

BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 31 DECEMBER 2014

Vision

“Best tourist destination in Limpopo by 2020”

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 - M06 December

Description	2013/14	Budget Year 2014/15							
	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	–	70,634	–	5,063	33,142	35,317	(2,175)	-6%	70,634
Service charges	–	106,664	–	7,686	48,480	53,332	(4,852)	-9%	106,664
Investment revenue	–	260	–	21	213	130	83	64%	74,904
Transfers recognised - operational	–	88,490	–	7,575	63,606	44,245	19,361	44%	88,490
Other own revenue	–	90,204	–	8,200	42,471	45,102	(2,631)	-6%	90,204
Total Revenue (excluding capital transfers and contributions)	–	356,251	–	28,545	187,911	178,126	9,786	5%	430,895
Employee costs	–	118,379	–	8,440	53,214	59,190	(5,975)	-10%	118,379
Remuneration of Councillors	–	12,855	–	1,044	6,490	6,428	63	1%	12,855
Depreciation & asset impairment	–	74,909	–	–	–	37,455	(37,455)	-100%	74,909
Finance charges	–	848	–	137	814	424	390	92%	848
Materials and bulk purchases	–	82,573	–	914	35,901	41,287	(5,386)	-13%	82,573
Other expenditure	–	149,254	–	8,154	50,601	74,627	(24,026)	-32%	149,254
Total Expenditure	–	438,819	–	18,689	147,021	219,409	(72,389)	-33%	438,819
Surplus/(Deficit)	–	(82,567)	–	9,856	40,891	(41,284)	82,174	-199%	(7,924)
Transfers recognised - capital	–	37,279	–	(4,321)	15,374	18,639	(3,265)	-18%	37,279
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	–	(45,289)	–	5,535	56,265	(22,644)	78,909	-348%	29,355

Surplus/ (Deficit) for the year	-	(45,289)	-	5,535	56,265	(22,644)	78,909	-348%	29,355
<u>Capital expenditure & funds sources</u>									
Capital expenditure	-	61,179	-	3,953	25,144	30,589	(5,445)	-18%	61,179
Capital transfers recognised	-	37,279	-	3,953	21,049	18,639	2,410	13%	37,279
Internally generated funds	-	23,900	-	-	4,095	11,950	(7,855)	-66%	23,900
Total sources of capital funds	-	61,179	-	3,953	25,144	30,589	(5,445)	-18%	61,179
<u>Financial position</u>									
Total current assets	-	171,542	-		431,406				171,542
Total non current assets	-	1,284,539	-		1,284,139				1,284,539
Total current liabilities	-	1,500	-		24,610				1,500
Total non current liabilities	-	230,000	-		230,000				230,000
Community wealth/Equity	-	1,224,581	-		1,460,935				1,224,581
<u>Cash flows</u>									
Net cash from (used) operating	-	51,306	-	(23,276)	3,828	25,653	(21,825)	-85%	51,306
Net cash from (used) investing	-	(51,179)	-	(4,506)	(28,664)	(25,589)	(3,075)	12%	(51,179)
Net cash from (used) financing	-	-	-	9,209	15,299	-	15,299	#DIV/0!	-
Cash/cash equivalents at the month/year end	-	2,227	-	-	(9,047)	2,164	(11,211)	-518%	617
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
<u>Debtors Age Analysis</u>									
Total By Income Source	22,508	14,056	12,195	11,496	11,849	11,290	10,324	322,916	416,634
<u>Creditors Age Analysis</u>									
Total Creditors	1,199	183	52	6,135	-	-	-	-	7,569

Notes

- Operating Revenue (excluding capital transfers and contributions) is R28, 545 million.
- Operational Expenditure on financial Performances is R18,689million
- Revenue Capital Contribution recognised is negative (R4, 321 million) reversal due to unapproved unspent grant.
- Surplus for the month after capital transfers & contributions is R5, 535 million
- The total capital expenditure for the month is R3,953 million excluding vat

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2013/14	Budget Year 2014/15							
		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>		-	231,995	-	18,667	131,344	115,998	15,346	13%	231,995
Budget and treasury office		-	231,665	-	18,651	130,585	115,833	14,752	13%	231,665
Corporate services		-	330	-	16	759	165	594	360%	330
<i>Community and public safety</i>		-	14,186	-	1,950	6,728	7,093	(365)	-5%	14,186
Community and social services		-	11,565	-	1,750	6,224	5,783	441	8%	11,565
Public safety		-	2,621	-	200	505	1,310	(806)	-61%	2,621
<i>Economic and environmental services</i>		-	31,685	-	(5,402)	7,730	15,843	(8,113)	-51%	31,685
Planning and development		-	-	-	-	6	-	6	#DIV/0!	-
Road transport		-	31,685	-	(5,402)	7,723	15,843	(8,119)	-51%	31,685
<i>Trading services</i>		-	115,664	-	9,009	57,480	57,832	(352)	-1%	115,664
Electricity		-	104,327	-	8,041	51,705	52,164	(459)	-1%	104,327
Waste management		-	11,337	-	968	5,775	5,668	107	2%	11,337
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	-	393,530	-	24,224	203,282	196,765	6,517	3%	393,530

Expenditure - Standard	-									
Governance and administration		-	166,186	-	7,915	56,493	83,093	(26,600)	-32%	166,186
Executive and council		-	36,507	-	3,165	17,956	18,253	(298)	-2%	36,507
Budget and treasury office		-	87,451	-	2,214	21,174	43,726	(22,551)	-52%	87,451
Corporate services		-	42,227	-	2,536	17,363	21,114	(3,751)	-18%	42,227
Community and public safety		-	58,282	-	3,746	22,669	29,141	(6,472)	-22%	58,282
Community and social services		-	46,217	-	2,949	18,062	23,108	(5,046)	-22%	46,217
Public safety		-	12,066	-	798	4,607	6,033	(1,426)	-24%	12,066
Economic and environmental services		-	101,776	-	3,862	16,919	50,888	(33,969)	-67%	101,776
Planning and development		-	17,094	-	2,238	6,846	8,547	(1,701)	-20%	17,094
Road transport		-	84,682	-	1,624	10,073	42,341	(32,268)	-76%	84,682
Trading services		-	112,575	-	3,166	50,940	56,287	(5,348)	-10%	112,575
Electricity		-	107,174	-	2,624	48,247	53,587	(5,340)	-10%	107,174
Waste management		-	5,401	-	542	2,692	2,700	(8)	0%	5,401
Other		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	-	438,819	-	18,689	147,021	219,409	(72,389)	-33%	438,819
Surplus/ (Deficit) for the year		-	(45,289)	-	5,535	56,261	(22,644)	78,905	-348%	(45,289)

Notes:

- Total revenue by vote including capital contribution is R24,224 million
- Total Operational Expenditure by vote is R18,689 million
- Surplus for the month is R5,535 million

FINANCIAL PERFORMANCE REVENUE AND EXPENDITURE PER SOURCE

LIM334 Ba-Phalaborwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2013/14	Budget Year 2014/15							
		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		–	70,634	–	5,063	33,142	35,317	(2,175)	-6%	70,634
Service charges - electricity revenue		–	95,327	–	6,718	42,705	47,664	(4,959)	-10%	95,327
Service charges - refuse revenue		–	11,337	–	968	5,775	5,668	107	2%	11,337
Rental of facilities and equipment		–	330	–	16	167	165	2	1%	330
Interest earned - external investments		–	260	–	21	213	130	83	64%	260
Interest earned - outstanding debtors		–	74,644	–	6,217	35,184	37,322	(2,137)	-6%	74,644
Dividends received		–	3	–	–	–	1	(1)	-100%	3
Fines		–	2,600	–	200	469	1,300	(831)	-64%	2,600
Licences and permits		–	9,021	–	1,735	6,070	4,510	1,560	35%	9,021
Agency services		–	2,255	–	–	–	1,128	(1,128)	-100%	2,255
Transfers recognised – operational		–	88,490	–	7,575	63,606	44,245	19,361	44%	88,490
Other revenue		–	1,352	–	32	580	676	(96)	-14%	1,352
Gains on disposal of PPE		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	356,251	–	28,545	187,911	178,126	9,786	5%	356,251

Expenditure By Type	-									
Employee related costs	-	118,379	-	8,440	53,214	59,190	(5,975)	-10%	118,379	
Remuneration of councillors	-	12,855	-	1,044	6,490	6,428	63	1%	12,855	
Debt impairment	-	31,558	-	-	-	15,779	(15,779)	-100%	31,558	
Depreciation & asset impairment	-	74,909	-	-	-	37,455	(37,455)	-100%	74,909	
Finance charges	-	848	-	137	814	424	390	92%	848	
Bulk purchases	-	82,573	-	914	35,901	41,287	(5,386)	-13%	82,573	
Contracted services	-	45,536	-	3,959	20,837	22,768	(1,931)	-8%	45,536	
Other expenditure	-	72,160	-	4,195	29,764	36,080	(6,316)	-18%	72,160	
Total Expenditure		438,819		18,689	147,021	219,409	(72,389)	-33%	438,819	
Surplus/(Deficit)		(82,567)		9,856	40,891	(41,284)	82,174	(0)	(82,567)	
Transfers recognised – capital		37,279		(4,321)	15,374	18,639	(3,265)	(0)	37,279	
Surplus/ (Deficit) for the year		(45,289)		5,535	56,265	(22,644)			(45,289)	

Notes:

- Operating Revenue (excluding capital transfers and contributions) is R28,545 million
- Operational Expenditure on financial Performance is R18,689 million
- Revenue Capital Contribution recognised is negative (R4, 321 million) reversal due to unapproved unspent grant.
- Surplus for the month is R5,535 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) - M06 December

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<u>Single Year expenditure appropriation</u>	2									
Vote 3 - CORPORATE SERVICES		-	4,500	-	-	1,174	2,250	(1,076)	-48%	4,500
Vote 4 - COMMUNITY AND SOCIAL SERVICES		-	1,600	-	-	-	800	(800)	-100%	1,600
Vote 6 - TECHNICAL SERVICES DEPARTMENT		-	55,079	-	3,953	23,971	27,539	(3,569)	-13%	55,079
Total Capital single-year expenditure	4	-	61,179	-	3,953	25,144	30,589	(5,445)	-18%	61,179
Total Capital Expenditure		-	61,179	-	3,953	25,144	30,589	(5,445)	-18%	61,179
<u>Capital Expenditure - Standard Classification</u>										
<i>Governance and administration</i>		-	4,500	-	-	1,174	2,250	(1,076)	-48%	4,500
Corporate services		-	4,500	-	-	1,174	2,250	(1,076)	-48%	4,500
<i>Community and public safety</i>		-	1,600	-	-	-	800	(800)	-100%	1,600

Community and social services			1,000				500	(500)	-100%	1,000
Public safety			600				300	(300)	-100%	600
Economic and environmental services			27,279		926	8,548	13,639	(5,091)	-37%	27,279
Planning and development			-				-	-		-
Road transport			27,279		926	8,548	13,639	(5,091)	-37%	27,279
Environmental protection							-	-		
Trading services			27,800		3,027	15,423	13,900	1,523	11%	27,800
Electricity			27,800		3,027	15,423	13,900	1,523	11%	27,800
Other							-	-		
Total Capital Expenditure - Standard Classification	3		61,179		3,953	25,144	30,589	(5,445)	-18%	61,179
Funded by:										
National Government			37,279		3,953	21,049	18,639	2,410	13%	37,279
Internally generated funds			23,900		-	4,095	11,950	(7,855)	-66%	23,900
Total Capital Funding			61,179		3,953	25,144	30,589	(5,445)	-18%	61,179

Note:

- Total monthly capital expenditure is R3,953 million excluding vat

FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash			2,100	–	–	2,100
Call investment deposits			1,500	–	5,271	1,500
Consumer debtors			158,442	–	416,634	158,442
Inventory			9,500	–	9,500	9,500
Total current assets		–	171,542	–	431,406	171,542
Non current assets						
Property, plant and equipment			1,284,139	–	1,284,139	1,284,139
Agricultural			–	–	–	–
Biological assets			400	–	–	400
Intangible assets			–	–	–	–
Other non-current assets			–	–	–	–
Total non current assets		–	1,284,539	–	1,284,139	1,284,539
TOTAL ASSETS		–	1,456,081	–	1,715,545	1,456,081
LIABILITIES						
Current liabilities						
Bank overdraft			–	–	9,047	–
Borrowing			–	–	–	–
Consumer deposits			1,500	–	–	1,500
Trade and other payables			–	–	15,563	–
Provisions			–	–	–	–
Total current liabilities		–	1,500	–	24,610	1,500

Non current liabilities						
Borrowing			210,000	–	210,000	210,000
Provisions			20,000	–	20,000	20,000
Total non current liabilities		–	230,000	–	230,000	230,000
TOTAL LIABILITIES		–	231,500	–	254,610	231,500
NET ASSETS	2	–	1,224,581	–	1,460,935	1,224,581
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)						
Reserves			1,224,581	–	1,460,935	1,224,581
TOTAL COMMUNITY WEALTH/EQUITY	2	–	1,224,581	–	1,460,935	1,224,581

Note:

- The financial position shows only year to date actual

3. CASH FLOW

LIM334 Ba-Phalaborwa - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2013/14	Budget Year 2014/15							
		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			223,835	–	14,614	85,621	111,917	(26,296)	-23%	223,835
Government - operating			88,490	–	364	57,562	44,245	13,317	30%	88,490
Government - capital			37,279	–	–	24,342	18,639	5,703	31%	37,279
Interest			4,054	–	595	2,914	2,027	887	44%	4,054
Dividends							–	–		
Payments										
Suppliers and employees			(301,504)	–	(38,711)	(165,797)	(150,752)	15,045	-10%	(301,504)
Finance charges			(848)	–	(137)	(814)	(424)	390	-92%	(848)
Transfers and Grants							–	–		
NET CASH FROM/(USED) OPERATING ACTIVITIES			51,306	–	(23,276)	3,828	25,653	(21,825)	-85%	51,306
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								–		
Payments										
Capital assets			(51,179)	–	(4,506)	(28,664)	(25,589)	3,075	-12%	(51,179)
NET CASH FROM/(USED) INVESTING ACTIVITIES			(51,179)	–	(4,506)	(28,664)	(25,589)	3,075	-12%	(51,179)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing								–		

Increase (decrease) in consumer deposits					9,209	15,299		15,299	#DIV/0!	
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	9,209	15,299	-	(15,299)	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		-	127	-	(18,573)	(9,537)	64			127
Cash/cash equivalents at beginning:			2,100	-		490	2,100			490
Cash/cash equivalents at month/year end:		-	2,227	-		(9,047)	2,164			617

Note:

The bank shows an overdraft of R9, 047 million as at 31 December 2014

4. DEBTORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2014/15									
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5,639	3,329	1,776	1,294	1,753	1,016	938	23,178	38,923	28,179
Receivables from Non-exchange Transactions - Property Rates	1400	9,446	3,669	3,531	3,469	3,421	3,795	2,900	101,357	131,588	114,941
Receivables from Exchange Transactions - Waste Management	1600	1,063	853	791	737	783	696	648	33,040	38,611	35,904
Other	1900	6,359	6,205	6,098	5,996	5,892	5,782	5,839	165,342	207,512	188,851
Total By Income Source	2000	22,508	14,056	12,195	11,496	11,849	11,290	10,324	322,916	416,634	367,875
2013/14 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	677	669	717	199	172	161	194	4,678	7,467	5,404
Commercial	2300	3,748	2,290	2,408	1,470	1,550	1,167	1,365	46,486	60,484	52,038
Households	2400	16,476	10,465	8,489	9,410	9,677	9,448	8,334	267,752	340,052	304,622
Other	2500	1,607	633	581	417	451	514	430	4,000	8,632	5,811
Total By Customer Group	2600	22,508	14,056	12,195	11,496	11,849	11,290	10,324	322,916	416,634	367,875

Note:

- The Debtor's age analysis shows a total figure of R416, 634 million from 30 days to over a year.

5. CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2014/15								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Loan repayments	0600									-
Trade Creditors	0700	1,199	183	52	6,135					7,569
Auditor General	0800									-
Other	0900									
Total By Customer Type	1000	1,199	183	52	6,135	-	-	-	-	7,569

Notes:

- The creditor's age analysis shows a total figure of R7,569 million

6. INVESTMENT PORTFOLIO

LIM334 Ba-Phalaborwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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				93	0	93
Call deposit a/c - STD Bank			Call Account		21		6,658	(1,479)	5,178
TOTAL INVESTMENTS AND INTEREST	2				21		6,751	(1,479)	5,271

Notes:

Total Investment is standing at R5,271 million as at 31 December 2014

7. TRANSFERS AND GRANT EXPENDITURES

LIM334 Ba-Phalaborwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2013/14	Budget Year 2014/15							
		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:		–	88,490	–	434	55,851	55,747	104	0.2%	88,490
Local Government Equitable Share			83,256		–	53,566	53,566	–		83,256
Finance Management			1,600		41	704	667	38	5.7%	1,600
Municipal Systems Improvement			934		160	560	389	171	44.0%	934
EPWP Incentive			1,212		163	648	505	143	28.4%	1,212
Operating Grant: MIG (5% of MIG Grants for PMU)			1,488		68	372	620	(248)	-40.0%	1,488
Total operating expenditure of Transfers and Grants:		–	88,490	–	434	55,851	55,747	104	0.2%	88,490
Capital expenditure of Transfers and Grants										
National Government:		–	37,279	–	2,821	22,515	9,320	13,196	141.6%	37,279
Municipal Infrastructure Grant (MIG)			28,279		1,498	13,515	7,070	6,446	91.2%	28,279
INEG			9,000		1,322	9,000	2,250	6,750	300.0%	9,000
Total capital expenditure of Transfers and Grants		–	37,279	–	2,821	22,515	9,320	13,196	141.6%	37,279
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	125,769	–	3,254	78,367	65,067	13,300	20.4%	125,769

Notes:

- The total monthly operating transfers and grants expenditure is R434 thousand
- Expenditure on Capital transfers and grants is R2, 821

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

LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2013/14	Budget Year 2014/15							
		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			9,572		779	4,813	4,786	27	1%	9,572
Motor Vehicle Allowance			2,783		203	1,307	1,391	(85)	-6%	2,783
Cellphone Allowance			501		63	370	250	120	48%	501
Sub Total - Councillors		-	12,855	-	1,044	6,490	6,428	63	1%	12,855
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,637			1,146	1,818	(672)	-37%	3,637
Pension and UIF Contributions			10			1	5	(4)	-85%	10
Motor Vehicle Allowance			2,345			499	1,172	(674)	-57%	2,345
Cellphone Allowance			82			41	41	(0)	-1%	82
Other benefits and allowances			747			122	374	(251)	-67%	747
Sub Total - Senior Managers of Municipality		-	6,821	-	-	1,809	3,411	(1,602)	-47%	6,821
<u>Other Municipal Staff</u>										
Basic Salaries and Wages			68,254		5,431	32,424	34,127	(1,703)	-5%	68,254
Pension and UIF Contributions			14,895		1,000	6,043	7,448	(1,404)	-19%	14,895
Medical Aid Contributions			4,855		317	1,925	2,427	(503)	-21%	4,855

Overtime			3,824		333	1,868	1,912	(44)	-2%	3,824
Performance Bonus			-				-	-		-
Motor Vehicle Allowance			11,549		902	4,949	5,775	(826)	-14%	11,549
Cellphone Allowance			972		69	414	486	(72)	-15%	972
Housing Allowances			1,655		52	310	827	(517)	-62%	1,655
Other benefits and allowances			5,555		336	3,473	2,778	695	25%	5,555
Sub Total - Other Municipal Staff			-		8,440	51,406	55,779	(4,373)	-8%	111,558
Total Parent Municipality			-		9,483	59,705	65,617	(5,913)	-9%	131,235
TOTAL MANAGERS AND STAFF			-		8,440	53,214	59,190	(5,975)	-10%	118,379

Notes:

- Political office bearer's remunerations for the month of December amounted to R1, 044 million
- Employee related costs R8, 440 million
- The municipality has total employee related cost & Remuneration of councillors of R9, 483 million for the month of December 2014

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

9. ACTUALS AND REVISED TARGETS FOR CASH RECEIPT

LIM334 Ba-Phalaborwa - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

Description	Ref	Budget Year 2014/15											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		2,242	2,444	3,089	2,583	2,375	2,765	2,175	2,548	2,542	2,154	2,544	8,171
Service charges - electricity revenue		7,773	3,254	4,381	4,211	6,069	3,404	4,834	5,799	7,389	5,834	5,944	1,436
Service charges - water revenue		3,302	6,691	2,553	7,819	2,571	5,669	4,834	5,799	7,389	3,238	3,209	4,109
Service charges - sanitation revenue		512	506	523	599	492	472	4,230	4,366	3,304	3,109	3,296	24,789
Service charges - refuse		488	380	423	486	371	339	443	404	458	452	452	841
Rental of facilities and equipment		13	74	19	24	20	16	15	17	26	9	15	(24)
Interest earned - external investments		75	56	25	12	24	21	52		29	63	52	2
Interest earned - outstanding debtors		360	252	914	344	268	574	195	344	261	179	195	(242)
Dividends received		-	-	-	-	-	-	0	0	0	0	0	1
Fines		-	-	269	-	-	200	217	217	217	217	217	1,048
Licences and permits		377	2,127	1,059	772	1	1,735	760	1,835	752	752	752	2,100
Agency services		-	-	-	-	-	-	188	188	188	188	188	1,316
Transfer receipts - operating		34,555	1,419	-	568	20,656	364	-	-	29,497	-	-	1,431
Other revenue		17	36	15	21	13	14	113	16	19	18	153	417
Cash Receipts by Source		49,715	17,240	13,270	17,439	32,861	15,573	18,055	21,532	52,071	16,213	17,016	45,395

Other Cash Flows by Source														-
Transfer receipts - capital		12,571	-	-	-	11,771	-	-	-	12,426	-	-	-	510
Total Cash Receipts by Source		62,286	17,240	13,270	17,439	44,632	15,573	18,055	21,532	64,497	16,213	17,016	45,905	
Cash Payments by Type														-
Employee related costs		8,851	8,486	8,037	9,565	9,836	8,440	9,865	9,865	9,865	9,865	9,865	9,865	15,840
Remuneration of councillors		1,036	1,053	1,190	1,104	1,064	1,044	1,071	1,071	1,071	1,071	1,071	1,071	1,009
Interest paid		98	86	98	209	186	137	71	71	71	71	71	71	(319)
Bulk purchases - Electricity		9,000	2,000	8,258	-	6,000	15,869	6,881	6,881	6,881	6,881	6,881	6,881	7,041
Contracted services		3,053	2,879	3,967	4,345	4,997	4,513	4,259	2,706	3,903	2,303	2,409	2,409	(3,798)
General expenses		6,324	9,951	3,156	4,820	8,115	8,846	2,630	3,454	3,613	6,013	6,013	6,013	(10,776)
Cash Payments by Type		28,361	24,455	24,706	20,042	30,198	38,848	24,778	24,048	25,405	26,204	26,310	8,996	
Other Cash Flows/Payments by Type														-
Capital assets		10,831	7,078	4,232	97	1,921	4,506	2,332	838	3,611	7,823	3,302	3,302	4,608
Other Cash Flows/Payments		21,433	(13,966)	(14,395)	(3,356)	4,193	(9,209)							15,299
Total Cash Payments by Type		60,625	17,568	14,543	16,783	36,312	34,146	27,110	24,886	29,016	34,027	29,612	28,903	
NET INCREASE/(DECREASE) IN CASH HELD		1,661	(328)	(1,273)	656	8,320	(18,573)	(9,055)	(3,354)	35,482	(17,814)	(12,597)	17,002	
Cash/cash equivalents at the month/year beginning:		490	2,151	1,823	550	1,206	9,526	(9,047)	(18,102)	(21,456)	14,025	(3,788)	(16,385)	
Cash/cash equivalents at the month/year end:		2,151	1,823	550	1,206	9,526	(9,047)	(18,102)	(21,456)	14,025	(3,788)	(16,385)	617	

Notes

- Total actual cash receipts for the month amount to R15, 573 million. This is the total of the grants received and all municipal service charges including Water, sanitation and Licence & permits.
- While the total actual cash-payments made for the month amount to R43, 354 million
- Other inflow amount to R9, 209 million. Included in this amount is the transfer made from call accounts to main account.
- Bank unfavourable balance of (R9,047 million) as at 31 December 2014

10.CAPITAL EXPENDITURE TREND

LIM334 Ba-Phalaborwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2013/14	Budget Year 2014/15							
	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		5,098	–	9,500	9,500	5,098	(4,402)	-86.3%	16%
August		5,098	–	6,209	15,709	10,196	(5,513)	-54.1%	26%
September		5,098	–	3,713	19,422	15,295	(4,127)	-27.0%	32%
October		5,098	–	85	19,507	20,393	886	4.3%	32%
November		5,098	–	1,685	21,192	25,491	4,299	16.9%	35%
December		5,098	–	3,953	25,144	30,589	5,445	17.8%	41%
January		5,098	–			35,688	–		
February		5,098	–			40,786	–		
March		5,098	–			45,884	–		
April		5,098	–			50,982	–		
May		5,098	–			56,080	–		
June		5,098	–			61,179	–		
Total Capital expenditure	–	61,179	–	25,144					

Notes:

- The total capital expenditure gives a monthly actual of R3,953 million excluding vat

11.BANK RECONCILIATION

Ba-Phalaborwa Municipality
Bank Transactions Statement for
December 2014

Statement Description	Amount
Outstanding C/F	9,525,424.56
Current - Cheques	-119,610.35
Current - ACBs	-34,069,413.57
Current - ACB Rejects	-
Current - Deposits	26,396,505.96
Current - RD Cheques	-2,555.11
Current - Redeposits	-
Current - Transfers	-10,640,576.12
Current - Bank Charges	-137,144.40
Current - Already Reconciled	-
Current - C/F	-9,047,369.03

Notes

- The closing balance as at 31 December 2014 is negative R9,047 million

12.RECOMMENDATIONS

a. That the following be noted:

- 1) The financial report for the period ended 31 December 2014 **excluding Water and Waste Water management**
- 2) The summary of monthly budget statement report for the month ended 31 December 2014
- 3) The financial performance for the month ended 31 December 2014
- 4) The financial position as at 31 December 2014
- 5) The actual operating revenue (as per GRAP) for the month ended 31 December 2014 is R28,545 million
- 6) Revenue Capital Contribution recognised is negative (R4,321 million) reversal due to unapproved unspent grant
- 7) The Municipality received the following grant
 - R364 Thousand EPWP
- 8) The actual Operating Expenditure for the month ended 31 December 2014 is R18, 689 million

- 9) Surplus for the month ended 31 December 2014 amount to R5, 535 million
- 10) The actual Capital Expenditure for the month ended 31 December2014 is R3,953 thousand
- 11) Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R5,271 million on 31 December2014
- 12) That councillors and Staff Benefits for December 2014 amount to R9, 483 million be approved
- 13) Municipal Primary Bank reconciliation closed with a negative balance of (R9, 047 million) as at31 December2014