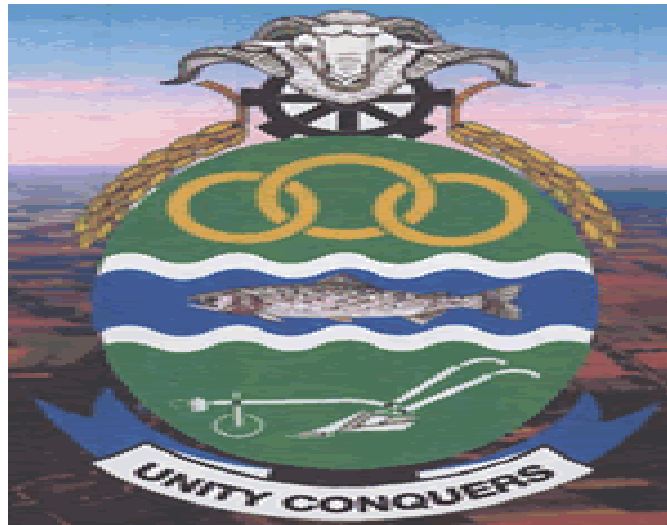


PHOKWANE LOCAL MUNICIPALITY



SECTION 52(d) – IMPLEMENTATION OF THE BUDGET

PERIOD: JULY 2014 TO SEPTEMBER 2014

NC094 Phokwane - Table C1 Monthly Budget Statement Summary - M03 September

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									
<u>Financial Performance</u>									
Property rates	—	15 654	15 654	1 384	4 540	3 914	626	16%	15 654
Service charges	—	93 017	93 017	5 661	18 372	23 254	(4 882)	-21%	93 017
Investment revenue	—	2 082	2 082	31	210	520	(311)	-60%	11 539
Transfers recognised - operational	—	76 376	76 376	—	28 243	19 094	9 149	48%	76 376
Other own revenue	—	14 159	14 159	1 308	3 794	3 540	255	7%	14 159
Total Revenue (excluding capital transfers and contributions)	—	201 287	201 287	8 384	55 160	50 322	4 838	10%	210 744
Employee costs	—	48 290	48 290	9 074	13 765	12 073	1 693	14%	48 290
Remuneration of Councillors	—	4 634	4 634	707	1 060	1 159	(98)	-8%	4 634
Depreciation & asset impairment	—	7 293	7 293	—	—	1 823	(1 823)	-100%	7 293
Finance charges	—	—	—	—	—	—	—	—	—
Materials and bulk purchases	—	73 068	73 068	347	7 312	18 267	(10 955)	-60%	73 068
Transfers and grants	—	—	—	—	—	—	—	—	—
Other expenditure	—	85 868	85 868	3 399	8 180	21 467	(13 287)	-62%	85 868
Total Expenditure	—	219 153	219 153	13 527	30 317	54 788	(24 471)	-45%	219 153
Surplus/(Deficit)	—	(17 866)	(17 866)	(5 143)	24 842	(4 466)	29 309	-656%	(8 409)
Transfers recognised - capital	—	100 953	100 953	314	10 313	25 238	(14 925)	-59%	100 953
Contributions & Contributed assets	—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after capital transfers & contributions	—	83 087	83 087	(4 828)	35 156	20 772	14 384	69%	92 544
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year	—	83 087	83 087	(4 828)	35 156	20 772	14 384	69%	92 544
<u>Capital expenditure & funds sources</u>									
Capital expenditure	—	201 907	201 907	629	20 627	50 475	(29 848)	-59%	201 907
Capital transfers recognised	—	89 266	89 266	—	9 799	22 317	(12 517)	-56%	89 266
Public contributions & donations	—	—	—	—	—	—	—	—	—
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	—	11 687	11 687	314	514	2 922	(2 408)	-82%	11 687
Total sources of capital funds	—	100 953	100 953	314	10 313	25 238	(14 925)	-59%	100 953
<u>Financial position</u>									
Total current assets	—	101 456	101 456		19 773				101 456
Total non current assets	—	406 878	406 878		—				406 878
Total current liabilities	—	17 804	17 804		(2 161)				17 804
Total non current liabilities	—	21 931	21 931		18				21 931
Community wealth/Equity	—	468 598	468 598		(213)				468 598
<u>Cash flows</u>									
Net cash from (used) operating	—	79 235	79 235	(6 084)	34 971	19 809	15 162	77%	79 235
Net cash from (used) investing	—	(112 648)	(112 648)	(314)	(10 313)	(28 162)	17 849	-63%	(112 648)
Net cash from (used) financing	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the month/year end	—	(6 320)	(6 320)	—	24 658	18 740	5 918	32%	(33 413)
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	7 482	5 662	5 397	3 445	3 815	3 294	19 000	167 287	215 382
<u>Creditors Age Analysis</u>									
Total Creditors	602	31	11	—	—	—	—	—	644

Narration:

1. FINANCIAL PERFORMANCE

1.1 REVENUE

The total revenue excluding capital transfers and contributions amounts to R55, 160 million of the R50, 322 million that was budgeted, which R 4, 838 million or 9.61% more than was anticipated. Revenue consists of property rates income, service charges, investment revenue, operational transfer recognised and other miscellaneous revenue.

PROPERTY RATES

Revenue earned from property rates for the period that ended 30 September 2014, amounts to R4, 540 million of the R 4, 892 million that was budgeted, which is R352 thousand or 7% less than anticipated.

SERVICE CHARGES

Revenue derived from Service charges such electricity, Water, Waste removal and waste water amounts to R18, 372 million of the R27, 829 million that was budgeted. This represent an under collection of R9, 457 million or 33.98%, the under collection is mainly due to electricity rebates.

INVESTMENT REVENUE

The municipality anticipated to derive revenue of R520 thousand from its investment activities. Year-to-date results indicate revenue earned amounted to R210 thousand and this represent an under performance of about R 310 thousand.

TRANSFER RECOGNIZED – OPERATIONAL

The expected revenue received from National and Provincial allocations, for operating purposes amounts to R28, 243 million.

OTHER REVENUE

Other revenue earned amounts to R 167 thousand. The municipality generated R 117 thousand less from other own revenue than what was anticipated.

1.2 EXPENDITURE

The Year to date operating expenditure incurred amounts to R30, 281million or 55.30% of the R54, 758 that was budgeted, which constitutes an under spending of R 24, 477 million or 44.7% on total operating expenditure.

Employee Cost

These are cost associated with salaries, wages and benefits paid to municipal employees throughout the year. The municipality incurred expenditure of about R13, 765 million compared to the R12, 073 million that was budgeted. This represent an over expenditure of about R 1, 692 million or 14%.

Remuneration of Councillors

These are allowances paid to councillors in terms of the Ministerial Gazette on the Upper Limits of Councillors Allowances issued in December 2012. Allowances paid to Councillors amounts to R1, 060 million when compared to the budgeted amount of R1, 159 million, which is an over expenditure of R 99 thousand.

Depreciation and Asset Impairment

Depreciation is calculated on the depreciable amount, using the straight-line method over the estimated useful lives of the assets. Depreciation in the end is charged as an expense to the Statement of Financial Performance and reduces the value of assets in the Statement of Financial Position

Property, plant and equipment are reviewed at each reporting date for any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The impairment charged to the Statement of Financial Performance is the excess of the carrying value over the recoverable amount.

Bulk Purchases

This consists mainly of purchases of bulk electricity and water. Expenditure to date amounts to R 6, 029 million of the R16, 532 million that was budgeted, which is R10, 503 million or 63.53% less than what was budgeted.

Other expenditure

Expenditure to date incurred amounts to R5, 783 million when compared to the R10, 546 million budgeted for. This represent and under spending of R4, 763 million or 45.16%.

2. CAPITAL EXPENDITURE AND FUNDS SOURCES

2.1 CAPITAL EXPENDITURE

Capital transfers recognised include funding from national and provincial government. Internally generated funds reflect revenue funded by council from its own revenue instruments. The total sources of capital funds generated to fund capital expenditure incurred to date amounts to R18, 890 million or 74.84% of the R25, 238 million that was budgeted.

3. FINANCIAL POSITION

3.1 TOTAL CURRENT ASSETS

Current assets includes amongst other Cash & Cash Equivalents, Call investment deposits, Consumer debtors, Other debtors, Current portion of long-term receivables and inventories.

3.2 TOTAL NON-CURRENT ASSETS

The total non-current assets consist of long-term receivables, Investments, Investment property, property, plant and equipment, Intangible assets and other non-current assets

3.3 TOTAL CURRENT LIABILITIES

Council's total liabilities includes borrowings, consumer deposits, trade and other payables, provisions

3.4 TOTAL NON- CURRENT LIABILITIES

The total liabilities consist mainly out of long-term borrowing and provisions.

4. COMMUNITY AND WEALTH

Community and wealth is defined as accumulated Surplus/ (Deficit) and reserves.

5. CASH FLOW

5.1 CASH FLOW FROM OPERATING ACTIVITIES

The net cash generated from operating activities to date amount to R34, 971 million or 176.54% of R19, 808 million that is budgeted. This can be describe as inflow of cash as result of services rendered such as receipts from services charges e.g. water, electricity sewerages, refuse charges, etc.

5.2 CASH FLOW FROM INVESTING ACTIVITIES

Cash receipts from investing activities amounts to R210 thousands. This consists of mainly returns or receipts from investments from call deposits made during the period.

5.3 CASH FLOW FROM FINANCING ACTIVITIES

Cash generated from financing activities amount to R0 to date. This amount is represented mainly by receipts as result of consumer deposits.

6 CREDITORS AGE ANALYSIS

NC094 Phokwane - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2014/15								
		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
R thousands										
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	159	33	-	-	-	-	-	-	192
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	159	33	-	-	-	-	-	-	192

The total creditors as per the above creditors analysis amounts to R192 thousand as at 30 September 2014 and consist of:

1. 0-30 days: R159 thousand
2. 30-60 days: R33 thousand

NC094 Phokwane - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

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									
Revenue - Standard										
<i>Governance and administration</i>		–	32 440	32 440	1 661	33 714	8 110	25 604	316%	32 440
Executive and council		–	7 086	7 086	30	28 303	1 772	26 532	1498%	7 086
Budget and treasury office		–	22 956	22 956	1 630	5 396	5 739	(343)	-6%	22 956
Corporate services		–	2 397	2 397	1	15	599	(585)	-98%	2 397
<i>Community and public safety</i>		–	19 372	19 372	312	865	4 843	(3 978)	-82%	19 372
Community and social services		–	13 101	13 101	33	95	3 275	(3 180)	-97%	13 101
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	6 271	6 271	279	770	1 568	(798)	-51%	6 271
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		–	9 220	9 220	2	13	2 305	(2 292)	-99%	9 220
Planning and development		–	1 724	1 724	–	–	431	(431)	-100%	1 724
Road transport		–	6 906	6 906	–	–	1 726	(1 726)	-100%	6 906
Environmental protection		–	590	590	2	13	147	(135)	-91%	590
<i>Trading services</i>		–	140 256	140 256	6 409	20 567	35 064	(14 497)	-41%	140 256
Electricity		–	64 389	64 389	2 270	8 025	16 097	(8 073)	-50%	64 389
Water		–	42 115	42 115	2 036	6 345	10 529	(4 184)	-40%	42 115
Waste water management		–	21 845	21 845	1 295	3 787	5 461	(1 674)	-31%	21 845
Waste management		–	11 906	11 906	808	2 411	2 977	(566)	-19%	11 906
<i>Other</i>	4	–	–	–	–	–	–	–	–	–
Total Revenue - Standard	2	–	201 287	201 287	8 384	55 160	50 322	4 838	10%	201 287
Expenditure - Standard										
<i>Governance and administration</i>		–	51 186	51 186	5 858	10 411	12 797	(2 386)	-19%	51 186
Executive and council		–	17 486	17 486	2 021	3 912	4 371	(460)	-11%	17 486
Budget and treasury office		–	28 557	28 557	3 098	4 949	7 139	(2 190)	-31%	28 557
Corporate services		–	5 143	5 143	739	1 550	1 286	264	21%	5 143
<i>Community and public safety</i>		–	17 543	17 543	2 404	3 975	4 386	(411)	-9%	17 543
Community and social services		–	12 626	12 626	1 440	2 472	3 156	(685)	-22%	12 626
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	4 917	4 917	964	1 503	1 229	274	22%	4 917
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>		–	14 650	14 650	1 442	2 887	3 663	(776)	-21%	14 650
Planning and development		–	4 746	4 746	634	1 221	1 186	35	3%	4 746
Road transport		–	8 740	8 740	740	1 509	2 185	(676)	-31%	8 740
Environmental protection		–	1 164	1 164	68	157	291	(134)	-46%	1 164
<i>Trading services</i>		–	135 774	135 774	3 823	13 045	33 943	(20 898)	-62%	135 774
Electricity		–	59 345	59 345	784	7 429	14 836	(7 407)	-50%	59 345
Water		–	40 678	40 678	818	1 852	10 169	(8 317)	-82%	40 678
Waste water management		–	26 291	26 291	1 452	2 595	6 573	(3 978)	-61%	26 291
Waste management		–	9 461	9 461	770	1 169	2 365	(1 196)	-51%	9 461
<i>Other</i>		–	–	–	–	–	–	–	–	–
Total Expenditure - Standard	3	–	219 153	219 153	13 527	30 317	54 788	(24 471)	-45%	219 153
Surplus/ (Deficit) for the year		–	(17 866)	(17 866)	(5 143)	24 842	(4 467)	29 309	-656%	(17 866)

REVENUE BY STANDARD CLASSIFICATION

Total revenue generated by standard year to date amounts to R55, 160 million of the R50, 322 million that was budgeted. This revenue was earned through the following cost centres:

1. **GOVERNANCE AND ADMINISTRATION**

The year to date collection amounts to R33, 714 million of the R8, 110 million that is budgeted. Governance and administration generated R25, 604 million or 315% more than what was anticipated due to Equitable Share.

2. **COMMUNITY AND PUBLIC SAFETY**

Community and Public Safety contributed an overall R865 thousand or 17.86% of the R4, 843 million that was anticipated.

3. **ECONOMIC AND ENVIRONMENTAL SERVICES**

The year to date revenue generated amounts to R13 thousand or 0.56% of R2, 305 million that was budgeted.

4. **TRADING SERVICES**

Revenue raised to date amounts to R20, 567 million or 58.65% of R35, 064 of that were budgeted.

EXPENDITURE BY STANDARD CLASSIFICATION

The total expenditure by standard classification amounts to R30, 281million or 55.30% of the R54, 758 million that was budgeted. Council has an under expenditure of R 24, 477 million or 44.7%. The votes that mainly contribute to the under expenditure are discussed below:

1. **GOVERNANCE AND ADMINISTRATION**

The year to date expenditure amounts to R10, 411 million or 81.36% of the R12, 796 million that was budgeted. Council have an under expenditure of R2, 385 million.

2. **ECONOMIC AND ENVIRONMENTAL SERVICES**

The year to date expenditure amount to R2, 887 million or 78.82% of R3, 663 million of what was budgeted. An under spending of about R776 thousand or 21.18% .

3. **TRADING SERVICES**

The year to date expenditure amounts to R13, 045 million or 38.43% of R33, 944 million that was budgeted. Council has a under spending of R20, 899 million or 61.56%.

NC094 Phokwane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

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										
<u>Revenue by Vote</u>	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	5 589	5 589	30	28 303	1 397	26 906	1925,7%	5 589
Vote 2 - MUNICIPAL MANAGER		–	1 497	1 497	–	–	374	(374)	-100,0%	1 497
Vote 3 - FINANCE		–	22 956	22 956	1 630	5 396	5 739	(343)	-6,0%	22 956
Vote 4 - CORPORATE SERVICES		–	2 397	2 397	1	15	599	(585)	-97,5%	2 397
Vote 5 - INFRASTRUCTURE AND HUMAN SETTLEMENT		–	148 339	148 339	6 409	20 567	37 085	(16 517)	-44,5%	148 339
Vote 6 - PLANNING AND OPERATIONS		–	20 508	20 508	314	878	5 127	(4 249)	-82,9%	20 508
Total Revenue by Vote	2	–	201 287	201 287	8 384	55 160	50 322	4 838	9,6%	201 287
<u>Expenditure by Vote</u>	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	12 424	12 424	1 345	2 677	3 106	(429)	-13,8%	12 424
Vote 2 - MUNICIPAL MANAGER		–	5 062	5 062	676	1 235	1 265	(30)	-2,4%	5 062
Vote 3 - FINANCE		–	28 547	28 547	3 098	4 949	7 137	(2 187)	-30,6%	28 547
Vote 4 - CORPORATE SERVICES		–	5 079	5 079	739	1 550	1 270	280	22,0%	5 079
Vote 5 - INFRASTRUCTURE AND HUMAN SETTLEMENT		–	148 100	148 100	5 151	15 693	37 025	(21 332)	-57,6%	148 100
Vote 6 - PLANNING AND OPERATIONS		–	19 942	19 942	2 517	4 213	4 985	(772)	-15,5%	19 942
Total Expenditure by Vote	2	–	219 153	219 153	13 527	30 317	54 788	(24 471)	-44,7%	219 153
Surplus/ (Deficit) for the year	2	–	(17 866)	(17 866)	(5 143)	24 842	(4 467)	29 309	-656,2%	(17 866)

NC094 Phokwane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M03 September

Vote Description	Ref	2013/14	Budget Year 2014/15							
R thousand	1	Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD variance	YTD variance	Full Year
Revenue by Vote										
Vote 1 - EXECUTIVE AND COUNCIL		–	5 589	5 589	30	28 303	1 397	26 906	1926%	5 589
1.1 - Executive and Council			5 589	5 589	30	28 303	1 397	26 906	1926%	5 589
Vote 2 - MUNICIPAL MANAGER		–	1 497	1 497	–	–	374	(374)	-100%	1 497
2.1 - Municipal Manager			1 497	1 497	–	–	374	(374)	-100%	1 497
2.2 - Internal Audit			–	–	–	–	–	–	–	–
2.3 - Committee and Admin			–	–	–	–	–	–	–	–
Vote 3 - FINANCE		–	22 956	22 956	1 630	5 396	5 739	(343)	-6%	22 956
3.1 - Finance Administration			6 007	6 007	245	855	1 502	(646)	-43%	6 007
3.2 - Supply Chain			–	–	–	–	–	–	–	–
3.3 - Expenditure			–	–	–	–	–	–	–	–
3.4 - Revenue			16 949	16 949	1 385	4 541	4 237	304	7%	16 949
3.5 - Budget Office			–	–	–	–	–	–	–	–
Vote 4 - CORPORATE SERVICES		–	2 397	2 397	1	15	599	(585)	-98%	2 397
4.1 - Corporate Service Administration			2 278	2 278	0	11	569	(558)	-98%	2 278
4.2 - Human Resource			–	–	–	–	–	–	–	–
4.3 - Customer Care			120	120	1	4	30	(26)	-88%	120
4.4 - Information Technology			–	–	–	–	–	–	–	–
Vote 5 - INFRASTRUCTURE AND HUMAN SETTLEMENTS		–	148 339	148 339	6 409	20 567	37 085	(16 517)	-45%	148 339
5.1 - Water			42 092	42 092	2 034	6 340	10 523	(4 183)	-40%	42 092
5.2 - Water Consumer Connection			22	22	2	5	6	(1)	-16%	22
5.3 - Waste Water			21 845	21 845	1 295	3 787	5 461	(1 674)	-31%	21 845
5.4 - Electricity			64 257	64 257	2 267	8 020	16 064	(8 045)	-50%	64 257
5.5 - Electricity Consumer Connection			132	132	3	5	33	(28)	-85%	132
5.6 - Roads and Stormwater			6 906	6 906	–	–	1 726	(1 726)	-100%	6 906
5.7 - Project Management			–	–	–	–	–	–	–	–
5.8 - Refuse			11 906	11 906	808	2 411	2 977	(566)	-19%	11 906
5.9 - Planning and Human Settlement			1 178	1 178	–	–	294	(294)	-100%	1 178
Vote 6 - PLANNING AND OPERATIONS		–	20 508	20 508	314	878	5 127	(4 249)	-83%	20 508
6.1 - Planning and Operations Administration			2	2	–	0	–	0	17%	2
6.2 - Parks and Cemetery			3 418	3 418	–	–	855	(855)	-100%	3 418
6.3 - Traffic			6 271	6 271	279	770	1 568	(798)	-51%	6 271
6.4 - LED			545	545	–	–	136	(136)	-100%	545
6.5 - Municipal Buildings			4 748	4 748	30	89	1 187	(1 098)	-93%	4 748
6.6 - IDP			1	1	–	–	–	(0)	-100%	1
6.7 - Fleet			–	–	–	–	–	–	–	–
6.8 - Environmental Health			590	590	2	13	147	(135)	-91%	590
6.9 - Library			4 933	4 933	3	6	1 233	(1 227)	-99%	4 933
Total Revenue by Vote	2	–	201 287	201 287	8 384	55 160	50 322	4 838	10%	201 287

REVENUE BY VOTE

The total revenue earned per vote since year to date amounts to R55, 160 million of the R50, 322 million that was budgeted. The votes that mainly contribute to the above are discussed below:

1. COUNCIL AND EXECUTIVE ADMINISTRATION

- **Council and executive administration** – the year to date collection amounts to R28, 303 million. The vote has an over collection of R26, 906 million, the over collection is mainly as a result of the equitable share allocation that has been received as scheduled on the Division of Revenue Act payment schedule. This amount was allocated against a single cost centre instead of being apportioned as per the budget .i.e. equally to the respective cost centres.

2. FINANCE

- **Finance Admin**– this department raised R5, 396 million of the R5, 739 million that was budgeted. The under collection amounts to R1, 805 million.

3. CORPORATE SERVICES AND DEVELOPMENT

- **Corporate services Admin** – revenue generated under corporate services department to date amounts to R-2, 696 million of the R1, 615 million that was budgeted.

4. INFRASTRUCTURE AND HUMAN SETTLEMENTS

- **Infrastructure and Human Settlement** – revenue generated to date amounts to R20, 567 million of the R37, 085 million that was budgeted, which is R 16, 517 million less than anticipated

5. PLANNING AND OPERATIONS

- **Planning and Operations** – revenue is recorded to be amounting to R878 thousand of the R5, 127 million that was budgeted.

NC094 Phokwane - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A - M03 September

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited	Original	Adjusted	Monthly	YearTD	YearTD	YTD variance	YTD variance	Full Year
R thousand										
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		–	12 424	12 424	1 345	2 677	3 106	(429)	-14%	12 424
1.1 - Executive and Council			12 424	12 424	1 345	2 677	3 106	(429)	-14%	12 424
Vote 2 - MUNICIPAL MANAGER		–	5 062	5 062	676	1 235	1 265	(30)	-2%	5 062
2.1 - Municipal Manager			3 262	3 262	423	824	816	8	1%	3 262
2.2 - Internal Audit			1 598	1 598	253	411	399	12	3%	1 598
2.3 - Committee and Admin			202	202	–	–	50	(50)	-100%	202
Vote 3 - FINANCE		–	28 547	28 547	3 098	4 949	7 137	(2 187)	-31%	28 547
3.1 - Finance Administration			14 925	14 925	1 384	2 195	3 731	(1 536)	-41%	14 925
3.2 - Supply Chain			1 707	1 707	276	497	427	70	16%	1 707
3.3 - Expenditure			1 301	1 301	220	349	325	24	7%	1 301
3.4 - Revenue			9 599	9 599	1 033	1 603	2 400	(797)	-33%	9 599
3.5 - Budget Office			1 016	1 016	186	306	254	52	21%	1 016
Vote 4 - CORPORATE SERVICES		–	5 079	5 079	739	1 550	1 270	280	22%	5 079
4.1 - Corporate Service Administration			3 104	3 104	508	813	776	37	5%	3 104
4.2 - Human Resource			887	887	142	254	222	32	14%	887
4.3 - Customer Care			305	305	28	207	76	131	172%	305
4.4 - Information Technology			783	783	61	276	196	80	41%	783
Vote 5 - INFRASTRUCTURE AND HUMAN SETTLEMENTS		–	148 100	148 100	5 151	15 693	37 025	(21 332)	-58%	148 100
5.1 - Water			40 305	40 305	661	1 601	10 076	(8 476)	-84%	40 305
5.2 - Water Consumer Connection			382	382	156	251	96	156	163%	382
5.3 - Waste Water			26 291	26 291	1 452	2 595	6 573	(3 978)	-61%	26 291
5.4 - Electricity			59 334	59 334	784	7 427	14 833	(7 406)	-50%	59 334
5.5 - Electricity Consumer Connection			11	11	–	2	3	(1)	-33%	11
5.6 - Roads and Stormwater			7 962	7 962	604	1 284	1 990	(706)	-35%	7 962
5.7 - Project Management			779	779	136	225	195	30	16%	779
5.8 - Refuse			9 461	9 461	770	1 169	2 365	(1 196)	-51%	9 461
5.9 - Planning and Human Settlement			3 575	3 575	589	1 139	894	245	27%	3 575
Vote 6 - PLANNING AND OPERATIONS		–	19 942	19 942	2 517	4 213	4 985	(772)	-15%	19 942
6.1 - Planning and Operations Administration			2 835	2 835	330	544	709	(165)	-23%	2 835
6.2 - Parks and Cemetery			2 881	2 881	519	826	720	106	15%	2 881
6.3 - Traffic			4 917	4 917	964	1 503	1 229	274	22%	4 917
6.4 - LED			1 115	1 115	45	81	279	(197)	-71%	1 115
6.5 - Municipal Buildings			3 167	3 167	169	421	792	(371)	-47%	3 167
6.6 - IDP			120	120	–	1	30	(29)	-97%	120
6.7 - Fleet			778	778	163	252	194	58	30%	778
6.8 - Environmental Health			1 164	1 164	68	157	291	(134)	-46%	1 164
6.9 - Library			2 965	2 965	258	428	741	(313)	-42%	2 965
Total Expenditure by Vote	2	–	219 153	219 153	13 527	30 317	54 788	(24 471)	(0)	219 153
Surplus/ (Deficit) for the year	2	–	(17 866)	(17 866)	(5 143)	24 842	(4 467)	29 309	(0)	(17 866)

EXPENDITURE BY VOTE

The year to date expenditure by vote amounts to R30, 281million or 55.30% of the R54, 758 million that was budgeted. Council has an under expenditure of R 24, 477 million or 44.7%. The votes that mainly contributes to the under performance are discussed in the paragraphs listed below:

1. **Council and executive administration**

- **Council and executive administration** – the year to date expenditure amounts to R 2, 677 million of the R31, 059 million that was budgeted.

2. **Municipal manager**

- **Municipal Manager** – the year to date expenditure amount of R1, 235 million of the R1, 265 million that was budgeted.

3. **FINANCE**

- **Finance admin** where the year to date expenditure amounts to R4, 949 million of the R7, 137 million that was budgeted

4. **CORPORATE SERVICES AND DEVELOPMENT ADMINISTRATION**

- **Corporate services Admin** – expenditure incurred amounts to R1, 550 million of the R1, 270 million that was budgeted

5. **INFRASTRUCTURE AND HUMAN SETTLEMENTS**

- **Infrastructure and Human Settlement** – expenditure incurred amounts to R15, 693 million of the R37, 025 million that was budgeted

6. **PLANNING AND OPERATIONS**

- **Planning and Operations** – expenditure incurred amounts to R4, 213 million of the R4, 985 million that was budgeted.

NC094 Phokwane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

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			15 654	15 654	1 384	4 540	3 914	626	16%	15 654
Property rates - penalties & collection charges								–		
Service charges - electricity revenue			45 203	45 203	2 191	7 799	11 301	(3 501)	-31%	45 203
Service charges - water revenue			28 457	28 457	1 782	5 596	7 114	(1 519)	-21%	28 457
Service charges - sanitation revenue			11 623	11 623	1 042	3 043	2 906	138	5%	11 623
Service charges - refuse revenue			7 734	7 734	645	1 934	1 934	0	0%	7 734
Service charges - other			–	–				–		–
Rental of facilities and equipment			380	380	31	92	95	(2)	-3%	380
Interest earned - external investments			2 082	2 082	31	210	520	(311)	-60%	2 082
Interest earned - outstanding debtors			9 457	9 457	941	2 766	2 364	402	17%	9 457
Dividends received			–	–				–		–
Fines			133	133	37	52	33	19	56%	133
Licences and permits			1 617	1 617	121	382	404	(23)	-6%	1 617
Agency services			1 312	1 312	121	336	328	8	2%	1 312
Transfers recognised - operational			76 376	76 376	–	28 243	19 094	9 149	48%	76 376
Other revenue			1 260	1 260	57	167	315	(148)	-47%	1 260
Gains on disposal of PPE			–	–				–		–
Total Revenue (excluding capital transfers and contributions)		–	201 287	201 287	8 384	55 160	50 322	4 838	10%	201 287

REVENUE BY SOURCE

The total revenue year to date revenue amounts to R55, 160 million of the R50, 322 million that was budgeted. The financial performance line items will be discussed below:

- **Property Rates:** where the year to date collection amount to R4, 540 million or 94.64% of the R4, 892 million that was budgeted. There is an under collection of R352 thousand.
- **Service Charges:** year to date collection amounts to R18, 372 million of the R27, 829 million that was budgeted, which is R9, 457 million or 3.98% less than was anticipated due to electricity rebates.

- **Interest Earned – External Investment:** where the year to date collection amount to R210 thousand of the R520 thousand that was budgeted. The line item incurred an under collection of R310 thousand.
- **Interest Earned- Outstanding Debtors:** where the year to date collection amount to R2, 766 million of the R2, 364 million that was anticipated.
- **Other Revenue:** where the year to date collection amount to R167 thousand of the R284 thousand that was budgeted. The line item has an under collection of R117 thousand.

PAYMENT LEVELS AS AT 30 SEPTEMBER 2014

	PHOKWANE LOCAL MUNICIPALITY						
	PAYMENT LEVELS 2014/2015						
FY 2014/2015	Charges Raised	Reciepts	Balance B/F	Adjustment	Repayments	Deposits	%
July	9 346 694,88	5 464 974,09	204 697 177,01	1 721 838,26	-	60 248,00	58,47
Aug	10 764 862,83	4 762 733,57	206 917 307,54	2 868 612,33	19 736,39	6 722,00	44,24
Sep	9 962 743,34	5 104 367,14	210 077 282,86	2 404 347,40		28 800,00	51,23
Oct							#DIV/0!
Nov							#DIV/0!
Dec							#DIV/0!
Jan							#DIV/0!
Feb							#DIV/0!
March							#DIV/0!
April							#DIV/0!
May							#DIV/0!
June							#DIV/0!
TOTAL 2014/2015	30 074 301,05	15 332 074,80		6 994 797,99	19 736,39	95 770,00	50,98
MONTHLY AVERAGE	7 518 575,26	3 833 018,70		1 748 699,50	4 934,10	23 942,50	50,98

Payment levels as at 30 September 2014 is 51.23% compared to 44.24% of August 2014

PAYMENT LEVELS AS AT 30 SEPTEMBER 2014 PER TOWN

	PAYMENT LEVELS 2014/2015						
	HARTSWATER						
FY2014/2015	Charges Raise	Reciepts	Balance B/F	Adjustment	Repayments	Deposits	%
July	3 400 035,10	3 447 266,45	29 812 914,92	145 029,64	-	20 885,00	101,39
Aug	4 874 815,77	2 877 058,11	2 641 538,93	2 092 716,72	358,44	440,00	59,02
Sep	4 826 893,34	2 583 481,57	29 551 378,31	2 052 311,26		19 042,00	53,52
Oct							#DIV/0!
Nov							#DIV/0!
Dec							#DIV/0!
Jan							#DIV/0!
Feb							#DIV/0!
March							#DIV/0!
April							#DIV/0!
May							#DIV/0!
June							#DIV/0!
TOTAL 2014/2015	13 101 744,21	8 907 806,13		4 290 057,62	358,44	40 367,00	67,99
MONTYHLY AVERAGE	1 091 812,02	742 317,18		357 504,80	29,87	3 363,92	67,99

Payment levels for Hartswater is 67.99% as at 30 September 2014

	PAYMENT LEVELS 2014/2015						
	JAN KEMPDORP						
FY 2014/2015	Charges Raised	Reciepts	Balance B/F	Adjustment	Repayments	Deposits	%
July	4 246 316,49	1 811 147,57	99 050 065,09	1 509 679,99		32 377,00	42,65
August	4 230 012,20	1 730 505,22	10 007 931,02	672 122,72	19 377,95	2 282,00	40,91
Sept	3 487 889,62	2 367 029,21	101 856 975,23	231 963,63		8 477,00	67,9
October							#DIV/0!
Nov							#DIV/0!
Dec							#DIV/0!
Jan							#DIV/0!
Feb							#DIV/0!
Marc							#DIV/0!
April							#DIV/0!
May							#DIV/0!
June							#DIV/0!
TOTAL 2014/2015	11 964 218,31	5 908 682,00		2 413 766,34	19 377,95	43 136,00	49,39
MONTYHLY AVERAGE	997 018,19	492 390,17		201 147,20	1 614,83	3 594,67	49,39

Payment levels for Jan Kempdorp increased to 67.9% as at 30 September 2014

	PAYMENT LEVELS 2014/2015 PAMPIERSTAD 703						
FY 2014/2015	Charges Raised	Reciepts	Balance B/f	Adjustment	Repayments	Deposits	%
July	991 266,95	57 632,05	59 244 975,55	84 167,86		2 039,00	5,81
Aug	983 165,25	54 075,91	60 096 481,59		152 357,07		5,50
Sep	989 714,24	59 837,57	608 723 213,86	92 546,59		168,00	6,05
Oct							#DIV/0!
Nov							#DIV/0!
Dec							#DIV/0!
Jan							#DIV/0!
Feb							#DIV/0!
March							#DIV/0!
April							#DIV/0!
May							#DIV/0!
June							#DIV/0!
TOTAL 2014/2015	2 964 146,44	171 545,53		176 714,45	152 357,07	2 207,00	5,79
MONTYHLY AVERAGE	247 012,20	14 295,46		14 726,20	12 696,42	183,92	5,79

Payment levels for Pampierstad are very low which is less than 10%

	PAYMENT LEVELS 2014/2015 GANSPAN 704						
FY2014/2015	Charges Raised	Reciepts	Balance B/f	Adjustment	Repayments	Deposits	%
July	44 781,94	4 162,90	2 480 341,66	1 779,88			9,30
Aug	54 091,23	5 046,41	2 519 180,82	2 878,47			9,33
Sep	48 330,97	4 375,36	2 565 347,17	2 005,84			9,05
Oct							#DIV/0!
Nov							#DIV/0!
Dec							#DIV/0!
Jan							#DIV/0!
Feb							#DIV/0!
March							#DIV/0!
April							#DIV/0!
May							#DIV/0!
June							#DIV/0!
TOTAL 2014/2015	147 204,14	13 584,67		6 664,19	-	-	9,23
MONTYHLY AVERAGE	12 267,01	1 132,06	-	555,35	-	-	9,23

Payment levels for Ganspan are very low with less than 10%

	PAYMENT LEVELS 2014/2015					
	PERSELE 711					
FY 2014/2015	Charges Raised	Reciepts	Balance B/f	Adjustment	Repayments	Deposits %
JULY	662 007,14	98 885,99	13 768 695,79	1 772,59		4 947,00 14,94
Aug	620 491,12	66 343,14	14 338 536,63	34 583,85		10,69
Sep	607 570,72	89 287,43	14 858 100,76	36 153,32		1 113,00 14,70
Oct						#DIV/0!
Nov						#DIV/0!
Dec						#DIV/0!
Jan						#DIV/0!
Feb						#DIV/0!
March						#DIV/0!
April						#DIV/0!
May						#DIV/0!
June						#DIV/0!
TOTAL 2014/2015	1 890 068,98	254 516,56		72 509,76	-	6 060,00 13,47
MONTYHLY AVERAGE	157 505,75	21 209,71		6 042,48	-	505,00 13,47

Payment levels for Perseel is low at 13.47%

The monthly average payment levels as at 30 September 2014 is 50.98%.

NC094 Phokwane - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

2013/14 Performance - Table of Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - 30 September										
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 By Type										
Employee related costs			48 290	48 290	9 074	13 765	12 073	1 693	14%	48 290
Remuneration of councillors			4 634	4 634	707	1 060	1 159	(98)	-8%	4 634
Debt impairment			30 440	30 440	—	—	7 610	(7 610)	-100%	30 440
Depreciation & asset impairment			7 293	7 293	—	—	1 823	(1 823)	-100%	7 293
Finance charges			—	—	—	—	—	—		—
Bulk purchases			66 131	66 131	—	6 029	16 533	(10 504)	-64%	66 131
Other materials			6 937	6 937	347	1 283	1 734	(451)	-26%	6 937
Contracted services			13 122	13 122	1 653	2 265	3 281	(1 015)	-31%	13 122
Transfers and grants			—	—	—	—	—	—		—
Other expenditure			42 305	42 305	1 746	5 915	10 576	(4 662)	-44%	42 305
Loss on disposal of PPE			—	—	—	—	—	—		—
Total Expenditure		—	219 153	219 153	13 527	30 317	54 788	(24 471)	-45%	219 153
Surplus/(Deficit)										
Transfers recognised - capital		—	(17 866)	(17 866)	(5 143)	24 842	(4 466)	29 309	(0)	(17 866)
Contributions recognised - capital			100 953	100 953	314	10 313	25 238	(14 925)	(0)	100 953
Contributed assets								—		
Surplus/(Deficit) after capital transfers & contributions		—	83 087	83 087	(4 828)	35 156	20 772			83 087
Taxation								—		
Surplus/(Deficit) after taxation		—	83 087	83 087	(4 828)	35 156	20 772			83 087
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		—	83 087	83 087	(4 828)	35 156	20 772			83 087
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		—	83 087	83 087	(4 828)	35 156	20 772			83 087

EXPENDITURE BY SOURCE

The total expenditure year to date expenditure amounts to R30, 281million or 55.30% of the R54, 758 million that was budgeted. Council has an under expenditure of R 24, 477 million or 44.7%.The financial performance line items will be discussed below:

- **Employee Related Costs:** year to date expenditure amounts to R13, 765 million of the R12, 073 million that was budgeted, which is R1, 692 million or 14% more than was anticipated.
- **Contracted services** where the year to date expenditure amount to R2, 265 million of the R3, 281 million budgeted.

- **Repairs and Maintenance:** year to date expenditure amounts to R1, 283 million of the R1, 734 million that was budgeted, which is R451 thousand or 26% less than was anticipated.
- **General Expenses:** year to date expenditure amounts to R5, 783 million of the R10, 546 million that was budgeted, which is R4, 763 million or 45.16% less than was anticipated.

NC094 Phokwane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03 September

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>Multi-Year expenditure appropriation</u>	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-		-
Vote 2 - MUNICIPAL MANAGER		-	588	588	-	125	147	(21)	-15%	588
Vote 3 - FINANCE		-	182	182	-	-	45	(45)	-100%	182
Vote 4 - CORPORATE SERVICES		-	486	486	-	63	122	(59)	-49%	486
Vote 5 - INFRASTRUCTURE AND HUMAN SETTLEMENT		-	93 093	93 093	314	10 114	23 273	(13 159)	-57%	93 093
Vote 6 - PLANNING AND OPERATIONS		-	6 605	6 605	-	12	1 651	(1 640)	-99%	6 605
Total Capital Multi-year expenditure	4,7	-	100 953	100 953	314	10 313	25 237	(14 924)	-59%	100 953
<u>Single Year expenditure appropriation</u>	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-		-
Vote 2 - MUNICIPAL MANAGER		-	588	588	-	125	147	(21)	-15%	588
Vote 3 - FINANCE		-	182	182	-	-	45	(45)	-100%	182
Vote 4 - CORPORATE SERVICES		-	486	486	-	63	122	(59)	-49%	486
Vote 5 - INFRASTRUCTURE AND HUMAN SETTLEMENT		-	93 093	93 093	314	10 114	23 273	(13 159)	-57%	93 093
Vote 6 - PLANNING AND OPERATIONS		-	6 605	6 605	-	12	1 651	(1 640)	-99%	6 605
Total Capital single-year expenditure	4	-	100 953	100 953	314	10 313	25 237	(14 924)	-59%	100 953
Total Capital Expenditure		-	201 907	201 907	629	20 627	50 475	(29 848)	-59%	201 907

CAPITAL EXPENDITURE

The capital expenditure is apportioned over single and multi year expenditure framework to provide for cases where expenditure or project cost exceeds one year completion stages. The total capital expenditure to date amounts to R10, 313 million or 40.86% of R25, 238 million of what has been budgeted. The performance of the capital expenditure per vote will be discussed below:

1. COUNCIL AND EXECUTIVE

Council and executive - there is zero budget for Council.

2. MUNICIPAL MANAGER

Municipal Manager - the year to date expenditure amount to R125 thousand of R588 thousand that was budgeted.

3. FINANCE

Finance – the year to date expenditure amounts to R0 of the R182 thousand budgeted.

4. CORPORATE SERVICES AND DEVELOPMENT

Corporate services year to date expenditure amount to R63 thousand of the R486 thousand that is budgeted.

5. PLANNING AND OPERATIONS

Community services year to date expenditure amount to R12 thousand of the R6, 605 million that was budgeted.

6. INFRASTRUCTURE AND HUMAN SETTLEMENTS

year to date expenditure amount to R10, 114 of the R93, 093 million that was budgeted.

NC094 Phokwane - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03 September

Capital Expenditure - Standard Classification										
Governance and administration		–	1 255	1 255	–	188	314	(126)	-40%	1 255
Executive and council			588	588	–	125	147	(21)	-15%	588
Budget and treasury office			182	182	–	–	45	(45)	-100%	182
Corporate services			486	486	–	63	122	(59)	-49%	486
Community and public safety		–	6 605	6 605	–	12	1 651	(1 640)	-99%	6 605
Community and social services			6 145	6 145	–	12	1 536	(1 525)	-99%	6 145
Sport and recreation			–	–	–	–	–	–		–
Public safety			460	460	–	–	115	(115)	-100%	460
Housing			–	–	–	–	–	–		–
Health			–	–	–	–	–	–		–
Economic and environmental services		–	24 380	24 380	–	1 150	6 095	(4 945)	-81%	24 380
Planning and development			–	–	–	–	–	–		–
Road transport			24 380	24 380	–	1 150	6 095	(4 945)	-81%	24 380
Environmental protection			–	–	–	–	–	–		–
Trading services		–	68 713	68 713	314	8 964	17 178	(8 214)	-48%	68 713
Electricity			1 725	1 725	314	314	431	(117)	-27%	1 725
Water			34 522	34 522	–	8 649	8 630	19	0%	34 522
Waste water management			32 466	32 466	–	–	8 117	(8 117)	-100%	32 466
Waste management			–	–	–	–	–	–		–
Other			–	–	–	–	–	–		–
Total Capital Expenditure - Standard Classification	3	–	100 953	100 953	314	10 313	25 238	(14 925)	-59%	100 953
Funded by:										
National Government			44 836	44 836	–	9 799	11 209	(1 410)	-13%	44 836
Provincial Government			39 430	39 430	–	–	9 858	(9 858)	-100%	39 430
District Municipality			5 000	5 000	–	–	1 250	(1 250)	-100%	5 000
Other transfers and grants			–	–	–	–	–	–		–
Transfers recognised - capital		–	89 266	89 266	–	9 799	22 317	(12 517)	-56%	89 266
Public contributions & donations	5		–	–				–		–
Borrowing	6		–	–				–		–
Internally generated funds			11 687	11 687	314	514	2 922	(2 408)	-82%	11 687
Total Capital Funding		–	100 953	100 953	314	10 313	25 238	(14 925)	-59%	100 953

NC094 Phokwane - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash			46 588	46 588	(23 972)	46 588
Call investment deposits			38 343	38 343	35 167	38 343
Consumer debtors			16 525	16 525	8 603	16 525
Other debtors						
Current portion of long-term receivables						
Inventory					(25)	
Total current assets		–	101 456	101 456	19 773	101 456
Non current assets						
Long-term receivables						
Investments						
Investment property						
Investments in Associate						
Property, plant and equipment			406 878	406 878	–	406 878
Agricultural						
Biological assets						
Intangible assets			–	–		–
Other non-current assets						
Total non current assets		–	406 878	406 878	–	406 878
TOTAL ASSETS		–	508 333	508 333	19 773	508 333
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft						
Borrowing			17 347	17 347		17 347
Consumer deposits					(40)	
Trade and other payables			457	457	(2 121)	457
Provisions						
Total current liabilities		–	17 804	17 804	(2 161)	17 804
Non current liabilities						
Borrowing			54	54	–	54
Provisions			21 877	21 877	18	21 877
Total non current liabilities		–	21 931	21 931	18	21 931
TOTAL LIABILITIES		–	39 735	39 735	(2 144)	39 735
NET ASSETS	2	–	468 598	468 598	21 917	468 598
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)			468 598	468 598	(213)	468 598
Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	–	468 598	468 598	(213)	468 598

FINANCIAL POSITION

ASSETS

1. CURRENT ASSETS

Total year to date current asset amount to R19, 773 million of which is made of the following line items:

1.1 CASH

Cash consist of the total bank and cash which is calculated from Phokwane current account, Phokwane CRR, Petty cash per pay point, Petty cash available and Standard Bank main account.

1.2 CONSUMER DEBTOR

Consumer debtor consist of total consumer debtors which is calculated from services debtors i.e. water services, electricity services, sewerage services, refuse services, property tax, interest raised, deposit control, housing rent etc. less provision for bad debts at the end of the year.

1.3 OTHER DEBTOR

Other debtor consist of total other debtor which is calculated from total sundry debtors.

1.4 INVENTORY

Inventory consist of total inventory which is calculated from total consumables stores i.e. Phokwane main stores, Hartswater and Jan Kempdorp Leaded and Hartswater and Jan Kempdorp diesel.

2. NON-CURRENT ASSETS

The year to date non-current assets amount to R0 which is made of the following line item:

2.1 INVESTMENT

Investment consists of total investment which is calculated from fixed deposit and other deposit.

LIABILITIES

1. CURRENT LIABILITIES

The total current liabilities amount to R2, 161 million which is made of the following line items:

1.1 CONSUMER DEPOSIT

Consumer deposits consist of total other deposit which is calculated from Vrouemonument, Town hall, consumers, tenders and sports ground.

1.2 TRADE AND OTHER PAYABLES

Trade and other payables consist of:

- **Creditors** which consist of trade creditors, retention creditors, sundry creditors, payment in advance creditors, staff leave and project creditors.
- **Unspent conditional grants** which consist of government grants i.e. Municipal Infrastructure Grant, Municipal Improvement System Grant, Financial Management Grant, Department of Water Affairs Grant Infrastructure and Operational Grant, Department of Public Works Grant (EPWP), Department of Energy Grant (INEG) and the District Grant.

- **Vat Payable**

This VAT consist of input VAT derived from transactions which output VAT was collected and became payable to SARS

- **COMMUNITY AND WEALTH**

Community and wealth are made of government grant reserve and accumulated surplus/deficit.

1. ACCUMULATED SURPLUS/DEFICIT

The total accumulated surplus/ deficit consist of year-on-year surpluses or deficits which are set to be the balance at the end of the month/year as result of matching-off against revenue and expenditure and amount to R213 thousand for the period that has ended 30 September 2014.

NC094 Phokwane - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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			108 603	108 603	7 411	23 941	27 151	(3 210)	-12%	108 603	
Government - operating			76 376	76 376	–	31 263	19 094	12 169	64%	76 376	
Government - capital			88 839	88 839	–	9 875	22 210	(12 335)	-56%	88 839	
Interest			7 566	7 566	31	210	1 891	(1 682)	-89%	7 566	
Dividends			–	–	–	–		–		–	
Payments											
Suppliers and employees			(202 149)	(202 149)	(13 527)	(30 317)	(50 537)	(20 220)	40%	(202 149)	
Finance charges			–	–	–	–		–		–	
Transfers and Grants			–	–	–	–		–		–	
NET CASH FROM/(USED) OPERATING ACTIVITIES			–	79 235	79 235	(6 084)	34 971	19 809	15 162	77%	79 235
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			–	–				–		–	
Decrease (Increase) in non-current debtors			–	–				–		–	
Decrease (increase) other non-current receiv ables			(13 604)	(13 604)	–	–	(3 401)	3 401	-100%	(13 604)	
Decrease (increase) in non-current investments			(10 205)	(10 205)	–	–	(2 551)	2 551	-100%	(10 205)	
Payments											
Capital assets			(88 839)	(88 839)	(314)	(10 313)	(22 210)	(11 896)	54%	(88 839)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			–	(112 648)	(112 648)	(314)	(10 313)	(28 162)	(17 849)	63%	(112 648)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans								–			
Borrowing long term/refinancing								–			
Increase (decrease) in consumer deposits								–			
Payments											
Repay ment of borrow ing			–	–	–	–		–		–	
NET CASH FROM/(USED) FINANCING ACTIVITIES			–	–	–	–	–	–		–	
NET INCREASE/ (DECREASE) IN CASH HELD			–	(33 413)	(33 413)	(6 399)	24 658	(8 353)		(33 413)	
Cash/cash equiv alents at beginning:			27 093	27 093			27 093			–	
Cash/cash equiv alents at month/year end:			–	(6 320)	(6 320)		24 658	18 740		(33 413)	

CASH FLOW

Cash flow is divided into three activities which all calculate to the cash and cash equivalent at the beginning of the month. The activities are being discussed below:

1. CASH FLOW FROM OPERATING ACTIVITIES

The year to date cash flow from operating activities amounts to R34, 971 million of the R1, 808 million that is budgeted.

2. CASH FLOW FROM INVESTING ACTIVITIES

The year to date cash flow from investing activities amounts to R10, 313 million of the R 28, 162 million that was budgeted.

3. CASH FLOW FROM FINANCING ACTIVITIES

The year to date cash flow from financing activities amounts to R0.

Cash and Investment

Cash at bank balance for the period ended 30 September 2014 amounted to R301 974 for Standard Bank and Absa amounted to R4, 899, 632

As at 30 September 2014 Council had no Investments

SUPPLY CHAIN MANAGEMENT

Council has two types of investment i.e. the call account and the fixed deposit.

- The call account is with ABSA Bank with a capital amount of R5, 148 million.
- The fixed deposit investment is at ABSA Bank with a capital amount of R9, 710 million.
- The fixed deposit investment is at FNB Bank with a capital amount of R38, 383 million.

Section 7 - Municipal manager's quality certification

PHOKWANE MUNICIPALITY



UNITY CONQUERS

24 Hertzog Street
Private Bag x3
HARTSWATER
8570

Tel: 053 - 474 9700
Fax: 053 - 474 1768

I,, Municipal Manager of Phokwane Municipality
hereby certify that

☐

The monthly budget statement

☐

The quarterly report on the implementation of the budget and financial state affairs of the municipality

☐

Mid-year budget and performance assessment

For the month of March 2014 has been prepared in accordance with the Municipal Finance Management
Act and the regulations made under the Act

Name : Moeketsi Dichaba

Municipal Manager of Phokwane Municipality : NC094

Signature:
