

OVERSTRAND MUNICIPALITY



Monthly Budget Statement

January 2016

In-Year Report of the Municipality

Prepared in terms of Section 71 of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 28 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

Executive Summary

Revenue by Source

The Year-to-Date actual revenue is 1.08% above the YTD budget projections at the end of January 2016.

Borrowings

The balance of borrowings amounts to R419.8m at the end of January 2016.

Operating expenditure by vote & type

Current expenditure is 2.08% below YTD budget projections as at January 2016.

Capital expenditure

YTD Capital expenditure amounts to R48.3m or 47.11% of the total adjusted budget of R102.6m. The current capital commitments of orders in progress amounts to R19.4m giving total capital spend and committed at 66.08% at the end of January 2016. The capital expenditure is progressing more rapidly than anticipated, due to spending on the housing projects.

Allocations received (National & Provincial Grants)

Grants totaling R3.7m was received during January 2016.

Spending on Grants

Spending on grants amounts to R1.2m for January 2016 which includes FMG, MSIG, MIG, Library Grant, CDW & EPWP.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M07 January

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	1.08%	Not material	
<u>Expenditure By Type</u>	-2.08%	Not material	
<u>Capital Expenditure</u>	47.17%	Spending ahead of projected expenditure. Capital Commitments = R19.4m	
<u>Financial Position</u>			
In order			
<u>Cash Flow</u>			
In order			

Performance in relation to SDBIP targets

SDBIP performance is tabled in Council in a separate comprehensive report.

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 - M07 January

Description	2014/15	Budget Year 2015/16							
	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	153 617	163 621	163 621	13 541	97 454	96 735	719	1%	163 621
Service charges	520 392	566 784	566 784	54 739	334 994	332 994	2 001	1%	566 784
Investment revenue	8 144	6 348	6 348	1 541	7 401	5 025	2 375	47%	6 348
Transfers recognised - operational	60 473	90 324	100 432	-	62 405	62 405	-		100 432
Other own revenue	61 832	67 957	67 957	5 606	39 276	38 597	679	2%	67 957
Total Revenue (excluding capital transfers and contributions)	804 458	895 035	905 143	75 427	541 529	535 756	5 773	1%	905 143
Employee costs	267 019	291 593	291 593	23 608	163 703	163 741	(38)	-0%	291 593
Remuneration of Councillors	8 104	8 674	8 674	935	4 988	5 060	(72)	-1%	8 674
Depreciation & asset impairment	106 445	111 362	111 362	9 280	64 961	64 961	-		111 362
Finance charges	43 447	46 895	46 895	1 556	17 109	17 109	-		46 895
Materials and bulk purchases	184 319	251 374	251 374	16 373	131 174	138 194	(7 020)	-5%	251 374
Transfers and grants	48 659	48 497	48 497	3 954	29 251	29 251	-		48 497
Other expenditure	253 080	206 135	216 242	14 148	97 491	101 147	(3 657)	-4%	216 242
Total Expenditure	911 073	964 529	974 637	69 854	508 676	519 463	(10 787)	-2%	974 637
Surplus/(Deficit)	(106 615)	(69 494)	(69 494)	5 572	32 853	16 292	16 561	102%	(69 494)
Transfers recognised - capital	55 498	63 354	60 502	-	28 889	28 889	-		60 502
Contributions & Contributed assets	1 272	1 000	1 000	-	-	-	-		1 000
Surplus/(Deficit) after capital transfers & contributions	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182	16 561	37%	(7 992)
Surplus/ (Deficit) for the year	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182	16 561	37%	(7 992)
Capital expenditure & funds sources									
Capital expenditure	108 489	103 914	102 627	1 797	48 352	32 855	15 497	47%	103 914
Capital transfers recognised	55 734	64 354	61 502	528	31 490	16 115	15 375	95%	61 502
Public contributions & donations	607	462	462	-	300	231	69	30%	462
Borrowing	39 012	32 346	33 419	1 236	14 155	14 094	61	0%	33 419
Internally generated funds	13 138	6 753	7 245	33	2 406	2 415	(9)	-0%	7 245
Total sources of capital funds	108 490	103 914	102 627	1 797	48 352	32 855	15 497	47%	102 627
Financial position									
Total current assets	224 444	207 929	207 929		293 851				207 929
Total non current assets	3 305 450	3 320 511	3 317 660		3 292 845				3 317 660
Total current liabilities	155 138	174 459	174 459		163 857				174 459
Total non current liabilities	602 191	617 668	617 668		588 179				617 668
Community wealth/Equity	2 772 565	2 736 314	2 733 462		2 834 661				2 733 462
Cash flows									
Net cash from (used) operating	119 478	110 861	94 008	14 880	122 463	112 876	(9 587)	-8%	94 008
Net cash from (used) investing	(101 315)	(110 144)	(108 857)	(2 467)	(52 354)	(52 354)	-		(108 857)
Net cash from (used) financing	23 666	7 409	7 409	(934)	(11 627)	(11 627)	-		7 409
Cash/cash equivalents at the month/year end	104 987	97 547	97 547	-	163 469	153 882	(9 587)	-6%	97 547
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	58 166	2 046	3 025	1 141	1 086	708	4 026	17 709	87 905
Creditors Age Analysis									
Total Creditors	3 487	-	-	-	-	-	-	-	3 487

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

Description	2014/15	Budget Year 2015/16							
	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	236 506	255 994	256 794	15 939	165 145	164 643	502	0%	256 794
Executive and council	52 212	64 861	64 861	24	48 714	48 714	-		64 861
Budget and treasury office	172 795	180 339	180 339	15 858	109 747	109 706	41	0%	180 339
Corporate services	11 499	10 795	11 595	57	6 685	6 223	461	7%	11 595
Community and public safety	75 100	101 843	108 299	3 883	55 838	55 851	(13)	0%	108 299
Community and social services	5 213	4 657	4 857	260	2 459	2 533	(73)	-3%	4 857
Sport and recreation	7 939	11 942	11 942	877	5 405	5 822	(417)	-7%	11 942
Public safety	31 198	37 676	37 676	2 721	19 783	18 999	784	4%	37 676
Housing	30 750	47 567	53 823	26	28 190	28 497	(307)	-1%	53 823
Economic and environmental services	17 928	20 033	20 033	585	9 615	7 949	1 665	21%	20 033
Planning and development	9 861	9 043	9 043	541	6 335	5 275	1 060	20%	9 043
Road transport	8 048	10 890	10 890	44	3 261	2 616	646	25%	10 890
Environmental protection	19	101	101	-	18	59	(40)	-69%	101
Trading services	531 880	581 518	581 518	55 019	339 822	336 202	3 619	1%	581 518
Electricity	288 745	346 361	346 361	28 383	191 857	189 810	2 047	1%	346 361
Water	109 581	106 211	106 211	13 946	66 839	66 382	457	1%	106 211
Waste water management	76 694	69 402	69 402	7 530	45 159	44 284	875	2%	69 402
Waste management	56 860	59 544	59 544	5 161	35 967	35 726	240	1%	59 544
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	861 414	959 389	966 645	75 427	570 419	564 645	5 773	1%	966 645
Expenditure - Standard									
Governance and administration	231 343	237 278	237 278	20 717	134 899	135 215	(316)	0%	237 278
Executive and council	92 928	92 565	92 565	7 330	52 708	53 996	(1 289)	-2%	92 565
Budget and treasury office	59 088	69 750	69 750	4 377	37 760	38 072	(312)	-1%	69 750
Corporate services	79 327	74 963	74 963	9 010	44 431	43 147	1 284	3%	74 963
Community and public safety	116 395	141 933	152 040	10 656	74 734	86 755	(12 021)	-14%	151 840
Community and social services	35 196	31 368	31 568	2 415	17 422	18 415	(993)	-5%	31 368
Sport and recreation	16 677	18 220	18 220	2 047	10 567	10 363	204	2%	18 220
Public safety	52 938	69 453	69 453	5 952	37 541	39 959	(2 419)	-6%	69 453
Housing	11 584	22 892	32 799	241	9 204	18 018	(8 814)	-49%	32 799
Economic and environmental services	109 806	132 046	132 046	7 682	68 876	65 320	3 555	5%	132 046
Planning and development	23 230	40 308	40 308	2 713	21 470	20 658	812	4%	40 308
Road transport	80 914	84 786	84 786	4 655	44 579	41 100	3 479	8%	84 786
Environmental protection	5 662	6 952	6 952	314	2 827	3 563	(736)	-21%	6 952
Trading services	453 715	453 273	453 273	30 800	230 168	232 174	(2 006)	-1%	453 273
Electricity	229 494	257 278	257 278	18 881	136 812	137 952	(1 141)	-1%	257 278
Water	71 697	78 253	78 253	3 329	34 989	35 214	(225)	-1%	78 253
Waste water management	57 717	63 478	63 478	4 371	31 396	31 935	(539)	-2%	63 478
Waste management	94 806	54 264	54 264	4 220	26 971	27 072	(102)	0%	54 264
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	911 258	964 529	974 637	69 854	508 676	519 463	(10 788)	-2%	974 437
Surplus/ (Deficit) for the year	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182	16 561	37%	(7 792)

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) - M07 January

Vote Description	2014/15	Budget Year 2015/16							
	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	52 212	64 808	64 808	16	48 573	48 573	-		64 808
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Management Services	1 692	991	1 791	7	662	505	157	31.1%	1 791
Vote 4 - Finance	172 795	180 339	180 339	15 858	109 747	109 706	41	0.0%	180 339
Vote 5 - Community Services	270 483	272 957	273 157	27 901	165 471	163 739	1 732	1.1%	273 157
Vote 6 - Local Economic Development	3 389	3 091	3 091	127	2 188	1 575	613	39.0%	3 091
Vote 7 - Infrastructure & Planning	329 646	399 527	405 783	28 797	223 994	221 548	2 446	1.1%	405 783
Vote 8 - Protection Services	31 198	37 676	37 676	2 721	19 783	18 999	784	4.1%	37 676
Total Revenue by Vote	861 414	959 389	966 645	75 427	570 419	564 645	5 773	1.0%	966 645
Expenditure by Vote									
Vote 1 - Council	73 581	71 496	71 496	5 790	40 958	41 706	(748)	-1.8%	71 496
Vote 2 - Municipal Manager	3 903	4 489	4 489	340	2 492	2 618	(126)	-4.8%	4 489
Vote 3 - Management Services	36 148	43 327	43 327	3 521	22 699	24 399	(1 700)	-7.0%	43 327
Vote 4 - Finance	59 088	69 750	69 750	4 377	37 760	38 072	(312)	-0.8%	69 750
Vote 5 - Community Services	330 928	341 492	341 692	26 003	185 776	174 784	10 993	6.3%	341 492
Vote 6 - Local Economic Development	10 226	8 731	8 731	817	5 296	4 549	747	16.4%	8 731
Vote 7 - Infrastructure & Planning	344 447	355 793	365 700	23 055	176 154	193 376	(17 222)	-8.9%	365 700
Vote 8 - Protection Services	52 938	69 453	69 453	5 952	37 541	39 959	(2 419)	-6.1%	69 453
Total Expenditure by Vote	911 258	964 529	974 637	69 854	508 676	519 463	(10 788)	-2.1%	974 437
Surplus/ (Deficit) for the year	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182	16 561	36.7%	(7 792)

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) - M07 January

Description	2014/15	Budget Year 2015/16							
	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	152 870	162 730	162 730	13 507	97 069	96 282	787	1%	162 730
Property rates - penalties & collection charges	747	891	891	34	385	453	(68)	-15%	891
Service charges - electricity revenue	286 571	338 877	338 877	28 408	190 530	193 442	(2 912)	-2%	338 877
Service charges - water revenue	108 391	102 045	102 045	13 777	66 101	62 928	3 174	5%	102 045
Service charges - sanitation revenue	68 661	66 375	66 375	7 394	42 435	40 931	1 503	4%	66 375
Service charges - refuse revenue	56 770	59 488	59 488	5 159	35 929	35 693	236	1%	59 488
Rental of facilities and equipment	9 155	11 859	11 859	1 151	7 640	7 165	476	7%	11 859
Interest earned - external investments	8 144	6 348	6 348	1 541	7 401	5 025	2 375	47%	6 348
Interest earned - outstanding debtors	2 279	2 437	2 437	247	1 573	1 421	152	11%	2 437
Fines	25 389	31 859	31 859	2 163	15 430	16 461	(1 031)	-6%	31 859
Licences and permits	1 972	2 190	2 190	212	1 301	1 277	23	2%	2 190
Agency services	2 766	2 970	2 970	293	1 819	1 733	86	5%	2 970
Transfers recognised - operational	60 473	90 324	100 432	-	62 405	62 405	-	-	100 432
Other revenue	20 272	16 643	16 643	1 539	11 513	10 541	972	9%	16 643
Gains on disposal of PPE							-		
contributions)	804 458	895 035	905 143	75 427	541 529	535 756	5 773	1%	905 143
Expenditure By Type									
Employee related costs	267 019	291 593	291 593	23 608	163 703	163 741	(38)	0%	291 593
Remuneration of councillors	8 104	8 674	8 674	935	4 988	5 060	(72)	-1%	8 674
Debt impairment	10 846	22 792	22 792	1 899	13 295	13 295	-	-	22 792
Depreciation & asset impairment	106 445	111 362	111 362	9 280	64 961	64 961	-	-	111 362
Finance charges	43 447	46 895	46 895	1 556	17 109	17 109	-	-	46 895
Bulk purchases	167 660	193 573	193 573	14 658	106 639	110 498	(3 859)	-3%	193 573
Other materials	16 659	57 801	57 801	1 715	24 534	27 696	(3 162)	-11%	57 801
Contracted services	85 327	125 322	125 322	7 811	46 049	52 217	(6 169)	-12%	125 322
Transfers and grants	48 659	48 497	48 497	3 954	29 251	29 251	-	-	48 497
Other expenditure	156 906	58 021	68 129	4 437	38 146	35 635	2 512	7%	68 129
Loss on disposal of PPE							-		
Total Expenditure	911 073	964 529	974 637	69 854	508 676	519 463	(10 787)	-2%	974 637
Surplus/(Deficit)									
Transfers recognised - capital	55 498	63 354	60 502	-	28 889	28 889	-	-	60 502
Contributions recognised - capital	1 272	1 000	1 000				-	-	1 000
Contributed assets							-	-	
Surplus/(Deficit) after capital transfers & Taxation	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182			(7 992)
Surplus/(Deficit) after taxation	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182			(7 992)
Surplus/(Deficit) attributable to municipality	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182			(7 992)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	(49 845)	(5 140)	(7 992)	5 572	61 743	45 182			(7 992)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 1.08% above the YTD budget.

Current expenditure is 2.08% below YTD budget projections for January 2016.

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) - M07 January

Vote Description	2014/15	Budget Year 2015/16							
	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	2 658	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	89 992	21 911	21 911	-	9 437	9 733	(296)	-3%	21 911
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	15 839	11 451	13 016	-	3 931	3 974	(43)	-1%	11 451
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	108 489	33 362	34 927	-	13 367	13 706	(339)	-2%	33 362
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	2 528	3 328	254	839	1 053	(214)	-20%	2 528
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	56 809	53 157	1 534	30 786	14 543	16 243	112%	56 809
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	10 920	10 920	-	3 223	3 425	(202)	-6%	10 920
Vote 8 - Protection Services	-	295	295	9	136	127	9	7%	295
Total Capital single-year expenditure	-	70 552	67 700	1 797	34 984	19 148	15 836	83%	70 552
Total Capital Expenditure	108 489	103 914	102 627	1 797	48 352	32 855	15 497	47%	103 914
Capital Expenditure - Standard Classification									
Governance and administration	10 561	2 648	3 448	254	839	1 545	(705)	-46%	3 448
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	10 561	2 648	3 448	254	839	1 545	(705)	-46%	3 448
Community and public safety	39 184	39 768	36 117	46	23 305	6 224	17 080	274%	36 117
Community and social services	5 258	3 520	3 520	37	2 140	1 296	843	65%	3 520
Sport and recreation	1 565	5 981	5 981	-	401	997	(595)	-60%	5 981
Public safety	-	295	295	9	136	123	13	11%	295
Housing	32 361	29 973	26 321	-	20 627	3 808	16 819	442%	26 321
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	6 300	12 128	12 128	258	4 238	4 295	(57)	-1%	12 128
Planning and development	-	25	25	-	-	10	(10)	-100%	25
Road transport	6 300	12 103	12 103	258	4 238	4 284	(46)	-1%	12 103
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	52 444	49 370	50 935	1 239	19 970	20 792	(822)	-4%	50 935
Electricity	13 682	21 726	23 291	-	7 154	7 376	(222)	-3%	23 291
Water	16 275	16 390	16 390	1 239	9 659	9 668	(9)	0%	16 390
Waste water management	13 221	11 244	11 244	-	3 157	3 748	(591)	-16%	11 244
Waste management	9 267	10	10	-	-	-	-	-	10
Total Capital Expenditure - Standard Classification	108 490	103 914	102 627	1 797	48 352	32 855	15 496	47%	102 627
Funded by:									
National Government	22 884	30 347	30 347	511	8 744	8 598	145	2%	30 347
Provincial Government	31 850	33 007	30 155	16	22 746	7 517	15 230	203%	30 155
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	1 000	1 000	1 000	-	-	-	-	-	1 000
Transfers recognised - capital	55 734	64 354	61 502	528	31 490	16 115	15 375	95%	61 502
Public contributions & donations	607	462	462	-	300	231	69	30%	462
Borrowing	39 012	32 346	33 419	1 236	14 155	14 094	61	0%	33 419
Internally generated funds	13 138	6 753	7 245	33	2 406	2 415	(9)	0%	7 245
Total Capital Funding	108 490	103 914	102 627	1 797	48 352	32 855	15 497	47%	102 627

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	2014/15	Budget Year 2015/16			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	78 935	97 547	97 547	113 564	97 547
Call investment deposits	26 051		–	49 905	–
Consumer debtors	52 850	51 774	51 774	68 971	51 774
Other debtors	56 167	44 112	44 112	50 595	44 112
Current portion of long-term receivables	15	13	13	13	13
Inventory	10 426	14 483	14 483	10 804	14 483
Total current assets	224 444	207 929	207 929	293 851	207 929
Non current assets					
Long-term receivables	53	41	41	47	41
Investments	23 149	28 455	28 455	27 160	28 455
Investment property	159 761	164 501	164 501	159 761	164 501
Investments in Associate			–		–
Property, plant and equipment	3 117 725	3 122 147	3 119 295	3 101 116	3 119 295
Agricultural			–		–
Biological assets			–		–
Intangible assets	4 762	5 368	5 368	4 762	5 368
Other non-current assets			–		–
Total non current assets	3 305 450	3 320 511	3 317 660	3 292 845	3 317 660
TOTAL ASSETS	3 529 894	3 528 441	3 525 589	3 586 697	3 525 589
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	23 620	28 113	28 113	25 660	28 113
Consumer deposits	41 743	43 801	43 801	42 783	43 801
Trade and other payables	65 836	74 229	74 229	67 097	74 229
Provisions	23 939	28 317	28 317	28 317	28 317
Total current liabilities	155 138	174 459	174 459	163 857	174 459
Non current liabilities					
Borrowing	408 964	415 999	415 999	394 257	415 999
Provisions	193 227	201 669	201 669	193 922	201 669
Total non current liabilities	602 191	617 668	617 668	588 179	617 668
TOTAL LIABILITIES	757 329	792 127	792 127	752 036	792 127
NET ASSETS	2 772 565	2 736 314	2 733 462	2 834 661	2 733 462
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	2 769 994	2 733 677	2 730 825	2 832 487	2 730 825
Reserves	2 571	2 637	2 637	2 173	2 637
TOTAL COMMUNITY WEALTH/EQUITY	2 772 565	2 736 314	2 733 462	2 834 661	2 733 462

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 - M07 January

Description	2014/15	Budget Year 2015/16							
	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									
Property rates, penalties & collection charges	152 186	163 800	163 800	11 606	95 815	95 550	265	0%	163 800
Service charges	517 192	567 409	567 409	50 358	326 131	326 260	(129)	0%	567 409
Other revenue	59 478	76 884	76 884	4 579	38 502	38 442	60	0%	76 884
Government - operating	59 124	90 324	100 432	-	62 405	62 405	-		100 432
Government - capital	55 498	64 354	61 502	-	28 889	28 889	-		61 502
Interest	10 423	8 784	8 784	1 788	8 974	8 974	-		8 784
Dividends							-		-
Payments									
Suppliers and employees	(642 330)	(765 303)	(789 412)	(47 940)	(391 893)	(401 284)	(9 391)	2%	(789 412)
Finance charges	(43 433)	(46 895)	(46 895)	(1 556)	(17 109)	(17 109)	-		(46 895)
Transfers and Grants	(48 659)	(48 497)	(48 497)	(3 954)	(29 251)	(29 251)	-		(48 497)
NET CASH FROM/(USED) OPERATING ACTIVITIES	119 478	110 861	94 008	14 880	122 463	112 876	(9 587)	-8%	94 008
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	14 548	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables	15	18	18	0	9	9	-		18
Decrease (increase) in non-current investments	(4 980)	(6 248)	(6 248)	(671)	(4 011)	(4 011)	-		(6 248)
Payments									
Capital assets	(110 898)	(103 914)	(102 627)	(1 797)	(48 352)	(48 352)	-		(102 627)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(101 315)	(110 144)	(108 857)	(2 467)	(52 354)	(52 354)	-		(108 857)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	64	(1 135)	(1 135)	-	-	-	-		(1 135)
Borrowing long term/refinancing	40 000	30 000	30 000	-	-	-	-		30 000
Increase (decrease) in consumer deposits	3 983	2 479	2 479	178	1 040	1 040	-		2 479
Payments									
Repayment of borrowing	(20 381)	(23 936)	(23 936)	(1 112)	(12 667)	(12 667)	-		(23 936)
NET CASH FROM/(USED) FINANCING ACTIVITIES	23 666	7 409	7 409	(934)	(11 627)	(11 627)	-		7 409
NET INCREASE/ (DECREASE) IN CASH HELD	41 828	8 126	(7 440)	11 479	58 482	48 895			(7 440)
Cash/cash equivalents at beginning:	63 158	89 421	104 987		104 987	104 987			104 987
Cash/cash equivalents at month/year end:	104 987	97 547	97 547		163 469	153 882			97 547

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R163.4 million.

The municipality started the year with a positive cash balance of R104,9 million. The January closing balance is R163.49 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 - M07 January

Description	Budget Year 2015/16												2015/16 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget				
Cash Receipts By Source																
Property rates	5 085	8 620	11 255	11 191	11 426	10 312	11 606					93 414	162 909	172 317	183 542	
Property rates - penalties & collection charges	65	62	56	65	67	35	34					506	891	980	1 078	
Service charges - electricity revenue	21 074	25 610	25 570	24 619	24 122	24 047	24 537					169 670	339 249	369 510	405 469	
Service charges - water revenue	5 153	13 140	12 569	11 773	12 079	10 920	12 298					24 225	102 158	107 084	113 055	
Service charges - sanitation revenue	570	5 041	6 417	6 145	5 928	6 659	6 562					29 126	66 448	69 680	73 596	
Service charges - refuse	774	7 336	7 884	7 543	7 206	7 940	6 960					13 912	59 554	62 701	66 475	
Rental of facilities and equipment	707	599	1 350	679	815	2 348	1 138					4 236	11 872	12 879	14 097	
Interest earned - external investments	626	1 144	988	1 483	775	843	1 541					(1 053)	6 348	6 348	6 348	
Interest earned - outstanding debtors	219	221	214	210	232	232	247					863	2 437	2 680	2 948	
Fines	527	4 221	2 195	2 155	2 104	2 064	2 163					16 430	31 859	32 766	33 763	
Licences and permits	192	186	192	174	179	166	212					889	2 190	2 408	2 649	
Agency services	262	206	227	258	264	309	293					1 151	2 970	3 267	3 594	
Transfer receipts - operating	27 390	590	1 015	3 440	23 498	6 473	-					27 920	90 324	107 886	97 173	
Other revenue	(526)	1 258	2 205	3 164	1 631	914	738					18 609	27 993	24 156	20 648	
Cash Receipts by Source	62 118	68 233	72 137	72 900	90 325	73 261	68 331	-	-	-	-	399 899	907 202	974 662	1 024 434	
Other Cash Flows by Source																
Transfer receipts - capital	227	4 381	11 003	1 991	4 652	6 636	-					34 464	63 354	60 876	73 561	
Contributions & Contributed assets												1 000	1 000	-	-	
Proceeds on disposal of PPE												-	-			
Borrowing long term/refinancing												30 000	30 000	30 000	30 000	
Increase in consumer deposits	170	71	297	219	88	17	178					1 439	2 479	2 628	2 786	
Receipt of non-current debtors	-	-	-	-	-	-	-					-	-	-	-	
Receipt of non-current receivables	0	0	0	0	0	7	0					9	18	13	11	
Change in non-current investments	(429)	(648)	(506)	(897)	(147)	(713)	(671)					(2 237)	(6 248)	(5 930)	(6 025)	
Total Cash Receipts by Source	62 086	72 037	82 931	74 213	94 918	79 208	67 838	-	-	-	-	463 440	996 671	1 060 977	1 123 416	
Cash Payments by Type																
Employee related costs	18 684	20 185	23 173	21 220	34 244	21 800	23 214					122 497	285 015	298 435	316 191	
Remuneration of councillors	668	663	663	699	683	683	935					3 681	8 674	9 192	9 741	
Interest paid	123	670	1 108	3 888	1 253	8 511	1 556					29 786	46 895	46 780	47 279	
Bulk purchases - Electricity	3 279	23 866	22 228	14 295	13 592	14 721	14 658					86 934	193 573	221 138	252 628	
Bulk purchases - Water & Sewer												-	-			
Other materials	1 212	1 935	2 553	5 164	3 918	8 037	1 715					33 266	57 801	69 631	53 593	
Contracted services	1 367	5 457	6 473	6 301	6 526	12 115	7 811					79 273	125 322	128 122	135 442	
Grants and subsidies paid - other municipalities												-	-			
Grants and subsidies paid - other	3 352	5 758	4 328	3 957	3 947	3 955	3 954					19 246	48 497	54 667	62 244	
General expenses	(27 142)	(552)	20 917	6 247	4 809	18 750	(393)					72 283	94 919	82 042	68 158	
Cash Payments by Type	1 543	57 982	81 443	61 771	68 971	88 570	53 451	-	-	-	-	446 965	860 695	910 006	945 276	
Other Cash Flows/Payments by Type																
Capital assets	227	9 788	14 612	3 390	6 454	12 084	1 797					55 563	103 914	94 606	103 561	
Repayment of borrowing	1 075	713	828	4 891	1 052	2 998	1 112					11 268	23 936	26 841	29 775	
Total Cash Payments by Type	2 844	68 483	96 882	70 051	76 477	103 652	56 359	-	-	-	-	513 796	988 545	1 031 453	1 078 612	
NET INCREASE/(DECREASE) IN CASH HELD	59 241	3 554	(13 951)	4 162	18 441	(24 444)	11 479	-	-	-	-	(50 356)	8 126	29 524	44 804	
Cash/cash equivalents at the month/year beg	104 987	164 228	167 782	153 831	157 993	176 434	151 990	163 469	163 469	163 469	163 469	163 469	104 987	113 113	142 637	
Cash/cash equivalents at the month/year end	164 228	167 782	153 831	157 993	176 434	151 990	163 469	163 469	163 469	163 469	163 469	113 113	113 113	142 637	187 440	

This supporting table gives a detailed breakdown 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 - M07 January													
Description	NT Code	Budget Year 2015/16									Total over 90 days	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			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions	1200	15 769	424	283	207	125	110	588	2 634	20 140	3 665	247	3 478
Trade and Other Receivables from Exchange Transactions	1300	14 578	377	225	164	132	117	498	2 215	18 305	3 126	68	3 631
Receivables from Non-exchange Transactions - Property	1400	13 889	486	312	222	519	167	683	2 330	18 607	3 921	25	4 196
Receivables from Exchange Transactions - Waste Water	1500	7 051	223	144	112	90	78	349	1 810	9 859	2 440	35	2 090
Receivables from Exchange Transactions - Waste Manag	1600	4 536	172	110	85	67	117	276	1 305	6 668	1 850	68	1 631
Receivables from Exchange Transactions - Property Rent	1700	258	13	31	8	5	2	27	118	461	160	-	103
Interest on Arrear Debtor Accounts	1810	52	30	79	39	43	36	315	4 855	5 450	5 289	-	-
Recoverable unauthorised, irregular, fruitless and wastefu	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2 033	322	1 842	304	106	79	1 290	2 440	8 415	4 219	60	1 850
Total By Income Source	2000	58 166	2 046	3 025	1 141	1 086	708	4 026	17 709	87 905	24 670	503	16 979
2014/15 - totals only		45 343	1 634	1 127	1 001	715	627	3 220	16 155	69 821	21 717	374	16 359
Debtors Age Analysis By Customer Group													
Organs of State	2200	513	51	1 098	53	363	19	74	172	2 343	681	-	203
Commercial	2300	8 088	184	86	50	37	41	128	700	9 314	956	19	614
Households	2400	49 754	1 806	1 836	1 034	677	644	3 793	16 492	76 034	22 639	483	16 160
Other	2500	(189)	5	4	5	9	5	30	345	214	394	-	2
Total By Customer Group	2600	58 166	2 046	3 025	1 141	1 086	708	4 026	17 709	87 905	24 670	503	16 979

Debtors' levels remain stable notwithstanding the spike in the outstanding debtors' at the end of January 2016. This is due to the high consumption over the festive season resulting in increased billings. The overall increased debtors results from the year-on-year increase in billings from increased tariffs at the start of the new financial year. The outstanding debtors' should be in line with the normal trend at the end of March 2016. 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	
2015					
July	8 337	R 3 352 278.87	23 998	32 335	25.78%
August	8 336	R 5 479 944.05	24 348	32 684	25.50%
September	8 124	R 4 328 480.71	24 548	32 672	24.87%
October	7 352	R 3 956 638.74	25 312	32 664	22.51%
November	7 302	R 3 946 768.41	25 478	32 780	22.28%
December	7 317	R 3 954 561.91	25 626	32 943	22.21%
2016					
January	7 297	R 3 954 294.56	25 648	32 945	22.15%
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
2015/16											
June											
May											
April											
March											
February											
January	58 165 577	2 045 629	3 024 692	1 141 036	1 086 276	707 580	4 025 727	17 708 926	87 905 442	29 739 865	24 669 545
December	50 979 761	3 575 536	1 326 225	1 171 863	751 095	722 960	3 867 237	17 317 935	79 712 612	28 732 851	23 831 090
November	50 643 681	1 865 830	1 382 058	883 165	1 207 525	716 440	3 302 097	17 250 921	77 251 716	26 608 035	23 360 147
October	49 425 659	1 871 479	1 091 183	917 433	1 256 247	684 420	3 393 009	17 188 366	75 827 795	26 402 136	23 439 474
September	48 308 730	1 643 242	1 609 916	963 407	757 166	752 650	3 326 448	16 930 901	74 292 460	25 983 730	22 730 572
Augustus	50 057 274	2 342 293	1 199 288	879 106	834 921	808 181	3 292 068	16 645 645	76 058 775	26 001 502	22 459 921
July	51 621 817	1 729 149	1 088 910	946 724	893 543	663 928	3 250 785	16 514 546	76 709 402	25 087 584	22 269 526

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	NT Code	Budget Year 2015/16									Total	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			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	654
Bulk Water	0200										-	
PAYE deductions	0300	3 081									3 081	2 634
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	3 372
Loan repayments	0600										-	
Trade Creditors	0700	406									406	3 321
Auditor General	0800										-	
Other	0900										-	
Total By Customer Type	1000	3 487	-	-	-	-	-	-	-	-	3 487	9 981

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

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	Yrs/Months							
Municipality								
LIBERTY 15934476	15 YEARS	Policy	01/09/2025	(65)		9 733	125	9 793
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	367		14 969	260	15 595
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	(46)		1 787	30	1 771
ABSA 4074809272	DAILY	CALL		2	6.0%	423		425
ABSA 9284200168	DEP PLUS	DEP PLUS		132	6.3%	24 598		24 729
ABSA 9295906141	DAILY	DEP PLUS		132	6.3%	24 619		24 750
Municipality sub-total				521		76 128	415	77 064
TOTAL INVESTMENTS AND INTEREST				521		76 128	415	77 064

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 - M07 January

Description	2014/15	Budget Year 2015/16							
	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:	55 239	67 709	67 709	-	51 061	51 061	-		67 709
Local Government Equitable Share	52 021	64 598	64 598		48 448	48 448	-		64 598
Finance Management	1 450	1 450	1 450		1 450	1 450			1 450
Municipal Systems Improvement									
EPWP Incentive	1 768	1 661	1 661		1 163	1 163			1 661
Provincial Government:	5 791	22 615	32 723	1 948	14 550	14 550	-		32 723
Housing	632	17 141	27 049	1 748	8 990	8 990	-		27 049
Provincial Library Grant	3 182	5 288	5 288		5 288	5 288			5 288
Community Development Worker Grant	70	72	72		72	72	-		72
Main Road Subsidy	83	114	114				-		114
Financial Management Support Grant	515						-		-
Thusong Service Centre Grant			200	200	200	200			200
District Municipality:	-	-	-	-	-	-	-		-
[insert description]							-		
Total Operating Transfers and Grants	61 030	90 324	100 432	1 948	65 611	65 611	-		100 432
Capital Transfers and Grants									
National Government:	23 608	30 347	30 347	-	22 991	22 991	-		30 347
Municipal Infrastructure Grant (MIG)	20 674	21 417	21 417		14 061	14 061	-		21 417
Municipal Systems Improvement	934	930	930		930	930			930
INEP	2 000	8 000	8 000		8 000	8 000			8 000
Provincial Government:	30 195	33 007	30 155	1 774	29 134	29 134	-		29 355
Housing	28 045	29 973	26 321		25 300	25 300	-		26 321
Provincial Library Grant	2 150	3 034	3 034	1 774	3 034	3 034			3 034
Financial Management Support Grant			800		800	800			
Other grant providers:	-	1 000	1 000	-	-	-	-		1 000
National Lotto		1 000	1 000				-		1 000
							-		
Total Capital Transfers and Grants	53 803	64 354	61 502	1 774	52 125	52 125	-		60 702
TOTAL RECEIPTS OF TRANSFERS & GRANTS	114 833	154 678	161 934	3 722	117 736	117 736	-		161 134

Grant receipts are monitored according to the payment schedules. Year to date actual only reflects actual receipts for 2015/2016.

Supporting Table SC7 – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	2014/15	Budget Year 2015/16							
	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:	2 628	3 111	3 111	127	1 376	1 376	-		3 111
Local Government Equitable Share							-		
Finance Management	860	1 450	1 450	38	253	253	-		1 450
Municipal Systems Improvement							-		
EPWP Incentive	1 768	1 661	1 661	88	1 123	1 123	-		1 661
							-		
Provincial Government:	5 823	22 615	32 723	563	11 198	11 198	-		32 723
Housing	632	17 141	27 049		7 345	7 345	-		27 049
Provincial Library Grant	3 182	5 288	5 288	555	3 825	3 825	-		5 288
Community Development Worker Grant	70	72	72	8	28	28	-		72
Main Road Subsidy	83	114	114				-		114
Disaster recovery and greenest municipality grant	1 310						-		
Financial Management Support Grant	547						-		
Thusong Service Centre Grant			200				-		200
							-		
Other grant providers:	-	-	-	-	-	-	-		-
							-		
[insert description]							-		
Total operating expenditure of Transfers and Grants:	8 452	25 726	35 834	690	12 574	12 574	-		35 834
							-		
Capital expenditure of Transfers and Grants									
National Government:	23 608	30 347	30 347	511	8 744	8 744	-		30 347
Municipal Infrastructure Grant (MIG)	20 674	21 417	21 417	299	6 886	6 886	-		21 417
Municipal Systems Improvement	934	930	930	213	523	523	-		930
INEP	2 000	8 000	8 000		1 335	1 335	-		8 000
							-		
Provincial Government:	31 890	33 007	30 155	-	22 730	22 730	-		30 155
Housing	29 740	29 973	26 321		20 627	20 627	-		26 321
Provincial Library Grant	2 150	3 034	3 034		2 102	2 102	-		3 034
Financial Management Support Grant			800				-		800
							-		
Other grant providers:	-	1 000	1 000	-	-	-	-		1 000
National Lotto		1 000	1 000				-		1 000
							-		
Total capital expenditure of Transfers and Grants	55 498	64 354	61 502	511	31 474	31 474	-		61 502
							-		
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	63 949	90 080	97 336	1 201	44 047	44 047	-		97 336

Grant expenditure is monitored against grant receipts.

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	2014/15	Budget Year 2015/16							
	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	7 533	8 037	8 037	884	4 635	4 635	-		8 037
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance	570	638	638	51	352	352	-		638
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	8 104	8 674	8 674	935	4 988	4 988	-		8 674
Senior Managers of the Municipality									
Basic Salaries and Wages	9 190	9 735	9 735	795	5 567	5 679	(112)	-2%	9 735
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance	147	154	154	13	90	90	-		154
Housing Allowances							-		
Other benefits and allowances							-		
Payments in lieu of leave							-		
Long service awards							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	9 337	9 889	9 889	808	5 657	5 768	(112)	-2%	9 889
Other Municipal Staff									
Basic Salaries and Wages	165 741	189 457	189 457	14 368	108 387	109 161	(774)	-1%	189 457
Pension and UIF Contributions	31 953	31 735	31 735	2 461	16 902	17 117	(215)	-1%	31 735
Medical Aid Contributions	9 363	11 618	11 618	837	5 657	5 925	(268)	-5%	11 618
Overtime	14 765	15 046	15 046	2 156	8 211	8 392	(181)	-2%	15 046
Performance Bonus				-			-		
Motor Vehicle Allowance	9 634	11 314	11 314	493	5 244	5 361	(117)	-2%	11 314
Cellphone Allowance		1 348	1 348	101	743	786	(44)	-6%	1 348
Housing Allowances	944	1 002	1 002	398	906	584	322	55%	1 002
Other benefits and allowances	12 978	10 621	10 621	1 090	6 352	6 196	156	3%	10 621
Provision for Accrued Leave	996	729	729	61	425	425	-		729
Provision for Long service awards	1 161	1 802	1 802	202	1 069	1 069	-		1 802
Provision for Bonus	655	455	455	85	313	313	-		455
Post-retirement benefit obligations	9 493	6 578	6 578	548	3 837	3 837	-		6 578
Sub Total - Other Municipal Staff	257 682	281 705	281 705	22 800	158 046	159 166	(1 120)	-1%	281 705
Total Parent Municipality	275 123	300 268	300 268	24 543	168 691	169 922	(1 232)	-1%	300 268
TOTAL SALARY, ALLOWANCES & BENEFITS	275 123	300 268	300 268	24 543	168 691	169 922	(1 232)	-1%	300 268
TOTAL MANAGERS AND STAFF	267 019	291 593	291 593	23 608	163 703	164 935	(1 232)	-1%	291 593

SDBIP

The results of the SDBIP are included in a separate comprehensive report that is tabled quarterly in Council.

Financial Performance

Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M07 January

Description of financial indicator	Basis of calculation	2014/15	Budget Year 2015/16			
		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	2.5%	16.4%	16.2%	3.4%	5.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	36.0%	31.1%	32.6%	29.3%	32.2%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	18.0%	18.9%	19.0%	17.2%	19.0%
Gearing	Long Term Borrowing/ Funds & Reserves	15906.6%	15774.5%	15774.5%	18140.9%	15774.5%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	144.7%	119.2%	119.2%	179.3%	119.2%
Liquidity Ratio	Monetary Assets/Current Liabilities	67.7%	55.9%	55.9%	99.8%	55.9%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.6%	10.7%	10.6%	22.1%	10.7%
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))	98.0%	98.0%	98.0%		98.0%
<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	5.8%	6.0%	6.0%	6.2%	6.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	19.3%	20.2%	20.2%	17.9%	20.2%
Employee costs	Employee costs/Total Revenue - capital revenue	33.2%	32.6%	32.2%	30.2%	32.6%
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	18.6%	17.7%	17.5%	3.2%	6.2%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	1713.0%	22.4	22.4	Annual Indicator	22.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	10.4%	12.9%	12.9%	Annual Indicator	12.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	372.0%	1.5	1.5	Annual Indicator	1.5

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	2014/15	Budget Year 2015/16							
	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	-	100	100	227	227	100	(127)	-127.0%	0%
August	2 668	719	719	9 788	10 015	819	(9 196)	-1122.4%	10%
September	5 907	2 454	2 454	14 612	24 627	3 273	(21 354)	-652.4%	24%
October	5 597	9 714	9 714	3 390	28 017	12 987	(15 030)	-115.7%	27%
November	8 111	9 931	9 931	6 454	34 471	22 918	(11 552)	-50.4%	33%
December	15 052	8 931	8 931	12 084	46 555	31 850	(14 705)	-46.2%	45%
January	671	1 005	1 005	1 797	48 352	32 855	(15 497)	-47.2%	47%
February	9 297	7 151	7 151			40 006	-		
March	15 164	9 671	9 671			49 676	-		
April	12 162	9 285	9 285			58 962	-		
May	7 988	11 048	11 048			70 010	-		
June	25 873	33 904	32 618			102 627	-		
Total Capital expenditure	108 490	103 914	102 627	48 352					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M07 January

Description	2014/15	Budget Year 2015/16							
	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	32 922	44 873	46 438	261	14 803	15 710	908	5.8%	44 873
Infrastructure - Road transport	1 320	14 979	14 979	258	6 828	6 696	(132)	-2.0%	14 979
<i>Roads, Pavements & Bridges</i>		12 103	12 103	258	4 238	4 538	300	6.6%	12 103
<i>Storm water</i>	1 320	2 877	2 877		2 590	2 157	(432)	-20.0%	2 877
Infrastructure - Electricity	13 041	21 726	23 291	-	7 154	7 570	416	5.5%	21 726
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	13 041	21 726	23 291		7 154	7 570	416	5.5%	21 726
<i>Street Lighting</i>							-		
Infrastructure - Water	470	4 737	4 737	3	481	605	124	20.4%	4 737
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>	470	4 737	4 737	3	481	605	124	20.4%	4 737
Infrastructure - Sanitation	8 892	3 420	3 420	-	340	840	500	59.5%	3 420
<i>Reticulation</i>							-		
<i>Sewerage purification</i>	8 892	3 420	3 420		340	840	500	59.5%	3 420
Infrastructure - Other	9 198	10	10	-	-	-	-		10
<i>Waste Management</i>	9 198	10	10				-		10
Community	32 281	35 611	31 959	87	22 990	5 589	(17 401)	-311.3%	35 611
Parks & gardens							-		
Sportsfields & stadia	127	1 823	1 823		46	912	866	95.0%	1 823
Libraries	1 961	3 080	3 080	16	2 119	642	(1 477)	-230.2%	3 080
Recreational facilities							-		
Fire, safety & emergency		295	295	9	136	148	11	7.7%	295
Security and policing							-		
Cemeteries							-		
Social rental housing	26 895	29 973	26 321		20 627	3 668	(16 959)	-462.3%	29 973
Other	3 297	440	440	62	62	220	158	71.9%	440
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	10 561	2 673	3 473	213	798	851	53	6.2%	2 673
General vehicles	3 904	120	120				-		120
Computers - hardware/equipment	2 433	2 528	3 328	213	798	843	45	5.3%	2 528
Furniture and other office equipment	1 716						-		
Other	2 507	25	25			8	8	100.0%	25
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	75 763	83 156	81 870	561	38 591	22 151	(16 440)	-74.2%	83 156

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M07 January

Description	2014/15	Budget Year 2015/16							
	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	28 384	16 600	16 600	1 236	9 405	10 011	606	6.1%	16 600
Infrastructure - Road transport	6 300	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	6 300	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	3 100	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	3 100	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	15 805	11 653	11 653	1 236	9 178	9 711	533	5.5%	11 653
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	15 805	11 653	11 653	1 236	9 178	9 711	533	5.5%	11 653
Infrastructure - Sanitation	3 179	4 947	4 947	-	227	300	73	24.4%	4 947
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	3 179	4 947	4 947	-	227	300	73	24.4%	4 947
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Community	4 343	4 158	4 158	-	356	693	337	48.7%	4 158
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	1 454	4 158	4 158	-	356	693	337	48.7%	4 158
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	2 889	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of	32 727	20 758	20 758	1 236	9 761	10 704	943	8.8%	20 758

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January

Description	2014/15	Budget Year 2015/16							
	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	136 009	111 449	111 449	5 486	53 480	65 686	12 206	18.6%	111 449
Infrastructure - Road transport	65 726	57 090	57 090	2 286	23 046	33 302	10 257	30.8%	57 090
<i>Roads, Pavements & Bridges</i>	60 328	51 401	51 401	2 096	20 524	29 984	9 459	31.5%	51 401
<i>Storm water</i>	5 398	5 689	5 689	190	2 521	3 319	797	24.0%	5 689
Infrastructure - Electricity	26 276	16 835	16 835	1 113	9 341	9 820	479	4.9%	16 835
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>	26 276	16 835	16 835	1 113	9 341	9 820	479	4.9%	16 835
<i>Street Lighting</i>							-		
Infrastructure - Water	25 811	22 874	22 874	855	11 929	13 343	1 414	10.6%	22 874
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>	25 811	22 874	22 874	855	11 929	13 343	1 414	10.6%	22 874
Infrastructure - Sanitation	16 060	12 159	12 159	1 041	7 306	7 320	14	0.2%	12 159
<i>Reticulation</i>							-		
<i>Sewerage purification</i>	16 060	12 159	12 159	1 041	7 306	7 320	14	0.2%	12 159
Infrastructure - Other	2 136	2 492	2 492	191	1 858	1 900	42	2.2%	2 492
<i>Waste Management</i>	2 136	2 492	2 492	191	1 858	1 900	42	2.2%	2 492
Community	8 469	4 546	4 546	503	2 472	2 848	377	13.2%	4 546
Parks & gardens	2 759	2 084	2 084	163	1 167	1 216	49	4.0%	2 084
Sportsfields & stadia	737	588	588	27	197	343	146	42.6%	588
Swimming pools	314	483	483	63	281	282	1	0.3%	483
Community halls	1 166	564	564	35	243	329	86	26.2%	564
Libraries	107	99	99	5	25	58	32	56.0%	99
Recreational facilities							-		
Fire, safety & emergency	1 352						-		
Security and policing	829						-		
Cemeteries	74	27	27	2	20	21	1	3.6%	27
Social rental housing	177						-		
Other	954	701	701	208	539	600	61	10.2%	701
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development							-		
Other assets	13 548	5 081	5 081	445	2 685	2 931	246	8.4%	5 081
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment							-		
Computers - hardware/equipment	4 392						-		
Other Buildings	801	661	661	35	146	331	185	55.9%	661
Other	8 355	4 420	4 420	410	2 539	2 600	61	2.3%	4 420
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expendit	158 026	121 077	121 077	6 434	58 636	71 465	12 829	18.0%	121 077

Supporting Table SC13d

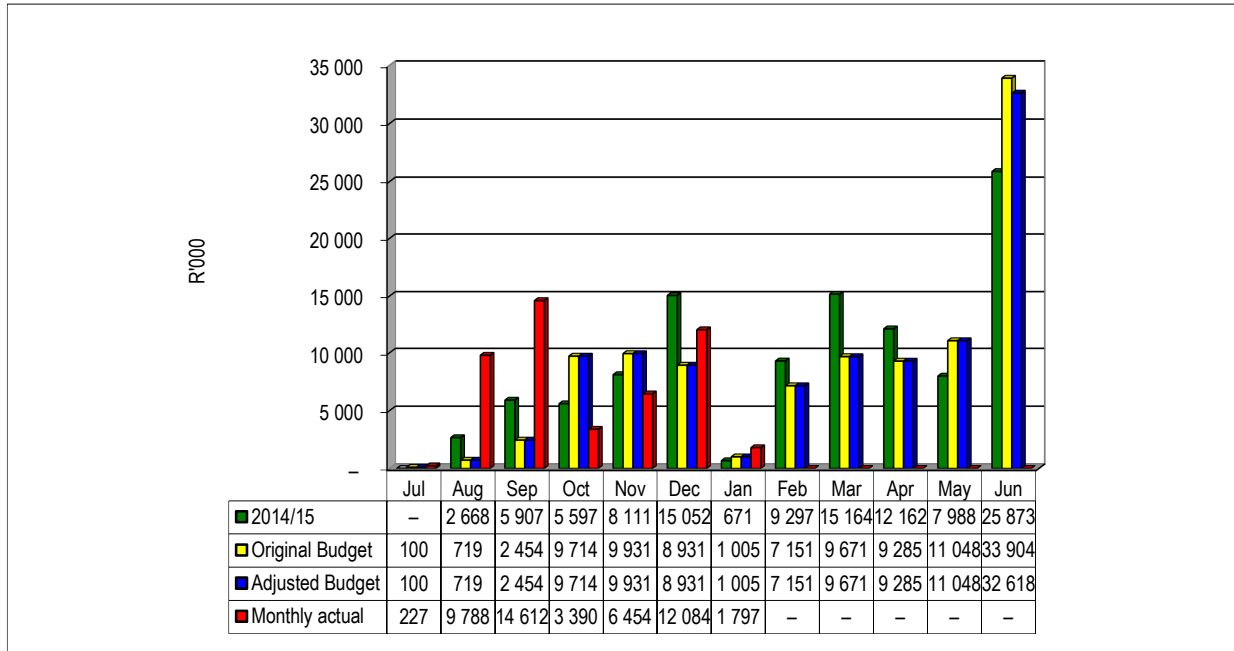
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M07 January

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Depreciation by Asset Class/Sub-class</u>									
<u>Infrastructure</u>	88 951	94 154	94 154	7 846	54 923	54 923	–		94 154
Infrastructure - Road transport	30 974	32 235	32 235	2 686	18 804	18 804	–		32 235
<i>Roads, Pavements & Bridges</i>	28 576	29 645	29 645	2 470	17 293	17 293	–		29 645
<i>Storm water</i>	2 398	2 590	2 590	216	1 511	1 511	–		2 590
Infrastructure - Electricity	19 587	20 158	20 158	1 680	11 759	11 759	–		20 158
<i>Generation</i>							–		
<i>Transmission & Reticulation</i>	19 587	20 158	20 158	1 680	11 759	11 759	–		20 158
<i>Street Lighting</i>							–		
Infrastructure - Water	18 915	19 981	19 981	1 665	11 655	11 655	–		19 981
<i>Dams & Reservoirs</i>							–		
<i>Water purification</i>							–		
<i>Reticulation</i>	18 915	19 981	19 981	1 665	11 655	11 655	–		19 981
Infrastructure - Sanitation	15 435	17 034	17 034	1 420	9 937	9 937	–		17 034
<i>Reticulation</i>	15 435	17 034	17 034	1 420	9 937	9 937	–		17 034
<i>Sewerage purification</i>							–		
Infrastructure - Other	4 041	4 746	4 746	395	2 768	2 768	–		4 746
<i>Waste Management</i>	3 456	3 930	3 930	327	2 292	2 292	–		3 930
<i>Other</i>	585	816	816	68	476	476	–		816
<u>Community</u>	2 983	3 601	3 601	300	2 101	2 101	–		3 601
Recreational facilities	2 983	3 601	3 601	300	2 101	2 101	–		3 601
<u>Heritage assets</u>	–	–	–	–	–	–	–		–
<u>Investment properties</u>	–	–	–	–	–	–	–		–
<u>Other assets</u>	10 823	12 481	12 481	1 040	7 280	7 280	–		12 481
General vehicles							–		
Specialised vehicles	–	–	–	–	–	–	–		–
Plant & equipment							–		
Computers - hardware/equipment							–		
Furniture and other office equipment							–		
Civic Land and Buildings	5 653	5 685	5 685	474	3 316	3 316	–		5 685
Other Buildings							–		
Other Land							–		
Surplus Assets - (Investment or Inventory)							–		
Other	5 170	6 796	6 796	566	3 964	3 964	–		6 796
<u>Agricultural assets</u>	–	–	–	–	–	–	–		–
<u>Biological assets</u>	–	–	–	–	–	–	–		–
<u>Intangibles</u>	612	1 126	1 126	94	657	657	–		1 126
Computers - software & programming				–			–		
Other	612	1 126	1 126	94	657	657	–		1 126
Total Depreciation	103 368	111 362	111 362	9 280	64 961	64 961	–		111 362

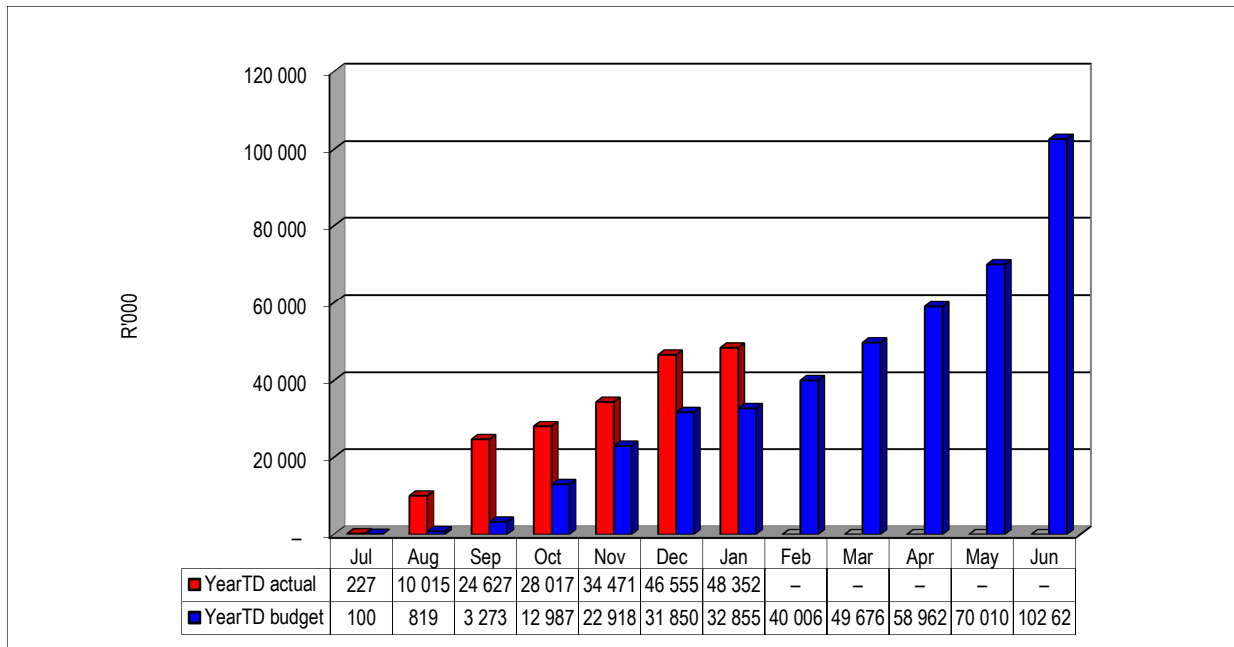
Other supporting documentation

Section 71 charts

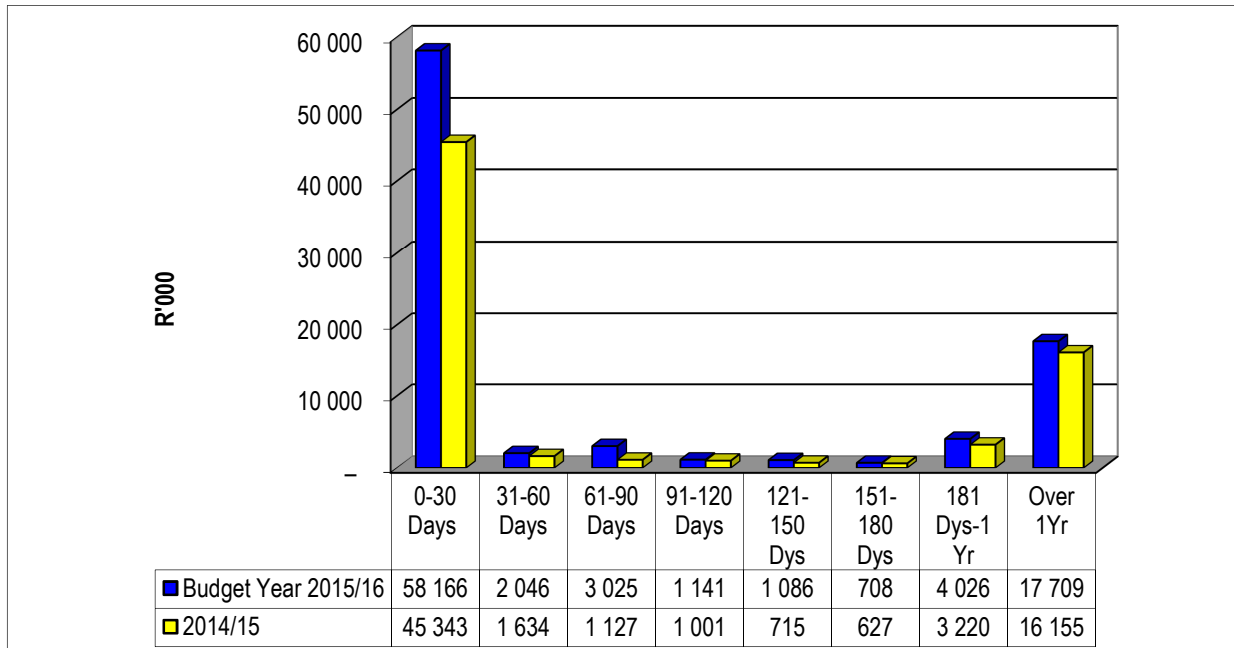
Capital expenditure monthly trend - actual vs target



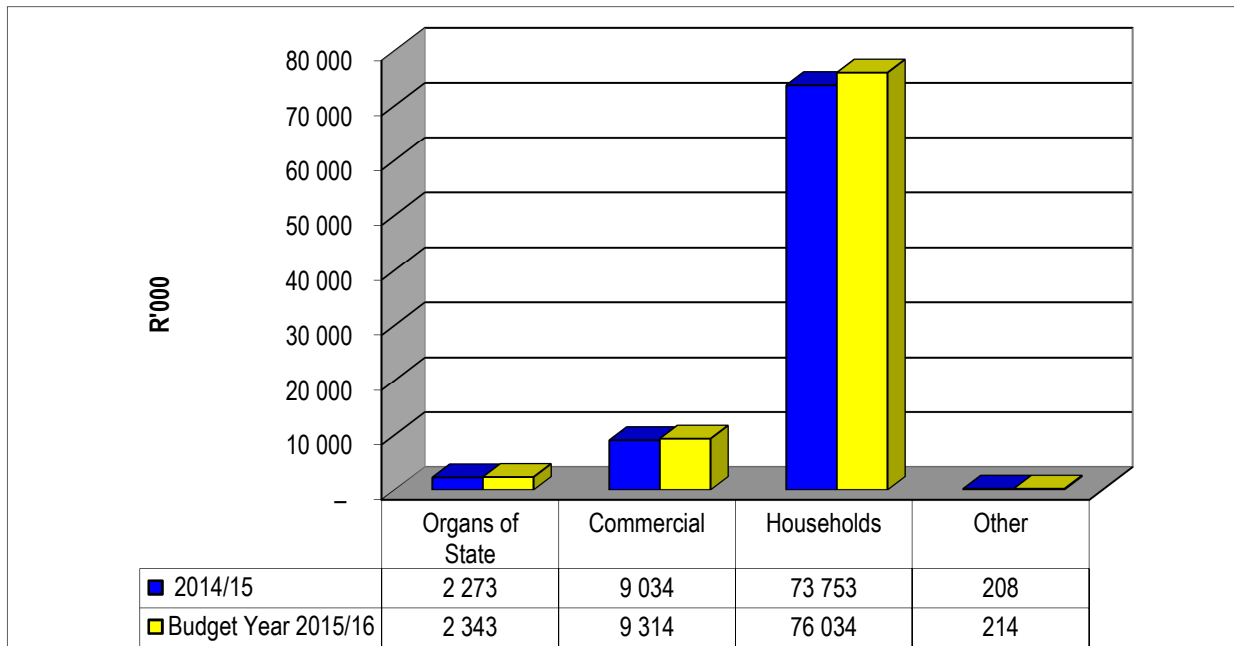
Capital expenditure – YTD actual vs YTD trend



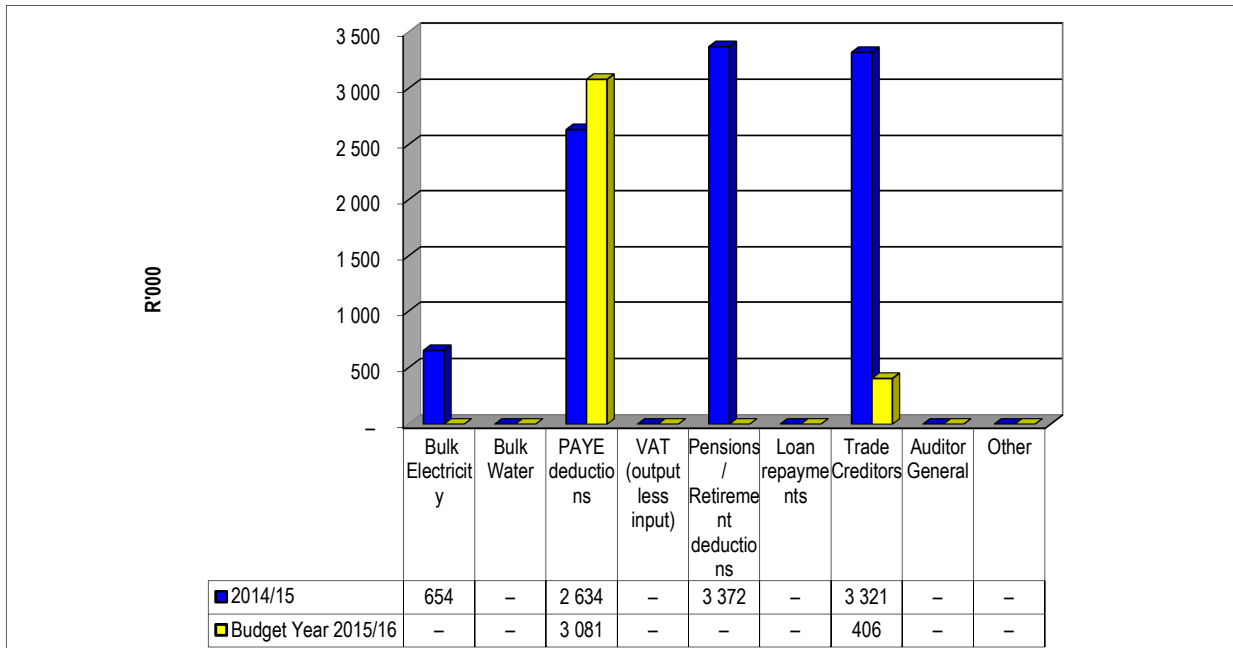
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager's quality certification


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

Monthly Budget Statement

for the month of **January 2016** has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name: **CC Groenewald**

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

Signature: 
Date: 12.02.2016