

# Sisonke District Municipality

MFMA s71 report for the period ending 31 October 2013.

10/10/2013

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 October 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 - M04 October									
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>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	41 037	44 748	-	4 058	13 993	9 935	4 058	41%	44 748
Investment revenue	-	-	-	277	770	493	277	56%	-
Transfers recognised - operational	217 640	220 563	-	403	91 462	90 073	1 389	2%	220 563
Other own revenue	6 567	500	-	747	2 578	1 832	747	41%	500
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5 485</b>	<b>108 804</b>	<b>102 333</b>	<b>6 471</b>	<b>6%</b>	<b>265 811</b>
Employee costs	81 571	90 434	-	7 847	31 656	23 809	7 847	33%	90 434
Remuneration of Councillors	4 622	6 181	-	414	1 576	1 162	414	36%	6 181
Depreciation & asset impairment	18 000	20 000	-	-	-	-	-	-	20 000
Finance charges	3 680	3 500	-	0	0	0	-	-	3 500
Materials and bulk purchases	9 422	7 800	-	1 278	2 285	1 007	1 278	127%	7 800
Transfers and grants	9 569	12 000	-	-	4 000	4 000	-	-	12 000
Other expenditure	149 206	115 081	-	11 233	33 887	22 654	11 233	50%	115 081
<b>Total Expenditure</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>20 772</b>	<b>73 404</b>	<b>52 632</b>	<b>20 772</b>	<b>39%</b>	<b>254 996</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15 286)</b>	<b>35 400</b>	<b>49 701</b>	<b>(14 301)</b>	<b>-29%</b>	<b>10 816</b>
Transfers recognised - capital	178 591	210 486	-	17 919	58 243	58 243	-	-	210 486
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>107 944</b>	<b>(14 301)</b>	<b>-13%</b>	<b>221 302</b>
<b>Surplus/ (Deficit) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>107 944</b>	<b>(14 301)</b>	<b>-13%</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>18 085</b>	<b>60 786</b>	<b>37 872</b>	<b>22 913</b>	<b>61%</b>	<b>227 234</b>
Capital transfers recognised	148 388	210 486	-	13 839	42 701	37 872	4 829	13%	210 486
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>13 839</b>	<b>42 701</b>	<b>37 872</b>	<b>4 829</b>	<b>13%</b>	<b>227 234</b>
<b>Financial position</b>									
Total current assets	26 042	63 318	-	-	112 031	-	-	-	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	-	-	118 187	-	-	-	34 740
Total non current liabilities	38 018	33 101	-	-	34 356	-	-	-	33 101
<b>Community wealth/Equity</b>	<b>989 745</b>	<b>1 512 820</b>	<b>-</b>	<b>-</b>	<b>1 088 858</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	-	(18 114)	102 311	21 129	81 182	384%	253 556
Net cash from (used) investing	(148 471)	(226 772)	-	(18 085)	(68 849)	18 899	(87 747)	-464%	(226 772)
Net cash from (used) financing	(2 652)	(2 482)	-	443	1 666	-	1 666	#DIV/0!	-
<b>Cash/cash equivalents at the month/year</b>	<b>19 970</b>	<b>54 303</b>	<b>-</b>	<b>-</b>	<b>153 960</b>	<b>70 027</b>	<b>83 933</b>	<b>120%</b>	<b>145 616</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	4 527	3 284	3 601	2 561	2 333	3 078	14 155	48 764	82 303
<b>Creditors Age Analysis</b>									
Total Creditors	4 332	-	-	-	-	-	-	-	4 332

## 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) - M04 October									
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 - Standard</b>									
<i><b>Governance and administration</b></i>	214 469	220 696	-	1 148	93 401	36 783	56 618	154%	220 696
Budget and treasury office	214 469	220 696	-	1 148	93 401	36 783	56 618	154%	220 696
<i><b>Economic and environmental services</b></i>	90	-	-	-	-	-	-		-
Planning and development	90	-	-	-	-	-	-		-
<i><b>Trading services</b></i>	229 276	255 601	-	22 257	73 646	42 600	31 046	73%	56 748
Water	44 642	56 748	-	4 108	15 048	9 458	5 590	59%	56 748
Waste water management	184 635	198 853	-	18 148	58 598	33 142	25 456	77%	-
<b>Total Revenue - Standard</b>	<b>443 835</b>	<b>476 297</b>	<b>-</b>	<b>23 405</b>	<b>167 047</b>	<b>79 383</b>	<b>87 664</b>	<b>110%</b>	<b>277 444</b>
<b>Expenditure - Standard</b>									
<i><b>Governance and administration</b></i>	100 756	121 481	-	10 499	30 956	100 221	(69 265)	-69%	121 481
Executive and council	12 415	18 956	-	1 356	5 280	12 169	(6 889)	-57%	18 956
Budget and treasury office	54 930	63 431	-	3 192	9 924	55 636	(45 712)	-82%	63 431
Corporate services	33 411	39 094	-	5 951	15 753	32 416	(16 663)	-51%	39 094
<i><b>Economic and environmental services</b></i>	35 122	45 047	-	1 537	12 541	45 092	(32 551)	-72%	45 047
Planning and development	35 122	33 047	-	1 537	12 541	43 092	(30 551)	-71%	33 047
Environmental protection	-	12 000	-	-	-	2 000	(2 000)	-100%	12 000
<i><b>Trading services</b></i>	140 192	88 467	-	8 736	29 906	161 181	(131 275)	-81%	88 467
Water	34 630	78 651	-	7 756	25 999	100 569	(74 570)	-74%	78 651
Waste water management	105 562	9 816	-	980	3 907	60 612	(56 705)	-94%	9 816
<b>Total Expenditure - Standard</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>20 772</b>	<b>73 404</b>	<b>306 494</b>	<b>(233 090)</b>	<b>-76%</b>	<b>254 996</b>
<b>Surplus/ (Deficit) for the year</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>(227 111)</b>	<b>320 755</b>	<b>-141%</b>	<b>22 449</b>

This table assesses the revenue by department and then the expenditure for the period ending 31 October 2013. Revenue receipts in October have largely constituted of Capital grants followed by service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of October is 15%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has the largest expenditure by 30% in the period ending 31 October 2013. This being 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) - M04 October									
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 2 - Finance	214 469	220 696	-	1 148	93 401	36 783	56 618	153.9%	220 696
Vote 4 - Economic &Community Services	90	-	-	-	-	-	-		-
Vote 5 - Infrastructure Services	184 635	198 853	-	18 148	58 598	33 142	25 456	76.8%	198 853
Vote 6 - Water Services	44 642	56 748	-	4 108	15 048	9 458	5 590	59.1%	56 748
<b>Total Revenue by Vote</b>	<b>443 835</b>	<b>476 297</b>	<b>-</b>	<b>23 405</b>	<b>167 047</b>	<b>79 383</b>	<b>87 664</b>	<b>110.4%</b>	<b>476 297</b>
<b>Expenditure by Vote</b>									
Vote 1 - Executive & Council	12 415	18 956	-	1 356	5 280	12 169	(6 889)	-56.6%	18 956
Vote 2 - Finance	54 930	63 431	-	3 192	9 924	55 636	(45 712)	-82.2%	63 431
Vote 3 - Corporate Services	33 411	39 094	-	5 951	15 753	32 416	(16 663)	-51.4%	39 094
Vote 4 - Economic &Community Services	35 122	45 047	-	1 537	12 541	45 092	(32 551)	-72.2%	45 047
Vote 5 - Infrastructure Services	34 630	78 651	-	980	3 907	60 612	(56 705)	-93.6%	78 651
Vote 6 - Water Services	105 562	9 816	-	7 756	25 999	100 569	(74 570)	-74.1%	9 816
<b>Total Expenditure by Vote</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>20 772</b>	<b>73 404</b>	<b>306 494</b>	<b>(233 090)</b>	<b>-76.1%</b>	<b>254 996</b>
<b>Surplus/ (Deficit) for the year</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>(227 111)</b>	<b>320 755</b>	<b>-141.2%</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 October 2013.

DC43 Sisonke - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October									
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	-	2 841	9 795	6 955	2 841	41%	30 697
Service charges - sanitation revenue	11 485	12 052	-	1 217	4 198	2 981	1 217	41%	12 052
Service charges - other			-						2 000
Interest earned - external investments	2 753	2 000		277	770	493	277	56%	
Interest earned - outstanding debtors				443	1 666	1 223	443	36%	
Transfers recognised - operational	217 640	220 563	-	403	91 462	90 073	1 389	2%	220 563
Other revenue	6 567	500	-	303	912	609	303	50%	500
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>265 244</b>	<b>265 811</b>	<b>-</b>	<b>5 485</b>	<b>108 804</b>	<b>102 333</b>	<b>6 471</b>	<b>6%</b>	<b>265 811</b>
<b>Expenditure By Type</b>									
Employee related costs	81 571	90 434	-	7 847	31 656	23 809	7 847	33%	90 434
Remuneration of councillors	4 622	6 181	-	414	1 576	1 162	414	36%	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	-	0	0	0	-		3 500
Bulk purchases	9 422	7 800	-	1 278	2 285	1 007	1 278	127%	7 800
Contracted services	17 492	36 317	-	2 681	5 867	3 186	2 681	84%	36 317
Transfers and grants	9 569	12 000	-	-	4 000	4 000	-		12 000
Other expenditure	123 714	66 763	-	8 552	28 021	19 468	8 552	44%	66 763
<b>Total Expenditure</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>20 772</b>	<b>73 404</b>	<b>52 632</b>	<b>20 772</b>	<b>39%</b>	<b>254 996</b>
<b>Surplus/(Deficit)</b>	<b>(10 825)</b>	<b>10 816</b>	<b>-</b>	<b>(15 286)</b>	<b>35 400</b>	<b>49 701</b>	<b>(14 301)</b>	<b>(0)</b>	<b>10 816</b>
Transfers recognised - capital	178 591	210 486	-	17 919	58 243	58 243	-		210 486
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>107 944</b>			<b>221 302</b>
<b>Surplus/(Deficit) after taxation</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>107 944</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>2 633</b>	<b>93 644</b>	<b>107 944</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>2 633</b>	<b>93 644</b>	<b>107 944</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.

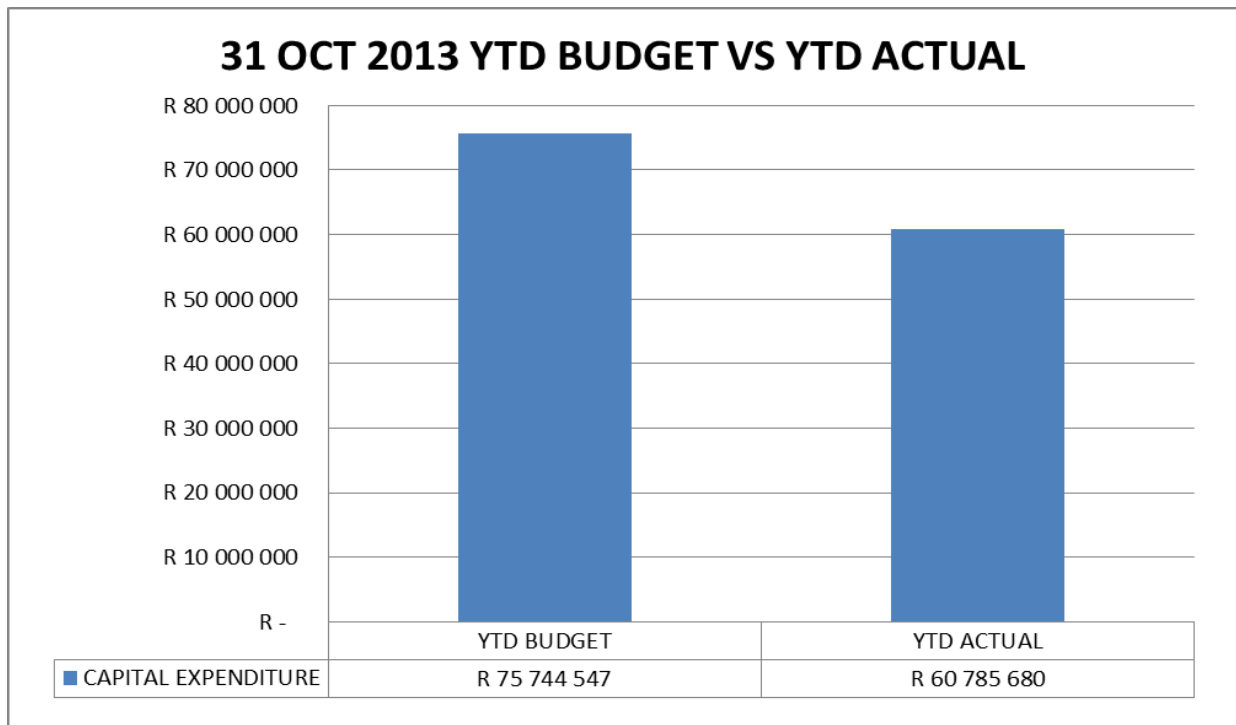


DC43 Sisonke - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M04 October)									
Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>Multi-Year expenditure appropriation</b>									
Vote 2 - Finance	136	130	-	-	-	22	(22)	-100%	130
Vote 3 - Corporate Services	368	3 256	-	684	1 697	543	1 155	213%	3 256
Vote 5 - Infrastructure Services	147 884	223 248	-	17 401	59 089	37 208	21 881	59%	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>18 085</b>	<b>60 786</b>	<b>37 872</b>	<b>22 913</b>	<b>61%</b>	<b>227 234</b>
<b>Total Capital Expenditure</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>18 085</b>	<b>60 786</b>	<b>37 872</b>	<b>22 913</b>	<b>61%</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>684</b>	<b>1 697</b>	<b>564</b>	<b>1 133</b>	<b>201%</b>	<b>3 386</b>
Budget and treasury office	136	130	-	-	-	22	(22)	-100%	130
Corporate services	368	3 256	-	684	1 697	543	1 155	213%	3 256
<b>Trading services</b>	<b>147 884</b>	<b>223 848</b>	<b>-</b>	<b>17 401</b>	<b>59 089</b>	<b>37 308</b>	<b>21 781</b>	<b>58%</b>	<b>223 848</b>
Water	-	600	-	-	-	100	(100)	-100%	600
Waste water management	147 884	223 248	-	17 401	59 089	37 208	21 881	59%	223 248
<b>Total Capital Expenditure - Standard Classification</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>18 085</b>	<b>60 786</b>	<b>37 872</b>	<b>22 913</b>	<b>61%</b>	<b>227 234</b>
<b>Funded by:</b>									
National Government	128 865	210 486	-	12 052	36 908	30 298	6 610	22%	210 486
Provincial Government	19 523	-	-	787	4 794	7 574	(2 781)	-37%	-
District Municipality	-	-	-	1 000	1 000	-	1 000	#DIV/0!	-
<b>Transfers recognised - capital</b>	<b>148 388</b>	<b>210 486</b>	<b>-</b>	<b>13 839</b>	<b>42 701</b>	<b>37 872</b>	<b>4 829</b>	<b>13%</b>	<b>210 486</b>
<b>Internally generated funds</b>	<b>-</b>	<b>16 748</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16 748</b>
<b>Total Capital Funding</b>	<b>148 388</b>	<b>227 234</b>	<b>-</b>	<b>13 839</b>	<b>42 701</b>	<b>37 872</b>	<b>4 829</b>	<b>13%</b>	<b>227 234</b>

As alluded to above, the capital expenditure programme for the month ending 31 October was R18m which represent 24% 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 October 2013, the year to date actual expenditure was R60, 7million against a YTD budget of R75, 7million. In monetary terms, these figures represent 80% per cent performance against the capital development programme as at 31 October 2013.

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

<b>DC43 Sisonke - Table C6 Consolidated Monthly Budget Statement - Financial Position - M04</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	-	91 070	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>112 031</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>1 241 400</b>	<b>1 580 661</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Borrowing	3 333	3 174	-	3 297	3 174
Consumer deposits	949	1 012	-	1 010	1 012
Trade and other payables	71 899	30 555	-	107 138	30 555
Provisions	5 600	-	-	6 742	
<b>Total current liabilities</b>	<b>81 782</b>	<b>34 740</b>	<b>-</b>	<b>118 187</b>	<b>34 740</b>
<b>Non current liabilities</b>					
Borrowing	30 591	25 384	-	24 987	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>34 356</b>	<b>33 101</b>
<b>TOTAL LIABILITIES</b>	<b>119 800</b>	<b>67 841</b>	<b>-</b>	<b>152 542</b>	<b>67 841</b>
<b>NET ASSETS</b>	<b>989 745</b>	<b>1 512 820</b>	<b>-</b>	<b>1 088 858</b>	<b>1 512 820</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	989 745	1 512 820	-	1 088 858	1 512 820
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>989 745</b>	<b>1 512 820</b>	<b>-</b>	<b>1 088 858</b>	<b>1 512 820</b>

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

DC43 Sisonke - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M04 October									
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>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Ratepayers and other	30 752	30 424	-	1 630	9 161	2 535	6 626	261%	30 424
Government - operating	231 660	220 563	-	-	94 047	18 380	75 667	412%	220 563
Government - capital	168 745	210 486	-	7 158	109 988	17 541	92 447	527%	210 486
Interest	2 456	2 000	-	277	708	166	542	327%	2 000
<b>Payments</b>									
Suppliers and employees	(264 286)	(194 417)	-	(27 179)	(107 592)	(16 201)	91 391	-564%	(194 417)
Finance charges	(1 768)	(3 500)	-	-	(0)	(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>(18 114)</b>	<b>102 311</b>	<b>21 129</b>	<b>81 182</b>	<b>384%</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)	-	(18 085)	(68 849)	18 898	87 746	464%	(226 772)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(148 471)</b>	<b>(226 772)</b>	<b>-</b>	<b>(18 085)</b>	<b>(68 849)</b>	<b>18 899</b>	<b>87 747</b>	<b>464%</b>	<b>(226 772)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Increase (decrease) in consumer deposits	-	12	-	443	1 666	-	1 666	#DIV/0!	-
<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>443</b>	<b>1 666</b>	<b>-</b>	<b>(1 666)</b>	<b>#DIV/0!</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>16 436</b>	<b>24 303</b>	<b>-</b>	<b>(35 755)</b>	<b>35 129</b>	<b>40 027</b>	<b>-</b>	<b>-</b>	<b>26 784</b>
Cash/cash equivalents at beginning:	3 535	30 000	-	-	118 831	30 000	-	-	118 831
Cash/cash equivalents at month/year end:	19 970	54 303	-	-	153 960	70 027	-	-	145 616

There has been a decrease in collection levels signalled by a collection ratio of 29% (July 2013: 76%). The interest earned on investments for the period ending 31 October is R720 740.

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

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

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

DC43 Sisonke - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

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	3 410	2 332	2 783	1 894	1 583	2 427	10 515	32 433	57 378	48 852
Receivables from Exchange Transactions - Waste Water Management	1 116	951	818	668	750	651	3 639	13 269	21 862	18 976
Other	-	-	-	-	-	-	1	3 063	3 063	3 063
<b>Total By Income Source</b>	<b>4 527</b>	<b>3 284</b>	<b>3 601</b>	<b>2 561</b>	<b>2 333</b>	<b>3 078</b>	<b>14 155</b>	<b>48 764</b>	<b>82 303</b>	<b>70 892</b>
2012/13 - totals only										
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	1 973	961	1 428	742	481	1 287	3 860	5 600	16 333	11 971
Commercial	596	438	372	190	200	169	1 050	4 682	7 697	6 291
Households	1 958	1 884	1 801	1 630	1 652	1 622	9 244	38 483	58 273	52 630
<b>Total By Customer Group</b>	<b>4 527</b>	<b>3 284</b>	<b>3 601</b>	<b>2 561</b>	<b>2 333</b>	<b>3 078</b>	<b>14 155</b>	<b>48 764</b>	<b>82 303</b>	<b>70 892</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 - Year	Over 1 Year	TOTAL
<b>DEBTORS AGE ANALYSIS BY CUSTOMER CATEGORY</b>									
Government	R 1 539 045	R 1 515 887	R 1 063 159	R 755 930	R 1 184 127	R 424 766	R 1 949 484	R 4 877 444	R 13 309 842
Business	R 663 479	R 452 891	R 338 659	R 290 990	R 232 241	R 243 811	R 1 069 699	R 5 115 645	R 8 407 416
Households	R 2 762 555	R 2 260 035	R 2 137 742	R 2 062 932	R 1 576 937	R 1 598 081	R 8 809 016	R 40 678 776	R 61 886 074
Other	R 144 908	R 72 277	R 55 517	R 53 922	R 43 470	R 26 014	R 223 678	R 491 563	R 1 109 924
<b>TOTAL BY CUSTOMER CATEGORY</b>	<b>R 5 126 663</b>	<b>R 4 288 526</b>	<b>R 3 590 132</b>	<b>R 3 159 458</b>	<b>R 3 033 338</b>	<b>R 2 293 582</b>	<b>R 12 050 626</b>	<b>R 51 163 919</b>	<b>R 84 713 255</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 October 2013

DC43 Sisonke - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October											
Description	NT Code	Budget Year 2013/14									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100										-
Bulk Water	0200	1 722									1 722
PAYE deductions	0300	1 227									1 227
Trade Creditors	0700	1 086									1 086
Auditor General	0800	296									296
Other	0900										-
<b>Total By Customer Type</b>	<b>1000</b>	<b>4 332</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4 332</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 October 2013.

### Cash and Bank Balances (Investments)

DC43 Sisonke - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October									
Investments by maturity	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
Name of institution & investment ID		Yrs/Months							
R thousands									
<b>Municipality</b>									
FIRST NATIONAL BANK	62095523281		MONEY MARKET		68		21 489	(13 464)	8 092
FIRST NATIONAL BANK	62138538692		CALL ACCOUNT		98		33 563	(14 964)	18 698
FIRST NATIONAL BANK	62032587331		CALL ACCOUNT		37		13 596	(9 876)	3 757
INVESTEC	50006688425		FIXED DEPOSIT		41		10 583		10 625
FIRST NATIONAL BANK	62398395204		CALL ACCOUNT		13		4 633	2 992	7 639
FIRST NATIONAL BANK	62414264797		CALL ACCOUNT		5		2 079		2 084
FIRST NATIONAL BANK	62434151239		CALL ACCOUNT		1		960		961
FIRST NATIONAL BANK	62434147072		CALL ACCOUNT		1		890		891
FIRST NATIONAL BANK	62434145331		CALL ACCOUNT		2		1 250		1 252
<b>Municipality sub-total</b>					267		89 044	(35 312)	53 998
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>2</b>				<b>267</b>		<b>89 044</b>	<b>(35 312)</b>	<b>53 998</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 - M04 October									
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>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	217 200	220 310	-	-	95 872	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
WATER SERVICES OPERATING SUBSIDY GRANT	9 618	-	-	-	-	-			-
WATER SERVICES OPERATING SUBSIDY	-	300	-	-	1 895				
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>-</b>	<b>95 872</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	-	7 158	116 549	92 335	1 986	2.2%	210 486
Municipal Infrastructure Grant (MIG)	165 717	173 618	-	-	84 258	83 368	890	1.1%	173 618
Regional Bulk Infrastructure	302	15 429	-	1 066	23 166	938			15 429
Neighbourhood Development Partnership	-	-	-	-	-	-			-
ENERGY EFFICIENCY AND DEMAND SIDE MANAGE	-	5 000	-	-	422	422			5 000
MUNICIPAL WATER INFRASTRUCTURE GRANT	-	13 700	-	6 092	7 607	7 607			13 700
Expanded public works programme incentive grant	4 594	2 739	-	-	1 096	-	1 096	#DIV/0!	2 739
Farmers Market	3 200	-	-	-	-	-			-
<b>Provincial Government:</b>	21 420	-	-	-	935	-	935	#DIV/0!	-
ACIP Grant	620	-	-	-	935	-	935	#DIV/0!	-
Massification	20 800	-	-	-	-	-			-
<b>Total Capital Transfers and Grants</b>	<b>195 233</b>	<b>210 486</b>	<b>-</b>	<b>7 158</b>	<b>117 484</b>	<b>92 335</b>	<b>2 921</b>	<b>3.2%</b>	<b>210 486</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>413 033</b>	<b>431 049</b>	<b>-</b>	<b>7 158</b>	<b>213 356</b>	<b>184 751</b>	<b>4 482</b>	<b>2.4%</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 - M04 October									
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	-	18 408	73 381	72 897	484	0.7%	217 246
Local Government Equitable Share	203 566	216 056	-	18 005	72 019	72 019	-		216 056
Finance Management	1 250	1 250	-	60	110	110	-		
Municipal Systems Improvement	1 000	890	-	114	114	114	-		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	-	229	354	354	-		-
Other transfers and grants [insert description]									
<b>Provincial Government:</b>	90	253	-	-	-	-	-		253
Infrastructure Sport Facilities		253	-	-	-	-	-		253
District Growth Development Summit									
Accredited Councillors Training	90								
<b>Total operating expenditure of Transfers and Grants:</b>	<b>213 372</b>	<b>220 563</b>	<b>-</b>	<b>18 408</b>	<b>73 381</b>	<b>72 897</b>	<b>484</b>	<b>0.7%</b>	<b>217 499</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	172 982	210 486	-	18 526	42 366	60 170	(17 920)	-29.8%	195 057
Municipal Infrastructure Grant (MIG)	165 717	173 618	-	18 410	39 929	39 929	-		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	-	-	780	13 700	(12 920)	-94.3%	13 700
Expanded public works programme incentive grant	3 763	2 739	-	116	1 657	1 540			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>18 526</b>	<b>46 372</b>	<b>64 176</b>	<b>(17 920)</b>	<b>-27.9%</b>	<b>195 057</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>387 479</b>	<b>431 049</b>	<b>-</b>	<b>36 934</b>	<b>119 754</b>	<b>137 073</b>	<b>(17 436)</b>	<b>-12.7%</b>	<b>412 556</b>



## 2.5 Councillor and Staff Benefits

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

DC43 Sisonke - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October									
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	-	326	697	697	-		3 370
Pension and UIF Contributions	-	441	-	24	73	73	-		441
Medical Aid Contributions	-	104	-	6	17	17	-		104
Motor Vehicle Allowance	498	1 301	-	72	215	215	-		1 301
Cellphone Allowance	180	286	-	16	47	47	-		286
Other benefits and allowances	50	680	-	37	112	112	-		680
<b>Sub Total - Councillors</b>	<b>4 622</b>	<b>6 181</b>	<b>-</b>	<b>481</b>	<b>1 162</b>	<b>1 162</b>	<b>-</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	-	343	1 001	1 001	-		3 801
Pension and UIF Contributions	7	2	-	0	1	1	-		2
Medical Aid Contributions	47	4	-	0	1	1	-		4
Performance Bonus	-	525	-	47	138	138	-		525
Motor Vehicle Allowance	754	2 376	-	214	626	626	-		2 376
Cellphone Allowance	65	111	-	10	29	29	-		111
Housing Allowances	277	-	-	-	-	-	-		-
Other benefits and allowances	2	3	-	0	1	1	-		3
<b>Sub Total - Senior Managers of Municipality</b>	<b>3 279</b>	<b>6 823</b>	<b>-</b>	<b>615</b>	<b>1 796</b>	<b>1 796</b>	<b>-</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	-	5 444	15 902	15 902	-		60 398
Pension and UIF Contributions	8 267	10 212	-	920	2 689	2 689	-		10 212
Medical Aid Contributions	3 206	1 411	-	127	372	372	-		1 411
Overtime	4 674	1 261	-	114	332	332	-		1 261
Performance Bonus	3 301	5 596	-	504	1 473	1 473	-		5 596
Motor Vehicle Allowance	3 950	2 572	-	232	677	677	-		2 572
Cellphone Allowance	307	439	-	40	116	116	-		439
Housing Allowances	218	38	-	3	10	10	-		38
Other benefits and allowances	22	1 682	-	152	443	443	-		1 682
Payments in lieu of leave	1 054	-	-	-	-	-	-		-
Long service awards	167	-	-	-	-	-	-		-
Post-retirement benefit obligations	-	-	-	-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>	<b>78 311</b>	<b>83 611</b>	<b>-</b>	<b>7 536</b>	<b>22 013</b>	<b>22 013</b>	<b>-</b>		<b>83 611</b>
<b>% increase</b>		<b>6.8%</b>							<b>6.8%</b>
<b>Total Parent Municipality</b>	<b>86 212</b>	<b>96 615</b>	<b>-</b>	<b>8 632</b>	<b>24 971</b>	<b>24 971</b>	<b>-</b>		<b>96 615</b>
		<b>12.1%</b>							<b>12.1%</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>86 212</b>	<b>96 615</b>	<b>-</b>	<b>8 632</b>	<b>24 971</b>	<b>24 971</b>	<b>-</b>		<b>96 615</b>
<b>% increase</b>		<b>12.1%</b>							<b>12.1%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>81 590</b>	<b>90 434</b>	<b>-</b>	<b>8 151</b>	<b>23 809</b>	<b>23 809</b>	<b>-</b>		<b>90 434</b>

## 2.6 Material Variances to the SDBIP

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

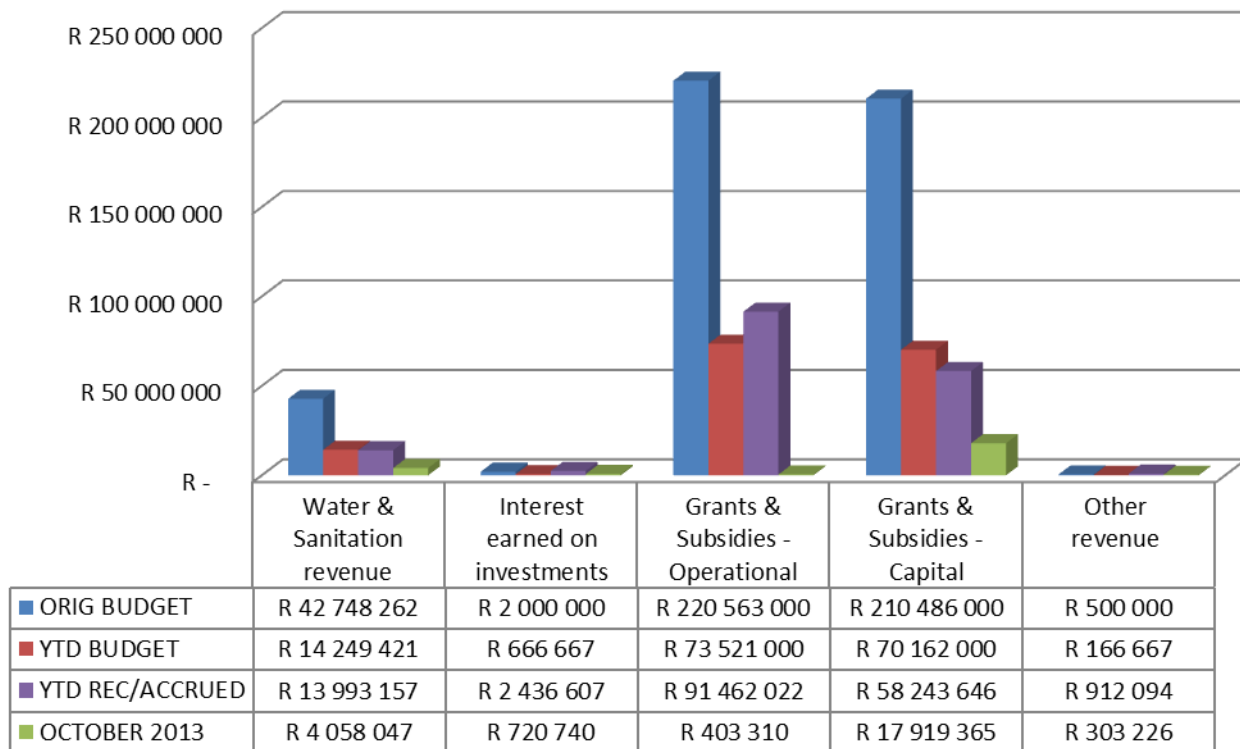
- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

### 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

### 31 OCTOBER 13 REVENUE ANALYSIS



#### Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 31 October 2013 was R4, 5million against a year to date **budget** of R14, 2million.

#### Interest Earned on External Investments

The actual interest earned on external investments as at 31 October 2013 is R 720 740 more than the year to date budget. This represent 36% of monthly received against original budget.

#### Transfers Recognised - Operational

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

#### Transfers Recognised – Capital

The expenditure trends on grant funded expenditure had resulted in a positive way as expected against the set targets. The expenditure for the month ending 31 October was R 18m and YTD actual

was R60million (against a YTD budget of R75million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 80% performance in Conditional Capital grant funding expenditures.

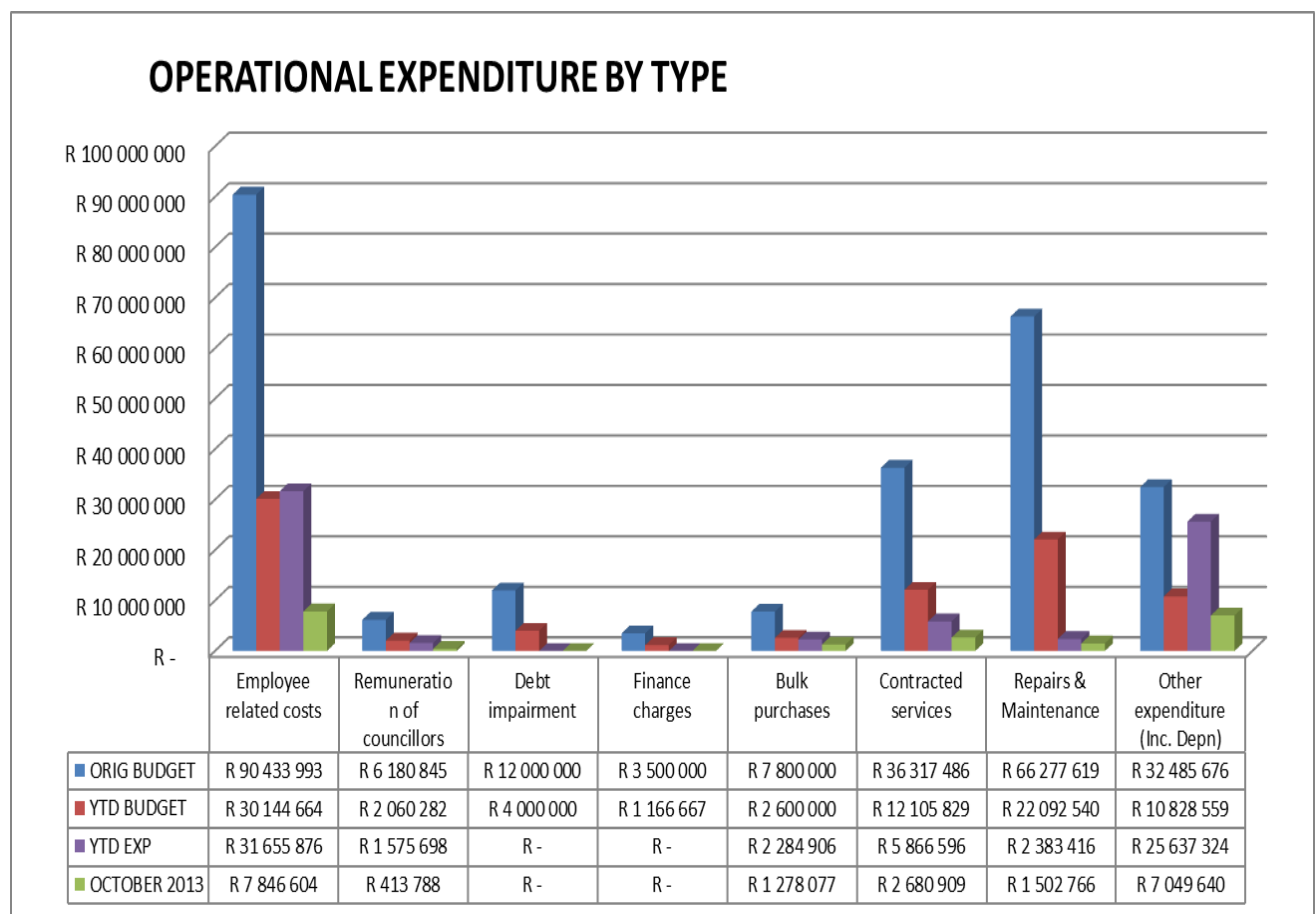
**Other Revenue**

The YTD performance of other revenue is R303 226 against YTD budget of R500 000 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 R30million against a YTD actual of R31million which is 105% of the YTD budget.

### **Remuneration of Councillors**

The remuneration of councillor's expenditure as at 31 October 2013 was R413 788 against a YTD budget of R 2 million.

### **Finance Charges**

As at 31 October 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 October was R 1, 2m.

### **Other Expenditure**

The YTD budget for other expenditure was at R10, 8million against a YTD expenditure of R25, 6million.

### **Performance assessment**

The Performance Assessment Report will be available on the second quarter in terms of mid-term performance assessment in accordance with 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 - M04 October														2013/14 Medium Term Revenue & Expenditure Framework		
Description	Budget Year 2013/14												Budget	Budget	Budget	
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Year	Year +1	Year +2	
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	1 731	929	1 746	1 746	1 746	1 746	1 746	1 746	1 746	2 939	20 947	22 622	18 054	
Service charges - sanitation revenue	980	361	742	396	748	748	748	748	748	748	748	1 260	8 977	9 695	7 738	
Interest earned - external investments	5	379	46	277	315	213	188	101	249	165	84	(22)	2 000	2 000	2 000	
Interest earned - outstanding debtors	428	442	352	443								(1 666)				
Transfer receipts - operating	94 047	-	-	-	69 182	-	4 640	-	51 582	-	-	1 112	220 563	242 058	252 948	
Other revenue	69	278	242	303	83	-	83	-	83	-	83	(725)	500	500	500	
<b>Cash Receipts by Source</b>	<b>97 816</b>	<b>2 303</b>	<b>3 112</b>	<b>2 351</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>2 898</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	-	-	7 158	60 874	-	4 296	7 155	47 747	-	989	(6 942)	210 486	243 163	274 050	
<b>Total Cash Receipts by Source</b>	<b>187 025</b>	<b>2 303</b>	<b>3 112</b>	<b>9 509</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>(4 044)</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	8 152	7 847	7 625	7 625	7 625	7 625	7 625	7 625	7 625	5 399	90 434	98 831	105 730	
Remuneration of councillors	340	340	481	414	515	515	515	515	515	515	515	1 000	6 181	6 576	7 037	
Interest paid	-	-	0	-	208	208	208	208	208	208	208	2 042	3 500	2 800	2 500	
Bulk purchases - Water & Sewer	-	478	529	1 278	650	650	650	650	650	650	650	965	7 800	8 221	8 665	
Contracted services	699	987	1 500	2 681	2 833	2 833	2 833	2 833	2 833	2 833	2 833	2 833	10 618	36 317	37 923	
General expenses	29 402	1 854	6 372	14 960	4 474	4 474	4 474	4 474	4 474	4 474	4 474	4 474	(30 219)	53 685	54 805	
<b>Cash Payments by Type</b>	<b>42 153</b>	<b>11 605</b>	<b>17 034</b>	<b>27 179</b>	<b>17 306</b>	<b>17 306</b>	<b>17 306</b>	<b>17 306</b>	<b>17 306</b>	<b>17 306</b>	<b>17 306</b>	<b>17 306</b>	<b>(9 195)</b>	<b>209 917</b>	<b>221 829</b>	
<b>Other Cash Flows/Payments by Type</b>																
Capital assets	12 069	24 855	13 839	18 085	18 898	18 898	18 898	18 898	18 898	18 898	18 898	25 640	226 772	252 706	285 691	
Repayment of borrowing	-	-	-	-	208	208	208	208	208	208	208	1 039	2 494	2 735	2 997	
Other Cash Flows/Payments	-	-	-	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(5)	(12)	(14)	
<b>Total Cash Payments by Type</b>	<b>54 223</b>	<b>36 460</b>	<b>30 873</b>	<b>45 264</b>	<b>36 410</b>	<b>36 410</b>	<b>36 410</b>	<b>36 410</b>	<b>36 410</b>	<b>36 410</b>	<b>36 410</b>	<b>17 478</b>	<b>439 170</b>	<b>477 256</b>	<b>521 449</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>132 802</b>	<b>(34 157)</b>	<b>(27 761)</b>	<b>(35 755)</b>	<b>96 538</b>	<b>(33 704)</b>	<b>(24 710)</b>	<b>(26 660)</b>	<b>65 744</b>	<b>(33 751)</b>	<b>(32 760)</b>	<b>(21 522)</b>	<b>24 303</b>	<b>42 783</b>	<b>33 841</b>	
Cash/cash equivalents at the month/year beg	20 186	152 988	118 831	91 070	55 315	151 852	118 149	93 439	66 778	132 522	98 771	66 011	20 186	44 489	87 272	
Cash/cash equivalents at the month/year end	152 988	118 831	91 070	55 315	151 852	118 149	93 439	66 778	132 522	98 771	66 011	44 489	44 489	87 272	121 113	

## Parent Municipal financial performance

DC43 Sisonke - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M04 Oct

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	-	2 841	9 795	6 955	2 841	41%	30 697
Service charges - sanitation revenue	11 485	12 052	-	1 217	4 198	2 981	1 217	41%	12 052
Interest earned - external investments	2 753	2 000	-	277	770	493	277	56%	2 000
Interest earned - outstanding debtors				443	1 666	1 223	443	36%	
Transfers recognised - operational	217 640	220 563	-	403	91 462	90 073	1 389	2%	220 563
Other revenue	6 567	500	-	303	912	609	303	50%	500
Gains on disposal of PPE							-		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>265 244</b>	<b>265 811</b>	<b>-</b>	<b>5 485</b>	<b>108 804</b>	<b>102 333</b>	<b>6 471</b>	<b>6%</b>	<b>265 811</b>
<b>Expenditure By Type</b>									
Employee related costs	81 571	90 434	-	7 847	31 656	23 809	7 847	33%	90 434
Remuneration of councillors	4 622	6 181	-	414	1 576	1 162	414	36%	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	-	0	0	0	-		3 500
Bulk purchases	9 422	7 800	-	1 278	2 285	1 007	1 278	127%	7 800
Contracted services	17 492	36 317	-	2 681	5 867	3 186	2 681	84%	36 317
Transfers and grants	9 569	12 000	-	-	4 000	4 000	-		12 000
Other expenditure	123 714	66 763	-	8 552	28 021	19 468	8 552	44%	66 763
<b>Total Expenditure</b>	<b>276 070</b>	<b>254 996</b>	<b>-</b>	<b>20 772</b>	<b>73 404</b>	<b>52 632</b>	<b>20 772</b>	<b>39%</b>	<b>254 996</b>
<b>Surplus/(Deficit)</b>	<b>(10 825)</b>	<b>10 816</b>	<b>-</b>	<b>(15 286)</b>	<b>35 400</b>	<b>49 701</b>	<b>(14 301)</b>	<b>-29%</b>	<b>10 816</b>
Transfers recognised - capital	178 591	210 486	-	17 919	58 243	58 243	-		15 449
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>107 944</b>	<b>(14 301)</b>	<b>-13%</b>	<b>26 264</b>
Taxation							-		
<b>Surplus/(Deficit) after taxation</b>	<b>167 766</b>	<b>221 302</b>	<b>-</b>	<b>2 633</b>	<b>93 644</b>	<b>107 944</b>	<b>(14 301)</b>	<b>-13%</b>	<b>26 264</b>

## Capital Expenditure Trend

DC43 Sisonke - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M04 October									
Month	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
<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	-	13 839	50 764	56 693	5 929	10.5%	22%
October	10 497	18 898	-	18 085	68 849	75 591	6 742	8.9%	30%
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>68 849</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 - M04 October

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	-	17 401	34 159	34 159	-		217 762
Infrastructure - Electricity	2 935	580	-	-	132	132	-		580
<i>Transmission &amp; Reticulation</i>	2 935	580	-	-	132	132	-		580
Infrastructure - Water	96 364	166 970	-	9 877	28 187	28 187	-		166 970
<i>Reticulation</i>	96 364	166 970	-	9 877	28 187	28 187	-		166 970
Infrastructure - Sanitation	36 953	50 012	-	7 524	5 841	5 841	-		50 012
<i>Sewerage purification</i>	36 953	50 012	-	7 524	5 841	5 841	-		50 012
Infrastructure - Other	-	200	-	-	-	-	-		200
<i>Other</i>	-	200	-	-	-	-	-		200
<b>Community</b>	6 157	2 000	-	-	1 296	488	(808)	-165.7%	2 000
<i>Other</i>	6 157	2 000	-	-	1 296	488	(808)	-165.7%	2 000
<b>Other assets</b>	808	4 252	3 225	144	4 014	-	(4 014)	#DIV/0!	4 252
General vehicles	277	2 739	-	-	4 007	-	(4 007)	#DIV/0!	2 739
Specialised vehicles	-	-	3 225	-	-	-	-		-
Furniture and other office equipment	230	798	-	129	7	-	(7)	#DIV/0!	798
Other Buildings	301	700	-	-	-	-	-		700
Other	-	15	-	15	-	-	-		15
<b>Intangibles</b>	385	572	-	-	6	-	(6)	#DIV/0!	572
Computers - software & programming	385	572	-	-	6	-	(6)	#DIV/0!	572
<b>Total Capital Expenditure on new assets</b>	<b>143 601</b>	<b>224 587</b>	<b>3 225</b>	<b>17 545</b>	<b>39 476</b>	<b>34 647</b>	<b>(4 829)</b>	<b>-13.9%</b>	<b>224 587</b>
<b>Specialised vehicles</b>	-	-	3 225	-	-	-	-		-
Refuse									
Fire			3 225						
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 - M04 October

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	-		2 647
Infrastructure - Water	2 402	1 378	-	-	1 935	1 935	-		1 378
<i>Reticulation</i>	2 402	1 378	-	-	1 935	1 935	-		1 378
Infrastructure - Sanitation	2 385	1 269	-	-	1 290	1 290	-		1 269
<i>Sewerage purification</i>	2 385	1 269	-	-	1 290	1 290	-		1 269
<b>Intangibles</b>	-	-	-	540	-	-	-		-
Computers - software & programming				540					
<b>Total Capital Expenditure on renewal of existing assets</b>	<b>4 787</b>	<b>2 647</b>	<b>-</b>	<b>540</b>	<b>3 225</b>	<b>3 225</b>	<b>-</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 October 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 \_\_\_\_\_

