

Vision

*“Best tourist destination in
Limpopo by 2020”*

BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 31 MAY 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 - M11 May**

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	65,100	5,146	57,600	59,675	(2,075)	-3%	65,100
Service charges	79,414	101,515	102,770	7,889	88,103	94,206	(6,103)	-6%	102,770
Investment revenue	332	250	310	–	280	284	(4)	-1%	84,878
Transfers recognized - operational	65,471	74,154	74,154	401	70,838	67,974	2,864	4%	74,154
Other own revenue	50,508	93,771	100,163	6,103	64,580	91,816	(27,236)	-30%	100,163
Total Revenue (excluding capital transfers and contributions)	255,983	334,790	342,497	19,539	281,401	313,955	(32,554)	-10%	427,065
Employee costs	93,712	111,154	111,750	8,088	89,123	102,438	(13,315)	-13%	111,750
Remuneration of Councillors	9,052	12,185	11,175	1,019	11,085	10,244	841	8%	11,175
Depreciation & asset impairment	69,182	76,500	76,500	–	–	70,125	(70,125)	-100%	76,500
Finance charges	226	803	963	195	1,402	883	519	59%	963
Materials and bulk purchases	53,402	82,060	81,060	4,678	62,908	74,305	(11,397)	-15%	81,060
Other expenditure	172,461	187,557	188,981	14,309	132,187	173,233	(41,045)	-24%	188,981
Total Expenditure	398,036	470,260	470,430	28,289	296,705	431,228	(134,523)	-31%	470,430
Surplus/(Deficit)	(142,052)	(135,470)	(127,933)	(8,751)	(15,304)	(117,272)	101,968	-87%	(43,365)
Transfers recognized - capital	32,895	29,333	24,333	6,209	32,031	22,306	9,725	44%	24,333
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
	(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)	111,694	-118%	(19,032)
Surplus/(Deficit) after capital transfers & contributions									
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)	111,694	-118%	(19,032)
Capital expenditure & funds sources									
Capital expenditure	42,949	60,620	48,530	6,371	38,415	44,486	(6,071)	-14%	48,530

Capital transfers recognised	29,238	29,333	24,220	5,446	28,097	22,202	5,896	27%	24,220
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	13,711	31,287	24,310	925	10,318	22,284	(11,967)	-54%	24,310
Total sources of capital funds	42,949	60,620	48,530	6,371	38,415	44,486	(6,071)	-14%	48,530
Financial position									
Total current assets	56,845	182,428	182,428		377,698				182,428
Total non current assets	1,057,189	1,231,748	1,231,748		1,217,767				1,231,748
Total current liabilities	373,494	9,000	9,000		30,089				9,000
Total non current liabilities	33,736	189	189		9,009				189
Community wealth/Equity	706,805	1,404,987	1,404,987		1,556,367				1,404,987
Cash flows									
Net cash from (used) operating	43,315	61,635	39,965	(9,565)	(7,765)	36,634	(44,399)	-121%	61,635
Net cash from (used) investing	(42,949)	(60,620)	(38,530)	(7,263)	(44,205)	(35,319)	(8,885)	25%	(60,620)
Net cash from (used) financing	(941)	-	-	14,756	41,142	-	41,142	#DIV/0!	-
Cash/cash equivalents at the month/year end	2,066	4,015	2,572	-	(9,690)	4,315	(14,005)	-325%	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	17,649	14,606	11,971	12,190	5,335	10,332	9,805	278,548	360,437
Creditors Age Analysis									
Total Creditors	809	2	547	729	-	-	-	-	2,087

Notes

- Total Revenue (excluding capital transfers and contributions) is R19,593million
- Total Expenditure on financial Performances is R28,289million
- Revenue Capital Contribution is 6,209 million
- Deficitfor the month after capital transfers &contributionsis R2,542 million
- The total capital expenditure for the month is R6,371 million excluding vat

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M11 May

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								%	
Revenue - Standard										
<i>Governance and administration</i>		170,792	222,410	222,428	10,306	177,249	203,892	(26,644)	-13%	222,428
Executive and council		-	-	-	-	-	-	-		-
Budget and treasury office		170,288	222,102	222,121	10,286	177,034	203,611	(26,576)	-13%	222,121
Corporate services		504	308	308	20	214	282	(68)	-24%	308
<i>Community and public safety</i>		4,777	7,889	13,943	949	13,884	12,781	1,103	9%	13,943
Community and social services		3,906	5,969	11,423	948	12,205	10,471	1,734	17%	11,423
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		871	1,920	2,520	1	1,679	2,310	(631)	-27%	2,520
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<i>Economic and environmental services</i>		29,895	32,309	27,689	6,603	34,197	25,382	8,815	35%	27,689
Planning and development		-	15	395	-	170	362	(192)	-53%	395
Road transport		29,895	32,294	27,294	6,603	34,026	25,020	9,007	36%	27,294
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		83,414	101,515	102,770	7,889	88,103	94,206	(6,103)	-6%	102,770
Electricity		74,292	92,002	92,002	6,997	78,446	84,335	(5,889)	-7%	92,002
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		9,123	9,513	10,768	892	9,657	9,871	(213)	-2%	10,768
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	288,879	364,123	366,830	25,747	313,432	336,261	(22,829)	-7%	366,830

Expenditure - Standard										
Governance and administration	-	194,353	167,814	166,219	8,646	109,402	152,368	(42,966)	-28%	166,219
Executive and council		25,772	36,456	33,534	2,255	22,805	30,739	(7,934)	-26%	33,534
Budget and treasury office		144,420	87,659	92,142	3,492	58,211	84,463	(26,252)	-31%	92,142
Corporate services		24,160	43,699	40,544	2,899	28,386	37,165	(8,780)	-24%	40,544
Community and public safety		33,767	52,146	53,096	3,801	42,462	48,671	(6,209)	-13%	53,096
Community and social services		25,244	41,185	42,880	2,359	33,221	39,307	(6,086)	-15%	42,880
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		8,523	10,961	10,215	1,442	9,241	9,364	(123)	-1%	10,215
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		90,450	119,151	119,574	3,118	44,533	109,610	(65,077)	-59%	119,574
Planning and development		7,038	11,910	11,505	591	6,967	10,546	(3,579)	-34%	11,505
Road transport		83,412	107,241	108,069	2,527	37,566	99,064	(61,497)	-62%	108,069
Environmental protection		-	-	-	-	-	-	-		-
Trading services		79,467	131,149	131,541	12,724	100,308	120,579	(20,271)	-17%	131,541
Electricity		75,856	125,959	126,269	12,343	91,898	115,746	(23,848)	-21%	126,269
Water		-	-	-	-	5,000	-	5,000	#DIV/0!	-
Waste water management		-	-	-	-	-	-	-		-
Waste management		3,611	5,190	5,272	381	3,410	4,833	(1,423)	-29%	5,272
Other		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	398,036	470,260	470,430	28,289	296,705	431,228	(134,523)	-31%	470,430
Surplus/ (Deficit) for the year		(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)	111,694	-118%	(103,600)

Notes:

- Financial performance of revenue by vote is R25,747 million including capital contributions
- Financial performance of Expenditure by vote is R28,289 million
- The deficit for the month is R2,542 million

FINANCIAL PERFORMANCE REVENUE AND EXPENDITURE PER SOURCE

LIM334 Ba-Phalaborwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

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	65,100	5,146	57,600	59,675	(2,075)	-3%	65,100
Service charges - electricity revenue		70,292	92,002	92,002	6,997	78,446	84,335	(5,889)	-7%	92,002
Service charges - refuse revenue		9,123	9,513	10,768	892	9,657	9,871	(213)	-2%	10,768
Rental of facilities and equipment		295	308	308	20	214	282	(68)	-24%	308
Interest earned - external investments		332	250	310		280	284	(4)	-1%	310
Interest earned - outstanding debtors		42,369	84,568	84,568	5,064	49,770	77,521	(27,751)	-36%	84,568
Dividends received			2	2		-	2	(2)	-100%	2
Fines		871	1,900	2,500		1,670	2,292	(622)	-27%	2,500
Licences and permits		2,375	5,690	11,185	926	12,020	10,253	1,767	17%	11,185
Agency services		1,531		-			-	-		-
Transfers recognised - operational		65,471	74,154	74,154	401	70,838	67,974	2,864	4%	74,154
Other revenue		3,068	1,303	1,601	92	906	1,467	(561)	-38%	1,601
Total Revenue (excluding capital transfers and contributions)		255,983	334,790	342,497	19,539	281,401	313,955	(32,554)	-10%	342,497
Expenditure By Type										
Employee related costs		93,712	111,154	111,750	8,088	89,123	102,438	(13,315)	-13%	111,750
Remuneration of councillors		9,052	12,185	11,175	1,019	11,085	10,244	841	8%	11,175
Debt impairment		108,991	29,913	27,100		12,186	24,842	(12,655)	-51%	27,100
Depreciation & asset impairment		69,182	76,500	76,500		-	70,125	(70,125)	-100%	76,500
Finance charges		226	803	963	195	1,402	883	519	59%	963
Bulk purchases		53,402	82,060	81,060	4,678	62,908	74,305	(11,397)	-15%	81,060
Contracted services		10,096	28,453	42,868	2,290	38,309	39,296	(987)	-3%	42,868
Other expenditure		53,460	129,191	119,013	12,019	81,692	109,095	(27,403)	-25%	119,013
Loss on disposal of PPE		(86)		-			-	-		-
Total Expenditure		398,036	470,260	470,430	28,289	296,705	431,228	(134,523)	-31%	470,430

Surplus/(Deficit)	(142,052)	(135,470)	(127,933)	(8,751)	(15,304)	(117,272)	101,968	(0)	(127,933)
Transfers recognised - capital	32,895	29,333	24,333	6,209	32,031	22,306	9,725	0	24,333
Contributions recognised - capital							-		
Contributed assets							-		
Surplus/(Deficit) after capital transfers & contributions	(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)			(103,600)
Taxation							-		
Surplus/(Deficit) after taxation	(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)			(103,600)
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)			(103,600)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	(109,157)	(106,137)	(103,600)	(2,542)	16,727	(94,967)			(103,600)

Notes

- Total Revenue (excluding capital transfers and contributions) is R19,593million
- Total Expenditure on financial Performances is R28, 280 million
- Revenue Capital Contribution is R6,209 million
- Deficitfor the month after capital transfers &contributions is R2,542 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) - M11 May

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	600	–	994	550	444	81%	600
Vote 2 - BUDGET AND TREASURY DEPARTMENT		–	1,500	1,680	–	313	1,540	(1,227)	-80%	1,680
Vote 3 - CORPORATE SERVICES		3,398	5,400	2,356	48	565	2,160	(1,595)	-74%	2,356
Vote 4 - COMMUNITY AND SOCIAL SERVICES		1,711	7,000	–	–	–	–	–	–	–
Vote 5 - PLANNING AND DEVELOPMENT		–	2,700	2,000	–	–	1,833	(1,833)	-100%	2,000
Vote 6 - TECHNICAL SERVICES DEPARTMENT		37,840	42,120	41,894	6,323	36,543	38,403	(1,860)	-5%	41,894
Total Capital single-year expenditure	4	42,949	60,620	48,530	6,371	38,415	44,486	(6,071)	-14%	48,530
Total Capital Expenditure		42,949	60,620	48,530	6,371	38,415	44,486	(6,071)	-14%	48,530
Capital Expenditure - Standard Classification										
Governance and administration		3,398	8,800	4,636	48	1,872	4,250	(2,378)	-56%	4,636
Executive and council			1,900	600		994	550	444	81%	600
Budget and treasury office			1,500	1,680		313	1,540	(1,227)	-80%	1,680
Corporate services		3,398	5,400	2,356	48	565	2,160	(1,595)	-74%	2,356
Community and public safety		1,711	7,000	–	–	–	–	–	–	–

Community and social services		1,711	6,000	-			-	-		-
Public safety			1,000	-			-	-		-
Economic and environmental services		26,169	24,820	23,814	639	19,069	21,830	(2,760)	-13%	23,814
Planning and development			2,700	2,000			1,833	(1,833)	-100%	2,000
Road transport		26,169	22,120	21,814	639	19,069	19,996	(927)	-5%	21,814
Trading services		11,672	20,000	20,080	5,684	17,474	18,407	(933)	-5%	20,080
Electricity		11,672	20,000	20,080	5,684	17,474	18,407	(933)	-5%	20,080
Total Capital Expenditure - Standard Classification	3	42,949	60,620	48,530	6,371	38,415	44,486	(6,071)	-14%	48,530
Funded by:										
National Government		29,238	29,333	24,220	5,446	28,097	22,202	5,896	27%	24,220
Internally generated funds		13,711	31,287	24,310	925	10,318	22,284	(11,967)	-54%	24,310
Total Capital Funding		42,949	60,620	48,530	6,371	38,415	44,486	(6,071)	-14%	48,530

Notes:

- The total monthly capital expenditure is R6,371 million

FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M11 May

Description	Ref	2012/13	Budget Year 2013/14		YearTD actual	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget		
R thousands	1					
ASSETS						
Current assets						
Cash		2,066	2,500	2,500	–	2,500
Call investment deposits			500	500	8,229	500
Consumer debtors		45,372	150,087	150,087	360,437	150,087
Other debtors		4				
Current portion of long-term receivables			20,000	20,000	–	20,000
Inventory		9,403	9,341	9,341	9,032	9,341
Total current assets		56,845	182,428	182,428	377,698	182,428
Non current assets						
Long-term receivables					25,847	
Investment property			6,000	6,000		6,000
Investments in Associate						
Property, plant and equipment		1,056,876	1,222,960	1,222,960	1,191,694	1,222,960
Agricultural			250	250		250
Biological assets		313	238	238	227	238
Intangible assets			2,300	2,300		2,300
Total non current assets		1,057,189	1,231,748	1,231,748	1,217,767	1,231,748
TOTAL ASSETS		1,114,035	1,414,176	1,414,176	1,595,465	1,414,176
LIABILITIES						
Current liabilities						
Bank overdraft					9,690	
Borrowing			4,200	4,200	4,200	4,200
Consumer deposits		2,981			1,231	

Trade and other payables		370,513	-	-	14,968	-
Provisions			4,800	4,800		4,800
Total current liabilities		373,494	9,000	9,000	30,089	9,000
Non current liabilities						
Borrowing			189	189	189	189
Provisions		33,736			8,820	
Total non current liabilities		33,736	189	189	9,009	189
TOTAL LIABILITIES		407,230	9,189	9,189	39,098	9,189
NET ASSETS	2	706,805	1,404,987	1,404,987	1,556,367	1,404,987
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			(106,137)	(106,137)		(106,137)
Reserves		706,805	1,511,124	1,511,124	1,556,367	1,511,124
TOTAL COMMUNITY WEALTH/EQUITY	2	706,805	1,404,987	1,404,987	1,556,367	1,404,987

Notes:

- The financial position shows only year to date actual

3. CASH FLOW

LIM334 Ba-Phalaborwa - Table C7 Monthly Budget Statement - Cash Flow - M11 May

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	244,710	11,561	175,399	224,317	(48,919)	-22%	230,440
Government - operating		64,589	74,154	74,154	-	70,361	67,974	2,387	4%	74,154
Government - capital		33,778	29,333	24,333	-	39,432	22,306	17,126	77%	29,333
Interest		42,701	250	311		516	285	231	81%	250
Dividends								-		
Payments										
Suppliers and employees		(260,109)	(271,738)	(302,731)	(20,931)	(292,069)	(277,503)	14,565	-5%	(271,738)
Finance charges		(226)	(803)	(812)	(195)	(1,403)	(744)	659	-89%	(803)
Transfers and Grants				-				-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		43,315	61,635	39,965	(9,565)	(7,765)	36,634	(44,399)	-121%	61,635
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Payments										
Capital assets		(42,949)	(60,620)	(38,530)	(7,263)	(44,205)	(35,319)	8,885	-25%	(60,620)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(42,949)	(60,620)	(38,530)	(7,263)	(44,205)	(35,319)	8,885	-25%	(60,620)

CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans									-	
Borrowing long term/refinancing									-	
Increase (decrease) in consumer deposits				14,756	41,142			41,142	#DIV/0!	
Payments										
Repayment of borrowing		(941)							-	
NET CASH FROM/(USED) FINANCING ACTIVITIES		(941)	-	-	14,756	41,142	-	(41,142)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD										
		(575)	1,015	1,435	(2,072)	(10,827)	1,315			1,015
Cash/cash equivalents at beginning:		2,642	3,000	1,137		1,137	3,000			1,137
Cash/cash equivalents at month/year end:		2,066	4,015	2,572		(9,690)	4,315			2,153

Notes:

The bank shows an overdraft of R9, 690as at 31 May 2014

4. DEBTORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May

Description	NT Code	Budget Year 2013/14									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	Total	
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,890	4,322	2,137	2,547	1,064	1,276	896	21,553	39,687	27,337
Receivables from Non-exchange Transactions - Property Rates	1400	4,764	3,691	3,411	3,320	3,101	3,033	3,058	90,264	114,641	102,775
Receivables from Exchange Transactions - Waste Management	1600	1,011	797	714	691	683	651	619	29,542	34,709	32,187
Other	1900	5,984	5,796	5,709	5,632	486	5,371	5,232	137,190	171,400	153,911
Total By Income Source	2000	17,649	14,606	11,971	12,190	5,335	10,332	9,805	278,548	360,437	316,211
2012/13 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	2,520	1,775	728	1,647	475	1,007	629	10,884	19,665	14,642
Commercial	2300	3,944	2,767	2,030	1,682	798	1,237	1,678	29,543	43,679	34,938
Households	2400	10,595	9,376	8,558	7,866	3,743	7,573	6,956	232,243	286,909	258,381
Other	2500	591	689	655	994	319	515	542	5,879	10,184	8,250
Total By Customer Group	2600	17,649	14,606	11,971	12,190	5,335	10,332	9,805	278,548	360,437	316,211

Notes:

- The debtors' age analysis shows a total figure of R360,437 million from 30 days to over a year.

CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May

Description	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	809	2	547	729					2,087	
Auditor General	0800										-
Other	0900										-
Total By Customer Type	1000	809	2	547	729	-	-	-	-	2,087	-

Note

- The total trade creditors are standing at R2,087 million

5. INVESTMENT PORTFOLIO

LIM334 Ba-Phalaborwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

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
R thousands		Yrs/Months							
Municipality									
ABSA - Call Account			Fixed deposit		0		93	0	93
Call deposit a/c - STD Bank			Call Account		44		19,567	(11,431)	8,136
TOTAL INVESTMENTS AND INTEREST	2				44		19,660	(11,431)	8,229

Notes:

Total Investment is standing at R8, 229 millionas at 31 May 2014

6. TRANSFERS AND GRANT EXPENDITURES

LIM334 Ba-Phalaborwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

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	74,154	257	70,837	53,889	16,948	31.4%	74,154
Local Government Equitable Share			69,433	69,433	-	66,921	49,562	17,359	35.0%	69,433
Finance Management			1,550	1,550	67	1,458	1,421	37	2.6%	1,550
Municipal Systems Improvement			890	890	-	890	816	74	9.1%	890
EPWP Incentive			1,000	1,000	120	1,000	917	83	9.1%	1,000
Operating Grant: MIG (5% of MIG Grants for PMU)			1,281	1,281	70	569	1,174	(605)	-51.6%	1,281
Total operating expenditure of Transfers and Grants:		-	74,154	74,154	257	70,837	53,889	16,948	31.4%	74,154
Capital expenditure of Transfers and Grants										
National Government:		-	29,333	24,333	6,209	31,148	22,306	8,843	39.6%	24,333
Municipal Infrastructure Grant (MIG)			24,333	24,333	6,209	31,148	22,306	8,843	39.6%	24,333
Neighbourhood Development Partnership			5,000	-	-	-	-	-		
Total capital expenditure of Transfers and Grants		-	29,333	24,333	6,209	31,148	22,306	8,843	39.6%	24,333
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	103,487	98,487	6,466	101,986	76,195	25,791	33.8%	98,487

Notes:

- The total monthly operating transfers and grants expenditure is R257 thousand
- Capital transfers and grant expenditure on MIG is R6,209 million

10.COUNCILLORS AND STAFF BENEFIT (section 66 of MFMA report)**LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May**

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	7,863	203	7,638	7,208	430	6%	7,863
Motor Vehicle Allowance			2,638	2,838	753	2,939	2,601	338	13%	2,838
Cellphone Allowance			475	475	63	508	435	73	17%	475
Sub Total - Councillors			12,718	11,175	1,019	11,085	10,244	841	8%	11,175
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,418			1,408	-	1,408		
Pension and UIF Contributions			10			3	-	3		
Motor Vehicle Allowance			2,204			625	-	625		
Cellphone Allowance			77			21	-	21		
Other benefits and allowances			702			316	-	316		
Sub Total - Senior Managers of Municipality			6,411	-	-	2,374	-	2,374		-
<u>Other Municipal Staff</u>										
Basic Salaries and Wages			64,044	69,643	5,233	56,308	63,839	(7,532)	-12%	69,643
Pension and UIF Contributions			13,999	13,569	986	10,891	12,439	(1,547)	-12%	13,569
Medical Aid Contributions			4,563	4,029	305	3,109	3,693	(584)	-16%	4,029
Overtime			3,594	3,494	364	2,763	3,203	(440)	-14%	3,494
Motor Vehicle Allowance			8,248	11,740	825	8,580	10,761	(2,181)	-20%	11,740
Cellphone Allowance			913	1,019	65	690	934	(245)	-26%	1,019
Housing Allowances			1,555	1,058	53	584	970	(386)	-40%	1,058
Other benefits and allowances			7,828	7,198	256	3,825	6,598	(2,774)	-42%	7,198

Sub Total - Other Municipal Staff			104,743	111,750	8,088	86,749	102,438	(15,689)	-15%	111,750
Total Parent Municipality			123,872	122,926	9,107	100,208	112,682	(12,474)	-11%	122,926
TOTAL SALARY, ALLOWANCES & BENEFITS			123,872	122,926	9,107	100,208	112,682	(12,474)	-11%	122,926
TOTAL MANAGERS AND STAFF			111,154	111,750	8,088	89,123	102,438	(13,315)	-13%	111,750

Notes:

Political office bearer's remunerations for the month of May amounted to R1, 019 million

Employee related costs R8, 088 million

The municipality has total employee related cost & Remuneration of councillors Of R9, 107 million for the month of May 2014

11. ACTUALS AND REVISED TARGETS FOR CASH RECEIPT

LIM334 Ba-Phalaborwa - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M11 May

Description	Ref	Budget Year 2013/14											
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	Feb Outcome	March Outcome	April Outcome	May Outcome	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	2,548	2,542	10,793	1,827	20,940
Service charges - electricity revenue		8,600	4,420	3,238	3,209	3,991	3,457	4,834	5,799	7,389	4,006	3,959	26,220
Service charges - water revenue		5,554		3,109	3,296	4,573	3,140	4,230	4,366	3,304	4,194	3,820	(39,588)
Service charges - sanitation revenue		271		536	410	547	413	503	555	596	471	464	(4,767)
Service charges - refuse		432	892	338	290	372	330	443	404	458	380	346	736
Rental of facilities and equipment		19	31	25	35	9	9	15	17	26	194	20	(224)
Interest earned - external investments		5	14	10	17	46	63	52		29	280	-	(266)
Interest earned - outstanding debtors		684	-	308	360	342	179	195	344	261	1,499	164	77,723
Dividends received		-	-	-	-	-	-	-	-	-	-	-	1
Fines		200	250			460	-	200	-	150	140	-	(317)
Licences and permits		2	1,113	3,018	710	1,225	310	760	1,835	316	1,804	926	(8,776)
Transfer receipts - operating		28,851	1,290	-	-	22,561	-	-	-	17,659	-	-	3,793
Other revenue		12,912	6,492	2,518	24	16	19	18	260	22	20	34	(21,593)
Cash Receipts by Source		60,736	20,005	15,256	10,897	36,867	9,553	13,425	16,128	32,752	23,783	11,561	53,883
Other Cash Flows by Source													-
Transfer receipts - capital		12,347	-	-	10,034					17,051			(10,099)
Total Cash Receipts by Source													

	73,083	20,005	15,256	20,931	36,867	9,553	13,425	16,128	49,803	23,783	11,561	43,784
Cash Payments by Type												
Employee related costs	8,351	8,259	8,035	7,779	7,596	7,895	8,489	7,895	8,309	8,426	8,088	22,031
Remuneration of councillors	1,005	1,040	1,020	984	973	998	978	990	1,055	1,024	1,019	1,100
Interest paid	44	88	39		197	38	40	385	195	182	195	(600)
Bulk purchases - Electricity	14,024		-	5,000	7,207	5,000	0	0	11,063	5,000	5,333	25,168
Bulk purchases - Water & Sewer				5,000								(5,000)
Contracted services	5,827	3,025	865	6,377	7,353	5,007	4,259	2,706	3,903	1,740	2,611	(15,431)
General expenses	24,238	13,811	5,386	3,253	2,760	13,297	1,824	2,340	2,630	8,080	3,879	(39,138)
Cash Payments by Type	53,488	26,224	15,346	28,393	26,086	32,235	15,591	14,316	27,155	24,452	21,126	(11,870)
Other Cash Flows/Payments by Type												
Capital assets	9,880	3,353	325	1,612	7,823	3,302	2,332	838	3,611	3,865	7,263	16,415
Repayment of borrowing												-
Other Cash Flows/Payments					(21,875)		(4,511)			13,746	(14,756)	27,396
Total Cash Payments by Type	63,368	29,577	15,671	30,005	12,034	35,537	13,412	15,154	30,766	42,064	13,633	31,941
NET INCREASE/(DECREASE) IN CASH HELD	9,715	(9,572)	(415)	(9,074)	24,832	(25,985)	13	974	19,036	(18,280)	(2,072)	11,843
Cash/cash equivalents at the month/year beginning:	1,137	10,852	1,281	865	(8,209)	16,624	(9,361)	(9,348)	(8,374)	10,662	(7,618)	(9,690)
Cash/cash equivalents at the month/year end:	10,852	1,281	865	(8,209)	16,624	(9,361)	(9,348)	(8,374)	10,662	(7,618)	(9,690)	2,153

Notes

- Total actual cash receipts for the month in municipal primary bank account amount to R11, 561 million. This is the total of all municipal service charges including Water, sanitation and Licence & permits.
- Other Inflow amount to R14,756 million. Included in this amount is the transfer made from call accounts to the main primary account.
- While the total actual cash-payments made for the month amount to R28, 389 million
- Unfavourable balance of R9,690 million as at 31 May 2014

12. CAPITAL EXPENDITURE TREND

LIM334 Ba-Phalaborwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M11 May

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	4,044	8,667	8,667	4,044	(4,623)	-114.3%	14%
August		5,052	4,044	2,580	11,247	8,088	(3,158)	-39.0%	19%
September		5,052	4,044	285	11,532	12,133	601	5.0%	19%
October		5,052	4,044	1,414	12,946	16,177	3,231	20.0%	21%
November		5,052	4,044	6,862	19,808	20,221	413	2.0%	33%
December		5,052	4,044	2,897	22,705	24,265	1,560	6.4%	37%
January		5,052	4,044	2,046	24,750	28,309	3,559	12.6%	41%
February		5,052	4,044	735	25,485	32,353	6,868	21.2%	42%
March		5,052	4,044	3,168	28,653	36,398	7,745	21.3%	47%
April		5,052	4,044	3,391	32,044	40,442	8,398	20.8%	0
May		5,052	4,044	6,371	38,415	44,486	6,071	13.6%	0
June		5,052	4,044			48,530	-		
Total Capital expenditure	-	60,620	48,530	38,415					

Notes:

- The total capital expenditure trend gives a year to date actual of R38,415 million excluding vat

13.BANK RECONCILIATION

Ba-Phalaborwa Municipality
 CONSOLIDATED BANK RECONCILIATION STATEMENT FOR JANUARY 2014

Statement Adjustment Description		STD BANK			ABSA	TOTAL
		33 045 1367	238711102	243,098,804		
		-				-
Bank Statement C/F		9,690,187.95	8,136,025.01	81,655.31	93,006.28	1,379,501.35
Uncashed Cheques	CB01	140,263.55	-	-	-	140,263.55
Uncashed ACBs	CB02	26,761,452.85	-	-	-	26,761,452.85
Undeposited Receipts	CB03	15,540,329.52	-	-	-	15,540,329.52
Partially Undeposited Receipts	CB04	34,879,832.71	-	-	-	34,879,832.71
Uncashed RDs	BS01	-	-	-	-	-
Miscellaneous Charge 0080	BS02	196,218.65	-	-	-	196,218.65
Unreconciled On Statement - Post Dated Cheques	BS03	-	-	-	-	-
Unreconciled On Statement - ACB Rejects	BS04	-	-	-	-	-

Unreconciled On Statement - Deposits	BS05	- 58,611,873.11	-	-	-	-	- 58,611,873.11
Partially Unreconciled On Statement - ACBs	BS06	34,846,757.35	-	-	-	-	34,846,757.35
Partially Unreconciled On Statement - Deposits	BS07	-	-	-	-	-	-
Partially Unreconciled On Statement - Redeposits	BS08	-	-	-	-	-	-
Partially Unreconciled On Statement - Transfers	BS09	-	-	-	-	-	-
Adjusted Statement C/F		- 9,740,639.23	8,136,025.01	81,655.31	93,006.28	-	1,429,952.63

Notes

- The closing balance of negative(R9,690,187.95) for May 2014

14.RECOMMENDATIONS

a. That the following be noted:

- i. The financial report for the period ended 31 May 2014 **excluding Water and Waste Water management**
- ii. The summary of monthly budget statement report for the month ended 31 May 2014
- iii. The financial performance for the month ended 31 May 2014
- iv. The financial position as at 31 May 2014
- v. The actual operating revenue for the month ended 31 May 2014 is R19,593million excluding capital contribution
- vi. That the Municipality fully received all the grants as per DoRA
- vii. The actual expenditure for the month ended 31 May 2014 is R28, 289 million (Total expenditure inclusive of Capex R6, 371million, Salaries R9, 107million) be approved.
- viii. The deficit for the month ended 31 May 2014 is R2,542 million
- ix. Outstanding creditors as at 31 May 2014 is R2,087
- x. Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R8,229 million on May 2014
- xi. That councillors and Staff Benefits for May 2014 amount to R9,107million
- xii. Municipal Primary Bank reconciliation closed with a negative balance of (R9,689,937.95) as at 31 May 2014