

BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 30 NOVEMBER 2015



Values

- Efficiency and effectiveness;
- Accountability;
- Innovation and creativity;
- Professionalism and hospitality;
- Transparency and fairness;
- Continuous learning and
- Conversation conscious

The Home of Marula and Wildlife Tourism

Vision

“Provision of quality services for community well-being and tourism development”

Mission

“To provide quality infrastructure and affordable services, promote sustainable economic growth, financial viability, sound administration and

SUMMARY

LIM334 Ba-Phalaborwa - Table C1 Monthly Budget Statement Summary - M05 November

Description	2014/15	Budget Year 2015/16							
	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	–	124,589	–	8,791	44,229	51,912	(7,683)	-15%	124,589
Service charges	–	117,637	–	9,772	43,444	49,015	(5,571)	-11%	117,637
Investment revenue	–	275	–	19	283	114	168	147%	275
Transfers recognised - operational	–	113,160	–	36,414	82,894	47,150	35,744	76%	113,160
Other own revenue	–	87,404	–	4,285	28,627	36,418	(7,791)	-21%	87,404
Total Revenue (excluding capital transfers and contributions)	–	443,065	–	59,281	199,477	184,610	14,867	8%	443,065
Employee costs	–	122,693	–	8,418	41,458	51,122	(9,664)	-19%	122,693
Remuneration of Councillors	–	12,811	–	1,171	5,714	5,338	376	7%	12,811
Depreciation & asset impairment	–	70,104	–	–	–	29,210	(29,210)	-100%	70,104
Finance charges	–	2,109	–	138	607	879	(272)	-31%	2,109
Materials and bulk purchases	–	94,332	–	14,941	41,239	39,305	1,935	5%	94,332
Transfers and grants	–	–	–	–	–	–	–	–	–
Other expenditure	–	167,944	–	8,594	44,013	69,977	(25,963)	-37%	167,944
Total Expenditure	–	469,992	–	33,262	133,032	195,830	(62,798)	-32%	469,992
Surplus/(Deficit)	–	(26,927)	–	26,019	66,446	(11,220)	77,665	-692%	(26,927)
Transfers recognised - capital	–	36,492	–	753	22,170	15,205	6,965	46%	36,492
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	9,565	–	26,772	88,616	3,985	84,630	2123%	9,565
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	–	9,565	–	26,772	88,616	3,985	84,630	2123%	9,565

Capital expenditure & funds sources									
Capital expenditure	-	53,792	-	2,143	22,284	22,413	(129)	-1%	53,792
Capital transfers recognised	-	36,492	-	743	19,653	15,205	4,448	29%	36,492
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	17,300	-	1,399	2,630	7,208	(4,578)	-64%	17,300
Total sources of capital funds	-	53,792	-	2,143	22,284	22,413	(129)	-1%	53,792
Financial position									
Total current assets	-	184,644	-		522,245				184,644
Total non current assets	-	1,360,832	-		1,284,139				1,360,832
Total current liabilities	-	6,741	-		27,190				6,741
Total non current liabilities	-	198,000	-		230,000				198,000
Community wealth/Equity	-	1,340,735	-		1,549,194				1,340,735
Cash flows									
Net cash from (used) operating	-	54,592	-	29,196	59,600	22,746	(36,853)	-162%	54,592
Net cash from (used) investing	-	(53,792)	-	(2,443)	(26,073)	(22,413)	3,659	-16%	(53,792)
Net cash from (used) financing	-	-	-	-	397	-	(397)	#DIV/0!	-
Cash/cash equivalents at the month/year end	-	1,612	-	-	35,775	1,146	(34,630)	-3023%	2,651
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	18,738	12,727	11,610	10,221	10,264	8,975	8,408	390,267	471,210
Creditors Age Analysis									
Total Creditors	11,195	1,407	1,337	249	-	-	-	-	14,188

Notes

- Operating Revenue (excluding capital transfers and contributions) is R59, 281 million
- Transfers recognised – capital amount to R753 thousand (Conditions met on MIG Capital and Operational Including vat)
- Operational Expenditure on financial Performances is R33, 262 million
- Capital expenditure incurred during the month of October R2, 143 million (Grants and internal funding).

LIM334 Ba-Phalaborwa - Supporting Table SC1 Material variance explanations - M05 November

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<u>Revenue By Source</u>			
	Property rates	(7,683)	Changes in the categories of property on the Valuation roll	Constant monitoring
	Service charges	(5,571)	Electricity losses caused by old infrastructure and illegal connections	investigations and audit to be conducted
	Investment revenue	168	The call accounts yielded more interest than we expected	None
	Transfers recognised - operational	35,744	The equitable share allocation was received	None
2	<u>Expenditure By Type</u>			
	Employee costs	(9,664)	changes in staff complement	None
	Depreciation & asset impairment	(29,210)	Depreciation not yet calculated	The depreciation will be done retrospectively
	Finance charges	(272)	The Overdraft was closed thus less bank charges	None
	Materials and bulk purchases	1,935	Not material	None
3	-			
	Capital transfers recognised	4,448	MIG received was spent in full	Grants Capital expenditure to continue spending according to plan
	Internally generated funds	(4,578)	No projects are implemented	To have cash backed in order to spend on Internal funded Projects

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M05 November

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		-	306,962	-	47,024	148,055	127,901	20,154	16%	306,962
Budget and treasury office		-	306,613	-	46,986	147,831	127,756	20,075	16%	306,613
Corporate services		-	349	-	37	224	145	78	54%	349
<i>Community and public safety</i>		-	14,980	-	768	5,534	6,242	(708)	-11%	14,980
Community and social services		-	12,213	-	768	3,762	5,089	(1,327)	-26%	12,213
Public safety		-	2,767	-	-	1,772	1,153	619	54%	2,767
<i>Economic and environmental services</i>		-	32,978	-	1,041	23,185	13,741	9,444	69%	32,978
Planning and development		-	-	-	3	23	-	23	#DIV/0!	-
Road transport		-	32,978	-	1,037	23,163	13,741	9,422	69%	32,978
<i>Trading services</i>		-	124,637	-	11,202	44,874	51,932	(7,058)	-14%	124,637
Electricity		-	112,666	-	9,165	38,090	46,944	(8,854)	-19%	112,666
Waste management		-	11,971	-	2,037	6,784	4,988	1,796	36%	11,971
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	-	479,557	-	60,035	221,647	199,815	21,832	11%	479,557
Expenditure - Standard	-									
<i>Governance and administration</i>		-	183,063	-	9,960	53,661	76,276	(22,615)	-30%	183,063
Executive and council		-	44,222	-	3,481	16,813	18,426	(1,613)	-9%	44,222
Budget and treasury office		-	91,301	-	3,755	24,005	38,042	(14,037)	-37%	91,301
Corporate services		-	47,540	-	2,724	12,843	19,808	(6,965)	-35%	47,540
<i>Community and public safety</i>		-	58,121	-	4,311	17,541	24,217	(6,676)	-28%	58,121
Community and social services		-	46,819	-	3,665	14,248	19,508	(5,260)	-27%	46,819
Public safety		-	11,303	-	646	3,293	4,709	(1,416)	-30%	11,303
Housing		-	-	-	-	-	-	-		-

<i>Economic and environmental services</i>		-	97,404	-	1,882	17,233	40,585	(23,352)	-58%	97,404
Planning and development		-	17,791	-	389	3,360	7,413	(4,053)	-55%	17,791
Road transport		-	79,613	-	1,493	13,872	33,172	(19,300)	-58%	79,613
<i>Trading services</i>		-	131,403	-	17,109	51,071	54,751	(3,680)	-7%	131,403
Electricity		-	124,296	-	16,557	49,890	51,790	(1,900)	-4%	124,296
Waste management		-	7,107	-	552	1,181	2,961	(1,780)	-60%	7,107
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	-	469,992	-	33,262	139,507	195,830	(56,323)	-29%	469,992
Surplus/ (Deficit) for the year		-	9,565	-	26,772	82,141	3,985	78,155	1961%	9,565

Notes:

- Total revenue by vote including capital transfer contribution amount to R60, 035 million
- Operational Expenditure on financial Performances is R33, 262 million.

FINANCIAL PERFORMANCE REVENUE AND EXPENDITURE PER SOURCE

LIM334 Ba-Phalaborwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2014/15	Budget Year 2015/16							
		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			124,589		8,791	44,229	51,912	(7,683)	-15%	124,589
Service charges - electricity revenue			105,666		8,605	37,529	44,027	(6,498)	-15%	105,666
Service charges - refuse revenue			11,971		1,167	5,915	4,988	927	19%	11,971
Rental of facilities and equipment			346		28	155	144	11	8%	346
Interest earned - external investments			275		19	283	114	168	147%	275
Interest earned - outstanding debtors			70,973		3,360	22,592	29,572	(6,980)	-24%	70,973
Dividends received			3		-	-	1	(1)	-100%	3
Fines			2,917		17	1,837	1,216	621	51%	2,917
Licences and permits			9,399		730	3,589	3,916	(327)	-8%	9,399
Agency services			2,381		-	-	992	(992)	-100%	2,381
Transfers recognised - operational			113,160		36,414	82,894	47,150	35,744	76%	113,160
Other revenue			1,385		150	454	577	(123)	-21%	1,385
Total Revenue (excluding capital transfers and contributions)			-		59,281	199,477	184,610	14,867	8%	443,065
Expenditure By Type										
Employee related costs	-		122,693		8,418	41,458	51,122	(9,664)	-19%	122,693
Remuneration of councillors			12,811		1,171	5,714	5,338	376	7%	12,811
Debt impairment			33,326		-	-	13,886	(13,886)	-100%	33,326
Depreciation & asset impairment			70,104		-	-	29,210	(29,210)	-100%	70,104
Finance charges			2,109		138	607	879	(272)	-31%	2,109
Bulk purchases			94,332		14,941	41,239	39,305	1,935	5%	94,332
Contracted services			52,256		4,570	22,017	21,774	244	1%	52,256
Other expenditure			82,362		4,024	21,996	34,317	(12,321)	-36%	82,362
Total Expenditure			-		33,262	133,032	195,830	(62,798)	-32%	469,992

Surplus/(Deficit)		-	(26,927)	-	26,019	66,446	(11,220)	77,665	(0)	(26,927)
Transfers recognised - capital			36,492		753	22,170	15,205	6,965	0	36,492
Surplus/ (Deficit) for the year		-	9,565	-	26,772	88,616	3,985			9,565

Notes:

- Operating Revenue (excluding capital transfers and contributions) is R59, 281 million
- Transfers recognised – capital amount to R753 thousand
- Operational Expenditure on financial Performances is R33, 262 million.

2. CAPITAL EXPENDITURE (MUNICIPAL VOTE, STANDARD CLASSIFICATION AND FUNDING)

LIM334 Ba-Phalaborwa - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M05 November

Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Single Year expenditure appropriation	2									
Vote 3 - CORPORATE SERVICES		–	5,700	–	85	1,110	2,375	(1,265)	-53%	5,700
Vote 6 - TECHNICAL SERVICES DEPARTMENT		–	48,092	–	2,058	21,174	20,038	1,136	6%	48,092
Total Capital Expenditure		–	53,792	–	2,143	22,284	22,413	(129)	-1%	53,792
Capital Expenditure - Standard Classification										
Governance and administration		–	5,700	–	85	1,110	2,375	(1,265)	-53%	5,700
Corporate services			5,700		85	1,110	2,375	(1,265)	-53%	5,700
Economic and environmental services		–	35,492	–	2,058	17,650	14,788	2,861	19%	35,492
Road transport			35,492		2,058	17,650	14,788	2,861	19%	35,492
Trading services		–	12,600	–	–	3,524	5,250	(1,726)	-33%	12,600
Electricity			12,600		–	3,524	5,250	(1,726)	-33%	12,600
Total Capital Expenditure - Standard Classification	3	–	53,792	–	2,143	22,284	22,413	(129)	-1%	53,792
Funded by:										
National Government			36,492		743	19,653	15,205	4,448	29%	36,492
Internally generated funds			17,300		1,399	2,630	7,208	(4,578)	-64%	17,300
Total Capital Funding		–	53,792	–	2,143	22,284	22,413	(129)	-1%	53,792

Note:

- Capital expenditure incurred during the month of November 2015 amount to R2,143 million (Own Funding and MIG capital expenditure excluding vat)

3. FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2014/15	Budget Year 2015/16	Adjusted Budget	YearTD actual	Full Year Forecast
		Audited Outcome	Original Budget			
R thousands	1					
ASSETS						
Current assets						
Cash			1,612		35,775	1,612
Call investment deposits			1,700		-	1,700
Consumer debtors			161,832		471,210	161,832
Inventory			19,500		9,500	19,500
Total current assets		-	184,644	-	516,485	184,644
Non current assets						
Property, plant and equipment			1,360,432		1,284,139	1,360,432
Biological assets			400			400
Total non current assets		-	1,360,832	-	1,284,139	1,360,832
TOTAL ASSETS		-	1,545,477	-	1,800,624	1,545,477
LIABILITIES						
Current liabilities	-					
Consumer deposits			1,650			1,650
Trade and other payables			5,091		27,190	5,091
Total current liabilities		-	6,741	-	27,190	6,741
Non current liabilities						
Borrowing			180,000		210,000	180,000
Provisions			18,000		20,000	18,000
Total non current liabilities		-	198,000	-	230,000	198,000
TOTAL LIABILITIES		-	204,741	-	257,190	204,741

NET ASSETS	2	-	1,340,735	-	1,543,434	1,340,735
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)						
Reserves			1,340,735		1,543,434	1,340,735
TOTAL COMMUNITY WEALTH/EQUITY	2	-	1,340,735	-	1,543,434	1,340,735

Note:

- The financial position shows only year to date actual

4. CASH FLOW

LIM334 Ba-Phalaborwa - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2014/15	Budget Year 2015/16								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges			37,772		3,934	17,661	15,738	1,923	12%	37,772	
Service charges			197,813		10,607	54,481	82,422	(27,941)	-34%	197,813	
Other revenue			16,411		776	5,688	6,838	(1,150)	-17%	16,411	
Government - operating			113,160		36,292	84,316	47,150	37,166	79%	113,160	
Government - capital			36,492		-	28,831	15,205	13,626	90%	36,492	
Interest			19,504		339	1,917	8,127	(6,210)	-76%	19,504	
Dividends			3		-	-	1	(1)	-100%	3	
Payments											
Suppliers and employees			(364,453)		(22,614)	(132,687)	(151,855)	(19,169)	13%	(364,453)	
Finance charges			(2,109)		(138)	(607)	(879)	(272)	31%	(2,109)	
Transfers and Grants								-			
NET CASH FROM/(USED) OPERATING ACTIVITIES			-		-	29,196	59,600	22,746	(36,853)	-162%	54,592
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE								-			
Payments											
Capital assets			(53,792)		(2,443)	(26,073)	(22,413)	3,659	-16%	(53,792)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-		(2,443)	(26,073)	(22,413)	3,659	-16%	(53,792)	
CASH FLOWS FROM FINANCING ACTIVITIES											

Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits						397		397	#DIV/0!	
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	397	-	(397)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	800	-	26,753	33,924	333			800
Cash/cash equivalents at beginning:			813			1,852	813			1,852
Cash/cash equivalents at month/year end:		-	1,612	-		35,775	1,146			2,651

Note:

The bank shows favourable closing balance of R35, 775 million as at 30 November 2015

5. DEBTORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 N0vember

Description	Budget Year 2015/16									
	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	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Electricity	6,117	2,697	1,669	1,486	1,054	939	1,198	26,998	42,157	31,675
Receivables from Non-exchange Transactions - Property Rates	5,199	3,636	3,383	2,938	3,079	2,688	2,441	124,663	148,026	135,809
Receivables from Exchange Transactions - Waste Management	1,048	726	693	607	647	550	497	38,153	42,922	40,454
Other	6,374	5,669	5,865	5,190	5,483	4,798	4,272	200,454	238,105	220,197
Total By Income Source	18,738	12,727	11,610	10,221	10,264	8,975	8,408	390,267	471,210	428,135
2012/13 - totals only									-	-
Debtors Age Analysis By Customer Group										
Organs of State	724	774	871	228	192	165	204	7,301	10,460	8,091
Commercial	3,093	2,045	2,253	1,300	1,337	924	1,106	55,941	67,998	60,607
Households	13,595	9,344	7,942	8,324	8,346	7,480	6,750	322,211	383,992	353,111
Other	1,326	565	543	369	389	407	349	4,813	8,760	6,326
Total By Customer Group	18,738	12,727	11,610	10,221	10,264	8,975	8,408	390,267	471,210	428,135

Note:

- The Debtor's age analysis shows a total figure of R471, 210 million from 30 days to over a year.

6. CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description R thousands	NT Code	Budget Year 2015/16								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	6,830	852							7,682
Trade Creditors	0700	4,365	555	1,337	249					6,506
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	11,195	1,407	1,337	249	-	-	-	-	14,188

Notes:

- The creditor's age analysis shows a total figure of R14,188 million
- Trade Creditors includes money owed to Dept. of Roads and Transport, and other Contracted services such as KWCRS, Cigicel and other suppliers.

7. INVESTMENT PORTFOLIO

LIM334 Ba-Phalaborwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
<u>Municipality</u>									
ABSA - Call Account			Fixed deposit				93	-	93
Call deposit a/c - STD Bank			Call Account				5,555	112	5,668
TOTAL INVESTMENTS AND INTEREST	2				-		5,648	112	5,761

Notes:

Total Investment is standing at R5, 761 million as at 30 November 2015.

8. TRANSFERS AND GRANT EXPENDITURES

LIM334 Ba-Phalaborwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	113,160	-	36,108	82,588	47,150	35,438	75.2%	113,160
Local Government Equitable Share			107,805		35,935	80,854	44,919	35,935	80.0%	107,805
Finance Management			1,675		94	746	698	48	6.9%	1,675
Municipal Systems Improvement			940		-	294	392	(97)	-24.9%	940
EPWP Incentive			1,188		79	340	495	(155)	-31.3%	1,188
Operating Grant: MIG (5% of MIG Grants for PMU)			1,552			339	647	(308)	-47.6%	1,552
OP GR : SITA			-		-	15	-	15	#DIV/0!	-
Total operating expenditure of Transfers and Grants:		-	113,160	-	36,108	82,588	47,150	35,438	75.2%	113,160
Capital expenditure of Transfers and Grants										
National Government:		-	36,492	-	847	22,264	15,205	7,059	46.4%	36,492
Municipal Infrastructure Grant (MIG)			29,492		847	22,264	12,288	9,976	81.2%	29,492
Intergrated National Electrification Grant			7,000		-	-	2,917	(2,917)	-100.0%	7,000
Total capital expenditure of Transfers and Grants		-	36,492	-	847	22,264	15,205	7,059	46.4%	36,492
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	149,652	-	36,955	104,852	62,355	42,497	68.2%	149,652

Notes:

- The monthly operating transfers and grants expenditure is R36,108 million
- Capital transfers and grants expenditure for the month of November 2015 is R847 thousand

9. COUNCILLORS AND STAFF BENEFIT (section 66 of MFMA report)

LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<u>Councillors (Political Office Bearers plus Other)</u>										
Basic Salaries and Wages			8,874		830	4,183	3,698	486	13%	8,874
Motor Vehicle Allowance			3,109		278	1,218	1,295	(77)	-6%	3,109
Cellphone Allowance			828		63	313	345	(32)	-9%	828
Sub Total - Councillors		-	12,811	-	1,171	5,714	5,338	376	7%	12,811
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,797		227	917	1,582	(665)	-42%	3,797
Pension and UIF Contributions			11		1	2	4	(2)	-53%	11
Motor Vehicle Allowance			2,448		106	396	1,020	(624)	-61%	2,448
Cellphone Allowance			86		5	14	36	(22)	-62%	86
Other benefits and allowances			780		12	273	325	(52)	-16%	780
Sub Total - Senior Managers of Municipality		-	7,121	-	350	1,602	2,967	(1,365)	-46%	7,121
<u>Other Municipal Staff</u>										
Basic Salaries and Wages			73,101		5,180	26,083	30,459	(4,376)	-14%	73,101
Pension and UIF Contributions			14,153		1,078	5,245	5,897	(653)	-11%	14,153
Medical Aid Contributions			4,567		365	1,752	1,903	(151)	-8%	4,567
Overtime			4,153		184	651	1,730	(1,079)	-62%	4,153
Performance Bonus								-		

Motor Vehicle Allowance			12,974		710	3,703	5,406	(1,703)	-31%	12,974
Cellphone Allowance			1,044		71	347	435	(89)	-20%	1,044
Housing Allowances			913		61	315	380	(66)	-17%	913
Other benefits and allowances			4,004		351	1,319	1,668	(349)	-21%	4,004
Payments in lieu of leave								-		
Long service awards			662		68	737	276	461	167%	662
Post-retirement benefit obligations	2							-		
Sub Total - Other Municipal Staff		-	115,571	-	8,068	40,152	48,155	(8,003)	-17%	115,571
TOTAL SALARY, ALLOWANCES & BENEFITS		-	135,503	-	9,589	47,468	56,460	(8,991)	-16%	135,503
TOTAL MANAGERS AND STAFF		-	122,693	-	8,418	41,754	51,122	(9,368)	-18%	122,693

Notes:

- Political office bearer's remunerations for the month of November amounted to R1, 171 million
- Employee related costs R8, 418 million
- The municipality has total employee related cost & Remuneration of councillors of R9, 589 million for the month of November 2015

NB: Senior Managers only contribute UIF and no pension fund contribution

10.ACTUALS AND REVISED TARGETS FOR CASH RECEIPT

LIM334 Ba-Phalaborwa - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M05 November

Description	Ref	Budget Year 2015/16											
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget
R thousands	1												
Cash Receipts By Source													
Property rates		2,808	3,005	3,694	4,220	3,934	2,765	2,765	3,366	2,542	3,154	2,544	2,974
Service charges - electricity revenue		3,683	6,159	3,736	5,578	4,999	3,404	3,404	5,398	7,389	5,834	5,944	23,722
Service charges - water revenue		3,111	6,065	4,329	6,704	4,523	5,669	5,669	8,135	7,389	3,238	3,209	2,572
Service charges - sanitation revenue		596	608	594	767	626	4,472	4,472	3,670	4,304	4,109	3,296	21,457
Service charges - refuse		425	455	477	588	459	339	339	1,480	458	452	452	3,054
Rental of facilities and equipment		29	38	27	34	15	21	20	21	23	23	23	74
Interest earned - external investments		53	83	78	50	19	28	17	26	25	26	16	(147)
Interest earned - outstanding debtors		326	229	376	339	320	330	330	331	329	326	329	15,664
Dividends received		-	-	-	-	-	0	0	0	0	0	0	1
Fines		1,772	5	27	15	17	232	230	233	235	234	233	(484)
Licences and permits		175	541	1,576	568	730	462	763	1,163	964	866	1,165	571
Agency services		-	-	-	-	-	195	194	193	193	194	195	1,221
Transfer receipts - operating		47,549	475	-	-	36,292	-	-	-	37,720	-	-	(8,876)
Other revenue		59	14	18	59	15	78	79	76	74	75	76	764
Cash Receipts by Source		60,585	17,676	14,932	18,921	51,948	17,997	18,283	24,092	61,646	18,532	17,482	62,568

Other Cash Flows by Source													-
Transfer receipts - capital		15,764		2,800	10,267	-							-
Change in non-current investments										12,164			(4,503)
Total Cash Receipts by Source		76,349	17,676	17,732	29,188	51,948	17,997	18,283	24,092	73,810	18,532	17,482	58,065
Cash Payments by Type													-
Employee related costs		8,024	7,535	8,593	8,888	8,418	10,636	10,660	10,681	10,694	10,540	10,591	17,433
Remuneration of councillors		1,150	1,120	1,137	1,137	1,171	1,159	1,159	1,161	1,165	1,163	1,167	123
Interest paid		69	166	116	118	138	78	79	80	79	76	75	1,036
Bulk purchases - Electricity		15,000	5,500	5,000	14,500	4,500	7,492	7,388	5,369	8,351	8,348	8,325	4,559
Contracted services		3,193	2,652	1,462	3,986	2,426	4,060	4,089	2,120	4,155	4,182	7,199	14,733
General expenses		13,515	276	2,636	4,771	6,099	6,592	6,562	3,529	6,510	6,590	6,523	16,758
Cash Payments by Type		40,951	17,248	18,943	33,400	22,752	30,017	29,937	22,940	30,955	30,898	33,881	54,642
Other Cash Flows/Payments by Type													-
Capital assets		13,387	14	1,720	8,509	2,443	4,021	5,015	2,004	5,116	4,009	5,011	2,544
Other Cash Flows/Payments		21,450		(3,615)	(18,231)								397
Total Cash Payments by Type		75,788	17,262	17,048	23,677	25,195	34,038	34,952	24,944	36,071	34,907	38,891	57,582
NET INCREASE/(DECREASE) IN CASH HELD		561	415	684	5,511	26,753	(16,041)	(16,668)	(852)	37,739	(16,375)	(21,409)	483
Cash/cash equivalents at the month/year beginning:		1,852	2,412	2,827	3,510	9,022	35,775	19,734	3,065	2,214	39,953	23,578	2,169
Cash/cash equivalents at the month/year end:		2,412	2,827	3,510	9,022	35,775	19,734	3,065	2,214	39,953	23,578	2,169	2,651

Notes

Total actual cash receipts for the month amount to R51, 948 million. This total is including Water and sanitation service charges.

While the total actual cash-payments made for the month amount to R22, 752 million. The closing balance on the primary bank account shows favourable bank balance of R35, 775 million

11.CAPITAL EXPENDITURE TREND

LIM334 Ba-Phalaborwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M05 November

Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		4,483		11,156	11,156	4,483	(6,674)	-148.9%	21%
August		4,483		12	11,169	8,965	(2,203)	-24.6%	21%
September		4,483		1,509	12,677	13,448	771	5.7%	24%
October		4,483		7,464	20,141	17,931	(2,211)	-12.3%	37%
November		4,483		2,143	22,284	22,413	129	0.6%	41%
December		4,483				26,896	-		
January		4,483				31,379	-		
February		4,483				35,861	-		
March		4,483				40,344	-		
April		4,483				44,827	-		
May		4,483				49,309	-		
June		4,483				53,792	-		
Total Capital expenditure	-	53,792	-	22,284					

Notes:

- Capital expenditure incurred during the month of November 2015 amount to R2, 143 million (MIG and Own Funding excluding vat)

12.BANK RECONCILIATION

Ba-Phalaborwa Municipality
Bank Transaction Statement for November 2015

Statement Description	CODE	Statement Amt
Outstanding C/F		9,021,957.17
Current - Cheques	BS001	(29,731.65)
Current - ACBs	BS002	(19,121,432.15)
Current - ACB Rejects	BS003	-
Current - Deposits	BS004	6,635,957.55
Current - RD Cheques	BS005	-
Current - Redeposits	BS006	-
Current - Transfers	BS007	13,574,671.87
Current - Bank Charges	BS008	(50,335.71)
Current - Other transfers	BS009	25,744,110.35
Current - Already Reconciled	BS010	
Current - C/F		35,775,197.43

Notes

- The closing balance as at 30 November 2015 is R35, 775 million

13.RECOMMENDATIONS

a. That the following be noted:

- 1) The financial report for the period ended 30 November 2015 **excluding Water and Waste Water management**
- 2) The summary of monthly budget statement report for the month ended 30 November 2015
- 3) The financial performance for the month ended 30 November 2015
- 4) The financial position as at 30 November 2015
- 5) The actual operating revenue (as per GRAP) for the month ended 30 November 2015 is R59, 281 million
- 6) Revenue Capital Contribution recognised is R753
- 7) Operational Expenditure on financial Performances is R33, 262 million.
- 8) Capital Expenditure incurred during the month ended 30 November 2015 amount to R2,143 million (MIG and own funding excluding vat)
- 9) The municipality received an Equitable Share of R35, 935 million and EPWP grant of R357 thousand during the month of November 2015

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- 10) Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R5, 761 million on 30 November 2015
 - 11) That councillors and Staff Benefits for November 2015 amount to R9, 589 million be approved
 - 12) Municipal Primary Bank reconciliation closed with a positive balance of R35,775 million as at 30 November 2015