

Vision

*“Best tourist destination in
Limpopo by 2020”*

BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 31 JANUARY 2014

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 - M07 January

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	60,257	65,100	-	5,189	37,436	37,975	(539)	-1%	65,100
Service charges	79,414	101,515	-	6,723	54,291	59,217	(4,927)	-8%	101,515
Investment revenue	332	250	-	52	207	146	61	42%	84,818
Transfers recognised - operational	65,471	74,154	-	62	51,875	43,256	8,618	20%	74,154
Other own revenue	50,508	93,771	-	1,585	37,683	54,700	(17,016)	-31%	93,771
Total Revenue (excluding capital transfers and contributions)	255,983	334,790	-	13,611	181,492	195,294	(13,802)	-7%	419,358
Employee costs	93,712	111,154	-	8,489	56,405	64,840	(8,435)	-13%	111,154
Remuneration of Councillors	9,052	12,185	-	978	6,998	7,108	(110)	-2%	12,185
Depreciation & asset impairment	69,182	76,500	-	-	-	44,625	(44,625)	-100%	76,500
Finance charges	226	803	-	40	444	469	(24)	-5%	803
Materials and bulk purchases	53,402	82,060	-	-	44,134	47,868	(3,734)	-8%	82,060
Other expenditure	172,461	187,557	-	8,201	76,894	109,408	(32,514)	-30%	187,557
Total Expenditure	398,036	470,260	-	17,708	184,875	274,318	(89,443)	-33%	470,260
Surplus/(Deficit)	(142,052)	(135,470)	-	(4,097)	(3,383)	(79,024)	75,641	-96%	(50,902)
Transfers recognised - capital	32,895	29,333	-	1,936	21,588	17,111	4,477	26%	29,333
Surplus/(Deficit) after capital transfers & contributions	(109,157)	(106,137)	-	(2,161)	18,205	(61,913)	80,118	-129%	(21,569)
Surplus/ (Deficit) for the year	(109,157)	(106,137)	-	(2,161)	18,205	(61,913)	80,118	-129%	(21,569)

Capital expenditure & funds sources									
Capital expenditure	42,949	60,620	-	2,046	24,750	35,362	(10,611)	-30%	60,620
Capital transfers recognised	29,238	29,333	-	1,698	18,937	17,111	1,826	11%	29,333
Internally generated funds	13,711	31,287	-	348	5,814	18,251	(12,437)	-68%	31,287
Total sources of capital funds	42,949	60,620	-	2,046	24,750	35,362	(10,611)	-30%	60,620
Financial position									
Total current assets	56,845	182,428	-		366,924				182,428
Total non current assets	1,057,189	1,231,748	-		1,217,767				1,231,748
Total current liabilities	373,494	9,000	-		24,845				9,000
Total non current liabilities	33,736	189	-		9,009				189
Community wealth/Equity	706,805	1,409,376	-		1,550,837				1,409,376
Cash flows									
Net cash from (used) operating	43,315	61,635	-	(2,166)	(8,244)	35,954	(44,198)	-123%	61,635
Net cash from (used) investing	(42,949)	(60,620)	-	(2,332)	(28,627)	(35,362)	6,735	-19%	(60,620)
Net cash from (used) financing	(941)	-	-	4,511	26,386	-	26,386	#DIV/0!	-
Cash/cash equivalents at the month/year end	2,066	4,015	-	-	(9,348)	3,592	(12,940)	-360%	2,153
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	11,960	15,747	11,977	12,666	10,052	9,387	9,691	267,395	348,875
Creditors Age Analysis									
Total Creditors	1,598	44	59	640	-	-	-	-	2,341

Notes

- Total Revenue (excluding capital transfers and contributions) is R13,611million
- Total Expenditure on financial Performances is R17,708 million
- Revenue Capital Contribution is R1,936
- Deficit for the month after capital transfers & contributions is R2,161 million
- The total capital expenditure for the month is R2,046 million excluding vat

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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									
<u>Revenue - Standard</u>									
<i>Governance and administration</i>	170,792	222,410	-	5,706	117,336	129,739	(12,403)	-10%	222,410
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	170,288	222,102	-	5,691	117,194	129,560	(12,366)	-10%	222,102
Corporate services	504	308	-	15	143	179	(37)	-20%	308
<i>Community and public safety</i>	4,777	7,889	-	984	8,646	4,602	4,044	88%	7,889
Community and social services	3,906	5,969	-	784	7,259	3,482	3,777	108%	5,969
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	871	1,920	-	200	1,387	1,120	267	24%	1,920
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	29,895	32,309	-	2,135	22,805	18,847	3,958	21%	32,783
Planning and development	-	15	-	-	69	9	60	689%	489
Road transport	29,895	32,294	-	2,135	22,736	18,838	3,898	21%	32,294
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	83,414	101,515	-	6,723	54,293	59,217	(4,924)	-8%	101,515
Electricity	74,292	92,002	-	5,866	48,198	53,668	(5,470)	-10%	92,002
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	9,123	9,513	-	857	6,095	5,549	546	10%	9,513
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	288,879	364,123	-	15,547	203,080	212,405	(9,325)	-4%	364,597
<u>Expenditure - Standard</u>									
<i>Governance and administration</i>	194,353	167,814	-	7,641	61,659	97,891	(36,232)	-37%	167,814
Executive and council	25,772	36,456	-	1,961	13,785	21,266	(7,481)	-35%	36,456
Budget and treasury office	144,420	87,659	-	3,848	30,499	51,135	(20,636)	-40%	87,659

Corporate services	24,160	43,699	-	1,832	17,376	25,491	(8,115)	-32%	43,699
Community and public safety	33,767	52,146	-	4,362	27,934	30,419	(2,484)	-8%	52,146
Community and social services	25,244	41,185	-	3,243	22,386	24,024	(1,639)	-7%	41,185
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	8,523	10,961	-	1,119	5,548	6,394	(846)	-13%	10,961
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	90,450	119,151	-	3,727	30,728	69,505	(38,777)	-56%	119,151
Planning and development	7,038	11,910	-	585	4,121	6,947	(2,827)	-41%	11,910
Road transport	83,412	107,241	-	3,142	26,607	62,557	(35,951)	-57%	107,241
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	79,467	131,149	-	1,978	64,554	76,503	(11,949)	-16%	131,149
Electricity	75,856	125,959	-	1,894	57,807	73,476	(15,669)	-21%	125,959
Water	-	-	-	-	5,000	-	5,000	#DIV/0!	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	3,611	5,190	-	84	1,748	3,028	(1,280)	-42%	5,190
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	398,036	470,260	-	17,708	184,875	274,318	(89,443)	-33%	470,260
Surplus/ (Deficit) for the year	(109,157)	(106,137)	-	(2,161)	18,205	(61,913)	80,118	-129%	(105,663)

Notes:

- Financial performance of revenue by vote is R15,547 million including capital contributions
- Financial performance of Expenditure by vote is R17,708 million
- The deficit for the month is R2,161 million

FINANCIAL PERFORMANCE REVENUE AND EXPENDITURE PER SOURCE

LIM334 Ba-Phalaborwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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										
Revenue By Source										
Property rates		60,257	65,100		5,189	37,436	37,975	(539)	-1%	65,100
Service charges - electricity revenue		70,292	92,002		5,866	48,198	53,668	(5,470)	-10%	92,002
Service charges - refuse revenue		9,123	9,513		857	6,093	5,549	544	10%	9,513
Rental of facilities and equipment		295	308		15	143	179	(37)	-20%	308
Interest earned - external investments		332	250		52	207	146	61	42%	250
Interest earned - outstanding debtors		42,369	84,568		374	28,235	49,331	(21,096)	-43%	84,568
Dividends received			2			-	1	(1)	-100%	2
Fines		871	1,900		200	1,380	1,108	272	25%	1,900
Licences and permits		2,375	5,690		760	7,139	3,319	3,819	115%	5,690
Agency services		1,531					-	-		
Transfers recognised - operational		65,471	74,154		62	51,875	43,256	8,618	20%	74,154
Other revenue		3,068	1,303		236	787	760	27	4%	1,303
Total Revenue (excluding capital transfers and contributions)		255,983	334,790	-	13,611	181,492	195,294	(13,802)	-7%	334,790
Expenditure By Type										
Employee related costs	-	93,712	111,154		8,489	56,405	64,840	(8,435)	-13%	111,154

Remuneration of councillors		9,052	12,185		978	6,998	7,108	(110)	-2%	12,185
Debt impairment		108,991	29,913				17,449	(17,449)	-100%	29,913
Depreciation & asset impairment		69,182	76,500				44,625	(44,625)	-100%	76,500
Finance charges		226	803		40	444	469	(24)	-5%	803
Bulk purchases		53,402	82,060		-	44,134	47,868	(3,734)	-8%	82,060
Contracted services		10,096	28,453		3,736	28,695	16,597	12,097	73%	28,453
Other expenditure		53,460	129,191		4,465	48,199	75,362	(27,162)	-36%	129,191
Loss on disposal of PPE		(86)					-	-		
Total Expenditure		398,036	470,260	-	17,708	184,875	274,318	(89,443)	-33%	470,260
Surplus/(Deficit)		(142,052)	(135,470)	-	(4,097)	(3,383)	(79,024)	75,641	(0)	(135,470)
Transfers recognised - capital		32,895	29,333		1,936	21,588	17,111	4,477	0	29,333
Contributions recognised - capital								-		
Surplus/(Deficit) after capital transfers & contributions		(109,157)	(106,137)	-	(2,161)	18,205	(61,913)			(106,137)
Taxation								-		
Surplus/(Deficit) after taxation		(109,157)	(106,137)	-	(2,161)	18,205	(61,913)			(106,137)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(109,157)	(106,137)	-	(2,161)	18,205	(61,913)			(106,137)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(109,157)	(106,137)	-	(2,161)	18,205	(61,913)			(106,137)

Notes

- Total Revenue (excluding capital transfers and contributions) is R13,611million
- Total Expenditure on financial Performances is R17,708 million
- Revenue Capital Contribution is R1,936
- Deficit for the month after capital transfers & contributions is R2,161 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) - M07 January

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								%	
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	1,900	-	-	-	1,108	(1,108)	-100%	1,900
Vote 2 - BUDGET AND TREASURY DEPARTMENT		-	1,500	-	-	-	875	(875)	-100%	1,500
Vote 3 - CORPORATE SERVICES		3,398	5,400	-	348	350	3,150	(2,800)	-89%	5,400
Vote 4 - COMMUNITY AND SOCIAL SERVICES		1,711	7,000	-	-	-	4,083	(4,083)	-100%	7,000
Vote 5 - PLANNING AND DEVELOPMENT		-	2,700	-	-	-	1,575	(1,575)	-100%	2,700
Vote 6 - TECHNICAL SERVICES DEPARTMENT		37,840	42,120	-	1,698	24,400	24,570	(170)	-1%	42,120
Total Capital single-year expenditure	4	42,949	60,620	-	2,046	24,750	35,362	(10,611)	-30%	60,620
Total Capital Expenditure		42,949	60,620	-	2,046	24,750	35,362	(10,611)	-30%	60,620
Capital Expenditure - Standard Classification										
Governance and administration		3,398	8,800	-	348	350	5,133	(4,783)	-93%	8,800
Executive and council			1,900				1,108	(1,108)	-100%	1,900
Budget and treasury office			1,500				875	(875)	-100%	1,500
Corporate services		3,398	5,400		348	350	3,150	(2,800)	-89%	5,400
Community and public safety		1,711	7,000	-	-	-	4,083	(4,083)	-100%	1,000

Community and social services		1,711	6,000				3,500	(3,500)	-100%	
Sport and recreation							–	–		
Public safety			1,000				583	(583)	-100%	1,000
Housing								–		
Health								–		
Economic and environmental services		26,169	24,820	–	1,698	15,700	14,478	1,221	8%	24,820
Planning and development			2,700				1,575	(1,575)	-100%	2,700
Road transport		26,169	22,120		1,698	15,700	12,903	2,796	22%	22,120
Environmental protection							–	–		
Trading services		11,672	20,000	–	–	8,700	11,667	(2,966)	-25%	20,000
Electricity		11,672	20,000			8,700	11,667	(2,966)	-25%	20,000
Total Capital Expenditure - Standard Classification	3	42,949	60,620	–	2,046	24,750	35,362	(10,611)	-30%	54,620
Funded by:										
National Government		29,238	29,333		1,698	18,937	17,111	1,826	11%	29,333
Provincial Government								–		
District Municipality								–		
Other transfers and grants								–		
Transfers recognised - capital		29,238	29,333	–	1,698	18,937	17,111	1,826	11%	29,333
Public contributions & donations	5							–		
Borrowing	6							–		
Internally generated funds		13,711	31,287		348	5,814	18,251	(12,437)	-68%	31,287
Total Capital Funding		42,949	60,620	–	2,046	24,750	35,362	(10,611)	-30%	60,620

Notes:

- The total capital expenditure is R2,046million

FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M07 January

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		2,066	2,500		–	2,500
Call investment deposits			500		9,017	500
Consumer debtors		45,372	150,087		348,875	150,087
Other debtors		4				
Current portion of long-term receivables			20,000		–	20,000
Inventory		9,403	9,341		9,032	9,341
Total current assets		56,845	182,428	–	366,924	182,428
Non current assets						
Long-term receivables					25,847	
Investments						
Investment property			6,000			6,000
Investments in Associate						
Property, plant and equipment		1,056,876	1,222,960		1,191,694	1,222,960
Agricultural			250			250
Biological assets		313	238		227	238
Intangible assets			2,300			2,300
Other non-current assets						
Total non current assets		1,057,189	1,231,748	–	1,217,767	1,231,748

TOTAL ASSETS		1,114,035	1,414,176	-	1,584,691	1,414,176
LIABILITIES						
Current liabilities	-					
Bank overdraft					9,348	
Borrowing			4,200		4,200	4,200
Consumer deposits		2,981			1,231	
Trade and other payables		370,513	-		10,067	-
Provisions			4,800			4,800
Total current liabilities		373,494	9,000	-	24,845	9,000
Non current liabilities						
Borrowing			189		189	189
Provisions		33,736			8,820	
Total non current liabilities		33,736	189	-	9,009	189
TOTAL LIABILITIES		407,230	9,189	-	33,854	9,189
NET ASSETS	2	706,805	1,404,987	-	1,550,837	1,404,987
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			(106,137)			(106,137)
Reserves		706,805	1,515,513		1,550,837	1,515,513
TOTAL COMMUNITY WEALTH/EQUITY	2	706,805	1,409,376	-	1,550,837	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 - M07 January

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		162,582	230,440		13,373	113,828	134,423	(20,595)	-15%	230,440
Government - operating		64,589	74,154			52,702	43,256	9,446	22%	74,154
Government - capital		33,778	29,333			22,381	17,111	5,270	31%	29,333
Interest		42,701	250		52	207	146	61	42%	250
Dividends								-		
Payments										
Suppliers and employees		(260,109)	(271,738)		(15,551)	(196,916)	(158,514)	38,402	-24%	(271,738)
Finance charges		(226)	(803)		(40)	(446)	(469)	(23)	5%	(803)
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		43,315	61,635	-	(2,166)	(8,244)	35,954	(44,198)	-123%	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	(42,949)	(60,620)		(2,332)	(28,627)	(35,362)	(6,735)	19%	(60,620)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	(42,949)	(60,620)	-	(2,332)	(28,627)	(35,362)	(6,735)	19%	(60,620)	
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans							-			
Borrowing long term/refinancing							-			
Increase (decrease) in consumer deposits				4,511	26,386		26,386	#DIV/0!		
Payments										
Repayment of borrowing	(941)						-			
NET CASH FROM/(USED) FINANCING ACTIVITIES	(941)	-	-	4,511	26,386	-	(26,386)	#DIV/0!	-	
NET INCREASE/ (DECREASE) IN CASH HELD	(575)	1,015	-	13	(10,485)	592			1,015	
Cash/cash equivalents at beginning:	2,642	3,000			1,137	3,000			1,137	
Cash/cash equivalents at month/year end:	2,066	4,015	-		(9,348)	3,592			2,153	

Notes:

The bank shows an overdraft of R9, 348 as at 31 January 2014

4. DEBTORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2013/14									Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
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	5,500	5,538	2,397	1,880	1,079	665	989	20,255	38,303	24,868	
Receivables from Non-exchange Transactions - Property Rates	1400	4,875	3,913	3,493	4,127	3,126	3,060	3,105	90,197	115,895	103,615	
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	
Receivables from Exchange Transactions - Waste Management	1600	997	806	694	1,402	643	620	628	28,481	34,270	31,774	
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-	
Interest on Arrear Debtor Accounts	1810									-	-	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-	
Other	1900	589	5,490	5,393	5,257	5,204	5,042	4,969	128,463	160,407	148,935	
Total By Income Source	2000	11,960	15,747	11,977	12,666	10,052	9,387	9,691	267,395	348,875	309,191	
2012/13 - totals only										-	-	
Debtors Age Analysis By Customer Group												
Organs of State	2200	360	749	705	219	146	133	183	3,874	6,368	4,555	
Commercial	2300	1,992	2,565	2,365	1,620	1,315	970	1,281	38,493	50,601	43,679	
Households	2400	8,755	11,723	8,337	10,368	8,209	7,856	7,823	221,716	284,788	255,972	
Other	2500	854	709	570	459	382	427	404	3,312	7,118	4,985	
Total By Customer Group	2600	11,960	15,747	11,977	12,666	10,052	9,387	9,691	267,395	348,875	309,191	

Notes:

- The debtors' age analysis shows a total figure of R348, 875 million from 30 days to over a year.

5. CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

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	1,598	44	59	640					2,341	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	1,598	44	59	640	-	-	-	-	2,341	-

Note

- The total trade creditors are standing at R2,341 Million

6. INVESTMENT PORTFOLIO

LIM334 Ba-Phalaborwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID R thousands	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							
Municipality									
ABSA - Call Account			Fixed deposit		0		93	0	93
Call deposit a/c - STD Bank			Call Account		52		20,372	(11,448)	8,924
TOTAL INVESTMENTS AND INTEREST	2				52		20,465	(11,448)	9,017

Notes:

Total Investment is standing at R9, 017 million as at 31 January 2014

7. TRANSFERS AND GRANT EXPENDITURES

LIM334 Ba-Phalaborwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		-	74,154	-	215	51,546	52,316	(770)	-1.5%	74,154
Local Government Equitable Share			69,433		-	49,562	49,562	-		69,433
Finance Management			1,550		62	780	904	(124)	-13.7%	1,550
Municipal Systems Improvement			890		-	890	519	371	71.4%	890
EPWP Incentive			1,000		153	313	583	(270)	-46.3%	1,000
Operating Grant: MIG (5% of MIG Grants for PMU)			1,281		-	-	747	(747)	-100.0%	1,281
Total operating expenditure of Transfers and Grants:		-	74,154	-	215	51,546	52,316	(770)	-1.5%	74,154
Capital expenditure of Transfers and Grants										
National Government:		-	29,333	-	1,936	21,588	17,111	4,477	26.2%	29,333
Municipal Infrastructure Grant (MIG)			24,333		1,936	20,705	14,194	6,511	45.9%	24,333
Neighbourhood Development Partnership			5,000		-	883	2,917	(2,034)	-69.7%	5,000
Total capital expenditure of Transfers and Grants		-	29,333	-	1,936	21,588	17,111	4,477	26.2%	29,333
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	103,487	-	2,151	73,134	69,427	3,707	5.3%	103,487

Notes:

- The total monthly operating transfers and grants expenditure is R215 thousand
- Capital transfers and grants expenditure on MIG is R1,936 million

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

LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

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		737	5,199	5,603	(404)	-7%	9,605
Motor Vehicle Allowance			2,638		200	1,517	1,539	(22)	-1%	2,638
Cellphone Allowance			475		40	282	277	5	2%	475
Sub Total - Councillors			12,718	-	978	6,998	7,419	(421)	-6%	12,718
% increase	4									
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,418			1,408	1,994	(586)	-29%	3,418
Pension and UIF Contributions			10			3	6	(2)	-44%	10
Motor Vehicle Allowance			2,204			625	1,286	(660)	-51%	2,204
Cellphone Allowance			77			21	45	(24)	-53%	77
Housing Allowances							-	-		-
Other benefits and allowances			702			316	410	(94)	-23%	702
Sub Total - Senior Managers of Municipality			6,411	-	-	2,374	3,740	(1,366)	-37%	6,411
% increase	4									

Other Municipal Staff										
Basic Salaries and Wages		64,044	5,140	34,886	37,359	(2,472)	-7%	64,044		
Pension and UIF Contributions		13,999	1,004	6,958	8,166	(1,209)	-15%	13,999		
Medical Aid Contributions		4,563	310	1,917	2,661	(745)	-28%	4,563		
Overtime		3,594	248	1,657	2,096	(440)	-21%	3,594		
Performance Bonus		–	–	–	–	–		–		
Motor Vehicle Allowance		8,248	784	5,172	4,811	361	8%	8,248		
Cellphone Allowance		913	66	431	533	(102)	-19%	913		
Housing Allowances		1,555	53	371	907	(536)	-59%	1,555		
Other benefits and allowances		7,828	884	2,639	4,566	(1,927)	-42%	7,828		
Sub Total - Other Municipal Staff		–	104,743	–	8,489	54,031	61,100	(7,069)	-12%	104,743
% increase	4									
Total Parent Municipality		–	123,872	–	9,467	63,403	72,259	(8,856)	-12%	123,872
TOTAL SALARY, ALLOWANCES & BENEFITS		–	123,872	–	9,467	63,403	72,259	(8,856)	-12%	123,872
% increase	4									
TOTAL MANAGERS AND STAFF		–	111,154	–	8,489	56,405	64,840	(8,435)	-13%	111,154

Notes:

Political office bearers remunerations for the month of January amounted to R978 thousand

Employee related costs R8, 489 million

The municipality has total employee related cost and Remuneration of councillors of R9, 467 million for the month of January 2014

11. ACTUALS AND REVISED TARGETS FOR CASH RECEIPT

LIM334 Ba-Phalaborwa - Supporting Table SC9 Monthly Budget Statement - actual and revised targets for cash receipts - M07 January

Description	Ref	Budget Year 2013/14											
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Budget	March Budget	April Budget	May Budget	June Budget
R thousands	1												
Cash Receipts By Source													
Property rates		3,205	5,502	2,154	2,544	2,725	1,633	2,175	4,928	4,422	4,778	4,998	19,528
Service charges - electricity revenue		8,600	4,420	3,238	3,209	3,991	3,457	4,834	6,654	5,971	6,452	6,749	21,547
Service charges - water revenue		5,554		3,109	3,296	4,573	3,140	4,230	-	-	-	-	(23,903)
Service charges - sanitation revenue		271		536	410	547	413	503	-	-	-	-	(2,681)
Service charges - refuse		432	892	338	290	372	330	443	452	452	452	452	518
Rental of facilities and equipment		19	31	25	35	9	9	15	15	13	14	15	(25)
Interest earned - external investments		5	14	10	17	46	63	52	21	19	20	21	(39)
Interest earned - outstanding debtors		684	-	308	360	342	179	195	6,901	6,193	6,691	6,999	53,207
Dividends received		-	-	-	-	-	-	-	0	0	0	0	1
Fines		200	250			460	-	200	91	82	88	92	(380)
Licences and permits		2	1,113	3,018	710	1,225	310	760	273	245	264	277	(4,954)
Agency services		-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating		28,851	1,290	-	-	22,561	-	-		24,718			(3,266)
Other revenue		12,912	6,492	2,518	24	16	19	18	62	56	61	63	(21,500)
Cash Receipts by Source		60,736	20,005	15,256	10,897	36,867	9,553	13,425	19,397	42,170	18,820	19,666	38,053
Other Cash Flows by Source													
Transfer receipts - capital		12,347	-	-	10,034					9,778			(2,825)
Total Cash Receipts by Source		73,083	20,005	15,256	20,931	36,867	9,553	13,425	19,397	51,947	18,820	19,666	35,227

Cash Payments by Type													-
Employee related costs	8,351	8,259	8,035	7,779	7,596	7,895	8,489	9,348	8,388	9,064	9,481	18,468	-
Remuneration of councillors	1,005	1,040	1,020	984	973	998	978	1,025	920	994	1,039	1,210	-
Interest paid	44	88	39		197	38	40	68	61	66	69	95	-
Bulk purchases - Electricity	14,024		-	5,000	7,207	5,000		6,543	5,871	6,344	6,636	21,172	-
Bulk purchases - Water & Sewer				5,000				-	-	-	-	(5,000)	-
Other materials								-	-	-	-	-	-
Contracted services	5,827	3,025	865	6,377	7,353	5,007	4,259	2,375	2,131	2,303	2,409	(13,689)	-
Grants and subsidies paid - other municipalities								-	-	-	-	-	-
Grants and subsidies paid - other								-	-	-	-	-	-
General expenses	24,238	13,811	5,386	3,253	2,760	13,297	1,824	3,563	3,197	3,454	3,613	(36,035)	-
Cash Payments by Type	53,488	26,224	15,346	28,393	26,086	32,235	15,591	22,921	20,567	22,223	23,247	(13,779)	-
Other Cash Flows/Payments by Type													-
Capital assets	9,880	3,353	325	1,612	7,823	3,302	2,332	5,098	4,575	4,943	5,171	12,206	-
Repayment of borrowing													-
Other Cash Flows/Payments					(21,875)		(4,511)						26,386
Total Cash Payments by Type	63,368	29,577	15,671	30,005	12,034	35,537	13,412	28,019	25,142	27,166	28,417	24,813	-
NET INCREASE/(DECREASE) IN CASH HELD	9,715	(9,572)	(415)	(9,074)	24,832	(25,985)	13	(8,622)	26,805	(8,346)	(8,751)	10,415	-
Cash/cash equivalents at the month/year beginning:	1,137	10,852	1,281	865	(8,209)	16,624	(9,361)	(9,348)	(17,970)	8,835	489	(8,262)	-
Cash/cash equivalents at the month/year end:	10,852	1,281	865	(8,209)	16,624	(9,361)	(9,348)	(17,970)	8,835	489	(8,262)	2,153	-

Notes

- Unfavourable balance of R9,348 million as at 31 January 2014

12. CAPITAL EXPENDITURE TREND

LIM334 Ba-Phalaborwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

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		2,580	11,247	10,103	(1,143)	-11.3%	19%
September		5,052		285	11,532	15,155	3,623	23.9%	19%
October		5,052		1,414	12,946	20,207	7,261	35.9%	21%
November		5,052		6,862	19,808	25,258	5,450	21.6%	33%
December		5,052		2,897	22,705	30,310	7,605	25.1%	37%
January		5,052		2,046	24,750	35,362	10,611	30.0%	41%
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	-	24,750					

Notes:

- The total capital expenditure trend gives a year to date actual of R24,750 million excluding vat

13.BANK RECONCILIATION

Ba-Phalaborwa Municipality

BANK STATEMENT TRANSACTIONS FOR JANUARY 2014

Main account : 33 045 1367

Statement Description	Statement Amt
Outstanding C/F	-9,361,031.26
Current - Cheques	-9,364.60
Current - ACBs	-17,913,477.39
Current - ACB Rejects	-
Current - Deposits	16,955,230.53
Current - RD Cheques	-5,550.00
Current - Redeposits	-
Current - Transfers	1,026,164.84
Current - Bank Charges	-39,925.85
Current - Already Reconciled	-
Current - C/F	-9,347,953.73

Notes

- The closing overdraft of **(R9,347,953.73)**

14.RECOMMENDATIONS

a. That the following be noted:

- i. The financial report for the period ended 31 January 2014 **excluding Water and Waste Water management**
- ii. The summary of monthly budget statement report for the month ended 31 January 2014
- iii. The financial performance for the month ended 31 January 2014
- iv. The financial position as at 31 January 2014
- v. The actual operating revenue for the month ended 31 January 2014 is R13,611 million excluding capital contribution
- vi. That the Municipality did not receive any grant during the month of January 2014
- vii. The actual expenditure for the month ended 31 January 2014 is R17,708 million (Total expenditure inclusive of Capex R2,046 million, Salaries R9,467 million) be approved.
- viii. The deficit for the month ended 31 January 2014 is R2,161 million
- ix. Outstanding creditors as at 31 January 2014 is R2,341 million for the current month
- x. Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R9,017 million on January 2014
- xi. That councillors and Staff Benefits for January 2014 amount to R9,467 million
- xii. Municipal Primary Bank reconciliation closed with a negative balance of (R9,347,953.73) as at 31 January 2014