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

File ref : ____________

Collaborator/Item no: FAME(F) 8.2

Date: **MAY 2016**

SUBJECT: 3rd QUARTER FINANCIAL REPORT

REPORT DATED MAY 2016 FROM THE ACTING CHIEF FINANCIAL OFFICER TO THE FINANCE ADMINISTRATION, MONITORING AND EVALUATION PORTFOLIO COMMITTEE

PURPOSE:

The purpose of this item is to submit the Section 52 Report for the 3rd quarter to the Finance Administration, Monitoring and Evaluation Portfolio Committee for **NOTING**.

LEGAL COMPLIANCE:

In terms of Section 52 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 3 month period ending MARCH.

DISCUSSION:

Annexure 1 - Operating Income and Expenditure for the 3rd quarter.
Annexure 2 – Capital Expenditure per Vote as for the 3rd quarter.
Annexure 3 – 12 Supporting Documents

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QUARTERLY BUDGET MONITORING REPORT

JANUARY - MARCH

2016

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Legislative framework

The Municipal Budget and Reporting Regulations (MBRR) are designed to achieve a range of objectives, including improving 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:

The Municipal Finance Management Act – No. 56 of 2003, Sections 71 & 52, and the Municipal Budget and Reporting Regulations

The MBRR highlights the format of the monthly budget statements. Regulation 28 requires that,." *The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.*

The objective 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 ensuring transparency, accountability and appropriate lines of responsibility in the budgeting and reporting process and other relevant matters as required by the Act.

Report of the Executive Mayor

In accordance with Section 52(d) of the Municipal Finance Management Act, I submit a report to the council within 30 days after the end of the third quarter of 2015/16, on the implementation of the budget and the financial state of affairs of the Makana Municipality.

The submission of this report forms part of the general responsibilities of the Mayor of a Municipality, and is intended to inform and enable the council to fulfil its oversight responsibility.

Recommendations

(a) That FAME notes the contents of this report and supporting documentations for the 3rd quarter of 2015/16 financial year.

Part 1: Executive Summary

This report is a summary of the main budget issues arising from the in-year monitoring process and intends to inform and enable Council to fulfil its oversight responsibility. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP).

In terms of section 52(d) of the Municipal Finance Management Act, No. 56 of 2003, herein is the report for the performance of the Municipality for the period ended 31 March 2016 (third quarter).

1.1 Consolidated Performance

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

	Original Budget R'000	**Adjustment Budget R'000**	**Expenditure R'000**	**Annual Budget %**
Operating Revenue	427 637	440 053	280 254	64%
Operating Expenditure	427 637	437 920	227 727	52%
Capital Expenditure	191 857	62 942	15 781	25%

Operating Revenue variance indicates a negative difference between the budget and the actual received. Operating Expenditure year-to-date is 28% less than budgeted. Actual Capital Expenditure is 25% below the budget.

Part 2: In-year Budget Statement Tables

EC104 Makana - Table C1 Monthly Budget Statement Summary - M09 March

Description	2014/15	Budget Year 2015/16				
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Financial Performance						
Property rates	49 313	52 695	52 694	6 679	46 935	39 521
Service charges	197 214	261 748	277 532	17 846	151 945	196 158
Investment revenue	12 392	500	500	1 680	12 531	8 919
Transfers recognised - operational	81 144	84 920	80 361	–	63 033	81 589
Other own revenue	5 400	27 774	28 966	1 227	5 811	6 196
Total Revenue (excluding capital transfers and contributions)	345 983	427 637	440 053	27 432	280 254	332 383
Employee costs	129 931	121 519	131 969	11 192	108 009	91 137
Remuneration of Councillors	9 458	9 723	9 723	1 022	7 054	7 291
Depreciation & asset impairment	55 486	31 502	31 502	1 876	16 882	24 404
Finance charges	8 707	478	478	11	4 662	1
Materials and bulk purchases	79 094	94 427	82 857	52	33 685	65 001
Transfers and grants	25 328	48 997	48 997	738	3 691	55 826
Other expenditure	55 757	120 991	132 394	10 046	53 743	68 449
Total Expenditure	363 783	427 637	437 920	24 935	227 727	313 108
Surplus/(Deficit)	(17 799)	0	2 133	2 497	52 527	19 275
Transfers recognised - capital	215	1 185	–	357	357	1 185
Contributions & Contributed assets	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(17 585)	1 185	2 133	2 853	52 884	20 459
Share of surplus/ (deficit) of associate	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(17 585)	1 185	2 133	2 853	52 884	20 459
Capital expenditure & funds sources						
Capital expenditure	38 197	191 857	–	2 937	51 723	143 893
Capital transfers recognised	–	–	–	–	–	–
Public contributions & donations	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–
Internally generated funds	–	–	–	–	–	–
Total sources of capital funds	–	–	–	–	–	–
Financial position						
Total current assets	211 810	–	–		194 387	
Total non current assets	1 111 381	191 857	–		1 127 234	
Total current liabilities	247 597	(903)	–		199 336	
Total non current liabilities	114 816	–	–		114 816	
Community wealth/Equity	980 678	(250)	–		991 102	
Cash flows						
Net cash from (used) operating	102 194	32 463	–	5 643	37 060	44 186
Net cash from (used) investing	(43 844)	(191 857)	–	(2 938)	(59 452)	(61 234)
Net cash from (used) financing	23	–	–	(94)	(29)	–
Cash/cash equivalents at the month/year end	44 502	(159 394)	–	–	(10 487)	(17 048)

EC104 Makana - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

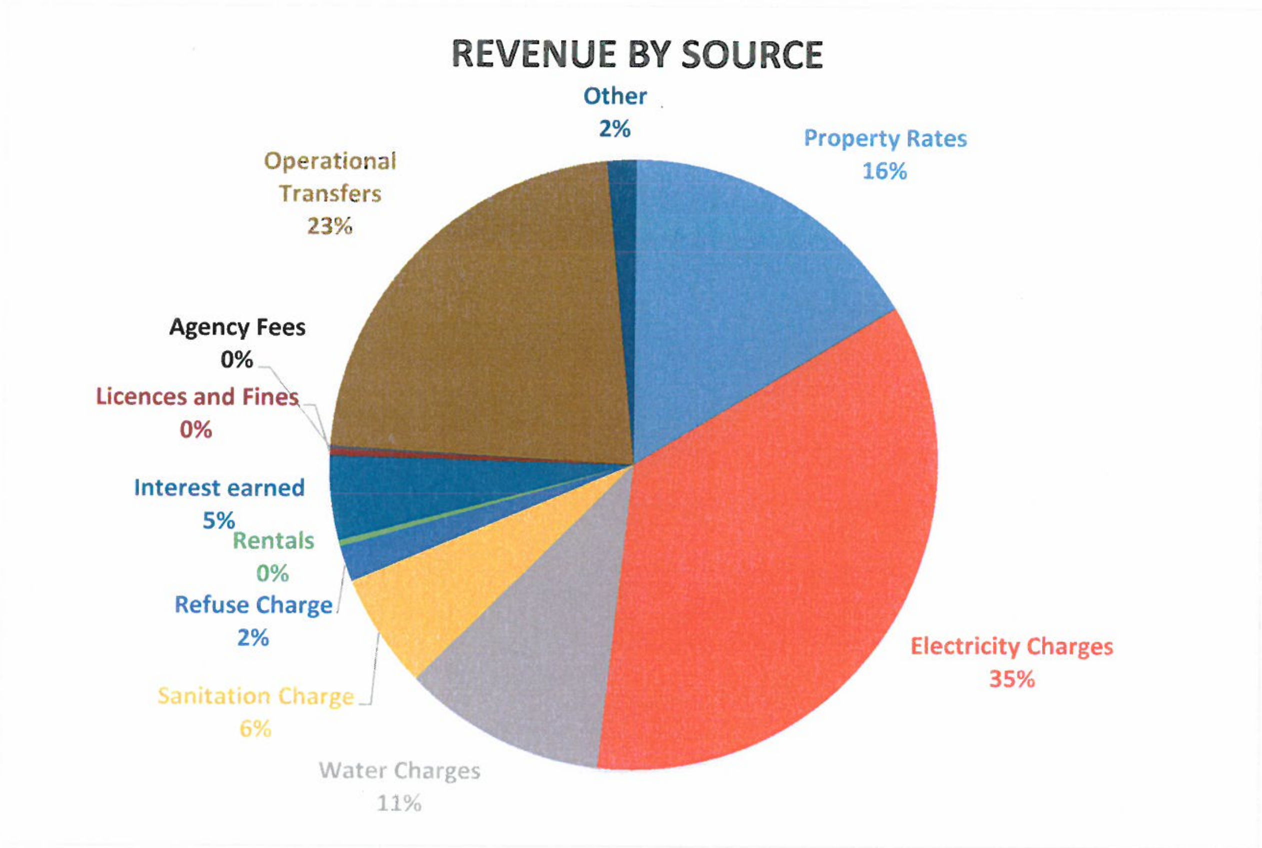
Description	Ref	2014/15	Budget Year 2015/16							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Standard										
Governance and administration		89,764	110,328	110,328	10,668	82,528	87,899	(5,371)	-6%	105,973
Executive and council		4,937	8,520	8,520	(0)	3,754	5,834	(2,080)	-36%	6,091
Budget and treasury office		83,700	98,799	98,799	10,226	77,619	79,734	(2,115)	-3%	97,170
Corporate services		1,127	3,009	3,009	443	1,154	2,330	(1,176)	-50%	2,712
Community and public safety		6,484	4,509	4,909	642	6,550	4,431	2,119	48%	5,908
Community and social services		4,509	3,242	3,642	40	4,497	2,346	2,151	92%	3,125
Sport and recreation		31	12	12	5	13	13	0	1%	15
Public safety		204	1,255	1,255	597	681	941	(261)	-28%	1,255
Housing		-	-	-	-	-	-	-		-
Health		1,740	-	-	-	1,359	1,130	229	20%	1,507
Economic and environmental services		4,291	9,003	4,043	398	773	3,070	(2,296)	-75%	4,059
Planning and development		641	7,514	2,554	8	263	327	(64)	-20%	403
Road transport		3,172	1,489	1,489	387	493	2,726	(2,233)	-82%	3,634
Environmental protection		478	-	-	2	18	17	0	3%	23
Trading services		345,769	303,782	320,757	15,724	190,402	236,972	(46,570)	-20%	302,356
Electricity		115,556	174,087	191,063	11,201	101,915	131,897	(29,982)	-23%	174,087
Water		76,715	73,101	73,101	2,872	49,316	59,369	(10,054)	-17%	73,098
Waste water management		34,102	37,254	37,254	1,063	26,171	30,767	(4,596)	-15%	37,277
Waste management		18,396	19,340	19,340	589	13,002	14,939	(1,937)	-13%	17,896
Other	4	-	15	15	-	-	11	(11)	-100%	15
Total Revenue - Standard	2	346,308	427,637	440,053	27,432	280,254	332,383	(52,129)	-16%	418,312
Expenditure - Standard										
Governance and administration		109,057	132,160	129,449	7,378	72,004	100,248	(28,244)	-28%	133,666
Executive and council		19,612	32,474	33,831	1,401	12,834	18,812	(5,978)	-32%	25,083
Budget and treasury office		60,708	59,180	52,069	3,428	24,974	48,072	(23,097)	-48%	64,096
Corporate services		28,737	40,506	43,548	2,549	34,196	33,364	831	2%	44,487
Community and public safety		38,208	33,475	36,101	3,846	31,735	28,259	3,475	12%	37,681
Community and social services		10,159	12,144	14,147	934	8,460	7,328	1,132	15%	9,772
Sport and recreation		8,925	4,852	4,876	1,286	7,585	7,146	440	6%	9,627
Public safety		16,661	16,479	17,078	1,443	13,894	11,419	2,475	22%	15,225
Housing		48	-	-	2	40	40	(0)	0%	53
Health		2,415	-	-	181	1,756	2,328	(572)	-25%	3,104
Economic and environmental services		22,290	36,831	39,391	3,542	22,858	20,337	2,521	12%	24,564
Planning and development		6,931	15,078	13,444	882	7,270	9,151	(1,881)	-21%	9,649
Road transport		12,404	14,597	18,907	2,258	12,946	8,817	4,129	47%	11,757
Environmental protection		2,955	7,156	7,039	401	2,642	2,368	274	12%	3,158
Trading services		193,954	225,011	232,820	10,125	100,950	164,144	(63,195)	-38%	221,414
Electricity		108,402	120,032	117,977	3,123	51,311	87,810	(36,500)	-42%	119,634
Water		46,304	52,203	55,749	4,226	24,903	39,152	(14,249)	-36%	52,203
Waste water management		23,456	29,996	29,739	1,771	15,186	22,425	(7,239)	-32%	29,900
Waste management		15,793	22,781	29,354	1,005	9,551	14,757	(5,207)	-35%	19,677
Other		253	160	160	45	180	120	60	51%	160
Total Expenditure - Standard	3	363,762	427,637	437,920	24,935	227,727	313,108	(85,381)	-27%	417,484
Surplus/ (Deficit) for the year		(17,454)	(0)	2,132	2,497	52,527	19,275	33,252	173%	827

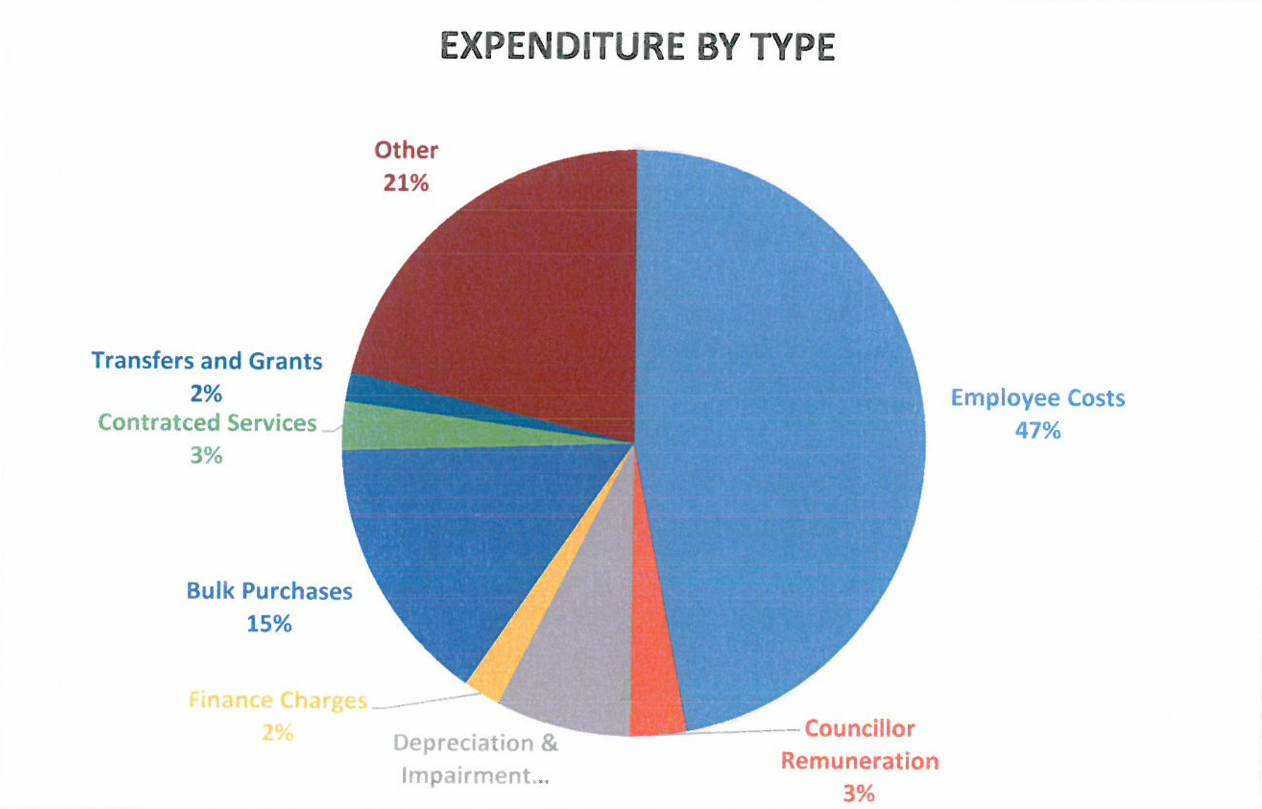
EC104 Makana - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote Description	Ref	2014/15	Budget Year 2015/16							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - TECHNICAL SERVICES		33,407	38,587	38,587	1,507	27,347	32,028	(4,681)	-14.6%	38,583
Vote 2 - CORPORATE SERVICES		403	929	929	3	210	571	(362)	-63.3%	729
Vote 3 - FINANCIAL SERVICES		83,700	98,799	98,799	10,228	78,321	80,485	(2,164)	-2.7%	98,172
Vote 4 - COMMUNITY & SOCIAL SERVICES		23,459	27,318	27,718	1,818	19,957	22,007	(2,050)	-9.3%	27,317
Vote 5 - EXECUTIVE & COUNCIL		4,203	5,069	3,968	–	3,058	5,068	(2,009)	-39.7%	5,068
Vote 6 - MUNICIPALITY MANAGER		740	3,431	4,508	–	–	2	(2)	-100.0%	3
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		109	5,336	1,378	5	133	956	(823)	-86.1%	1,278
Vote 8 - HOUSING		–	–	–	–	–	–	–		–
Vote 9 - ELECTRICITY		118,558	174,087	191,083	11,201	101,918	131,897	(29,982)	-22.7%	174,087
Vote 10 - WATER		78,715	73,101	73,101	2,672	49,315	59,369	(10,054)	-16.9%	73,098
Vote 11 - DOG TAX		–	1	1	–	–	1	(1)	-100.0%	1
Vote 12 - PARKING METERS		–	–	–	–	–	–	–		–
Vote 13 -		–	–	–	–	–	–	–		–
Vote 14 -		–	–	–	–	–	–	–		–
Vote 15 -		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	346,308	427,637	440,053	27,432	280,254	332,383	(52,129)	-15.7%	418,312
Expenditure by Vote	1									
Vote 1 - TECHNICAL SERVICES		44,396	49,824	50,054	4,528	34,021	37,371	(3,349)	-9.0%	49,829
Vote 2 - CORPORATE SERVICES		25,736	30,744	38,016	2,021	28,381	23,446	4,935	21.1%	31,262
Vote 3 - FINANCIAL SERVICES		50,706	59,180	50,608	3,430	25,146	48,490	(23,344)	-48.1%	64,683
Vote 4 - COMMUNITY & SOCIAL SERVICES		58,543	67,402	57,102	6,481	44,933	48,482	(3,549)	-7.3%	64,646
Vote 5 - EXECUTIVE & COUNCIL		11,099	16,824	20,116	1,232	10,855	12,617	(1,763)	-14.0%	16,824
Vote 6 - MUNICIPALITY MANAGER		4,153	13,193	2,973	129	1,424	3,933	(2,509)	-63.8%	5,244
Vote 7 - LOCAL ECONOMIC DEVELOPMENT		4,865	18,197	15,433	718	6,712	9,852	(3,140)	-31.9%	13,136
Vote 8 - HOUSING		48	25	25	2	40	40	(0)	-0.3%	53
Vote 9 - ELECTRICITY		106,402	120,022	118,744	3,123	51,310	89,726	(38,416)	-42.8%	119,634
Vote 10 - WATER		48,304	52,203	55,849	4,225	24,905	39,152	(14,246)	-36.4%	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	364,262	427,637	437,920	24,883	227,727	313,105	(85,382)	-27.3%	417,484
Surplus/ (Deficit) for the year	2	(17,954)	(0)	2,132	2,548	52,527	19,274	33,253	172.5%	527

EC104 Makana - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	2014/15	Budget Year 2015/16				
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Revenue By Source							
Property rates		49,813	52,695	52,694	6,679	46,935	39,521
Property rates - penalties & collection charges		–	–	–	–	–	–
Service charges - electricity revenue		112,430	168,727	185,703	11,186	99,160	126,392
Service charges - water revenue		53,344	54,900	54,900	3,934	30,278	41,175
Service charges - sanitation revenue		21,525	26,037	26,016	2,126	17,141	19,528
Service charges - refuse revenue		9,813	11,783	10,913	600	5,350	8,837
Service charges - other		102	301	–	0	16	226
Rental of facilities and equipment		1,012	3,176	3,176	92	908	116
Interest earned - external investments		12,392	500	500	1,680	12,531	8,919
Interest earned - outstanding debtors		–	11,893	11,393	–	–	–
Dividends received		–	–	–	–	–	–
Fines		55	1,089	1,089	1	30	817
Licences and permits		2,344	3,448	3,448	160	1,001	1,720
Agency services		850	1,300	–	231	(488)	975
Transfers recognised - operational		81,144	84,920	80,361	–	63,033	81,589
Other revenue		1,138	6,868	9,860	744	4,360	2,568
Gains on disposal of PPE		–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		345,963	427,637	440,053	27,432	280,254	332,383
Expenditure By Type							
Employee related costs		129,931	121,519	131,969	11,192	108,009	91,137
Remuneration of councillors		9,458	9,723	9,723	1,022	7,054	7,291
Debt impairment		–	–	–	–	–	–
Depreciation & asset impairment		55,486	31,502	31,502	1,876	16,882	24,404
Finance charges		8,707	478	478	11	4,662	1
Bulk purchases		79,094	87,574	81,258	52	33,685	66,001
Other materials		–	6,853	1,600	–	–	–
Contracted services		4,302	8,734	10,128	1,112	6,037	3,427
Transfers and grants		25,328	48,997	48,997	738	3,691	55,826
Other expenditure		51,455	112,257	122,265	8,935	47,706	65,022
Loss on disposal of PPE		–	–	–	–	–	–
Total Expenditure		383,763	427,637	437,920	24,935	227,727	313,108
Surplus/(Deficit)		(17,799)	0	2,133	2,497	52,527	19,275
Transfers recognised - capital		215	1,185	–	357	357	1,185
Contributions recognised - capital		–	–	–	–	–	–
Contributed assets		–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(17,585)	1,185	2,133	2,853	52,884	20,459
Taxation		–	–	–	–	–	–
Surplus/(Deficit) after taxation		(17,585)	1,185	2,133	2,853	52,884	20,459
Attributable to minorities		–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		(17,585)	1,185	2,133	2,853	52,884	20,459
Share of surplus/ (deficit) of associate		–	–	–	–	–	–
Surplus/ (Deficit) for the year		(17,585)	1,185	2,133	2,853	52,884	20,459


REVENUE BY SOURCE
Other 2%
Property Rates 16%
Electricity Charges 35%
Water Charges 11%
Sanitation Charge 6%
Refuse Charge 2%
Rentals 0%
Interest earned 5%
Licences and Fines 0%
Agency Fees 0%
Operational Transfers 23%


EXPENDITURE BY TYPE
Other 21%
Employee Costs 47%
Councillor Remuneration 3%
Depreciation & Impairment...
Finance Charges 2%
Bulk Purchases 15%
Contratced Services 3%
Transfers and Grants 2%

EC104 Makana - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M09 March

Vote Description	2014/15	Budget Year 2015/16						
R thousand	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure - Municipal Vote								
Expenditure of multi-year capital appropriation								
Vote 1 - TECHNICAL SERVICES	20,937	153,683	-	1,847	6,669	(108,593)	-94%	153,683
1.1 - TECHNICAL AND INFRASTRUCTURE ADMINISTRATION PMU	(0)	-	-	-	(0)	(0)	0%	-
1.2 - DISTRIBUTION	1	-	-	-	1	1	0%	-
1.3 - SANITATION PAIL REMOVALS	-	-	-	-	-	-		-
1.4 - SEWERAGE ADMINISTRATION	-	-	-	-	-	-		-
1.5 - SEWERAGE DISPOSAL WORKS	1,260	137,000	-	-	1,955	(100,798)	-98%	137,000
1.6 - SEWERAGE RETICULATION	1,547	2,000	-	-	2,770	1,270	85%	2,000
1.7 - STORM WATER DRAINS AND RIVER BEDS	-	-	-	-	-	-		-
1.8 - STREETS, FOOTPATHS AND GUTTERS	17,829	14,683	-	1,847	1,942	(9,069)	-82%	14,683
1.9 - TOWN PLANNING AND LAND USAGE	-	-	-	-	-	-		-
1.10 - PROPERTIES & ESTATES	-	-	-	-	-	-		-
Vote 2 - CORPORATE SERVICES	915	600	-	-	1,825	1,375	305%	600
2.1 - CORPORATE SERVICES ADMINISTRATION	8	-	-	-	15	15	0%	-
2.2 - CITY HALL AND OFFICES	-	-	-	-	-	-		-
2.3 - COMMUNITY HALLS	-	-	-	-	-	-		-
2.4 - COUNCIL SUPPORT	-	-	-	-	-	-		-
2.5 - HUMAN RESOURCES	-	-	-	-	-	-		-
2.6 - LEGAL SERVICES	-	-	-	-	-	-		-
2.7 - INFORMATION TECHNOLOGY	907	600	-	-	1,809	1,359	302%	600
2.8 - IDP	-	-	-	-	-	-		-
2.9 - MEDIA & COMMUNICATION	-	-	-	-	-	-		-
Vote 3 - FINANCIAL SERVICES	(3)	-	-	-	(3)	(3)	0%	-
3.1 - FINANCIAL SERVICES ADMINISTRATION	(3)	-	-	-	(3)	(3)	0%	-
3.2 - RATES AND ANNUAL CHARGES	-	-	-	-	-	-		-
3.3 - SUPPLY CHAIN MANAGEMENT	-	-	-	-	-	-		-
Vote 4 - COMMUNITY & SOCIAL SERVICES	1,078	14,286	-	973	3,461	(7,253)	-68%	14,286
4.1 - COMMUNITY AND SOCIAL SERVICES ADMINISTRATION	-	-	-	-	-	-		-
4.2 - DISASTER MANAGEMENT	-	-	-	-	-	-		-
4.3 - DISTRIBUTION PARKS TRANSPORT	-	950	-	-	-	(712)	-100%	950
4.4 - TRAFFIC CONTROL	-	228	-	-	-	(171)	-100%	228
4.5 - SANITATION GENERAL CLEANSING	-	-	-	-	-	-		-
4.6 - DISTRIBUTION PARKS ADMINISTRATION	-	1,703	-	-	-	(1,277)	-100%	1,703
4.7 - ENVIRONMENTAL MANAGEMENT	-	-	-	-	-	-		-
4.8 - FIRE	-	-	-	-	-	-		-
4.9 - LIBRARY	-	996	-	-	745	(2)	0%	996
4.10 - SPORTS GROUNDS/PLAYGROUNDS	1,078	10,409	-	973	2,717	(5,090)	-65%	10,409
Vote 7 - LOCAL ECONOMIC DEVELOPMENT	344	-	-	-	344	344	0%	-
7.1 - LOCAL ECONOMIC DEVELOPMENT	344	-	-	-	344	344	0%	-
7.2 - TOWN PLANNING AND LAND USAGE	-	-	-	-	-	-		-
7.3 - PROPERTY AND ESTATE	-	-	-	-	-	-		-
	-	-	-	-	-	-		-
Vote 9 - ELECTRICITY	1,904	6,724	-	-	2,269	(2,774)	-55%	6,724
9.1 - ELECTRICITY ADMINISTRATION	-	-	-	-	-	-		-
9.2 - ELECTRICITY BULK PURCHASES	-	-	-	-	-	-		-
9.3 - ELECTRICITY DISTRIBUTION	1,904	6,724	-	-	2,269	(2,774)	-55%	6,724
	-	-	-	-	-	-		-
Vote 10 - WATER	10,804	16,566	-	117	1,216	(10,034)	-89%	15,000
10.1 - WATER ADMINISTRATION	-	-	-	-	-	-		-
10.2 - CONSERVATION AND PURIFICATION WAAINEK	277	-	-	-	277	277	0%	-
10.3 - CONSERVATION AND PURIFICATION JAMES KLEYNHANS	4,565	15,000	-	34	938	(10,312)	-92%	15,000
10.4 - WATER : RETICULATION	5,962	1,566	-	84	-	-		1,566
	-	-	-	-	-	-		-
Total multi-year capital expenditure	35,980	191,858	-	2,937	15,781	(39,433)	-307%	191,858

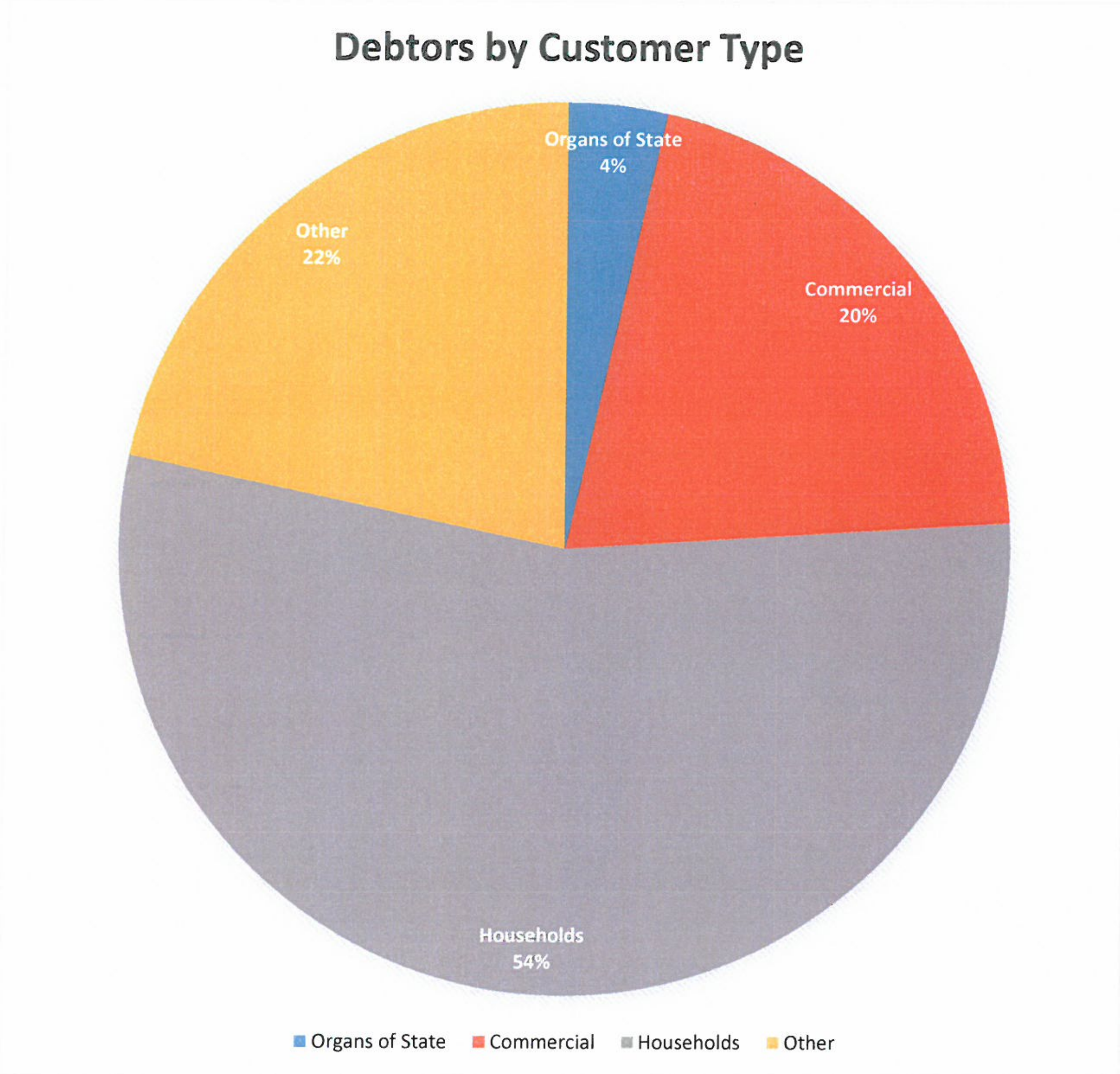
EC104 Makana - Table C6 Monthly Budget Statement - Financial Position - M09 March

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		10,391	–	–	17,683	–
Call investment deposits		–	–	–	–	–
Consumer debtors		153,086	–	–	133,043	–
Other debtors		34,256	–	–	29,364	–
Current portion of long-term receivables		–	–	–	–	–
Inventory		14,078	–	–	14,296	–
Total current assets		**211,810**	–	–	**194,387**	–
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		25,579	–	–	25,643	–
Investment property		230,233	–	–	230,233	–
Investments in Associate		–	–	–	–	–
Property, plant and equipment		847,533	190,292	–	862,082	190,292
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		4,357	1,565	–	5,597	1,565
Other non-current assets		3,679	–	–	3,679	–
Total non current assets		**1,111,381**	**191,857**	–	**1,127,234**	**191,857**
TOTAL ASSETS		**1,323,191**	**191,857**	–	**1,321,621**	**191,857**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	5,666	–
Borrowing		3,888	–	–	3,888	–
Consumer deposits		2,321	–	–	2,349	–
Trade and other payables		238,122	–	–	184,066	–
Provisions		3,365	(903)	–	3,365	(903)
Total current liabilities		**247,697**	**(903)**	–	**199,336**	**(903)**
Non current liabilities						
Borrowing		50,117	–	–	50,117	–
Provisions		64,699	–	–	64,699	–
Total non current liabilities		**114,816**	–	–	**114,816**	–
TOTAL LIABILITIES		**362,513**	**(903)**	–	**314,151**	**(903)**
NET ASSETS	2	**960,678**	**192,760**	–	**1,007,470**	**192,760**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		955,232	(250)	–	985,641	(250)
Reserves		5,447	–	–	5,461	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**960,678**	**(250)**	–	**991,102**	**(250)**

EC104 Makana - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	2014/15	Budget Year 2015/16						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance
R thousands	1								%
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other		222,570	322,301	40,518	34,588	229,625	241,875	(12,250)	-5%
Government - operating		61,144	82,734	757	-	63,033	81,589	(18,556)	-23%
Government - capital		215	1,185	84,920	357	357	1,185	(828)	-70%
Interest		12,392	11,893	1,801	1,580	12,531	8,919	3,611	40%
Dividends		-	-	-	-	-	-	-	
Payments									
Suppliers and employees		(150,191)	(311,413)	(259,778)	(24,058)	(260,131)	(288,555)	28,375	-11%
Finance charges		(5,707)	(1)	(1,713)	(11)	(15)	(1)	14	-1863%
Transfers and Grants		(23,328)	(74,434)	(75,589)	(738)	(3,691)	(55,825)	52,134	93%
NET CASH FROM/(USED) OPERATING ACTIVITIES		102,194	32,463	(209,082)	11,909	41,708	44,186	2,478	6%
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		(5,064)	-	-	-	(5,054)	(5,034)	-	
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-	
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	
Decrease (increase) in non-current investments		5	-	-	(1)	(56)	-	56	0%
Payments									
Capital assets		(38,799)	(191,867)	-	(2,937)	(54,333)	(56,180)	1,847	3%
NET CASH FROM/(USED) INVESTING ACTIVITIES		(43,844)	(191,867)	-	(2,936)	(59,452)	(61,234)	(1,782)	3%
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-	-	-	-	-	-	-	
Borrowing long term/refinancing		-	-	-	-	-	-	-	
Increase (decrease) in consumer deposits		23	-	-	(94)	(29)	-	29	0%
Payments									
Repayment of borrowing		-	-	-	-	-	-	-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		23	-	-	(94)	(29)	-	29	0%
NET INCREASE/ (DECREASE) IN CASH HELD		58,374	(159,394)	(209,082)	8,877	(17,773)	(17,049)		
Cash/cash equivalents at beginning:		(13,572)	-	5,920		2,777	5,920		
Cash/cash equivalents at month/year end:		44,802	(159,394)	(202,152)		(14,996)	(10,127)		

This statement reflects the actual cash that is received and spent by the municipality. Cash payments and receipts will not coincide with Table C4, because Table C4 is partly based on billed income and expenditure.


Debtors by Customer Type
Organs of State
4%
Commercial
20%
Households
54%
Other
22%
Organs of State
Commercial
Households
Other

2.7.2 Creditor's Age Analysis

Age analysis

TOTAL	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS
R83 505 244.99	R520 806.11	R766 222.01	R1 116 577.23	R1 365 870.61	R79 735 769.03

Top 10 Creditors

COMPANY NAME	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS
Eskom				R7 838.64	R52 753 117.80
Auditor General					R10 426 796.16
Department of Water Affairs			R559 690.91		R5 893 725.00
B.R.O Civils				R847 091.26	R3 226 261.89
Ducharme Consulting					R1 404 716.94
MBB Consulting				R133 495.62	R1 021 642.54
Royal Haskoning					R1 082 626.00
North & Robertson		R165 542.25			R440 105.12
Sains Agencies		R7 933.83	R176 700.00		R382 217.70
National Arts Festival					R500 000.00
TOTAL	**R0.00**	**R173 476.08**	**R736 390.91**	**R988 425.52**	**R77 131 209.15**

2.7.3 Councillor and Staff benefits

Councillor remuneration

ITEM DESCRIPTION	ITEM NUMBER	BUDGET	ADJ BUDGET	ACTUAL 9	TOTAL MOVEMENT
COUNCILLORS ALLOWANCE	6385001	6,819,680	6,819,680	562,346	4,878,988
CNL TELEPHONE ALLOWANCE	6385006	628,448	628,448	46,953	414,021
CNL TRAVELLING ALLOWANCE	6385007	2,273,137	2,273,137	182,846	1,530,869
		9,721,265	**9,721,265**	**792,145**	**6,823,878**

Staff remuneration

ITEM DESCRIPTION	ITEM NUMBER	BUDGET	ADJ BUDGET	ACTUAL 9	TOTAL MOVEMENT
SALARIES	6000	91,473,408	90,889,289	7,619,947	75,858,036
OVERTIME	6010	3,235,230	5,065,168	765,299	6,759,115
ALLOWANCE: HOUSING	6020	264,678	334,982	136,962	1,212,405
ALLOWANCE: TELEPHONE	6025	359,609	234,609	14,485	150,617
ALLOWANCE: TRANSPORT	6030	3,804,270	3,470,270	303,209	3,012,962
ALLOWANCE: INCONVENIENCE(STAND BY)	6050	604,509	1,098,228	2,571	637,089
PENSION/PROVIDENT FUND	6100	16,638,221	27,783,606	1,221,374	11,082,805
MEDICAL AID FUND	6110	1,494,818	5,950,944	602,881	4,163,953
GROUP LIFE ASSURANCE	6120	865,856	865,856	55,573	491,468
		118,740,599	**135,692,952**	**10,722,301**	**103,368,450**

2.8.7 Transfers and Grant Expenditure

GRANT	BUDGET	AMOUNT RECEIVED TO DATE	EXPENDITURE IN MARCH	EXPENDITURE YEAR-TO-DATE
MIG	R23 270 948.00	R4 727 220.00	R4 586 776.00	R5 464 993.00
MSIG	R930 000.00	R930 000.00	R0.00	R582 708.00
FMG	R1 675 000.00	R1 675 000.00	R48 614.00	R1 348 211.00
EPWP	R1 002 000.00	R1 002 000.00	R0.00	R976 373.00
TOTAL	**R26 877 948.00**	**R8 334 220.00**	**R4 635 390.00**	**R8 372 285.00**

2.7.8 Investment Portfolio

ACC. NAMES	BANK	Type			OPENNING	DEPOSITS	INTEREST	W/DRAWALS	BANK	CLOSING
Health Dev forum	FNB	Call Acc	62073369607	10/07/11/3950/047	944.18					944.18
Saambou	FNB	Call Acc	62233411884	10/07/11/3950/025	39.42				32.00	7.42
Water: Fort Brow	FNB	Call Acc	62052337865	10/07/11/3950/038	15,632.26		64.36			15,696.62
Guarantee	FNB	12 Months Dep	71538811574	10/07/11/3950/025	418,000.00					418,000.00
Alicedale Funds	STD Bank	12 Months Dep	088807657-004	70/05/05/2415/002	175,770.96		584.14			176,355.10
IDP	STD Bank	12 Months Dep	088812685-001/4/7	10/07/11/3950/030	388,524.64		2,063.97			390,588.61
Disaster Fund	STD Bank	Call Acc	088822370-002	10/07/11/3950/055	2,810,086.13		15,047.43			2,825,133.56
Makana(ex Children)	GBS Mutual	32 Days Notice	3059700053	70/05/05/2415/000	208,913.06		628.28			209,541.34
Nat Peace Arboretum	GBS Mutual	12 Months Dep	2250604545	10/07/11/3950/026	169,636.98					169,636.98
Rini Mun House Coll	GBS Mutual	12 Months Dep	2250604601	70/05/05/2415/001	166,217.87					166,217.87
Prima / Unibank	ABSA	Call Acc	9095609301	70/05/05/2415/001	129,918.34		438.70			130,357.04
LOAN GUARANTEE	ABSA	12 Months Dep	2047584346	70/05/05/2415/001	40,871.94					40,871.94
Makana Muni	ABSA	12 Months Dep	2049478169	70/05/05/2415/001	10,107.12					10,107.12
Disaster	Ned Bank	Call Acc	03/7881065141/000001	10/07/11/3950/025	80,997.73		441.16			81,438.89
Kings Flat	STD Bank	12 Months Dep	088805662-002	10/07/11/3950/028	77,247.45		223.91			77,471.36
Lower Makanaskop	STD Bank	12 Months Dep	088812723-001	10/07/11/3950/029	171,449.84		569.78			172,019.62
TOTAL					4,615,660.63	-	20,061.73	-	32.00	4,635,690.36

Interest rates from other financial institutions are also being sourced to ensure that the maximum amount of interest is realised on these investments. All grants are cash-backed.