Adjustment Budget R'000	Actual R'000	Annual Budget %
Operating Revenue (billed)	486 191	422 210	357 150	85%
Operating Expenditure (accrued/actual mix)	486 191	422 210	321 212	76%
Capital Expenditure	58 608	43 168	19 256	45%

1.2 Revenue by Source

Year-to-date Operating Revenue amounts to **85% or R357, 1 million** of the adjusted operating budget of **R422, 2 million**.

The year-to-date Operating Revenue reflects an achievement of **85% or R357,1 million** of the adjusted budget of R422, 2 million, and Operating Expenditure is **76% or R321,2 million** of the adjusted budget of **R422,2 million**.

1.2.1 Operating Revenue

Major contributors of Operating Revenue to date amounting to **R357, 1 million** are:

- Service Charges-Electricity at R85,7 million or 24%
- Operational Transfers recognised at R95, 1 million or 26%.
- Property Rates at R56, 4 million or 16%.
- Service Charges-Water R61, 5 million or 17%

1.3 Operating expenditure by type

Year-to-date expenditure amounts to **76% or R321, 2 million** of the operating budget of **R422, 2 million**.

1.3.1 Operating Expenditure

Major contributors of Operating Expenditure to date amounting to **R321, 2 million** are:

- Employee-related costs at R127. 2 million or 40%
- Remuneration of councillors at R8 million or 2%.
- Bulk Purchases at R111, 3 million or 35%
- Repairs & maintenance at R5, 7 million or 2%

1.4 Capital expenditure

Year-to-date expenditure on capital project amounts to **45% or R19, 2 million** of the capital budget of **R43, 1 million**.

Capital Expenditure of **R43, 1 million** disclosed in below table reflects expenditure of grants allocated to the municipality and internally funded projects.

The Municipal Capital Budget is funded from the following Grants:

Grant	Funding Source	Budget
Municipal Infrastructure Grant	Direct Allocation	R35 250 784
Finance Management Grant	Direct Allocation	R350 000
Equitable Share	Direct Allocation	R1 200 000
DSRAC	Direct Allocation	R1 083 600
DRPW	Direct Allocation	R1 502 051
INEP	Direct Allocation	R3 782 000
MIG (Roll-Over)	Direct Allocation	R8 100 000
Total Budget		R43 168 435

The Capital Budget is largely driven by projects emanating from the IDP and projects identified by the community as well as incomplete projects.

1.4.2 The below table summaries projects implemented in 2016/17 financial year MIG allocation

Project Title	Budgeted MIG Funds (2016/17)	Current FY - Total Actual Expenditure on MIG funds in the 2016/17 FY	Feb-17	Mar-17	Apr-17
MIG 1 or PMU	As per IP				
Alicedale Roads and Improvements Transrivier and Mandela Park	R 6,255,838.84	R 623,831.64	R 0.00	R 288,425.70	R 0.00
Multi-purpose Centre in Ward 7	R 5,250,544.02	R 4,465,752.05	R 269,725.66	R 1,256,501.46	R 0.00
Construction of 11 High Mast Lights in Mayfield Housing Project	R 1,297,187.47	R 985,238.87	R 0.00	R 0.00	R 678,870.00
Alicedale Sewerage Reticulation	R 1,091,787.43	R 384,131.24	R 45,710.48	R 0.00	R 121,370.29
Multi-purpose Indoor Sport Centre: Gymnasium	R 13,000,000.00	R 1,010,057.29	R 0.00	R 728,997.20	R 281,060.09
Waainek Bulk Water Supply Refurbishment	R 1,939,000.00	R 1,117,485.89	R 0.00	R 867,079.20	R 250,406.69
Alicedale Roads and Improvements Phase 2	R 4,525,138.80	R 0.00	R 0.00	R 0.00	R 0.00
Construction of Football facilities: Foley's Ground	R 1,000,000.00	R 0.00	R 0.00	R 0.00	R 0.00
Alicedale Waste Water Treatment Works	R 114,103.44	R 114,103.44	R 0.00	R 114,103.44	R 0.00
PMU: ADMIN	R 1,814,400.00	R 1,275,007.85	R 146,403.62	R 122,351.48	R 130,516.20
	R 36,288,000.00	R 9,975,608.27	R 461,839.76	R 3,377,458.48	R 1,462,223.27

Year-to-date MIG Expenditure amounts to **27% or R9, 9 million** of the grant allocation of **R36, 2 million**.

Section 4 – Allocations for Grant Receipts and Expenditure

5.1 Summary of Grants Received

GRANT	BUDGET	AMOUNT RECEIVED	EXPENDITURE	EXPENDITURE TO DATE
MIG	R36 288 000	R10 107 037.09	R1 462 223.27	R9 975 608.27
MIG – Roll- Over	R8 100 000	R7 973 325.58	R0.00	R 7 489 538.62
INEP	R3 782 000	R4 000 000.00	R0.00	R0.00
FMG	R1 810 000	R1 810 000.00	R33 359.00	R1 701 355.00
EPWP	R1 000 000	R1 000 000.00	R26 520.00	R481 888.00
DWA	R5 000 000	R4 461 879.89	R197 220.00	R4 050 958.67
TOTAL	R55 980 000	R29 352 242.56	R1 719 322.27	R23 699 348.56

Year-to-date Grant Expenditure amounts to **42% or R23, 6 million** of the Grants budget of **R55, 9million**.

Supporting Documents

Section 2 – In-year budget statement tables

1.1. Table C1: s71 Monthly Budget Statement Summary

EC104 Makana - Table C1 Monthly Budget Statement Summary - M10 April

Description	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	56,832	65,215	65,215	3,729	80,560	54,346	26,214	48%	65,215
Service charges	263,893	306,690	242,709	17,192	163,065	202,258	(39,193)	-19%	306,690
Investment revenue	17,569	700	700	52	433	583	(151)	-26%	700
Transfers recognised - operational	83,931	91,292	91,292	1,068	87,375	76,076	11,299	15%	91,292
Other own revenue	21,803	22,294	22,295	5,174	25,718	18,579	7,139	38%	22,294
Total Revenue (excluding capital transfers and contributions)	444,029	486,191	422,210	27,215	357,150	351,842	5,308	2%	486,191
Employee costs	117,988	144,631	165,268	11,908	127,932	137,723	(9,792)	-7%	144,631
Remuneration of Councillors	9,367	10,497	10,497	803	9,771	8,748	1,023	12%	10,497
Depreciation & asset impairment	21,227	31,639	31,639	-	-	26,366	(26,366)	-100%	31,639
Finance charges	8,344	-	9,700	2	1,160	8,083	(6,924)	-86%	-
Materials and bulk purchases	203,200	105,926	72,625	10,541	112,105	60,521	51,584	85%	105,926
Transfers and grants	5,237	50,515	50,515	-	3,970	42,096	(38,126)	-91%	50,515
Other expenditure	78,127	142,983	81,966	10,162	66,274	68,305	(2,030)	-3%	142,983
Total Expenditure	443,492	486,191	422,210	33,417	321,212	351,842	(30,630)	-9%	486,191
Surplus/(Deficit)	537	-	(0)	(6,202)	35,938	(0)	35,938	#####	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	537	-	(0)	(6,202)	35,938	(0)	35,938	#####	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	537	-	(0)	(6,202)	35,938	(0)	35,938	#####	-
Capital expenditure & funds sources									
Capital expenditure	21,008	170,043	-	779	15,720	13,219	2,500	19%	-
Capital transfers recognised	-	-	43,168	1,394	19,256	35,974	(16,717)	-46%	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	43,168	1,394	19,256	35,974	(16,717)	-46%	-
Financial position									
Total current assets	40,656	278,678	278,677	-	230,336	-	-	-	278,678
Total non current assets	1,106,575	920,961	920,961	-	761,045	-	-	-	920,961
Total current liabilities	188,320	281,004	281,005	-	123,034	-	-	-	281,004
Total non current liabilities	107,827	109,841	109,841	-	41,111	-	-	-	109,841
Community wealth/Equity	962,051	1,043,057	1,043,057	-	972,941	-	-	-	1,043,057
Cash flows									
Net cash from (used) operating	123,329	181,064	57,188	2,593	24,257	47,657	23,400	49%	57,188
Net cash from (used) investing	2,893	170,043	(43,168)	(1,394)	(19,256)	(35,973)	(16,717)	46%	(43,168)
Net cash from (used) financing	64	(5,500)	(4,000)	-	(1,054)	(3,333)	(2,279)	68%	(4,000)
Cash/cash equivalents at the month/year end	133,206	348,216	12,629	-	9,659	10,959	1,300	12%	15,733
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	5,097	15,806	10,103	11,268	290,646	-	-	-	332,919
Creditors Age Analysis									
Total Creditors	-	13,511	25,644	16,328	78,844	-	-	-	134,327

EC104 Makana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		56,832	65,215	65,215	3,729	80,560	54,346	26,214	48%	65,215
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		276,009	191,033	129,683	8,575	62,519	108,069	(45,550)	-42%	191,033
Service charges - water revenue		(39,526)	63,277	71,059	6,015	66,378	59,216	7,162	12%	63,277
Service charges - sanitation revenue		20,350	44,075	33,662	1,603	24,879	28,052	(3,173)	-11%	44,075
Service charges - refuse revenue		7,225	8,305	8,305	1,000	9,289	6,921	2,368	34%	8,305
Service charges - other		(165)	-	-	-	-	-	-	-	-
Rental of facilities and equipment		1,167	811	811	97	1,309	676	633	94%	811
Interest earned - external investments		17,569	700	700	52	433	583	(151)	-26%	700
Interest earned - outstanding debtors		-	16,059	16,059	1,663	11,726	13,383	(1,657)	-12%	16,059
Dividends received		-	-	-	-	-	-	-	-	-
Fines		49	1,092	1,092	5	588	910	(322)	-35%	1,092
Licences and permits		1,857	1,647	1,647	1	567	1,373	(806)	-59%	1,647
Agency services		223	500	500	1,237	1,866	417	1,449	348%	500
Transfers recognised - operational		83,931	91,292	91,292	1,068	87,375	76,076	11,299	15%	91,292
Other revenue		18,507	2,185	2,185	2,170	9,661	1,821	7,841	431%	2,185
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		444,029	486,191	422,210	27,215	357,150	351,842	5,308	2%	486,191
Expenditure By Type										
Employee related costs		117,988	144,631	165,268	11,908	127,932	137,723	(9,792)	-7%	144,631
Remuneration of councillors		9,367	10,497	10,497	803	9,771	8,748	1,023	12%	10,497
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation & asset impairment		21,227	31,639	31,639	-	-	26,366	(26,366)	-100%	31,639
Finance charges		8,344	-	9,700	2	1,160	8,083	(6,924)	-86%	-
Bulk purchases		203,200	104,404	71,103	10,471	111,435	59,252	52,183	88%	104,404
Other materials		-	1,522	1,522	70	670	1,269	(598)	-47%	1,522
Contracted services		7,855	28,408	28,408	301	16,949	23,673	(6,724)	-28%	28,408
Transfers and grants		5,237	50,515	50,515	-	3,970	42,096	(38,126)	-91%	50,515
Other expenditure		70,272	114,575	53,558	9,861	49,325	44,632	4,694	11%	114,575
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		443,492	486,191	422,210	33,417	321,212	351,842	(30,630)	-9%	486,191
Surplus/(Deficit)		537	-	(0)	(6,202)	35,938	(0)	35,938	(496)	-
Transfers recognised - capital		-	-	-	-	-	-	-	-	-
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		537	-	(0)	(6,202)	35,938	(0)			-
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		537	-	(0)	(6,202)	35,938	(0)			-
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		537	-	(0)	(6,202)	35,938	(0)			-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		537	-	(0)	(6,202)	35,938	(0)			-

EC104 Makana - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - TECHNICAL SERVICES		35,256	53,842	43,202	1,695	34,255	36,002	(1,747)	-4.9%	38,563
Vote 2 - CORPORATE SERVICES		384	915	665	75	170	554	(384)	-69.3%	729
Vote 3 - FINANCIAL SERVICES		96,999	126,200	119,700	5,608	81,602	99,750	(18,148)	-18.2%	98,172
Vote 4 - COMMUNITY & SOCIAL SERVICES		25,926	25,437	17,778	4,093	21,765	14,815	6,949	46.9%	27,317
Vote 5 - EXECUTIVE & COUNCIL		4,363	7,657	7,658	-	3,432	6,381	(2,949)	-46.2%	5,066
Vote 6 - MUNICIPALITY MANAGER		-	2	2	-	-	1	(1)	-100.0%	3
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		319	1,032	1,032	1,154	1,867	860	1,008	117.2%	1,275
Vote 8 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 9 - ELECTRICITY		120,646	195,461	161,961	8,575	123,639	134,967	(11,328)	-8.4%	174,087
Vote 10 - WATER		61,458	75,645	70,213	6,015	90,419	58,511	31,908	54.5%	73,098
Vote 11 - DOG TAX		-	1	1	-	1	1	-	-	1
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	345,351	486,191	422,210	27,215	357,150	351,842	5,308	1.5%	418,312
Expenditure by Vote	1									
Vote 1 - TECHNICAL SERVICES		46,026	59,362	47,897	2,914	22,191	39,915	(17,723)	-44.4%	49,829
Vote 2 - CORPORATE SERVICES		36,332	37,843	37,593	1,960	9,236	31,328	(22,092)	-70.5%	31,262
Vote 3 - FINANCIAL SERVICES		36,492	79,443	72,943	2,286	7,568	60,786	(53,218)	-87.5%	64,653
Vote 4 - COMMUNITY & SOCIAL SERVICES		59,552	77,120	69,461	5,003	34,100	57,884	(23,785)	-41.1%	64,645
Vote 5 - EXECUTIVE & COUNCIL		14,313	23,444	23,444	1,316	5,479	19,537	(14,058)	-72.0%	16,824
Vote 6 - MUNICIPALITY MANAGER		2,073	8,418	8,418	206	786	7,015	(6,229)	-88.8%	5,244
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		4,099	13,877	13,877	871	2,889	11,564	(8,675)	-75.0%	13,136
Vote 8 - HOUSING		43	56	56	-	3	47	(44)	-93.5%	53
Vote 9 - ELECTRICITY		79,381	129,734	96,234	13,011	145,660	80,195	65,466	81.6%	119,634
Vote 10 - WATER		10,714	56,891	52,284	5,850	93,300	43,570	49,730	114.1%	52,203
Vote 11 - DOG TAX		-	1	1	-	-	1	(1)	-100.0%	1
Vote 12 - PARKING METERS		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	289,025	486,191	422,210	33,417	321,212	351,842	(30,630)	-8.7%	417,484
Surplus/ (Deficit) for the year	2	56,326	(0)	0	(6,202)	35,938	0	35,938	#####	827

EC104 Makana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M10 April

Vote Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Standard Classification										
Governance and administration		1,296	1,100	1,644	168	168	1,370	(1,202)	-88%	600
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-
Corporate services		1,296	1,100	1,644	168	168	1,370	(1,202)	-88%	600
Community and public safety		6,352	9,541	20,334	313	14,134	16,945	(2,811)	-17%	5,204
Community and social services		807	-	1,084	-	90	903	(813)	-90%	-
Sport and recreation		5,536	9,541	19,251	313	14,044	16,042	(1,998)	-12%	5,204
Public safety		8	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		8,437	13,567	12,860	-	3,186	10,717	(7,531)	-70%	7,400
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		8,437	13,459	12,860	-	3,186	10,717	(7,531)	-70%	7,341
Environmental protection		-	108	-	-	-	-	-	-	59
Trading services		4,924	148,353	8,331	913	1,769	6,942	(5,173)	-75%	81,146
Electricity		1,062	7,035	5,079	105	412	4,233	(3,821)	-90%	3,837
Water		2,099	13,750	2,160	702	934	1,800	(866)	-48%	7,500
Waste water management		1,763	127,568	1,092	106	424	910	(486)	-53%	69,809
Waste management		-	-	-	-	-	-	-	-	-
Other		-	183	-	-	-	-	-	-	100
Total Capital Expenditure - Standard Classification	3	21,008	172,745	43,168	1,394	19,256	35,974	(16,717)	-46%	94,451
Funded by:										
National Government		-	-	42,085	1,289	19,061	35,071	(16,009)	-46%	-
Provincial Government		-	-	1,084	-	90	903	(813)	-90%	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	0	105	105	0	105	62993%	-
Transfers recognised - capital		-	-	43,168	1,394	19,256	35,974	(16,717)	-46%	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-
Total Capital Funding		-	-	43,168	1,394	19,256	35,974	(16,717)	-46%	-

EC104 Makana - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		16,901	7,533	7,533	7,924	7,533
Call investment deposits		(4,769)	12,940	12,940	538	12,940
Consumer debtors		(23,446)	189,260	189,260	182,152	189,260
Other debtors		45,446	52,347	52,347	29,672	52,347
Current portion of long-term receivables		-	30	30	-	30
Inventory		6,525	16,568	16,568	10,050	16,568
Total current assets		40,656	278,678	278,677	230,336	278,678
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		3,930	-	-	-	-
Investment property		219,050	-	-	-	-
Investments in Associate		652	151	151	-	151
Property, plant and equipment		878,387	908,810	908,810	758,545	908,810
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		1,947	12,000	12,000	2,500	12,000
Other non-current assets		2,609	-	-	-	-
Total non current assets		1,106,575	920,961	920,961	761,045	920,961
TOTAL ASSETS		1,147,231	1,199,639	1,199,638	991,381	1,199,639
LIABILITIES						
Current liabilities						
Bank overdraft		6,442	-	-	-	-
Borrowing		(122)	4,400	4,400	-	4,400
Consumer deposits		-	2,474	2,474	3,853	2,474
Trade and other payables		178,634	263,776	263,776	108,155	263,776
Provisions		3,365	10,354	10,354	11,026	10,354
Total current liabilities		188,320	281,004	281,005	123,034	281,004
Non current liabilities						
Borrowing		56,512	60,534	60,534	3,525	60,534
Provisions		51,315	49,307	49,307	37,586	49,307
Total non current liabilities		107,827	109,841	109,841	41,111	109,841
TOTAL LIABILITIES		296,147	390,845	390,846	164,145	390,845
NET ASSETS	2	851,084	808,794	808,793	827,236	808,794
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		962,051	1,037,308	1,037,308	972,941	1,037,308
Reserves		-	5,749	5,749	-	5,749
TOTAL COMMUNITY WEALTH/EQUITY	2	962,051	1,043,057	1,043,057	972,941	1,043,057

EC104 Makana - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	Budget Year 2016/17								
		2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		507,870	304,319	304,319	20,722	319,307	253,599	65,707	26%	304,319
Government - operating		83,931	89,475	89,475	-	65,179	74,563	(9,383)	-13%	89,475
Government - capital		1,541	170,043	43,168	2,135	37,108	35,973	1,135	3%	43,168
Interest		17,569	12,100	12,100	-	1,255	10,083	(8,829)	-88%	12,100
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(474,002)	(351,972)	(348,973)	(20,264)	(379,983)	(290,811)	89,172	-31%	(348,973)
Finance charges		(8,344)	(5,000)	(5,000)	-	-	(4,167)	(4,167)	100%	(5,000)
Transfers and Grants		(5,237)	(37,901)	(37,901)	-	(18,609)	(31,584)	(12,975)	41%	(37,901)
NET CASH FROM/(USED) OPERATING ACTIVITIES		123,329	181,064	57,188	2,593	24,257	47,657	23,400	49%	57,188
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(1,079)	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		1,070	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		25,766	-	-	-	-	-	-		-
Payments										
Capital assets		(22,863)	170,043	(43,168)	(1,394)	(19,256)	(35,973)	(16,717)	46%	(43,168)
NET CASH FROM/(USED) INVESTING ACTIVITIES		2,893	170,043	(43,168)	(1,394)	(19,256)	(35,973)	(16,717)	46%	(43,168)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		6,395	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(2,321)	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		(4,010)	(5,500)	(4,000)	-	(1,054)	(3,333)	(2,279)	68%	(4,000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		64	(5,500)	(4,000)	-	(1,054)	(3,333)	(2,279)	68%	(4,000)
NET INCREASE/ (DECREASE) IN CASH HELD		126,286	345,607	10,020	1,199	3,947	8,350			10,020
Cash/cash equivalents at beginning:		6,920	2,609	2,609		5,713	2,609			5,713
Cash/cash equivalents at month/year end:		133,206	348,216	12,629		9,659	10,959			15,733

EC104 Makana - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

Description	Ref	2015/16	Budget Year 2016/17							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:	1,2	77,754	77,632	77,632	181	63,072	64,694	(2,520)	-3.9%	77,632
Local Government Equitable Share		74,637	73,008	73,008	-	57,755	60,840	(3,085)	-5.1%	73,008
Finance Management		-	1,810	1,810	33	2,408	1,508	-		1,810
Municipal Systems Improvement		930	-	-	-	-	-	-		-
EPWP Incentive		1,002	1,000	1,000	27	832	833	-		1,000
	3	-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
MIG OPERATIONAL		1,185	1,814	1,814	122	2,077	1,512	565	37.4%	1,814
Provincial Government:		2,581	2,901	2,901	-	2,901	2,418	484	20.0%	2,901
Sport and Recreation		2,581	2,901	2,901	-	2,901	2,418	484	20.0%	2,901
Health subsidy		-	-	-	-	-	-	-		-
	4	-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Other transfers and grants [insert description]		-	-	-	-	-	-	-		-
District Municipality:		1,500	1,917	1,917	-	1,600	1,598	3	0.2%	1,917
Health Subsidy		1,500	1,917	1,917	-	1,600	1,598	3	0.2%	1,917
Fire Subsidy		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Total Operating Transfers and Grants	5	81,835	82,450	82,450	181	67,573	68,709	(2,034)	-3.0%	82,450
Capital Transfers and Grants										
National Government:		42,510	152,790	39,032	1,213	12,140	32,526	(20,386)	-62.7%	152,790
Municipal Infrastructure Grant (MIG)		22,510	34,474	35,251	1,213	9,140	29,376	(20,236)	-68.9%	34,474
Regional Bulk Infrastructure		20,000	86,000	-	-	-	-	-		86,000
Neighbourhood Development Partnership		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Bucket Eradication		-	24,893	-	-	-	-	-		24,893
INEP		-	7,423	3,781	-	3,000	3,151	(151)	-4.8%	7,423
Provincial Government:		996	1,084	1,084	-	1,084	903	181	20.0%	1,084
Sports & Recreation		996	1,084	1,084	-	1,084	903	181	20.0%	1,084
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
		-	-	-	-	-	-	-		-
Other grant providers:		-	16,169	3,053	-	3,785	2,544	1,241	48.8%	16,169
Externally Funding- Unconditional Grants		-	16,169	3,053	-	3,785	2,544	1,241	48.8%	16,169
		-	-	-	-	-	-	-		-
Total Capital Transfers and Grants	5	43,506	170,043	43,168	1,213	17,009	35,974	(18,965)	-52.7%	170,043
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	125,341	252,493	125,619	1,394	84,582	104,682	(20,999)	-20.1%	252,493

EC104 Makana - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April

Description	Ref	2015/16	Budget Year 2016/17							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		77,754	77,632	77,632	60	62,950	64,694	(1,743)	-2.7%	77,632
Local Government Equitable Share		74,637	73,008	73,008	-	57,755	60,840	(3,085)	-5.1%	73,008
Finance Management		-	1,810	1,810	33	2,408	1,508	900	59.7%	1,810
Municipal Systems Improvement		930	-	-	-	-	-	-	-	-
EPWP Incentive		1,002	1,000	1,000	27	832	833	(1)	-0.2%	1,000
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
MIG OPERATIONAL		1,185	1,814	1,814	-	1,955	1,512	443	29.3%	1,814
Provincial Government:		2,581	2,901	2,901	-	2,901	2,418	484	20.0%	2,901
Sport and Recreation		2,581	2,901	2,901	-	2,901	2,418	484	20.0%	2,901
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		1,500	1,917	1,917	-	1,600	1,598	3	0.2%	1,917
		-	-	-	-	-	-	-	-	-
Health Subsidy		1,500	1,917	1,917	-	1,600	1,598	3	0.2%	1,917
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		81,835	82,450	82,450	60	67,451	68,709	(1,257)	-1.8%	82,450
Capital expenditure of Transfers and Grants										
National Government:		42,510	152,790	39,032	1,213	12,140	32,526	(20,386)	-62.7%	152,790
Municipal Infrastructure Grant (MIG)		22,510	34,474	35,251	1,213	9,140	29,376	(20,236)	-68.9%	34,474
		20,000	86,000	-	-	-	-	-	-	86,000
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Bucket Eradication		-	24,893	-	-	-	-	-	-	24,893
INEP		-	7,423	3,781	-	3,000	3,151	(151)	-4.8%	7,423
Provincial Government:		996	1,084	1,084	-	1,084	903	181	20.0%	1,084
		996	1,084	1,084	-	1,084	903	181	20.0%	1,084
		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		-	16,169	3,053	163	3,948	2,544	1,404	55.2%	16,169
		-	16,169	3,053	163	3,948	2,544	1,404	55.2%	16,169
		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		43,506	170,043	43,168	1,376	17,172	35,974	(18,802)	-52.3%	170,043
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		125,341	252,493	125,619	1,436	84,624	104,682	(20,059)	-19.2%	252,493

EC104 Makana - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2016/17								Total
		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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	8,382	5,357	-	35,000	-	-	-	48,739
Bulk Water	0200	-	414	17,283	1,197	7,651	-	-	-	26,546
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	4,490	2,881	15,131	24,617	-	-	-	47,119
Auditor General	0800	-	224	123	-	11,576	-	-	-	11,923
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	-	13,511	25,644	16,328	78,844	-	-	-	134,327

OTHER PARTIES CONSULTED

There were no other parties consulted.

RESOLVED TO RECOMMEND

1. That Section 71 report for the month of April 2017 be noted by the Budget Steering Committee.

FOR FURTHER DETAILS CONTACT:

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CHIEF FINANCIAL OFFICER
MS. N.F. SIWAHLA