

Vision

*“Best tourist destination in
Limpopo by 2020”*

BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 31 JULY 2013

Mission

- ❖ To ensure financial viability, sound administration and accountable governance for investor attractiveness
- ❖ To render all stakeholders with quality and affordable infrastructure and services for enhancing a safe and better life for all
- ❖ To manage the environment for future sustainable economic growth
- ❖ To build the mining industry for economic growth
- ❖ To position Ba-Phalaborwa as a tourism destination of choice

Values

- Efficiency and accountability
- Innovation and creativity
- Professionalism & hospitality
- Transparency and fairness
 - Continuous learning
- Conservation conscious

SUMMARY

LIM334 Ba-Phalaborwa - Table C1 Monthly Budget Statement Summary - M01 July

Description	2012/13	Budget Year 2013/14							
	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	-	65,100	-	5,586	5,586	5,425	161	3%	65,100
Service charges	-	101,515	-	9,254	9,254	8,460	794	9%	101,515
Investment revenue	-	250	-	5	5	21	(15)	-74%	84,818
Transfers recognised - operational	-	74,154	-	27,390	27,390	6,179	21,211	343%	74,154
Other own revenue	-	93,771	-	5,373	5,373	7,814	(2,442)	-31%	93,771
Total Revenue (excluding capital transfers and contributions)	-	334,790	-	47,608	47,608	27,899	19,709	71%	419,358
Employee costs	-	111,154	-	8,351	8,351	9,263	(912)	-10%	111,154
Remuneration of Councillors	-	12,185	-	1,005	1,005	1,015	(11)	-1%	12,185
Depreciation & asset impairment	-	76,500	-	-	-	6,375	(6,375)	-100%	76,500
Finance charges	-	803	-	44	44	67	(23)	-35%	803
Materials and bulk purchases	-	82,060	-	11,986	11,986	6,838	5,148	75%	82,060
Transfers and grants	-	-	-	-	-	-	-		-
Other expenditure	-	187,557	-	15,133	15,133	15,630	(497)	-3%	187,557
Total Expenditure	-	470,260	-	36,519	36,519	39,188	(2,670)	-7%	470,260
Surplus/(Deficit)	-	(135,470)	-	11,090	11,090	(11,289)	22,379	-198%	(50,902)
Transfers recognised - capital	-	29,333	-	6,953	6,953	2,444	4,508	184%	29,333
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	-	(106,137)	-	18,042	18,042	(8,845)	26,887	-304%	(21,569)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	-	(106,137)	-	18,042	18,042	(8,845)	26,887	-304%	(21,569)

Capital expenditure & funds sources									
Capital expenditure	-	60,620	-	8,667	8,667	4,985	3,682	74%	60,620
Capital transfers recognised	-	29,333	-	6,099	6,099	2,444	3,655	150%	29,333
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	31,287	-	2,568	2,568	2,607	(39)	-2%	31,287
Total sources of capital funds	-	60,620	-	8,667	8,667	5,052	3,615	72%	60,620
Financial position									
Total current assets	-	182,428	-		294,920				182,428
Total noncurrent assets	-	1,231,748	-		1,217,767				1,231,748
Total current liabilities	-	9,000	-		16,885				9,000
Total noncurrent liabilities	-	189	-		9,009				189
Community wealth/Equity	-	1,409,376	-		1,486,793				1,409,376
Cash flows									
Net cash from (used) operating	-	61,635	-	19,595	19,595	5,136	14,459	282%	61,635
Net cash from (used) investing	-	(60,620)	-	(9,880)	(9,880)	(5,052)	(4,829)	96%	(60,620)
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	-	4,015	-	-	10,852	3,085	7,768	252%	2,153
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	18,309	11,246	11,582	7,069	9,302	9,312	5,130	240,236	312,185
Creditors Age Analysis									
Total Creditors	2	-	179	-	-	-	-	-	181

Notes

- Total Revenue (excluding capital transfers and contributions) is R47,608 million
- Total Expenditure on financial Performances is R36,519 million
- Surplus for the month after capital transfers & contributions is R18,042 million
- The total capital expenditure for the month on grants is R6,099 million excluding vat
- The total capital expenditure for the month on internally funded is R2,568 million excluding vat
- The Total Capital Expenditure is R8,667 million excluding vat

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M01 July

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Revenue - Standard</u>										
<i>Governance and administration</i>		-	222,410	-	38,120	38,120	18,534	19,586	106%	222,410
Executive and council		-	-	-	-	-	-	-		-
Budget and treasury office		-	222,102	-	38,102	38,102	18,509	19,593	106%	222,102
Corporate services		-	308	-	19	19	26	(7)	-27%	308
<i>Community and public safety</i>		-	2,199	-	217	217	183	34	18%	2,199
Community and social services		-	279	-	16	16	23	(7)	-32%	279
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	1,920	-	201	201	160	41	26%	1,920
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		-	37,999	-	6,970	6,970	3,167	3,803	120%	32,783
Planning and development		-	5,705	-	-	-	475	(475)	-100%	489
Road transport		-	32,294	-	6,970	6,970	2,691	4,279	159%	32,294
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		-	101,515	-	9,254	9,254	8,460	794	9%	101,515
Electricity		-	92,002	-	8,368	8,368	7,667	701	9%	92,002
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	9,513	-	886	886	793	93	12%	9,513
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	-	364,123	-	54,561	54,561	30,344	24,217	80%	358,907
<u>Expenditure - Standard</u>	-									
<i>Governance and administration</i>		-	167,814	-	10,497	10,497	13,984	(3,487)	-25%	167,814

Executive and council		-	36,456	-	1,874	1,874	3,038	(1,164)	-38%	36,456
Budget and treasury office		-	87,659	-	5,462	5,462	7,305	(1,843)	-25%	87,659
Corporate services		-	43,699	-	3,161	3,161	3,642	(481)	-13%	43,699
Community and public safety		-	52,146	-	3,946	3,946	4,346	(400)	-9%	52,146
Community and social services		-	41,185	-	3,188	3,188	3,432	(244)	-7%	41,185
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	10,961	-	757	757	913	(156)	-17%	10,961
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		-	119,151	-	5,169	5,169	9,929	(4,760)	-48%	119,151
Planning and development		-	11,910	-	585	585	992	(407)	-41%	11,910
Road transport		-	107,241	-	4,584	4,584	8,937	(4,353)	-49%	107,241
Environmental protection		-	-	-	-	-	-	-		-
Trading services		-	131,149	-	16,906	16,906	10,929	5,977	55%	131,149
Electricity		-	125,959	-	16,518	16,518	10,497	6,022	57%	125,959
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	5,190	-	388	388	433	(44)	-10%	5,190
Other		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	-	470,260	-	36,519	36,519	39,188	(2,670)	-7%	470,260
Surplus/ (Deficit) for the year		-	(106,137)	-	18,042	18,042	(8,845)	26,887	-304%	(111,353)

Notes:

- Financial performance of revenue by vote is R54,561 million including capital contributions
- Financial performance of Expenditure by vote is R36,519 million
- The surplus for the month is R18,042 million

Finance charges			803		44	44	67	(23)	-35%	803
Bulk purchases			82,060		11,986	11,986	6,838	5,148	75%	82,060
Other materials								-		
Contracted services			28,453		5,111	5,111	2,371	2,740	116%	28,453
Transfers and grants								-		
Other expenditure			129,191		10,022	10,022	10,766	(744)	-7%	129,191
Loss on disposal of PPE								-		
Total Expenditure			470,260		36,519	36,519	39,188	(2,670)	-7%	470,260
Surplus/(Deficit)			(135,470)		11,090	11,090	(11,289)	22,379	(0)	(135,470)
Transfers recognised - capital			29,333		6,953	6,953	2,444	4,508	0	29,333
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions			(106,137)		18,042	18,042	(8,845)			(106,137)
Taxation								-		
Surplus/(Deficit) after taxation			(106,137)		18,042	18,042	(8,845)			(106,137)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			(106,137)		18,042	18,042	(8,845)			(106,137)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			(106,137)		18,042	18,042	(8,845)			(106,137)

Notes:

- Total Revenue per source(excluding capital transfers and contributions) is R47,608 million
- Total Expenditure per source is R36,519 million
- The surplus after capital transfers and contributions is R18,042 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) - M01 July

Vote Description	Ref	2012/13	Budget Year 2013/14							
		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		-	-	-	-	-	-	-		-
Vote 2 - BUDGET AND TREASURY DEPARTMENT		-	-	-	-	-	-	-		-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-		-
Vote 4 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-		-
Vote 5 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-		-
Vote 6 - TECHNICAL SERVICES DEPARTMENT		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	1,900	-	-	-	92	(92)	-100%	1,900
Vote 2 - BUDGET AND TREASURY DEPARTMENT		-	1,500	-	-	-	125	(125)	-100%	1,500
Vote 3 - CORPORATE SERVICES		-	5,400	-	-	-	450	(450)	-100%	5,400

Vote 4 - COMMUNITY AND SOCIAL SERVICES		-	7,000	-	-	-	583	(583)	-100%	7,000
Vote 5 - PLANNING AND DEVELOPMENT		-	2,700	-	-	-	225	(225)	-100%	2,700
Vote 6 - TECHNICAL SERVICES DEPARTMENT		-	42,120	-	8,667	8,667	3,510	5,157	147%	42,120
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
0		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	-	60,620	-	8,667	8,667	4,985	3,682	74%	60,620
Total Capital Expenditure		-	60,620	-	8,667	8,667	4,985	3,682	74%	60,620
<u>Capital Expenditure - Standard Classification</u>										
Governance and administration		-	8,800	-	-	-	733	(733)	-100%	8,800
Executive and council			1,900				158	(158)	-100%	1,900
Budget and treasury office			1,500				125	(125)	-100%	1,500
Corporate services			5,400				450	(450)	-100%	5,400
Community and public safety		-	7,000	-	-	-	583	(583)	-100%	7,000
Community and social services										
Sport and recreation										
Public safety			7,000				583	(583)	-100%	7,000
Housing										
Health										
Economic and environmental services		-	24,820	-	6,099	6,099	2,068	4,031	195%	24,820
Planning and development			2,700				225	(225)	-100%	2,700
Road transport			22,120		6,099	6,099	1,843	4,256	231%	22,120
Environmental protection										

Trading services		-	20,000	-	2,568	2,568	1,667	901	54%	20,000
Electricity			20,000		2,568	2,568	1,667	901	54%	20,000
Water								-		
Waste water management								-		
Waste management								-		
Other								-		
Total Capital Expenditure - Standard Classification	3	-	60,620	-	8,667	8,667	5,052	3,615	72%	60,620
Funded by:										
National Government			29,333		6,099	6,099	2,444	3,655	150%	29,333
Provincial Government								-		
District Municipality								-		
Other transfers and grants								-		
Transfers recognised - capital		-	29,333	-	6,099	6,099	2,444	3,655	150%	29,333
Public contributions & donations	5							-		
Borrowing	6							-		
Internally generated funds			31,287		2,568	2,568	2,607	(39)	-2%	31,287
Total Capital Funding		-	60,620	-	8,667	8,667	5,052	3,615	72%	60,620

Notes:

- The total capital expenditure is R8,667 million
- Total capital funded by national is R6,099 million
- Internal funded capital expenditure is R2,568 million

FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	2012/13	Budget Year 2013/14			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash			2,500		10,852	2,500
Call investment deposits			500		3,988	500
Consumer debtors			150,087		271,048	150,087
Other debtors						
Current portion of long-term receivables			20,000			20,000
Inventory			9,341		9,032	9,341
Total current assets		-	182,428	-	294,920	182,428
Noncurrent assets						
Long-term receivables					25,847	
Investments						
Investment property			6,000			6,000
Investments in Associate						
Property, plant and equipment			1,222,960		1,191,694	1,222,960
Agricultural			250			250
Biological assets			238		227	238
Intangible assets			2,300			2,300
Other non-current assets						
Total noncurrent assets		-	1,231,748	-	1,217,767	1,231,748
TOTAL ASSETS		-	1,414,176	-	1,512,687	1,414,176
LIABILITIES						

Current liabilities	-					
Bank overdraft						
Borrowing			4,200		4,200	4,200
Consumer deposits					1,231	
Trade and other payables			-		11,454	-
Provisions			4,800			4,800
Total current liabilities		-	9,000	-	16,885	9,000
Noncurrent liabilities						
Borrowing			189		189	189
Provisions					8,820	
Total noncurrent liabilities		-	189	-	9,009	189
TOTAL LIABILITIES		-	9,189	-	25,894	9,189
NET ASSETS	2	-	1,404,987	-	1,486,793	1,404,987
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)			(106,137)			(106,137)
Reserves			1,515,513		1,486,793	1,515,513
TOTAL COMMUNITY WEALTH/EQUITY	2	-	1,409,376	-	1,486,793	1,409,376

Notes:

- The financial position shows only year to date actual

3. CASH FLOW

LIM334 Ba-Phalaborwa - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2012/13	Budget Year 2013/14							
		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			230,440		31,879	31,879	19,203	12,676	66%	230,440
Government - operating			74,154		28,851	28,851	6,179	22,672	367%	74,154
Government - capital			29,333		12,347	12,347	2,444	9,903	405%	29,333
Interest			250		5	5	21	(15)	-74%	250
Dividends								-		
Payments										
Suppliers and employees			(271,738)		(53,444)	(53,444)	(22,645)	30,799	-136%	(271,738)
Finance charges			(803)		(44)	(44)	(67)	(23)	35%	(803)
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES			61,635	-	19,595	19,595	5,136	14,459	282%	61,635
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			(60,620)		(9,880)	(9,880)	(5,052)	4,829	-96%	(60,620)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(60,620)	-	(9,880)	(9,880)	(5,052)	4,829	-96%	(60,620)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										

Short term loans									-		
Borrowing long term/refinancing									-		
Increase (decrease) in consumer deposits									-		
Payments											
Repayment of borrowing									-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		-	1,015	-	9,715	9,715	85				1,015
Cash/cash equivalents at beginning:			3,000			1,137	3,000				1,137
Cash/cash equivalents at month/year end:		-	4,015	-		10,852	3,085				2,153

Notes:

The bank shows the positive balance of R10, 852,274 as at 31 July 2013

LIM334 Ba-Phalaborwa - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue By Source</u>			
2	<u>Expenditure By Type</u>			
	Depreciation & asset impairment	(6,375)		

4. PERFORMANCE INDICATORS

LIM334 Ba-Phalaborwa - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 July

Description of financial indicator	Basis of calculation	Ref	2012/13	Budget Year 2013/14			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	16.4%	0.0%	0.1%	2.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0.0%	0.3%	0.0%	1.1%	0.3%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	0.0%	2027.0%	0.0%	1746.7%	2027.0%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	33.3%	0.0%	87.9%	33.3%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	50.8%	0.0%	623.6%	50.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							

Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2				
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2				
Employee costs	Employee costs/Total Revenue - capital revenue		0.0%	33.2%	0.0%	17.5% 33.2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0% 0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.0%	23.1%	0.0%	0.1% 3.9%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	-				
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

References

1. Consumer debtors > 12 months old are excluded from current assets.
2. Material variances to be explained.

<u>Calculations</u>			
Borrowing		189	189
Total Assets		1,414,176	1,512,687 1,414,176
Employee related costs		111,154	8,351 111,154
Repairs & Maintenance			
Interest (finance charges)		803	44 803
Principal paid			
Depreciation		76,500	12,185
Operating expenditure		470,260	36,519 470,260

Total Capital Expenditure		60,620	8,667	60,620
Borrowed funding for capital				
Debt		4,389	15,843	4,389
Equity		1,409,376	1,486,793	1,409,376
Reserves		1,515,513	1,486,793	1,515,513
Borrowing		189	189	189
Current assets		182,428	294,920	182,428
Current liabilities		9,000	16,885	9,000
Monetary assets		3,000	14,840	3,000
Total Revenue (excluding capital transfers and contributions)		334,790	47,608	334,790
Transfers recognised - operational		74,154	27,390	74,154
Transfers recognised - capital		29,333	6,953	29,333
Debt service payments		250	(44)	(803)
Outstanding debtors (receivables)		170,087	296,895	170,087
Annual services revenue		101,515	9,254	
Cash + investments	Including LT investments	3,000	14,840	3,000
Fixed operational expend. (monthly)				
Longstanding debtors outstanding			25,847	
Longstanding debtors recovered				
Attorney collections				

5. DEBTORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2013/14										Actual Debts Off ag Debtors
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	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 - Water	1200											
Trade and Other Receivables from Exchange Transactions - Electricity	1300	6,630	1,547	2,736	1,209	956	922	801	16,805	31,606	20,693	
Receivables from Non-exchange Transactions - Property Rates	1400	5,406	3,492	3,314	3,234	3,113	3,037	3,003	87,027	111,627	99,415	
Receivables from Exchange Transactions - Waste Water Management	1500											
Receivables from Exchange Transactions - Waste Management	1600	962	602	564	548	534	525	517	26,119	30,370	28,242	
Receivables from Exchange Transactions - Property Rental Debtors	1700											
Interest on Arrear Debtor Accounts	1810											
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820											
Other	1900	5,311	5,604	4,969	2,078	4,699	4,828	808	110,286	138,583	122,699	
Total By Income Source	2000	18,309	11,246	11,582	7,069	9,302	9,312	5,130	240,236	312,185	271,048	
2012/13 - totals only												
Debtors Age Analysis By Customer Group												
Organs of State	2200	656	179	158	87	154	167	91	3,362	4,854	3,861	
Commercial	2300	2,737	1,379	1,447	734	1,192	1,618	802	34,441	44,350	38,788	
Households	2400	14,391	9,313	9,562	5,971	7,614	7,000	3,826	200,111	257,788	224,522	
Other	2500	525	375	415	277	342	527	410	2,322	5,193	3,877	
Total By Customer Group	2600	18,309	11,246	11,582	7,069	9,302	9,312	5,130	240,236	312,185	271,048	

Notes:

- The debtors' age analysis shows a total figure of R271, 048 million from 30 days to over a year.

6. CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description R thousands	NT Code	Budget Year 2013/14									Prior year totals for chart (same period)
		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	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100										-
Bulk Water	0200										-
PAYE deductions	0300										-
VAT (output less input)	0400										-
Pensions / Retirement deductions	0500										-
Loan repayments	0600										-
Trade Creditors	0700	2	-	179							181
Auditor General	0800										-
Other	0900										-
Total By Customer Type	1000	2	-	179	-	-	-	-	-	181	-

Note

- The Trade creditors are standing at R181 thousands

7. INVESTMENT PORTFOLIO

LIM334 Ba-Phalaborwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

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									
Municipality									
ABSA - Call Account			Fixed deposit		0		93	-	93
Call deposit a/c - STD Bank			Call Account		5		839	3,055	3,895
Municipality sub-total					5		932	3,055	3,988
TOTAL INVESTMENTS AND INTEREST	2				5		932	3,055	3,988

Notes:

Total Investment is standing at R3, 988 million

8. TRANSFERS AND GRANT EXPENDITURES

LIM334 Ba-Phalaborwa - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
-										
Operating Transfers and Grants										
National Government:		-	74,154	-	28,851	28,851	24,694	4,157	16.8%	74,154
Local Government Equitable Share			69,433		27,301	27,301	23,144	4,157	18.0%	69,433
Finance Management			1,550		1,550	1,550	1,550			1,550
Municipal Systems Improvement			890							890
EPWP Incentive			1,000							1,000
Operating Grant: MIG (5% of MIG Grants for PMU)			1,281							1,281
	3							-		
Total Operating Transfers and Grants	5	-	74,154	-	28,851	28,851	24,694	4,157	16.8%	74,154
Capital Transfers and Grants										
National Government:		-	29,333	-	12,347	12,347	8,111	4,236	52.2%	29,333
Municipal Infrastructure Grant (MIG)			24,333		12,347	12,347	8,111	4,236	52.2%	24,333
Neighbourhood Development Partnership			5,000							5,000
Total Capital Transfers and Grants	5	-	29,333	-	12,347	12,347	8,111	4,236	52.2%	29,333
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	-	103,487	-	41,198	41,198	32,805	8,393	25.6%	103,487

Notes:

- The total operating transfers and grants received is at R28,851 million for the month of July 2013
- Total capital transfers and grants received on MIG is R12,347 million

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

LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration	Ref	2012/13	Budget Year 2013/14							
		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			9,605		742	742	800	(58)	-7%	9,605
Pension and UIF Contributions								-		-
Medical Aid Contributions								-		-
Motor Vehicle Allowance			2,638		222	222	220	2	1%	2,638
Cell phone Allowance			475		40	40	40	1	2%	475
Housing Allowances								-		
Other benefits and allowances								-		
Sub Total - Councillors			12,718		1,005	1,005	1,060	(55)	-5%	12,718
% increase	4	-	#DIV/0!	-						#DIV/0!
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,418		296	296	285	11	4%	3,418
Pension and UIF Contributions			10		1	1	1	0	12%	10
Medical Aid Contributions								-		-
Overtime								-		-
Performance Bonus								-		-
Motor Vehicle Allowance			2,204		117	117		117	#DIV/0!	2,204
Cell phone Allowance			77		5	5	6	(2)	-30%	77
Housing Allowances								-		-
Other benefits and allowances			702		190	190		190	#DIV/0!	702
Payments in lieu of leave								-		-
Long service awards								-		-
Post-retirement benefit obligations	2							-		-

Sub Total - Senior Managers of Municipality		-	6,411	-	608	608	292	316	108%	6,411
% increase	4		#DIV/0!							#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages			64,044		4,897	4,897	5,337	(440)	-8%	64,044
Pension and UIF Contributions			13,999		991	991	1,167	(176)	-15%	13,999
Medical Aid Contributions			4,563		267	267	380	(113)	-30%	4,563
Overtime			3,594		377	377	299	77	26%	3,594
Performance Bonus			-		-	-	-	-		-
Motor Vehicle Allowance			8,248		738	738	687	51	7%	8,248
Cell phone Allowance			913		61	61		61	#DIV/0!	913
Housing Allowances			1,555		53	53	130	(76)	-59%	1,555
Other benefits and allowances			7,828		358	358		358	#DIV/0!	7,828
Sub Total - Other Municipal Staff		-	104,743	-	7,743	7,743	8,000	(257)	-3%	104,743
% increase	4		#DIV/0!							#DIV/0!
Total Parent Municipality		-	123,872	-	9,356	9,356	9,352	4	0%	123,872
			#DIV/0!							#DIV/0!
Total Municipal Entities		-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS		-	123,872	-	9,356	9,356	9,352	4	0%	123,872
% increase	4		#DIV/0!							#DIV/0!
TOTAL MANAGERS AND STAFF		-	111,154	-	8,351	8,351	8,292	59	1%	111,154

Notes:

Political office bearers' remunerations for the month amounted to R1 005 million

Employee related costs R8, 351 million

The municipality has total employee related cost& Remuneration of councillors of R9, 356 million for the month of July 2013

11. ACTUALS AND REVISED TARGETS FOR CASH RECEIPT

LIM334 Ba-Phalaborwa - Supporting Table SC9 Monthly Budget Statement - actual and revised targets for cash receipts - M01 July

Description	Ref	Budget Year 2013/14											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		3,205	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	4,883	6,560
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		8,600	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	6,900	1,520
Service charges - water revenue		5,554	-	-	-	-	-	-	-	-	-	-	(5,554)
Service charges - sanitation revenue		271	-	-	-	-	-	-	-	-	-	-	(271)
Service charges - refuse		432	452	452	452	452	452	452	452	452	452	452	472
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		19	15	15	15	15	15	15	15	15	15	15	11
Interest earned - external investments		5	21	21	21	21	21	21	21	21	21	21	36
Interest earned - outstanding debtors		684	6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	6,838	12,993
Dividends received			0	0	0	0	0	0	0	0	0	0	0
Fines		200	90	90	90	90	90	90	90	90	90	90	(20)
Licences and permits		2	270	270	270	270	270	270	270	270	270	270	539
Agency services			-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating		28,851				24,718				24,718			(4,133)
Other revenue		12,912	62	62	62	62	62	62	62	62	62	62	(12,789)
Cash Receipts by Source		60,736	19,531	19,531	19,531	44,249	19,531	19,531	19,531	44,249	19,531	19,531	(636)
Other Cash Flows by Source													
Transfer receipts - capital		12,347				9,778				9,778			(2,569)
Total Cash Receipts by Source		73,083	19,531	19,531	19,531	54,026	19,531	19,531	19,531	54,026	19,531	19,531	(3,206)

Cash Payments by Type													-
Employee related costs	8,351	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	9,263	10,175
Remuneration of councillors	1,005	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,026
Interest paid	44	67	67	67	67	67	67	67	67	67	67	67	90
Bulk purchases - Electricity	14,024	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	6,483	(1,058)
Bulk purchases - Water & Sewer													-
Other materials													-
Contracted services	5,827	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	2,353	(1,120)
Grants and subsidies paid - other municipalities													-
Grants and subsidies paid - other													-
General expenses	24,238	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	3,530	(17,177)
Cash Payments by Type	53,488	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	22,712	(8,064)
Other Cash Flows/Payments by Type													-
Capital assets	9,880	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	5,052	223
Repayment of borrowing													-
Other Cash Flows/Payments													-
Total Cash Payments by Type	63,368	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	27,763	(7,841)
NET INCREASE/(DECREASE) IN CASH HELD	9,715	(8,233)	(8,233)	(8,233)	26,263	(8,233)	(8,233)	(8,233)	26,263	(8,233)	(8,233)	(8,233)	4,636
Cash/cash equivalents at the month/year beginning:	1,137	10,852	2,620	(5,613)	(13,846)	12,417	4,185	(4,048)	(12,280)	13,983	5,750	(2,483)	(2,483)
Cash/cash equivalents at the month/year end:	10,852	2,620	(5,613)	(13,846)	12,417	4,185	(4,048)	(12,280)	13,983	5,750	(2,483)	(2,483)	2,153

Notes

- The cash balance is at R10,852 million

12. CAPITAL EXPENDITURE TREND

LIM334 Ba-Phalaborwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

Month	2012/13	Budget Year 2013/14							
	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		5,052		8,667	8,667	5,052	(3,615)	-71.6%	14%
August		5,052				10,103	-		
September		5,052				15,155	-		
October		5,052				20,207	-		
November		5,052				25,258	-		
December		5,052				30,310	-		
January		5,052				35,362	-		
February		5,052				40,413	-		
March		5,052				45,465	-		
April		5,052				50,517	-		
May		5,052				55,568	-		
June		5,052				60,620	-		
Total Capital expenditure	-	60,620	-	8,667					

Notes:

- The total capital expenditure trend gives a year to date actual of R8,667 million excluding vat

13.BANK RECONCILIATION

Ba-Phalaborwa Municipality

TRANSACTIONS STATEMENT FOR JULY 2013

Balance at the beginning of the month		1,137,492.56
Current - Cheques	BS1	(118,736.65)
Current - ACBs	BS2	(34,398,236.59)
Current - ACB Rejects	BS3	-
Current - Deposits	BS4	19,794,264.96
Current - RD Cheques	BS5	
Current - Redeposit's	BS6	-
Current - Transfers	BS7	-
Current - Bank Charges	BS8	24,437,489.73
Current - Already Reconciled	BS9	-
Balance at the end of the month		10,852,274.01

Notes

- The carried forward balance is **R10,852,274.01**

14.RECOMMENDATIONS

a. That the following be noted:

- i. The financial report for the period ended 31 July 2013 **excluding Water and Waste Water management**
- ii. The summary of monthly budget statement report for the month ended 31 July 2013
- iii. The financial performance for the month ended 31 July 2013
- iv. The financial position as at 31 July 2013
- v. The actual operating revenue for the month ended 31 July 2013 is R47,608 million
- vi. That the municipality received R27 million, 12 million and 1,5 million on Equitable shares, MIG and FMG retrospectively
- vii. The actual expenditure for the month ended 31 July 2013 is R36, 519 million (Total expenditure inclusive of Capex R8, 667 million, Salaries R9, 356 million) be approved.
- viii. The surplus amount for the month ended 31 July 2013 is 18,042 million
- ix. Outstanding creditors as at 31 July 2013 is R181 thousand
- x. Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R3,988 million on July 2013
- xi. That councillors and Staff Benefits for July 2013 amount to R9,356 million
- xii. Municipal Primary Bank reconciliation closed with a positive balance of R10,852,274 as at 31 July 2013