

Vision

***“Best tourist destination in
Limpopo by 2020”***

BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 31 MARCH 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 - M09 March

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>Financial Performance</u>									
Property rates	60,257	65,100	65,100	5,204	47,304	48,825	(1,521)	-3%	65,100
Service charges	79,414	101,515	102,770	8,371	71,691	77,078	(5,386)	-7%	102,770
Investment revenue	332	250	310	29	236	233	3	1%	84,878
Transfers recognised - operational	65,471	74,154	74,154	17,421	69,296	55,615	13,680	25%	74,154
Other own revenue	50,508	93,771	100,163	6,329	51,022	75,122	(24,101)	-32%	100,163
Total Revenue (excluding capital transfers and contributions)	255,983	334,790	342,497	37,354	239,548	256,873	(17,324)	-7%	427,065
Employee costs	93,712	111,154	111,750	8,309	64,300	83,813	(19,513)	-23%	111,750
Remuneration of Councillors	9,052	12,185	11,175	1,055	9,043	8,381	662	8%	11,175
Depreciation & asset impairment	69,182	76,500	76,500	–	–	57,375	(57,375)	-100%	76,500
Finance charges	226	803	963	195	1,024	722	302	42%	963
Materials and bulk purchases	53,402	82,060	81,060	9,709	53,843	60,795	(6,952)	-11%	81,060
Other expenditure	172,461	187,557	188,981	1,944	109,213	141,736	(32,523)	-23%	188,981
Total Expenditure	398,036	470,260	470,430	21,212	237,424	352,823	(115,399)	-33%	470,430
Surplus/(Deficit)	(142,052)	(135,470)	(127,933)	16,142	2,124	(95,950)	98,074	-102%	(43,365)
Transfers recognised - capital	32,895	29,333	24,333	2,327	24,753	18,250	6,503	36%	24,333
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(109,157)	(106,137)	(103,600)	18,469	26,877	(77,700)	104,577	-135%	(19,032)
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(109,157)	(106,137)	(103,600)	18,469	26,877	(77,700)	104,577	-135%	(19,032)

<u>Capital expenditure & funds sources</u>									
Capital expenditure	42,949	60,620	48,530	3,168	28,653	36,398	(7,745)	-21%	48,530
Capital transfers recognised	29,238	29,333	24,220	2,041	21,713	18,165	3,548	20%	24,220
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	13,711	31,287	24,310	1,127	6,940	18,233	(11,292)	-62%	24,310
Total sources of capital funds	42,949	60,620	48,530	3,168	28,653	36,398	(7,745)	-21%	48,530
<u>Financial position</u>									
Total current assets	56,845	182,428	182,428		369,874				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		15,497				9,000
Total non current liabilities	33,736	189	189		9,009				189
Community wealth/Equity	706,805	1,404,987	1,404,987		1,563,134				1,404,987
<u>Cash flows</u>									
Net cash from (used) operating	43,315	61,635	39,965	22,647	16,215	29,974	(13,758)	-46%	61,635
Net cash from (used) investing	(42,949)	(60,620)	(38,530)	(3,611)	(33,076)	(28,898)	(4,179)	14%	(60,620)
Net cash from (used) financing	(941)	–	–	–	26,386	–	26,386	#DIV/0!	–
Cash/cash equivalents at the month/year end	2,066	4,015	2,572	–	10,662	4,076	6,586	162%	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
<u>Debtors Age Analysis</u>									
Total By Income Source	18,114	14,011	6,084	10,743	10,092	10,939	9,424	270,658	350,064
<u>Creditors Age Analysis</u>									
Total Creditors	2,050	115	15	725	–	–	–	–	2,905

Notes

- Total Revenue (excluding capital transfers and contributions) is R37,354 million
- Total Expenditure on financial Performances is R21,212 million
- Revenue Capital Contribution is R2,379 million
- Surplus for the month after capital transfers & contributions is R18,469 million
- The total capital expenditure for the month is R3,168 million excluding vat

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

Description	Ref	2012/13	Budget Year 2013/14		Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget						
R thousands	1									
Revenue - Standard										
Governance and administration		170,792	222,410	222,428	28,257	155,697	166,821	(11,124)	-7%	222,428
Budget and treasury office		170,288	222,102	222,121	28,231	155,511	166,590	(11,079)	-7%	222,121
Corporate services		504	308	308	26	186	231	(45)	-20%	308
Community and public safety		4,777	7,889	13,943	480	10,976	10,457	519	5%	13,943
Community and social services		3,906	5,969	11,423	330	9,440	8,567	873	10%	11,423
Public safety		871	1,920	2,520	150	1,537	1,890	(353)	-19%	2,520
Economic and environmental services		29,895	32,309	27,689	2,573	26,250	20,767	5,483	26%	27,689
Planning and development		-	15	395	-	70	296	(226)	-76%	395
Road transport		29,895	32,294	27,294	2,573	26,180	20,471	5,709	28%	27,294
Trading services		83,414	101,515	102,770	8,371	71,693	77,078	(5,384)	-7%	102,770
Electricity		74,292	92,002	92,002	7,473	63,829	69,002	(5,173)	-7%	92,002
Waste management		9,123	9,513	10,768	898	7,865	8,076	(211)	-3%	10,768
Total Revenue - Standard	2	288,879	364,123	366,830	39,681	264,617	275,123	(10,506)	-4%	366,830
Expenditure - Standard	-									
Governance and administration		194,353	167,814	166,219	(1,271)	92,659	124,664	(32,005)	-26%	166,219
Executive and council		25,772	36,456	33,534	(21,267)	18,274	25,150	(6,876)	-27%	33,534
Budget and treasury office		144,420	87,659	92,142	16,372	51,275	69,106	(17,831)	-26%	92,142
Corporate services		24,160	43,699	40,544	3,624	23,110	30,408	(7,298)	-24%	40,544
Community and public safety		33,767	52,146	53,096	5,136	35,843	39,822	(3,979)	-10%	53,096
Community and social services		25,244	41,185	42,880	3,881	28,511	32,160	(3,649)	-11%	42,880
Public safety		8,523	10,961	10,215	1,255	7,332	7,662	(329)	-4%	10,215
Economic and environmental services		90,450	119,151	119,574	3,858	37,731	89,681	(51,949)	-58%	119,574
Planning and development		7,038	11,910	11,505	937	5,694	8,629	(2,934)	-34%	11,505

Road transport		83,412	107,241	108,069	2,921	32,037	81,052	(49,015)	-60%	108,069
Trading services		79,467	131,149	131,541	13,488	79,499	98,656	(19,157)	-19%	131,541
Electricity		75,856	125,959	126,269	12,931	71,887	94,701	(22,814)	-24%	126,269
Water		–	–	–	–	5,000	–	5,000	#DIV/0!	–
Waste management		3,611	5,190	5,272	557	2,611	3,954	(1,343)	-34%	5,272
Total Expenditure - Standard	3	398,036	470,260	470,430	21,212	245,733	352,823	(107,090)	-30%	470,430
Surplus/ (Deficit) for the year		(109,157)	(106,137)	(103,600)	18,469	18,884	(77,700)	96,584	-124%	(103,600)

Notes:

- Financial performance of revenue by vote is R39,681 million including capital contributions
- Financial performance of Expenditure by vote is R21,212 million
- The surplus for the month is R18,469 million

FINANCIAL PERFORMANCE REVENUE AND EXPENDITURE PER SOURCE

LIM334 Ba-Phalaborwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Financial Performance (Revenue and Expenditure) - 1000 March										
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	5,204	47,304	48,825	(1,521)	-3%	65,100
Service charges - electricity revenue		70,292	92,002	92,002	7,473	63,829	69,002	(5,173)	-7%	92,002
Service charges - refuse revenue		9,123	9,513	10,768	898	7,862	8,076	(214)	-3%	10,768
Rental of facilities and equipment		295	308	308	26	186	231	(45)	-20%	308
Interest earned - external investments		332	250	310	29	236	233	3	1%	310
Interest earned - outstanding debtors		42,369	84,568	84,568	5,567	39,149	63,426	(24,277)	-38%	84,568
Dividends received			2	2	-	-	2	(2)	-100%	2
Fines		871	1,900	2,500	150	1,530	1,875	(345)	-18%	2,500
Licences and permits		2,375	5,690	11,185	316	8,973	8,389	585	7%	11,185
Agency services		1,531		-			-	-		-
Transfers recognised - operational		65,471	74,154	74,154	17,421	69,296	55,615	13,680	25%	74,154
Other revenue		3,068	1,303	1,601	270	1,184	1,200	(17)	-1%	1,601
Total Revenue (excluding capital transfers and contributions)		255,983	334,790	342,497	37,354	239,548	256,873	(17,324)	-7%	342,497
Expenditure By Type	-									
Employee related costs		93,712	111,154	111,750	8,309	64,300	83,813	(19,513)	-23%	111,750
Remuneration of councillors		9,052	12,185	11,175	1,055	9,043	8,381	662	8%	11,175
Debt impairment		108,991	29,913	27,100	(11,583)	12,097	20,325	(8,228)	-40%	27,100
Depreciation & asset impairment		69,182	76,500	76,500	-	-	57,375	(57,375)	-100%	76,500
Finance charges		226	803	963	195	1,024	722	302	42%	963
Bulk purchases		53,402	82,060	81,060	9,709	53,843	60,795	(6,952)	-11%	81,060
Contracted services		10,096	28,453	42,868	3,424	34,492	32,151	2,341	7%	42,868
Other expenditure		53,460	129,191	119,013	10,104	62,624	89,260	(26,636)	-30%	119,013
Loss on disposal of PPE		(86)		-			-	-		-
Total Expenditure		398,036	470,260	470,430	21,212	237,424	352,823	(115,399)	-33%	470,430

Surplus/(Deficit)		(142,052)	(135,470)	(127,933)	16,142	2,124	(95,950)	98,074	(0)	(127,933)
Transfers recognised - capital		32,895	29,333	24,333	2,327	24,753	18,250	6,503	0	24,333
Contributions recognised - capital								–		
Contributed assets								–		
Surplus/(Deficit) after capital transfers & contributions		(109,157)	(106,137)	(103,600)	18,469	26,877	(77,700)			(103,600)
Taxation								–		
Surplus/(Deficit) after taxation		(109,157)	(106,137)	(103,600)	18,469	26,877	(77,700)			(103,600)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(109,157)	(106,137)	(103,600)	18,469	26,877	(77,700)			(103,600)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(109,157)	(106,137)	(103,600)	18,469	26,877	(77,700)			(103,600)

Notes

- Total Revenue (excluding capital transfers and contributions) is R37,354 million
- Total Expenditure on financial Performances is R21,212 million
- Revenue Capital Contribution is R2,327 million
- Surplus for the month after capital transfers & contributions is R18,469 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) - M09 March

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									
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - EXECUTIVE AND COUNCIL		–	1,900	600	495	495	450	45	10%	600
Vote 2 - BUDGET AND TREASURY DEPARTMENT		–	1,500	1,680	208	208	1,260	(1,052)	-83%	1,680
Vote 3 - CORPORATE SERVICES		3,398	5,400	2,356	72	423	1,767	(1,344)	-76%	2,356
Vote 4 - COMMUNITY AND SOCIAL SERVICES		1,711	7,000	–	–	–	–	–		–
Vote 5 - PLANNING AND DEVELOPMENT		–	2,700	2,000	–	–	1,500	(1,500)	-100%	2,000
Vote 6 - TECHNICAL SERVICES DEPARTMENT		37,840	42,120	41,894	2,392	27,527	31,421	(3,893)	-12%	41,894
Total Capital single-year expenditure	4	42,949	60,620	48,530	3,168	28,653	36,398	(7,745)	-21%	48,530
Total Capital Expenditure		42,949	60,620	48,530	3,168	28,653	36,398	(7,745)	-21%	48,530
<u>Capital Expenditure - Standard Classification</u>										
<i>Governance and administration</i>		3,398	8,800	4,636	776	1,126	3,477	(2,351)	-68%	4,636
Executive and council			1,900	600	495	495	450	45	10%	600
Budget and treasury office			1,500	1,680	208	208	1,260	(1,052)	-83%	1,680
Corporate services		3,398	5,400	2,356	72	423	1,767	(1,344)	-76%	2,356
<i>Community and public safety</i>		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	1,057	17,492	17,861	(369)	-2%	23,814
Planning and development			2,700	2,000			1,500	(1,500)	-100%	2,000
Road transport		26,169	22,120	21,814	1,057	17,492	16,361	1,131	7%	21,814
Environmental protection				–			–	–		–
Trading services		11,672	20,000	20,080	1,335	10,035	15,060	(5,025)	-33%	20,080
Electricity		11,672	20,000	20,080	1,335	10,035	15,060	(5,025)	-33%	20,080
Total Capital Expenditure - Standard Classification	3	42,949	60,620	48,530	3,168	28,653	36,398	(7,745)	-21%	48,530
Funded by:										
National Government		29,238	29,333	24,220	2,041	21,713	18,165	3,548	20%	24,220
Transfers recognised - capital		29,238	29,333	24,220	2,041	21,713	18,165	3,548	20%	24,220
Internally generated funds		13,711	31,287	24,310	1,127	6,940	18,233	(11,292)	-62%	24,310
Total Capital Funding		42,949	60,620	48,530	3,168	28,653	36,398	(7,745)	-21%	48,530

Notes:

- The total capital expenditure is R3,168 million

FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M09 March

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	10,662	2,500
Call investment deposits			500	500	116	500
Consumer debtors		45,372	150,087	150,087	350,064	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	369,874	182,428
Non current assets						
Long-term receivables					25,847	
Investments						
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
Other non-current assets						
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	1,587,641	1,414,176
LIABILITIES						
Current liabilities						
Bank overdraft	-					

Borrowing			4,200	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		4,800
Total current liabilities		373,494	9,000	9,000	15,497	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	24,506	9,189
NET ASSETS	2	706,805	1,404,987	1,404,987	1,563,134	1,404,987
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			(106,137)	(106,137)		(106,137)
Reserves		706,805	1,511,124	1,511,124	1,563,134	1,511,124
TOTAL COMMUNITY WEALTH/EQUITY	2	706,805	1,404,987	1,404,987	1,563,134	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 - M09 March

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	15,064	145,020	183,532	(38,512)	-21%	230,440
Government - operating		64,589	74,154	74,154	17,659	70,361	55,615	14,746	27%	74,154
Government - capital		33,778	29,333	24,333	17,051	39,432	18,250	21,182	116%	29,333
Interest		42,701	250	311	29	236	233	3	1%	250
Dividends								-		
Payments										
Suppliers and employees		(260,109)	(271,738)	(302,731)	(26,961)	(237,808)	(227,048)	10,759	-5%	(271,738)
Finance charges		(226)	(803)	(812)	(195)	(1,026)	(609)	417	-69%	(803)
Transfers and Grants				-				-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		43,315	61,635	39,965	22,647	16,215	29,974	(13,758)	-46%	61,635
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Payments										
Capital assets		(42,949)	(60,620)	(38,530)	(3,611)	(33,076)	(28,898)	4,179	-14%	(60,620)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(42,949)	(60,620)	(38,530)	(3,611)	(33,076)	(28,898)	4,179	-14%	(60,620)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits						26,386		26,386		
Payments										

Repayment of borrowiing		(941)						–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		(941)	–	–	–	26,386	–	(26,386)	#DIV/0!	–
NET INCREASE/ (DECREASE) IN CASH HELD		(575)	1,015	1,435	19,036	9,525	1,076			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		10,662	4,076			2,153

Notes:

The bank shows a positive balance of R10, 662 as at 31 March 2014

4. DEBTORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description	NT Code	Budget Year 2013/14									
		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 - Water	1200	4,888	3,761	3,319	3,132	3,169	3,793	2,977	92,893	117,932	105,964
Trade and Other Receivables from Exchange Transactions - Electricity	1300	6,436	3,776	1,525	1,520	1,010	579	669	20,869	36,385	24,648
Receivables from Non-exchange Transactions - Property Rates	1400									-	-
Receivables from Exchange Transactions - Waste Water Management	1500									-	-
Receivables from Exchange Transactions - Waste Management	1600	985	765	717	675	639	1,369	620	27,784	33,556	31,088
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-
Interest on Arrear Debtor Accounts	1810									-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-
Other	1900	5,805	5,709	523	5,415	5,274	5,197	5,158	129,111	162,192	150,155
Total By Income Source	2000	18,114	14,011	6,084	10,743	10,092	10,939	9,424	270,658	350,064	311,855
2012/13 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	545	667	358	186	146	156	178	3,921	6,156	4,586
Commercial	2300	3,016	2,282	1,201	1,374	1,320	1,131	1,246	38,963	50,534	44,033
Households	2400	13,260	10,431	4,235	8,794	8,242	9,155	7,607	224,421	286,145	258,219
Other	2500	1,293	631	290	389	384	498	393	3,352	7,230	5,016
Total By Customer Group	2600	18,114	14,011	6,084	10,743	10,092	10,939	9,424	270,658	350,064	311,855

Notes:

- The debtors' age analysis shows a total figure of R350, 064 million from 30 days to over a year.

5. CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description R thousands	NT Code	Budget Year 2013/14									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	2,050	115	15	725					2,905	
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	2,050	115	15	725	-	-	-	-	2,905	-

Note

- The total trade creditors are standing at R2,905 Million

6. INVESTMENT PORTFOLIO

LIM334 Ba-Phalaborwa - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
<u>Municipality</u>									
ABSA - Call Account			Fixed deposit		0		93	0	93
Call deposit a/c - STD Bank			Call Account		4		5,449	(5,426)	23
TOTAL INVESTMENTS AND INTEREST	2				4		5,542	(5,426)	116

Notes:

Total Investment is standing at R116 thousand as at 31 March 2014

7. TRANSFERS AND GRANT EXPENDITURES

LIM334 Ba-Phalaborwa - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	Ref	2012/13	Budget Year							
		Audited Outcome	2013/14 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	17,550	69,439	53,103	16,337	30.8%	74,154
Local Government Equitable Share			69,433	69,433	17,359	66,921	49,562	17,359	35.0%	69,433
Finance Management			1,550	1,550	62	910	1,163	(253)	-21.7%	1,550
Municipal Systems Improvement			890	890	-	890	668	223	33.3%	890
EPWP Incentive			1,000	1,000	129	718	750	(32)	-4.2%	1,000
Operating Grant: MIG (5% of MIG Grants for PMU)			1,281	1,281	-	-	961	(961)	-100.0%	1,281
								-		
Total operating expenditure of Transfers and Grants:		-	74,154	74,154	17,550	69,439	53,103	16,337	30.8%	74,154
Capital expenditure of Transfers and Grants										
National Government:		-	29,333	24,333	2,327	24,753	18,250	6,503	35.6%	24,333
Municipal Infrastructure Grant (MIG)			24,333	24,333	2,327	23,870	18,250	5,620	30.8%	24,333
Neighbourhood Development Partnership			5,000		-	883	-	883	#DIV/0!	
Total capital expenditure of Transfers and Grants		-	29,333	24,333	2,327	24,753	18,250	6,503	35.6%	24,333
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	103,487	98,487	19,876	94,192	71,353	22,839	32.0%	98,487

Notes:

- The total monthly operating transfers and grants expenditure is 17,550 million
- Capital transfers and grants expenditure on MIG is R2,327 million

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

LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

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	755	6,690	5,897	792	13%	7,863
Motor Vehicle Allowance			2,638	2,838	240	1,970	2,128	(158)	-7%	2,838
Cellphone Allowance			475	475	61	383	356	27	8%	475
Sub Total - Councillors		-	12,718	11,175	1,055	9,043	8,381	662	8%	11,175
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,418			1,408	-	1,408	#DIV/0!	
Pension and UIF Contributions			10			3	-	3	#DIV/0!	
Motor Vehicle Allowance			2,204			625	-	625	#DIV/0!	
Cellphone Allowance			77			21	-	21	#DIV/0!	
Other benefits and allowances			702			316	-	316	#DIV/0!	
Sub Total - Senior Managers of Municipality		-	6,411	-	-	2,374	-	2,374	#DIV/0!	-
<u>Other Municipal Staff</u>										
Basic Salaries and Wages			64,044	69,643	5,457	45,594	52,232	(6,638)	-13%	69,643
Pension and UIF Contributions			13,999	13,569	977	8,928	10,177	(1,249)	-12%	13,569
Medical Aid Contributions			4,563	4,029	315	2,503	3,021	(519)	-17%	4,029
Overtime			3,594	3,494	200	2,041	2,621	(580)	-22%	3,494
Performance Bonus			-	-		-	-	-		-
Motor Vehicle Allowance			8,248	11,740	874	6,885	8,805	(1,920)	-22%	11,740
Cell phone Allowance			913	1,019	64	559	764	(205)	-27%	1,019
Housing Allowances			1,555	1,058	54	478	794	(316)	-40%	1,058
Other benefits and allowances			7,828	7,198	367	3,246	5,399	(2,152)	-40%	7,198

Sub Total - Other Municipal Staff % increase	4	–	104,743 #DIV/0!	111,750 #DIV/0!	8,309	70,235	83,813	(13,578)	-16%	111,750 #DIV/0!
Total Parent Municipality		–	123,872	122,926	9,364	81,652	92,194	(10,543)	-11%	122,926
TOTAL SALARY, ALLOWANCES & BENEFITS		–	123,872	122,926	9,364	81,652	92,194	(10,543)	-11%	122,926
% increase	4									
TOTAL MANAGERS AND STAFF		–	111,154	111,750	8,309	72,609	83,813	(11,204)	-13%	111,750

Notes:

Political office bearers' remunerations for the month of March amounted to R1, 055 million

Employee related costs R8, 309 million

The municipality has total employee related cost& Remuneration of councillors Of R9, 364 million for the month of March 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 - M09 March

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 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	2,548	2,542	4,778	4,998	23,786
Service charges - electricity revenue		8,600	4,420	3,238	3,209	3,991	3,457	4,834	5,799	7,389	6,452	6,749	20,985
Service charges - water revenue		5,554		3,109	3,296	4,573	3,140	4,230	4,366	3,304	–	–	(31,573)
Service charges - sanitation revenue		271		536	410	547	413	503	555	596	–	–	(3,832)
Service charges - refuse		432	892	338	290	372	330	443	404	458	452	452	559
Rental of facilities and equipment		19	31	25	35	9	9	15	17	26	14	15	(40)
Interest earned - external investments		5	14	10	17	46	63	52		29	20	21	(27)
Interest earned - outstanding debtors		684	–	308	360	342	179	195	344	261	6,691	6,999	65,696
Dividends received		–	–	–	–	–	–	–	–	–	0	0	1
Fines		200	250			460	–	200	–	150	88	92	(358)
Licences and permits		2	1,113	3,018	710	1,225	310	760	1,835	316	264	277	(6,587)
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	61	63	(21,663)
Cash Receipts by Source		60,736	20,005	15,256	10,897	36,867	9,553	13,425	16,128	32,752	18,820	19,666	50,740
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	18,820	19,666	40,641
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	9,064	9,481	20,001
Remuneration of councillors		1,005	1,040	1,020	984	973	998	978	990	1,055	994	1,039	1,109
Interest paid		44	88	39		197	38	40	385	195	66	69	(357)
Bulk purchases - Electricity		14,024		–	5,000	7,207	5,000			11,063	6,344	6,636	22,522
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	2,303	2,409	(15,792)
General expenses		24,238	13,811	5,386	3,253	2,760	13,297	1,824	2,340	2,630	3,454	3,613	(34,246)
Cash Payments by Type		53,488	26,224	15,346	28,393	26,086	32,235	15,591	14,316	27,155	22,223	23,247	(11,762)
Other Cash Flows/Payments by Type													–
Capital assets		9,880	3,353	325	1,612	7,823	3,302	2,332	838	3,611	4,943	5,171	17,430
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	15,154	30,766	27,166	28,417	32,054
NET INCREASE/(DECREASE) IN CASH HELD		9,715	(9,572)	(415)	(9,074)	24,832	(25,985)	13	974	19,036	(8,346)	(8,751)	8,588
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	2,316	(6,435)
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	2,316	(6,435)	2,153

Notes

- Favourable balance of R10,662 million as at 31 March 2014

12.CAPITAL EXPENDITURE TREND

LIM334 Ba-Phalaborwa - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March

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		4,044		8,667	8,667	4,044	(4,623)	-114.3%	18%
August		4,044		2,580	11,247	8,088	(3,158)	-39.0%	23%
September		4,044		285	11,532	12,133	601	5.0%	24%
October		4,044		1,414	12,946	16,177	3,231	20.0%	27%
November		4,044		6,862	19,808	20,221	413	2.0%	41%
December		4,044		2,897	22,705	24,265	1,560	6.4%	47%
January		4,044		2,046	24,750	28,309	3,559	12.6%	51%
February		4,044		735	25,485	32,353	6,868	21.2%	53%
March		4,044		3,168	28,653	36,398	7,745	21.3%	59%
April		4,044				40,442	–		
May		4,044				44,486	–		
June		4,044				48,530	–		
Total Capital expenditure	–	48,530	–	28,653					

Notes:

- The total capital expenditure trend gives a year to date actual of R28,653 million excluding vat

13.BANK RECONCILIATION

Ba-Phalaborwa Municipality

BANK STATEMENT TRANSACTIONS FOR MARCH 2014

Main account : 33 045 1367

Statement Description		Statement Amt
Outstanding C/F		-8,374,055.57
Current - Cheques		-156,995.00
Current - ACBs		-30,629,170.28
Current - ACB Rejects		-
Current - Deposits		21,659,811.23
Current - RD Cheques		-250.00
Current - Redeposit's		-
Current - Transfers		28,357,469.55
Current - Bank Charges		-194,585.49
Current - Already Reconciled		-
Current - C/F		10,662,224.44

Notes

- The closing balance of **R10, 662, 224, 44.**

14.RECOMMENDATIONS

a. That the following be noted:

- i. The financial report for the period ended 31 March 2014 **excluding Water and Waste Water management**
- ii. The summary of monthly budget statement report for the month ended 31 March 2014
- iii. The financial performance for the month ended 31 March 2014
- iv. The financial position as at 31 March 2014
- v. The actual operating revenue for the month ended 31 March 2014 is R37,354 million excluding capital contribution
- vi. That the Municipality received Equitable Shares and MIG grant, R17,359 and R17,051million respectively during the month of March 2014
- vii. The actual expenditure for the month ended 31 March 2014 is R21, 212 million (Total expenditure inclusive of Capex R3, 168 million, Salaries R9, 364 million) be approved.
- viii. The surplus for the month ended 31 March 2014 is R18,469 million
- ix. Outstanding creditors as at 31 March 2014 is R2,905 million for the current month
- x. Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R117 thousand on March 2014
- xi. That councillors and Staff Benefits for March 2014 amount to R9,364 million
- xii. Municipal Primary Bank reconciliation closed with a positive balance of **R10,662,224.44** as at 31 March 2014