

# **SOL PLAATJE MUNICIPALITY**



## **MONTHLY BUDGET STATEMENT: MAY 2012**

**14 JUNE 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 31 MAY 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 31 May 2012, the ten working day reporting limit expires on **14 June 2012**.

#### 4. EXECUTIVE SUMMARY

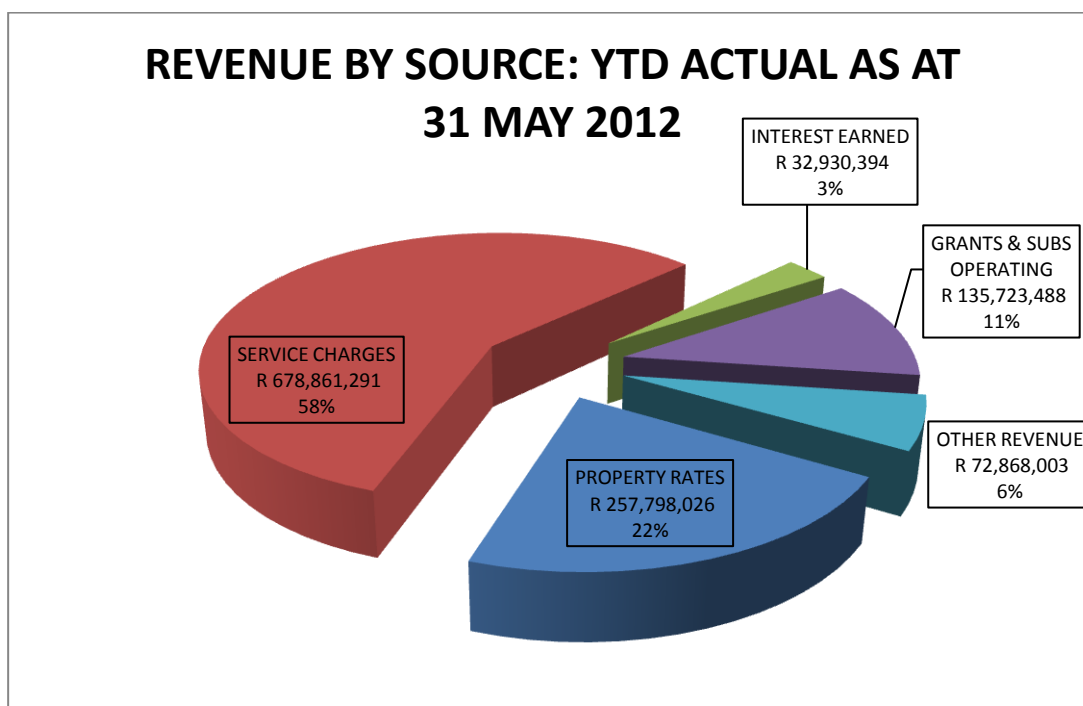
The SFP shown in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by type. The summary report indicates the following:

<b>Summary Statement of Financial Performance:</b>			
<b>Description R thousand</b>	<b>May YTD Budget</b>	<b>May YTD Actual</b>	<b>Variance Favourable (Unfavourable)</b>
Total Operating Revenue	1,060,264	1,178,181	117,917
Total Operating Expenditure	958,020	972,804	(14,784)
<b>Surplus (Deficit)</b>	<b>102,244</b>	<b>205,377</b>	<b>(92,128)</b>

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

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

Indicated in the chart below is a breakdown of billed Revenue per Source as a percentage of total revenue as at 31 May 2012.

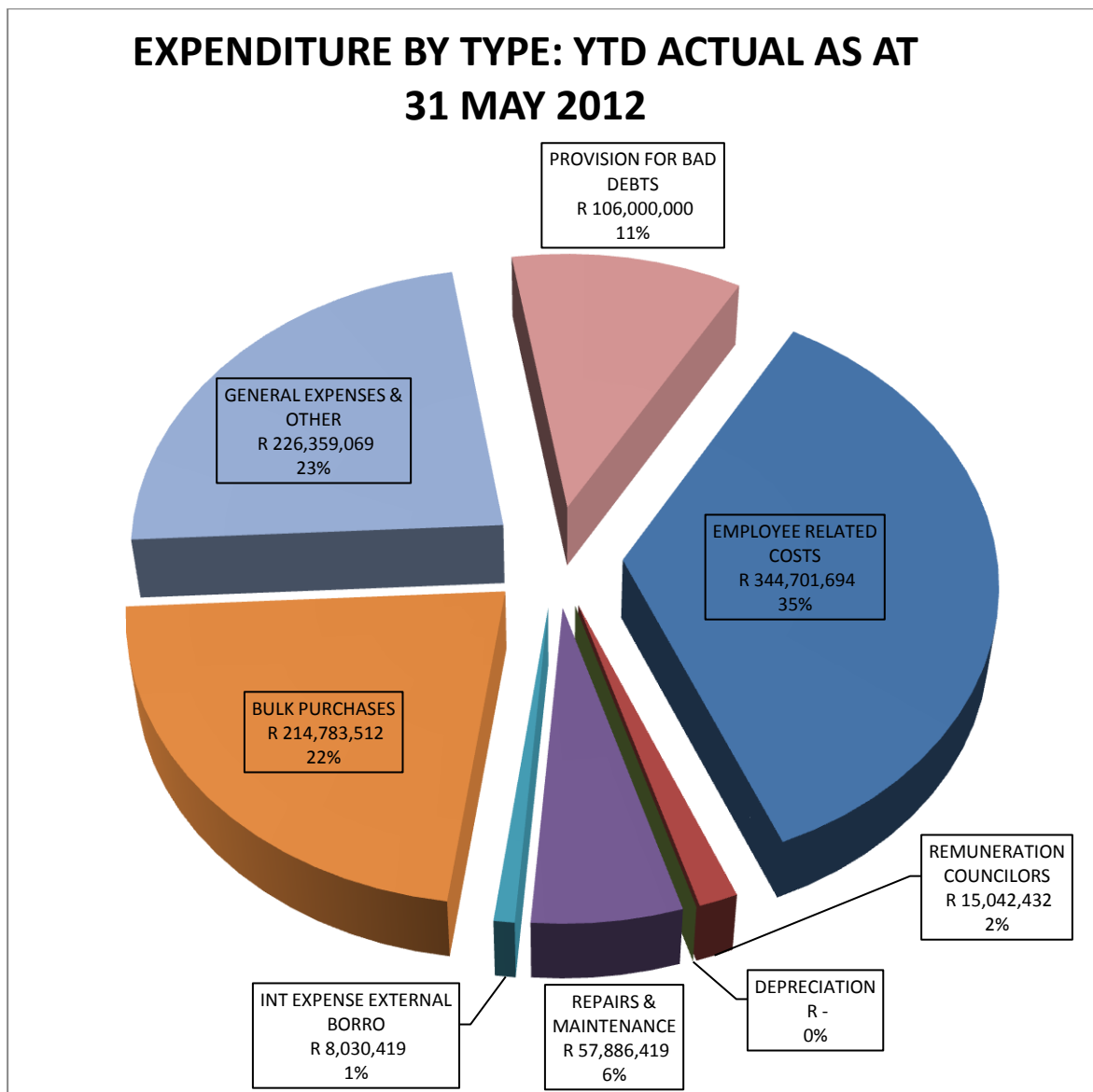


The major operating expenditure variances against budget projections cited in Table C1 of Annexure A herewith attached, are:

- Bulk purchases (favourable); and
- Other expenditure (unfavourable).

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 31 May 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:

<b>Summary Statement of Capital Expenditure:</b>			
<b>Description R thousand</b>	<b>May YTD Budget</b>	<b>May YTD Actual</b>	<b>Variance Favourable (Unfavourable)</b>
Total Capital Expenditure	143,210	102,238	(40,972)
Total Capital Financing	<b>143,210</b>	<b>102,238</b>	<b>(40,972)</b>

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: MAY 2012 REPORT

The financial results for the period ended 31 MAY 2012 are attached consisting of the following tables, in Annexure A:

### *Part 1*

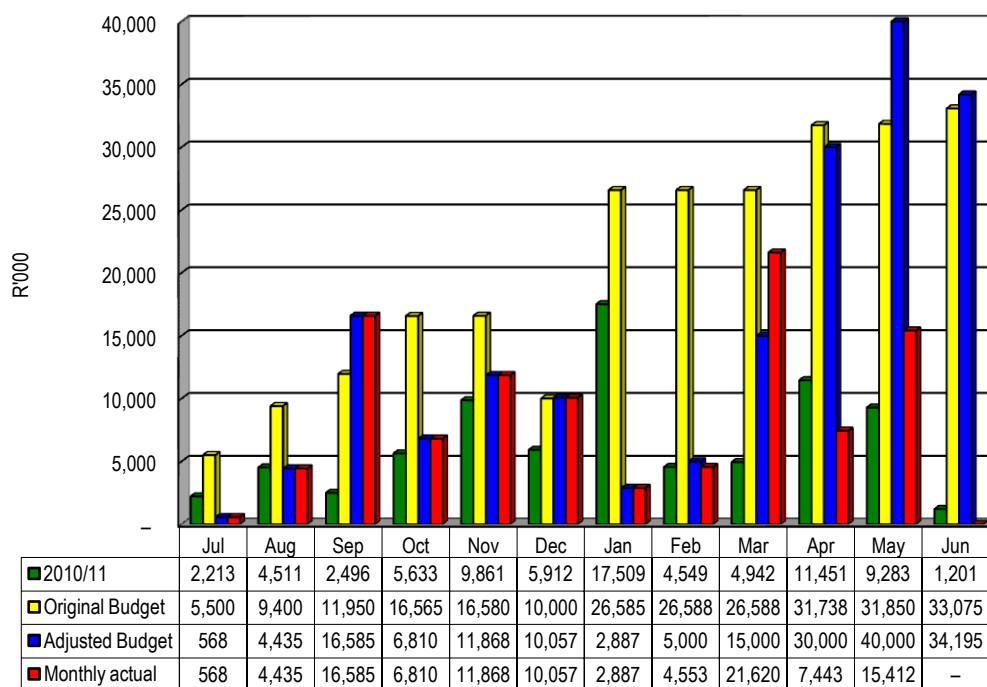
- (a) Table C1: Consolidated Monthly Budget Statement – Summary
- (b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)
- (c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table 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*

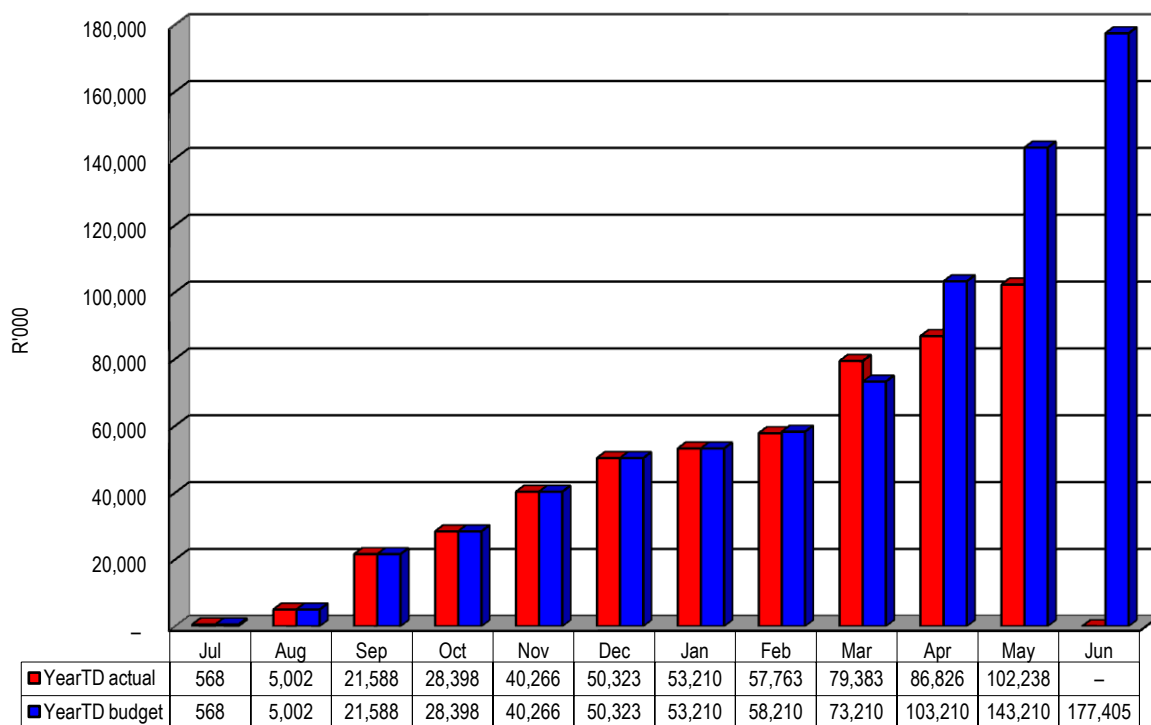
- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) 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: MAY 2012 REPORT

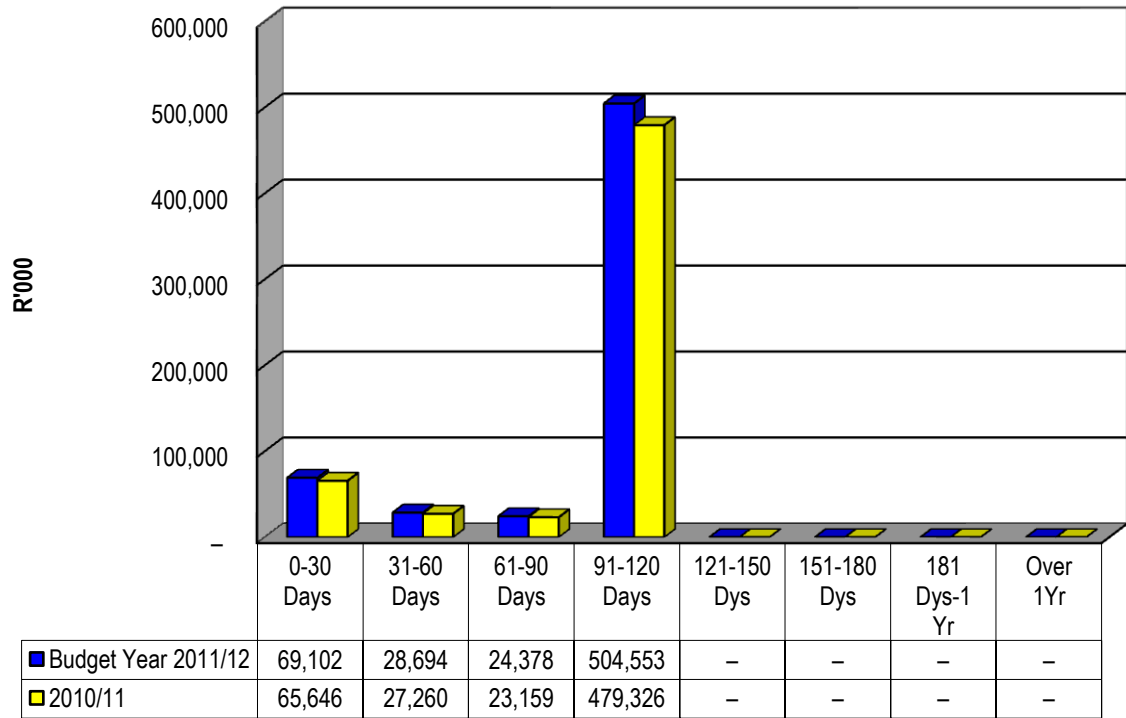
### Chart C1 2011/12 Capital Expenditure Monthly Trend: actual v target



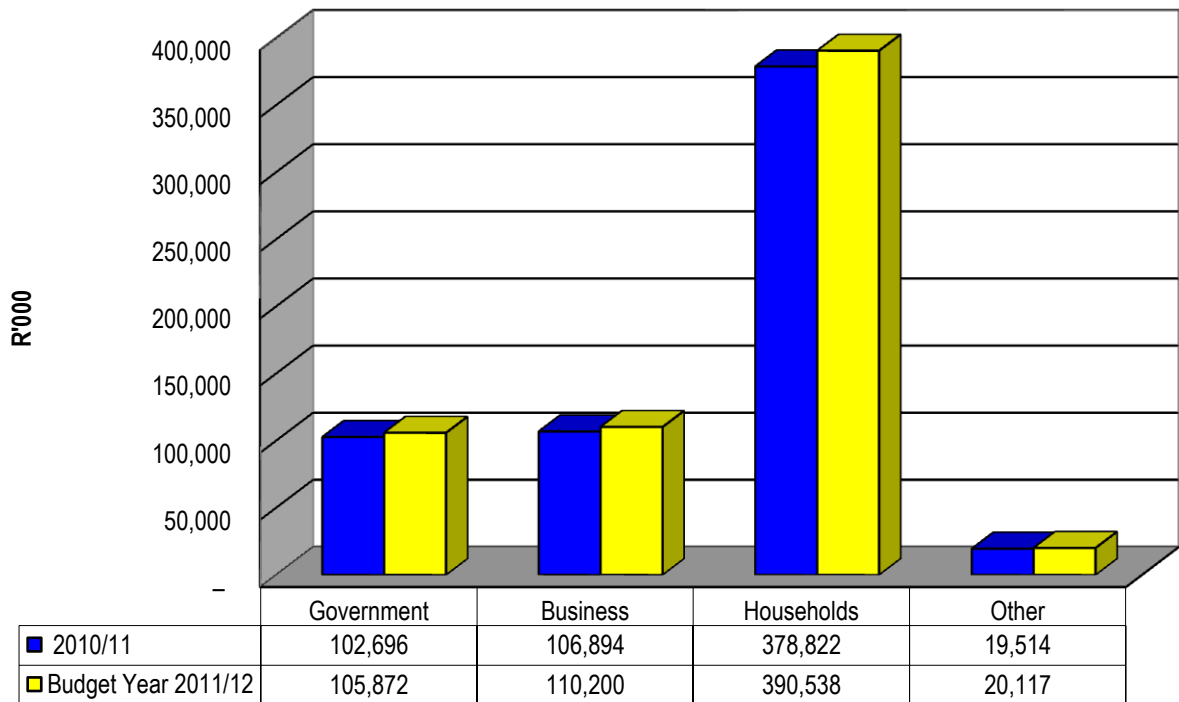
### Chart C2 2011/12 Capital Expenditure: YTD actual v YTD target

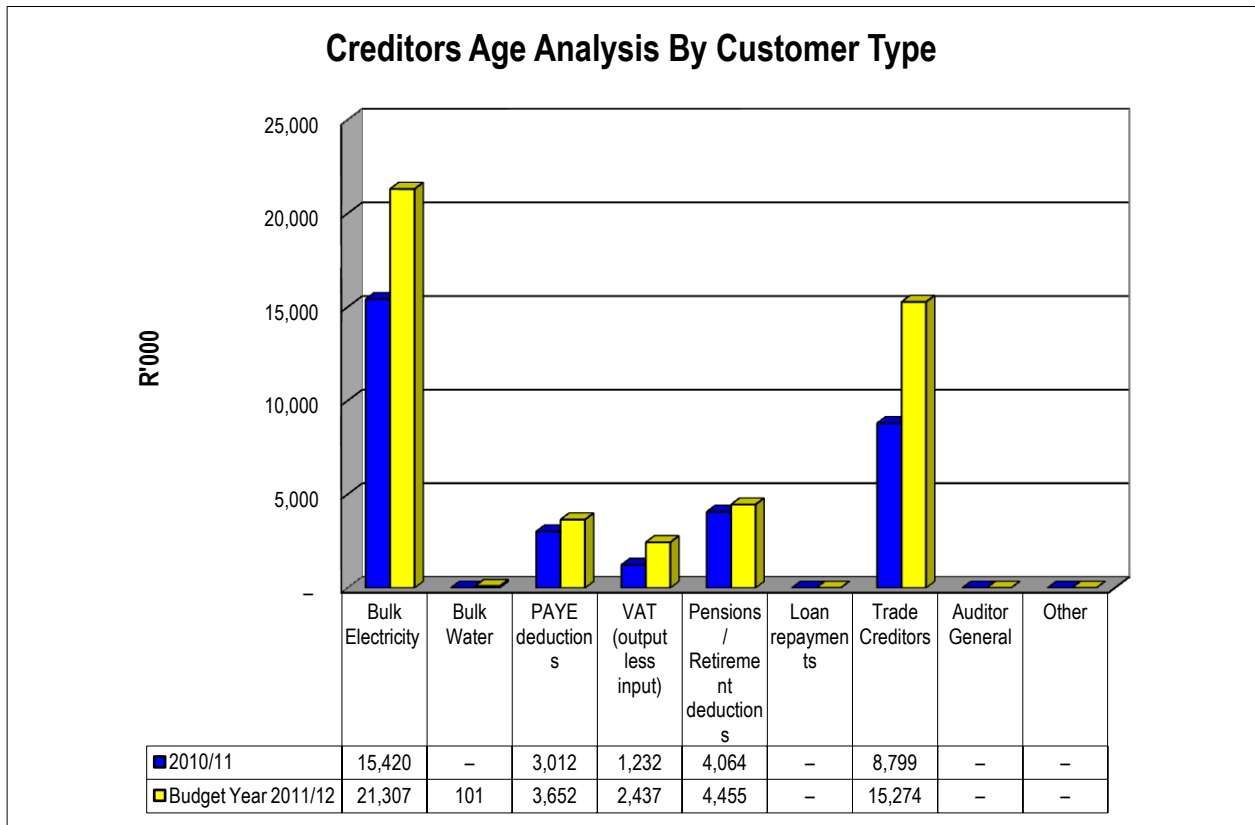


**Debtors Age Analysis By Revenue Source**



**Debtors Age Analysis By Customer Category**





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 31 MAY 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 May 2012; 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 14 JUNE 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 31 May 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 **MAY 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 - M11 May

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	209 351	233 301	265 801	13 433	257 798	244 199	13 599	6%	265 801
Service charges	571 406	703 986	718 486	68 626	678 861	603 410	75 451	13%	718 486
Investment revenue	36 084	39 000	37 500	3 674	32 930	29 613	3 317	11%	37 500
Transfers recognised - operational	190 807	164 026	166 503	394	135 723	143 929	(8 206)	-6%	166 503
Other own revenue	49 277	58 541	87 161	7 610	72 868	39 112	33 756	86%	87 161
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 056 925</b>	<b>1 198 854</b>	<b>1 275 451</b>	<b>93 737</b>	<b>1 178 181</b>	<b>1 060 264</b>	<b>117 917</b>	<b>11%</b>	<b>1 275 451</b>
Employee costs	364 340	387 948	415 948	33 004	344 702	344 782	(80)	-0%	415 948
Remuneration of Councillors	13 331	15 866	16 566	1 362	15 042	15 151	(109)	-1%	16 566
Depreciation & asset impairment	38 593	36 900	41 500	-	-	-	-		41 500
Finance charges	14 697	44 725	30 725	-	8 030	7 767	263	3%	30 725
Materials and bulk purchases	285 380	356 755	368 855	24 302	272 670	305 217	(32 547)	-11%	368 855
Transfers and grants	3 191	3 550	3 550	1	2 809	2 807	2		3 550
Other expenditure	310 514	353 110	398 138	24 953	329 551	282 296	47 254	17%	398 138
<b>Total Expenditure</b>	<b>1 030 046</b>	<b>1 198 854</b>	<b>1 275 282</b>	<b>83 621</b>	<b>972 804</b>	<b>958 020</b>	<b>14 784</b>	<b>2%</b>	<b>1 275 282</b>
<b>Surplus/(Deficit)</b>	<b>26 878</b>	<b>-</b>	<b>169</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>	<b>103 134</b>	<b>101%</b>	<b>169</b>
Transfers recognised - capital	-	-	91 893	-	-	-	-		91 893
Contributions & Contributed assets	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>	<b>103 134</b>	<b>101%</b>	<b>92 062</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>	<b>103 134</b>	<b>101%</b>	<b>92 062</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>79 196</b>	<b>246 419</b>	<b>177 405</b>	<b>15 412</b>	<b>102 238</b>	<b>143 210</b>	<b>(40 972)</b>	<b>-29%</b>	<b>177 405</b>
Capital transfers recognised	59 322	84 819	91 893	5 750	37 685	67 196	(29 512)	-44%	91 893
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	6 669	149 600	71 042	9 359	62 069	62 749	(681)	-1%	71 042
Internally generated funds	13 205	12 000	14 470	303	2 485	13 264	(10 780)	-81%	14 470
<b>Total sources of capital funds</b>	<b>79 196</b>	<b>246 419</b>	<b>177 405</b>	<b>15 412</b>	<b>102 238</b>	<b>143 210</b>	<b>(40 972)</b>	<b>-29%</b>	<b>177 405</b>
<b>Financial position</b>									
Total current assets	380 924	422 751	445 751		488 477				445 751
Total non current assets	910 392	1 002 200	928 600		1 012 630				928 600
Total current liabilities	199 066	237 585	237 585		108 339				237 585
Total non current liabilities	264 670	403 617	325 059		348 409				325 059
<b>Community wealth/Equity</b>	<b>827 581</b>	<b>783 749</b>	<b>811 707</b>		<b>1 044 359</b>				<b>811 707</b>
<b>Cash flows</b>									
Net cash from (used) operating	76 266	123 045	164 619	(6 856)	138 676	152 791	(14 115)	-9%	164 619
Net cash from (used) investing	(79 559)	(246 419)	(177 405)	(15 412)	(102 238)	(143 210)	40 972	-29%	(177 405)
Net cash from (used) financing	37 706	141 842	62 634	11 658	61 112	58 070	3 042	5%	62 634
<b>Cash/cash equivalents at the month/year end</b>	<b>60 584</b>	<b>83 468</b>	<b>110 432</b>	<b>-</b>	<b>158 134</b>	<b>132 651</b>	<b>25 484</b>	<b>19%</b>	<b>110 432</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Revenue Source	69 102	28 694	24 378	504 553	-	-	-	-	626 727
<b>Creditors Age Analysis</b>									
Total Creditors	47 175	50	-	-	-	-	-	-	47 225

NC091 Sol Plaatje - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M11 May

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
<b>R thousands</b>	1									
<b>Revenue - Standard</b>										
<b>Governance and administration</b>		447 550	453 094	572 313	18 443	437 449	524 620	(87 171)	-17%	572 313
Executive and council		225 266	199 891	294 210	4 148	169 092	269 693	(100 601)	-37%	294 210
Budget and treasury office		219 531	238 432	266 932	13 976	264 831	244 688	20 143	8%	266 932
Corporate services		2 753	14 771	11 171	319	3 527	10 240	(6 713)	-66%	11 171
<b>Community and public safety</b>		23 908	26 279	61 309	4 412	44 234	56 200	(11 966)	-21%	61 309
Community and social services		10 564	10 492	10 492	1 191	9 082	9 618	(535)	-6%	10 492
Sport and recreation		3 714	5 341	5 341	153	2 508	4 896	(2 387)	-49%	5 341
Public safety		337	980	980	-	-	898	(898)	-100%	980
Housing		6 947	7 061	42 061	3 068	31 612	38 556	(6 944)	-18%	42 061
Health		2 346	2 405	2 435	-	1 031	2 232	(1 201)	-54%	2 435
<b>Economic and environmental services</b>		6 601	7 456	7 097	1 351	10 717	6 506	4 212	65%	7 097
Planning and development		2 089	1 495	1 535	176	1 776	1 407	368	26%	1 535
Road transport		4 513	5 962	5 562	1 175	8 942	5 099	3 843	75%	5 562
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		574 975	707 377	721 877	68 937	683 066	661 721	21 346	3%	721 877
Electricity		360 008	465 914	474 714	48 705	439 393	435 155	4 239	1%	474 714
Water		132 851	156 163	151 963	12 372	157 219	139 299	17 920	13%	151 963
Waste water management		46 520	48 856	54 556	4 463	49 417	50 010	(593)	-1%	54 556
Waste management		35 596	36 444	40 644	3 397	37 037	37 257	(220)	-1%	40 644
<b>Other</b>	4	3 890	4 647	4 747	594	2 714	4 351	(1 638)	-38%	4 747
<b>Total Revenue - Standard</b>	2	1 056 925	1 198 854	1 367 343	93 737	1 178 181	1 253 398	(75 217)	-6%	1 367 343
<b>Expenditure - Standard</b>	-									
<b>Governance and administration</b>		352 124	383 360	427 709	23 249	281 772	392 067	(110 294)	-28%	427 709
Executive and council		251 751	261 757	302 457	12 628	177 214	277 252	(100 038)	-36%	302 457
Budget and treasury office		57 107	67 706	67 706	5 956	55 805	62 064	(6 259)	-10%	67 706
Corporate services		43 265	53 896	57 546	4 666	48 753	52 751	(3 997)	-8%	57 546
<b>Community and public safety</b>		131 877	146 227	182 727	20 346	164 654	167 500	(2 846)	-2%	182 727
Community and social services		43 071	51 147	51 147	7 478	61 115	46 885	14 230	30%	51 147
Sport and recreation		30 384	33 027	33 027	2 990	32 207	30 275	1 932	6%	33 027
Public safety		29 317	32 816	32 816	346	10 761	30 081	(19 320)	-64%	32 816
Housing		15 990	12 901	49 401	7 810	46 990	45 284	1 706	4%	49 401
Health		13 115	16 336	16 336	1 722	13 581	14 975	(1 394)	-9%	16 336
<b>Economic and environmental services</b>		62 352	60 193	62 933	6 496	63 560	57 689	5 871	10%	62 933
Planning and development		17 398	20 121	20 161	1 517	16 085	18 481	(2 396)	-13%	20 161
Road transport		44 954	40 072	42 772	4 978	47 475	39 208	8 268	21%	42 772
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		476 812	602 517	595 255	32 808	455 991	545 650	(89 660)	-16%	595 255
Electricity		305 243	406 053	397 053	20 478	312 228	363 965	(51 737)	-14%	397 053
Water		102 657	114 611	117 099	6 261	76 353	107 341	(30 988)	-29%	117 099
Waste water management		32 537	45 409	42 359	2 741	32 615	38 829	(6 214)	-16%	42 359
Waste management		36 375	36 444	38 744	3 327	34 794	35 515	(721)	-2%	38 744
<b>Other</b>		6 882	6 558	6 658	723	6 827	6 103	724	12%	6 658
<b>Total Expenditure - Standard</b>	3	1 030 046	1 198 854	1 275 282	83 621	972 804	1 169 009	(196 205)	-17%	1 275 282
<b>Surplus/ (Deficit) for the year</b>		26 878	(0)	92 061	10 116	205 378	84 389	120 988	143%	92 061

NC091 Sol Plaatje - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

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
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		35	-	-	-	18	-	18	#DIV/0!	-
Vote 2 - MUNICIPAL AND GENERAL		223 672	198 514	292 354	4 104	168 611	267 991	(99 380)	-37.1%	292 354
Vote 3 - MUNICIPAL MANAGER		1 559	1 377	1 857	44	462	1 702	(1 240)	-72.8%	1 857
Vote 4 - CORPORATE SERVICES		2 553	4 838	4 838	302	3 075	4 435	(1 360)	-30.7%	4 838
Vote 5 - COMMUNITY SERVICES		21 006	24 755	24 385	2 472	21 010	22 353	(1 342)	-6.0%	24 385
Vote 6 - FINANCIAL SERVICES		219 531	244 423	272 923	13 976	264 831	250 179	14 651	5.9%	272 923
Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING		6 179	10 085	6 625	787	4 941	6 073	(1 132)	-18.6%	6 625
Vote 8 - INFRASTRUCTURE AND SERVICES		582 390	714 863	764 362	72 052	715 232	700 665	14 567	2.1%	764 362
<b>Total Revenue by Vote</b>	2	<b>1 056 925</b>	<b>1 198 854</b>	<b>1 367 344</b>	<b>93 737</b>	<b>1 178 181</b>	<b>1 253 399</b>	<b>(75 217)</b>	<b>-6.0%</b>	<b>1 367 344</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		29 262	30 001	34 901	3 735	32 500	31 993	508	1.6%	34 901
Vote 2 - MUNICIPAL AND GENERAL		212 523	217 482	253 282	7 855	133 662	232 175	(98 513)	-42.4%	253 282
Vote 3 - MUNICIPAL MANAGER		9 967	14 274	14 274	1 038	11 052	13 085	(2 033)	-15.5%	14 274
Vote 4 - CORPORATE SERVICES		35 355	44 483	44 983	4 161	41 541	41 234	307	0.7%	44 983
Vote 5 - COMMUNITY SERVICES		108 199	126 668	126 268	12 836	113 670	115 746	(2 076)	-1.8%	126 268
Vote 6 - FINANCIAL SERVICES		63 598	74 752	78 252	6 317	61 304	71 731	(10 427)	-14.5%	78 252
Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING		25 699	29 047	28 837	2 384	24 624	26 434	(1 810)	-6.8%	28 837
Vote 8 - INFRASTRUCTURE AND SERVICES		545 444	662 147	694 485	45 296	554 450	636 611	(82 161)	-12.9%	694 485
<b>Total Expenditure by Vote</b>	2	<b>1 030 046</b>	<b>1 198 854</b>	<b>1 275 282</b>	<b>83 621</b>	<b>972 804</b>	<b>1 169 009</b>	<b>(196 205)</b>	<b>-16.8%</b>	<b>1 275 282</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>84 390</b>	<b>120 987</b>	<b>143.4%</b>	<b>92 062</b>

NC091 Sol Plaatje - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

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
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		209 351	233 301	265 801	13 433	257 798	244 199	13 599	6%	265 801
Property rates - penalties & collection charges							-	-		-
Service charges - electricity revenue		360 485	465 906	474 706	48 705	438 687	384 427	54 260	14%	474 706
Service charges - water revenue		132 727	156 162	151 962	12 378	156 990	138 692	18 297	13%	151 962
Service charges - sanitation revenue		45 180	47 989	53 689	4 390	48 594	46 770	1 824	4%	53 689
Service charges - refuse revenue		32 932	33 564	37 764	3 154	34 589	33 520	1 070	3%	37 764
Service charges - other		81	365	365	-	1	1	-		365
Rental of facilities and equipment		12 740	14 207	14 207	1 048	11 406	11 432	(26)	0%	14 207
Interest earned - external investments		4 802	4 000	5 500	561	2 510	1 759	751	43%	5 500
Interest earned - outstanding debtors		31 283	35 000	32 000	3 113	30 420	27 854	2 566	9%	32 000
Dividends received							-	-		-
Fines		3 635	6 432	6 032	418	4 907	4 505	402	9%	6 032
Licences and permits		3 125	2 530	2 530	311	3 678	2 777	901	32%	2 530
Agency services		3 489	3 200	3 200	757	4 070	3 351	719	21%	3 200
Transfers recognised - operational		190 807	164 026	166 503	394	135 723	143 929	(8 206)	-6%	166 503
Other revenue		26 288	32 172	61 192	5 076	48 807	17 042	31 765	186%	61 192
Gains on disposal of PPE							5	(5)	-100%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 056 925</b>	<b>1 198 854</b>	<b>1 275 451</b>	<b>93 737</b>	<b>1 178 181</b>	<b>1 060 264</b>	<b>117 917</b>	<b>11%</b>	<b>1 275 451</b>
<b>Expenditure By Type</b>										
Employee related costs		364 340	387 948	415 948	33 004	344 702	344 782	(80)	0%	415 948
Remuneration of councillors		13 331	15 866	16 566	1 362	15 042	15 151	(109)	-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	-	8 030	7 767	263	3%	30 725
Bulk purchases		234 315	308 000	308 000	17 586	214 784	247 424	(32 640)	-13%	308 000
Other materials		51 065	48 755	60 855	6 716	57 886	57 793	94	0%	60 855
Contracted services							-	-		-
Transfers and grants		3 191	3 550	3 550	1	2 809	2 807	2	0%	3 550
Other expenditure		213 131	247 110	292 138	24 953	223 551	176 296	47 254	27%	292 138
Loss on disposal of PPE							-	-		-
<b>Total Expenditure</b>		<b>1 030 046</b>	<b>1 198 854</b>	<b>1 275 282</b>	<b>83 621</b>	<b>972 804</b>	<b>958 020</b>	<b>14 784</b>	<b>2%</b>	<b>1 275 282</b>
<b>Surplus/(Deficit)</b>		<b>26 878</b>	<b>-</b>	<b>169</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>	<b>103 134</b>	<b>0</b>	<b>169</b>
Transfers recognised - capital		-	-	91 893	-	-	-	-		91 893
Contributions recognised - capital										
Contributed assets										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>			<b>92 062</b>
Taxation								-		
<b>Surplus/(Deficit) after taxation</b>		<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>			<b>92 062</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>			<b>92 062</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>26 878</b>	<b>-</b>	<b>92 062</b>	<b>10 116</b>	<b>205 378</b>	<b>102 244</b>			<b>92 062</b>



NC091 Sol Plaatje - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M11 May

Vote Description	Ref	2010/11	Budget							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	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	295	772	787	(15)	-2%	1 400
Vote 6 - FINANCIAL SERVICES		1 948	850	850	8	521	850	(329)	-39%	850
Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING		1 354	17 831	13 095	826	7 245	3 909	3 337	85%	13 095
Vote 8 - INFRASTRUCTURE AND SERVICES		67 397	223 938	162 060	14 283	93 699	137 664	(43 965)	-32%	162 060
<b>Total Capital Expenditure</b>		<b>79 196</b>	<b>246 419</b>	<b>177 405</b>	<b>15 412</b>	<b>102 238</b>	<b>143 210</b>	<b>(40 972)</b>	<b>-29%</b>	<b>177 405</b>
<b>Capital Expenditure - Standard Classification</b>										
<b>Governance and administration</b>		<b>1 948</b>	<b>850</b>	<b>4 700</b>	<b>46</b>	<b>560</b>	<b>850</b>	<b>(290)</b>	<b>-34%</b>	<b>4 700</b>
Executive and council		-	-	3 400	39	39		39	#DIV/0!	3 400
Budget and treasury office		-	-	850	8	521	850	(329)	-39%	850
Corporate services		1 948	850	450	-	-		-		450
<b>Community and public safety</b>		<b>7 689</b>	<b>3 800</b>	<b>1 400</b>	<b>498</b>	<b>975</b>	<b>1 077</b>	<b>(102)</b>	<b>-9%</b>	<b>1 400</b>
Community and social services		7 689	3 800	1 400	295	772	1 077	(305)	-28%	1 400
Sport and recreation										
Public safety					203	203		203	#DIV/0!	
Housing										
Health										
<b>Economic and environmental services</b>		<b>13 710</b>	<b>17 831</b>	<b>13 095</b>	<b>826</b>	<b>7 245</b>	<b>9 588</b>	<b>(2 343)</b>	<b>-24%</b>	<b>13 095</b>
Planning and development		1 354	9 831	13 095	826	7 245	9 588	(2 343)	-24%	13 095
Road transport		12 356	3 000	-	-	-	-	-		-
Environmental protection		-	5 000	-	-	-	-	-		-
<b>Trading services</b>		<b>50 505</b>	<b>223 938</b>	<b>138 730</b>	<b>14 041</b>	<b>92 151</b>	<b>113 084</b>	<b>(20 933)</b>	<b>-19%</b>	<b>138 730</b>
Electricity		8 210	88 503	44 745	3 026	31 141	38 002	(6 861)	-18%	44 745
Water		7 001	27 800	27 800	1 474	5 615	24 431	(18 816)	-77%	27 800
Waste water management		34 203	105 785	66 185	9 542	55 394	50 651	4 743	9%	66 185
Waste management		1 090	1 850	-	-	-	-	-		-
<b>Other</b>		<b>5 345</b>	<b>-</b>	<b>19 480</b>	<b>-</b>	<b>1 306</b>	<b>18 612</b>	<b>(17 305)</b>	<b>-93%</b>	<b>19 480</b>
<b>Total Capital Expenditure - Standard Classification</b>	3	<b>79 196</b>	<b>246 419</b>	<b>177 405</b>	<b>15 412</b>	<b>102 238</b>	<b>143 210</b>	<b>(40 972)</b>	<b>-29%</b>	<b>177 405</b>
<b>Funded by:</b>										
National Government		43 457	78 988	71 018	5 468	33 675	62 728	(29 053)	-46%	71 018
Provincial Government		11 297	5 831	4 875	282	4 010	4 469	(459)	-10%	4 875
District Municipality		1 563	-	-	-	-	-	-		-
Other transfers and grants		3 005	-	16 000	-	-	-	-		16 000
<b>Transfers recognised - capital</b>		<b>59 322</b>	<b>84 819</b>	<b>91 893</b>	<b>5 750</b>	<b>37 685</b>	<b>67 196</b>	<b>(29 512)</b>	<b>-44%</b>	<b>91 893</b>
<b>Public contributions &amp; donations</b>	5									
<b>Borrowing</b>	6	6 669	149 600	71 042	9 359	62 069	62 749	(681)	-1%	71 042
<b>Internally generated funds</b>		13 205	12 000	14 470	303	2 485	13 264	(10 780)	-81%	14 470
<b>Total Capital Funding</b>		<b>79 196</b>	<b>246 419</b>	<b>177 405</b>	<b>15 412</b>	<b>102 238</b>	<b>143 210</b>	<b>(40 972)</b>	<b>-29%</b>	<b>177 405</b>

**NC091 Sol Plaatje - Table C6 Monthly Budget Statement - Financial Position - M11 May**

Description	Ref	2010/11	Budget Year 2011/12			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		-	-	-	2 522	-
Call investment deposits		70 003	87 000	110 000	204 971	110 000
Consumer debtors		157 918	318 803	318 803	239 922	318 803
Other debtors		133 417	94	94	19 723	94
Current portion of long-term receivables						
Inventory		19 586	16 854	16 854	21 340	16 854
<b>Total current assets</b>		<b>380 924</b>	<b>422 751</b>	<b>445 751</b>	<b>488 477</b>	<b>445 751</b>
<b>Non current assets</b>						
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	894 795	867 328
Agricultural						
Biological assets						
Intangible assets		2 486	3 813	3 813	2 486	3 813
Other non-current assets						
<b>Total non current assets</b>		<b>910 392</b>	<b>1 002 200</b>	<b>928 600</b>	<b>1 012 630</b>	<b>928 600</b>
<b>TOTAL ASSETS</b>		<b>1 291 316</b>	<b>1 424 951</b>	<b>1 374 351</b>	<b>1 501 107</b>	<b>1 374 351</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		9 418	18 074	18 074	-	18 074
Borrowing		17 897	44 357	44 357	-	44 357
Consumer deposits		11 857	11 489	11 489	14 100	11 489
Trade and other payables		155 125	157 710	157 710	94 239	157 710
Provisions		4 768	5 955	5 955	-	5 955
<b>Total current liabilities</b>		<b>199 066</b>	<b>237 585</b>	<b>237 585</b>	<b>108 339</b>	<b>237 585</b>
<b>Non current liabilities</b>						
Borrowing		96 758	233 270	154 712	175 729	154 712
Provisions		167 912	170 347	170 347	172 679	170 347
<b>Total non current liabilities</b>		<b>264 670</b>	<b>403 617</b>	<b>325 059</b>	<b>348 409</b>	<b>325 059</b>
<b>TOTAL LIABILITIES</b>		<b>463 735</b>	<b>641 202</b>	<b>562 644</b>	<b>456 748</b>	<b>562 644</b>
<b>NET ASSETS</b>	2	<b>827 581</b>	<b>783 749</b>	<b>811 707</b>	<b>1 044 359</b>	<b>811 707</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		798 884	756 589	784 547	1 015 662	784 547
Reserves		28 697	27 160	27 160	28 697	27 160
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>827 581</b>	<b>783 749</b>	<b>811 707</b>	<b>1 044 359</b>	<b>811 707</b>

NC091 Sol Plaatje - Table C7 Monthly Budget Statement - Cash Flow - M11 May

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
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Ratepayers and other		741 164	883 354	923 892	75 454	822 933	827 109	(4 176)	-1%	923 892
Government - operating		138 963	164 026	166 503	394	136 993	135 167	1 826	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	917	8 957	8 858	100	1%	11 840
Dividends								-		
<b>Payments</b>										
Suppliers and employees		(873 901)	(999 228)	(995 234)	(83 621)	(894 340)	(889 318)	5 021	-1%	(995 234)
Finance charges		(14 697)	(44 726)	(30 725)	-	(8 002)	(7 739)	263	-3%	(30 725)
Transfers and Grants		(3 191)	-	(3 550)	-	(2 807)	(2 807)	-		(3 550)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>76 266</b>	<b>123 045</b>	<b>164 619</b>	<b>(6 856)</b>	<b>138 676</b>	<b>152 791</b>	<b>(14 115)</b>	<b>-9%</b>	<b>164 619</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE								-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
<b>Payments</b>										
Capital assets		(79 559)	(246 419)	(177 405)	(15 412)	(102 238)	(143 210)	(40 972)	29%	(177 405)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(79 559)</b>	<b>(246 419)</b>	<b>(177 405)</b>	<b>(15 412)</b>	<b>(102 238)</b>	<b>(143 210)</b>	<b>(40 972)</b>	<b>29%</b>	<b>(177 405)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing		39 818	149 600	71 042	11 658	64 590	61 548	3 042	5%	71 042
Increase (decrease) in consumer deposits		-	650	-				-		-
<b>Payments</b>										
Repayment of borrowing		(2 112)	(8 408)	(8 408)	-	(3 479)	(3 479)	-		(8 408)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>37 706</b>	<b>141 842</b>	<b>62 634</b>	<b>11 658</b>	<b>61 112</b>	<b>58 070</b>	<b>(3 042)</b>	<b>-5%</b>	<b>62 634</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>34 413</b>	<b>18 468</b>	<b>49 848</b>	<b>(10 610)</b>	<b>97 550</b>	<b>67 651</b>			<b>49 848</b>
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		158 134	132 651			110 432

NC091 Sol Plaatje - Supporting Table SC1 Material variance explanations - M11 May

R ef	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
1	<b>Revenue By Source</b>			
	Property rates	6%	Positive	
	Property rates - penalties & collection charges			
	Service charges - electricity revenue	14%	Positive	
	Service charges - water revenue	13%	Positive	
	Service charges - sanitation revenue	4%	Positive	
	Service charges - refuse revenue	3%	Positive	
	Service charges - other			
	Rental of facilities and equipment	0%	Revenue is not materialising, but acceptable	
	Interest earned - external investments	43%	Realised at year-end	
	Interest earned - outstanding debtors	9%	Acceptable	
	Dividends received			
	Fines	9%	It is being monitored.	User department to investigate
	Licences and permits	32%	Acceptable	
	Agency services	21%		
	Transfers recognised - operational	-6%	Acceptable	
	Other revenue	186%	Receipts from province factored in for housing projects	
	Gains on disposal of PPE	-100%	Incorrectly projected	
2	<b>Expenditure By Type</b>			
	Employee related costs	0%	Positive	
	Remuneration of councillors	-1%		
	Debt impairment		Provided for annually	
	Depreciation & asset impairment		Provided for annually and in future at least quarterly	
	Finance charges	3%	Acceptable	
	Bulk purchases	-13%	Bulk Purchases Water not fully resolved with DWA. Expenditure on R&M a concern. Addressed in Adjustments budgets. Accelerated exp on maintenance of roads and street lights	Payment will be made as soon as matter is resolved
	Other materials	0%		
	Contracted services			
	Transfers and grants	0%		
	Other expenditure	27%	Expenditure on General Expenses acceptable, payments on housing projects factored in	
3	<b>Capital Expenditure</b>			
	Vote 5 - COMMUNITY SERVICES	-2%	Painting of devil's fork panels must still be completed by Contractor.	
	Vote 6 - FINANCIAL SERVICES	-39%	Project to be completed by latest end of April 2012	
	Vote 7 - STRATEGY ECONOMIC DEVELOPMENT AND PLANNING	85%	Expenditure on roll-over projects still concerning.	
	Vote 8 - INFRASTRUCTURE AND SERVICES	-32%	Acceptable within limits. Capex still a huge concern overall. Not sufficient remedial action taken to improve on capital expenditure	
4	<b>Financial Position</b>			
	Current assets	42,726	Acceptable	
	Non current assets	84,030	Acceptable	
	Current liabilities	(129,246)	Current portion of long-term liabilities not yet recognised and trade & other payables below budget	
	Non current liabilities	23,350	Acceptable	
5	<b>Cash Flow</b>			
	NET CASH FROM/(USED) OPERATING ACTIVITIES	-9%	Cash receipts below target and payments exceeds budgeted target	
	NET CASH FROM/(USED) INVESTING ACTIVITIES	-29%	Progress on capital not as desired	
	NET CASH FROM/(USED) FINANCING ACTIVITIES	5%	Within limits	
6	<b>Measureable performance</b>			
7	<b>Municipal Entities</b>			