

OVERSTRAND MUNICIPALITY



Quarterly Budget Report

September 2014

In-Year Report of the Municipality

Prepared in terms of Section 52(d) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 31 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

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Glossary

Adjustments budget – Prescribed in section 28 of the MFMA. The formal means by which a municipality may revise its annual budget during the year.

Budget – The financial plan of the Municipality.

Capital expenditure - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

DORA – Division of Revenue Act. Annual legislation that shows the total allocations made by national to provincial and local government.

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant.

GFS – Government Finance Statistics. An internationally recognized classification system that facilitates like for like comparison between municipalities.

GRAP – Generally Recognised Accounting Practice. The standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

MBRR – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations.

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

MTREF – Medium Term Revenue and Expenditure Framework (MTREF). The medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes financial information of the previous and current year.

NDPG – Neighbourhood Development Partnership Grant.

Operating expenditure – Spending on the day to day expenses of the Municipality such as salaries and wages, repairs and maintenance etc.

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Vote – A main appropriation segment of the budget. In Overstrand Municipality this relates to the directorate level for operating expenditure and the GFS classification for capital expenditure.

YTD – Year to date

PART 1 – IN-YEAR REPORT

Mayor's Report

1.1 In-Year Report – Quarterly Budget Report

1.1.1 Implementation of the budget in accordance with the SDBIP

The results of the SDBIP for the first quarter ended 30 September 2014 will be tabled in a separate comprehensive report to council.

1.1.2 Financial problems or risks facing the municipality

None. All the major sources of revenue are currently within acceptable norms.

1.1.3 Other relevant information

Actual operating revenue at the end of the first quarter for 2014/2015 is at 25.22% of the budgeted revenue. The expenditure reflects spending of 20,44% against the budgeted expenditure. Capital expenditure amounts to R8.57m, or 8.32%, at the end of September 2014.

Outstanding consumer debtors remain stable and only reflect the year-on-year increase from increased tariffs as from 1 July 2014.

The positive cash flow remains stable.

Resolutions

IN-YEAR REPORTS 2014/2015

This is the resolution that will be presented to Council when the In-Year Report is tabled:

RECOMMENDATION:

That the report for the quarter ended September 2014, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003, **be noted**.

Executive Summary

As the Auditor General has not yet completed the audit of the 2013/2014 financial statements the 'Audited Outcome' for 2013/2014 will only be included after the audit is completed.

Revenue by Source

The Year-to-Date actual revenue is 0.14% below the YTD budget projections at the end of September 2014.

Borrowings

The balance of borrowings amounts to R409.5m at the end of September 2014.

Operating expenditure by vote & type

Current expenditure is 1.14% below YTD budget projections as at September 2014.

Capital expenditure

YTD Capital Expenditure amounts to R8.57m or 8.32% of a total budget of R103m. The current capital commitments of orders in progress amounts to R19.93m, giving total capital spend and committed at 27.67% at the end of September 2014.

Cash flows

The municipality started the year with a positive cashbook balance of R63.1 million. The September closing balance is R122.8 million. Refer to Supporting Table SC9 for more details on the cash position.

Allocations received (National & Provincial Grants)

Housing Grant funding of R4.8m was received during September 2014.

Spending on Grants

Spending on grants amounts to R2.1m for September 2014 which includes FMG, Library Grant, CDW, EPWP & MIG.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M03 September			
Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	-0.14%	Not material	
<u>Expenditure By Type</u>	-1.14%	Not material	
<u>Capital Expenditure</u>	-68.83%	Capital Commitments = R19.9m	
<u>Financial Position</u>			
In order			
<u>Cash Flow</u>			
In order			

Performance in relation to SDBIP targets

See the comprehensive report tabled in Council.

Remedial or corrective steps

No remedial or corrective steps are required at this time.

In-year budget statement tables

Table C1: s71 Monthly Budget Statement Summary

WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	149 690	149 690	12 782	39 967	39 922	45	0%	149 690
Service charges	–	525 567	525 567	44 241	133 018	133 152	(134)	-0%	525 567
Investment revenue	–	6 166	6 166	654	1 376	1 198	177	15%	6 166
Transfers recognised - operational	–	58 407	58 407	568	21 703	21 703	–	–	58 407
Other own revenue	–	44 644	44 644	3 249	10 155	10 528	(373)	-4%	44 644
Total Revenue (excluding capital transfers and contributions)	–	784 474	784 474	61 494	206 218	206 502	(284)	-0%	784 474
Employee costs	–	280 066	280 066	20 271	59 236	59 353	(116)	-0%	280 066
Remuneration of Councillors	–	8 516	8 516	644	1 974	2 129	(155)	-7%	8 516
Depreciation & asset impairment	–	109 265	109 265	9 105	27 316	27 316	–	–	109 265
Finance charges	–	45 162	45 162	1 147	1 277	1 277	–	–	45 162
Materials and bulk purchases	–	186 739	186 739	20 679	44 601	44 396	204	0%	186 739
Transfers and grants	–	41 370	41 370	3 478	10 304	10 304	–	–	41 370
Other expenditure	–	198 469	198 469	15 398	33 030	35 007	(1 977)	-6%	198 469
Total Expenditure	–	869 588	869 588	70 722	177 739	179 783	(2 044)	-1%	869 588
Surplus/(Deficit)	–	(85 115)	(85 115)	(9 227)	28 479	26 719	1 760	7%	(85 115)
Transfers recognised - capital	–	34 234	37 123	1 568	1 568	1 568	–	–	37 123
Contributions & Contributed assets	–	2 134	2 134	–	–	–	–	–	2 134
Surplus/(Deficit) after capital transfers & contributions	–	(48 747)	(45 858)	(7 660)	30 047	28 287	1 760	6%	(45 858)
Surplus/ (Deficit) for the year	–	(48 747)	(45 858)	(7 660)	30 047	28 287	1 760	6%	(45 858)
Capital expenditure & funds sources									
Capital expenditure	–	97 721	103 008	5 907	8 576	27 511	(18 936)	-69%	103 008
Capital transfers recognised	–	35 234	38 123	1 568	2 334	11 290	(8 956)	-79%	38 123
Public contributions & donations	–	1 134	1 134	5	5	284	(278)	-98%	1 134
Borrowing	–	46 923	48 770	4 262	5 966	12 192	(6 226)	-51%	48 770
Internally generated funds	–	14 430	14 982	73	270	3 745	(3 475)	-93%	14 982
Total sources of capital funds	–	97 721	103 008	5 907	8 576	27 511	(18 936)	-69%	103 008
Financial position									
Total current assets	–	197 146	194 747		232 164				194 747
Total non current assets	–	3 316 479	3 321 767		3 284 797				3 321 767
Total current liabilities	–	153 849	153 849		131 191				153 849
Total non current liabilities	–	549 267	549 267		546 929				549 267
Community wealth/Equity	–	2 810 509	2 813 398		2 838 841				2 813 398
Cash flows									
Net cash from (used) operating	–	80 014	82 903	13 311	69 012	56 671	(12 341)	-22%	82 903
Net cash from (used) investing	–	(103 533)	(108 821)	(6 390)	(10 002)	(10 002)	–	–	(108 821)
Net cash from (used) financing	–	27 163	27 163	(386)	648	648	–	–	27 163
Cash/cash equivalents at the month/year end	–	88 050	85 651	–	122 817	131 723	8 906	7%	64 404
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	46 340	1 494	1 063	899	770	629	3 186	15 452	69 833
Creditors Age Analysis									
Total Creditors	21 121	–	–	–	–	–	–	–	21 121

Table C2: Monthly Budget Statement – Financial Performance (standard classification)

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Governance and administration	–	231 071	231 071	14 725	65 445	64 566	879	1%	231 071
Executive and council	–	52 442	52 442	17	20 670	20 670	–		52 442
Budget and treasury office	–	169 095	169 095	14 098	43 583	42 274	1 309	3%	169 095
Corporate services	–	9 534	9 534	610	1 193	1 623	(430)	-26%	9 534
Community and public safety	–	33 726	36 615	2 001	5 661	6 995	(1 334)	-19%	36 615
Community and social services	–	2 402	2 402	191	591	601	(10)	-2%	2 402
Sport and recreation	–	9 565	9 565	600	1 342	1 873	(531)	-28%	9 565
Public safety	–	13 184	13 184	1 199	3 506	3 235	271	8%	13 184
Housing	–	8 576	11 465	12	222	1 287	(1 065)	-83%	11 465
Economic and environmental services	–	13 939	13 939	1 990	3 312	3 264	47	1%	13 939
Planning and development	–	8 465	8 465	671	1 937	1 896	41	2%	8 465
Road transport	–	5 397	5 397	1 318	1 355	1 349	6	0%	5 397
Environmental protection	–	76	76	1	20	19	1	4%	76
Trading services	–	542 106	542 106	44 346	133 368	133 245	123	0%	542 106
Electricity	–	313 388	313 388	27 082	81 767	81 141	626	1%	313 388
Water	–	96 872	96 872	7 344	21 843	22 200	(357)	-2%	96 872
Waste water management	–	72 155	72 155	5 199	15 621	15 727	(106)	-1%	72 155
Waste management	–	59 691	59 691	4 721	14 136	14 176	(40)	0%	59 691
Other	–	–	–	–	–	–	–		–
Total Revenue - Standard	–	820 842	823 731	63 062	207 786	208 070	(285)	0%	823 731
Expenditure - Standard									
Governance and administration	–	127 368	127 368	10 646	26 043	28 888	(2 845)	-10%	127 368
Executive and council	–	66 867	66 867	7 392	16 972	16 998	(26)	0%	66 867
Budget and treasury office	–	24 503	24 503	2 343	5 331	5 227	104	2%	24 503
Corporate services	–	35 998	35 998	911	3 741	6 663	(2 922)	-44%	35 998
Community and public safety	–	113 536	113 536	7 606	21 638	21 659	(21)	0%	113 536
Community and social services	–	32 563	32 563	2 460	6 987	7 112	(125)	-2%	32 563
Sport and recreation	–	22 245	22 245	1 301	3 834	3 800	33	1%	22 245
Public safety	–	49 173	49 173	3 302	9 226	9 114	111	1%	49 173
Housing	–	9 554	9 554	543	1 591	1 632	(41)	-3%	9 554
Economic and environmental services	–	139 514	139 514	9 743	25 084	24 788	296	1%	139 514
Planning and development	–	37 314	37 314	2 182	6 221	6 477	(257)	-4%	37 314
Road transport	–	95 166	95 166	7 096	17 585	17 050	534	3%	95 166
Environmental protection	–	7 035	7 035	465	1 279	1 260	19	1%	7 035
Trading services	–	489 171	489 171	42 728	104 974	104 448	526	1%	489 171
Electricity	–	272 386	272 386	27 195	63 542	63 557	(15)	0%	272 386
Water	–	93 157	93 157	6 085	15 990	15 914	75	0%	93 157
Waste water management	–	67 138	67 138	5 181	14 085	13 632	452	3%	67 138
Waste management	–	56 489	56 489	4 267	11 358	11 345	13	0%	56 489
Other	–	–	–	–	–	–	–		–
Total Expenditure - Standard	–	869 588	869 588	70 722	177 739	179 783	(2 044)	-1%	869 588
Surplus/ (Deficit) for the year	–	(48 747)	(45 858)	(7 660)	30 047	28 287	1 760	6%	(45 858)

This table reflects the operating budget (Financial Performance) in the standard classifications which are the GFS Functions and Sub-functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of the unique organisational structures used by the different institutions.

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

Table C3: Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

WC032 Overstrand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Council	-	52 401	52 401	16	20 640	20 640	-		52 401
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Management Services	-	2 410	2 410	112	128	228	(100)	-43.7%	2 410
Vote 4 - Finance	-	169 095	169 095	14 098	43 583	42 274	1 309	3.1%	169 095
Vote 5 - Community Services	-	261 822	264 711	19 884	56 205	58 803	(2 598)	-4.4%	264 711
Vote 6 - Local Economic Development	-	2 968	2 968	195	451	632	(181)	-28.6%	2 968
Vote 7 - Infrastructure & Planning	-	318 962	318 962	27 559	83 273	82 259	1 014	1.2%	318 962
Vote 8 - Protection Services	-	13 184	13 184	1 199	3 506	3 235	271	8.4%	13 184
Total Revenue by Vote	-	820 842	823 731	63 062	207 786	208 070	(285)	-0.1%	823 731
Expenditure by Vote									
Vote 1 - Council	-	63 289	63 289	7 349	16 958	16 973	(14)	-0.1%	63 289
Vote 2 - Municipal Manager	-	1 003	1 003	55	147	251	(103)	-41.3%	1 003
Vote 3 - Management Services	-	15 189	15 189	(237)	403	2 458	(2 055)	-83.6%	15 189
Vote 4 - Finance	-	24 503	24 503	2 343	5 331	5 227	104	2.0%	24 503
Vote 5 - Community Services	-	386 685	386 685	26 989	71 676	76 682	(5 007)	-6.5%	386 685
Vote 6 - Local Economic Development	-	11 140	11 140	703	1 898	2 089	(191)	-9.1%	11 140
Vote 7 - Infrastructure & Planning	-	318 607	318 607	30 218	72 100	66 989	5 111	7.6%	318 607
Vote 8 - Protection Services	-	49 173	49 173	3 302	9 226	9 114	111	1.2%	49 173
Total Expenditure by Vote	-	869 588	869 588	70 722	177 739	179 783	(2 044)	-1.1%	869 588
Surplus/ (Deficit) for the year	-	(48 747)	(45 858)	(7 660)	30 047	28 287	1 760	6.2%	(45 858)

The operating expenditure budget is approved by Council on the municipal vote level. The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council; Municipal Manager; Management Services; Finance; Community Services; Local Economic Development; Infrastructure & Planning and Protection Services.

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent. During the financial year some of the figures are influenced by transactions that occur annually only.

Table C4: Monthly Budget Statement – Financial Performance (revenue and expenditure)

WC032 Overstrand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		148 640	148 640	12 721	39 781	39 747	34	0%	148 640
Property rates - penalties & collection charges		1 050	1 050	61	186	175	11	6%	1 050
Service charges - electricity revenue		310 085	310 085	27 057	81 743	81 397	345	0%	310 085
Service charges - water revenue		95 897	95 897	7 303	21 679	22 096	(417)	-2%	95 897
Service charges - sanitation revenue		63 455	63 455	5 166	15 474	15 626	(152)	-1%	63 455
Service charges - refuse revenue		56 130	56 130	4 715	14 122	14 033	90	1%	56 130
Rental of facilities and equipment		7 966	7 966	498	1 803	1 992	(189)	-9%	7 966
Interest earned - external investments		6 166	6 166	654	1 376	1 198	177	15%	6 166
Interest earned - outstanding debtors		2 288	2 288	180	547	572	(25)	-4%	2 288
Fines		7 965	7 965	769	2 185	1 991	194	10%	7 965
Licences and permits		2 229	2 229	176	519	557	(38)	-7%	2 229
Agency services		2 480	2 480	229	705	620	85	14%	2 480
Transfers recognised - operational		58 407	58 407	568	21 703	21 703	-		58 407
Other revenue		21 717	21 717	1 397	4 397	4 796	(399)	-8%	21 717
Gains on disposal of PPE							-		
contributions)	-	784 474	784 474	61 494	206 218	206 502	(284)	0%	784 474
Expenditure By Type									
Employee related costs		280 066	280 066	20 271	59 236	59 353	(116)	0%	280 066
Remuneration of councillors		8 516	8 516	644	1 974	2 129	(155)	-7%	8 516
Debt impairment			-				-		
Depreciation & asset impairment		109 265	109 265	9 105	27 316	27 316	-		109 265
Finance charges		45 162	45 162	1 147	1 277	1 277	-		45 162
Bulk purchases		169 444	169 444	19 716	42 199	41 514	685	2%	169 444
Other materials		17 295	17 295	963	2 402	2 882	(481)	-17%	17 295
Contracted services		81 062	81 062	4 882	11 209	12 700	(1 491)	-12%	81 062
Transfers and grants		41 370	41 370	3 478	10 304	10 304	-		41 370
Other expenditure		117 407	117 407	10 515	21 821	22 307	(486)	-2%	117 407
Loss on disposal of PPE							-		
Total Expenditure	-	869 588	869 588	70 722	177 739	179 783	(2 044)	-1%	869 588
Surplus/(Deficit)	-	(85 115)	(85 115)	(9 227)	28 479	26 719	1 760	7%	(85 115)
Transfers recognised - capital		34 234	37 123	1 568	1 568	1 568	-		37 123
Contributions recognised - capital		2 134	2 134	-	-	-	-		2 134
Contributed assets							-		
Surplus/(Deficit) after capital transfers & Taxation	-	(48 747)	(45 858)	(7 660)	30 047	28 287	-		(45 858)
Surplus/(Deficit) after taxation	-	(48 747)	(45 858)	(7 660)	30 047	28 287			(45 858)
Surplus/(Deficit) attributable to municipality	-	(48 747)	(45 858)	(7 660)	30 047	28 287			(45 858)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	(48 747)	(45 858)	(7 660)	30 047	28 287			(45 858)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.14% below the YTD budget and current expenditure is 1.14% below the YTD budget for 2014/2015.

Table C5: Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

WC032 Overstrand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03 September

Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	2 548	2 548	-	-	637	(637)	-100%	2 548
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	76 938	81 896	5 813	7 466	20 474	(13 008)	-64%	81 896
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	18 235	18 565	94	1 110	6 400	(5 290)	-83%	18 565
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	97 721	103 008	5 907	8 576	27 511	(18 936)	-69%	103 008
Total Capital Expenditure	-	97 721	103 008	5 907	8 576	27 511	(18 936)	-69%	103 008
Capital Expenditure - Standard Classification									
Governance and administration	-	16 815	17 145	72	239	4 286	(4 047)	-94%	17 145
Executive and council							-		
Budget and treasury office							-		
Corporate services		16 815	17 145	72	239	4 286	(4 047)	-94%	17 145
Community and public safety	-	21 205	24 184	267	297	6 046	(5 749)	-95%	24 184
Community and social services		5 635	5 725	6	37	1 431	(1 395)	-97%	5 725
Sport and recreation		3 090	3 090	261	261	773	(512)	-66%	3 090
Public safety							-		
Housing		12 480	15 369			3 842	(3 842)	-100%	15 369
Health							-		
Economic and environmental services	-	5 400	5 400	1 307	1 307	1 350	(43)	-3%	5 400
Planning and development							-		
Road transport		5 400	5 400	1 307	1 307	1 350	(43)	-3%	5 400
Environmental protection							-		
Trading services	-	54 300	56 278	4 262	6 732	15 829	(9 096)	-57%	54 300
Electricity		17 000	17 000	44	975	4 250	(3 275)	-77%	17 000
Water		12 800	12 980	3 488	4 254	4 145	109	3%	12 800
Waste water management		14 300	16 099	730	1 503	4 884	(3 380)	-69%	14 300
Waste management		10 200	10 200			2 550	(2 550)	-100%	10 200
Total Capital Expenditure - Standard Classification	-	97 721	103 008	5 907	8 576	27 511	(18 936)	-69%	101 030
Funded by:									
National Government		24 174	24 174	1 568	1 568	6 044	(4 476)	-74%	24 174
Provincial Government		10 060	12 949			4 996	(4 996)	-100%	12 949
District Municipality									
Other transfers and grants		1 000	1 000		766	250	516	206%	1 000
Transfers recognised - capital	-	35 234	38 123	1 568	2 334	11 290	(8 956)	-79%	38 123
Public contributions & donations		1 134	1 134	5	5	284	(278)	-98%	1 134
Borrowing		46 923	48 770	4 262	5 966	12 192	(6 226)	-51%	48 770
Internally generated funds		14 430	14 982	73	270	3 745	(3 475)	-93%	14 982
Total Capital Funding	-	97 721	103 008	5 907	8 576	27 511	(18 936)	-69%	103 008

Capital expenditure is 68.83% below the YTD budget at September 2014.

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	2013/14	Budget Year 2014/15			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash		88 050	85 651	47 277	85 651
Call investment deposits		–	–	75 539	–
Consumer debtors		52 591	52 591	53 465	52 591
Other debtors		44 398	44 398	43 362	44 398
Current portion of long-term receivables		14	14	14	14
Inventory		12 092	12 092	12 507	12 092
Total current assets	–	197 146	194 747	232 164	194 747
Non current assets					
Long-term receivables		57	57	68	57
Investments		22 207	22 207	18 391	22 207
Investment property		175 866	175 866	164 501	175 866
Investments in Associate		–	–	–	–
Property, plant and equipment		3 072 423	3 077 711	3 092 315	3 077 711
Agricultural		–	–	–	–
Biological assets		–	–	–	–
Intangible assets		6 426	6 426	5 220	6 426
Other non-current assets		39 500	39 500	4 301	39 500
Total non current assets	–	3 316 479	3 321 767	3 284 797	3 321 767
TOTAL ASSETS	–	3 513 625	3 516 514	3 516 961	3 516 514
LIABILITIES					
Current liabilities					
Bank overdraft		–	–	–	–
Borrowing		25 105	25 105	22 014	25 105
Consumer deposits		41 321	41 321	40 056	41 321
Trade and other payables		55 831	55 831	69 121	55 831
Provisions		31 592	31 592	31 592	31 592
Total current liabilities	–	153 849	153 849	131 191	153 849
Non current liabilities					
Borrowing		411 766	411 766	389 216	411 766
Provisions		137 501	137 501	157 713	137 501
Total non current liabilities	–	549 267	549 267	546 929	549 267
TOTAL LIABILITIES	–	703 116	703 116	678 120	703 116
NET ASSETS	–	2 810 509	2 813 398	2 838 841	2 813 398
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		2 808 575	2 811 464	2 836 274	2 811 464
Reserves		1 934	1 934	2 566	1 934
TOTAL COMMUNITY WEALTH/EQUITY	–	2 810 509	2 813 398	2 838 841	2 813 398

The statement of financial position is in line with expectations for the financial year.

Table C7: Monthly Budget Statement - Cash Flow

WC032 Overstrand - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other		716 842	716 842	64 547	185 911	179 211	6 701	4%	716 842
Government - operating		58 407	58 407	568	21 703	21 703	-		58 407
Government - capital		36 368	39 257	1 568	1 568	1 568	-		39 257
Interest		8 454	8 454	835	1 922	1 922	-		8 454
Dividends			-				-		
Payments									
Suppliers and employees		(653 525)	(653 525)	(49 581)	(130 510)	(136 151)	(5 641)	4%	(653 525)
Finance charges		(45 162)	(45 162)	(1 147)	(1 277)	(1 277)	-		(45 162)
Transfers and Grants		(41 370)	(41 370)	(3 478)	(10 304)	(10 304)	-		(41 370)
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	80 014	82 903	13 311	69 012	56 671	(12 341)	-22%	82 903
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE			-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		15	15	0	0	0	-		15
Decrease (increase) in non-current investments		(5 827)	(5 827)	(483)	(1 426)	(1 426)	-		(5 827)
Payments									
Capital assets		(97 721)	(103 008)	(5 907)	(8 576)	(8 576)	-		(103 008)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(103 533)	(108 821)	(6 390)	(10 002)	(10 002)	-		(108 821)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		5 520	5 520	-	-	-	-		5 520
Borrowing long term/refinancing		40 000	40 000	-	-	-	-		40 000
Increase (decrease) in consumer deposits		2 703	2 703	293	2 305	2 305	-		2 703
Payments									
Repayment of borrowing		(21 061)	(21 061)	(678)	(1 657)	(1 657)	-		(21 061)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	27 163	27 163	(386)	648	648	-		27 163
NET INCREASE/ (DECREASE) IN CASH HELD	-	3 644	1 245	6 535	59 658	47 317			1 245
Cash/cash equivalents at beginning:		84 406	84 406		63 158	84 406			63 158
Cash/cash equivalents at month/year end:	-	88 050	85 651		122 817	131 723			64 404

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R122.8 million.

The municipality started the year with a positive cashbook balance of R63.1 million. The September closing balance is R122.8 million. Refer to Supporting Table SC9 for more details on the cash position.

Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows

WC032 Overstrand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Budget Year 2014/15											
	July Outcome	August Outcome	Sept Outcome	October	Nov	Dec	January	Feb	March	April	May	June Budget
R thousands												
Cash Receipts By Source												
Property rates	9 003	8 379	8 158									122 714
Property rates - penalties & collection charges	62	63	61									864
Service charges - electricity revenue	25 001	27 340	27 658									229 285
Service charges - water revenue	9 288	11 928	11 744									62 689
Service charges - sanitation revenue	4 675	5 264	5 004									48 347
Service charges - refuse	4 359	4 714	4 641									42 271
Rental of facilities and equipment	662	593	495									6 195
Interest earned - external investments	349	372	654									4 791
Interest earned - outstanding debtors	179	187	180									1 741
Fines	750	666	769									5 780
Licences and permits	184	159	176									1 710
Agency services	253	223	229									1 775
Transfer receipts - operating	20 617	518	568									36 704
Other revenue	5 490	2 308	5 612									9 301
Cash Receipts by Source	80 874	62 714	65 949	-	-	-	-	-	-	-	-	574 168
Other Cash Flows by Source												
Transfer receipts - capital	-	-	1 568									32 666
Contributions & Contributed assets												2 134
Proceeds on disposal of PPE	-	-	-									-
Borrowing long term/refinancing												40 000
Increase in consumer deposits	1 976	35	293									399
Receipt of non-current debtors	-	-	-									-
Receipt of non-current receivables	0	0	0									15
Change in non-current investments	(483)	(461)	(483)									(4 401)
Total Cash Receipts by Source	82 367	62 288	67 327	-	-	-	-	-	-	-	-	650 501
Cash Payments by Type												
Employee related costs	17 618	19 612	19 235									219 767
Remuneration of councillors	665	665	644									6 542
Interest paid	131	-	1 147									43 885
Bulk purchases - Electricity	2 871	19 612	19 716									127 245
Bulk purchases - Water & Sewer												-
Other materials	637	801	963									14 893
Contracted services	1 153	5 174	4 882									69 853
Grants and subsidies paid - other municipalities												-
Grants and subsidies paid - other	3 380	3 446	3 478									31 066
General expenses	17 319	(5 199)	4 140									84 714
Cash Payments by Type	43 775	44 111	54 206	-	-	-	-	-	-	-	-	597 965
Other Cash Flows/Payments by Type												
Capital assets	-	2 668	5 907									89 145
Repayment of borrowing	978	-	678									19 404
Total Cash Payments by Type	44 754	46 779	60 792	-	-	-	-	-	-	-	-	706 515
NET INCREASE/(DECREASE) IN CASH HELD	37 614	15 509	6 535	-	-	-	-	-	-	-	-	(56 014)
Cash/cash equivalents at the month/year beginning	63 158	100 772	116 281	122 817	122 817	122 817	122 817	122 817	122 817	122 817	122 817	122 817
Cash/cash equivalents at the month/year end	100 772	116 281	122 817	122 817	122 817	122 817	122 817	122 817	122 817	122 817	122 817	66 802

This supporting table gives details of information summarised in Table C7.

PART 2 – SUPPORTING DOCUMENTATION

Debtors' analysis

Supporting Table SC3 Debtors' age analysis

WC032 Overstrand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2014/15										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	8 398	260	197	161	215	103	533	2 460	12 327	3 472		4 264
Trade and Other Receivables from Exchange Transactions - Electricity	1300	12 395	253	175	130	116	101	506	1 923	15 598	2 775		1 270
Receivables from Non-exchange Transactions - Property Rates	1400	13 898	398	244	199	167	156	680	2 140	17 882	3 341		3 907
Receivables from Exchange Transactions - Waste Water Management	1500	5 313	184	125	110	87	91	396	1 747	8 052	2 430		2 853
Receivables from Exchange Transactions - Waste Management	1600	4 302	140	95	79	68	66	292	1 181	6 224	1 686		1 573
Receivables from Exchange Transactions - Property Rental Debtors	1700	178	14	10	5	4	3	20	101	334	132		221
Interest on Arrear Debtor Accounts	1810	58	26	28	29	36	33	242	3 795	4 248	4 135		-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	1 797	218	189	187	78	78	517	2 105	5 169	2 964		2 826
Total By Income Source	2000	46 340	1 494	1 063	899	770	629	3 186	15 452	69 833	20 937	-	16 916
2013/14 - totals only		40 768	1 793	1 018	900	671	681	3 567	14 971	64 369	20 790		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 824	16	3	1	1	1	16	273	2 136	292		-
Commercial	2300	7 308	68	42	42	32	26	172	465	8 155	738		646
Households	2400	37 208	1 410	1 018	856	738	602	2 998	14 713	59 542	19 907		16 270
Other	2500	-	-	-	-	-	-	-	-	-	-		-
Total By Customer Group	2600	46 340	1 494	1 063	899	770	629	3 186	15 452	69 833	20 937	-	16 916

The increased debtors results primarily from the year-on-year increase in billings from increased tariffs at the start of the new financial year. This conclusion can be drawn from the increase in the 0-30 days (current) debtors.

Summary of Indigent Households

Indigent Household Statistics

	Indigent Households	Amount	Other Households	Total Households	
2014					
July	6 707	3 380 401	25 312	32 019	20.95%
August	6 754	3 445 538	25 323	32 077	21.06%
September	6 787	3 478 481	25 278	32 065	21.17%
October					
November					
December					
2015					
January					
February					
March					
April					
May					
June					

Summary of Debtors Age Analysis

MONTH	< 30 Days	< 60 Days	< 90 Days	< 120 Days	< 150 Days	<180 Days	<365 Days	>365 Days	Total	Older than 30 Days	Older than 90 days
2014/15											
June											
May											
April											
March											
February											
January											
December											
November											
October											
September	46 339 807	1 494 208	1 062 779	898 730	770 427	629 082	3 186 388	15 451 882	69 833 303	23 493 496	20 936 509
Augustus	46 985 962	1 496 643	1 072 568	867 040	682 671	638 983	3 313 154	15 272 132	70 329 153	23 343 191	20 773 980
July	48 340 306	1 606 250	1 095 723	779 178	717 927	600 015	3 493 980	15 089 303	71 722 682	23 382 376	20 680 403

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2014/15								Total
		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	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	4 247								4 247
Bulk Water	0200									-
PAYE deductions	0300	2 207								2 207
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	14 666								14 666
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	21 121	-	-	-	-	-	-	-	21 121

Supporting Table SC4 reflects current creditors at the end of September 2014.

The payment of creditors is within requirements of the MFMA.

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

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 of the month	Change in market value	Market value at end of the month
	R thousands							
Municipality								
LIBERTY 15934476	15 YEARS		01/09/2025	24		6 718	125	6 867
LIBERTY 21196964	14 YEARS		01/09/2025	35		9 971	260	10 265
MOMENTUM MP 3853776	14 YEARS		01/07/2026	8		1 221	30	1 259
ABSA 4074809272	DAILY	CALL		2	4.8%	392		394
ABSA 9284200168	DEP PLUS	CALL		4	5.5%	898		902
ABSA 9295906141	DAILY	CALL		114	5.5%	24 129		24 243
STANDARD BANK 288434005-010	32 DAYS	FIXED	10/10/2014		6.3%		50 000	50 000
TOTAL INVESTMENTS AND INTEREST				186		43 330	50 415	93 931

Surplus cash not immediately required is invested in call and monthly deposits.

Long term investments relate to the sinking fund investments.

Allocation and grant receipts and expenditure

Supporting Table SC6 – Grant receipts

WC032 Overstrand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	-	54 673	54 673	-	22 183	22 183	-		54 673
Local Government Equitable Share		52 021	52 021		20 592	20 592	-		52 021
Finance Management		884	884		884	884			884
EPWP Incentive		1 768	1 768		707	707			1 768
Provincial Government:	-	3 734	3 734	-	3 182	3 182	-		3 734
Housing		183	183				-		183
Emergency Housing Programme (EHP)		220	220						220
Provincial Library Grant		3 182	3 182		3 182	3 182	-		3 182
Community Development Worker Grant		52	52				-		52
Main Road Subsidy		97	97				-		97
Other transfers and grants [insert description]							-		
Total Operating Transfers and Grants	-	58 407	58 407	-	25 365	25 365	-		58 407
Capital Transfers and Grants									
National Government:	-	24 174	24 174	-	8 540	8 540	-		24 174
Municipal Infrastructure Grant (MIG)		20 674	20 674		5 040	5 040	-		20 674
Finance Management		566	566		566	566	-		566
Municipal Systems Improvement		934	934		934	934	-		934
INEP		2 000	2 000		2 000	2 000	-		2 000
Provincial Government:	-	10 060	11 575	4 837	5 707	5 707	-		11 575
Housing		7 810	9 325	4 837	5 678	5 678	-		9 325
Sport & Recreation Grant		100	100						100
Provincial Library Grant		2 150	2 150		29	29			2 150
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	1 051	1 051	-	-	-	-		1 051
DWA ACIP		1 000	1 000				-		1 000
Spaces 4 Sport		51	51						51
Total Capital Transfers and Grants	-	35 285	36 800	4 837	14 247	14 247	-		36 800
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	93 692	95 207	4 837	39 612	39 612	-		95 207

Grant receipts are monitored according to the payment schedules.

Supporting Table SC7(1) – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	-	2 652	2 652	119	202	202	-		2 652
Local Government Equitable Share							-		
Finance Management		884	884	55	102	102	-		884
EPWP Incentive		1 768	1 768	64	100	100	-		1 768
Other transfers and grants [insert description]							-		
Provincial Government:	-	3 734	3 734	448	908	908	-		3 734
Housing		183	183				-		183
Emergency Housing Programme (EHP)		220	220				-		220
Provincial Library Grant		3 182	3 182	443	898	898	-		3 182
Community Development Worker Grant		52	52	6	10	10	-		52
Main Road Subsidy		97	97				-		97
Total operating expenditure of Transfers and Grants:	-	6 386	6 386	568	1 111	1 111	-		6 386
Capital expenditure of Transfers and Grants									
National Government:	-	24 174	24 174	1 568	1 568	1 568	-		24 174
Municipal Infrastructure Grant (MIG)		20 674	20 674	1 568	1 568	1 568	-		20 674
Finance Management		566	566				-		566
Municipal Systems Improvement		934	934				-		934
INEP		2 000	2 000				-		2 000
Provincial Government:	-	10 060	12 949	-	-	-	-		12 949
Housing		7 810	10 699				-		10 699
Sport & Recreation Grant		100	100				-		100
Provincial Library Grant		2 150	2 150				-		2 150
Other grant providers:	-	2 134	2 134	-	-	-	-		2 134
DWA ACIP		1 000	1 000				-		1 000
Spaces 4 Sport		51	51				-		51
Eskom Rebate/National Lotto		1 083	1 083				-		1 083
Total capital expenditure of Transfers and Grants	-	36 368	39 257	1 568	1 568	1 568	-		39 257
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	42 754	45 643	2 135	2 678	2 678	-		45 643

Grant expenditure is monitored against grant receipts.

Supporting Table SC7(2) – Expenditure against approved rollovers

WC032 Overstrand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September

Description	Budget Year 2014/15				
	Approved Rollover 2013/14	Monthly actual	YearTD actual	YTD variance	YTD variance
R thousands					%
EXPENDITURE					
Operating expenditure of Approved Roll-overs					
National Government:	-	-	-	-	
Local Government Equitable Share				-	
Finance Management				-	
EPWP Incentive				-	
0				-	
Other transfers and grants [insert description]				-	
Provincial Government:	-	-	-	-	
Housing				-	
Provincial Library Grant				-	
Community Development Worker Grant				-	
Main Road Subsidy				-	
Other transfers and grants [insert description]				-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total operating expenditure of Approved Roll-overs	-	-	-	-	
Capital expenditure of Approved Roll-overs					
National Government:	-	-	-	-	
Municipal Infrastructure Grant (MIG)				-	
Finance Management				-	
Municipal Systems Improvement				-	
INEP				-	
Other capital transfers [insert description]				-	
Provincial Government:	-	-	-	-	
0				-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total capital expenditure of Approved Roll-overs	-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	

A Roll over application was submitted to Provincial Treasury by the end of August 2014 for the unspent FMSG, Housing and Greenest Competition funds. The approval from Provincial Treasury is expected in November 2014.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		7 968	7 968	602	1 845	1 992	(147)	-7%	7 968
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		548	548	42	129	137	(8)	-6%	548
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	-	8 516	8 516	644	1 974	2 129	(155)	-7%	8 516
Senior Managers of the Municipality									
Basic Salaries and Wages		9 190	9 190	766	2 298	2 298	-		9 190
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		163	163	12	35	41	(6)	-15%	163
Housing Allowances							-		
Other benefits and allowances							-		
Payments in lieu of leave							-		
Long service awards							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	-	9 354	9 354	777	2 332	2 338	(6)	0%	9 354
Other Municipal Staff									
Basic Salaries and Wages		175 220	175 220	12 443	37 372	37 234	138	0%	175 220
Pension and UIF Contributions		29 321	29 321	2 207	6 631	6 231	400	6%	29 321
Medical Aid Contributions		11 463	11 463	747	2 255	2 245	10	0%	11 463
Overtime		13 913	13 913	987	1 903	2 293	(389)	-17%	13 913
Performance Bonus		-	-	-	-	-	-		-
Motor Vehicle Allowance		11 760	11 760	765	2 323	2 499	(176)	-7%	11 760
Cellphone Allowance		1 474	1 474	103	308	338	(30)	-9%	1 474
Housing Allowances		1 018	1 018	78	232	233	(1)	0%	1 018
Other benefits and allowances		11 118	11 118	877	2 022	2 085	(62)	-3%	11 118
Payments in lieu of leave		2 350	2 350	196	587	588	(0)	0%	2 350
Long service awards		1 200	1 200	100	300	300	-		1 200
Post-retirement benefit obligations		11 875	11 875	990	2 969	2 969	(0)	0%	11 875
Sub Total - Other Municipal Staff	-	270 713	270 713	19 493	56 904	57 014	(110)	0%	270 713
TOTAL SALARY, ALLOWANCES & BENEFITS	-	288 582	288 582	20 915	61 210	61 481	(271)	0%	288 582
TOTAL MANAGERS AND STAFF	-	280 066	280 066	20 271	59 236	59 352	(116)	0%	280 066

SDBIP

The results of the SDBIP for the first quarter ended 30 September 2014 will be included in a separate comprehensive report to be tabled in Council.

Financial Performance

Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	17.8%	17.8%	0.7%	6.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	48.0%	47.3%	69.6%	47.3%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	17.5%	17.5%	16.9%	17.5%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	21294.4%	21294.4%	15165.8%	21294.4%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	0.0%	128.1%	126.6%	177.0%	126.6%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	57.2%	55.7%	93.6%	55.7%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	0.0%	12.4%	12.4%	47.0%	12.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		95.0%	95.0%	95.0%	95.0%
<u>Funding of Provisions</u>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<u>Other Indicators</u>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		6.7%	6.7%	5.7%	6.7%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		20.2%	20.2%	23.9%	20.2%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	35.7%	35.7%	28.7%	35.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	0.0%	19.7%	19.7%	0.6%	6.8%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		22%	22%	Annual Indicator	22%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		14.2%	14.2%	Annual Indicator	14.2%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		1.6	1.6	4.9	1.6

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		7 724	12 911	-		12 911	-		
August		7 539	7 539	2 668	2 668	20 451	17 782	87.0%	3%
September		7 061	7 061	5 907	8 576	27 511	18 936	68.8%	9%
October		8 993	7 993			35 504	-		
November		4 385	4 385			39 889	-		
December		9 498	7 498			47 386	-		
January		7 604	7 604			54 991	-		
February		6 486	6 486			61 476	-		
March		6 893	6 293			67 770	-		
April		7 743	7 743			75 513	-		
May		4 673	4 173			79 686	-		
June		19 122	23 322			103 008	-		
Total Capital expenditure	-	97 721	103 008	8 576					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	-	34 500	35 252	589	1 427	8 813	7 386	83.8%	35 252
Infrastructure - Road transport	-	800	932	-	-	233	233	100.0%	932
<i>Roads, Pavements & Bridges</i>							-		
<i>Storm water</i>		800	932			233	233	100.0%	932
Infrastructure - Electricity	-	13 900	13 900	44	813	3 475	2 662	76.6%	13 900
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		13 900	13 900	44	813	3 475	2 662	76.6%	13 900
<i>Street Lighting</i>							-		
Infrastructure - Water	-	-	180	-	-	45	45	100.0%	180
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>			180			45	45	100.0%	180
Infrastructure - Sanitation	-	9 600	10 041	545	614	2 510	1 896	75.5%	10 041
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		9 600	10 041	545	614	2 510	1 896	75.5%	10 041
Infrastructure - Other	-	10 200	10 200	-	-	2 550	2 550	100.0%	10 200
<i>Waste Management</i>		10 200	10 200			2 550	2 550	100.0%	10 200
Community	-	18 266	18 356	6	37	4 589	4 553	99.2%	18 356
Parks & gardens							-		
Sportsfields & stadia		151	151			38	38	100.0%	151
Libraries		2 000	2 000			500	500	100.0%	2 000
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing							-		
Cemeteries							-		
Social rental housing		12 480	12 480			3 120	3 120	100.0%	12 480
Other		3 635	3 725	6	37	931	895	96.1%	3 725
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	16 815	17 145	72	239	4 286	4 047	94.4%	17 145
General vehicles		10 525	10 525			2 631	2 631	100.0%	10 525
Computers - hardware/equipment		2 548	2 548			637	637	100.0%	2 548
Furniture and other office equipment		2 508	2 508	21	104	627	523	83.4%	2 508
Other		1 235	1 565	50	135	391	256	65.5%	1 565
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	-	69 581	70 754	667	1 703	17 688	15 986	90.4%	70 754

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	-	25 200	26 427	4 980	6 612	8 366	1 754	21.0%	26 427
Infrastructure - Road transport	-	5 400	5 400	1 307	1 307	1 350	43	3.2%	5 400
<i>Roads, Pavements & Bridges</i>		5 400	5 400	1 307	1 307	1 350	43	3.2%	5 400
<i>Storm water</i>							-		
Infrastructure - Electricity	-	3 100	3 100	-	162	1 175	1 013	86.2%	3 100
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		3 100	3 100		162	1 175	1 013	86.2%	3 100
<i>Street Lighting</i>							-		
Infrastructure - Water	-	12 800	12 800	3 488	4 254	4 100	(154)	-3.8%	12 800
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		12 800	12 800	3 488	4 254	4 100	(154)	-3.8%	12 800
Infrastructure - Sanitation	-	3 900	5 126	185	889	1 741	852	48.9%	5 126
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		3 900	5 126	185	889	1 741	852	48.9%	5 126
Infrastructure - Other	-	-	-	-	-	-	-		-
<i>Waste Management</i>							-		
Community	-	2 939	5 828	261	261	1 457	1 196	82.1%	5 828
Parks & gardens							-		
Sportsfields & stadia		2 939	2 939	261	261	735	474	64.5%	2 939
Swimming pools							-		
Community halls							-		
Libraries							-		
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing							-		
Cemeteries							-		
Social rental housing			2 889			722	722	100.0%	2 889
Other							-		
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development							-		
Other							-		
Other assets	-	-	-	-	-	-	-		-
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Other							-		
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on renewal of	-	28 139	32 255	5 241	6 873	9 823	2 950	30.0%	32 255

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	-	136 752	136 752	10 274	26 114	34 188	8 074	23.6%	136 752
Infrastructure - Road transport	-	68 540	68 540	5 288	11 866	17 135	5 269	30.8%	68 540
<i>Roads, Pavements & Bridges</i>		62 232	62 232	4 616	10 146	15 558	5 412	34.8%	62 232
<i>Storm water</i>		6 308	6 308	672	1 719	1 577	(142)	-9.0%	6 308
Infrastructure - Electricity	-	25 491	25 491	1 925	5 479	6 373	894	14.0%	25 491
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		25 491	25 491	1 925	5 479	6 373	894	14.0%	25 491
<i>Street Lighting</i>							-		
Infrastructure - Water	-	26 775	26 775	1 808	5 175	6 694	1 519	22.7%	26 775
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		26 775	26 775	1 808	5 175	6 694	1 519	22.7%	26 775
Infrastructure - Sanitation	-	14 146	14 146	1 145	3 167	3 537	370	10.5%	14 146
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		14 146	14 146	1 145	3 167	3 537	370	10.5%	14 146
Infrastructure - Other	-	1 800	1 800	108	428	450	22	4.8%	1 800
<i>Waste Management</i>		1 800	1 800	108	428	450	22	4.8%	1 800
Community	-	9 298	9 298	425	994	2 324	1 330	57.2%	9 298
Parks & gardens		2 819	2 819	186	482	705	222	31.6%	2 819
Sportsfields & stadia		1 023	1 023	36	58	256	197	77.2%	1 023
Swimming pools		302	302	12	17	76	59	77.5%	302
Community halls		906	906	50	149	226	77	34.2%	906
Libraries		171	171	3	8	43	35	81.7%	171
Recreational facilities							-		
Fire, safety & emergency		1 185	1 185	53	99	296	197	66.5%	1 185
Security and policing		781	781	16	81	195	114	58.4%	781
Cemeteries		53	53		6	13	7	51.7%	53
Social rental housing		335	335	4	12	84	72	85.9%	335
Other		1 724	1 724	63	81	431	350	81.2%	1 724
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development							-		
Other assets	-	16 218	16 218	666	3 037	4 054	1 017	25.1%	16 218
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment							-		
Computers - hardware/equipment		6 157	6 157	68	1 352	1 539	187	12.2%	6 157
Other Buildings		1 214	1 214	42	92	304	212	69.9%	1 214
Other		8 846	8 846	556	1 594	2 212	618	27.9%	8 846
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expendit	-	162 268	162 268	11 364	30 146	40 567	10 421	25.7%	162 268

Supporting Table SC13d

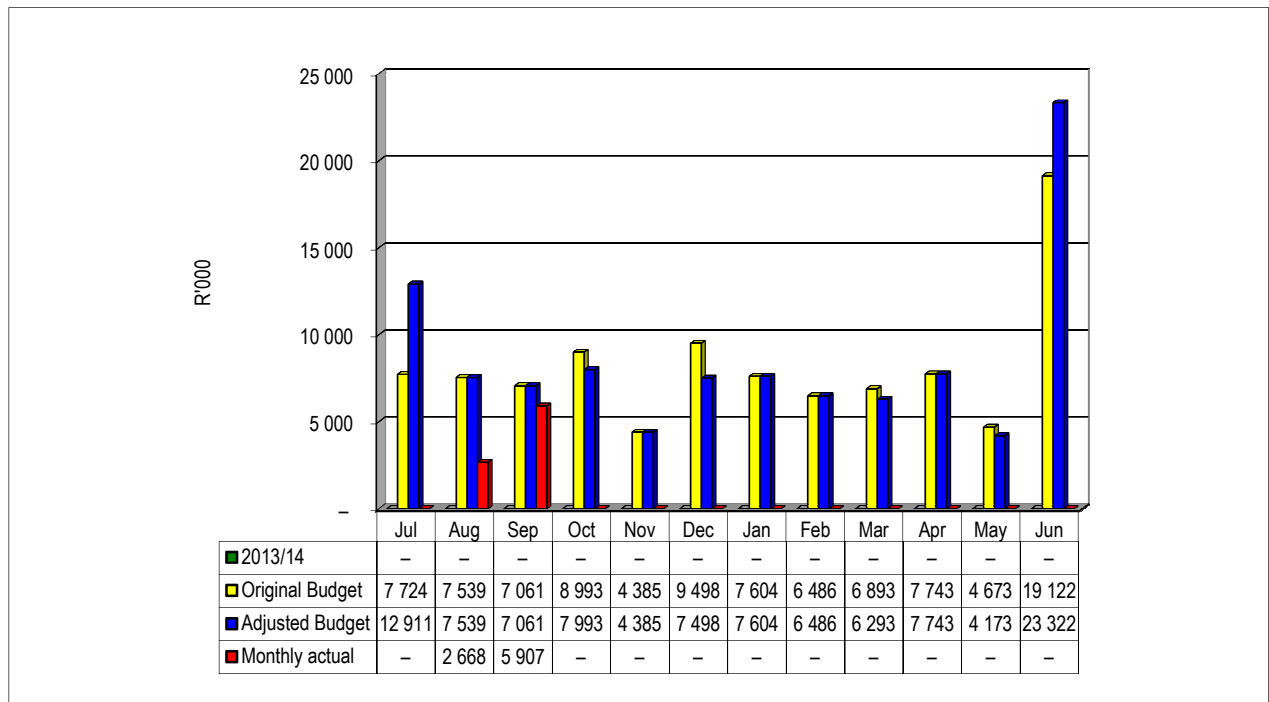
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Depreciation by Asset Class/Sub-class									
Infrastructure	-	93 344	93 344	7 779	23 336	22 999	(337)	-1.5%	93 344
Infrastructure - Road transport	-	31 514	31 514	2 626	7 878	7 542	(337)	-4.5%	31 514
<i>Roads, Pavements & Bridges</i>		29 493	29 493	2 458	7 373	7 373	-		29 493
<i>Storm water</i>		2 021	2 021	168	505	168	(337)	-200.0%	2 021
Infrastructure - Electricity	-	22 789	22 789	1 899	5 697	5 697	-		22 789
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		22 789	22 789	1 899	5 697	5 697	-		22 789
<i>Street Lighting</i>							-		
Infrastructure - Water	-	20 368	20 368	1 697	5 092	5 092	-		20 368
<i>Dams & Reservoirs</i>		20 368	20 368	1 697	5 092	5 092	-		20 368
<i>Water purification</i>							-		
<i>Reticulation</i>							-		
Infrastructure - Sanitation	-	15 067	15 067	1 256	3 767	3 767	-		15 067
<i>Reticulation</i>		15 067	15 067	1 256	3 767	3 767	-		15 067
<i>Sewerage purification</i>							-		
Infrastructure - Other	-	3 607	3 607	301	902	902	-		3 607
<i>Waste Management</i>		3 607	3 607	301	902	902	-		3 607
<i>Other</i>							-		
Community	-	4 822	4 822	402	1 206	1 206	-		4 822
Recreational facilities		4 822	4 822	402	1 206	1 206	-		4 822
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development							-		
Other							-		
Other assets	-	10 216	10 216	851	2 554	2 554	-		10 216
General vehicles		2 360	2 360	197	590	590	-		2 360
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment		1 948	1 948	162	487	487	-		1 948
Furniture and other office equipment		254	254	21	64	64	-		254
Other Buildings		5 654	5 654	471	1 414	1 414	-		5 654
Other							-		
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	883	883	74	221	221	-		883
Computers - software & programming		883	883	74	221	221	-		883
Other							-		
Total Depreciation	-	109 265	109 265	9 105	27 316	26 980	(337)	-1.2%	109 265

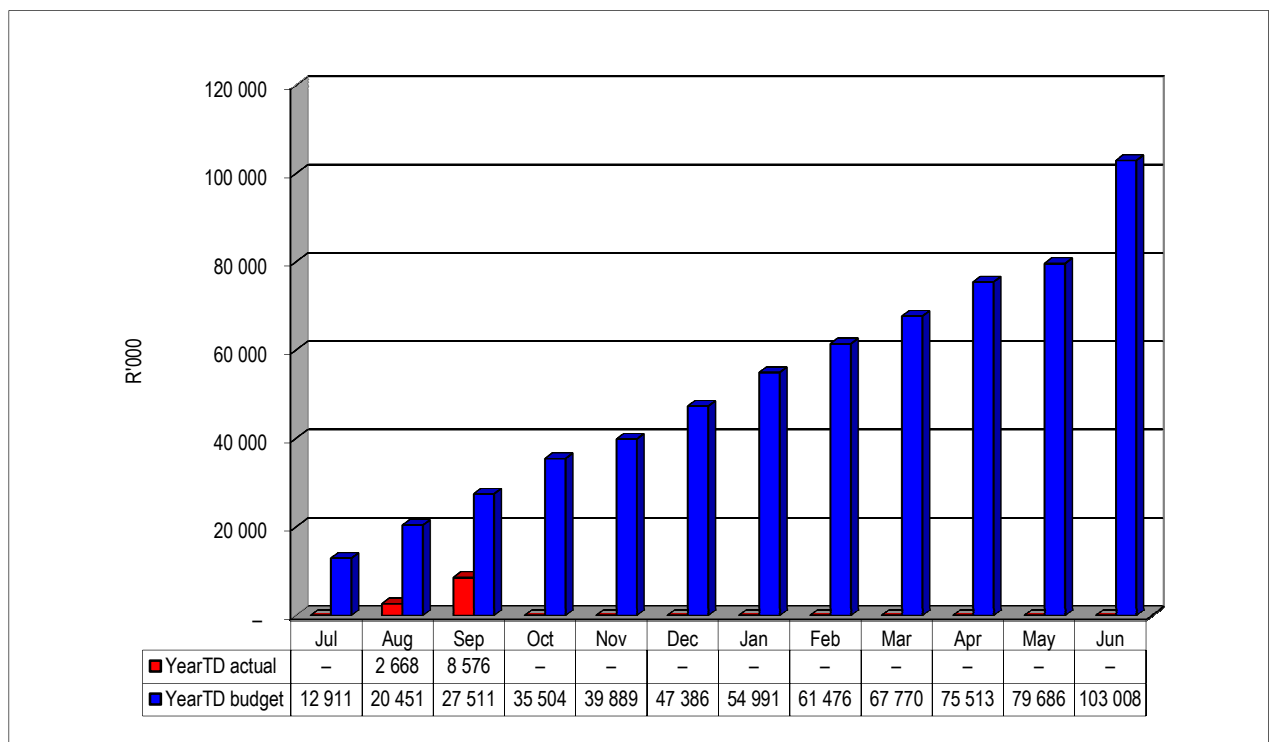
Other supporting documentation

Section 71 charts

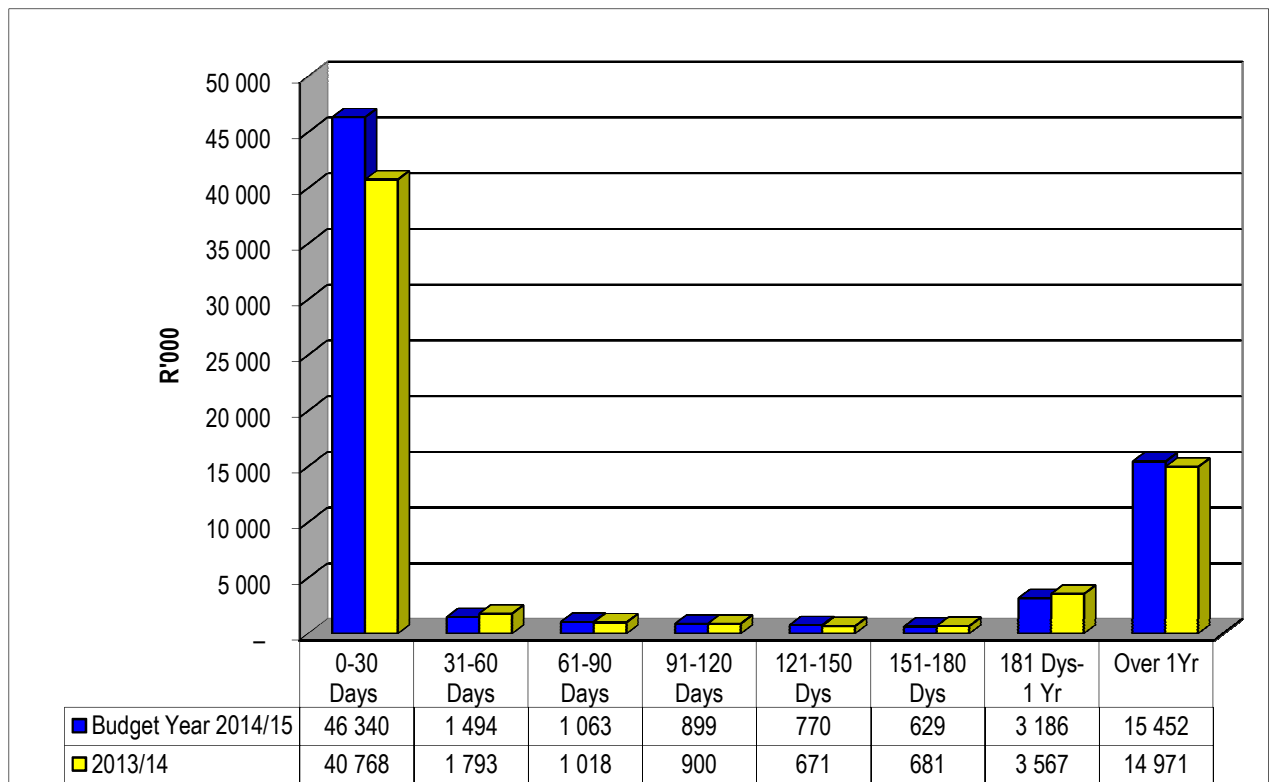
Capital expenditure monthly trend - actual vs target



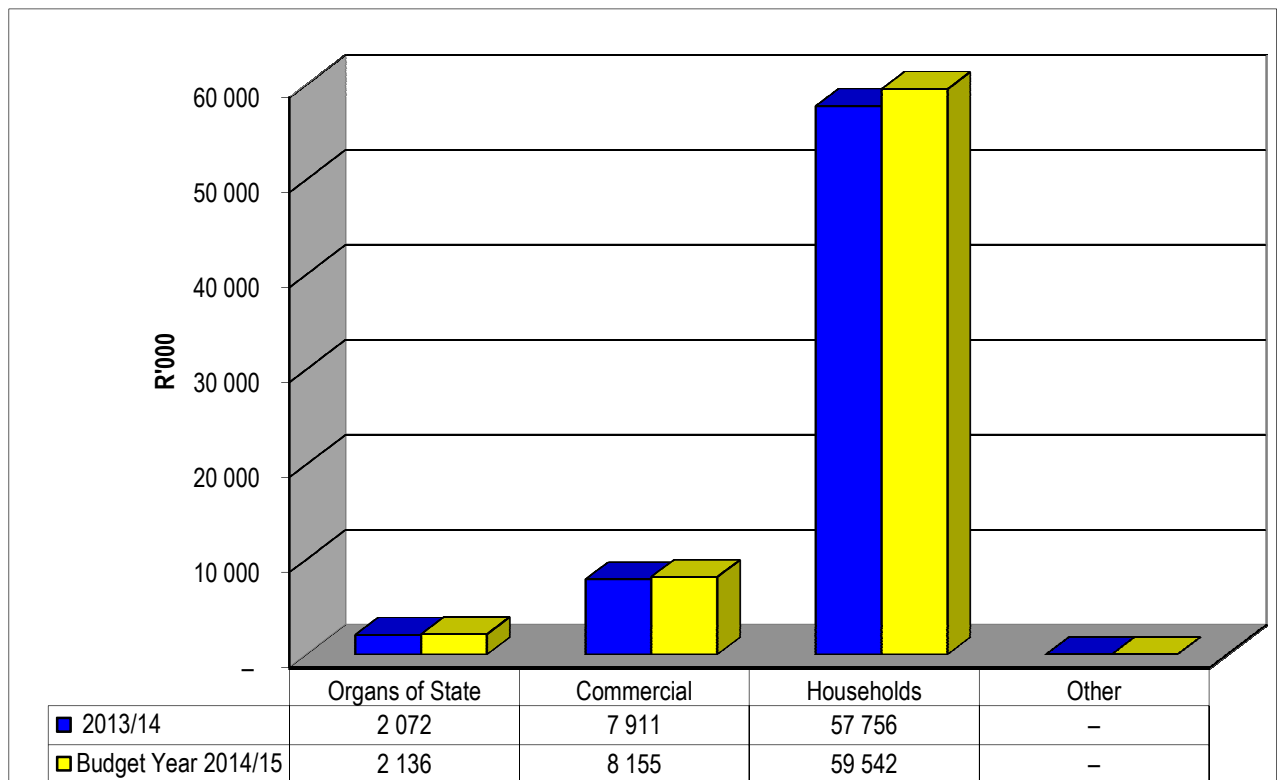
Capital expenditure – YTD actual vs YTD trend



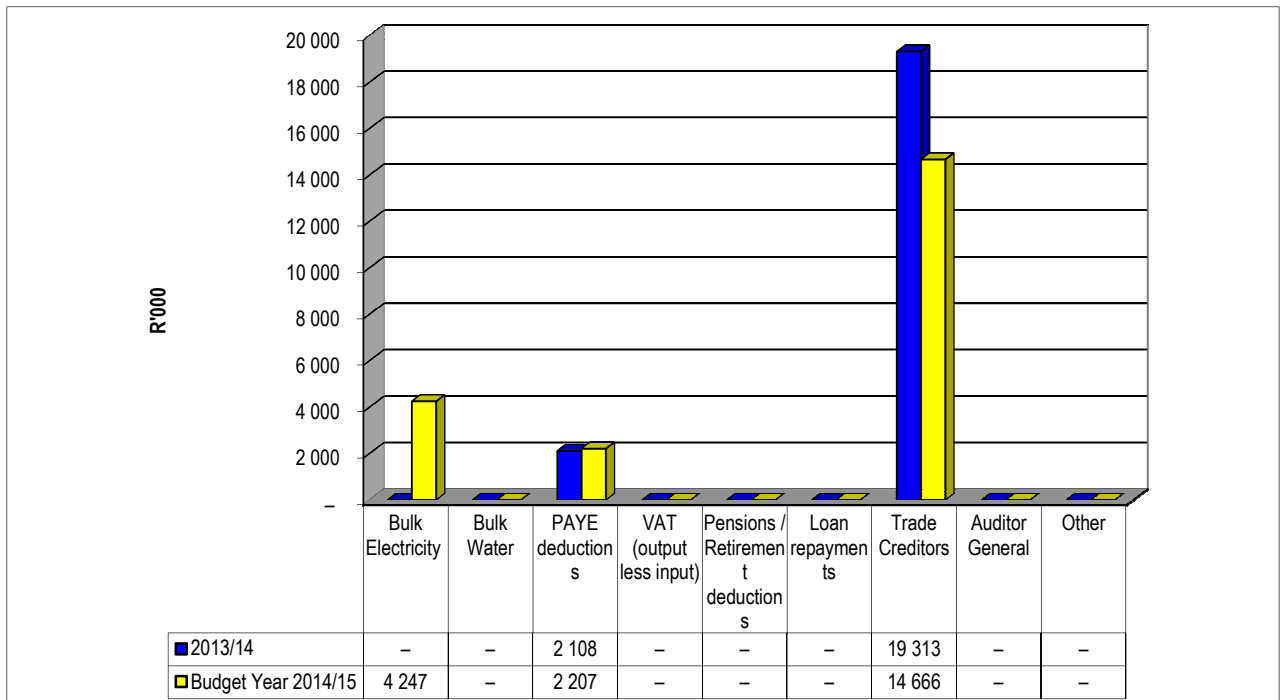
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager's quality certification

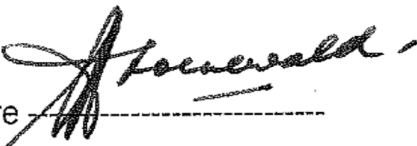
I, Coenie Groenewald the Municipal Manager of Overstrand Municipality, hereby certify that the –

- **The Quarterly Budget Report**

for the period ending **September 2014** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name **CC Groenewald**

Municipal Manager of **Overstrand Municipality (WC032)**

Signature 
Date 15.10.2014.