

SOL PLAATJE MUNICIPALITY



MONTHLY BUDGET STATEMENT: APRIL 2012

15 MAY 2012

**TO: MUNICIPAL MANAGER
EXECUTIVE MAYOR**

SUBMISSION

**FINANCIAL SERVICES DEPARTMENT:
MUNICIPAL FINANCE MANAGEMENT ACT (MFMA):
IN-YEAR FINANCIAL REPORT (MONTHLY BUDGET STATEMENT) FOR THE PERIOD
ENDING 30 APRIL 2012**

1. PURPOSE

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 by the submission of a monthly budget statement to the Executive Mayor containing certain financial particulars, as legislated.

2. VISION OF SOL PLAATJE MUNICIPALITY

“Sol Plaatje, a dynamic municipality that provides a comprehensive range of affordable services to all its residents”

3. BACKGROUND

Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“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.”

Further, Section 71 of the MFMA requires that, “the accounting officer of a municipality must by no later than **10 working days** after the end of each month submit to the mayor of the municipality, and the relevant national and provincial treasury, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month.”

For the reporting period ending 30 APRIL 2012, the ten working day reporting limit expires on **15 MAY 2012**.

4. EXECUTIVE SUMMARY

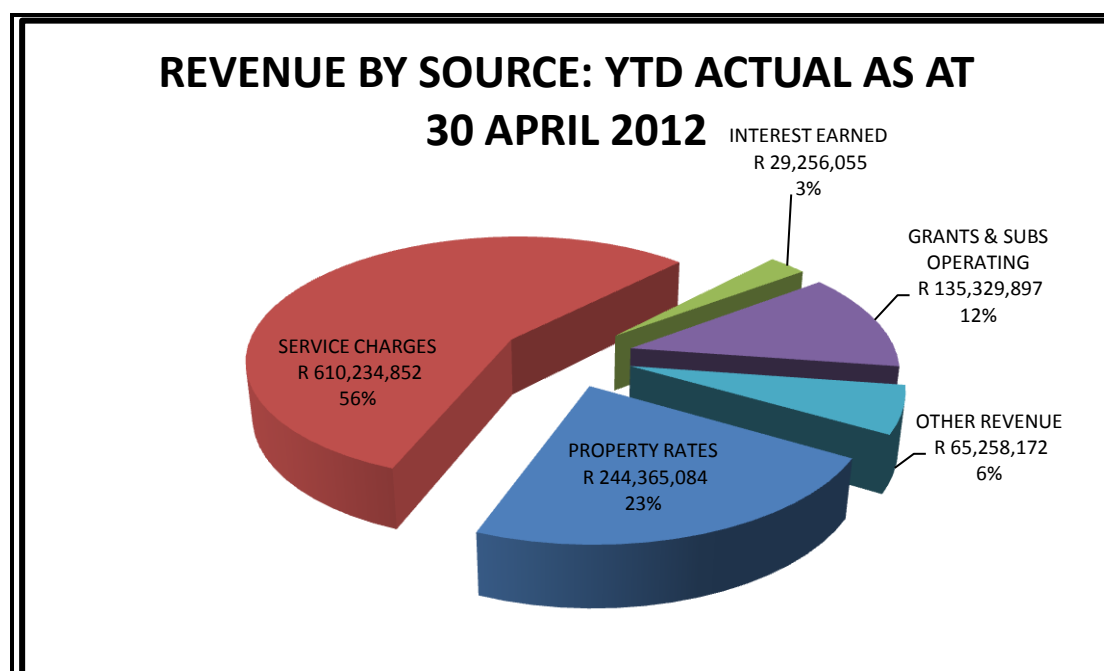
The SFP shown in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by type. The summary report indicates the following:

Summary Statement of Financial Performance:			
Description R thousand	April YTD Budget	April YTD Actual	Variance Favourable (Unfavourable)
Total Operating Revenue	1,005,017	1,084,444	79,427
Total Operating Expenditure	875,250	889,182	(13,932)
Surplus (Deficit)	129,767	195,262	65,495

The major operating revenue variances against adjusted budget projections indicated in Table C1 of Annexure A herewith attached, are:

- Service charges – water revenue (favourable);
- Interest earned – external investments (favourable);
- Licenses and permits (favourable);
- Agency services (unfavourable);
- Other revenue (favourable); and

Indicated in the chart below is a breakdown of billed Revenue per Source as a percentage of total revenue as at 30 April 2012.

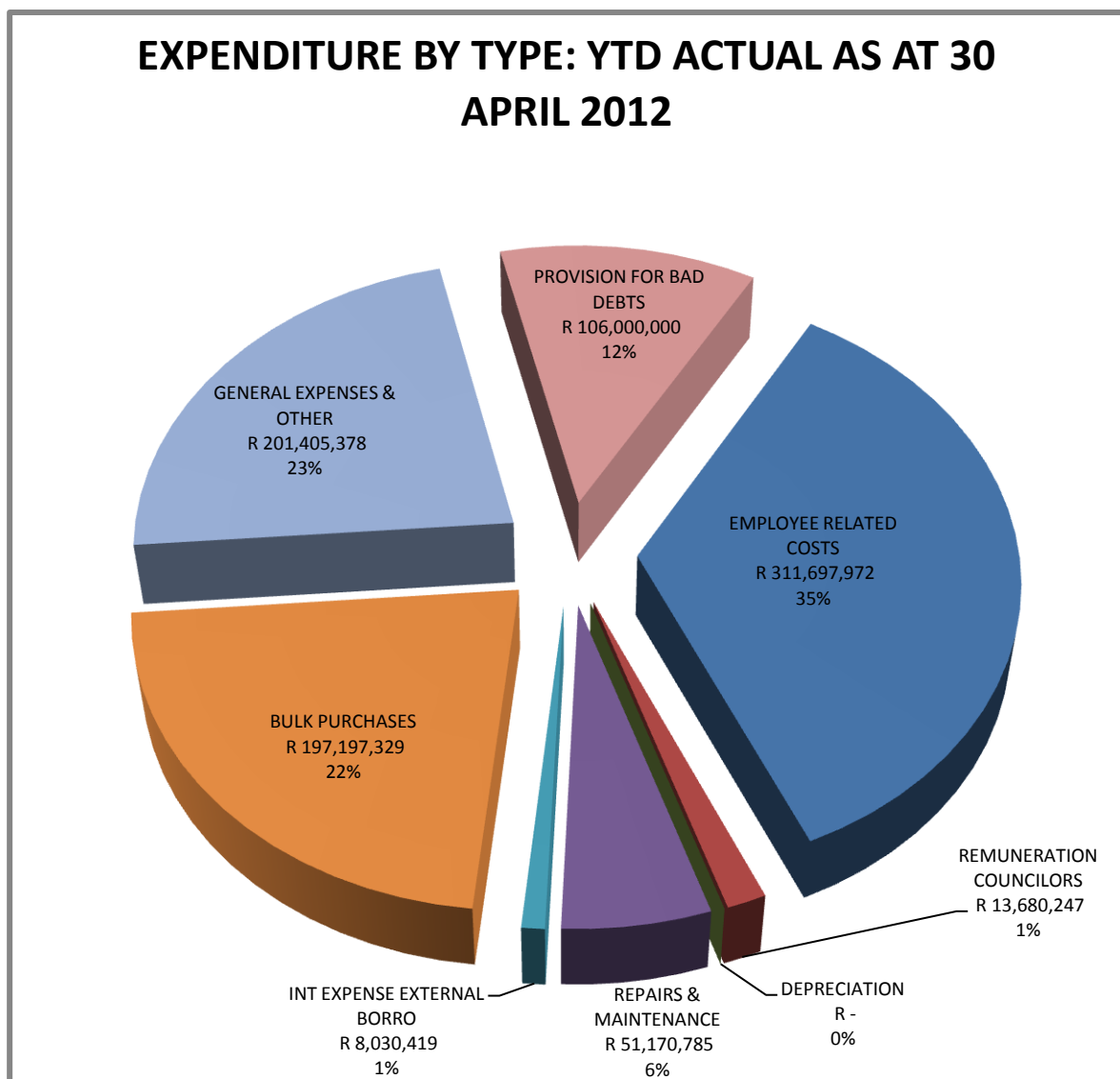


The major operating expenditure variances against budget projections cited in Table C1 of Annexure A herewith attached, are:

- Other expenditure (unfavourable)
- Bulk purchases (favourable)

The reasons for variances per source group are cited in Annexure A, Table SC1 of this report.

Indicated in the chart below is a breakdown of Expenditure by Type as a percentage of total expenditure as at 30 April 2012.



The Capital expenditure report shown in Annexure A, Table C5 has been prepared on the basis of the format required to be lodged electronically with National Treasury, and is categorised by municipal vote. The summary report indicates the following:

Summary Statement of Capital Expenditure:			
Description R thousand	April YTD Budget	April YTD Actual	Variance Favourable (Unfavourable)
Total Capital Expenditure	103,210	86,826	(16,384)
Total Capital Financing	103,210	86,826	(16,384)

The major variance of year-to-date capital expenditure, compared to the departmental Service Delivery Budget Implementation Plan (SDBIP) targets for the municipal vote as indicated in Annexure A, Table C5 are:

- Infrastructure Services

The reasons for variances per strategic unit are captured in Annexure A, Table SC1 of this report.

5. IN-YEAR BUDGET STATEMENT TABLES: APRIL 2012 REPORT

The financial results for the period ended 30 APRIL 2012 are attached consisting of the following tables, in Annexure A:

Part 1

- (a) Table C1: Consolidated Monthly Budget Statement – Summary
- (b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)
- (c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)
- (e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure by vote, standard classification and funding
- (f) Table C6: Consolidated Monthly Budget Statement – Financial Position
- (g) Table C7: Consolidated Monthly Budget Statement – Cash Flow

Part 2

- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) Table SC6: Monthly Budget Statement – Transfers and grant receipts
- (g) Table SC7: Monthly Budget Statement – Transfers and grant expenditures
- (h) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits
- (i) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts
- (j) Table SC10: Monthly Budget Statement – Parent Municipality Financial Performance (Revenue and Expenditure) **Not required**
- (k) Table SC11: Monthly Budget Statement – Summary of Municipal Entities **Not required**
- (l) Table SC12: Monthly Budget Statement – Capital Expenditure Trend
- (m) Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class
- (n) Table SC13b: Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class
- (m) Table SC13c: Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class
- (p) Municipal manager's quality certification

6. IN-YEAR BUDGET STATEMENT CHARTS: APRIL 2012 REPORT

Chart C1 2011/12 Capital Expenditure Monthly Trend: actual v target

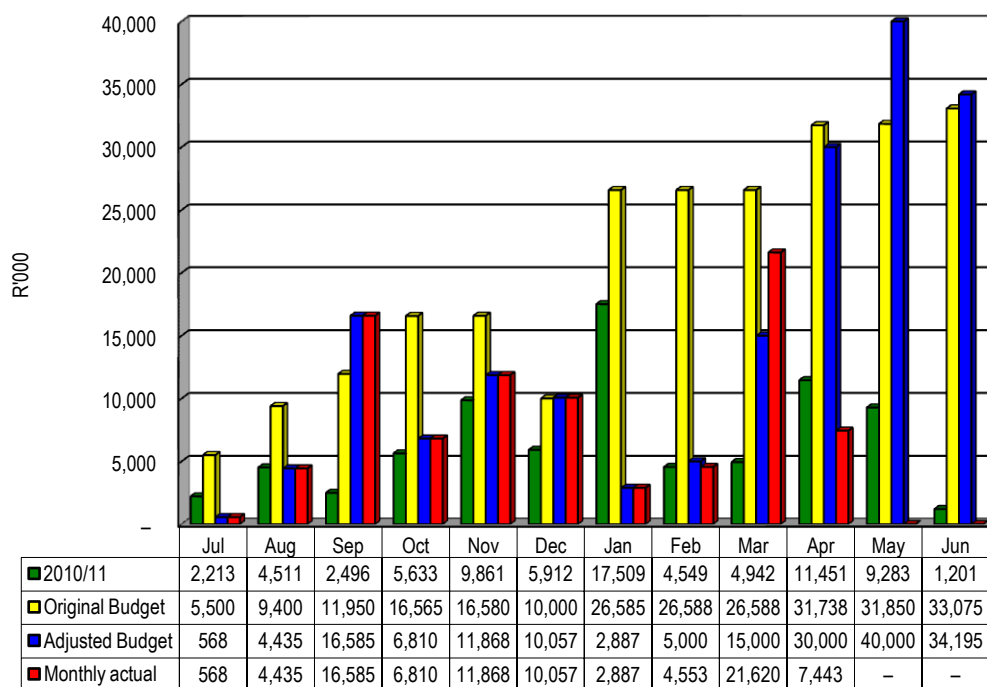
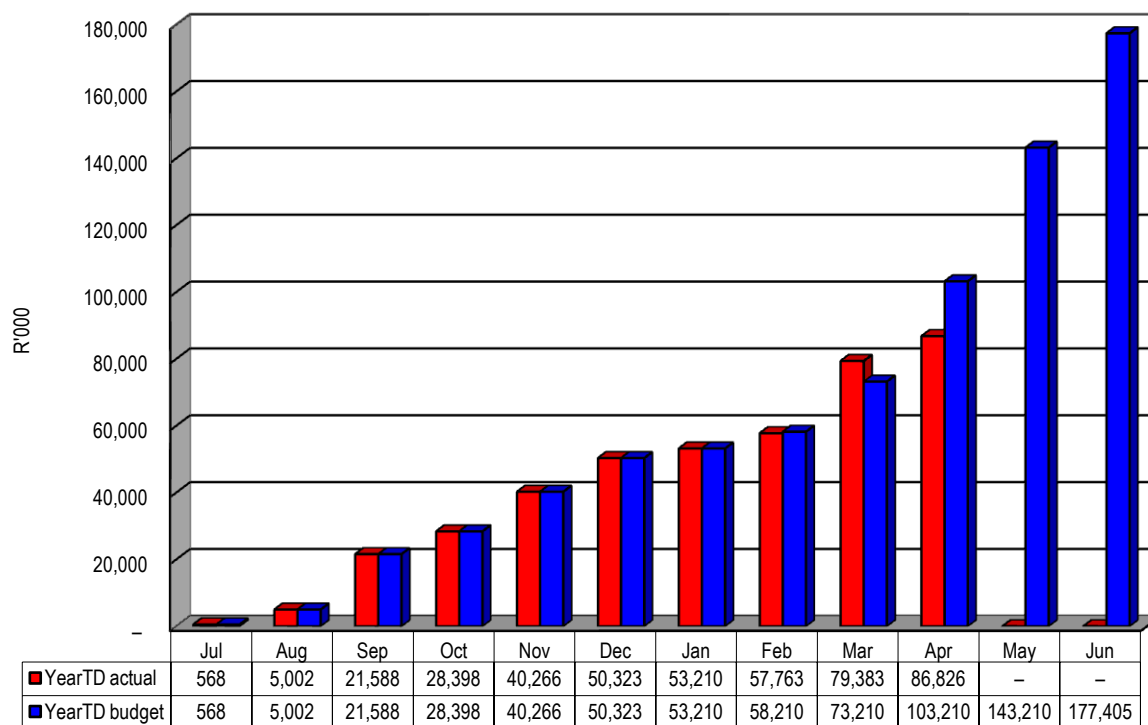
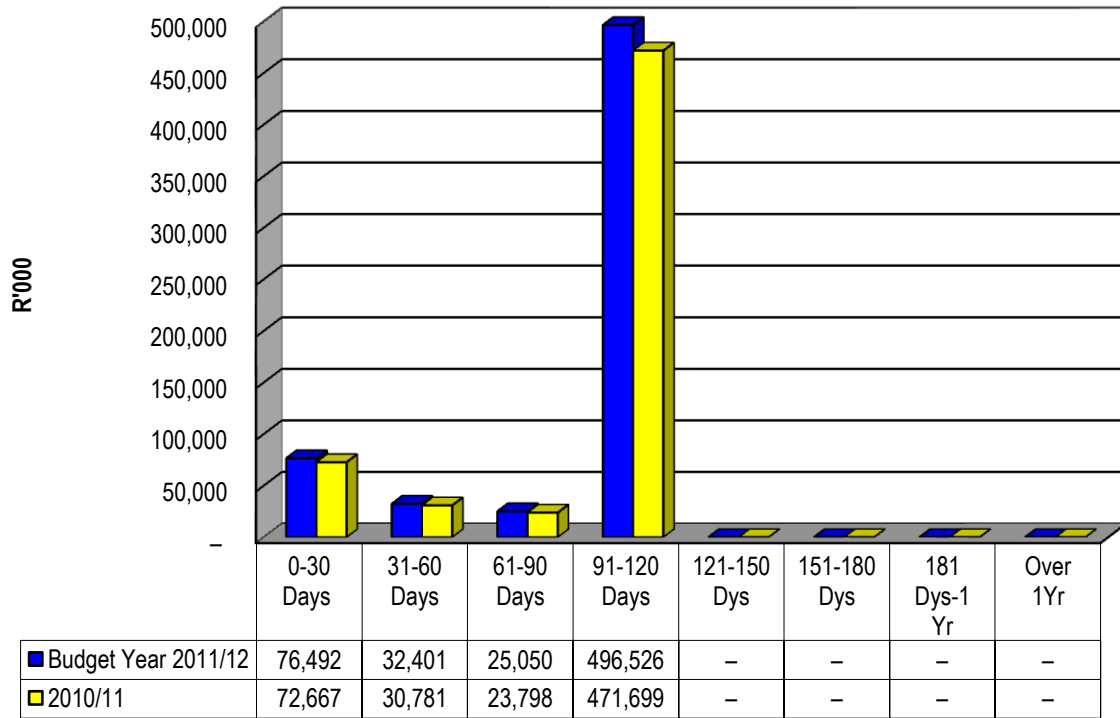


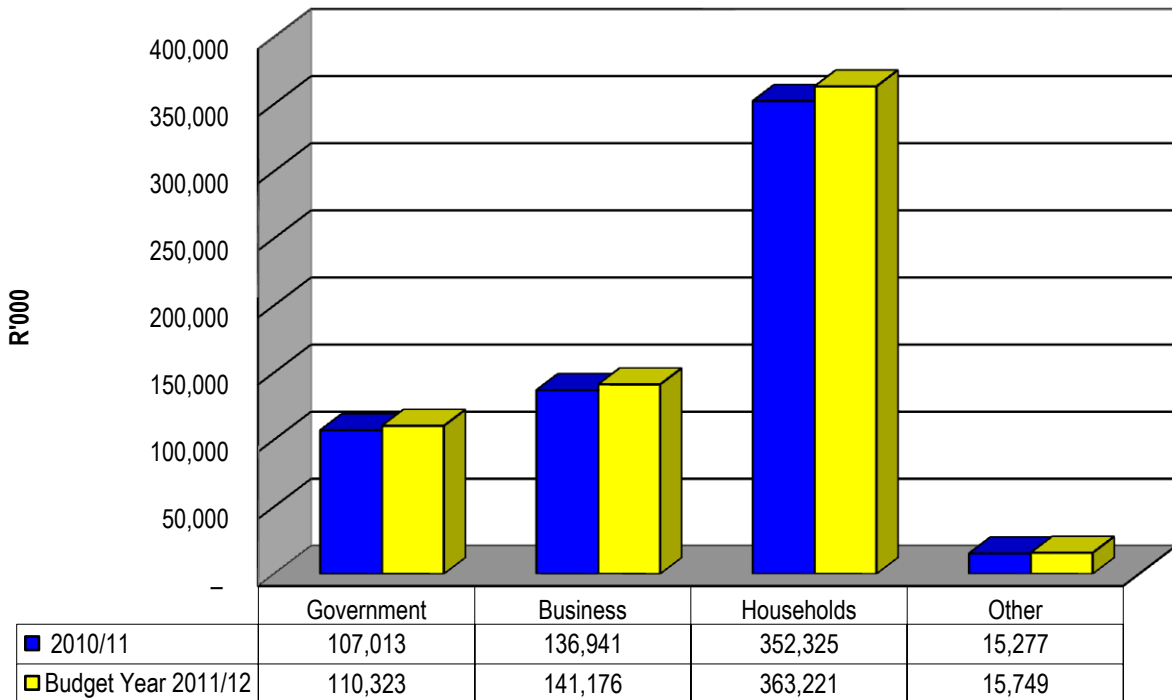
Chart C2 2011/12 Capital Expenditure: YTD actual v YTD target



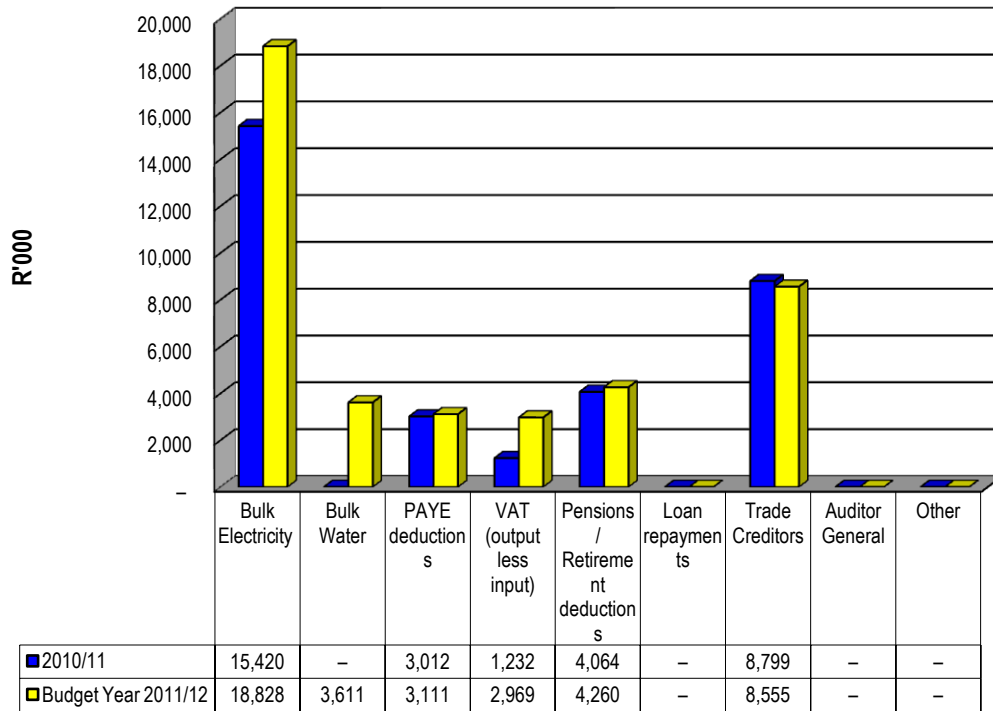
Debtors Age Analysis By Revenue Source



Debtors Age Analysis By Customer Category



Creditors Age Analysis By Customer Type



7. INTERDEPARTMENTAL AND CLUSTER IMPACT

None

8. COMMENTS OF THE HEAD: LEGAL SERVICES

The abovementioned report as such does not call for legal clarification.

9. IMPLICATIONS

- Human Resources

Not applicable.

- Finances (budget and value for money)

This report incorporates the financial status for the period ended 30 APRIL 2012. Upon receipt of the statement or report submitted by the Accounting Officer to the Executive Mayor in terms of Section 71 of the MFMA, the Executive Mayor is obliged to take certain steps with regard to “budgetary control and early identification of financial problems” as determined in Section 54 of the MFMA. Furthermore, the Accounting Officer of the Municipality must report in writing to the Municipal Council with regard to impending shortfalls, overspending, and overdrafts in terms of Section 70 of the MFMA.

- Constitution and legal factors

The implication of approval of this report is compliance to legislative requirements (Sections 52(d) and 71 of the MFMA) and NT regulations GG 32141 of 17 April 2009.

- Communication

In compliance to legislative requirements (Section 71 of the MFMA) this document is provided to all stakeholders by placing it on the Sol Plaatje website.

10. CONCLUSION

This report meets the MFMA requirement for the Executive Mayor to receive a Section 71 'monthly budget statement' within 10 working days after the end of the month.

ANNEXURES:

Annexure A – Prescribed tables in terms of GG 32141 of 17 April 2009.

RECOMMENDED

That, in compliance with Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 April 2009, regarding the "Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations":

- (1) The Accounting Officer submits to the Executive Mayor this statement reflecting the financial status for the month ending 31 October 2011; and
- (2) In order to comply with Section 71(4) of the MFMA, the Accounting Officer ensure that this statement be submitted to National Treasury and the Provincial Treasury, in both a signed document format and in electronic format.

Explanation of legal requirements

Section 71 of the MFMA requires that the monthly report should contain:

- (a) actual revenue, per revenue source;
- (b) actual borrowings;
- (c) actual expenditure, per vote;
- (d) actual capital expenditure, per vote;
- (e) the amount of any allocations received;
- (f) actual expenditure on those allocations, excluding expenditure on-
 - (i) its share of the local government equitable share; and
 - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) when necessary, an explanation of-
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;

- (ii) any material variances from the service delivery and budget implementation plan;
- (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

The statement must also include:

- (a) a projection of the relevant municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections; and
- (b) the prescribed information relating to the state of the budget of each municipal entity as provided to the municipality in terms of section 87(10).
- (3) The amounts reflected in the statement must in each case be compared with the corresponding amounts budgeted for in the municipality's approved budget.
- (4) The statement to the provincial treasury must be in the format of a signed document and in electronic format.

Further, in terms of Government Notice 27431 dated 1 April 2005, regarding the "Local Government: Municipal Finance Management Act 2003 Municipal Investment Regulations: the following is applicable:

Reporting requirements:

- 9.(1) The accounting officer of a municipality or municipal entity must within 10 working days after the end of each month, as part of the section 71 report required by the Act, submit to the mayor of the municipality or the board of directors of the municipal entity a report describing in accordance with generally recognised accounting practice the investment portfolio of that municipality or municipal entity as at the end of the month.
- (2) The report referred to in sub regulation (1) must set out at least –
 - (a) the market value of each investment as at the beginning of the reporting period;
 - (b) any changes to the investment portfolio during the reporting period;
 - (c) the market value of each investment as at the end of the reporting period; and
 - (d) fully accrued interest and yield for the reporting period.

[Highlighted requirements are further explained below].

Certain 'prescribed' municipalities are required to provide their financial reports to the National Treasury, in lieu of the Provincial Treasury. This includes the SPM. National Treasury have indicated that they wish to continue to directly monitor municipalities that have a significant impact on the South African economy. For this purpose the required electronic return forms were progressively lodged with the National Treasury by or on 15 MAY 2012, (ten working day limit). These return forms are:

- Statement of Financial Performance (OSA)
- Capital expenditure report (CAA)
- Cash Flow Statement (CFA)
- Outstanding Debtors report (AD)
- Outstanding Creditors report (AC)
- Statement of Financial Position (BSAC)
- Repairs and Maintenance (RME)

Also we have not fully resolved the issue with the outstanding invoices of DWA, especially the issue pertaining to the interest raised on the account. There are also payments that were made in prior years of which the allocation from DWA's side needs to be verified. DWA is busy investigating the matter, awaiting feedback from them.

The specific format for the report required to be submitted to the Executive Mayor, as referred to in section 71(1), has now been prescribed in terms of Government Gazette No 32141 of 17 April 2009 but the receipt of electronic submission have not been replaced. Therefore, this report is based upon the content and format of the monthly electronic return forms provided to National Treasury. The information provided to National Treasury is published quarterly; therefore it is prudent that the Executive Mayor's report be prepared on a similar basis to ensure alignment.

Section 71(1)(e) refers to a requirement to report on 'allocations' received. The term 'allocations', refers to government grants received from other spheres of government. These are reported upon in the Statement of Financial Performance.

The definition of a revenue 'vote' has been determined by National Treasury. Annexure A contains this information. However, each municipality may determine the vote format for its expenditure, provided it also supplies Government Financial Statistical (GFS) analysis. The information provided in the monthly financial report to Council is in accordance with the SPM vote structure. However, this report is prepared in accordance with the National Treasury standard, which will assist with benchmarking performance with other municipalities.

The contractual/ cost price of the investment portfolio has been utilized and for the period ending 30 April 2012 the value of total investments was R204,9 m.

Municipal Manager's quality certification

I, **G H AKHARWARAY**, the Municipal Manager of Sol Plaatje Municipality, hereby certify that -

- the monthly budget statement

For the month of **APRIL 2012** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: GH AKHARWARAY

Municipal Manager of Sol Plaatje (NC091)

Signature: _____

Date: _____

NC091 Sol Plaatje - Table C1 Monthly Budget Statement Summary - M10 April

Description	2010/11	Budget Year 2011/12							
	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	209 351	233 301	265 801	13 398	244 365	234 084	10 281	4%	265 801
Service charges	571 406	703 986	718 486	55 725	610 235	560 893	49 342	9%	718 486
Investment revenue	36 084	39 000	37 500	3 277	29 256	28 694	562	2%	37 500
Transfers recognised - operational	190 807	164 026	166 503	(1)	135 330	144 776	(9 447)	-7%	166 503
Other own revenue	49 277	58 541	87 161	24 904	65 258	36 569	28 689	78%	87 161
Total Revenue (excluding capital transfers and contributions)	1 056 925	1 198 854	1 275 451	97 303	1 084 444	1 005 017	79 427	8%	1 275 451
Employee costs	364 340	387 948	415 948	30 197	311 698	313 438	(1 740)	-1%	415 948
Remuneration of Councillors	13 331	15 866	16 566	1 347	13 680	13 774	(94)	-1%	16 566
Depreciation & asset impairment	38 593	36 900	41 500	-	-	-	-	-	41 500
Finance charges	14 697	44 725	30 725	33	8 030	7 767	263	3%	30 725
Materials and bulk purchases	285 380	356 755	368 855	21 662	248 368	272 499	(24 131)	-9%	368 855
Transfers and grants	3 191	3 550	3 550	1 001	2 808	2 807	1	-	3 550
Other expenditure	310 514	353 110	398 138	41 159	304 598	264 965	39 633	15%	398 138
Total Expenditure	1 030 046	1 198 854	1 275 282	95 399	889 182	875 250	13 932	2%	1 275 282
Surplus/(Deficit)	26 878	-	169	1 904	195 262	129 767	65 495	50%	169
Transfers recognised - capital	-	-	91 893	-	-	-	-	-	91 893
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	26 878	-	92 062	1 904	195 262	129 767	65 495	50%	92 062
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	26 878	-	92 062	1 904	195 262	129 767	65 495	50%	92 062
Capital expenditure & funds sources									
Capital expenditure	79 196	246 419	177 405	7 443	86 826	103 210	(16 384)	-16%	177 405
Capital transfers recognised	59 322	84 819	91 893	7 033	35 167	38 124	(2 956)	-8%	91 893
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	6 669	149 600	71 042	288	49 839	61 548	(11 710)	-19%	71 042
Internally generated funds	13 205	12 000	14 470	123	1 820	3 538	(1 718)	-49%	14 470
Total sources of capital funds	79 196	246 419	177 405	7 443	86 826	103 210	(16 384)	-16%	177 405
Financial position									
Total current assets	380 924	422 751	445 751		490 901				445 751
Total non current assets	910 392	1 002 200	928 600		997 218				928 600
Total current liabilities	199 066	237 585	237 585		117 124				237 585
Total non current liabilities	264 670	403 617	325 059		336 751				325 059
Community wealth/Equity	827 581	783 749	811 707		1 034 244				811 707
Cash flows									
Net cash from (used) operating	76 266	123 045	164 619	400	145 532	158 728	(13 196)	-8%	164 619
Net cash from (used) investing	(79 559)	(246 419)	(177 405)	(7 443)	(86 826)	(103 210)	16 384	-16%	(177 405)
Net cash from (used) financing	37 706	141 842	62 634	3 229	49 454	58 070	(8 616)	-15%	62 634
Cash/cash equivalents at the month/year end	60 584	83 468	110 432	-	168 745	178 588	(9 843)	-6%	110 432
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 Revenue Source	76 492	32 401	25 050	496 526	-	-	-	-	630 469
Creditors Age Analysis									
Total Creditors	37 773	3 561	-	-	-	-	-	-	41 334

NC091 Sol Plaatje - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M10 April

Description	Ref	2010/11	Budget							
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD	YTD	Full
R thousands	1	Outcome	Budget	Budget	actual	actual	budget	variance	variance	Year
								%		Forecast
Revenue - Standard										
Governance and administration		447 550	453 094	572 313	17 475	419 006	476 928	(57 921)	-12%	572 313
Executive and council		225 266	199 891	294 210	3 398	164 943	245 175	(80 232)	-33%	294 210
Budget and treasury office		219 531	238 432	266 932	13 993	250 855	222 443	28 412	13%	266 932
Corporate services		2 753	14 771	11 171	83	3 208	9 309	(6 101)	-66%	11 171
Community and public safety		23 908	26 279	61 309	24 345	39 823	51 091	(11 268)	-22%	61 309
Community and social services		10 564	10 492	10 492	763	7 892	8 743	(852)	-10%	10 492
Sport and recreation		3 714	5 341	5 341	185	2 356	4 451	(2 095)	-47%	5 341
Public safety		337	980	980	-	-	817	(817)	-100%	980
Housing		6 947	7 061	42 061	23 396	28 544	35 051	(6 507)	-19%	42 061
Health		2 346	2 405	2 435	1	1 031	2 029	(998)	-49%	2 435
Economic and environmental services		6 601	7 456	7 097	104	9 367	5 914	3 452	58%	7 097
Planning and development		2 089	1 495	1 535	155	1 600	1 279	321	25%	1 535
Road transport		4 513	5 962	5 562	(52)	7 767	4 635	3 132	68%	5 562
Environmental protection		-	-	-	-	-	-	-		-
Trading services		574 975	707 377	721 877	56 086	614 129	601 564	12 565	2%	721 877
Electricity		360 008	465 914	474 714	31 876	390 688	395 595	(4 907)	-1%	474 714
Water		132 851	156 163	151 963	16 392	144 847	126 636	18 211	14%	151 963
Waste water management		46 520	48 856	54 556	4 438	44 954	45 463	(509)	-1%	54 556
Waste management		35 596	36 444	40 644	3 381	33 640	33 870	(230)	-1%	40 644
Other	4	3 890	4 647	4 747	(707)	2 119	3 956	(1 836)	-46%	4 747
Total Revenue - Standard	2	1 056 925	1 198 854	1 367 343	97 303	1 084 444	1 139 453	(55 008)	-5%	1 367 343
Expenditure - Standard	-									
Governance and administration		352 124	383 360	427 709	21 260	258 523	356 424	(97 901)	-27%	427 709
Executive and council		251 751	261 757	302 457	12 805	164 586	252 048	(87 461)	-35%	302 457
Budget and treasury office		57 107	67 706	67 706	4 506	49 849	56 422	(6 572)	-12%	67 706
Corporate services		43 265	53 896	57 546	3 950	44 087	47 955	(3 868)	-8%	57 546
Community and public safety		131 877	146 227	182 727	36 395	144 308	152 273	(7 965)	-5%	182 727
Community and social services		43 071	51 147	51 147	5 241	53 637	42 623	11 014	26%	51 147
Sport and recreation		30 384	33 027	33 027	3 063	29 217	27 523	1 694	6%	33 027
Public safety		29 317	32 816	32 816	300	10 415	27 347	(16 931)	-62%	32 816
Housing		15 990	12 901	49 401	26 664	39 180	41 168	(1 987)	-5%	49 401
Health		13 115	16 336	16 336	1 127	11 859	13 613	(1 755)	-13%	16 336
Economic and environmental services		62 352	60 193	62 933	5 183	57 064	52 444	4 620	9%	62 933
Planning and development		17 398	20 121	20 161	1 205	14 567	16 801	(2 234)	-13%	20 161
Road transport		44 954	40 072	42 772	3 978	42 497	35 643	6 853	19%	42 772
Environmental protection		-	-	-	-	-	-	-		-
Trading services		476 812	602 517	595 255	32 032	423 183	496 046	(72 863)	-15%	595 255
Electricity		305 243	406 053	397 053	20 664	291 750	330 878	(39 128)	-12%	397 053
Water		102 657	114 611	117 099	5 511	70 092	97 583	(27 491)	-28%	117 099
Waste water management		32 537	45 409	42 359	2 676	29 875	35 299	(5 424)	-15%	42 359
Waste management		36 375	36 444	38 744	3 181	31 467	32 287	(820)	-3%	38 744
Other		6 882	6 558	6 658	530	6 104	5 548	556	10%	6 658
Total Expenditure - Standard	3	1 030 046	1 198 854	1 275 282	95 399	889 182	1 062 735	(173 553)	-16%	1 275 282
Surplus/ (Deficit) for the year		26 878	(0)	92 061	1 904	195 262	76 717	118 544	155%	92 061

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April

Vote Description [Insert departmental structure etc 3.] R thousands	Ref	2010/11	Budget Year 2011/12							
		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 - EXECUTIVE AND COUNCIL		35	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL AND GENERAL		223,672	198,514	292,354	3,311	164,525	243,628	(79,103)	-32.5%	292,354
Vote 3 - MUNICIPAL MANAGER		1,559	1,377	1,857	88	419	1,548	(1,129)	-73.0%	1,857
Vote 4 - CORPORATE SERVICES		2,553	4,838	4,838	67	2,773	4,032	(1,259)	-31.2%	4,838
Vote 5 - COMMUNITY SERVICES		21,006	24,755	24,385	861	18,538	20,321	(1,782)	-8.8%	24,385
Vote 6 - FINANCIAL SERVICES		219,531	244,423	272,923	13,993	250,855	227,436	23,419	10.3%	272,923
Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING		6,179	10,085	6,625	(535)	4,154	5,521	(1,366)	-24.8%	6,625
Vote 8 - INFRASTRUCTURE AND SERVICES		582,390	714,863	764,362	79,519	643,180	636,968	6,211	1.0%	764,362
Total Revenue by Vote	2	1,056,925	1,198,854	1,367,344	97,303	1,084,444	1,139,453	(55,009)	-4.8%	1,367,344
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		29,262	30,001	34,901	3,208	28,765	29,084	(319)	-1.1%	34,901
Vote 2 - MUNICIPAL AND GENERAL		212,523	217,482	253,282	8,570	125,807	211,068	(85,262)	-40.4%	253,282
Vote 3 - MUNICIPAL MANAGER		9,967	14,274	14,274	1,026	10,014	11,895	(1,881)	-15.8%	14,274
Vote 4 - CORPORATE SERVICES		35,355	44,483	44,983	3,360	37,380	37,486	(105)	-0.3%	44,983
Vote 5 - COMMUNITY SERVICES		108,199	126,668	126,268	9,993	100,834	105,223	(4,389)	-4.2%	126,268
Vote 6 - FINANCIAL SERVICES		63,598	74,752	78,252	4,917	54,987	65,210	(10,223)	-15.7%	78,252
Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING		25,699	29,047	28,837	1,914	22,240	24,031	(1,791)	-7.5%	28,837
Vote 8 - INFRASTRUCTURE AND SERVICES		545,444	662,147	694,485	62,411	509,154	578,738	(69,584)	-12.0%	694,485
Total Expenditure by Vote	2	1,030,046	1,198,854	1,275,282	95,399	889,182	1,062,735	(173,553)	-16.3%	1,275,282
Surplus/ (Deficit) for the year	2	26,878	-	92,062	1,904	195,262	76,718	118,544	154.5%	92,062

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Ref	2010/11	Budget Year 2011/12							
		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		209 351	233 301	265 801	13 398	244 365	234 084	10 281	4%	265 801
Property rates - penalties & collection charges							-	-		-
Service charges - electricity revenue		360 485	465 906	474 706	31 863	389 983	359 755	30 228	8%	474 706
Service charges - water revenue		132 727	156 162	151 962	16 361	144 611	127 671	16 940	13%	151 962
Service charges - sanitation revenue		45 180	47 989	53 689	4 366	44 204	42 835	1 370	3%	53 689
Service charges - refuse revenue		32 932	33 564	37 764	3 135	31 436	30 632	804	3%	37 764
Service charges - other		81	365	365	-	1	1	-		365
Rental of facilities and equipment		12 740	14 207	14 207	1 010	10 358	10 503	(145)	-1%	14 207
Interest earned - external investments		4 802	4 000	5 500	260	1 949	1 353	597	44%	5 500
Interest earned - outstanding debtors		31 283	35 000	32 000	3 017	27 307	27 342	(35)	0%	32 000
Dividends received							-	-		-
Fines		3 635	6 432	6 032	553	4 489	4 225	265	6%	6 032
Licences and permits		3 125	2 530	2 530	158	3 366	2 524	843	33%	2 530
Agency services		3 489	3 200	3 200	(282)	3 314	3 822	(509)	-13%	3 200
Transfers recognised - operational		190 807	164 026	166 503	(1)	135 330	144 776	(9 447)	-7%	166 503
Other revenue		26 288	32 172	61 192	23 465	43 731	15 491	28 241	182%	61 192
Gains on disposal of PPE							5	(5)	-100%	-
Total Revenue (excluding capital transfers and contributions)		1 056 925	1 198 854	1 275 451	97 303	1 084 444	1 005 017	79 427	8%	1 275 451
Expenditure By Type										
Employee related costs		364 340	387 948	415 948	30 197	311 698	313 438	(1 740)	-1%	415 948
Remuneration of councillors		13 331	15 866	16 566	1 347	13 680	13 774	(94)	-1%	16 566
Debt impairment		97 383	106 000	106 000	-	106 000	106 000	-		106 000
Depreciation & asset impairment		38 593	36 900	41 500			-	-		41 500
Finance charges		14 697	44 725	30 725	33	8 030	7 767	263	3%	30 725
Bulk purchases		234 315	308 000	308 000	18 243	197 197	218 424	(21 227)	-10%	308 000
Other materials		51 065	48 755	60 855	3 419	51 171	54 075	(2 904)	-5%	60 855
Contracted services							-	-		-
Transfers and grants		3 191	3 550	3 550	1 001	2 808	2 807	1	0%	3 550
Other expenditure		213 131	247 110	292 138	41 159	198 598	158 965	39 633	25%	292 138
Loss on disposal of PPE							-	-		-
Total Expenditure		1 030 046	1 198 854	1 275 282	95 399	889 182	875 250	13 932	2%	1 275 282
Surplus/(Deficit)		26 878	-	169	1 904	195 262	129 767	65 495	0	169
Transfers recognised - capital		-	-	91 893	-	-	-	-		91 893
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		26 878	-	92 062	1 904	195 262	129 767			92 062
Taxation								-		
Surplus/(Deficit) after taxation		26 878	-	92 062	1 904	195 262	129 767			92 062
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		26 878	-	92 062	1 904	195 262	129 767			92 062
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		26 878	-	92 062	1 904	195 262	129 767			92 062

NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M10 April

Vote Description	Ref	2010/11	Budget Year 2011/12							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		106	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL AND GENERAL		396	-	-	-	-	-	-	-	-
Vote 3 - MUNICIPAL MANAGER		36	-	-	-	-	-	-	-	-
Vote 4 - CORPORATE SERVICES		271	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		7,689	3,800	1,400	-	477	787	(310)	-39%	1,400
Vote 6 - FINANCIAL SERVICES		1,948	850	850	2	514	850	(336)	-40%	850
Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING		1,354	17,831	13,095	1,104	6,540	3,909	2,631	67%	13,095
Vote 8 - INFRASTRUCTURE AND SERVICES		67,397	223,938	162,060	6,336	79,296	97,664	(18,368)	-19%	162,060
Total Capital Multi-year expenditure	4,7	79,196	246,419	177,405	7,443	86,826	103,210	(16,384)	-16%	177,405
Total Capital Expenditure		79,196	246,419	177,405	7,443	86,826	103,210	(16,384)	-16%	177,405
Capital Expenditure - Standard Classification										
Governance and administration		1,948	850	4,700	2	514	850	(336)	-40%	4,700
Executive and council		-	-	3,400	-	-	-	-	-	3,400
Budget and treasury office		-	-	850	2	514	850	(336)	-40%	850
Corporate services		1,948	850	450	-	-	-	-	-	450
Community and public safety		7,689	3,800	1,400	-	477	777	(300)	-39%	1,400
Community and social services		7,689	3,800	1,400		477	777	(300)	-39%	1,400
Sport and recreation										
Public safety										
Housing										
Health										
Economic and environmental services		13,710	17,831	13,095	984	6,420	6,588	(169)	-3%	13,095
Planning and development		1,354	9,831	13,095	984	6,420	6,588	(169)	-3%	13,095
Road transport		12,356	3,000	-						
Environmental protection		-	5,000	-						
Trading services		50,505	223,938	138,730	6,470	78,109	93,084	(14,974)	-16%	138,730
Electricity		8,210	88,503	44,745	1,125	28,115	33,002	(4,887)	-15%	44,745
Water		7,001	27,800	27,800	573	4,141	24,431	(20,289)	-83%	27,800
Waste water management		34,203	105,785	66,185	4,772	45,853	35,651	10,201	29%	66,185
Waste management		1,090	1,850	-						
Other		5,345	-	19,480	(13)	1,306	1,912	(605)	-32%	19,480
Total Capital Expenditure - Standard Classification	3	79,196	246,419	177,405	7,443	86,826	103,210	(16,384)	-16%	177,405
Funded by:										
National Government		43,457	78,988	71,018	3,853	28,563	31,186	(2,622)	-8%	71,018
Provincial Government		11,297	5,831	4,875	305	3,728	4,063	(334)	-8%	4,875
District Municipality		1,563	-	-						
Other transfers and grants		3,005	-	16,000	2,875	2,875	2,875	-		16,000
Transfers recognised - capital		59,322	84,819	91,893	7,033	35,167	38,124	(2,956)	-8%	91,893
Public contributions & donations	5									
Borrowing	6	6,669	149,600	71,042	288	49,839	61,548	(11,710)	-19%	71,042
Internally generated funds		13,205	12,000	14,470	123	1,820	3,538	(1,718)	-49%	14,470
Total Capital Funding		79,196	246,419	177,405	7,443	86,826	103,210	(16,384)	-16%	177,405

NC091 Sol Plaatje - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2010/11	Budget Year 2011/12			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		-	-	-		-
Call investment deposits		70 003	87 000	110 000	204 971	110 000
Consumer debtors		157 918	318 803	318 803	243 213	318 803
Other debtors		133 417	94	94	20 643	94
Current portion of long-term receivables						
Inventory		19 586	16 854	16 854	22 073	16 854
Total current assets		380 924	422 751	445 751	490 901	445 751
Non- current assets						
Long-term receivables						
Investments						
Investment property		115 350	57 459	57 459	115 350	57 459
Investments in Associate						
Property, plant and equipment		792 557	940 928	867 328	879 383	867 328
Agricultural						
Biological assets						
Intangible assets		2 486	3 813	3 813	2 486	3 813
Other non-current assets						
Total non- current assets		910 392	1 002 200	928 600	997 218	928 600
TOTAL ASSETS		1 291 316	1 424 951	1 374 351	1 488 119	1 374 351
LIABILITIES						
Current liabilities						
Bank overdraft		9 418	18 074	18 074	7 927	18 074
Borrowing		17 897	44 357	44 357		44 357
Consumer deposits		11 857	11 489	11 489	13 914	11 489
Trade and other payables		155 125	157 710	157 710	95 283	157 710
Provisions		4 768	5 955	5 955		5 955
Total current liabilities		199 066	237 585	237 585	117 124	237 585
Non- current liabilities						
Borrowing		96 758	233 270	154 712	164 071	154 712
Provisions		167 912	170 347	170 347	172 679	170 347
Total non -current liabilities		264 670	403 617	325 059	336 751	325 059
TOTAL LIABILITIES		463 735	641 202	562 644	453 875	562 644
NET ASSETS	2	827 581	783 749	811 707	1 034 244	811 707
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		798 884	756 589	784 547	1 005 547	784 547
Reserves		28 697	27 160	27 160	28 697	27 160
TOTAL COMMUNITY WEALTH/EQUITY	2	827 581	783 749	811 707	1 034 244	811 707

NC091 Sol Plaatje - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	2010/11	Budget Year							
		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		741 164	883 354	923 892	95 195	747 480	747 938	(458)	0%	923 892
Government - operating		138 963	164 026	166 503	-	136 599	135 167	1 433	1%	166 503
Government - capital		51 844	84 819	91 893	-	74 941	81 522	(6 581)	-8%	91 893
Interest		36 084	34 800	11 840	605	8 040	8 218	(178)	-2%	11 840
Dividends								-		
Payments										
Suppliers and employees		(873 901)	(999 228)	(995 234)	(94 367)	(810 719)	(803 570)	7 149	-1%	(995 234)
Finance charges		(14 697)	(44 726)	(30 725)	(33)	(8 002)	(7 739)	263	-3%	(30 725)
Transfers and Grants		(3 191)	-	(3 550)	(1 000)	(2 807)	(2 807)	-		(3 550)
NET CASH FROM/(USED) OPERATING ACTIVITIES		76 266	123 045	164 619	400	145 532	158 728	(13 196)	-8%	164 619
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(79 559)	(246 419)	(177 405)	(7 443)	(86 826)	(103 210)	(16 384)	16%	(177 405)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(79 559)	(246 419)	(177 405)	(7 443)	(86 826)	(103 210)	(16 384)	16%	(177 405)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		39 818	149 600	71 042	3 229	52 933	61 548	(8 616)	-14%	71 042
Increase (decrease) in consumer deposits		-	650	-				-		-
Payments										
Repayment of borrowing		(2 112)	(8 408)	(8 408)	-	(3 479)	(3 479)	-		(8 408)
NET CASH FROM/(USED) FINANCING ACTIVITIES		37 706	141 842	62 634	3 229	49 454	58 070	8 616	15%	62 634
NET INCREASE/ (DECREASE) IN CASH HELD		34 413	18 468	49 848	(3 815)	108 160	113 588			49 848
Cash/cash equivalents at beginning:		26 171	65 000	60 584		60 584	65 000			60 584
Cash/cash equivalents at month/year end:		60 584	83 468	110 432		168 745	178 588			110 432

NC091 Sol Plaatje - Supporting Table SC1 Material variance explanations - M10 April

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
	Property rates	4%	Positive	
	Property rates - penalties & collection charges			
	Service charges - electricity revenue	8%	Positive	
	Service charges - water revenue	13%	Positive	
	Service charges - sanitation revenue	3%	Positive	
	Service charges - refuse revenue	3%	Positive	
	Service charges - other			
	Rental of facilities and equipment	-1%	Revenue is not materialising, but acceptable	
	Interest earned - external investments	44%	Realised at year-end	
	Interest earned - outstanding debtors	0%	Acceptable	
	Dividends received			
	Fines	6%	It is being monitored.	User department to investigate
	Licences and permits	33%	Acceptable	
	Agency services	-13%	Increased transactions. Transfer to Province made in April.	
	Transfers recognised - operational	-7%	Acceptable	
	Other revenue	182%	Receipts from province factored in for housing projects	
	Gains on disposal of PPE	-100%	Incorrectly projected	
2	Expenditure By Type			
	Employee related costs	-1%	Positive	
	Remuneration of councillors	-1%	p	
	Debt impairment		Provided for annually	
	Depreciation & asset impairment		Provided for annually and in future at least quarterly	
	Finance charges	3%	Acceptable	
	Bulk purchases	-10%	Bulk Purchases Water not fully resolved with DWA. Invoices for March and April 2012 still outstanding.	Payment will be made as soon as matter is resolved
	Other materials	-5%	Expenditure on R&M a concern. Addressed in Adjustments budgets. Accelerated exp on maintenance of roads and street lights	
	Contracted services			
	Transfers and grants	0%		
	Other expenditure	25%	Expenditure on General Expenses acceptable, payments on housing projects factored in	
3	Capital Expenditure			
	Vote 5 - COMMUNITY SERVICES	-39%	Project halted due to problems with the service provider. Contractor has once again failed to deliver on his commitment.	
	Vote 6 - FINANCIAL SERVICES	-40%	Project to be completed by latest end of April 2012	
	Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING	67%	Expenditure on roll-over projects still concerning.	
	Vote 8 - INFRASTRUCTURE AND SERVICES	-19%	Acceptable within limits. Capex still a huge concern overall. Not sufficient remedial action taken to improve on capital expenditure	
4	Financial Position			
	Current assets	(45 150)	Acceptable	
	Non-current assets	(68 618)	Capital expenditure not materialising	
	Current liabilities	120 461	Current portion of long-term liabilities not yet recognised and trade & other payables below budget	
	Non-current liabilities	(11 692)	Acceptable	
5	Cash Flow			
	NET CASH FROM/(USED) OPERATING ACTIVITIES	-8%	Payments exceed cash receipts, capital grants below target	
	NET CASH FROM/(USED) INVESTING ACTIVITIES	16%	Progress on capital not as desired	
	NET CASH FROM/(USED) FINANCING ACTIVITIES	15%	Long-term borrowing used to finance capital projects not materialising	
6	Measureable performance			
7	Municipal Entities			