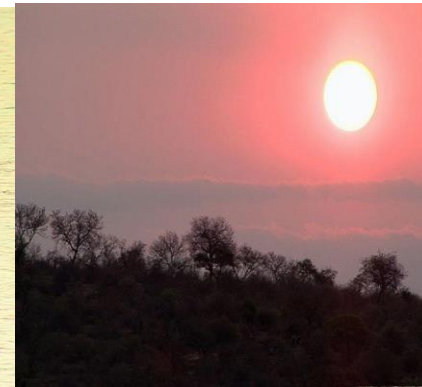


BA-PHALABORWA MUNICIPALITY



FINANCIAL PERFORMANCE REPORT

AS AT 30 APRIL 2016



Values

- Efficiency and effectiveness;
- Accountability;
- Innovation and creativity;
- Professionalism and hospitality;
- Transparency and fairness;
- Continuous learning and
- Conversation conscious

The Home of Marula and Wildlife Tourism

Vision

*“Provision of quality services
for community well-being and
tourism development”*

Mission

*“To provide quality
infrastructure and
affordable services,
promote sustainable
economic growth, financial
viability, sound
administration and*

SUMMARY

LIM334 Ba-Phalaborwa - Table C1 Monthly Budget Statement Summary - M10 April

Description	2014/15	Budget Year 2015/16							
	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	65,594	124,589	100,165	5,851	80,790	83,471	(2,680)	-3%	100,165
Service charges	99,013	117,637	121,640	8,592	93,067	101,367	(8,299)	-8%	121,640
Investment revenue	277	275	475	114	486	395	90	23%	475
Transfers recognised - operational	87,633	113,160	112,660	169	111,686	93,883	17,803	19%	112,660
Other own revenue	53,897	87,404	86,231	5,324	50,895	71,859	(20,964)	-29%	86,231
Total Revenue (excluding capital transfers and contributions)	306,414	443,065	421,170	20,050	336,924	350,975	(14,051)	-4%	421,170
Employee costs	123,098	122,693	120,297	9,219	89,029	100,248	(11,219)	-11%	120,297
Remuneration of Councillors	11,790	12,811	12,811	1,185	11,889	10,675	1,213	11%	12,811
Depreciation & asset impairment	60,127	70,104	65,104	5,492	48,179	54,253	(6,074)	-11%	65,104
Finance charges	231	2,109	1,709	130	1,019	1,424	(406)	-28%	1,709
Materials and bulk purchases	65,626	94,332	84,332	18,069	72,904	70,276	2,628	4%	84,332
Transfers and grants	–	–	–	–	–	–	–	–	–
Other expenditure	189,287	167,944	173,909	6,807	94,936	144,924	(49,988)	-34%	173,909
Total Expenditure	450,159	469,992	458,162	40,901	317,956	381,802	(63,846)	-17%	458,162
Surplus/(Deficit)	(143,745)	(26,927)	(36,992)	(20,852)	18,968	(30,827)	49,795	-162%	(36,992)
Transfers recognised - capital	38,768	36,492	56,992	9,364	42,564	47,493	(4,929)	-10%	56,992
Contributions & Contributed assets	–	–	–	–	–	–	–	–	–
	(104,977)	9,565	20,000	(11,488)	61,532	16,667	44,866	269%	20,000
Surplus/(Deficit) after capital transfers & contributions									
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year	(104,977)	9,565	20,000	(11,488)	61,532	16,667	44,866	269%	20,000
<u>Capital expenditure & funds sources</u>									
Capital expenditure	35,760	53,792	70,792	8,254	43,985	58,993	(15,009)	-25%	70,792

Capital transfers recognised	26,026	36,492	56,992	8,254	37,659	47,493	(9,834)	-21%	56,992
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	9,734	17,300	13,800	–	6,326	11,500	(5,174)	-45%	13,800
Total sources of capital funds	35,760	53,792	70,792	8,254	43,985	58,993	(15,009)	-25%	70,792
<u>Financial position</u>									
Total current assets	186,197	184,644	186,644		620,767				186,644
Total non current assets	923,298	1,360,832	1,005,535		919,104				1,005,535
Total current liabilities	368,045	6,741	287,741		20,919				287,741
Total non current liabilities	59,656	198,000	48,000		59,656				48,000
Community wealth/Equity	681,794	1,340,735	856,438		1,459,295				856,438
<u>Cash flows</u>									
Net cash from (used) operating	57,365	54,592	40,517	(8,248)	64,522	33,764	(30,758)	-91%	40,517
Net cash from (used) investing	(35,847)	(53,792)	(41,200)	(9,409)	(50,812)	(34,333)	16,478	-48%	(41,200)
Net cash from (used) financing	(495)	–	–	(14,000)	(13,603)	–	13,603	#DIV/0!	–
Cash/cash equivalents at the month/year end	3,246	1,612	1,169	–	1,959	1,283	(676)	-53%	1,169
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	18,744	14,858	12,570	12,347	11,807	11,772	63,331	370,898	516,328
<u>Creditors Age Analysis</u>									
Total Creditors	6,733	359	51	2,113	–	–	–	–	9,255

Notes

- Operating Revenue (excluding capital transfers and contributions) is R20.1 million

Transfers recognised – capital amount in the month of April 2016 is R9.4 million

- Operational Expenditure on financial Performances is R40.9 million

- Capital expenditure incurred during the month of April 2016 amount to R8,3 million (MIG excluding vat)

LIM334 Ba-Phalaborwa - Supporting Table SC1 Material variance explanations - M10 April

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<u>Revenue By Source</u>			
	Property rates	(2,680)	Changes in the categories of property on the Valuation roll	Constant monitoring
	Service charges	(8,299)	Electricity losses caused by old infrastructure and illegal connections	investigations and audit to be conducted
	Investment revenue	90	The call accounts yielded more interest than we expected	None
2	Other own revenue	(20,964)	The equitable share allocation	None
	<u>Expenditure By Type</u>			
	Employee costs	(11,219)	changes in staff complement	None
	Depreciation & asset impairment	(6,074)		
	Finance charges	(406)	The Overdraft was closed thus less bank charges	None
	Materials and bulk purchases	2,628	Under billing and low consumptions	
3	<u>Capital Expenditure</u>			
	Capital transfers recognised	(9,834)	Additional allocation of R20 million was transferred	To continue spending according to plan
	Internally generated funds	(5,174)		To have cash backed in order to spend on Internal funded Projects

1. FINANCIAL PERFORMANCE OF REVENUE AND EXPENDITURE BY VOTE

LIM334 Ba-Phalaborwa - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M10 April

Description	Ref	2014/15	Budget Year 2015/16							
		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>		194,637	306,962	267,461	9,277	225,139	222,884	2,254	1%	267,461
Budget and treasury office		193,504	306,613	266,888	9,210	224,569	222,406	2,163	1%	266,888
Corporate services		1,133	349	574	67	569	478	91	19%	574
<i>Community and public safety</i>		14,758	14,980	13,529	1,291	11,954	11,274	679	6%	13,529
Community and social services		5,935	12,213	13,278	1,291	10,268	11,065	(797)	-7%	13,278
Public safety		8,823	2,767	251	–	1,686	209	1,477	706%	251
<i>Economic and environmental services</i>		27,774	32,978	53,033	9,479	41,499	44,194	(2,694)	-6%	53,033
Planning and development		7	–	55	0	31	46	(15)	-33%	55
Road transport		27,767	32,978	52,978	9,479	41,469	44,148	(2,679)	-6%	52,978
<i>Trading services</i>		108,013	124,637	144,139	9,367	100,896	120,116	(19,219)	-16%	144,139
Electricity		96,608	112,666	122,802	7,770	86,186	102,335	(16,148)	-16%	122,802
Waste management		11,405	11,971	21,337	1,597	14,710	17,781	(3,071)	-17%	21,337
<i>Other</i>	4	–	–	–	–	–	–	–		–
Total Revenue - Standard	2	345,182	479,557	478,162	29,414	379,488	398,468	(18,980)	-5%	478,162
<u>Expenditure - Standard</u>	-									
<i>Governance and administration</i>		197,318	183,063	189,142	9,050	111,841	157,618	(45,777)	-29%	189,142
Executive and council		48,368	44,222	45,046	3,313	34,944	37,539	(2,595)	-7%	45,046
Budget and treasury office		93,807	91,301	97,273	3,223	51,709	81,060	(29,352)	-36%	97,273
Corporate services		55,143	47,540	46,823	2,513	25,189	39,019	(13,831)	-35%	46,823
<i>Community and public safety</i>		42,251	58,121	56,150	4,318	39,918	46,791	(6,873)	-15%	56,150
Community and social services		33,365	46,819	46,229	3,488	33,120	38,524	(5,405)	-14%	46,229
Public safety		8,885	11,303	9,921	831	6,799	8,267	(1,469)	-18%	9,921
<i>Economic and environmental services</i>		105,178	97,404	85,500	7,338	65,281	71,250	(5,969)	-8%	85,500

Planning and development		11,069	17,791	10,721	541	5,964	8,934	(2,970)	-33%	10,721
Road transport		94,109	79,613	74,779	6,797	59,317	62,316	(2,999)	-5%	74,779
Trading services		105,413	131,403	127,370	20,195	100,916	106,142	(5,226)	-5%	127,370
Electricity		96,600	124,296	119,755	19,872	97,713	99,796	(2,083)	-2%	119,755
Waste management		8,812	7,107	7,615	324	3,203	6,346	(3,143)	-50%	7,615
Other		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	450,159	469,992	458,162	40,901	317,956	381,802	(63,845)	-17%	458,162
Surplus/ (Deficit) for the year		(104,977)	9,565	20,000	(11,488)	61,532	16,667	44,865	269%	20,000

Notes:

- Total revenue by vote amount to R29.4 million including transfers – capital recognition.
- Operational Expenditure on financial Performances is R40.9 million.

FINANCIAL PERFORMANCE REVENUE AND EXPENDITURE PER SOURCE

LIM334 Ba-Phalaborwa - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description		Ref	2014/15	Budget Year 2015/16							
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
<u>Revenue By Source</u>											
Property rates			65,594	124,589	100,165	5,851	80,790	83,471	(2,680)	-3%	100,165
Service charges - electricity revenue			87,608	105,666	105,666	7,473	81,539	88,055	(6,515)	-7%	105,666
Service charges - refuse revenue			11,405	11,971	15,974	1,119	11,528	13,312	(1,784)	-13%	15,974
Rental of facilities and equipment			265	346	441	22	315	367	(52)	-14%	441
Interest earned - external investments			277	275	475	114	486	395	90	23%	475
Interest earned - outstanding debtors			29,899	70,973	70,973	2,820	36,857	59,144	(22,287)	-38%	70,973
Dividends received			-	3	-	-	-	-	-	-	-
Fines			8,823	2,917	381	1	1,971	317	1,653	521%	381
Licences and permits			2,257	9,399	10,512	1,274	9,926	8,760	1,166	13%	10,512
Agency services			5,325	2,381	2,381	-	-	1,985	(1,985)	-100%	2,381
Transfers recognised - operational			87,633	113,160	112,660	169	111,686	93,883	17,803	19%	112,660
Other revenue			7,328	1,385	1,543	1,206	1,826	1,286	540	42%	1,543
Gains on disposal of PPE			-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)			306,414	443,065	421,170	20,050	336,924	350,975	(14,051)	-4%	421,170
<u>Expenditure By Type</u>		-									
Employee related costs			123,098	122,693	120,297	9,219	89,029	100,248	(11,219)	-11%	120,297
Remuneration of councillors			11,790	12,811	12,811	1,185	11,889	10,675	1,213	11%	12,811
Debt impairment			73,146	33,326	33,326	-	8,222	27,771	(19,550)	-70%	33,326
Depreciation & asset impairment			60,127	70,104	65,104	5,492	48,179	54,253	(6,074)	-11%	65,104
Finance charges			231	2,109	1,709	130	1,019	1,424	(406)	-28%	1,709
Bulk purchases			65,626	94,332	84,332	18,069	72,904	70,276	2,628	4%	84,332
Contracted services			44,545	52,256	51,887	3,614	42,188	43,239	(1,051)	-2%	51,887
Other expenditure			71,596	82,362	88,697	3,193	44,526	73,914	(29,388)	-40%	88,697
Loss on disposal of PPE			-	-	-	-	-	-	-	-	-
Total Expenditure			450,159	469,992	458,162	40,901	317,956	381,802	(63,846)	-17%	458,162

Surplus/(Deficit)		(143,745)	(26,927)	(36,992)	(20,852)	18,968	(30,827)	49,795	(0)	(36,992)
Transfers recognised - capital		38,768	36,492	56,992	9,364	42,564	47,493	(4,929)	(0)	56,992
Contributions recognised - capital								–		
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(104,977)	9,565	20,000	(11,488)	61,532	16,667			20,000

Notes:

- ❖ Operating Revenue (excluding capital transfers and contributions) is R20.1 million for the month ending 30 April 2016 which include amongst the following:
 - Property rates is R5.9 million and R80.8 million on year to date
 - Service Charges Electricity is R7.5 million and R81.5 million on year to date
 - Service Charges Refuse is R1.1 million and R11.5 million on year to date
 - Interest Outstanding debtors is R2.8 million and R36.9 million on year to date
 - Licenses & Permits is R1.3 million and R9.9 million on year to date
 - Transfers operational is R169 thousand and R111.7 million on year to date
- ❖ Total revenue on year to date is at R336.9 million which is 80.0% of total budgeted at R421.2 million
- ❖ Operational Expenditure on financial Performances is R40.9 million which includes amongst the following expenditure:
 - Employee Related Costs is R9.2 million and R89.0 million on year to date

- Remuneration of Councillors is R1.2 million and R11.9 million on year to date
- Depreciation is R5.5 million and R48.2 million on year to date
- Bulk Purchases is at R18.0 million and R72.9 million on year to date
- Contracted is at R3.6 million and R42.1 million on year to date
- Other expenditure is R3.2 million and R44.5 million on year to date
- ❖ Total operating expenditure is R318.0 million on year to date which is 69.43% of total is budgeted of R458.2 million

2. CAPITAL EXPENDITURE (MUNICIPAL VOTE, STANDARD CLASSIFICATION AND FUNDING)

LIM334 BaPhalaborwa Table C5 Monthly Budget Statement Capital Expenditure (municipal vote, standard classification and funding) M10 April

Vote Description	Ref	2014/15 Audited Outcome	Budget Year 2015/16 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 3 CORPORATE SERVICES		2,627	5,700	4,200	–	1,495	3,500	(2,005)	57%	4,200
Vote 6 TECHNICAL SERVICES DEPARTMENT		33,133	48,092	66,592	8,254	42,490	55,493	(13,004)	23%	66,592
Total Capital singleyear expenditure	4	35,760	53,792	70,792	8,254	43,985	58,993	(15,009)	25%	70,792
Total Capital Expenditure		35,760	53,792	70,792	8,254	43,985	58,993	(15,009)	25%	70,792
Capital Expenditure Standard Classification										
<i>Governance and administration</i>		2,627	5,700	4,200	–	1,495	3,500	(2,005)	57%	4,200
Corporate services		2,627	5,700	4,200	–	1,495	3,500	(2,005)	57%	4,200
<i>Community and public safety</i>		–	–	–	–	–	–	–		–
<i>Economic and environmental services</i>		24,886	35,492	55,992	8,254	35,815	46,660	(10,845)	23%	55,992
Road transport		24,886	35,492	55,992	8,254	35,815	46,660	(10,845)	23%	55,992
<i>Trading services</i>		8,247	12,600	10,600	–	6,675	8,833	(2,159)	24%	10,600
Electricity		8,247	12,600	10,600		6,675	8,833	(2,159)	24%	10,600
Total Capital Expenditure Standard Classification	3	35,760	53,792	70,792	8,254	43,985	58,993	(15,009)	25%	70,792
Funded by:										
National Government		26,026	36,492	56,992	8,254	37,659	47,493	(9,834)	21%	56,992
Internally generated funds		9,734	17,300	13,800		6,326	11,500	(5,174)	45%	13,800
Total Capital Funding		35,760	53,792	70,792	8,254	43,985	58,993	(15,009)	25%	70,792

Note:

- Capital expenditure incurred during the month of April 2016 amount to R8.3 million (Capital Grant excluding vat).
- Total Capital Budgeted for the year is R70.8 million, spent R44.0 million which is divided into internally funded and National funded. The National funded is R37.7 million and internally funded is budgeted at R13.8 million and we spent R6.3 million to date.
- The total capital expenditure percentage is standing at 70.48%

3. FINANCIAL POSITION

LIM334 Ba-Phalaborwa - Table C6 Monthly Budget Statement - Financial Position - M10 April

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		3,246	1,612	1,612	19,870	1,612
Call investment deposits			1,700	1,700	1,959	1,700
Consumer debtors		99,985	161,832	102,832	516,328	102,832
Other debtors						
Current portion of long-term receivables		356				
Inventory		82,611	19,500	80,500	82,611	80,500
Total current assets		186,197	184,644	186,644	620,767	186,644
Non current assets						
Investment property		42,999		42,999	42,999	42,999
Property, plant and equipment		878,196	1,360,432	960,432	874,001	960,432
Biological assets		388	400	388	388	388
Intangible assets		1,715		1,715	1,715	1,715
Other non-current assets				–		
Total non current assets		923,298	1,360,832	1,005,535	919,104	1,005,535
TOTAL ASSETS		1,109,496	1,545,477	1,192,179	1,539,871	1,192,179
LIABILITIES						
Current liabilities	-					
Consumer deposits		3,738	1,650	3,650		3,650
Trade and other payables		364,307	5,091	284,091	20,919	284,091
Provisions						
Total current liabilities		368,045	6,741	287,741	20,919	287,741

Non current liabilities						
Borrowing		38,475	180,000	30,000	38,475	30,000
Provisions		21,182	18,000	18,000	21,182	18,000
Total non current liabilities		59,656	198,000	48,000	59,656	48,000
TOTAL LIABILITIES		427,702	204,741	335,741	80,576	335,741
NET ASSETS	2	681,794	1,340,735	856,438	1,459,295	856,438
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		627,330		856,438	1,459,295	856,438
Reserves		54,464	1,340,735			
TOTAL COMMUNITY WEALTH/EQUITY	2	681,794	1,340,735	856,438	1,459,295	856,438

Note:

- The financial position shows only year to date actual

4. CASH FLOW

LIM334 Ba-Phalaborwa - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	2014/15	Budget Year 2015/16							
		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										
Property rates, penalties & collection charges		65,594	37,772	44,800	1,912	30,643	37,333	(6,691)	-18%	44,800
Service charges		88,228	197,813	137,811	14,200	111,289	114,843	(3,553)	-3%	137,811
Other revenue		23,998	16,411	10,512	2,989	16,304	8,760	7,544	86%	10,512
Government - operating		87,633	113,160	113,160	–	111,719	94,300	17,419	18%	113,160
Government - capital		37,279	36,492	36,492	–	58,044	30,410	27,634	91%	36,492
Interest		30,176	19,504	4,305	517	3,496	3,588	(91)	-3%	4,305
Dividends			3	–		–	–	–		–
Payments										
Suppliers and employees		(273,972)	(364,453)	(305,165)	(27,734)	(265,955)	(254,304)	11,651	-5%	(305,165)
Finance charges		(1,570)	(2,109)	(1,398)	(130)	(1,019)	(1,165)	(146)	13%	(1,398)
Transfers and Grants								–		
NET CASH FROM/(USED) OPERATING ACTIVITIES		57,365	54,592	40,517	(8,248)	64,522	33,764	(30,758)	-91%	40,517
CASH FLOWS FROM INVESTING ACTIVITIES										
Payments										
Capital assets		(35,847)	(53,792)	(41,200)	(9,409)	(50,812)	(34,333)	16,478	-48%	(41,200)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(35,847)	(53,792)	(41,200)	(9,409)	(50,812)	(34,333)	16,478	-48%	(41,200)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Increase (decrease) in consumer deposits					(14,000)	(13,603)		(13,603)	#DIV/0!	
Payments										
Repayment of borrowing		(495)						–		
NET CASH FROM/(USED) FINANCING ACTIVITIES		(495)	–	–	(14,000)	(13,603)	–	13,603	#DIV/0!	–

NET INCREASE/ (DECREASE) IN CASH HELD		21,023	800	(683)	(31,657)	107	(569)			(683)
Cash/cash equivalents at beginning:		(17,777)	813	1,852		1,852	1,852			1,852
Cash/cash equivalents at month/year end:		3,246	1,612	1,169		1,959	1,283			1,169

Note:

The bank shows favourable closing balance of **R1.959 million** as at 30 April 2016.

5. DEBTORS AGE ANALYSIS

LIM334 BaPhalaborwa Supporting Table SC3 Monthly Budget Statement aged debtors M10 April

Description R thousands	Budget Year 2015/16									
	030 Days	3160 Days	6190 Days	91120 Days	121150 Dys	151180 Dys	181 Dys1 Yr	Over 1Yr	Total	Total over 90 days
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions Electricity	6,556	3,285	1,410	1,346	624	571	3,334	22,898	40,023	28,773
Receivables from Nonexchange Transactions Property Rates	4,408	4,173	3,935	3,945	4,262	4,309	19,800	91,687	136,520	124,004
Receivables from Exchange Transactions Waste Management	1,148	875	811	795	779	815	4,491	37,353	47,066	44,232
Other	6,633	6,525	6,414	6,261	6,142	6,077	35,706	218,960	292,718	273,147
Total By Income Source	18,744	14,858	12,570	12,347	11,807	11,772	63,331	370,898	516,328	470,155
2014/15 totals only									–	–
Debtors Age Analysis By Customer Group										
Organs of State	1,488	1,332	1,214	700	677	644	3,147	14,624	23,827	19,792
Commercial	2,963	2,314	2,382	1,516	1,477	1,167	8,110	52,042	71,971	64,312
Households	13,024	10,573	8,398	9,702	9,223	9,447	49,516	299,754	409,638	377,643
Other	1,270	639	575	430	430	514	2,558	4,478	10,892	8,408
Total By Customer Group	18,744	14,858	12,570	12,347	11,807	11,772	63,331	370,898	516,328	470,155

Note:

- The Debtor's age analysis shows a total figure of R516.3 million from 30 days to over a year.

6. CREDITORS AGE ANALYSIS

LIM334 Ba-Phalaborwa - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description R thousands	NT Code	Budget Year 2015/16								
		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	3,849								3,849
Trade Creditors	0700	2,883	359	51	2,113					5,406
Other	0900									-
Total By Customer Type	1000	6,733	359	51	2,113	-	-	-	-	9,255

Notes:

- The creditor's age analysis shows a total figure of R9.3 million
- Top creditor included in trade and other creditors is Department of Roads and Transport

7. INVESTMENT PORTFOLIO

LIM334 BaPhalaborwa Supporting Table SC5 Monthly Budget Statement investment portfolio M10 April

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							
<u>Municipality</u>									
ABSA Call Account			Fixed deposit				93	–	93
Call deposit a/c STD Bank			Call Account		114		15,664	4,114	19,777
TOTAL INVESTMENTS AND INTEREST	2				114		15,757	4,114	19,870

Notes:

Total Investment is standing at R19.9 million as at 30 April 2016.

8. TRANSFERS AND GRANT EXPENDITURES

LIM334 BaPhalaborwa Supporting Table SC7(1) Monthly Budget Statement transfers and grant expenditure M10 April

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>EXPENDITURE</u>										
-										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		88,490	113,160	112,660	169	111,592	93,883	17,708	18.9%	112,660
Local Government Equitable Share		83,256	107,805	107,805	–	107,805	89,838	17,968	20.0%	107,805
Finance Management		1,600	1,675	1,675	94	1,374	1,396	(22)	1.6%	1,675
Municipal Systems Improvement		934	940	940	–	940	783	157	20.0%	940
EPWP Incentive		1,212	1,188	1,188	75	728	990	(262)	26.4%	1,188
Operating Grant: MIG (5% of MIG Grants for PMU)		1,488	1,552	1,052	–	633	877	(243)	27.8%	1,052
OP GR : SITA			–		–	111	–	111	#DIV/0!	–
Other transfers and grants [insert description]								–		
Total operating expenditure of Transfers and Grants:		88,490	113,160	112,660	169	111,592	93,883	17,708	18.9%	112,660
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		37,279	36,492	36,992	9,364	42,658	47,493	(4,835)	-10.2%	56,992
Municipal Infrastructure Grant (MIG)		28,279	29,492	49,992	9,364	39,774	41,660	(1,886)	-4.5%	49,992
Intergrated National Electrification Grant		9,000	7,000	7,000	–	2,884	5,833	(2,949)	50.6%	7,000
Total capital expenditure of Transfers and Grants		37,279	36,492	56,992	9,364	42,658	47,493	(4,835)	-10.2%	66,992
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		125,769	149,652	169,652	9,533	154,250	141,377	12,874	9.1%	169,652

Notes:

- The monthly operating transfers and grants expenditure is R169 thousand and Capital is R9.5 million

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

LIM334 Ba-Phalaborwa - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

Summary of Employee and Councillor remuneration	Ref	2014/15 Audited Outcome	Budget Year 2015/16 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			8,874	8,874	856	8,797	7,395	1,402	19%	8,874
Motor Vehicle Allowance			3,109	3,109	61	2,199	2,590	(391)	-15%	3,109
Cellphone Allowance			828	828	268	892	690	202	29%	828
Sub Total - Councillors		-	12,811	12,811	1,185	11,889	10,675	1,214	11%	12,811
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages			3,797	2,731	257	2,187	2,276	(89)	-4%	2,731
Pension and UIF Contributions			11	11	1	6	9	(3)	-34%	11
Motor Vehicle Allowance			2,448	2,448	151	1,140	2,040	(900)	-44%	2,448
Cellphone Allowance			86	86	6	44	71	(28)	-39%	86
Other benefits and allowances			780	780	20	428	650	(222)	-34%	780
Sub Total - Senior Managers of Municipality		-	7,121	6,055	435	3,804	5,046	(1,242)	-25%	6,055
<u>Other Municipal Staff</u>										
Basic Salaries and Wages			73,101	74,462	5,431	52,915	62,052	(9,136)	-15%	74,462
Pension and UIF Contributions			14,153	14,320	1,086	10,662	11,934	(1,271)	-11%	14,320
Medical Aid Contributions			4,567	4,672	401	3,779	3,893	(114)	-3%	4,672
Overtime			4,153	2,965	321	2,203	2,471	(267)	-11%	2,965
Motor Vehicle Allowance			12,974	12,025	746	7,505	10,021	(2,515)	-25%	12,025
Cellphone Allowance			1,044	1,009	75	712	841	(129)	-15%	1,009
Housing Allowances			913	898	60	619	748	(130)	-17%	898
Other benefits and allowances			4,004	2,607	382	3,340	2,172	1,168	54%	2,607

Long service awards	2		662	1,284	283	3,487	1,070	2,417	226%	1,284
Post-retirement benefit obligations				–				–		–
Sub Total - Other Municipal Staff		–	115,571	114,242	8,784	85,224	95,201	(9,978)	-10%	114,242
Total Parent Municipality		–	135,503	133,108	10,404	100,917	110,923	(10,006)	-9%	133,108
TOTAL SALARY, ALLOWANCES & BENEFITS		–	135,503	133,108	10,404	100,917	110,923	(10,006)	-9%	133,108
TOTAL MANAGERS AND STAFF		–	122,693	120,297	9,219	89,028	100,248	(11,219)	-11%	120,297

Notes:

- Political office bearer's remunerations for the month of April amounted to R1.2 million.
- Employee related costs R9.2 million.
- The municipality has total employee related cost & Remuneration of councillors of R10.3 million for the month of April 2016

10. ACTUALS AND REVISED TARGETS FOR CASH RECEIPT

LIM334 Ba-Phalaborwa - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M10 April

Description	Ref	Budget Year 2015/16											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget
Cash Receipts By Source													
Property rates		2,808	3,005	3,694	4,220	3,934	3,588	3,112	2,016	2,353	1,912	3,733	10,424
Service charges - electricity revenue		3,683	6,159	3,736	5,578	4,999	5,094	5,097	6,341	4,995	7,579	5,102	2,352
Service charges - water revenue		3,111	6,065	4,329	6,704	4,523	5,149	5,166	3,717	3,067	5,500	5,900	11,250
Service charges - sanitation revenue		596	608	594	767	626	533	655	436	606	614	449	432
Service charges - refuse		425	455	477	588	459	440	481	380	452	507	489	547
Rental of facilities and equipment		29	38	27	34	15	43	23	22	50	22	43	85
Interest earned - external investments		53	83	78	50	19	21	22	21	25	114	28	(9)
Interest earned - outstanding debtors		326	229	376	339	320	245	329	197	203	403	365	468
Fines		1,772	5	27	15	17	1	66	19	47	1	26	675
Licences and permits		175	541	1,576	568	730	1	2,712	887	1,463	1,274	622	(3,492)
Agency services		-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operating		47,549	475	-	-	36,292	-	-	452	26,951	-	-	1,441
Other revenue		59	14	18	59	15	-	1,534	23	738	1,691	32	(3,827)
Cash Receipts by Source		60,585	17,676	14,932	18,921	51,948	15,114	19,196	14,512	40,951	19,617	16,790	20,346
Other Cash Flows by Source													
Transfer receipts - capital		15,764	-	2,800	10,267	-	7,763	-	1,450	20,000	-	-	(21,552)
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		76,349	17,676	17,732	29,188	51,948	22,877	19,196	15,962	60,951	19,617	16,790	(1,206)
													-

Cash Payments by Type													–
Employee related costs		8,024	7,535	8,593	8,888	8,418	8,678	8,799	9,348	11,527	9,219	10,591	23,073
Remuneration of councillors		1,150	1,120	1,137	1,137	1,171	1,128	1,105	1,166	1,591	1,185	1,167	(245)
Interest paid		69	166	116	118	138	126	107	25	24	130	75	1,015
Bulk purchases - Electricity		15,000	5,500	5,000	14,500	4,500	7,000	8,000	4,000	10,000	7,000	8,325	5,507
Contracted services		3,193	2,652	1,462	3,986	2,426	8,595	4,378	3,035	1,600	1,492	7,199	14,239
General expenses		13,515	276	2,636	4,771	6,099	7,158	4,181	2,404	1,841	8,838	6,523	22,120
Cash Payments by Type		40,951	17,248	18,943	33,400	22,752	32,685	26,569	19,978	26,583	27,865	33,881	65,708
Other Cash Flows/Payments by Type													–
Capital assets		13,387	14	1,720	8,509	2,443	10,273	3,129	26	1,902	9,409	5,011	(2,030)
Other Cash Flows/Payments		21,450		(3,615)	(18,231)						14,000		(13,603)
Total Cash Payments by Type		75,788	17,262	17,048	23,677	25,195	42,958	29,699	20,004	28,485	51,274	38,891	50,074
NET INCREASE/(DECREASE) IN CASH HELD		561	415	684	5,511	26,753	(20,081)	(10,503)	(4,042)	32,466	(31,657)	(22,101)	(51,280)
Cash/cash equivalents at the month/year beginning:		1,852	2,412	2,827	3,510	9,022	35,775	15,694	5,191	1,150	33,616	1,959	(20,143)
Cash/cash equivalents at the month/year end:		2,412	2,827	3,510	9,022	35,775	15,694	5,191	1,150	33,616	1,959	(20,143)	(71,423)

Notes

Total actual cash receipts for the month amount to R19.6 million. This total is including Water and sanitation service charges.

While the total actual cash payments made for the month amount to R37.3 million. R14 million was transferred to call accounts. The closing balance on the primary bank account shows favourable bank balance of R1.959 million

11.CAPITAL EXPENDITURE TREND

LIM334 BaPhalaborwa Supporting Table SC12 Monthly Budget Statement capital expenditure trend M10 April

Month	2014/15	Budget Year 2015/16							
	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	2,980	4,483	11,156	11,156	11,156	11,156	–		21%
August	2,980	4,483	12	12	11,169	11,169	–		21%
September	2,980	4,483	1,509	1,509	12,677	12,677	–		24%
October	2,980	4,483	7,464	7,464	20,141	20,141	–		37%
November	2,980	4,483	2,143	2,143	22,284	22,284	–		41%
December	2,980	4,483	9,011	9,011	31,295	31,295	–		58%
January	2,980	4,483	3,250	2,745	34,040	34,544	504	1.5%	63%
February	2,980	4,483	3,250	23	34,063	37,794	3,731	9.9%	63%
March	2,980	4,483	3,250	1,668	35,731	41,043	5,312	12.9%	66%
April	2,980	4,483	8,250	8,254	43,985	49,293	5,308	10.8%	0
May	2,980	4,483	13,250			62,542	–		
June	2,980	4,483	8,250			70,792	–		
Total Capital expenditure	35,760	53,792	70,792	43,985					

Notes:

- Capital expenditure incurred during the month of April 2016 amount to R8.2 million (MIG)

12.BANK RECONCILIATION

Ba-phalaborwa

Municipality

Bank Transaction Statement for April 2016

Statement Description	CODE	Statement Amt
Outstanding C/F		19,289,055.13
Current - Cheques	BS001	(68,624.35)
Current - ACBs	BS002	(23,821,101.03)
Current - ACB Rejects	BS003	
Current - Deposits	BS004	5,586,656.67
Current - RD Cheques	BS005	
Current - Redeposits	BS006	
Current - Transfers	BS007	14,672,771.43
Current - Bank Charges	BS008	(44,560.38)
Current - Other transfers	BS009	(13,655,686.73)
Current - Already Reconciled	BS010	
Current - C/F		1,958,510.74

Notes

- The closing balance as at 30/04/ 2016 is **R1.959 million**

13.RECOMMENDATIONS

a. That the following be noted:

- 1) The financial report for the period ended 30 April 2016 **excluding Water and Waste Water management**
- 2) The summary of monthly budget statement report for the month ended 30 April 2016
- 3) The financial performance for the month ended 30 April 2016
- 4) The financial position as at 30 April 2016
- 5) The actual operating revenue (as per GRAP) for the month ended 30 April 2016 is R20.1 million
- 6) Revenue Capital Contribution recognised amount to R9.4 million (MIG Including vat)
- 7) Operational Expenditure on financial Performances is R40.9 million.
- 8) Capital Expenditure incurred during the month ended 30 April 2016 amount to R8.3 million (Capital Grant excluding vat)
- 9) The municipality did not receive any grant during the month of April 2016 since 100% allocation as per DoRA was fully received

10) Consolidated call deposit accounts held at STD Bank and ABSA closed with a balance of R19 million on 30 April 2016

11) That councillors and Staff Benefits for April 2016 amount to R10.4 million be approved

12) Municipal Primary Bank reconciliation closed with a positive balance of **R1.959 million** as at 30 April 2016