

# Sisonke District Municipality

MFMA s71 report for the period ending 31 August 2013.

9/25/2013

Budget & Treasury Office

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## 1. PART 1 – MONTHLY REPORT

### 1.1 Mayors Report

This report will be tabled to Executive committee and hence the mayor's report will be available when this report is tabled to Council in terms of Sec 52 (d) of the Municipal Finance Management Act.

### 1.2 Executive Summary

#### Legislative Requirements

In terms of the section 71 of the MFMA the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) Actual revenue, per revenue source;
- (b) actual borrowings;
- (c) actual expenditure, per vote;
- (d) actual capital expenditure, per vote;
- (e) the amount of any allocations received;
- (f) actual expenditure on those allocations, excluding expenditure on—
  - (i) its share of the local government equitable share; and
  - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) when necessary, an explanation of—
  - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  - (ii) any material variances from the service delivery and budget implementation plan; and
  - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

#### DELIBERATION

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Finance & Corporate services committee and Executive committee on the progress made thus far in terms of implementing the 2013/2014 budget for the period ending 31 August 2013.

### 1.3 Resolutions

This report will be tabled to Executive committee and therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

### 1.4 Monthly Budget Statement Tables

#### **Monthly Budget Statements Summary**

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Sisonke - Table C1 Consolidated Monthly Budget Statement Summary - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Financial Performance</b>									
Service charges	41 037	44 748	-	3 754	7 463	3 709	3 754	101%	44 748
Investment revenue	-	-	-	419	539	5	534	10006%	-
Transfers recognised - operational	217 640	220 563	-	-	90 023	71 192	18 831	26%	220 563
Other own revenue	6 567	500	-	721	1 238	470	768	163%	500
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 894</b>	<b>99 263</b>	<b>75 376</b>	<b>23 886</b>	<b>32%</b>	<b>265 811</b>
Employee costs	81 571	90 434	-	7 945	15 658	17 306	(1 648)	-10%	90 434
Remuneration of Councillors	4 622	6 181	-	340	681	2 329	(1 648)	-71%	6 181
Depreciation & asset impairment	18 000	20 000	-	-	-	-	-		20 000
Finance charges	3 680	3 500	-	-	-	-	-		3 500
Materials and bulk purchases	9 422	7 800	-	478	478	2 126	(1 648)	-78%	7 800
Transfers and grants	9 569	12 000	-	-	4 000	5 648	(1 648)		12 000
Other expenditure	149 206	115 081	-	7 418	11 795	15 091	(3 296)	-22%	115 081
<b>Total Expenditure</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>16 181</b>	<b>32 612</b>	<b>42 499</b>	<b>(9 887)</b>	<b>-23%</b>	<b>254 996</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>32 877</b>	<b>33 774</b>	<b>103%</b>	<b>10 816</b>
Transfers recognised - capital	178 591	210 486	-	-	-	4 007	(4 007)	-100%	210 486
Contributions & Contributed assets	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>29 767</b>	<b>81%</b>	<b>221 302</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>29 767</b>	<b>81%</b>	<b>221 302</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>227 234</b>
Capital transfers recognised	148 388	210 486	-	24 855	28 862	37 872	(9 010)	-24%	210 486
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	-	16 748	-	-	-	-	-		16 748
<b>Total sources of capital funds</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>227 234</b>
<b>Financial position</b>									
Total current assets	26 042	63 318	-	-	139 792	-	-		63 318
Total non current assets	1 083 502	1 517 343	-	-	1 129 369	-	-		1 517 343
Total current liabilities	81 782	34 740	-	-	128 339	-	-		34 740
Total non current liabilities	38 018	33 101	-	-	34 965	-	-		33 101
<b>Community wealth/Equity</b>	<b>989 745</b>	<b>1 512 820</b>	<b>-</b>	<b>-</b>	<b>1 105 858</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 512 820</b>
<b>Cash flows</b>									
Net cash from (used) operating	167 559	253 556	-	(9 302)	135 570	21 129	114 441	542%	253 556
Net cash from (used) investing	(148 471)	(226 772)	-	24 855	12 786	18 899	(6 113)	-32%	(226 772)
Net cash from (used) financing	(2 652)	(2 482)	-	-	-	-	-		-
<b>Cash/cash equivalents at the month/year</b>	<b>19 970</b>	<b>54 303</b>	<b>-</b>	<b>-</b>	<b>301 344</b>	<b>70 027</b>	<b>231 317</b>	<b>330%</b>	<b>179 772</b>
<b>Debtors &amp; creditors analysis</b>									
	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
<b>Debtors Age Analysis</b>									
Total By Income Source	4 760	3 764	2 790	2 621	2 892	2 333	11 391	53 277	83 829
<b>Creditors Age Analysis</b>									
Total Creditors	7 842	-	-	-	-	-	-	-	7 842

## Financial Performance

Table C2 provides the statement of financial performance by standard classification.

DC43 Sisonke - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Revenue - Standard</b>									
<i>Municipal governance and administration</i>	214 469	220 696	-	1 067	91 527	36 783	54 744	149%	220 696
Budget and treasury office	214 469	220 696	-	1 067	91 527	36 783	54 744	0	220 696
<i>Economic and environmental services</i>	90	-	-	-	-	-	-	-	-
Planning and development	90	-	-	-	-	-	-	-	-
<i>Economic Development/Planning</i>	90	-	-	-	-	-	-	-	-
Water	44 642	56 748	-	3 827	7 601	9 458	(1 857)	(0)	56 748
<i>Water Distribution</i>	44 642	56 748	-	3 827	7 601	9 458	(1 857)	(0)	56 748
Waste water management	184 635	198 853	-	-	-	33 142	(33 142)	(0)	-
<i>Storm Water Management</i>	184 635	198 853	-	-	-	33 142	(33 142)	(0)	-
<b>Total Revenue - Standard</b>	<b>443 835</b>	<b>476 297</b>	<b>-</b>	<b>4 894</b>	<b>99 128</b>	<b>79 383</b>	<b>19 745</b>	<b>0</b>	<b>277 444</b>
<b>Expenditure - Standard</b>									
<i>Municipal governance and administration</i>	100 756	121 481	-	7 090	8 830	100 221	(91 391)	(0)	121 481
Executive and council	12 415	18 956	-	1 030	1 726	12 169	(10 443)	(0)	18 956
<i>Mayor and Council</i>		8 617		386	734	4 868	(4 134)	(0)	8 617
<i>Municipal Manager</i>	12 415	10 339		644	992	7 302	(6 309)	(0)	10 339
Budget and treasury office	54 930	63 431	-	2 976	3 324	55 636	(52 312)	(0)	63 431
Corporate services	33 411	39 094	-	3 084	3 780	32 416	(28 636)	(0)	39 094
<i>Human Resources</i>	33 411	6 602	-	520	868	9 725	(8 857)	(0)	6 602
<i>Information Technology</i>		32 493	-	2 564	2 912	22 691	(19 779)	(0)	32 493
<i>Economic and environmental services</i>	35 122	45 047	-	1 908	6 255	45 092	(38 837)	(0)	45 047
Planning and development	35 122	33 047	-	1 908	2 255	43 092	(40 837)	(0)	33 047
<i>Economic Development/Planning</i>	35 122	33 047	-	1 908	2 255	43 092	(40 837)	(0)	33 047
Environmental protection	-	12 000	-	-	4 000	2 000	2 000	0	12 000
<i>Other</i>		12 000		-	4 000	2 000	2 000	0	12 000
<i>Trading services</i>	140 192	88 467	-	7 183	7 879	161 181	(153 302)	(0)	88 467
Water	34 630	78 651	-	6 407	6 755	100 569	(93 814)	(0)	78 651
<i>Water Distribution</i>	34 630	78 651	-	6 407	6 755	100 569	(93 814)	(0)	78 651
<i>Water Storage</i>							-		
Waste water management	105 562	9 816	-	776	1 124	60 612	(59 488)	(0)	9 816
<i>Storm Water Management</i>	105 562	9 816		776	1 124	60 612	(59 488)	(0)	9 816
<b>Total Expenditure - Standard</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>16 181</b>	<b>22 964</b>	<b>306 494</b>	<b>(283 530)</b>	<b>(0)</b>	<b>254 996</b>
<b>Surplus/ (Deficit) for the year</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>76 164</b>	<b>(227 111)</b>	<b>303 275</b>	<b>(0)</b>	<b>22 449</b>

This table assesses the revenue by department and then the expenditure for the period ending 31 August 2013. Revenue receipts in August have largely constituted of service charges which are water and sanitation. The overall budgeted revenue cash receipt for the month of August is 6%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has the largest expenditure by 10% in the period ending 31 August 2013. This is largely attributable to the backlog demand of operations and maintenance of water schemes in the District.

Table C3 presents the same information as the table above, the difference being that it is by Municipal vote.

DC43 Sisonke - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August									
Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	-	-	-	-	-	-	-		-
Vote 2 - Finance	214 469	220 696	-	1 067	91 527	36 783	54 744	148.8%	220 696
Vote 4 - Economic &Community Services	90	-	-	-	-	-	-		-
Vote 5 - Infrastructure Services	184 635	198 853	-	-	-	33 142	(33 142)	-100.0%	198 853
Vote 6 - Water Services	44 642	56 748	-	3 827	7 601	9 458	(1 857)	-19.6%	56 748
<b>Total Revenue by Vote</b>	<b>443 835</b>	<b>476 297</b>	<b>-</b>	<b>4 894</b>	<b>99 128</b>	<b>79 383</b>	<b>19 745</b>	<b>24.9%</b>	<b>476 297</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	12 415	18 956	-	1 030	1 726	12 169	(10 443)	-85.8%	18 956
Vote 2 - Finance	54 930	63 431	-	2 976	3 324	55 636	(52 312)	-94.0%	63 431
Vote 3 - Corporate Services	33 411	39 094	-	3 084	3 780	32 416	(28 636)	-88.3%	39 094
Vote 4 - Economic &Community Services	35 122	45 047	-	1 908	6 255	45 092	(38 837)	-86.1%	45 047
Vote 5 - Infrastructure Services	34 630	78 651	-	776	1 124	60 612	(59 488)	-98.1%	78 651
Vote 6 - Water Services	105 562	9 816	-	6 407	6 755	100 569	(93 814)	-93.3%	9 816
<b>Total Expenditure by Vote</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>16 181</b>	<b>22 964</b>	<b>306 494</b>	<b>(283 530)</b>	<b>-92.5%</b>	<b>254 996</b>
<b>Surplus/ (Deficit) for the year</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>76 164</b>	<b>(227 111)</b>	<b>303 275</b>	<b>-133.5%</b>	<b>221 302</b>

**Statement of financial Performance**

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 August 2013.

DC43 Sisonke - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Revenue By Source</b>									
Service charges - water revenue	26 799	30 697	-	2 628	5 224	2 225	2 999	135%	30 697
Service charges - sanitation revenue	11 485	12 052	-	1 126	2 239	1 484	755	51%	12 052
Service charges - other	-	-	-	-	-	-	-	0%	2 000
Interest earned - external investments	2 753	2 000	-	419	539	5	534	10006%	-
Interest earned - outstanding debtors	-	-	-	442	871	428	442	103%	-
Transfers recognised - operational	217 640	220 563	-	-	90 023	71 192	18 831	26%	220 563
Other revenue	6 567	500	-	278	367	42	325	781%	500
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>265 244</b>	<b>265 811</b>	<b>-</b>	<b>4 894</b>	<b>99 263</b>	<b>75 376</b>	<b>23 886</b>	<b>32%</b>	<b>265 811</b>
<b>Expenditure By Type</b>									
Employee related costs	81 571	90 434	-	7 945	15 658	17 306	(1 648)	-10%	90 434
Remuneration of councillors	4 622	6 181	-	340	681	2 329	(1 648)	-71%	6 181
Debt impairment	8 000	12 000	-	-	-	-	-		12 000
Depreciation & asset impairment	18 000	20 000	-	-	-	-	-		20 000
Finance charges	3 680	3 500	-	-	-	-	-		3 500
Bulk purchases	9 422	7 800	-	478	478	2 126	(1 648)	-78%	7 800
Contracted services	17 492	36 317	-	987	1 686	3 334	(1 648)	-49%	36 317
Transfers and grants	9 569	12 000	-	-	4 000	5 648	(1 648)	-29%	12 000
Other expenditure	123 714	66 763	-	6 431	10 109	11 757	(1 648)	-14%	66 763
<b>Total Expenditure</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>16 181</b>	<b>32 612</b>	<b>42 499</b>	<b>(9 887)</b>	<b>-23%</b>	<b>254 996</b>
<b>Surplus/(Deficit)</b>	<b>(10 825)</b>	<b>10 816</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>32 877</b>	<b>33 774</b>	<b>0</b>	<b>10 816</b>
Transfers recognised - capital	178 591	210 486	-	-	-	4 007	(4 007)	(0)	210 486
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>			<b>221 302</b>
Taxation							-		
<b>Surplus/(Deficit) after taxation</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>-</b>	<b>-</b>	<b>221 302</b>
Attributable to minorities									
<b>Surplus/(Deficit) attributable to municipality</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>-</b>	<b>-</b>	<b>221 302</b>
Share of surplus/ (deficit) of associate									
<b>Surplus/ (Deficit) for the year</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>-</b>	<b>-</b>	<b>221 302</b>

### Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.



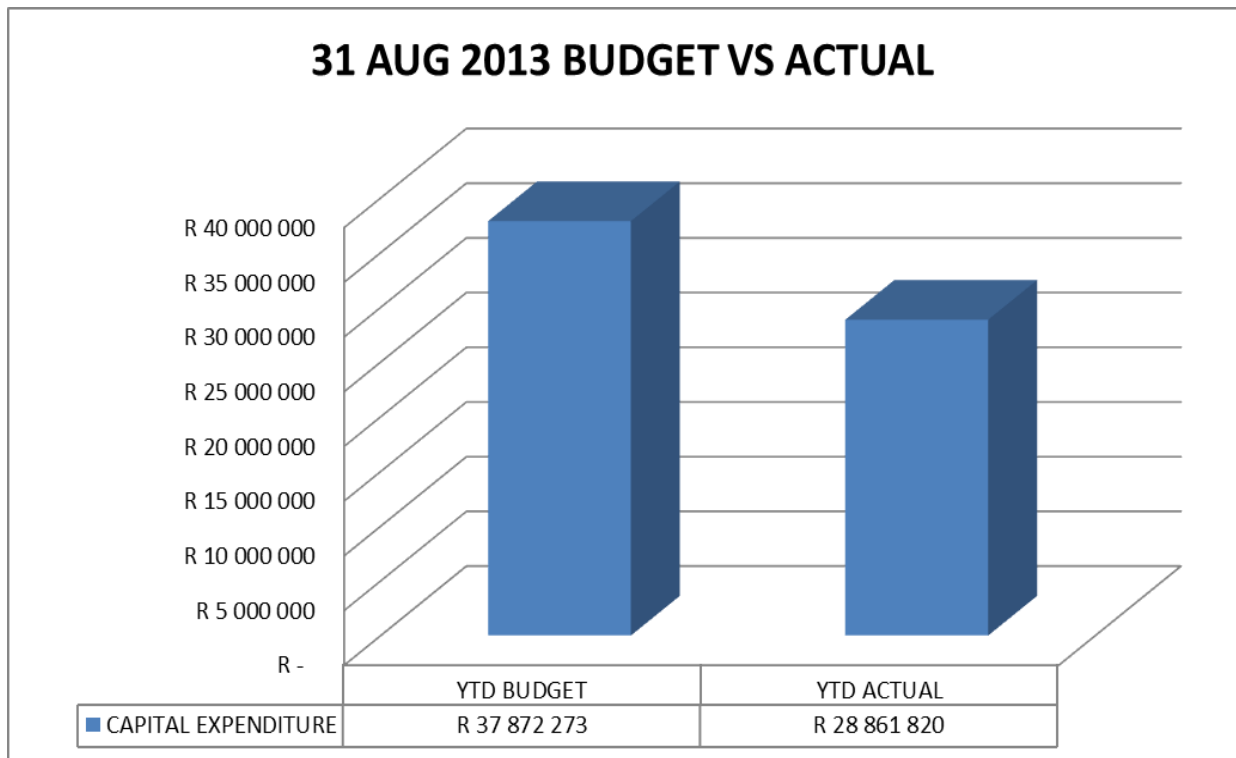
DC43 Sisonke - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M02 August

Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Multi-Year expenditure appropriation</b>									
Vote 2 - Finance	136	130	-	-	-	22	(22)	-100%	130
Vote 3 - Corporate Services	368	3 256	-	7	7	543	(535)	-99%	3 256
Vote 5 - Infrastructure Services	147 884	223 248	-	24 848	28 854	37 208	(8 354)	-22%	223 248
Vote 6 - Water Services	-	600	-	-	-	100	(100)	-100%	600
<b>Total Capital Multi-year expenditure</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>227 234</b>
<b>Total Capital Expenditure</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>227 234</b>
<b>Capital Expenditure - Standard Classification</b>									
<b>Governance and administration</b>	<b>504</b>	<b>3 386</b>	<b>-</b>	<b>7</b>	<b>7</b>	<b>564</b>	<b>(557)</b>	<b>-99%</b>	<b>3 386</b>
Budget and treasury office	136	130	-	-	-	22	(22)	-100%	130
Corporate services	368	3 256	-	7	7	543	(535)	-99%	3 256
<b>Trading services</b>	<b>147 884</b>	<b>223 848</b>	<b>-</b>	<b>24 848</b>	<b>28 854</b>	<b>37 308</b>	<b>(8 454)</b>	<b>-23%</b>	<b>223 848</b>
Water	-	600	-	-	-	100	(100)	-100%	600
Waste water management	147 884	223 248	-	24 848	28 854	37 208	(8 354)	-22%	223 248
<b>Total Capital Expenditure - Standard Classification</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>227 234</b>
<b>Funded by:</b>									
National Government	128 865	210 486	-	24 855	24 855	30 298	(5 443)	-18%	210 486
Provincial Government	19 523	-	-	-	4 007	7 574	(3 568)	-47%	-
<b>Transfers recognised - capital</b>	<b>148 388</b>	<b>210 486</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>210 486</b>
Internally generated funds	-	16 748	-	-	-	-	-	-	16 748
<b>Total Capital Funding</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>24 855</b>	<b>28 862</b>	<b>37 872</b>	<b>(9 010)</b>	<b>-24%</b>	<b>227 234</b>

As alluded to above, the capital expenditure programme for the month ending 31 August was R24, 8m which represent 78% of capital expenditure and thus shows the improvement on expenditures reflected on National grant funding.

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

Chart 1: 2012/2013 YEAR END CAPEX



As at 31 August 2013, the year to date actual expenditure was R28, 8million against a YTD budget of R37, 8million. In monetary terms, these figures represent 76% per cent performance against the capital development programme as at 31 August 2013.

Table C6 displays the financial position of the municipality as at 31 August 2013.

<b>DC43 Sisonke - Table C6 Consolidated Monthly Budget Statement - Financial Position - M02 August</b>					
Description	2012/13	Budget Year 2013/14			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	19 970	54 303	–	118 831	54 303
Consumer debtors	5 957	2 505	–	8 882	2 505
Other debtors		6 510	–	11 963	6 510
Inventory	116	–	–	116	
<b>Total current assets</b>	<b>26 042</b>	<b>63 318</b>	<b>–</b>	<b>139 792</b>	<b>63 318</b>
<b>Non current assets</b>					
Property, plant and equipment	1 083 316	1 516 798	–	1 129 183	1 516 798
Intangible assets	186	545	–	186	545
<b>Total non current assets</b>	<b>1 083 502</b>	<b>1 517 343</b>	<b>–</b>	<b>1 129 369</b>	<b>1 517 343</b>
<b>TOTAL ASSETS</b>	<b>1 109 545</b>	<b>1 580 661</b>	<b>–</b>	<b>1 269 162</b>	<b>1 580 661</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Consumer deposits	949	1 012	–	1 010	1 012
Trade and other payables	71 899	30 555	–	117 290	30 555
Provisions	5 600	–	–	6 742	
<b>Total current liabilities</b>	<b>78 449</b>	<b>31 566</b>	<b>–</b>	<b>125 042</b>	<b>31 566</b>
<b>Non current liabilities</b>					
Borrowing	30 591	25 384	–	25 596	25 384
Provisions	7 427	7 717	–	9 369	7 717
<b>Total non current liabilities</b>	<b>38 018</b>	<b>33 101</b>	<b>–</b>	<b>34 965</b>	<b>33 101</b>
<b>TOTAL LIABILITIES</b>	<b>116 467</b>	<b>64 667</b>	<b>–</b>	<b>160 007</b>	<b>64 667</b>
<b>NET ASSETS</b>	<b>993 078</b>	<b>1 515 993</b>	<b>–</b>	<b>1 109 155</b>	<b>1 515 993</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	989 745	1 512 820	–	1 105 858	1 512 820
Reserves					
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>989 745</b>	<b>1 512 820</b>	<b>–</b>	<b>1 105 858</b>	<b>1 512 820</b>

Table C7 below display the Cash Flow Statement for the period ending 31 August 2013.

DC43 Sisonke - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Ratepayers and other	30 752	30 424	-	1 481	4 817	2 535	2 282	90%	30 424
Government - operating	231 660	220 563	-	-	94 047	18 380	75 667	412%	220 563
Government - capital	168 745	210 486	-	-	89 209	17 541	71 668	409%	210 486
Interest	2 456	2 000	-	822	1 255	166	1 090	658%	2 000
<b>Payments</b>									
Suppliers and employees	(264 286)	(194 417)	-	(11 605)	(49 758)	(16 201)	33 557	-207%	(194 417)
Finance charges	(1 768)	(3 500)	-	-	-	(292)	(292)	100%	(3 500)
Transfers and Grants	-	(12 000)	-	-	(4 000)	(1 000)	3 000	-300%	(12 000)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>167 559</b>	<b>253 556</b>	<b>-</b>	<b>(9 302)</b>	<b>135 570</b>	<b>21 129</b>	<b>114 441</b>	<b>542%</b>	<b>253 556</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Decrease (Increase) in non-current debtors						1	(1)	-100%	
<b>Payments</b>									
Capital assets	(148 471)	(226 772)	-	24 855	12 786	18 898	6 112	32%	(226 772)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(148 471)</b>	<b>(226 772)</b>	<b>-</b>	<b>24 855</b>	<b>12 786</b>	<b>18 899</b>	<b>6 113</b>	<b>32%</b>	<b>(226 772)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Increase (decrease) in consumer deposits		12	-	-	-	-	-		-
<b>Payments</b>									
Repayment of borrowing	(2 652)	(2 494)	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(2 652)</b>	<b>(2 482)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>16 436</b>	<b>24 303</b>	<b>-</b>	<b>15 554</b>	<b>148 356</b>	<b>40 027</b>			<b>26 784</b>
Cash/cash equivalents at beginning:	3 535	30 000	-		152 988	30 000			152 988
Cash/cash equivalents at month/year end:	19 970	54 303	-		301 344	70 027			179 772

There has been a decrease in collection levels signalled by a collection ratio of 27% (July 2013: 73%). The interest earned on investments for the period ending 31 August is R822 000 which is 43% of total budget.

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 August 2013.

**Table 2.1.1: Debtors Age Analysis by Income Source**

DC43 Sisonke - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August										
Description	Budget Year 2013/14									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
<b>R thousands</b>										
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	3 118	2 874	1 993	1 838	2 244	1 652	7 720	35 384	56 822	48 838
Receivables from Exchange Transactions - Waste Water Management	1 214	890	797	783	648	681	3 670	14 837	23 521	20 620
Other	428	-	-	-	-	-	1	3 056	3 485	3 057
<b>Total By Income Source</b>	<b>4 760</b>	<b>3 764</b>	<b>2 790</b>	<b>2 621</b>	<b>2 892</b>	<b>2 333</b>	<b>11 391</b>	<b>53 277</b>	<b>83 829</b>	<b>72 515</b>
<b>2012/13 - totals only</b>									-	-
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	1 478	1 600	697	564	1 089	493	960	8 623	15 503	11 729
Commercial	783	326	304	276	168	187	1 022	4 761	7 826	6 412
Households	2 447	1 790	1 760	1 745	1 601	1 625	9 269	39 777	60 014	54 018
Other	52	48	29	37	34	29	140	117	485	356
<b>Total By Customer Group</b>	<b>4 760</b>	<b>3 764</b>	<b>2 790</b>	<b>2 621</b>	<b>2 892</b>	<b>2 333</b>	<b>11 391</b>	<b>53 277</b>	<b>83 829</b>	<b>72 515</b>

The municipal consumer debt is currently increasing citing rigorous actions to ensure that this trend is prevented from continuing as it has a direct negative impact on municipal cash flows.

**Table 2.1.2: Debtors Age Analysis By Customer Category**

DESCRIPTION	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
<b>DEBTORS AGE ANALYSIS BY CUSTOMER CATEGORY</b>									
Government	R 1 530 227	R 1 411 494	R 1 526 162	R 658 849	R 560 352	R 1 086 207	R 1 285 903	R 5 110 289	R 13 169 485
Business	R 755 285	R 442 053	R 279 606	R 276 498	R 263 092	R 160 634	R 1 033 118	R 4 897 873	R 8 108 160
Households	R 2 401 891	R 2 317 344	R 1 732 416	R 1 737 271	R 1 723 866	R 1 587 942	R 9 340 758	R 41 089 523	R 61 931 012
Other	R 48 822	R 54 254	R 50 447	R 24 367	R 39 943	R 34 148	R 147 204	R 134 229	R 533 414
<b>TOTAL BY CUSTOMER CATEGORY</b>	<b>R 4 752 901</b>	<b>R 4 212 580</b>	<b>R 3 583 687</b>	<b>R 2 700 270</b>	<b>R 2 583 816</b>	<b>R 2 869 841</b>	<b>R 11 805 733</b>	<b>R 51 232 405</b>	<b>R 83 742 070</b>

Table 2.1.2 analyses consumer debt by Category. A further analysis in the form of a chart is provided below.

#### Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 74%
- ✓ Government 16%
- ✓ Business 10%
- ✓ Other 1%

The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

## 2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 August 2013

DC43 Sisonke - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August									
Description	Budget Year 2013/14								
	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
<b>R thousands</b>									
<b>Creditors Age Analysis By Customer Type</b>									
Bulk Electricity									-
Bulk Water	421	-	-	-	-	-	-	-	421
PAYE deductions	1 126	-	-	-	-	-	-	-	1 126
Loan repayments	-	-	-	-	-	-	-	-	-
Trade Creditors	6 282	-	-	-	-	-	-	-	6 282
Auditor General	13	-	-	-	-	-	-	-	13
Other									-
<b>Total By Customer Type</b>	<b>7 842</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 842</b>

## 2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 31 August 2013.

### Cash and Bank Balances (Investments)

DC43 Sisonke - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August								
Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning	Change in market value	Market value at end of the
R thousands	Yrs/Months							
<b>Municipality</b>								
FIRST NATIONAL BANK		MONEY MARKET		118		39 674	(12 442)	27 350
FIRST NATIONAL BANK		CALL ACCOUNT		106		2	54 171	54 279
FIRST NATIONAL BANK		CALL ACCOUNT		105		40 770	(18 590)	22 284
INVESTEC		FIXED DEPOSIT		41		10 502		10 543
FIRST NATIONAL BANK		CALL ACCOUNT		5		2 287	(76)	2 216
FIRST NATIONAL BANK		CALL ACCOUNT		5		1 814	255	2 074
<b>Municipality sub-total</b>				379		95 050	23 318	118 747
<b>TOTAL INVESTMENTS AND INTEREST</b>				<b>379</b>		<b>95 050</b>	<b>23 318</b>	<b>118 747</b>

## 2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Sisonke - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	217 200	220 310	-	890	94 937	92 163	1 814	2.0%	220 010
Local Government Equitable Share	203 556	216 056	-	-	90 023	90 023	-		216 056
Finance Management	1 250	1 250	-	-	1 250	1 250			1 250
Municipal Systems Improvement	1 000	890	-	890	890	890			890
WATER SERVICES OPERATING SUBSIDY GRANT	9 618	-	-	-	-	-			-
WATER SERVICES OPERATING SUBSIDY	-	300	-	-	960				
Rural Transport Services and Infrastructure Grant	1 776	1 814	-	-	1 814		1 814	#DIV/0!	1 814
<b>Provincial Government:</b>	600	253	-	-	-	253	(253)	-100.0%	253
Infrastructure Sport Facilities		253	-	-	-	253	(253)	-100.0%	253
District Growth Development Summit	400								
Accredited Councillors Training	200								
<b>Total Operating Transfers and Grants</b>	<b>217 800</b>	<b>220 563</b>	<b>-</b>	<b>890</b>	<b>94 937</b>	<b>92 416</b>	<b>1 561</b>	<b>1.7%</b>	<b>220 263</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	173 813	210 486	-	4 575	93 784	86 243	-		210 486
Municipal Infrastructure Grant (MIG)	165 717	173 618	-	-	83 368	83 368	-		173 618
Regional Bulk Infrastructure	302	15 429	-	3 060	8 901	938			15 429
Neighbourhood Development Partnership	-	-	-	-	-	-			-
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT G	-	5 000	-	-	-	422			5 000
MUNICIPAL WATER INFRASTRUCTURE GRANT	-	13 700	-	1 515	1 515	1 515			13 700
Expanded public works programme incentive grant	4 594	2 739	-	-	-	-			2 739
Farmers Market	3 200	-	-	-	-	-			-
<b>Provincial Government:</b>	21 420	-	-	935	-	-			-
ACIP Grant	620	-	-	935	-	-			-
Massification	20 800	-	-	-	-	-			-
<b>Total Capital Transfers and Grants</b>	<b>195 233</b>	<b>210 486</b>	<b>-</b>	<b>5 510</b>	<b>93 784</b>	<b>86 243</b>	<b>-</b>		<b>210 486</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>413 033</b>	<b>431 049</b>	<b>-</b>	<b>6 400</b>	<b>188 721</b>	<b>178 659</b>	<b>1 561</b>	<b>0.9%</b>	<b>430 749</b>

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Sisonke - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	213 282	220 310	-	36 059	36 843	37 249	(406)	-1.1%	217 246
Local Government Equitable Share	203 556	216 056	-	36 009	36 009	36 009	-		216 056
Finance Management	1 250	1 250	-	50	50	50	-		
Municipal Systems Improvement	1 000	890	-	-	-	890	(890)	-100.0%	890
WATER SERVICES OPERATING SUBSIDY GRANT	5 700	-	-	-	-	-	-		-
WATER SERVICES OPERATING SUBSIDY		300	-	-	784	300	484	161.4%	300
Rural Transport Services and Infrastructure Grant	1 776	1 814	-	-	-	-	-		-
Other transfers and grants [insert description]									
<b>Provincial Government:</b>	90	253	-	-	-	-	-		253
Infrastructure Sport Facilities		253	-	-	-	-	-		253
Accredited Councillors Training	90	-	-	-	-	-	-		-
<b>Total operating expenditure of Transfers and Grants:</b>	<b>213 372</b>	<b>220 563</b>	<b>-</b>	<b>36 059</b>	<b>36 843</b>	<b>37 249</b>	<b>(406)</b>	<b>-1.1%</b>	<b>217 499</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	172 982	210 486	-	14 418	22 481	42 959	(18 700)	-43.5%	195 057
Municipal Infrastructure Grant (MIG)	165 717	173 618	-	13 457	21 520	21 520	-		173 618
Regional Bulk Infrastructure	302	15 429	-	-	-	-	-		-
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT		5 000	-	-	-	5 000	(5 000)	-100.0%	5 000
MUNICIPAL WATER INFRASTRUCTURE GRANT		13 700	-	-	-	13 700	(13 700)	-100.0%	13 700
Expanded public works programme incentive grant	3 763	2 739	-	961	961	2 739			2 739
Farmers Market	3 200								
<b>Provincial Government:</b>	1 125	-	-	-	4 006	4 006	-		-
ACIP Grant	620								
Massification	505				4 006	4 006			
<b>Total capital expenditure of Transfers and Grants</b>	<b>174 107</b>	<b>210 486</b>	<b>-</b>	<b>14 418</b>	<b>26 487</b>	<b>46 965</b>	<b>(18 700)</b>	<b>-39.8%</b>	<b>195 057</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>387 479</b>	<b>431 049</b>	<b>-</b>	<b>50 477</b>	<b>63 330</b>	<b>84 215</b>	<b>(19 106)</b>	<b>-22.7%</b>	<b>412 556</b>



## 2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 31 August 2013.

DC43 Sisonke - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August									
Summary of Employee and Councillor remuneration	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	3 894	3 370	-	186	371	281	90	32%	3 370
Pension and UIF Contributions	-	441	-	24	49	37	12	32%	441
Medical Aid Contributions	-	104	-	6	11	9	3	32%	104
Motor Vehicle Allowance	498	1 301	-	72	143	108	35	32%	1 301
Cellphone Allowance	180	286	-	16	31	24	8	32%	286
Other benefits and allowances	50	680	-	37	75	57	18	32%	680
<b>Sub Total - Councillors</b>	<b>4 622</b>	<b>6 181</b>	<b>-</b>	<b>340</b>	<b>681</b>	<b>515</b>	<b>166</b>	<b>32%</b>	<b>6 181</b>
<b>% increase</b>		<b>33.7%</b>							<b>33.7%</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	2 127	3 801	-	334	658	317	341	108%	3 801
Pension and UIF Contributions	7	2	-	0	0	0	0	108%	2
Medical Aid Contributions	47	4	-	0	1	0	0	108%	4
Performance Bonus	-	525	-	46	91	44	47	108%	525
Motor Vehicle Allowance	754	2 376	-	209	411	198	213	108%	2 376
Cellphone Allowance	65	111	-	10	19	9	10	108%	111
Housing Allowances	277	-	-	-	-	-	-	-	-
Other benefits and allowances	2	3	-	0	1	0	0	108%	3
<b>Sub Total - Senior Managers of Municipality</b>	<b>3 279</b>	<b>6 823</b>	<b>-</b>	<b>599</b>	<b>1 181</b>	<b>569</b>	<b>613</b>	<b>108%</b>	<b>6 823</b>
<b>% increase</b>		<b>108.1%</b>							<b>108.1%</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	53 145	60 398	-	5 307	10 458	5 033	5 424	108%	60 398
Pension and UIF Contributions	8 267	10 212	-	897	1 768	851	917	108%	10 212
Medical Aid Contributions	3 206	1 411	-	124	244	118	127	108%	1 411
Overtime	4 674	1 261	-	111	218	105	113	108%	1 261
Performance Bonus	3 301	5 596	-	492	969	466	503	108%	5 596
Motor Vehicle Allowance	3 950	2 572	-	226	445	214	231	108%	2 572
Cellphone Allowance	307	439	-	39	76	37	39	108%	439
Housing Allowances	218	38	-	3	7	3	3	108%	38
Other benefits and allowances	22	1 682	-	148	291	140	151	108%	1 682
Payments in lieu of leave	1 054	-	-	-	-	-	-	-	-
Long service awards	167	-	-	-	-	-	-	-	-
<b>% increase</b>									
<b>Total Parent Municipality</b>	<b>7 901</b>	<b>13 004</b>	<b>-</b>	<b>940</b>	<b>1 862</b>	<b>1 084</b>	<b>779</b>	<b>72%</b>	<b>13 004</b>
		<b>64.6%</b>							<b>64.6%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>7 901</b>	<b>13 004</b>	<b>-</b>	<b>940</b>	<b>1 862</b>	<b>1 084</b>	<b>779</b>	<b>72%</b>	<b>13 004</b>
<b>% increase</b>		<b>64.6%</b>							<b>64.6%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>3 279</b>	<b>6 823</b>	<b>-</b>	<b>599</b>	<b>1 181</b>	<b>569</b>	<b>613</b>	<b>108%</b>	<b>6 823</b>

## 2.6 Material Variances to the SDBIP

The following section analyses material variances between the actual targets as at 31 August 2013 and the budget for the same period. This report analyses each major component under following headings;

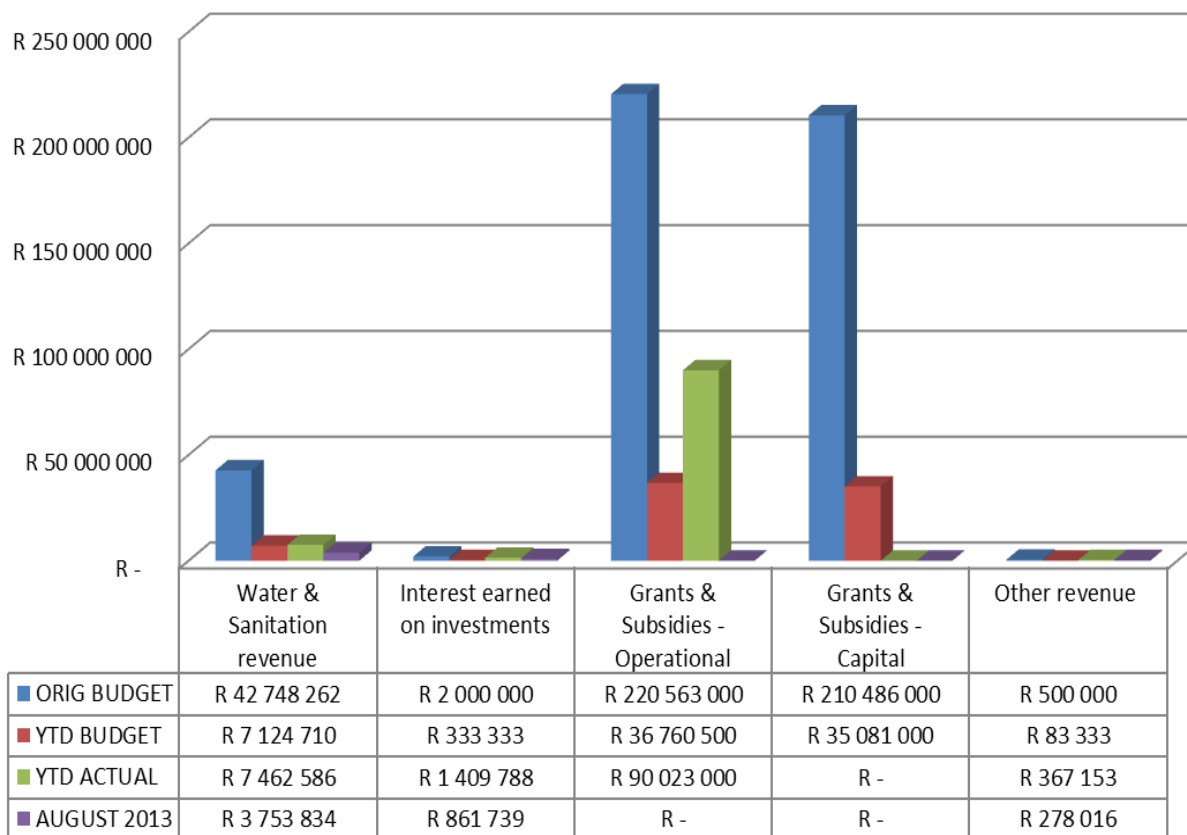
- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

## **REVENUE**

The chart displays a comparison between the 2013/14 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to “performance” rather than “cash movements” in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

### **Chart 3: Revenue Analysis**

### 2013/14 MONTH ENDING 31 AUG REVENUE ANALYSIS



#### Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 31 August 2013 was R3, 7million against a year to date **budget** of R3, 1million.

#### Interest Earned on External Investments

The actual interest earned on external investments as at 31 August 2013 is R 861 739 more than the year to date budget. This represent 43% of monthly received against original budget.

#### Transfers Recognised - Operational

There is no operational grants revenue received for the period ending 31 August 2013.

#### Transfers Recognised – Capital

The expenditure trends on grant funded expenditure had resulted in a positive way as expected against the set targets. The actual R24million (against a YTD budget of R35million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 71% performance in Conditional Capital grant funding expenditures.

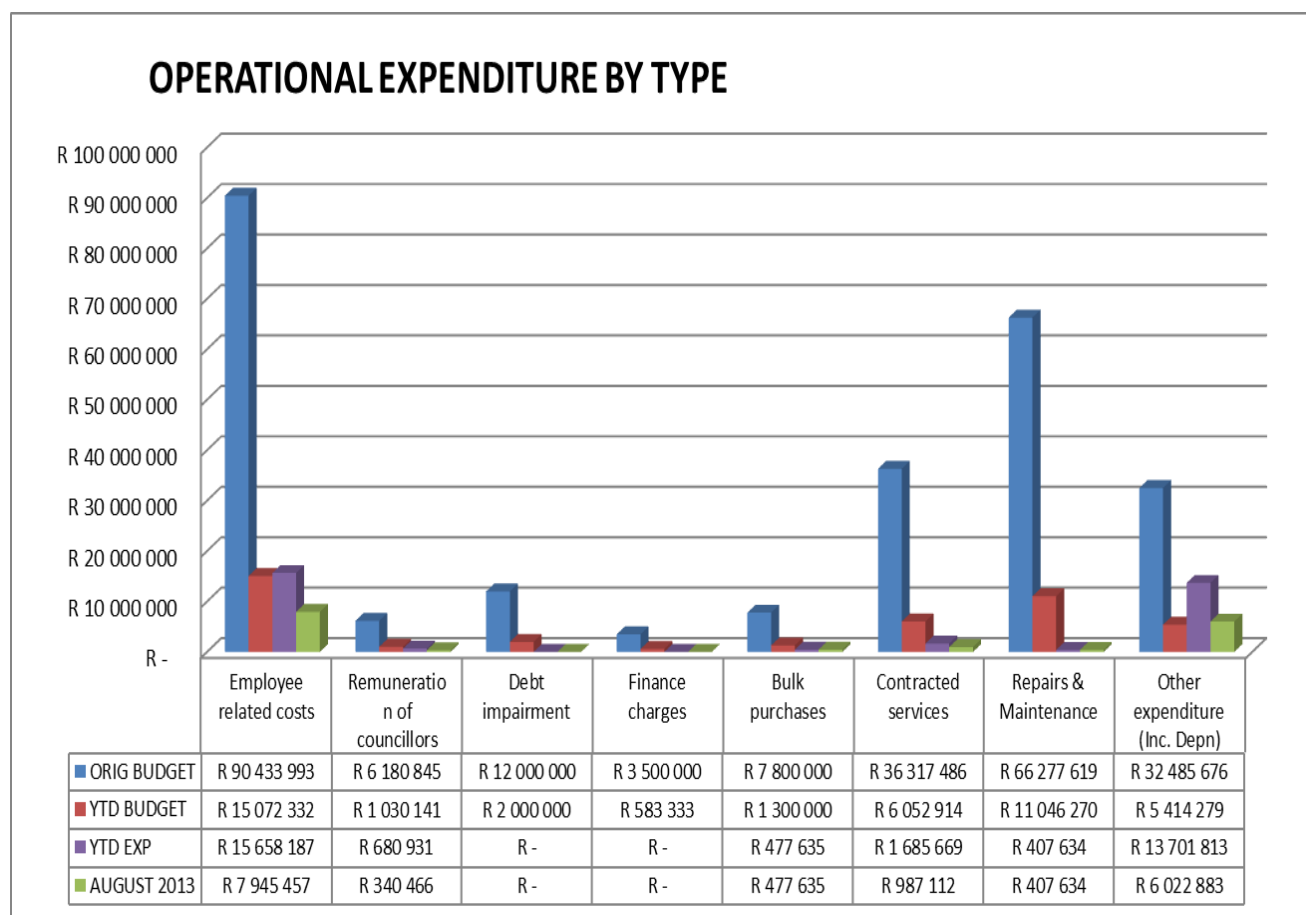
**Other Revenue**

The YTD performance of other revenue is R278 016 against YTD budget of R83 333 of original budget.

**OPERATIONAL EXPENDITURE**

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

**Chart 4: 2013/14 Financial year Opex**



**Employee Related Costs**

The YTD budget for employee related costs is R7, 9million against a YTD actual of R15million which is 53% of the YTD budget.

### **Remuneration of Councillors**

The remuneration of councillor's expenditure as at 31 August 2013 was R340 466 against a YTD budget of R1million.

### **Finance Charges**

As at 31 August 2013, the finance charges budget has been R3, 5m and there were no movements.

### **Bulk Purchases**

The expenditure on Bulk Water purchases has the budget of R7, 8m and the expenditure for the month ending 31 August was R477 635.

### **Other Expenditure**

The YTD budget for other expenditure was at R5, 4million against a YTD expenditure of R13, 7million.

### **Performance assessment**

The Performance Assessment Report will be available on the first quarter in terms of Sec 52 (d) of the Municipal Finance Management Act.

### **Actual and revised targets for cash receipts**

# Sisonke District Municipality

DC43 Sisonke - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M02 August

Description	Budget Year 2013/14												2013/14 Medium Term Revenue & Expenditure Framework		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2013/14	2014/15	2015/16
<b>Cash Receipts By Source</b>															
Service charges - water revenue	2 287	842	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	1 746	2 107	20 947	22 622	18 054
Service charges - sanitation revenue	980	361	748	748	748	748	748	748	748	748	748	903	8 977	9 695	7 738
Interest earned - external investments	5	379	167	95	315	213	188	101	249	165	84	39	2 000	2 000	2 000
Interest earned - outstanding debtors	428	442										(871)			
Transfer receipts - operating	94 047	-	-	4 640	69 182	-	4 640	-	51 582	-	-	(3 528)	220 563	242 058	252 948
Other revenue	69	278	83	-	83	-	83	-	83	-	83	(263)	500	500	500
<b>Cash Receipts by Source</b>	<b>97 816</b>	<b>2 303</b>	<b>2 744</b>	<b>7 229</b>	<b>72 074</b>	<b>2 706</b>	<b>7 405</b>	<b>2 595</b>	<b>54 407</b>	<b>2 659</b>	<b>2 661</b>	<b>(1 613)</b>	<b>252 987</b>	<b>276 876</b>	<b>281 240</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	89 209	-	-	-	60 874	-	4 296	7 155	47 747	-	989	216	210 486	243 163	274 050
<b>Total Cash Receipts by Source</b>	<b>187 025</b>	<b>2 303</b>	<b>2 744</b>	<b>7 229</b>	<b>132 948</b>	<b>2 706</b>	<b>11 701</b>	<b>9 750</b>	<b>102 154</b>	<b>2 659</b>	<b>3 650</b>	<b>(1 397)</b>	<b>463 473</b>	<b>520 039</b>	<b>555 290</b>
<b>Cash Payments by Type</b>															
Employee related costs	7 713	7 945	7 625	7 625	7 625	7 625	7 625	7 625	7 625	7 625	7 625	6 147	90 434	98 831	105 730
Remuneration of councillors	340	340	515	515	515	515	515	515	515	515	515	864	6 181	6 576	7 037
Interest paid	-	-	208	208	208	208	208	208	208	208	208	1 625	3 500	2 800	2 500
Bulk purchases - Water & Sewer	-	478	650	650	650	650	650	650	650	650	650	1 472	7 800	8 221	8 665
Contracted services	699	987	2 833	2 833	2 833	2 833	2 833	2 833	2 833	2 833	2 833	9 133	36 317	37 923	37 699
General expenses	29 402	1 854	4 474	4 474	4 474	4 474	4 474	4 474	4 474	4 474	4 474	(17 835)	53 685	54 805	57 765
<b>Cash Payments by Type</b>	<b>38 153</b>	<b>11 605</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>16 306</b>	<b>1 407</b>	<b>197 917</b>	<b>209 157</b>	<b>219 397</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	12 069	24 855	18 898	18 898	18 898	18 898	18 898	18 898	18 898	18 898	18 898	19 768	226 772	252 706	285 691
Repayment of borrowing	-	-	208	208	208	208	208	208	208	208	208	623	2 494	2 735	2 997
Other Cash Flows/Payments	-	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(3)	(12)	(14)	(17)
<b>Total Cash Payments by Type</b>	<b>50 223</b>	<b>36 460</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>35 410</b>	<b>21 795</b>	<b>427 170</b>	<b>464 584</b>	<b>508 068</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>															
Cash/cash equivalents at the month/year beg	20 186	156 988	122 831	90 165	61 984	159 522	126 818	103 109	77 448	144 192	111 441	79 681	20 186	56 489	111 944
Cash/cash equivalents at the month/year end	156 988	122 831	90 165	61 984	159 522	126 818	103 109	77 448	144 192	111 441	79 681	56 489	56 489	111 944	159 166

## Parent Municipal financial performance

**DC43 Sisonke - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M02 August**

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Revenue By Source</b>									
Service charges - water revenue	26 799	30 697	-	2 628	5 224	2 225	2 999	135%	30 697
Service charges - sanitation revenue	11 485	12 052	-	1 126	2 239	1 484	755	51%	12 052
Interest earned - external investments	2 753	2 000	-	419	539	5	534	10006%	2 000
Interest earned - outstanding debtors	-	-	-	442	871	428	442	103%	-
Transfers recognised - operational	217 640	220 563	-	-	90 023	71 192	18 831	26%	220 563
Other revenue	6 567	500	-	278	367	42	325	781%	500
<b>Total Revenue (excluding capital transfers and contrib</b>	<b>265 244</b>	<b>265 811</b>	<b>-</b>	<b>4 894</b>	<b>99 263</b>	<b>75 376</b>	<b>23 886</b>	<b>32%</b>	<b>265 811</b>
<b>Expenditure By Type</b>									
Employee related costs	81 571	90 434	-	7 945	15 658	17 306	(1 648)	-10%	-
Remuneration of councillors	4 622	6 181	-	340	681	2 329	(1 648)	-71%	-
Debt impairment	8 000	12 000	-	-	-	-	-	-	-
Depreciation & asset impairment	18 000	20 000	-	-	-	-	-	-	-
Finance charges	3 680	3 500	-	-	-	-	-	-	-
Bulk purchases	9 422	7 800	-	478	478	2 126	(1 648)	-78%	-
Contracted services	17 492	36 317	-	987	1 686	3 334	(1 648)	-49%	-
Transfers and grants	9 569	12 000	-	-	4 000	5 648	(1 648)	-29%	-
Other expenditure	123 714	66 763	-	6 431	10 109	11 757	(1 648)	-14%	-
<b>Total Expenditure</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>16 181</b>	<b>32 612</b>	<b>42 499</b>	<b>(9 887)</b>	<b>-23%</b>	<b>-</b>
<b>Surplus/(Deficit)</b>	<b>(10 825)</b>	<b>10 816</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>32 877</b>	<b>33 774</b>	<b>103%</b>	<b>265 811</b>
Transfers recognised - capital	178 591	210 486	-	-	-	4 007	(4 007)	-100%	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>29 767</b>	<b>81%</b>	<b>265 811</b>
<b>Surplus/(Deficit) after taxation</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>(11 288)</b>	<b>66 651</b>	<b>36 884</b>	<b>29 767</b>	<b>81%</b>	<b>265 811</b>

## Capital Expenditure Trend

**DC43 Sisonke - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M02 August**

Month	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	7 595	18 898	-	12 069	12 069	18 898	6 828	36.1%	5%
August	8 947	18 898	-	24 855	36 925	37 795	871	2.3%	16%
September	8 497	18 898	-			56 693	-		
October	10 497	18 898	-			75 591	-		
November	14 172	18 898	-			94 488	-		
December	19 194	18 898	-			113 386	-		
January	11 905	18 898	-			132 283	-		
February	7 877	18 898	-			151 181	-		
March	4 980	18 898	-			170 079	-		
April	11 806	18 898	-			188 976	-		
May	24 362	18 898	-			207 874	-		
June	18 556	19 360	-			227 234	-		
<b>Total Capital expenditure</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>36 925</b>					

## Capital Expenditure on New Assets by Asset Class

DC43 Sisonke - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	136 252	217 762	-	24 551	21 326	-	(21 326)	#DIV/0!	217 762
Infrastructure - Electricity	2 935	580	-	-	-	-	-		580
<i>Transmission &amp; Reticulation</i>	2 935	580	-	-	-	-	-		580
Infrastructure - Water	96 364	166 970	-	21 785	19 850	-	(19 850)	#DIV/0!	166 970
<i>Reticulation</i>	96 364	166 970	-	21 785	19 850	-	(19 850)	#DIV/0!	166 970
Infrastructure - Sanitation	36 953	50 012	-	2 766	1 477	-	(1 477)	#DIV/0!	50 012
<i>Sewerage purification</i>	36 953	50 012	-	2 766	1 477	-	(1 477)	#DIV/0!	50 012
Infrastructure - Other	-	200	-	-	-	-	-		200
<i>Other</i>	-	200	-	-	-	-	-		200
<b>Community</b>	6 157	2 000	-	297	297	-	(297)	#DIV/0!	2 000
Other	6 157	2 000	-	297	297	-	(297)	#DIV/0!	2 000
<b>Other assets</b>	808	4 252	-	7	4 014	-	(4 014)	#DIV/0!	4 252
General vehicles	277	2 739	-	-	4 007	-	(4 007)	#DIV/0!	2 739
Furniture and other office equipment	230	798	-	7	7	-	(7)	#DIV/0!	798
Other Buildings	301	700	-	-	-	-	-		700
Other	-	15	-	-	-	-	-		15
<b>Intangibles</b>	385	572	-	-	-	-	-		572
Computers - software & programming	385	572	-	-	-	-	-		572
<b>Total Capital Expenditure on new assets</b>	143 601	224 587	-	24 855	25 637	-	(25 637)	#DIV/0!	224 587
<b>Specialised vehicles</b>	-	-	-	-	-	-	-		-
Refuse	-	-	-	-	-	-	-		-
Fire	-	-	-	-	-	-	-		-
Conservancy	-	-	-	-	-	-	-		-
Ambulances	-	-	-	-	-	-	-		-

## Capital Expenditure on Renewal of Existing Assets by Asset Class



DC43 Sisonke - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M02 August

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	4 787	2 647	-	-	3 225	-	(3 225)	#DIV/0!	2 647
Infrastructure - Water	2 402	1 378	-	-	1 935	-	(1 935)	#DIV/0!	1 378
<i>Reticulation</i>	2 402	1 378	-	-	1 935	-	(1 935)	#DIV/0!	1 378
Infrastructure - Sanitation	2 385	1 269	-	-	1 290	-	(1 290)	#DIV/0!	1 269
<i>Sewerage purification</i>	2 385	1 269	-	-	1 290	-	(1 290)	#DIV/0!	1 269
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>4 787</b>	<b>2 647</b>	<b>-</b>	<b>-</b>	<b>3 225</b>	<b>-</b>	<b>(3 225)</b>	<b>#DIV/0!</b>	<b>2 647</b>
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse									
Fire									
Conservancy									
Ambulances									

## 2.7 Municipal Manager's Quality's Certificate

### Quality Certificate

I, Adelaide Nomnandi Dlamini, the municipal manager of Sisonke District Municipality, hereby certify that-

- The monthly budget statement

For the month of August of 2013 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Adelaide Nomnandi Dlamini

Municipal Manager of: Sisonke District Municipality

Signed \_\_\_\_\_

Date \_\_\_\_\_