

Monthly Budget Statement Report



JULY 2011

**Steve Tshwete Local
Municipality**

01/08/2011

FINANCES : FINANCIAL MONTHLY REPORT FOR JULY 2011

9/3/1 (W)

Report by the Executive Manager Finance

1. In terms of Section 71 of the MFMA the accounting officer must no later than 10 working days after the end of each month submit the monthly budget statement report in the prescribed format as specified in the Municipal Budget and Reporting Regulations under Schedule C which must include the required tables, charts and explanatory information.
2. The monthly in-year report on the implementation of the Annual Budget in accordance with the Service Delivery Budget Implementation Plan to be submitted to the Executive Mayor, National Treasury and the relevant Provincial Treasury consists out of two parts containing the following information and is attached as **ANNEXURE A**:

2.1 PART 1 – IN YEAR REPORT

- Executive summary
- In-year budget statements tables

2.2 PART 2 – SUPPORTING DOCUMENTATION

- Debtors analysis
- Creditors analysis
- Investment portfolio analysis
- Allocation and grant receipts and expenditure
- Councillor allowances and employee benefits
- Material variances to the service delivery and budget implementation plan
- Capital programme performance
- Performance indicators
- Other supporting documents
- Municipal managers quality certification
- In-year budget statements supporting tables

3. MUNICIPAL INFRASTRUCTURE GRANT

During the month of July capital expenditure to the amount of R0,2-million realised from the MIG capital grant.

- 4 It should be noted that this monthly report represents the month-end transactions up to July 2011.
- 5 **Recommendation:**

- 5.1 That the monthly in-year report for July 2011 be noted.
- 5.2 That the report be submitted in both an electronic and hard copy format to the National and Provincial Treasury.
- 5.3 That the monthly in-year report for July 2011 be placed on the municipal website.

Recommendation by the Municipal Manager

- 1 **THAT** the report by the Executive Manager : Finance regarding the monthly report for July 2011 which includes the status of assets in support of Clean Audit 2014, be noted.
- 2 **THAT** permission be granted to the Executive Manager : Finance to submit the report in both an electronic and hard copy format to the National and Provincial Treasury.
- 3 **THAT** the monthly in-year report for July 2011 be placed on the municipal website.

M01/08/2011

FINANCES : FINANCIAL MONTHLY REPORT FOR JULY 2011

9/3/1 (W)

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** the report by the Executive Manager : Finance regarding the monthly report for July 2011 which includes the status of assets in support of Clean Audit 2014, be noted.
- 2 **THAT** permission be granted to the Executive Manager : Finance to submit the report in both an electronic and hard copy format to the National and Provincial Treasury.
- 3 **THAT** the monthly in-year report for July 2011 be placed on the municipal website.

PART 1 – IN-YEAR REPORT

1. Executive Summary

Table C1: Monthly Budget Statement Summary

For the month of July, revenue to the amount of R90,9-million realized against the year to date budgeted revenue of R80,9-million. This reflects a favorable deviation of 12%. Operating expenditure to the amount of R77,2-million was appropriated against the year to date budgeted expenditure of R85,1-million. This reflects a deviation of 9%. Capital expenditure for the month amounts to R1,5-million which is a deviation of 59% against the SDBIP figure of R3,6-million.

Taking the above into consideration the net operating surplus for the year amounts to R18,3-million whilst the cash and cash equivalents increased to R154,9-million.

Outstanding debtors increased to R63,7-million. This is mainly due to the increase in tariffs from 1 July 2011. Creditors to the amount of R75,9-million were paid during the month.

2. In-Year Budget Statements Tables

Table C2: Monthly Financial Performance by Vote

Table C2 measures the monthly actuals against the year to date SDBIP figures which realized by vote for revenue and expenditure. The deviations by vote are reflected in the year-to-date (YTD) variance column.

The difference in revenue variations between Table C2 and Table C1 is the result of capital grants received, which are included Table C2.

The revenue by vote is graphically presented in:

Chart 1 – Revenue by vote;

Chart 2 – Expenditure by vote.

Table C4: Monthly Financial Performance by Revenue Source and Expenditure Type.

This table provides the monthly details for revenue by source and expenditure by type. For the purpose of reporting, Table C4 will be used to provide explanations on deviations. Reasons for deviations will only be provided in cases where the percentages differ with more than 10% and can be viewed in Supporting Table SC1.

Table C5: Monthly Capital Expenditure by Vote

Table C5 indicates the monthly actuals on capital expenditure for all votes and measures the year-to-date actuals against the year to date planning (SDBIP) figures.

For the month of July capital expenditure to the amount of R1,5-million realized, which deviates with R2,1-million against the planned figure of R3,6-million and constitutes a total deviation of 59%.

The deviation with the SDBIP figures is mainly with roads and storm water, water and sewerage services. Reasons for deviations can be viewed in Supporting Table SC1.

The Capex by vote is graphically presented in:
Chart 3 – Capex by vote.

Capital Expenditure by Funding Source is reflected in the table below:

Funded By	Adjusted Budget R	Monthly Actual R	YTD Actual R	YTD SDBIP R	YTD variance %
National Government					
• MIG	29 409 150	226 121	226 121	2 112 500	89%
• INEP	1 440 000	-	-	-	0%
• Other	17 978 000	-	-	300 000	100%
Borrowing	91 800 000	120 135	120 135	625 000	81%
Internally generated Reserves	67 852 500	1 136 746	1 136 746	596 000	-91%
TOTAL	208 479 650	1 483 002	1 483 002	3 633 500	

During the month of July capital expenditure to the amount of R0,2-million realized from the MIG capital grant. The actual year to date expenditure on MIG amounted to R3,8-million which represents 12,4% of the total MIG grant for the 2011/2012 allocation.

Table C6: Monthly Budget Statement Financial Position

In general the community wealth of the municipality amounts to R6 492,6-million. Total liabilities amounts to R406,3-million, whilst total assets amounts to R6 898,9-million.

Table C7: Monthly Budget Statement Cash Flow

Table C7 provides detail of the monthly cash in- and outflow. For the month of July the net cash from operating activities was R24,6-million whilst cash from investing activities was R70,5-million. The cash held increased from R59,3-million to R154,9-million which is represented by the cash inflow for operating and investing activities.

MP313 Steve Tshwete - Table C1 Monthly Budget Statement Summary - M01 July

Description	2010/11	Budget Year 2011/12							
	Unaudited 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	171,485	195,806	195,806	16,315	16,315	16,317	(2)	0%	195,779
Service charges	402,301	480,029	480,029	36,163	36,163	40,004	(3,841)	-10%	433,959
Investment revenue	29,402	29,476	29,476	2,509	2,509	1,247	1,262	101%	30,111
Transfers recognised - operational	72,495	83,320	83,320	31,371	31,371	20,177	11,194	55%	83,320
Other own revenue	50,357	63,150	63,150	4,591	4,591	3,230	1,361	42%	63,275
Total Revenue (excluding capital transfers and contributions)	726,040	851,781	851,781	90,949	90,949	80,976	9,973	12%	806,444
Employee costs	224,369	261,162	261,162	18,518	18,518	19,816	(1,299)	-7%	222,213
Remuneration of Councillors	11,934	15,364	15,364	1,175	1,175	1,177	(2)	0%	14,097
Depreciation & asset impairment	155,313	156,887	156,887	13,074	13,074	13,074	0	0%	156,887
Finance charges	136	26,451	26,451	2,204	2,204	2,204	0	0%	26,451
Materials and bulk purchases	192,128	240,571	240,571	30,495	30,495	29,567	928	3%	365,946
Transfers and grants	35,145	45,196	45,196	3,320	3,320	3,688	(367)		45,196
Other expenditure	166,212	171,988	171,988	8,364	8,364	15,618	(7,254)	-46%	100,366
Total Expenditure	785,238	917,619	917,619	77,150	77,150	85,145	(7,994)	-9%	931,155
Surplus/(Deficit)	(59,198)	(65,838)	(65,838)	13,799	13,799	(4,168)	17,967	-431%	(124,711)
Transfers recognised - capital	45,096	52,033	52,033	4,466	4,466	1,500	2,966	198%	52,033
Contributions & Contributed assets	-	22,170	22,170	-	-	-	-		22,170
Surplus/(Deficit) after capital transfers & contributions	(14,102)	8,365	8,365	18,265	18,265	(2,668)	20,934	-785%	(50,509)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	(14,102)	8,365	8,365	18,265	18,265	(2,668)	20,934	-785%	(50,509)
<u>Capital expenditure & funds sources</u>									
Capital expenditure	250,855	208,480	208,480	1,483	1,483	3,634	(2,150)	-59%	208,480
Capital transfers recognised	35,671	48,827	48,827	226	226	2,413	(2,186)	-91%	48,827
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	72,236	91,800	91,800	120	120	625	(505)	-81%	91,800
Internally generated funds	142,948	67,853	67,853	1,137	1,137	596	541	91%	67,853
Total sources of capital funds	250,855	208,480	208,480	1,483	1,483	3,634	(2,150)	-59%	208,480
<u>Financial position</u>									
Total current assets	613,472	350,231	350,231		504,358				350,231
Total non current assets	6,142,465	6,458,320	6,458,320		6,394,531				6,458,320
Total current liabilities	147,067	103,478	103,478		126,136				103,478
Total non current liabilities	208,046	349,482	349,482		280,161				349,482
Community wealth/Equity	6,400,824	6,355,591	6,355,591		6,492,591				6,355,591
<u>Cash flows</u>									
Net cash from (used) operating	26,955	143,364	143,364	24,580	24,580	10,804	13,777	128%	272
Net cash from (used) investing	(141,503)	(190,000)	(190,000)	70,517	70,517	23,567	46,950	199%	(106,608

MP313 Steve Tshwete - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M01 July

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited 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>		267,701	316,314	316,314	40,623	40,623	31,719	8,904	28%	487,476
Executive and council		40,249	38,921	38,921	15,759	15,759	9,727	6,032	62%	189,109
Budget and treasury office		206,869	232,259	232,259	21,352	21,352	19,346	2,006	10%	256,225
Corporate services		20,584	45,134	45,134	3,512	3,512	2,646	866	33%	42,142
<i>Community and public safety</i>		18,759	29,325	29,325	2,494	2,494	552	1,943	352%	29,934
Community and social services		3,689	5,577	5,577	72	72	95	(24)	-25%	859
Sport and recreation		9,608	13,673	13,673	1,492	1,492	35	1,456	4104%	17,898
Public safety		5,040	6,235	6,235	922	922	404	518	128%	11,068
Housing		117	1,165	1,165	9	9	15	(6)	-41%	108
Health		305	2,674	2,674	-	-	2	(2)	-100%	-
<i>Economic and environmental services</i>		36,879	37,859	37,859	1,595	1,595	2,028	(432)	-21%	19,142
Planning and development		2,647	3,875	3,875	872	872	95	777	822%	10,462
Road transport		34,233	33,984	33,984	723	723	1,933	(1,210)	-63%	8,680
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		447,797	542,486	542,486	50,703	50,703	48,178	2,525	5%	608,433
Electricity		305,638	357,560	357,560	29,171	29,171	30,679	(1,508)	-5%	350,049
Water		49,600	67,425	67,425	5,430	5,430	5,014	416	8%	65,161
Waste water management		45,294	62,814	62,814	7,974	7,974	6,373	1,600	25%	95,684
Waste management		47,265	54,686	54,686	8,128	8,128	6,111	2,017	33%	97,538
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	771,136	925,983	925,983	95,415	95,415	82,476	12,939	16%	1,144,985
Expenditure - Standard										
<i>Governance and administration</i>		145,055	178,998	178,998	11,868	11,868	18,637	(6,768)	-36%	142,420
Executive and council		43,625	57,910	57,910	4,928	4,928	5,713	(784)	-14%	59,139
Budget and treasury office		38,146	43,256	43,256	2,788	2,788	3,395	(607)	-18%	33,458
Corporate services		63,284	77,833	77,833	4,152	4,152	9,529	(5,377)	-56%	49,823
<i>Community and public safety</i>		131,925	152,834	152,834	9,980	9,980	10,776	(796)	-7%	119,766
Community and social services		18,577	22,774	22,774	1,498	1,498	1,643	(145)	-9%	17,974
Sport and recreation		38,171	44,263	44,263	2,210	2,210	2,845	(635)	-22%	26,522
Public safety		47,807	54,377	54,377	4,098	4,098	4,042	56	1%	49,181
Housing		7,318	8,751	8,751	590	590	639	(49)	-8%	7,082
Health		20,051	22,668	22,668	1,584	1,584	1,606	(22)	-1%	19,007
<i>Economic and environmental services</i>		96,625	104,100	104,100	7,721	7,721	7,952	(231)	-3%	92,654
Planning and development		7,557	9,818	9,818	611	611	604	7	1%	7,335
Road transport		89,068	94,281	94,281	7,110	7,110	7,348	(238)	-3%	85,320
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		411,633	481,687	481,687	47,580	47,580	47,780	(200)	0%	570,962
Electricity		271,267	315,427	315,427	36,055	36,055	34,934	1,120	3%	432,658
Water		45,959	55,499	55,499	3,297	3,297	4,189	(892)	-21%	39,563
Waste water management		46,960	57,899	57,899	4,370	4,370	4,586	(217)	-5%	52,436
Waste management		47,447	52,862	52,862	3,859	3,859	4,070	(211)	-5%	46,305
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	785,238	917,619	917,619	77,150	77,150	85,145	(7,994)	-9%	925,802
Surplus/ (Deficit) for the year		(14,102)	8,365	8,365	18,265	18,265	(2,668)	20,934	-785%	219,183

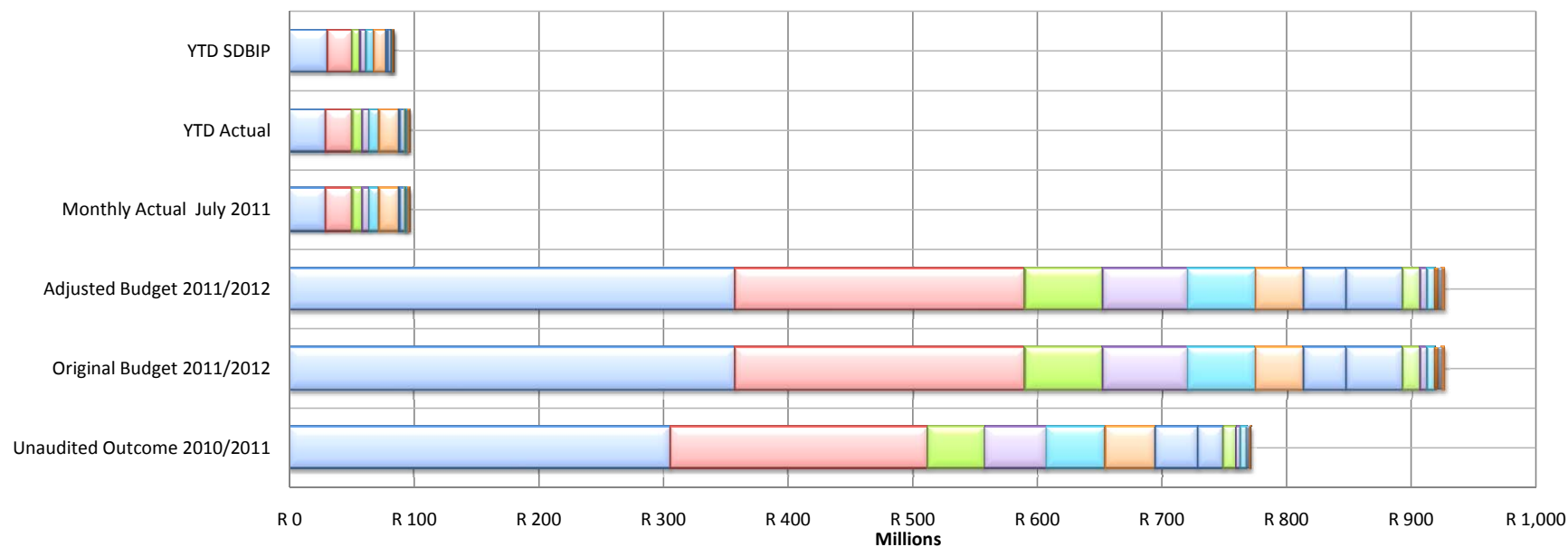
MP313 Steve Tshwete - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M01 July

Description	Ref	2010/11	Budget Year 2011/12							Full Year Forecast
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								%	
Revenue - Standard										
<i>Municipal governance and administration</i>		267,701	316,314	316,314	40,623	40,623	31,719	8,904	28%	487,476
Executive and council		40,249	38,921	38,921	15,759	15,759	9,727	6,032	62%	189,109
Mayor and Council		40,166	38,921	38,921	15,759	15,759	9,727	6,032	62%	189,109
Municipal Manager		82						-		
Budget and treasury office		206,869	232,259	232,259	21,352	21,352	19,346	2,006	10%	256,225
Corporate services		20,584	45,134	45,134	3,512	3,512	2,646	866	33%	42,142
Human Resources		649	1,031	1,031	261	261	75	186	248%	3,128
Information Technology		1						0	690%	1
Property Services		13,086	33,308	33,308	2,923	2,923	974	1,949	200%	35,079
Other Admin		6,847	10,795	10,795	328	328	1,597	(1,269)	-79%	3,933
<i>Community and public safety</i>		18,759	29,325	29,325	2,494	2,494	552	1,943	352%	29,934
Community and social services		3,689	5,577	5,577	72	72	95	(24)	-25%	859
Libraries and Archives		143	139	139	5	5	20	(15)	-74%	61
Museums & Art Galleries etc								-		
Community halls and Facilities		233	2,800	2,800	12	12	15	(3)	-19%	147
Cemeteries & Crematoriums		3,036	2,350	2,350	31	31	36	(5)	-13%	377
Child Care								-		
Aged Care		278	288	288	23	23	24	(1)	-6%	274
Other Community								-		
Other Social								-		
Sport and recreation		9,608	13,673	13,673	1,492	1,492	35	1,456	4104%	17,898
Public safety		5,040	6,235	6,235	922	922	404	518	128%	11,068
Police		4,271	5,157	5,157	908	908	402	507	126%	10,901
Fire		195	197	197	14	14	2	12	530%	166
Civil Defence								-		
Street Lighting		573	880	880				-		
Other								-		
Housing		117	1,165	1,165	9	9	15	(6)	-41%	108
Health		305	2,674	2,674			2	(2)	-100%	
Clinics			2,510	2,510				-		
Ambulance								-		
Other		305	164	164			2	(2)	-100%	
<i>Economic and environmental services</i>		36,879	37,859	37,859	1,595	1,595	2,028	(432)	-21%	19,142
Planning and development		2,647	3,875	3,875	872	872	95	777	822%	10,462
Economic Development/Planning		3						-		
Town Planning/Building enforcement		2,644	3,875	3,875	872	872	95	777	822%	10,462
Licensing & Regulation								-		
Road transport		34,233	33,984	33,984	723	723	1,933	(1,210)	-63%	8,680
Roads		16,782	20,956	20,956	227	227	1,502	(1,275)	-85%	2,724
Public Buses								-		
Parking Garages								-		
Vehicle Licensing and Testing		13,614	12,991	12,991	493	493	428	65	15%	5,919
Other		3,837	37	37	3	3	3	0	0%	37
Environmental protection								-		
Pollution Control								-		
Biodiversity & Landscape								-		
Other								-		
<i>Trading services</i>		447,797	542,486	542,486	50,703	50,703	48,178	2,525	5%	608,433
Electricity		305,638	357,560	357,560	29,171	29,171	30,679	(1,508)	-5%	350,049
Electricity Distribution		305,638	357,560	357,560	29,171	29,171	30,679	(1,508)	-5%	350,049
Electricity Generation								-		
Water		49,600	67,425	67,425	5,430	5,430	5,014	416	8%	65,161
Water Distribution		49,600	67,425	67,425	5,430	5,430	5,014	416	8%	65,161
Water Storage								-		
Waste water management		45,294	62,814	62,814	7,974	7,974	6,373	1,600	25%	95,684
Sewerage		45,294	62,814	62,814	7,974	7,974	6,373	1,600	25%	95,684
Storm Water Management								-		
Public Toilets								-		
Waste management		47,265	54,686	54,686	8,128	8,128	6,111	2,017	33%	97,538
Solid Waste		47,265	54,686	54,686	8,128	8,128	6,111	2,017	33%	97,538
Other								-		
Air Transport								-		
Abattoirs								-		
Tourism								-		
Forestry								-		
Markets								-		
Total Revenue - Standard	2	771,136	925,983	925,983	95,415	95,415	82,476	12,939	16%	1,144,985

MP313 Steve Tshwete - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M01 July

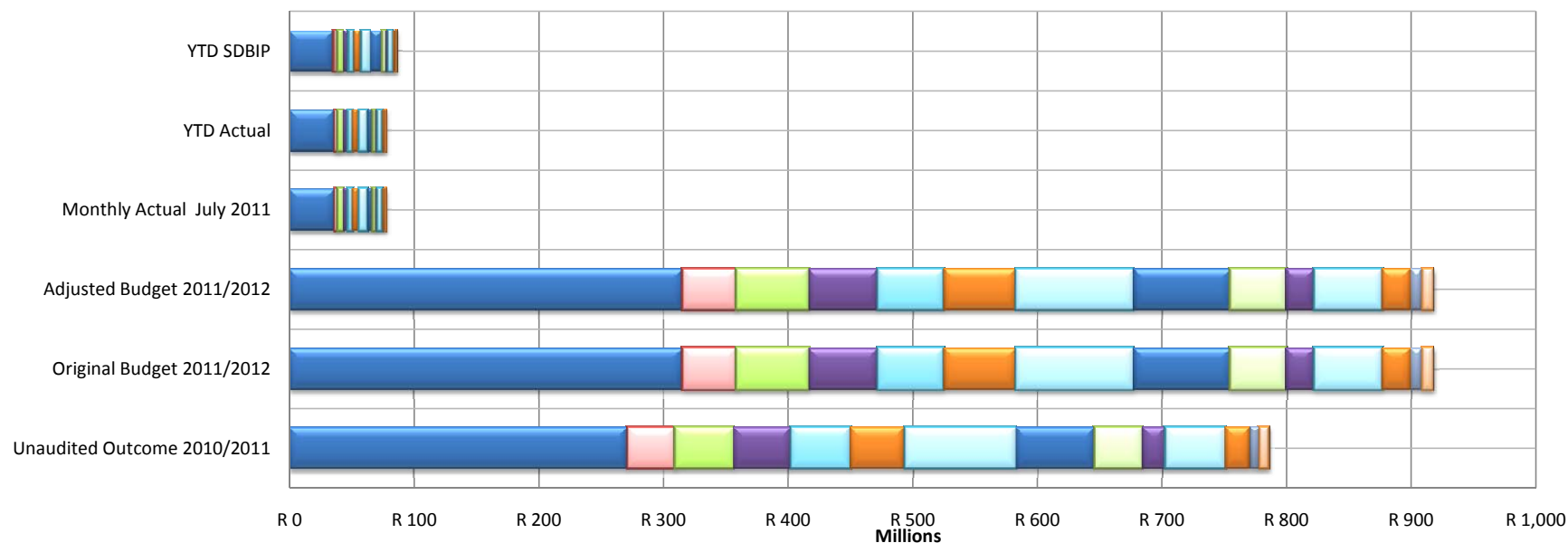
Description	Ref	2010/11	Budget Year 2011/12							Full Year Forecast
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1								%	
Expenditure - Standard										
<i>Municipal governance and administration</i>		145,055	178,998	178,998	11,868	11,868	18,637	(6,768)	-36%	142,420
Executive and council		43,625	57,910	57,910	4,928	4,928	5,713	(784)	-14%	59,139
<i>Mayor and Council</i>		22,937	30,607	30,607	3,071	3,071	3,809	(738)	-19%	36,847
<i>Municipal Manager</i>		20,688	27,303	27,303	1,858	1,858	1,904	(46)	-2%	22,292
Budget and treasury office		38,146	43,256	43,256	2,788	2,788	3,395	(607)	-18%	33,458
Corporate services		63,284	77,833	77,833	4,152	4,152	9,529	(5,377)	-56%	49,823
<i>Human Resources</i>		7,085	9,584	9,584	463	463	536	(73)	-14%	5,554
<i>Information Technology</i>		8,071	11,752	11,752	535	535	895	(360)	-40%	6,422
<i>Property Services</i>		17,864	20,952	20,952	1,155	1,155	1,586	(431)	-27%	13,865
<i>Other Admin</i>		30,264	35,545	35,545	1,998	1,998	6,511	(4,512)	-69%	23,982
<i>Community and public safety</i>		131,925	152,834	152,834	9,980	9,980	10,776	(796)	-7%	119,766
Community and social services		18,577	22,774	22,774	1,498	1,498	1,643	(145)	-9%	17,974
<i>Libraries and Archives</i>		7,338	8,498	8,498	624	624	693	(69)	-10%	7,492
<i>Museums & Art Galleries etc</i>								-		
<i>Community halls and Facilities</i>		4,080	5,933	5,933	356	356	429	(73)	-17%	4,277
<i>Cemeteries & Crematoriums</i>		4,616	5,108	5,108	317	317	339	(21)	-6%	3,809
<i>Child Care</i>								-		
<i>Aged Care</i>		941	851	851	72	72	50	22	44%	861
<i>Other Community</i>								-		
<i>Other Social</i>		1,603	2,383	2,383	128	128	132	(4)	-3%	1,535
Sport and recreation		38,171	44,263	44,263	2,210	2,210	2,845	(635)	-22%	26,522
Public safety		47,807	54,377	54,377	4,098	4,098	4,042	56	1%	49,181
<i>Police</i>		20,911	23,848	23,848	1,849	1,849	1,874	(26)	-1%	22,182
<i>Fire</i>		23,033	25,482	25,482	1,827	1,827	1,782	45	3%	21,922
<i>Civil Defence</i>								-		
<i>Street Lighting</i>		3,863	5,048	5,048	423	423	386	37	10%	5,077
<i>Other</i>								-		
Housing		7,318	8,751	8,751	590	590	639	(49)	-8%	7,082
Health		20,051	22,668	22,668	1,584	1,584	1,606	(22)	-1%	19,007
<i>Clinics</i>		15,738	17,628	17,628	1,290	1,290	1,281	9	1%	15,478
<i>Ambulance</i>								-		
<i>Other</i>		4,314	5,040	5,040	294	294	325	(31)	-10%	3,529
<i>Economic and environmental services</i>		96,625	104,100	104,100	7,721	7,721	7,952	(231)	-3%	92,654
Planning and development		7,557	9,818	9,818	611	611	604	7	1%	7,335
<i>Economic Development/Planning</i>		1,699	2,597	2,597	124	124	166	(42)	-26%	1,482
<i>Town Planning/Building enforcement</i>		5,858	7,222	7,222	488	488	438	50	11%	5,852
<i>Licensing & Regulation</i>								-		
Road transport		89,068	94,281	94,281	7,110	7,110	7,348	(238)	-3%	85,320
<i>Roads</i>		77,227	80,287	80,287	6,076	6,076	6,322	(245)	-4%	72,914
<i>Public Buses</i>								-		
<i>Parking Garages</i>								-		
<i>Vehicle Licensing and Testing</i>		10,234	12,182	12,182	883	883	880	3	0%	10,592
<i>Other</i>		1,607	1,813	1,813	151	151	147	4	3%	1,813
Environmental protection								-		
<i>Pollution Control</i>								-		
<i>Biodiversity & Landscape</i>								-		
<i>Other</i>								-		
<i>Trading services</i>		411,633	481,687	481,687	47,580	47,580	47,780	(200)	0%	570,962
Electricity		271,267	315,427	315,427	36,055	36,055	34,934	1,120	3%	432,658
<i>Electricity Distribution</i>		271,267	315,427	315,427	36,055	36,055	34,934	1,120	3%	432,658
<i>Electricity Generation</i>								-		
Water		45,959	55,499	55,499	3,297	3,297	4,189	(892)	-21%	39,563
<i>Water Distribution</i>		27,086	33,321	33,321	1,673	1,673	2,470	(797)	-32%	20,081
<i>Water Storage</i>		18,872	22,178	22,178	1,623	1,623	1,719	(96)	-6%	19,482
Waste water management		46,960	57,899	57,899	4,370	4,370	4,586	(217)	-5%	52,436
<i>Sewerage</i>		45,377	56,191	56,191	4,256	4,256	4,471	(215)	-5%	51,072
<i>Storm Water Management</i>								-		
<i>Public Toilets</i>		1,583	1,708	1,708	114	114	115	(2)	-1%	1,364
Waste management		47,447	52,862	52,862	3,859	3,859	4,070	(211)	-5%	46,305
<i>Solid Waste</i>		47,447	52,862	52,862	3,859	3,859	4,070	(211)	-5%	46,305
Other								-		
<i>Air Transport</i>								-		
<i>Abattoirs</i>								-		
<i>Tourism</i>								-		
<i>Forestry</i>								-		
<i>Markets</i>								-		
Total Expenditure - Standard	3	785,238	917,619	917,619	77,150	77,150	85,145	(7,994)	-9%	925,802
Surplus/ (Deficit) for the year		(14,102)	8,365	8,365	18,265	18,265	(2,668)	20,934	-785%	219,183

REVENUE BY VOTE



	Unaudited Outcome 2010/2011	Original Budget 2011/2012	Adjusted Budget 2011/2012	Monthly Actual July 2011	YTD Actual	YTD SDBIP
Electricity	R 305,638,265	R 357,560,466	R 357,560,466	R 29,170,787	R 29,170,787	R 30,679,143
Budget and treasury office	R 206,868,957	R 232,259,084	R 232,259,084	R 21,352,083	R 21,352,083	R 19,346,014
Waste water management	R 45,294,365	R 62,814,378	R 62,814,378	R 7,973,706	R 7,973,706	R 6,373,363
Water	R 49,599,698	R 67,425,126	R 67,425,126	R 5,430,096	R 5,430,096	R 5,014,209
Waste management	R 47,264,606	R 54,685,719	R 54,685,719	R 8,128,202	R 8,128,202	R 6,111,295
Executive and council	R 40,248,616	R 38,920,750	R 38,920,750	R 15,759,118	R 15,759,118	R 9,727,188
Road transport	R 34,232,614	R 33,983,880	R 33,983,880	R 723,335	R 723,335	R 1,932,955
Corporate services	R 20,583,587	R 45,134,040	R 45,134,040	R 3,511,822	R 3,511,822	R 2,646,016
Sport and recreation	R 9,608,281	R 13,673,419	R 13,673,419	R 1,491,514	R 1,491,514	R 35,475
Community and social services	R 3,689,242	R 5,577,160	R 5,577,160	R 71,624	R 71,624	R 95,150
Public safety	R 5,039,711	R 6,234,885	R 6,234,885	R 922,323	R 922,323	R 403,971
Health	R 304,758	R 2,673,660	R 2,673,660	R 0	R 0	R 1,800
Planning and development	R 2,646,537	R 3,875,285	R 3,875,285	R 871,841	R 871,841	R 94,586
Housing	R 116,934	R 1,165,440	R 1,165,440	R 9,003	R 9,003	R 15,137

EXPENDITURE BY VOTE



	Unaudited Outcome 2010/2011	Original Budget 2011/2012	Adjusted Budget 2011/2012	Monthly Actual July 2011	YTD Actual	YTD SDBIP
Electricity	R 271,267,406	R 315,426,868	R 315,426,868	R 36,054,875	R 36,054,875	R 34,934,465
Budget and treasury office	R 38,146,086	R 43,255,687	R 43,255,687	R 2,788,133	R 2,788,133	R 3,395,416
Waste water management	R 46,960,214	R 57,898,806	R 57,898,806	R 4,369,637	R 4,369,637	R 4,586,295
Water	R 45,958,534	R 55,499,485	R 55,499,485	R 3,296,935	R 3,296,935	R 4,189,289
Waste management	R 47,447,070	R 52,862,051	R 52,862,051	R 3,858,714	R 3,858,714	R 4,069,632
Executive and council	R 43,624,708	R 57,909,913	R 57,909,913	R 4,928,255	R 4,928,255	R 5,712,607
Road transport	R 89,068,173	R 94,281,331	R 94,281,331	R 7,109,970	R 7,109,970	R 7,348,381
Corporate services	R 63,284,165	R 77,832,755	R 77,832,755	R 4,151,945	R 4,151,945	R 9,528,621
Sport and recreation	R 38,171,027	R 44,263,321	R 44,263,321	R 2,210,134	R 2,210,134	R 2,845,461
Community and social services	R 18,577,272	R 22,774,457	R 22,774,457	R 1,497,850	R 1,497,850	R 1,642,930
Public safety	R 47,807,043	R 54,377,037	R 54,377,037	R 4,098,423	R 4,098,423	R 4,041,939
Health	R 20,051,181	R 22,668,253	R 22,668,253	R 1,583,878	R 1,583,878	R 1,606,333
Planning and development	R 7,556,741	R 9,818,221	R 9,818,221	R 611,219	R 611,219	R 603,819
Housing	R 7,318,428	R 8,750,602	R 8,750,602	R 590,197	R 590,197	R 639,372

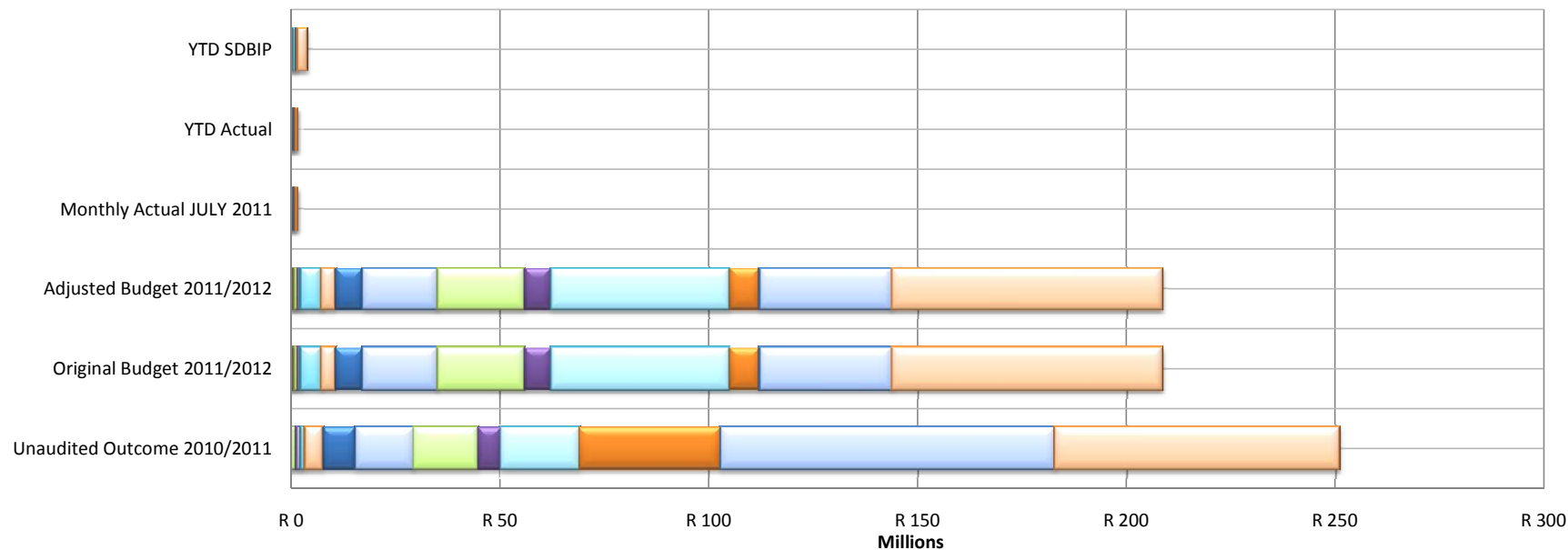
MP313 Steve Tshwete - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited 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		171,485	195,806	195,806	16,315	16,315	16,317	(2)	0%	195,779
Property rates - penalties & collection charges								-		
Service charges - electricity revenue		285,625	343,705	343,705	25,183	25,183	28,650	(3,467)	-12%	302,199
Service charges - water revenue		44,009	49,456	49,456	3,687	3,687	4,115	(428)	-10%	44,246
Service charges - sanitation revenue		36,408	44,888	44,888	3,694	3,694	3,741	(47)	-1%	44,323
Service charges - refuse revenue		36,258	41,980	41,980	3,599	3,599	3,498	101	3%	43,191
Service charges - other								-		
Rental of facilities and equipment		13,445	12,704	12,704	1,120	1,120	1,025	95	9%	13,434
Interest earned - external investments		27,678	27,740	27,740	2,371	2,371	1,117	1,254	112%	28,446
Interest earned - outstanding debtors		1,724	1,736	1,736	139	139	130	8	6%	1,665
Dividends received								-		
Fines		4,317	5,140	5,140	724	724	402	322	80%	8,693
Licences and permits		5,329	5,247	5,247	490	490	422	68	16%	5,886
Agency services		8,217	7,704	7,704				-		7,704
Transfers recognised - operational		72,495	83,320	83,320	31,371	31,371	20,177	11,194	55%	83,320
Other revenue		18,805	31,875	31,875	2,256	2,256	1,182	1,075	91%	27,078
Gains on disposal of PPE		244	480	480			200	(200)	-100%	480
Total Revenue (excluding capital transfers and contributions)		726,040	851,781	851,781	90,949	90,949	80,976	9,973	12%	806,444
Expenditure By Type										
Employee related costs		224,369	261,162	261,162	18,518	18,518	19,816	(1,299)	-7%	222,213
Remuneration of councillors		11,934	15,364	15,364	1,175	1,175	1,177	(2)	0%	14,097
Debt impairment		4,088	4,778	4,778	369	369	398	(29)	-7%	4,428
Depreciation & asset impairment		155,313	156,887	156,887	13,074	13,074	13,074	0	0%	156,887
Finance charges		136	26,451	26,451	2,204	2,204	2,204	0	0%	26,451
Bulk purchases		192,128	240,571	240,571	30,495	30,495	29,567	928	3%	365,946
Other materials								-		
Contracted services		19,259	22,015	22,015	849	849	1,398	(549)	-39%	10,187
Transfers and grants		35,145	45,196	45,196	3,320	3,320	3,688	(367)	-10%	45,196
Other expenditure		142,866	145,195	145,195	7,146	7,146	13,822	(6,676)	-48%	85,750
Loss on disposal of PPE								-		
Total Expenditure		785,238	917,619	917,619	77,150	77,150	85,145	(7,994)	-9%	931,155
Surplus/(Deficit)		(59,198)	(65,838)	(65,838)	13,799	13,799	(4,168)	1,979	(0)	(124,711)
Transfers recognised - capital		45,096	52,033	52,033	4,466	4,466	1,500			52,033
Contributions recognised - capital										
Contributed assets			22,170	22,170						22,170
Surplus/(Deficit) after capital transfers & contributions		(14,102)	8,365	8,365	18,265	18,265	(2,668)			(50,509)
Taxation										
Surplus/(Deficit) after taxation		(14,102)	8,365	8,365	18,265	18,265	(2,668)			(50,509)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		(14,102)	8,365	8,365	18,265	18,265	(2,668)			(50,509)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		(14,102)	8,365	8,365	18,265	18,265	(2,668)			(50,509)

MP313 Steve Tshwete - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M01 July

Vote Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Standard Classification										
<i>Governance and administration</i>		16,680	21,986	21,986	27	27	16	11	66%	21,986
Executive and council		1,253	834	834	-	-	-	-		834
Budget and treasury office		109	372	372	-	-	-	-		372
Corporate services		15,318	20,780	20,780	27	27	16	11	66%	20,780
<i>Community and public safety</i>		56,762	32,916	32,916	442	442	300	142	47%	32,916
Community and social services		33,874	7,240	7,240	340	340	-	340	#DIV/0!	7,240
Sport and recreation		13,805	17,814	17,814	21	21	300	(279)	-93%	17,814
Public safety		7,941	6,541	6,541	81	81	-	81	#DIV/0!	6,541
Housing		23	425	425	-	-	-	-		425
Health		1,119	896	896	-	-	-	-		896
<i>Economic and environmental services</i>		68,967	69,495	69,495	300	300	2,143	(1,843)	-86%	69,495
Planning and development		868	4,850	4,850	-	-	-	-		4,850
Road transport		68,100	64,645	64,645	300	300	2,143	(1,843)	-86%	64,645
Environmental protection		-	-	-	-	-	-	-		-
<i>Trading services</i>		108,446	84,083	84,083	715	715	1,175	(460)	-39%	84,083
Electricity		79,937	31,680	31,680	379	379	230	149	65%	31,680
Water		5,606	6,500	6,500	186	186	240	(54)	-22%	6,500
Waste water management		18,624	42,579	42,579	149	149	705	(556)	-79%	42,579
Waste management		4,278	3,324	3,324	-	-	-	-		3,324
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Standard Classification	3	250,855	208,480	208,480	1,483	1,483	3,634	(2,150)	-59%	208,480
Funded by:										
National Government		34,617	48,527	48,527	226	226	2,413	(2,186)	-91%	48,527
Provincial Government		16	300	300	-	-	-	-		300
District Municipality		-	-	-	-	-	-	-		-
Other transfers and grants		1,038	-	-	-	-	-	-		-
Transfers recognised - capital		35,671	48,827	48,827	226	226	2,413	(2,186)	-91%	48,827
Public contributions & donations	5	-	-	-	-	-	-	-		-
Borrowing	6	72,236	91,800	91,800	120	120	625	(505)	-81%	91,800
Internally generated funds		142,948	67,853	67,853	1,137	1,137	596	541	91%	67,853
Total Capital Funding		250,855	208,480	208,480	1,483	1,483	3,634	(2,150)	-59%	208,480

CAPEX BY VOTE



	Unaudited Outcome 2010/2011	Original Budget 2011/2012	Adjusted Budget 2011/2012	Monthly Actual JULY 2011	YTD Actual	YTD SDBIP
Housing	R 22,840	R 425,000	R 425,000	R 0	R 0	R 0
Budget and treasury office	R 109,064	R 372,000	R 372,000	R 0	R 0	R 0
Executive and council	R 1,252,744	R 833,500	R 833,500	R 0	R 0	R 0
Health	R 1,119,443	R 896,000	R 896,000	R 0	R 0	R 0
Planning and development	R 867,521	R 4,849,550	R 4,849,550	R 0	R 0	R 0
Waste management	R 4,278,138	R 3,324,000	R 3,324,000	R 0	R 0	R 0
Public safety	R 7,941,134	R 6,541,000	R 6,541,000	R 81,057	R 81,057	R 0
Sport and recreation	R 13,804,673	R 17,814,480	R 17,814,480	R 21,016	R 21,016	R 300,000
Corporate services	R 15,317,958	R 20,780,140	R 20,780,140	R 26,582	R 26,582	R 16,000
Water	R 5,605,929	R 6,500,000	R 6,500,000	R 186,412	R 186,412	R 240,000
Waste water management	R 18,624,199	R 42,579,000	R 42,579,000	R 149,443	R 149,443	R 705,000
Community and social services	R 33,874,245	R 7,240,000	R 7,240,000	R 339,660	R 339,660	R 0
Electricity	R 79,937,404	R 31,680,000	R 31,680,000	R 379,151	R 379,151	R 230,000
Road transport	R 68,099,615	R 64,644,980	R 64,644,980	R 299,682	R 299,682	R 2,142,500

MP313 Steve Tshwete - Table C6 Monthly Budget Statement - Financial Position - M01 July

Description	Ref	2009/10	2010/11	Budget Year 2011/12			
		Audited Outcome	Unaudited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1						
ASSETS							
Current assets							
Cash		57,139	14,941	39,335	39,335	154,927	39,335
Call investment deposits		468,000	214,000	211,000	211,000	249,000	211,000
Consumer debtors		33,619	37,626	42,564	42,564	44,624	42,564
Other debtors		15,062	14,334	16,892	16,892	19,044	16,892
Current portion of long-term receivables		3,926	–	–	–	–	–
Inventory		35,727	36,763	40,440	40,440	36,763	40,440
Total current assets		613,472	317,665	350,231	350,231	504,358	350,231
Non current assets							
Long-term receivables		384	–	–	–	–	–
Investments		15,000	15,000	–	–	–	–
Investment property		–	–	–	–	–	–
Property, plant and equipment		6,123,881	6,406,121	6,455,094	6,455,094	6,390,541	6,455,094
Agricultural		–	–	–	–	–	–
Biological assets		–	–	–	–	–	–
Intangible assets		2,593	3,989	3,226	3,226	3,989	3,226
Other non-current assets		606	34	–	–	–	–
Total non current assets		6,142,465	6,425,145	6,458,320	6,458,320	6,394,531	6,458,320
TOTAL ASSETS		6,755,937	6,742,810	6,808,551	6,808,551	6,898,888	6,808,551
LIABILITIES							
Current liabilities							
Bank overdraft		–	–	–	–	–	–
Borrowing		22,303	23,180	20,716	20,716	23,180	20,716
Consumer deposits		26,677	22,864	25,783	25,783	23,365	25,783
Trade and other payables		93,301	65,768	53,272	53,272	75,884	53,272
Provisions		4,787	3,616	3,707	3,707	3,707	3,707
Total current liabilities		147,067	115,429	103,478	103,478	126,136	103,478
Non current liabilities							
Borrowing		146,065	213,212	282,533	282,533	213,212	282,533
Provisions		61,981	66,196	66,949	66,949	66,949	66,949
Total non current liabilities		208,046	279,408	349,482	349,482	280,161	349,482
TOTAL LIABILITIES		355,113	394,837	452,960	452,960	406,297	452,960
NET ASSETS	2	6,400,824	6,347,974	6,355,591	6,355,591	6,492,591	6,355,591
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)		6,388,387	6,267,211	6,292,182	6,292,182	6,411,828	6,292,182
Reserves		12,437	80,763	63,409	63,409	80,763	63,409
TOTAL COMMUNITY WEALTH/EQUITY	2	6,400,824	6,347,974	6,355,591	6,355,591	6,492,591	6,355,591

MP313 Steve Tshwete - Table C7 Monthly Budget Statement - Cash Flow - M01 July

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited 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		646,132	723,357	723,357	76,780	76,780	59,552	17,228	29%	921,363
Government - operating		75,738	83,320	83,320	31,371	31,371	20,177	11,194	55%	83,320
Government - capital		73,405	52,033	52,033	4,466	4,466	1,500	2,966	198%	52,033
Interest		26,095	29,476	29,476	2,509	2,509	1,247	1,262	101%	30,111
Dividends								-		
Payments										
Suppliers and employees		(772,373)	(718,371)	(718,371)	(88,342)	(88,342)	(69,468)	18,874	-27%	(1,060,103)
Finance charges		(22,041)	(26,451)	(26,451)	(2,204)	(2,204)	(2,204)	0	0%	(26,451)
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		26,955	143,364	143,364	24,580	24,580	10,804	13,777	128%	272
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	480	480	-	-	200	(200)	-100%	480
Decrease (Increase) in non-current debtors		50					-	-		-
Decrease (Increase) other non-current receivables		-					-	-		-
Decrease (Increase) in non-current investments		296,000	18,000	18,000	72,000	72,000	27,000	45,000	167%	18,000
Payments										
Capital assets		(437,553)	(208,480)	(208,480)	(1,483)	(1,483)	(3,634)	(2,150)	59%	(125,088)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(141,503)	(190,000)	(190,000)	70,517	70,517	23,567	(46,950)	-199%	(106,608)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		-
Borrowing long term/refinancing		90,067	90,000	90,000			-	-		90,000
Increase (decrease) in consumer deposits		6,000	2,919	2,919	501	501	79	422	534%	6,012
Payments										
Repayment of borrowing		(23,716)	(23,180)	(23,180)	-	-	-	-		(23,180)
NET CASH FROM/(USED) FINANCING ACTIVITIES		72,350	69,739	69,739	501	501	79	(422)	-534%	72,833
NET INCREASE/ (DECREASE) IN CASH HELD		(42,197)	23,103	23,103	95,598	95,598	34,449			(33,503)
Cash/cash equivalents at beginning:		57,104	14,941	14,941		59,328	14,941			59,328
Cash/cash equivalents at month/year end:		14,907	38,045	38,045	95,598	154,927	49,391			25,825

PART 2 – SUPPORTING DOCUMENTATION

1. Debtors analysis

Supporting Table SC3 provides a breakdown of the consumer debtors. The outstanding debtors at the end of July 2011 amounted to R63,7-million of which current debt constitutes 56%. The increase in the Council's tariffs from 1 July 2011 also contributes to the increased debtors figure. No bad debt was written off during the month. The debtor analysis is graphically presented in:

- Chart 4 – Debtor analysis

2. Creditors analysis

Supporting Table SC4 provides detail on aged creditors. In terms of the MFMA all creditors are paid within 30 days of receiving the invoice or statement. For the month of July 2011, creditors to the amount of R75,9-million were paid and no creditors were outstanding for more than 30 days.

3. Investment portfolio analysis

Supporting Table SC5 display the Council's Investment Portfolio and indicates that R249-million is currently invested. During the month of July 2011, investments of R72-million matured, and no new investments were made. Accrued interest for the month amounts to R1,4-million.

4. Allocation and grant receipts and expenditure

Supporting Tables SC 6 & 7 provide detail of grants separately as income and expenditure, as far as revenue is recognised and expenditure is appropriated. On the receipt of grants, the year-to-date actual amounts to R35,8-million which is mainly the equitable share received for the first three quarters as well as other major capital grants such as MIG, NDGP and INEP. On the other hand the year-to-date grant expenditure amounts to R6,5-million for operational grants and R0,2-million for capital grants.

5. Councillor allowances and employee benefits

This table (SC8) provides the detail for Councillor and employee benefits. For the month of July 2011, the total salaries, allowances and benefits paid amounted to R19,7-million. The year to date actual amounts to R19,7-million which deviates with 6% from the planned figure of R21,1-million. The reason for the deviations is that the salary wage increases is still pending.

6. Material variances to the service delivery and budget implementation plan

Supporting Table SC9 provides the detail of the cash inflow for the budget setting out receipts by source and payments by type per month.

The monthly receipts are indicated as R187,6-million. Investments to the amount of R72-million matured and no new investments were made during the month.

The total cash payments for the month were R92,0-million and net cash held increased with R95,6-million from R59,3-million to R154,9-million.

The closing cash book balance of R154,9-million, is confirmed by the following bank reconciliation:

			Amount R
Balance per Cash Book as at 31 July 2011			154 926 722
1.	Deposits not reflected on bank statement		(3 725 756)
2.	Bank charges		(130 824)
3.	Outstanding cheque		7 616 903
4.	Outstanding: Direct deposits		41 304 828
5.	Over banking		128 188
6.	Unclarified Items		(39 086)
	• 21/12/2010 Debits without reference	(3 334)	
	• 17/04/2011 Double transaction	(374)	
	• 27/04/2011 Debit without description	(100)	
	• 08/05/2011 Debit without description	(100)	
	• 16/05/2011 Debit without description	(3 847)	
	• 16/05/2011 Double transaction	(483)	
	• 30/06/2011 Double transaction	(12 976)	
	• 04/07/2011 Unidentified debit by bank	(100)	
	• 05/07/2011 Double transaction	(15 462)	
	• 12/07/2011 Cleared stale cheque	(535)	
	• 17/07/2011 Double transaction	(135)	
	• 18/07/2011 Cleared stale cheque	(335)	
	• 19/07/2011 Double transaction	(23)	
	• 27/07/2011 Unidentified debit by bank	(100)	
	• 28/07/2011 Cleared stale cheque	(1 180)	
7.	Unpaid cheques		(322 527)
8.	Under banking		(22 898)
Balance per Bank Statement as at 31 July 2011			199 735 550
Balance per Bank Statement as at 30 June 2011			67 749 028

Table C4 provides details of the service delivery targets for revenue and expenditure.

There was a deviation of 6,8% between the service delivery targets for service charges and property rates and the actual which realised to date. In the case of expenditure, bulk purchases, contracted services and other expenditure constitute the main deviation of 9% from service delivery targets. In total the net deviation for the month is 3%. No immediate corrective steps are required.

The actual performance against the SDBIP is graphically presented in:

- Chart 5 – Revenue vs. monthly SDBIP
- Chart 6 – Expenditure vs. monthly SDBIP

Capital programme performance

Supporting Table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for July 2011 amounts to R1,5-million against the planned figure of R3,6-million. The SDBIP and actual expenditure are still not aligned, as the year to date deviation amounts to R2,1-million or 59%.

Supporting Tables SC13a and SC13b provide the detail of capital expenditure by asset classification for both new and replacement of assets separately, whilst supporting Table SC13c measures the extent to which Council's assets are maintained.

The year to date actual expenditure on repairs and maintenance amounts to R1,9-million and deviates with 21% against the planned figure of R2,5-million. The capital expenditure is graphically presented in:

- Chart 7 – Capital expenditure vs. monthly SDBIP

7. Performance indicators

Supporting table SC2 provides detail on performance indicators in particular to revenue management.

The average payment rate for the past financial year was 100,04% and for the month of July 2011 amounts to 89,73%. One of the reasons is pre-paid electricity which was purchased in advance resulting in delayed payments on rates accounts.

The collection period remains healthy at 18,95 days with a debtors turnover rate of 4,71%. During the month, the electricity supply to 167 and the water supply to 30 consumers, were disconnected or restricted, as a result of non-payment.

8. Other supporting documents

9.1 Central Stores

	<u>30 June 2011</u>	<u>31 July 2011</u>
	R	R
Opening Balance: Supplies	11 851 221	12 030 915
Goods received	2 620 763	3 098 670
Goods distributed	(2 441 069)	(2 026 533)
Closing Balance : Supplies	12 030 915	13 103 052
General supplies	10 068 002	11 248 434
Emergency supplies	1 962 913	1 854 618
	12 030 915	13 103 052

9.2 External loan repayments and interest

Institution	Redeemable	Balance at 30 June 2011	Received during the month	Redeemed	Interest Paid	Balance at 31 July 2011
ABSA	30-11-2011	4 528 485,88	-	-	-	4 528 485,88
INCA 03	31-12-2012	7 256 428,46	-	-	-	7 256 428,46
INCA 04	30-06-2019	22 142 364,12	-	-	-	22 142 364,12
SCMB	01-09-2015	18 104 048,83	-	-	-	18 104 048,83
INCA 9234	30-06-2022	29 816 672,74	-	-	-	29 816 672,74
INCA 14446	30-06-2023	31 216 138,55	-	-	-	31 216 138,55
INCA 7847	30-06-2024	32 539 742,23	-	-	-	32 539 742,23
		145 603 880,81	-	-	-	145 603 880,81

9.3 Asset management

9.3.1 Progress made by municipality

- **Asset verification**

Process has been done during the previous financial year and inventory lists were updated.

- **Maintenance of minor, major and immovable asset register**

Processes and procedures must be put in place by the departmental heads to ensure the componentization of the infrastructure assets as well as recognition of moveable assets according to GRAP 17.

- **Capturing of discrepancies**

Discrepancies are communicated and addressed with the assistance of the departmental heads.

- **Inventory lists**

Inventory lists were updated during the financial year-end process.

- **Reconciliations**

Reconciliations are done as an ongoing process.

- **Implementation of GRAP**

GRAP has been fully implemented.

- **Disposals**

A public auction will be scheduled during the financial year in order to dispose of redundant assets.

- **Loss of personal inventory**

Incidents where cases of loss of personal inventory occur are reported to the Chief Security Services upon which an investigation is undertaken. The upgrading of the access control will be addressed in the capital budget.

9.3.2 Challenges and interventions

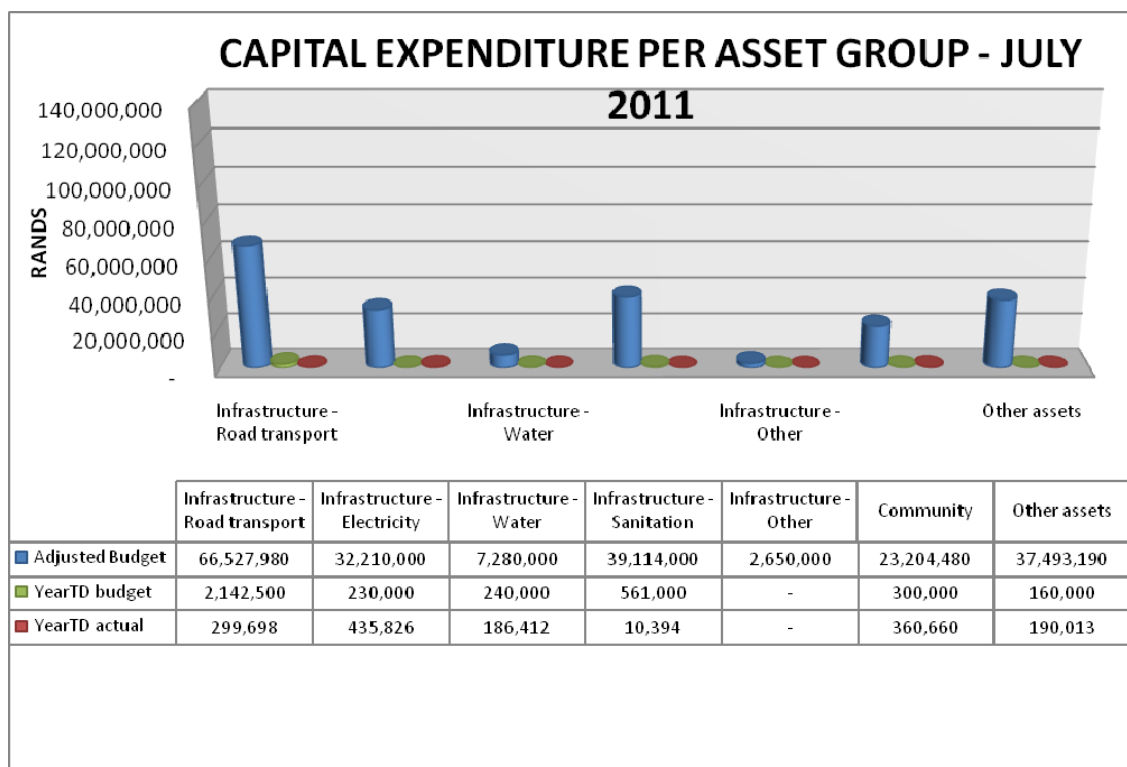
The componentization of the immovable assets is a challenge and it is a complicated process to make use of third parties who do not necessarily stay up to date with Council's practices and policies. A workshop is planned with the heads of departments to encourage that the componentization process be done in-house. An investigation will be undertaken after completion of the AFS on Asset Management software.

9.4 Operation Clean Audit 2014

Following is a supporting schedule indicating the current status of the assets in a similar format as presented in the Annual financial Statements, as well as a graphical presentation of the capital spent per asset group.

ANALYSIS OF PROPERTY PLANT AND EQUIPMENT AS AT 31 July 2011

	HISTORICAL COST			ACCUMULATED DEPRECIATION			Carrying Value
	Opening Balance	Additions Under Construction	Closing Balance	Opening Balance	Pro-rata Additions	Closing Balance	
INFRASTRUCTURE	4 584 890 963	932 329	4 585 823 292	2 175 675 371	9 310 470	2 184 985 842	2 400 837 450
Roads, Pavements, Bridges	1 198 300 556	244 623	1 198 545 179	634 299 802	3 062 800	637 362 602	561 182 577
Storm water	489 800 188	55 075	489 855 263	223 497 894	942 243	224 440 137	265 415 126
Dams & Reservoirs	497 308 553	-	497 308 553	197 753 247	503 649	198 256 896	299 051 657
Water Purification	44 046 357	-	44 046 357	28 302 688	223 957	28 526 646	15 519 711
Water Reticulation	489 175 920	186 412	489 362 332	282 184 289	1 090 565	283 274 854	206 087 478
Transportation	10 449 654	-	10 449 654	3 218 696	27 875	3 246 570	7 203 084
Electricity Reticulation	974 260 751	354 769	974 615 520	363 700 682	2 009 765	365 710 447	608 905 073
Sewerage Reticulation	627 451 596	10 394	627 461 990	325 689 384	664 944	326 354 328	301 107 662
Sewerage Purification	118 195 052	-	118 195 052	58 239 515	330 904	58 570 420	59 624 632
Housing	5 491 175	-	5 491 175	2 582 632	13 076	2 595 707	2 895 468
Housing Development Fund	5 959 566	-	5 959 566	3 704 501	22 975	3 727 476	2 232 090
Street Lighting	77 354 940	81 057	77 435 997	23 145 633	150 464	23 296 097	54 139 900
Waste Management	38 459 729	-	38 459 729	23 064 657	181 516	23 246 173	15 213 556
Other (Town Planning & Development)	8 636 926	-	8 636 926	6 291 752	85 740	6 377 492	2 259 434
COMMUNITY ASSETS	647 116 511	360 660	647 477 171	165 238 595	1 151 565	166 390 160	481 087 011
Parks & Gardens	217 096 208	21 016	217 117 224	29 179 577	230 997	29 410 574	187 706 649
Sportsfields & Stadia	160 019 364	-	160 019 364	63 140 426	319 831	63 460 257	96 559 107
Swimming Pools	6 860 322	-	6 860 322	3 549 909	24 701	3 574 610	3 285 712
Community Halls	65 670 436	16	65 670 452	6 392 664	145 779	6 538 443	59 132 009
Libraries	13 265 436	16	13 265 452	3 627 916	40 742	3 668 657	9 596 795
Recreational Facilities	3 734 031	-	3 734 031	2 070 376	12 391	2 082 767	1 651 264
Fire, Safety & Emergency	12 742 574	-	12 742 574	4 422 118	35 769	4 457 888	8 284 686
Security & Policing	39 396 265	-	39 396 265	21 194 095	93 060	21 287 155	18 109 110
Clinics	26 761 638	-	26 761 638	7 784 958	108 631	7 893 588	18 868 050
Cemeteries	101 570 237	339 612	101 909 849	23 876 555	139 665	24 016 220	77 893 629
HERITAGE ASSETS	97 741	-	97 741	88 899	0	88 899	8 842
Other	97 741	-	97 741	88 899	0	88 899	8 842
OTHER ASSETS	3 468 684 410	190 013	3 468 874 423	157 841 757	2 396 290	160 238 047	3 308 636 376
General Vehicles	41 250 376	-	41 250 376	19 557 254	289 908	19 847 163	21 403 213
Plant & equipment	66 826 218	168 494	66 994 712	34 254 016	587 338	34 841 353	32 153 359
Computers - Hardware/Equipment	17 747 637	64	17 747 701	7 501 021	441 891	7 942 911	9 804 790
Office equipment	15 119 013	48	15 119 061	10 195 431	162 784	10 358 214	4 760 847
Abattoirs	67 153	-	67 153	60 441	186	60 627	6 526
Civic Land & Buildings	188 971 942	21 407	188 993 349	40 173 036	491 608	40 664 643	148 328 705
Other Buildings	54 605 227	-	54 605 227	35 566 343	422 576	35 988 919	18 616 308
Other Land	3 065 431 164	-	3 065 431 164	150 264	-	150 264	3 065 280 900
Other	18 665 680	-	18 665 680	10 383 952	-	10 383 952	8 281 728
SPECIALISED VEHICLES	27 167 030	-	27 167 030	10 788 432	109 601	10 898 033	16 268 997
Refuse	13 266 310	-	13 266 310	6 146 823	61 118	6 207 941	7 058 369
Fire	13 900 720	-	13 900 720	4 641 609	48 483	4 690 092	9 210 628
LEASED ASSETS	2 633 891	-	2 633 891	1 445 885	19 708	1 465 593	1 168 298
Plant & equipment	318 865	-	318 865	155 568	5 379	160 947	157 918
Office equipment	1 155 600	-	1 155 600	1 014 163	11 636	1 025 799	129 801
Other Buildings	1 159 426	-	1 159 426	276 154	2 693	278 846	880 580
TOTAL	8 730 590 546	1 483 002	8 732 073 548	2 511 078 940	12 987 634	2 524 066 574	6 208 006 974
INTANGIBLE ASSETS	12 535 884	-	12 535 884	11 058 432	86 273	11 144 705	1 391 179
Software	12 535 884	-	12 535 884	11 058 432	86 273	11 144 705	1 391 179
TOTAL ASSETS	8 743 126 430	1 483 002	8 744 609 432	2 522 137 372	13 073 907	2 535 211 279	6 209 398 153



Important to note that due to the requirements of GRAP 17, an asset must be broken down into significant components, to enable the capitalization thereof. The majority of the capital budget relates to projects which are of a fixed nature rather than being moveable. These projects can therefore only be taken up in the asset register on completion. Therefore the capital spent to date on assets is indicated on the schedule as “work in progress additions”.

Moveable assets are on a continuous basis being labeled with barcodes and taken up in the Asset Register.

Furthermore, an asset will only start depreciating once it has been put in use. Therefore the depreciation which is indicated on the attached schedule, is the pro-rata portion on existing assets, already in use.

At the end of July 2011 the carrying value of assets of the Council is estimated at R6 209 398 153.

9.5 Credit control

The information on arrear accounts of schools is displayed on the following schedule. The total outstanding for schools amounts to R801 992. From the 26 schools listed 9 schools are still in arrears for more than 30 days. The progress on the partial payments by schools with arrear accounts is closely monitored.

Account number	School	Ward	Voting Station	Electricity Disconnected	Date of Last Payment	Payment Received	Current Month Levies	Outstanding Balance 30 days or more	Total Outstanding 31/07/2011
90-1822-1X	Eastdene Combined	16			09/06/2011	0,00	20 601,99	25 019,12	45 621,11
86-1161-7X	Reatlegile Primary No. 1	9	V	X	19/04/2011	0,00	13 645,94	76 689,47	90 335,41
86-1158-3X	Elusindisweni	7	V		25/03/2011	0,00	10 611,36	63 843,98	74 455,34
86-1162-4X	Manyano	7	V		20/07/2011	21 426,00	12 546,25	0,55	12 546,80
86-2661-4X	Mphanama	5	V		28/06/2011	0,00	25 737,47	0,00	25 737,47
86-1460-1X	Sozama Secondary	7			20/07/2011	6 640,00	7 667,07	0,21	7 667,28
80-2081-1X	Makhathini	6			18/07/2011	3 056,00	3 151,74	0,35	3 152,09
85-1720-3X	Tshwenyane	6			25/07/2011	28 741,51	7 807,20	(15 370,00)	(7 562,80)
86-1160-0X	Thushanang Primary	4	V		07/06/2011	0,00	9 699,98	9 131,73	18 831,71
99-1362-9X	Middelburg Combined	17			18/07/2011	25 000,00	42 172,43	6 029,33	48 201,76
86-3052-4X	Mvuzo Primary	3	V		27/07/2011	7 989,27	8 566,42	0,00	8 566,42
24-0038-3X	Tsiki Naledi Secondary	18			03/06/2011	0,00	7 798,62	6 670,21	14 468,83
24-0061-8X	Kwazamokuhle Secondary	19			28/06/2011	0,00	10 309,31	0,00	10 309,31
86-3066-8X	Sofunda Secondary	8	V		28/06/2011	0,00	11 410,56	0,00	11 410,56
86-1157-5X	Ekwazini Secondary	7	V		25/07/2011	8 517,00	5 108,89	0,37	5 109,26
86-1459-1X	Mthombeni Primary	8	V		01/07/2011	51 000,00	10 980,00	9 118,60	20 098,60
24-0092-2X	Hendrina Primary	18			28/06/2011	0,00	5 877,68	(0,29)	5 877,39
80-8876-5X	LD Moetanalo Secondary	3			15/07/2011	22 000,00	10 248,14	0,57	10 248,71
24-0156-2X	Mpephethe Primary	19			27/06/2011	0,00	12 289,92	0,00	12 289,92
86-2627-5X	Zikhuphule Primary	10	V		22/07/2011	14 261,00	14 708,12	(44,24)	14 663,88
86-1156-8X	Mhluzi Primary	7			20/06/2011	0,00	7 765,95	56 220,13	63 986,08
24-0039-0X	Maziya Primary	19			07/07/2011	18 000,00	19 273,48	329,91	19 603,39
24-0288-7X	Hendrina High	18			20/07/2011	19 326,00	24 853,45	0,33	24 853,78
23-9257-6X	Hendrina High	18			20/07/2011	3 154,00	3 212,92	0,73	3 213,65
23-9259-1X	Hendrina High	18			20/07/2011	1 972,00	2 036,04	(1 971,60)	64,44
11-8437-4X	Middelburg High	14			15/06/2011	0,00	153 388,70	104 852,88	258 241,58
TOTAL								340 522,34	801 991,97

V - Voting Station

X - Electricity Disconnection

10 Municipal Managers' quality certification

**QUALITY CERTIFICATE
2011/2012 – 2013/2014**

I, **WILHELM DIEDERICK FOUCHÉ**, municipal manager of **STEVE TSHWETE LOCAL MUNICIPALITY**, hereby certify that the monthly budget statement report and supporting documentation for the month of July 2011 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

**W.D. FOUCHÉ
MUNICIPAL MANAGER**

of

**STEVE TSHWETE LOCAL MUNICIPALITY
MP313**

A handwritten signature in black ink, appearing to read 'W.D. Fouché', is written over a light blue rectangular stamp area.

**SIGNATURE
DATE 3 August 2011**

MP313 Steve Tshwete - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Service charges - Electricity	(3,467)	Electricity prepaid purchases are only recognised for the first half of the month.	
	Service charges - Water	(428)	Less water is used during the winter months.	
	Interest - External Investments	1,254	Accrued interest for the previous financial year still needs to be recognised, resulting in higher interest revenue.	
	Fines	322	More fines were received due to the project which was launched by the traffic department to follow up on outstanding fines and expired vehicle licenses	
	Licenses & permits	68	More license fees were received due to the project which was launched by the traffic department to follow up on outstanding fines and expired vehicle licenses	
	Transfers recognised - Operational	11,194	Earlier payment of equitable share contributed to the deviation	
	Other Revenue	1,075	The main contributing factors for the deviation was pounding fees received which was not anticipated, bigger refund from the Training Board and higher main services contributions which was received	
	Gains on disposal of PPE	(200)	No assets were disposed of. A public auction is planned for later during the financial year.	
2	Expenditure By Type			
	Contracted services	(549)	The invoices for July 2011 for the dumping site still need to be allocated.	
	Transfer & Grants	(367)	Less rebates realised than anticipated.	
	Other expenditure	(6,676)	The annual insurance premium was not paid yet as well as the Eskom connection fee.	
3	Capital Expenditure			
	Roads & Stormwater	(1,843)	The following projects had an influence on the deviation: 1. P1000256 New roads in low income area. Contractor is on site. Certificate will be submitted within a week. The delay was caused by designs that had to be revised. 2. P1200116 Stormwater in low income areas. Contractor on site. Can not continue with layer works because he awaits geotech results. Contractor busy with installation of stormwater pipes.	
	Water	(54)	The following projects had an influence on the deviation: 1. P1200080 Upgrading of engineering services OR Tambo. Contractor still busy to complete the scope of the previous financial year.	
	Waste Water Management	(556)	The following projects had an influence on the deviation: 1. P0900244 Upgrade Boskrans sewer plant. Claim for July will be submitted in August.	

MP313 Steve Tshwete - Supporting Table SC2 Monthly Budget Statement - performance indicators - M01 July

Description of financial indicator	Basis of calculation	Ref	2010/11	Budget Year 2011/12			
			Unaudited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
<u>Borrowing Management</u>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		3.2%	4.1%	4.1%	3.1%	4.1%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		20.0%	20.0%	20.0%	19.8%	19.7%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		4.8%	5.6%	5.6%	4.8%	5.6%
Gearing	Long Term Borrowing/ Funds & Reserves		264.0%	445.6%	445.6%	264.0%	445.6%
<u>Liquidity</u>							
Current Ratio 1	Current assets/current liabilities	1	275.2%	338.5%	338.5%	399.9%	338.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		211.3%	241.9%	241.9%	320.2%	241.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		6.1%	7.0%	7.0%	70.0%	7.4%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	100.0%	100.0%	100.0%
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		30.7%	30.7%	30.7%	20.4%	27.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.1%	5.6%	5.6%	2.2%	2.9%
Interest & Depreciation	I&D/Total Revenue - capital revenue		21.5%	21.5%	21.5%	16.8%	22.7%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

MP313-Steve Tshwete-Supporting Table SC2 Monthly Budget Statement - Performance Indicators- M01 July

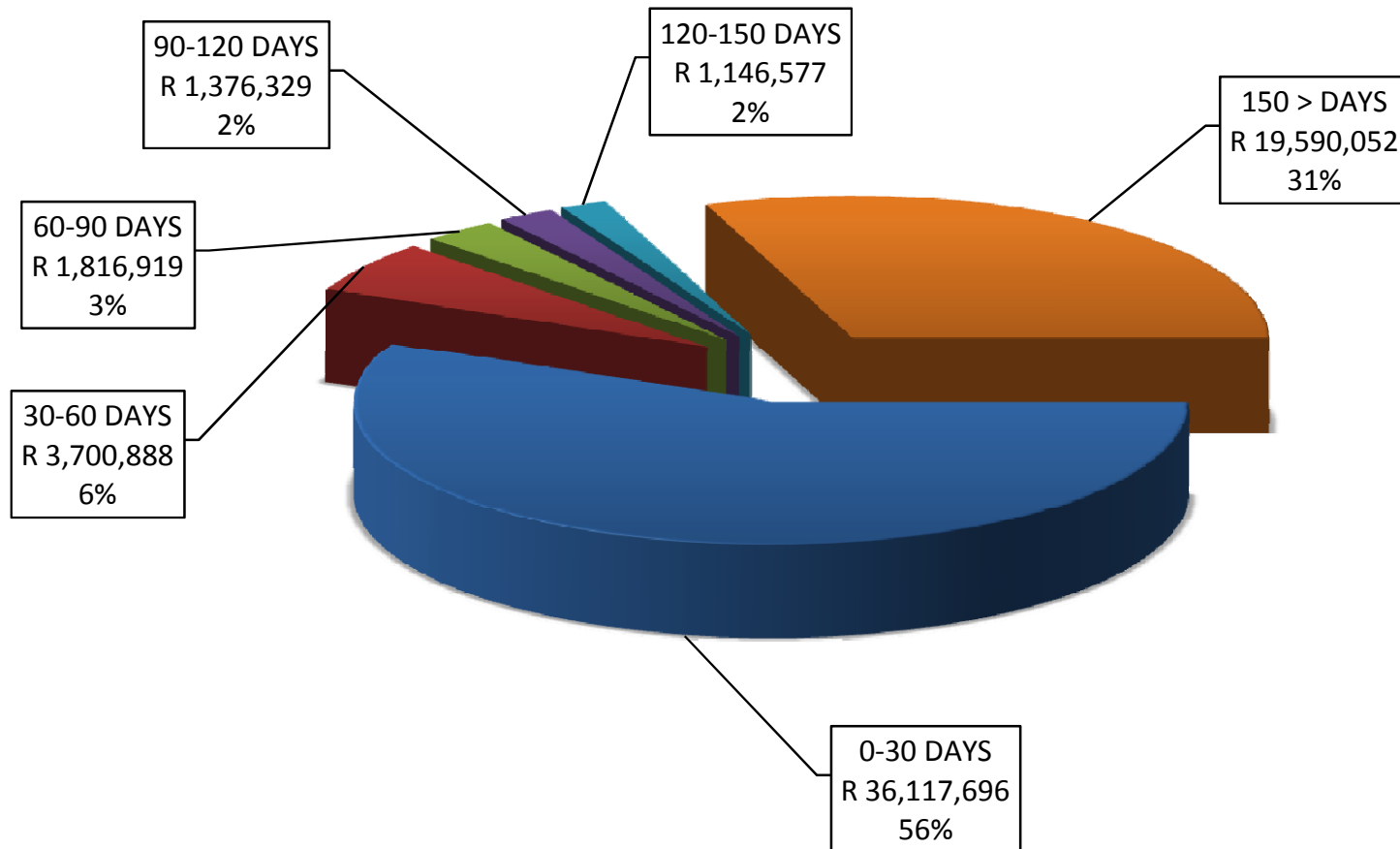
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MP313 Steve Tshwete - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description		NT Code	Budget Year 2011/12								
			0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
R thousands											
Debtors Age Analysis By Revenue Source											
Rates	1200	10,453	1,376	863	764	658	12,860			26,974	
Electricity	1300	16,047	1,048	309	102	59	716			18,281	
Water	1400	2,591	313	182	148	70	1,488			4,792	
Sewerage / Sanitation	1500	1,969	251	145	115	73	1,029			3,582	
Refuse Removal	1600	1,705	203	99	77	64	858			3,006	
Housing (Rental Revenue)	1700									-	
Other	1900	3,352	510	220	169	223	2,640			7,114	
Total By Revenue Source	2000	36,118	3,701	1,817	1,376	1,147	19,590			63,748	-
2010/11 - totals only	10-Jun	34,312	3,516	1,726	1,308	1,089	18,611			60,561	
Debtors Age Analysis By Customer Category											
Government	2200	2,601	658	379	220	155	1,841			5,854	
Business	2300	11,274	1,423	615	494	457	8,935			23,199	
Households	2400	22,176	1,561	799	649	524	8,620			34,330	
Other	2500	67	60	23	12	10	194			366	
Total By Customer Category	2600	36,118	3,701	1,817	1,376	1,147	19,590			63,748	-

CHART 4 - SUPPORTING TABLE SC3

DEBTOR AGE ANALYSIS JULY 2011



MP313 Steve Tshwete - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

[illegible]

MP313 Steve Tshwete - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

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									
Absa Bank		4	Fixed	2011/07/29	158	5.52%	36,000		36,000
Absa Bank		2	Fixed	2011/08/29	139	5.45%	30,000		30,000
Nedcor Bank		6	Fixed	2011/07/26	147	5.75%	36,000	(36,000)	-
Nedcor Bank		5	Fixed	2011/08/29	176	5.75%	36,000		36,000
Standard Bank		6	Fixed	2011/07/26	150	5.85%	36,000	(36,000)	-
Standard Bank		6	Fixed	2011/12/27	150	5.88%	30,000		30,000
First National Bank		6	Fixed	2011/09/29	181	5.92%	36,000		36,000
Investec Bank		6	Fixed	2011/09/26	180	5.90%	36,000		36,000
Investec Bank		4	Fixed	2011/10/28	145	4.70%	30,000		30,000
Absa Bank		120	Zero Bond	2011/11/30	End of term		15,000		15,000
Municipality sub-total		165			1,426		321,000	(72,000)	249,000

MP313 Steve Tshwete - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		72,495	80,110	80,110	31,371	31,371	20,177	11,194	55.5%	80,110
Equitable share	3	70,395	77,312	77,312	31,313	31,313	18,862	12,451	66.0%	77,312
Finance Management grant		1,000	1,250	1,250	-	-	1,250	(1,250)	-100.0%	1,250
Municipal Systems Improvement		133	-	-	-	-	-	-		-
Other transfers and grants - MIG (PMU)		967	1,548	1,548	58	58	65	(7)	-10.8%	1,548
Provincial Government:		-	3,210	3,210	-	-	-	-		3,210
Health		-	2,510	2,510	-	-	-	-		2,510
Local Government Transition Grant		-	-	-	-	-	-	-		-
Department of Arts & Culture (DAC)		-	-	-	-	-	-	-		-
Municipal Accredited Capacity Enhancement	4	-	700	700	-	-	-	-		700
District Municipality:		-	-	-	-	-	-	-		-
<i>[insert description]</i>								-		
								-		
Other grant providers:		-	-	-	-	-	-	-		-
<i>Cleanest Town Competition</i>								-		
Umsobomvu Youth Fund							-	-		
Total Operating Transfers and Grants	5	72,495	83,320	83,320	31,371	31,371	20,177	11,194	55.5%	83,320
Capital Transfers and Grants										
National Government:		42,678	45,849	45,849	4,466	4,466	1,500	2,966	197.7%	45,849
Municipal Infrastructure Grant (MIG)		22,678	29,409	29,409	226	226	1,500	(1,274)	-84.9%	29,409
Finance Management Grant (FMG)								-		
Integrated National Electricity Program (INEP)		10,000	1,440	1,440	240	240	-	240	#DIV/0!	1,440
Neighbourhood Development PartnershiQGrant		10,000	15,000	15,000	4,000	4,000	-	4,000	#DIV/0!	15,000
Restitution Grant		-	-	-	-	-	-	-		-
Department of Environmental affairs and tourism								-		
Provincial Government:		617	1,090	1,090	-	-	-	-		1,090
Department of Arts & Culture (DAC)		-	-	-	-	-	-	-		-
Municipal Systems Improvement Grant (MSIG)		617	790	790	-	-	-	-		790
Municipal Accredited Capacity Enhancement		-	300	300				-		300
District Municipality:		-	-	-	-	-	-	-		-
<i>Nkangala District Municipality</i>								-		
								-		
Other grant providers:		1,801	1,888	1,888	-	-	-	-		1,888
<i>Cleanest Town Competition</i>		-	-	-	-	-	-	-		-
<i>National Lottery Distribution Trust Fund</i>		1,000	-	-	-	-	-	-		-
EPWP		801	1,888	1,888	-	-	-	-		1,888
Other Grants			-	-	-	-	-	-		
Total Capital Transfers and Grants	5	45,096	48,827	48,827	4,466	4,466	1,500	2,966	197.7%	48,827
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	117,591	132,147	132,147	35,837	35,837	21,677	14,160	65.3%	132,147

MP313 Steve Tshwete - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		32,087	80,110	80,110	6,280	6,280	6,631	(351)	-5.3%	80,110
Equitable share		29,155	77,312	77,312	6,199	6,199	6,441	(243)	-3.8%	77,312
Finance Management grant		1,535	1,250	1,250	23	23	91	(67)	-74.2%	1,250
Municipal Systems Improvement		433	-	-	-	-	-	-	-	-
Other transfers and grants - MIG (PMU)		964	1,548	1,548	58	58	99	(41)	-41.5%	1,548
Provincial Government:		-	3,210	3,210	209	209	215	(6)	-2.8%	3,210
Health		-	2,510	2,510	209	209	209	-	-	2,510
Local Government Transition Grant		-	700	700	-	-	6	(6)	-100.0%	700
Department of Arts & Culture (DAC)		-	-	-	-	-	-	-	-	-
0								-	-	
Other transfers and grants [insert description]								-	-	
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]								-	-	
Other grant providers:		107	-	-	-	-	-	-	-	-
Cleanest Town Competition		107	-	-	-	-	-	-	-	-
Umsobomvu Youth Fund		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		32,194	83,320	83,320	6,489	6,489	6,846	(357)	-5.2%	83,320
Capital expenditure of Transfers and Grants										
National Government:		33,760	45,849	45,849	226	226	2,413	(2,186)	-90.6%	45,849
Municipal Infrastructure Grant (MIG)		22,683	29,409	29,409	226	226	2,113	(1,886)	-89.3%	29,409
Finance Management Grant (FMG)		-	-	-	-	-	-	-	-	-
Integrated National Electricity Program (INEP)		6,154	1,440	1,440	-	-	-	-	-	1,440
Neighbourhood Development Partnership Grant		4,776	15,000	15,000	-	-	300	(300)	-100.0%	15,000
Restitution Grant		148	-	-	-	-	-	-	-	-
0								-	-	
Provincial Government:		16	1,090	1,090	-	0	-	0	#DIV/0!	1,090
Department of Arts & Culture (DAC)		16	-	-	-	0	-	0	#DIV/0!	-
Municipal Systems Improvement Grant (MSIG)		-	790	790	-	-	-	-	-	790
Municipal Accredited Capacity Enhancement		-	300	300	-	-	-	-	-	300
District Municipality:		-	-	-	-	-	-	-	-	-
Nkangala District Municipality								-	-	
Other grant providers:		1,895	1,888	1,888	-	-	-	-	-	1,888
Cleanest Town Competition		68	-	-	-	-	-	-	-	-
National Lottery Distribution Trust Fund		970	-	-	-	-	-	-	-	-
EPWP		856	1,888	1,888	-	-	-	-	-	1,888
Total capital expenditure of Transfers and Grants		35,671	48,827	48,827	226	226	2,413	(2,186)	-90.6%	48,827
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		67,865	132,147	132,147	6,715	6,715	9,259	(2,544)	-27.5%	132,147

MP313 Steve Tshwete - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

Summary of Employee and Councillor remuneration	Ref	2010/11	Budget Year 2011/12							
		Unaudited 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>										
Salary		7,379	8,859	8,859	782	782	636	146	23%	782
Pension Contributions		942	1,625	1,625	46	46	120	(73)	-61%	46
Medical Aid Contributions		226	480	480	7	7	37	(30)	-82%	7
Motor vehicle allowance		2,787	3,610	3,610	276	276	317	(41)	-13%	276
Cell phone and other allowances		599	790	790	64	64	67	(3)	-4%	64
Housing allowance		-	-	-	-	-	-	-		-
Sub Total - Councillors	4	11,934	15,364	15,364	1,175	1,175	1,177	(2)	0%	1,175
% increase			28.7%	28.7%						-90.2%
<u>Senior Managers of the Municipality</u>	3									
Salary		3,456,080	4,197,455	4,197,455	252,036	252,036	349,788	(98)	-28%	252
Pension Contributions							-	-		-
Medical Aid Contributions							-	-		-
Motor vehicle and cell phone		629,587	669,600	669,600	44,975	44,975	55,800	(11)	-19%	45
Housing allowance							-	-		-
Performance Bonus		346,650	503,662	503,662	-		41,972	(42)	-100%	504
Other benefits or allowances		-	-	-	-	-	-	-		-
In-kind benefits	2		-				-	-		-
Sub Total - Senior Managers of Municipality	4	4,432	5,371	5,371	297	297	448	(151)	-34%	801
% increase			21.2%	21.2%						-81.9%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		149,476	177,237	177,237	12,154	12,154	13,431	(1,278)	-10%	12,154
Pension Contributions		26,807	31,770	31,770	2,227	2,227	2,325	(98)	-4%	2,227
Medical Aid Contributions		10,325	11,523	11,523	929	929	832	96	12%	929
Motor vehicle and cell phone		65	510	510	24	24	43	(19)	-44%	24
Housing allowance		1,462	1,714	1,714	134	134	126	7	6%	134
Overtime		30,269	30,938	30,938	2,463	2,463	2,423	40	2%	2,463
Performance Bonus		-	-	-	-	-	-	-		-
Other benefits or allowances		3,854	4,336	4,336	336	336	304	32	11%	336
In-kind benefits	2	-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff	4	222,257	258,028	258,028	18,266	18,266	19,484	(1,218)	-6%	18,266
% increase			16.1%	16.1%						-91.8%
Total Parent Municipality		238,623	278,763	278,763	19,737	19,737	21,109	(1,371)	-6%	20,241
			16.8%	16.8%						-91.5%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		238,623	278,763	278,763	19,737	19,737	21,109	(1,371)	-6%	20,241
% increase	4		16.8%	16.8%						-91.5%
TOTAL MANAGERS AND STAFF		226,689	263,399	263,399	18,563	18,563	19,932			19,066

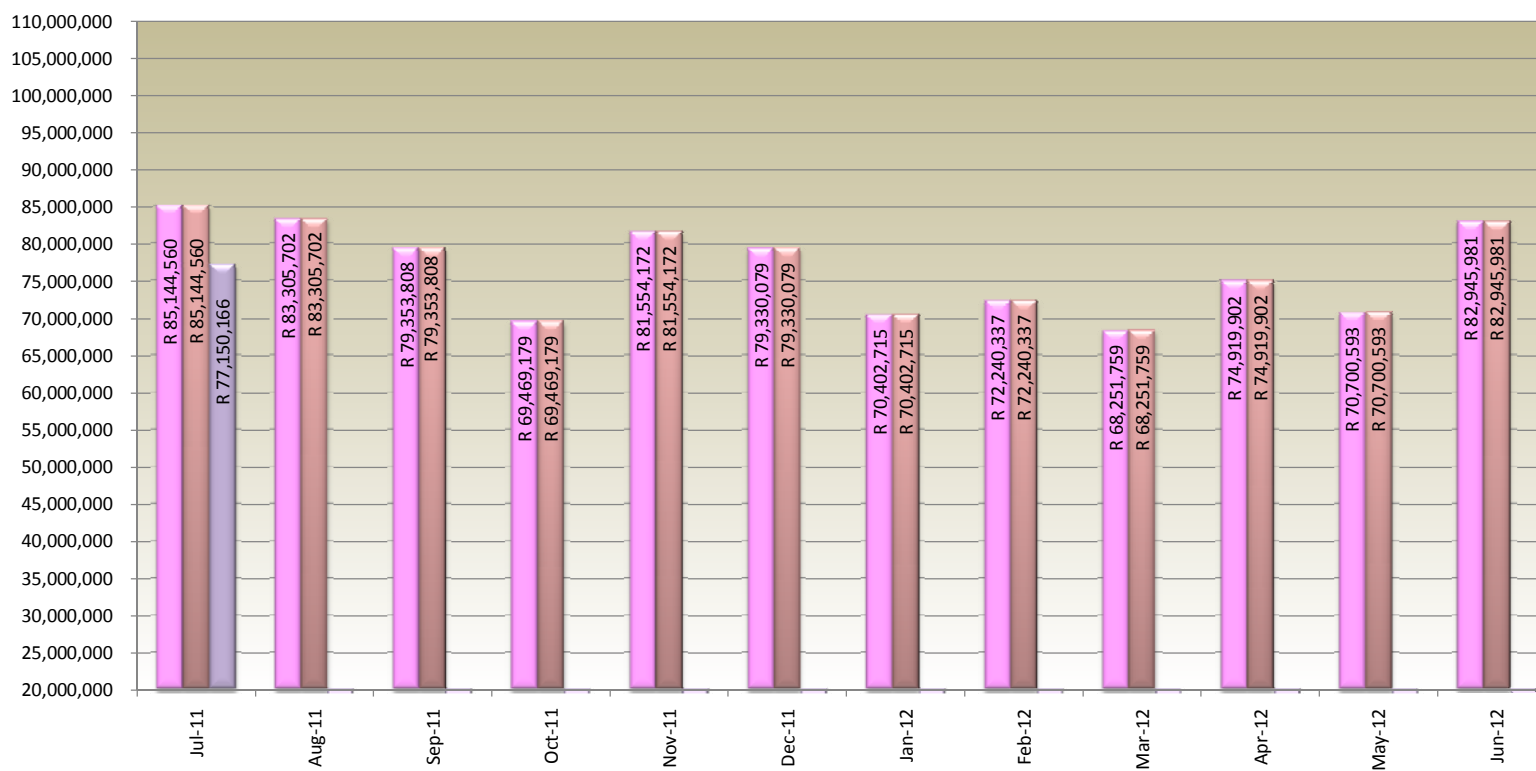
MP313 Steve Tshwete - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M01 July

Description	Ref	Budget Year 2011/12												2011/12 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
		Outcome	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast			
R thousands	1															
Cash Receipts By Source																
Property rates		16,315	16,317	16,317	16,317	16,317	16,317	16,317	16,317	16,317	16,317	16,317	16,319	195,806	213,089	231,628
Property rates - penalties & collection charges													-			
Service charges - electricity revenue		25,183	28,650	28,650	28,650	28,650	28,650	28,651	28,651	28,651	28,651	28,651	32,015	343,705	395,260	465,431
Service charges - water revenue		3,687	4,115	4,131	4,131	4,094	4,144	4,121	4,119	4,124	4,112	4,102	4,573	49,456	56,433	63,585
Service charges - sanitation revenue		3,694	4,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	3,741	2,788	44,888	53,529	62,819
Service charges - refuse		3,599	3,498	3,498	3,498	3,498	3,498	3,498	3,498	3,498	3,498	3,498	3,397	41,980	46,120	50,917
Service charges - other													-			
Rental of facilities and equipment		1,120	1,026	1,065	1,060	1,068	1,062	1,065	1,063	1,073	1,072	1,046	985	12,704	13,496	14,251
Interest earned - external investments		2,371	1,140	1,171	1,636	1,056	1,103	1,677	970	1,703	1,659	1,706	11,548	27,740	26,759	27,232
Interest earned - outstanding debtors		139	141	141	150	146	155	159	129	141	141	150	145	1,736	1,754	1,771
Dividends received													-			
Fines		724	427	442	450	421	447	427	414	437	408	439	105	5,140	5,356	5,574
Licences and permits		490	419	449	404	425	444	491	408	510	441	357	409	5,247	5,503	5,783
Agency services			1,182	617	650	656	599	577	542	568	574	503	1,234	7,704	7,781	7,859
Transfer receipts - operating		31,371	155	201	183	385	19,141	616	853	19,146	190	210	10,869	83,320	92,872	98,608
Other revenue		21,968	2,435	2,701	3,797	4,583	1,597	4,556	2,948	1,994	2,668	1,884	(18,776)	32,355	46,379	80,296
Cash Receipts by Source		110,660	64,245	63,126	64,668	65,042	80,899	65,896	63,653	81,903	63,471	62,604	65,612	851,781	964,332	1,115,754
Other Cash Flows by Source																
Transfer receipts - capital		4,466	2,490	3,300	1,790	5,550	2,000	4,080	5,630	4,900	6,010	2,150	6,461	48,827	55,758	67,725
Contributions & Contributed assets													-			
Proceeds on disposal of PPE						100					80		300	480	482	484
Short term loans													-			
Borrowing long term/refinancing							90,000						-	90,000	80,910	98,750
Increase in consumer deposits		501	63	146	201	260	718	47	25	163	122	120	553	2,919	3,270	3,300
Receipt of non-current debtors													-			
Receipt of non-current receivables													-			
Change in non-current investments		72,000	9,000	27,000	27,000	27,000	(81,000)		9,000	(9,000)			(63,000)	18,000	(36,000)	(63,000)
Total Cash Receipts by Source		187,628	75,798	93,572	93,659	97,952	92,617	70,023	78,308	77,966	69,684	64,874	9,925	1,012,007	1,068,752	1,223,014
Cash Payments by Type																
Employee related costs		18,518	22,405	24,964	19,992	21,272	27,506	21,328	21,124	19,971	22,520	18,854	22,708	261,162	281,742	304,737
Remuneration of councillors		1,175	1,239	1,452	1,187	1,288	1,584	1,307	1,228	1,277	1,198	1,274	1,156	15,364	16,593	17,920
Interest paid		2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	26,451	32,197	40,021
Bulk purchases - Electricity		30,495	28,544	18,821	14,091	24,741	14,519	14,607	14,790	13,615	17,378	16,388	23,589	231,579	277,170	331,457
Bulk purchases - Water & Sewer			691	770	536	859	795	1,037	742	536	789	789	1,447	8,992	10,172	10,717
Other materials													-			
Contracted services		849	1,398	1,378	1,972	1,938	2,003	1,966	1,927	1,934	2,065	2,060	1,968	21,458	23,632	26,273
Grants and subsidies paid - other municipalities													-			
Grants and subsidies paid - other		3,320	3,684	3,923	3,683	3,688	3,847	3,831	3,772	3,711	3,964	3,692	4,080	45,196	49,312	52,861
General expenses		5,060	9,668	12,371	12,331	12,091	13,399	10,650	12,981	11,532	11,329	11,968	22,372	145,752	152,593	160,216
Cash Payments by Type		61,621	69,834	65,882	55,998	68,082	65,858	56,931	58,768	54,780	61,448	57,228	79,524	755,954	843,412	944,203
Other Cash Flows/Payments by Type																
Capital assets		1,483	8,969	16,669	16,056	17,724	20,551	16,519	17,206	23,508	23,161	19,771	26,862	208,480	212,992	257,180
Repayment of borrowing				1,649			11,249			1,738			8,544	23,180	20,716	22,792
Other Cash Flows/Payments		28,925											(28,925)			
Total Cash Payments by Type		92,029	78,802	84,201	72,054	85,806	97,658	73,450	75,975	80,025	84,609	76,999	86,005	987,613	1,077,120	1,224,175
NET INCREASE/(DECREASE) IN CASH HELD		95,598	(3,004)	9,371	21,605	12,146	(5,040)	(3,427)	2,333	(2,059)	(14,925)	(12,126)	(76,080)	24,393	(8,368)	(1,162)
Cash/cash equivalents at the month/year beginning:		59,328	154,927	151,923	161,294	182,899	195,045	190,005	186,578	188,911	186,853	171,928	159,802	59,328	83,722	75,353
Cash/cash equivalents at the month/year end:		154,927	151,923	161,294	182,899	195,045	190,005	186,578	188,911	186,853	171,928	159,802	83,722	83,722	75,353	74,192

Chart 6 - Supporting Table SC9

EXPENDITURE VS SDBIP

1 JULY 2011 - 30 JUNE 2012 Forecast

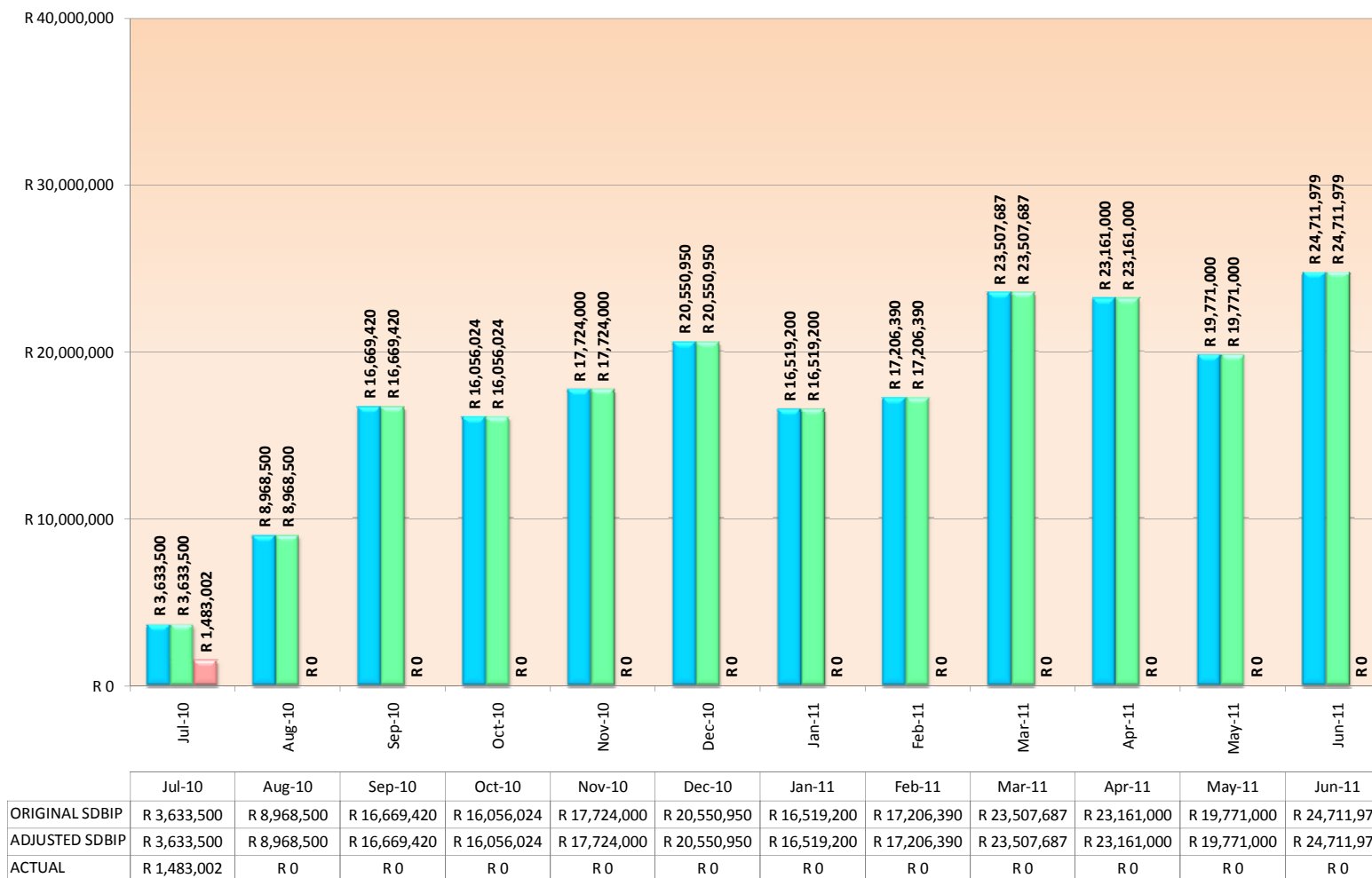
[illegible]

MP313 Steve Tshwete - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M01 July

Month	2010/11	Budget Year 2011/12							
	Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July	2,178	3,634	3,634	1,483	1,483	3,634	2,150	59.2%	1%
August	12,388	8,969	8,969	-		12,602	-		
September	24,852	16,669	16,669	-		29,271	-		
October	22,540	16,056	16,056	-		45,327	-		
November	26,710	17,724	17,724	-		63,051	-		
December	36,963	20,551	20,551	-		83,602	-		
January	6,008	16,519	16,519	-		100,122	-		
February	18,627	17,206	17,206	-		117,328	-		
March	20,301	23,508	23,508	-		140,836	-		
April	13,754	23,161	23,161	-		163,997	-		
May	18,540	19,771	19,771	-		183,768	-		
June	47,994	24,712	24,712	-		208,480	-		
Total Capital expenditure	250,855	208,480	208,480	1,483					

CAPEX VS SDBIP

1 JULY 2011 - 30 JUNE 2012



MP313 Steve Tshwete - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		146,417	126,428	126,428	781	781	3,004	2,222	74.0%	126,428
Infrastructure - Road transport		61,055	56,113	56,113	300	300	2,143	1,843	86.0%	56,113
Roads, Pavements & Bridges		41,186	41,523	41,523	245	245	2,143	1,898	88.6%	41,523
Storm water		19,869	14,590	14,590	55	55	-	(55)	#DIV/0!	14,590
Infrastructure - Electricity		66,697	23,810	23,810	350	350	220	(130)	-59.1%	23,810
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		64,303	21,630	21,630	350	350	220	(130)	-59.1%	21,630
Street Lighting		2,393	2,180	2,180	-	-	-	-	-	2,180
Infrastructure - Water		2,038	5,390	5,390	121	121	120	(1)	-1.0%	5,390
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		220	200	200	-	-	-	-	-	200
Reticulation		1,818	5,190	5,190	121	121	120	(1)	-1.0%	5,190
Infrastructure - Sanitation		15,378	38,465	38,465	10	10	521	511	98.0%	38,465
Reticulation		1,960	4,530	4,530	10	10	21	11	50.5%	4,530
Sewerage purification		13,417	33,935	33,935	-	-	500	500	100.0%	33,935
Infrastructure - Other		1,249	2,650	2,650	-	-	-	-	-	2,650
Waste Management		1,082	600	600	-	-	-	-	-	600
Transportation		-	50	50	-	-	-	-	-	50
Gas		-	-	-	-	-	-	-	-	-
Other		167	2,000	2,000	-	-	-	-	-	2,000
Community		40,984	18,674	18,674	340	340	300	(40)	-13.2%	18,674
Parks & gardens		2,225	2,320	2,320	0	0	-	(0)	#DIV/0!	2,320
Sportsfields & stadia		5,314	10,689	10,689	-	-	300	300	100.0%	10,689
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		28,738	2,500	2,500	0	0	-	(0)	#DIV/0!	2,500
Libraries		239	-	-	-	-	-	-	-	-
Recreational facilities		74	135	135	-	-	-	-	-	135
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		721	680	680	-	-	-	-	-	680
Buses		-	-	-	-	-	-	-	-	-
Clinics		520	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		3,152	2,350	2,350	340	340	-	(340)	#DIV/0!	2,350
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		19,912	23,982	23,982	51	51	16	(35)	-218.4%	23,982
General vehicles		2,762	2,160	2,160	-	-	-	-	-	2,160
Specialised vehicles		655	300	300	-	-	-	-	-	300
Plant & equipment		8,745	6,566	6,566	29	29	6	(23)	-391.0%	6,566
Computers - hardware/equipment		2,383	1,896	1,896	0	0	-	(0)	#DIV/0!	1,896
Furniture and other office equipment		947	950	950	0	0	10	10	99.5%	950
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		3,378	1,750	1,750	21	21	-	(21)	#DIV/0!	1,750
Other Buildings		321	8,090	8,090	-	-	-	-	-	8,090
Other Land		721	2,270	2,270	-	-	-	-	-	2,270
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		1,106	969	969	-	-	-	-	-	969
Computers - software & programming		1,106	969	969	-	-	-	-	-	969
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	208,419	170,053	170,053	1,172	1,172	3,320	2,148	64.7%	170,053

Description	Ref	2010/11	Budget Year 2011/12							
		Unaudited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure		21,576	21,354	21,354	151	151	170	19	11.2%	21,354
Infrastructure - Road transport		7,278	10,415	10,415	0	0	-	(0)	#DIV/0!	10,415
Roads, Pavements & Bridges		7,278	10,415	10,415	0	0	-	(0)	#DIV/0!	10,415
Storm water		-	-	-	-	-	-	-		-
Infrastructure - Electricity		11,675	8,400	8,400	86	86	10	(76)	-757.6%	8,400
Generation		-	-	-	-	-	-	-		-
Transmission & Reticulation		11,546	6,600	6,600	5	5	10	5	52.9%	6,600
Street Lighting		129	1,800	1,800	81	81	-	(81)	#DIV/0!	1,800
Infrastructure - Water		2,019	1,890	1,890	65	65	120	55	45.6%	1,890
Dams & Reservoirs		-	-	-	-	-	-	-		-
Water purification		49	30	30	-	-	-	-		30
Reticulation		1,970	1,860	1,860	65	65	120	55	45.6%	1,860
Infrastructure - Sanitation		604	649	649	-	-	40	40	100.0%	649
Reticulation		177	461	461	-	-	40	40	100.0%	461
Sewerage purification		427	188	188	-	-	-	-		188
Infrastructure - Other		-	-	-	-	-	-	-		-
Waste Management								-		
Transportation								-		
Gas								-		
Other								-		
Community		3,609	4,530	4,530	21	21	-	(21)	#DIV/0!	4,530
Parks & gardens		219	50	50	21	21	-	(21)	#DIV/0!	50
Sportsfields & stadia		1,176	1,850	1,850	-	-	-	-		1,850
Swimming pools		1,214	-	-	-	-	-	-		-
Community halls		-	-	-	-	-	-	-		-
Libraries		-	200	200	0	0	-	(0)	#DIV/0!	200
Recreational facilities		-	800	800	-	-	-	-		800
Fire, safety & emergency		-	-	-	-	-	-	-		-
Security and policing		1,000	1,280	1,280	-	-	-	-		1,280
Buses		-	-	-	-	-	-	-		-
Clinics		-	350	350	-	-	-	-		350
Museums & Art Galleries		-	-	-	-	-	-	-		-
Cemeteries		-	-	-	-	-	-	-		-
Social rental housing		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Buildings								-		
Other								-		
Investment properties		-	-	-	-	-	-	-		-
Housing development								-		
Other								-		
Other assets		17,251	12,543	12,543	139	139	144	5	3.4%	12,543
General vehicles		3,752	2,160	2,160	-	-	-	-		2,160
Specialised vehicles		2,500	-	-	-	-	-	-		-
Plant & equipment		4,735	2,728	2,728	139	139	144	5	3.4%	2,728
Computers - hardware/equipment		4,631	6,150	6,150	-	-	-	-		6,150
Furniture and other office equipment		208	180	180	-	-	-	-		180
Abattoirs		-	-	-	-	-	-	-		-
Markets		-	-	-	-	-	-	-		-
Civic Land and Buildings		1,426	1,325	1,325	0	0	-	(0)	#DIV/0!	1,325
Other Buildings		-	-	-	-	-	-	-		-
Other Land		-	-	-	-	-	-	-		-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Agricultural assets		-	-</							

