

OVERSTRAND MUNICIPALITY



Monthly Budget Statement

August 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 0.91% above the YTD budget projections at the end of August 2016.

Borrowings

The balance of borrowings amounts to R436.8m at the end of August 2016.

Operating expenditure by vote & type

Current expenditure is 1.91% below YTD budget projections as at August 2016.

Capital expenditure

YTD Capital expenditure amounts to R571 482 or 0.65% of the total adjusted budget of R88.3m. The current capital commitments of orders in progress amounts to R15.7m or 17.8% of the original capital budget of R88.3m.

Allocations received (National & Provincial Grants)

Grants totaling R7.2m was received during August 2016.

Spending on Grants

Spending on grants amounts to R10.8m for August 2016 which includes FMG, EPWP, Housing, CDW & Provincial Library Grant.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M02 August

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>			
Total revenue	0.91%	Not material	
<u>Expenditure By Type</u>			
Total expenditure	-1.91%	Not material	
<u>Capital Expenditure</u>	-81.12%	Capital Commitments =R15.7m	
<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 - M02 August

Description	2015/16	Budget Year 2016/17							
	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	-	181 439	-	16 017	35 547	34 672	875	3%	181 439
Service charges	-	607 054	-	49 928	99 357	99 048	309	0%	607 054
Investment revenue	-	10 489	-	2 289	3 082	3 082	-		10 489
Transfers recognised - operational	-	126 313	-	10 833	41 818	41 818	-		126 313
Other own revenue	-	67 879	-	6 618	11 761	11 217	544	5%	67 879
Total Revenue (excluding capital transfers and contributions)	-	993 175	-	85 685	191 564	189 837	1 727	1%	993 175
Employee costs	-	314 204	-	23 141	43 905	44 472	(567)	-1%	314 204
Remuneration of Councillors	-	9 110	-	710	1 429	1 518	(90)	-6%	9 110
Depreciation & asset impairment	-	117 690	-	9 808	19 615	19 615	0	0%	117 690
Finance charges	-	46 421	-	644	758	758	-		46 421
Materials and bulk purchases	-	285 811	-	37 005	40 924	41 270	(346)	-1%	285 811
Transfers and grants	-	57 479	-	4 673	9 334	9 580	(246)	-3%	57 479
Other expenditure	-	242 280	-	14 760	20 228	21 632	(1 404)	-6%	242 280
Total Expenditure	-	1 072 995	-	90 741	136 193	138 846	(2 652)	-2%	1 072 995
Surplus/(Deficit)	-	(79 820)	-	(5 056)	55 371	50 991	4 380	9%	(79 820)
Transfers recognised - capital	-	39 962	-	-	-	-	-		39 962
Contributions & Contributed assets	-	4 500	-	-	-	-	-		4 500
Surplus/(Deficit) after capital transfers & contributions	-	(35 358)	-	(5 056)	55 371	50 991	4 380	9%	(35 358)
Surplus/ (Deficit) for the year	-	(35 358)	-	(5 056)	55 371	50 991	4 380	9%	(35 358)
Capital expenditure & funds sources									
Capital expenditure	-	88 356	-	571	571	3 078	(2 506)	-81%	88 356
Capital transfers recognised	-	43 462	-	-	-	-	-		43 462
Public contributions & donations	-	1 462	-	-	-	-	-		1 462
Borrowing	-	33 824	-	571	571	3 028	(2 456)	-81%	33 824
Internally generated funds	-	9 608	-	-	-	-	-		9 608
Total sources of capital funds	-	88 356	-	571	571	3 028	(2 456)	-81%	88 356
Financial position									
Total current assets	-	238 962	-		373 094				238 962
Total non current assets	-	3 284 285	-		3 723 753				3 284 285
Total current liabilities	-	183 981	-		155 042				183 981
Total non current liabilities	-	636 115	-		612 660				636 115
Community wealth/Equity	-	2 703 150	-		3 329 144				2 703 150
Cash flows									
Net cash from (used) operating	-	103 090	-	5 813	66 854	66 471	(383)	-1%	103 090
Net cash from (used) investing	-	(95 217)	-	(1 673)	(2 198)	(2 198)	-		(95 217)
Net cash from (used) financing	-	5 787	-	(949)	(2 350)	(2 350)	-		5 787
Cash/cash equivalents at the month/year end	-	114 127	-	-	237 086	162 389	(74 697)	-46%	188 441
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	56 126	2 282	1 807	994	794	873	3 750	19 052	85 678
Creditors Age Analysis									
Total Creditors	2 941	-	-	-	-	-	-	-	2 941

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	2015/16	Budget Year 2016/17							
	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	–	274 984	–	19 214	70 769	69 181	1 588	2%	274 984
Executive and council	–	73 269	–	12	30 432	30 432	–		73 269
Budget and treasury office	–	200 953	–	19 085	40 123	38 516	1 607	4%	200 953
Corporate services	–	762	–	117	213	233	(20)	-8%	762
Community and public safety	–	116 537	–	15 164	19 324	18 550	774	4%	116 537
Community and social services	–	11 676	–	774	1 539	1 691	(152)	-9%	11 676
Sport and recreation	–	9 875	–	349	690	1 029	(339)	-33%	9 875
Public safety	–	37 988	–	3 888	6 874	6 331	543	9%	37 988
Housing	–	56 997	–	10 153	10 221	9 500	722	8%	56 997
Economic and environmental services	–	25 639	–	1 149	1 939	2 789	(850)	-30%	25 639
Planning and development	–	14 810	–	1 117	1 888	2 193	(305)	-14%	14 810
Road transport	–	10 746	–	31	31	582	(551)	-95%	10 746
Environmental protection	–	83	–	–	20	14	6	45%	83
Trading services	–	620 478	–	50 158	99 531	99 316	216	0%	620 478
Electricity	–	362 878	–	30 148	59 737	59 572	164	0%	362 878
Water	–	114 100	–	8 466	16 842	16 830	12	0%	114 100
Waste water management	–	77 930	–	6 080	11 975	11 985	(10)	0%	77 930
Waste management	–	65 570	–	5 464	10 978	10 928	49	0%	65 570
Other	–	–	–	–	–	–	–		–
Total Revenue - Standard	–	1 037 637	–	85 685	191 564	189 837	1 727	1%	1 037 637
Expenditure - Standard									
Governance and administration	–	262 295	–	19 719	36 159	36 575	(416)	-1%	262 295
Executive and council	–	114 535	–	8 752	16 700	16 733	(33)	0%	114 535
Budget and treasury office	–	69 180	–	4 414	8 504	8 763	(259)	-3%	69 180
Corporate services	–	78 579	–	6 553	10 955	11 079	(125)	-1%	78 579
Community and public safety	–	179 163	–	19 497	26 910	28 250	(1 340)	-5%	179 163
Community and social services	–	34 465	–	2 413	4 434	4 740	(306)	-6%	34 465
Sport and recreation	–	20 239	–	1 080	1 927	2 108	(181)	-9%	20 239
Public safety	–	74 657	–	5 659	10 034	10 887	(853)	-8%	74 657
Housing	–	49 802	–	10 344	10 514	10 514	–		49 802
Economic and environmental services	–	176 435	–	11 769	18 560	19 119	(558)	-3%	176 435
Planning and development	–	80 325	–	6 095	8 409	8 833	(424)	-5%	80 325
Road transport	–	90 397	–	5 310	9 507	9 567	(60)	-1%	90 397
Environmental protection	–	5 712	–	363	644	719	(74)	-10%	5 712
Trading services	–	455 103	–	39 757	54 565	54 902	(337)	-1%	455 103
Electricity	–	277 742	–	28 098	35 036	35 181	(145)	0%	277 742
Water	–	59 028	–	3 137	5 736	5 755	(20)	0%	59 028
Waste water management	–	59 828	–	4 326	7 123	7 238	(116)	-2%	59 828
Waste management	–	58 505	–	4 196	6 671	6 728	(57)	-1%	58 505
Other	–	–	–	–	–	–	–		–
Total Expenditure - Standard	–	1 072 995	–	90 741	136 193	138 846	(2 652)	-2%	1 072 995
Surplus/ (Deficit) for the year	–	(35 358)	–	(5 056)	55 371	50 991	4 380	9%	(35 358)

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) - M02 August

Vote Description	2015/16	Budget Year 2016/17							
	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	-	73 182	-	15	30 427	30 427	-		73 182
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Management Services	-	1	-	65	106	106	-		1
Vote 4 - Finance	-	200 953	-	19 085	40 123	38 516	1 607	4.2%	200 953
Vote 5 - Community Services	-	291 065	-	21 238	42 261	42 956	(695)	-1.6%	291 065
Vote 6 - Local Economic Development	-	3 352	-	310	493	559	(66)	-11.8%	3 352
Vote 7 - Infrastructure & Planning	-	431 096	-	41 083	71 280	70 942	337	0.5%	431 096
Vote 8 - Protection Services	-	37 988	-	3 888	6 874	6 331	543	8.6%	37 988
Total Revenue by Vote	-	1 037 637	-	85 685	191 564	189 837	1 727	0.9%	1 037 637
Expenditure by Vote									
Vote 1 - Council	-	91 748	-	7 182	14 035	14 149	(114)	-0.8%	91 748
Vote 2 - Municipal Manager	-	4 722	-	322	641	728	(86)	-11.9%	4 722
Vote 3 - Management Services	-	46 490	-	4 238	6 553	6 738	(186)	-2.8%	46 490
Vote 4 - Finance	-	69 180	-	4 414	8 504	8 763	(259)	-3.0%	69 180
Vote 5 - Community Services	-	346 998	-	21 977	38 958	39 442	(484)	-1.2%	346 998
Vote 6 - Local Economic Development	-	10 795	-	687	1 363	1 428	(65)	-4.6%	10 795
Vote 7 - Infrastructure & Planning	-	428 407	-	46 262	56 104	56 710	(606)	-1.1%	428 407
Vote 8 - Protection Services	-	74 657	-	5 659	10 034	10 887	(853)	-7.8%	74 657
Total Expenditure by Vote	-	1 072 995	-	90 741	136 193	138 846	(2 653)	-1.9%	1 072 995
Surplus/ (Deficit) for the year	-	(35 358)	-	(5 056)	55 371	50 991	4 380	8.6%	(35 358)

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) - M02 August

Description	2015/16	Budget Year 2016/17							
	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		180 591		15 989	35 488	34 613	875	3%	180 591
Property rates - penalties & collection charges		848		28	59	59	-		848
Service charges - electricity revenue		356 959		30 076	59 665	59 493	172	0%	356 959
Service charges - water revenue		111 544		8 354	16 719	16 639	80	0%	111 544
Service charges - sanitation revenue		72 318		5 983	11 879	11 872	6	0%	72 318
Service charges - refuse revenue		65 510		5 457	10 969	10 918	51	0%	65 510
Rental of facilities and equipment		4 728		365	831	827	4	0%	4 728
Interest earned - external investments		10 489		2 289	3 082	3 082	-		10 489
Interest earned - outstanding debtors		2 756		240	477	459	18	4%	2 756
Fines		31 143		3 367	5 908	5 450	458	8%	31 143
Licences and permits		2 330		214	412	388	23	6%	2 330
Agency services		3 220		295	562	537	25	5%	3 220
Transfers recognised - operational		126 313		10 833	41 818	41 818	-		126 313
Other revenue		23 702		2 137	3 572	3 555	16	0%	23 702
Gains on disposal of PPE							-		
contributions)	-	993 175	-	85 685	191 564	189 837	1 727	1%	993 175
Expenditure By Type									
Employee related costs		314 204		23 141	43 905	44 472	(567)	-1%	314 204
Remuneration of councillors		9 110		710	1 429	1 518	(90)	-6%	9 110
Debt impairment		23 888		2 082	3 981	3 981	-		23 888
Depreciation & asset impairment		117 690		9 808	19 615	19 615	0	0%	117 690
Finance charges		46 421		644	758	758	-		46 421
Bulk purchases		210 763		24 098	27 511	27 511	-		210 763
Other materials		75 048		12 908	13 413	13 759	(346)	-3%	75 048
Contracted services		158 368		8 353	9 013	9 898	(885)	-9%	158 368
Transfers and grants		57 479		4 673	9 334	9 580	(246)	-3%	57 479
Other expenditure		60 024		4 325	7 233	7 753	(520)	-7%	60 024
Loss on disposal of PPE							-		
Total Expenditure	-	1 072 995	-	90 741	136 193	138 846	(2 652)	-2%	1 072 995
Surplus/(Deficit)	-	(79 820)	-	(5 056)	55 371	50 991	4 380	0	(79 820)
Transfers recognised - capital		39 962					-		39 962
Contributions recognised - capital		4 500					-		4 500
Contributed assets							-		
Surplus/(Deficit) after capital transfers &	-	(35 358)	-	(5 056)	55 371	50 991			(35 358)
Taxation							-		
Surplus/(Deficit) after taxation	-	(35 358)	-	(5 056)	55 371	50 991			(35 358)
Surplus/(Deficit) attributable to municipality	-	(35 358)	-	(5 056)	55 371	50 991			(35 358)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	(35 358)	-	(5 056)	55 371	50 991			(35 358)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.91% above the YTD budget.

Current expenditure is 1.91% below YTD budget projections for August 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) - M02 August

Vote Description	2015/16	Budget Year 2016/17							
	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	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	14 311	-	-	-	50	(50)	-100%	14 311
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	15 000	-	-	-	-	-	-	15 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	29 311	-	-	-	50	(50)	-100%	29 311
Vote 1 - Council	-	5	-	-	-	-	-	-	5
Vote 2 - Municipal Manager	-	41	-	-	-	-	-	-	41
Vote 3 - Management Services	-	320	-	-	-	-	-	-	320
Vote 4 - Finance	-	30	-	-	-	-	-	-	30
Vote 5 - Community Services	-	51 033	-	571	571	3 028	(2 456)	-81%	51 033
Vote 6 - Local Economic Development	-	15	-	-	-	-	-	-	15
Vote 7 - Infrastructure & Planning	-	6 721	-	-	-	-	-	-	6 721
Vote 8 - Protection Services	-	880	-	-	-	-	-	-	880
Total Capital single-year expenditure	-	59 046	-	571	571	3 028	(2 456)	-81%	59 046
Total Capital Expenditure	-	88 356	-	571	571	3 078	(2 506)	-81%	88 356
Capital Expenditure - Standard Classification									
Governance and administration	-	855	-	-	-	-	-	-	855
Executive and council		46							46
Budget and treasury office									
Corporate services		809							809
Community and public safety	-	19 502	-	-	-	-	-	-	19 502
Community and social services		2 995							2 995
Sport and recreation		2 545							2 545
Public safety		1 080							1 080
Housing		12 882							12 882
Health									
Economic and environmental services	-	12 933	-	-	-	-	-	-	12 933
Planning and development		183							183
Road transport		12 750							12 750
Environmental protection									
Trading services	-	55 066	-	571	571	3 028	(2 456)	-81%	55 066
Electricity		21 799							21 799
Water		15 021		75	75	1 399	(1 324)	-95%	15 021
Waste water management		18 231		496	496	1 628	(1 132)	-70%	18 231
Waste management		15							15
Total Capital Expenditure - Standard Classification	-	88 356	-	571	571	3 028	(2 456)	-81%	88 356
Funded by:									
National Government		26 030				-	-		26 030
Provincial Government		13 932							13 932
District Municipality									
Other transfers and grants		3 500							3 500
Transfers recognised - capital	-	43 462	-	-	-	-	-	-	43 462
Public contributions & donations		1 462							1 462
Borrowing		33 824		571	571	3 028	(2 456)	-81%	33 824
Internally generated funds		9 608							9 608
Total Capital Funding	-	88 356	-	571	571	3 028	(2 456)	-81%	88 356

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M02 August

Description	2015/16	Budget Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash		114 127		39 340	114 127
Call investment deposits		-		197 746	-
Consumer debtors		66 944		64 655	66 944
Other debtors		44 217		43 401	44 217
Current portion of long-term receivables		11		12	11
Inventory		13 663		27 940	13 663
Total current assets	-	238 962	-	373 094	238 962
Non current assets					
Long-term receivables		30		42	30
Investments		35 328		31 367	35 328
Investment property		159 761		152 550	159 761
Investments in Associate					
Property, plant and equipment		3 084 987		3 533 885	3 084 987
Agricultural					
Biological assets					
Intangible assets		4 179		5 909	4 179
Other non-current assets					
Total non current assets	-	3 284 285	-	3 723 753	3 284 285
TOTAL ASSETS	-	3 523 246	-	4 096 846	3 523 246
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing		29 378		28 547	29 378
Consumer deposits		46 429		43 670	46 429
Trade and other payables		81 244		58 016	81 244
Provisions		26 930		24 808	26 930
Total current liabilities	-	183 981	-	155 042	183 981
Non current liabilities					
Borrowing		412 288		408 269	412 288
Provisions		223 827		204 391	223 827
Total non current liabilities	-	636 115	-	612 660	636 115
TOTAL LIABILITIES	-	820 097	-	767 702	820 097
NET ASSETS	-	2 703 150	-	3 329 144	2 703 150
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		2 700 931		3 326 933	2 700 931
Reserves		2 218		2 211	2 218
TOTAL COMMUNITY WEALTH/EQUITY	-	2 703 150	-	3 329 144	2 703 150

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 - M02 August

Description	2015/16	Budget Year 2016/17							
	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		177 978		8 718	33 131	33 074	57	0%	177 978
Service charges		595 436		58 079	100 813	100 728	85	0%	595 436
Other revenue		60 595		6 615	13 983	13 634	349	3%	60 595
Government - operating		126 313		10 833	41 818	41 818	-		126 313
Government - capital		44 462		-	-	-	-		44 462
Interest		13 245		2 529	3 558	3 558	-		13 245
Dividends		-		-	-	-	-		-
Payments									
Suppliers and employees		(811 039)		(75 643)	(116 357)	(116 249)	108	0%	(811 039)
Finance charges		(46 421)		(644)	(758)	(758)	-		(46 421)
Transfers and Grants		(57 479)		(4 673)	(9 334)	(9 334)	-		(57 479)
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	103 090	-	5 813	66 854	66 471	(383)	-1%	103 090
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-		-	-	-	-		-
Decrease (Increase) in non-current debtors		-		-	-	-	-		-
Decrease (increase) other non-current receivables		13		0	0	0	-		13
Decrease (increase) in non-current investments		(6 873)		(1 102)	(1 627)	(1 627)	-		(6 873)
Payments									
Capital assets		(88 356)		(571)	(571)	(571)	-		(88 356)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(95 217)	-	(1 673)	(2 198)	(2 198)	-		(95 217)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-		(9)	(27)	(27)	-		-
Borrowing long term/refinancing		30 000		-	-	-	-		30 000
Increase (decrease) in consumer deposits		2 628		(75)	(273)	(273)	-		2 628
Payments									
Repayment of borrowing		(26 841)		(864)	(2 051)	(2 051)	-		(26 841)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	5 787	-	(949)	(2 350)	(2 350)	-		5 787
NET INCREASE/ (DECREASE) IN CASH HELD	-	13 660	-	3 191	62 305	61 922			13 660
Cash/cash equivalents at beginning:		100 467			174 781	100 467			174 781
Cash/cash equivalents at month/year end:		114 127			237 086	162 389			188 441

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column, which is R237.1 million.

The municipality started the year with a positive cash balance of R174.8 million. The August closing balance is R237.1 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 - M02 August

Description	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework			
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget				
Cash Receipts By Source																
Property rates	14 723	8 690										153 716	177 130	190 545	201 979	
Property rates - penalties & collection charges	30	28										789	848	899	953	
Service charges - electricity revenue	27 008	28 458										294 652	350 118	377 363	400 006	
Service charges - water revenue	13 245	16 174										80 001	109 419	116 964	123 983	
Service charges - sanitation revenue	7 566	5 966										57 402	70 935	76 304	80 883	
Service charges - refuse	8 885	7 424										47 946	64 255	69 121	73 269	
Rental of facilities and equipment	377	344										3 917	4 638	3 319	3 518	
Interest earned - external investments	793	2 289										7 408	10 489	12 795	13 563	
Interest earned - outstanding debtors	236	240										2 279	2 756	2 921	3 097	
Fines	2 541	3 367										25 236	31 143	31 164	31 187	
Licences and permits	198	214										1 919	2 330	2 470	2 618	
Agency services	267	295										2 658	3 220	3 413	3 618	
Transfer receipts - operating	30 985	10 833										84 495	126 313	100 430	113 519	
Other revenue	3 888	2 395										12 980	19 263	16 325	21 370	
Cash Receipts by Source	110 813	86 773	-	-	-	-	-	-	-	-	-	775 980	973 567	1 004 796	1 074 369	
Other Cash Flows by Source																
Transfer receipts - capital	-	-										43 462	43 462	63 604	67 271	
Contributions & Contributed assets	-	-										1 000	1 000	-	-	
Proceeds on disposal of PPE	-	-										-	-	-	-	
Borrowing long term/refinancing												30 000	30 000	30 000	40 000	
Increase in consumer deposits	(197)	(75)										2 901	2 628	2 321	2 438	
Receipt of non-current debtors	-	-										-	-	-	-	
Receipt of non-current receivables	(3)	0										16	13	11	10	
Change in non-current investments	(525)	(1 102)										(5 246)	(6 873)	(6 399)	(6 541)	
Total Cash Receipts by Source	110 069	85 587	-	-	-	-	-	-	-	-	-	848 140	1 043 797	1 094 334	1 177 547	
Cash Payments by Type																
Employee related costs	19 435	31 209										256 184	306 828	314 204	330 841	
Remuneration of councillors	719	710										7 682	9 110	9 620	10 161	
Interest paid	114	644										45 663	46 421	46 952	45 449	
Bulk purchases - Electricity	3 413	24 098										183 252	210 763	227 329	245 197	
Bulk purchases - Water & Sewer												-	-	-	-	
Other materials	506	12 908										61 635	75 048	40 659	46 605	
Contracted services	660	8 353										149 354	158 368	164 936	174 154	
Grants and subsidies paid - other municipalities												-	-	-	-	
Grants and subsidies paid - other	4 661	4 673										48 145	57 479	60 808	64 336	
General expenses	20 267	(1 635)										32 290	50 922	89 431	88 572	
Cash Payments by Type	49 775	80 960	-	-	-	-	-	-	-	-	-	784 204	914 939	953 940	1 005 314	
Other Cash Flows/Payments by Type																
Capital assets	-	571										87 785	88 356	94 230	107 271	
Repayment of borrowing	1 182	864										24 796	26 841	29 775	33 384	
Total Cash Payments by Type	50 957	82 396	-	-	-	-	-	-	-	-	-	896 784	1 030 137	1 077 945	1 145 969	
NET INCREASE/(DECREASE) IN CASH HELD	59 113	3 191	-	-	-	-	-	-	-	-	-	(48 644)	13 660	16 389	31 577	
Cash/cash equivalents at the month/year beg	174 783	233 895	237 086	237 086	237 086	237 086	237 086	237 086	237 086	237 086	237 086	237 086	174 783	188 442	204 831	
Cash/cash equivalents at the month/year end	233 895	237 086	237 086	237 086	237 086	237 086	237 086	237 086	237 086	237 086	237 086	188 442	188 442	204 831	236 409	

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 - M02 August													
Description	NT Code	Budget Year 2016/17									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	9 655	516	217	168	143	140	592	2 720	14 151	3 763		3 737
Trade and Other Receivables from Exchange Transactions	1300	14 774	278	180	155	122	126	567	2 394	18 596	3 364		4 264
Receivables from Non-exchange Transactions - Property	1400	19 149	428	245	197	185	174	915	2 466	23 759	3 936		4 763
Receivables from Exchange Transactions - Waste Water	1500	5 622	217	123	106	88	84	364	1 800	8 404	2 442		2 242
Receivables from Exchange Transactions - Waste Manag	1600	4 819	150	98	81	69	63	285	1 333	6 899	1 831		1 763
Receivables from Exchange Transactions - Property Rent	1700	301	43	42	46	34	32	53	135	686	300		150
Interest on Arrear Debtor Accounts	1810	57	44	56	28	26	37	252	5 457	5 956	5 799		-
Recoverable unauthorised, irregular, fruitless and wastefu	1820	-	-	-	-	-	-	-	-	-	-		-
Other	1900	1 749	606	846	213	127	217	722	2 747	7 226	4 026		2 179
Total By Income Source	2000	56 126	2 282	1 807	994	794	873	3 750	19 052	85 678	25 463	-	19 098
2015/16 - totals only		49 036	1 691	1 105	1 097	792	751	3 711	18 743	76 926	25 094		16 995
Debtors Age Analysis By Customer Group													
Organs of State	2200	3 715	198	629	21	22	25	370	155	5 135	593		229
Commercial	2300	7 490	200	80	62	64	65	221	734	8 915	1 145		691
Households	2400	45 082	1 875	1 092	891	702	779	3 136	17 814	71 374	23 324		18 176
Other	2500	(161)	9	6	18	6	4	23	349	255	401		2
Total By Customer Group	2600	56 126	2 282	1 807	994	794	873	3 750	19 052	85 678	25 463	-	19 098

The overall increased debtors results mainly 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	
2016					
July	7 304	R 4 360 615.94	25 142	32 446	22.51%
August	7 298	R 4 355 084.28	25 131	32 429	22.50%
September			0		
October			0		
November			0		
December			0		
2017					
January			0		
February			0		
March			0		
April			0		
May			0		
June			0		

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
2016/17											
June									0.00	0.00	0.00
May									0	0	0
April									0	0	0
March									0	0	0
February									0	0	0
January									0	0	0
December									0	0	0
November									0	0	0
October									0	0	0
September									0	0	0
Augustus	56 126 377	2 282 003	1 806 712	993 626	794 009	872 603	3 749 957	19 052 307	85 677 596	29 551 219	25 462 503
July	57 488 799	2 827 740	1 235 593	926 254	965 306	723 870	3 799 288	19 044 794	87 011 644	29 522 845	25 459 511

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2016/17									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	1 092
Bulk Water	0200										-	-
PAYE deductions	0300	2 710									2 710	2 364
VAT (output less input)	0400										-	-
Pensions / Retirement deductions	0500										-	-
Loan repayments	0600										-	-
Trade Creditors	0700	231									231	1 013
Auditor General	0800										-	-
Other	0900										-	-
Total By Customer Type	1000	2 941	-	-	-	-	-	-	-	-	2 941	4 469

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning 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	49		10 780	125	10 954
LIBERTY 21196964	14 YEARS	Policy	01/09/2025	618		17 470	260	18 348
MOMENTUM MP 3853776	14 YEARS	Policy	01/07/2026	21		2 014	30	2 065
ABSA 4074809272	DAILY	CALL		3	6.0%	439		442
ABSA 9284200168	DEP PLUS	DEP PLUS		100	6.3%	13 634	10 000	23 734
ABSA 9295906141	DAILY	DEP PLUS		139	6.3%	23 430		23 570
Standard Bank 288434005/023	90 days	FIXED DEP	27/09/2016		7.9%	50 000		50 000
Nedbank 03/7881534451	60 days	FIXED DEP	28/10/2016		7.7%		50 000	50 000
Standard Bank 288434005/024	91 days	FIXED DEP	28/11/2016		7.8%		50 000	50 000
Municipality sub-total				929		117 769	110 415	229 113
TOTAL INVESTMENTS AND INTEREST				929		117 769	110 415	229 113

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 - M02 August

Description	2015/16	Budget Year 2016/17							
	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:	-	76 347	-	1 956	32 351	32 351	-		76 347
Local Government Equitable Share		72 950			30 395	30 395	-		72 950
Finance Management		1 475		1 475	1 475	1 475			1 475
Municipal Systems Improvement									
EPWP Incentive		1 922		481	481	481			1 922
Provincial Government:	-	49 966	-	5 264	13 734	13 734	-		49 966
Housing		43 795		5 264	10 738	10 738	-		43 795
Provincial Library Grant		5 839			2 996	2 996			5 839
Community Development Worker Grant		75					-		75
Main Road Subsidy		137					-		137
Financial Management Support Grant		120					-		120
District Municipality:	-	-	-	-	-	-	-		-
[insert description]							-		
Total Operating Transfers and Grants	-	126 313	-	7 220	46 085	46 085	-		126 313
Capital Transfers and Grants									
National Government:	-	26 030	-	-	10 258	10 258	-		26 030
Municipal Infrastructure Grant (MIG)		21 030			5 258	5 258	-		21 030
INEP		5 000			5 000	5 000	-		5 000
Provincial Government:	-	13 932	-	-	-	-	-		13 932
Housing		12 882					-		12 882
Provincial Library Grant		1 050					-		1 050
Other grant providers:	-	3 500	-	-	-	-	-		3 500
DWA ACIP		3 500					-		3 500
Total Capital Transfers and Grants	-	43 462	-	-	10 258	10 258	-		43 462
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	169 775	-	7 220	56 343	56 343	-		169 775

Grant receipts are monitored according to the payment schedules. Year to date actuals only reflects actual receipts for 2016/2017.

Supporting Table SC7(1) – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

Description	2015/16	Budget Year 2016/17							
	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:	-	3 397	-	210	308	308	-		3 397
Local Government Equitable Share							-		
Finance Management		1 475		37	71	71	-		1 475
Municipal Systems Improvement							-		
EPWP Incentive		1 922		172	237	237	-		1 922
Provincial Government:	-	49 966	-	10 623	11 115	11 115	-		49 966
Housing		43 795		10 127	10 127	10 127	-		43 795
Community Development Worker Grant		75		2	2	2	-		75
Main Road Subsidy		137					-		137
Financial Management Support Grant		120					-		120
Provincial Library Grant		5 839		494	986	986	-		5 839
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
							-		
Total operating expenditure of Transfers and Grants:	-	53 363	-	10 833	11 423	11 423	-		53 363
Capital expenditure of Transfers and Grants									
National Government:	-	26 030	-	-	-	-	-		26 030
Municipal Infrastructure Grant (MIG)		21 030					-		21 030
INEP		5 000					-		5 000
Provincial Government:	-	13 932	-	-	-	-	-		13 932
Housing		12 882					-		12 882
Provincial Library Grant		1 050					-		1 050
Other grant providers:	-	4 500	-	-	-	-	-		4 500
National Lotto		1 000					-		1 000
DWA ACIP		3 500					-		3 500
Total capital expenditure of Transfers and Grants	-	44 462	-	-	-	-	-		44 462
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	97 825	-	10 833	11 423	11 423	-		97 825

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 - M02 August					
Description	Budget Year 2016/17				
	Approved Rollover 2015/16	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands					
<u>EXPENDITURE</u>					
<u>Operating expenditure of Approved Roll-overs</u>					
National Government:	-	-	-	-	
Local Government Equitable Share				-	
Finance Management				-	
Municipal Systems Improvement				-	
EPWP Incentive				-	
Provincial Government:	-	-	-	-	
Housing				-	
Community Development Worker Grant				-	
Main Road Subsidy				-	
Financial Management Support Grant				-	
0				-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total operating expenditure of Approved Roll-overs	-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>					
National Government:	-	-	-	-	
Municipal Infrastructure Grant (MIG)				-	
Provincial Government:	-	-	-	-	
District Municipality:	-	-	-	-	
Other grant providers:	-	-	-	-	
Total capital expenditure of Approved Roll-overs	-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS	-	-	-	-	

Expenditure on councillor allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration	2015/16	Budget Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages		8 499		657	1 325	1 416	(91)	-6%	8 499
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		612		52	103	102	1	1%	612
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	-	9 110	-	710	1 429	1 518	(90)	-6%	9 110
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages		10 150		840	1 638	1 692	(53)	-3%	10 150
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		154		13	26	26	-		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	-	10 305	-	853	1 664	1 717	(53)	-3%	10 305
<u>Other Municipal Staff</u>									
Basic Salaries and Wages		199 010		14 179	27 806	27 950	(144)	-1%	199 010
Pension and UIF Contributions		32 625		2 530	5 039	5 054	(15)	0%	32 625
Medical Aid Contributions		11 423		854	1 699	1 731	(33)	-2%	11 423
Overtime		14 920		992	988	1 057	(69)	-7%	14 920
Performance Bonus				-		-	-		
Motor Vehicle Allowance		6 990		814	1 624	1 631	(7)	0%	6 990
Cellphone Allowance		1 278		104	206	213	(7)	-3%	1 278
Housing Allowances		5 851		198	397	444	(47)	-11%	5 851
Other benefits and allowances		11 375		951	1 224	1 270	(46)	-4%	11 375
Payments in lieu of leave		709		59	118	118	(0)	0%	709
Long service awards		3 139		225	377	523			3 139
Provision for Bonus		496		41	83	83	(0)	0%	496
Post-retirement benefit obligations		16 081		1 340	2 680	2 680	(0)	0%	16 081
Sub Total - Other Municipal Staff	-	303 899	-	22 288	42 241	42 755	(514)	-1%	303 899
Total Parent Municipality		323 314		23 850	45 334	45 990	(657)	-1%	323 314
TOTAL SALARY, ALLOWANCES & BENEFITS	-	323 314		23 850	45 334	45 990	(657)	-1%	323 314
TOTAL MANAGERS AND STAFF	-	314 204	-	23 141	43 905	44 472	(567)	-1%	314 204

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 - M02 August						
Description of financial indicator	Basis of calculation	2015/16	Budget Year 2016/17			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	15.3%	0.0%	0.6%	5.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	38.3%	0.0%	100.0%	38.3%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	19.3%	0.0%	14.9%	19.3%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	18584.8%	0.0%	18465.9%	18584.8%
Liquidity						
Current Ratio	Current assets/current liabilities	0.0%	129.9%	0.0%	240.6%	129.9%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	62.0%	0.0%	152.9%	62.0%
Revenue Management						
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%	11.2%	0.0%	56.4%	11.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		98.0%		Annual Indicator	98.0%
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		6.0%		Annual Indicator	6.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		18.9%		Annual Indicator	18.9%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	31.6%	0.0%	22.9%	31.6%
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	0.0%	16.5%	0.0%	0.4%	5.6%
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		19.1		Annual Indicator	19.1
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		14.0%		Annual Indicator	14.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		1.6		Annual Indicator	1.6

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M02 August

Month	2015/16	Budget Year 2016/17							
	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		50		-		50	-		
August		2 978		571	571	3 028	2 456	81.1%	1%
September		2 070				5 098	-		
October		3 885				8 983	-		
November		4 195				13 178	-		
December		4 188				17 365	-		
January		2 185				19 550	-		
February		8 551				28 102	-		
March		10 086				38 188	-		
April		12 051				50 238	-		
May		11 331				61 570	-		
June		26 787				88 356	-		
Total Capital expenditure	-	88 356	-	571					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M02 August

Description	2015/16	Budget Year 2016/17							
	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	-	36 284	-	446	446	633	188	29.6%	36 284
Infrastructure - Road transport	-	1 840	-	-	-	-	-		1 840
<i>Roads, Pavements & Bridges</i>		1 610							1 610
<i>Storm water</i>		230							230
Infrastructure - Electricity	-	21 599	-	-	-	-	-		21 599
<i>Generation</i>									
<i>Transmission & Reticulation</i>		21 599							21 599
<i>Street Lighting</i>									
Infrastructure - Water	-	4 529	-	-	-	-	-		4 529
<i>Dams & Reservoirs</i>		4 529							4 529
<i>Water purification</i>									
<i>Reticulation</i>									
Infrastructure - Sanitation	-	8 301	-	446	446	633	188	29.6%	8 301
<i>Reticulation</i>		4 801							4 801
<i>Sewerage purification</i>		3 500		446	446	633	188	29.6%	3 500
Infrastructure - Other	-	15	-	-	-	-	-		15
<i>Waste Management</i>		15							15
Community	-	10 366	-	-	-	-	-		10 366
Parks & gardens							-		
Sportsfields & stadia		480					-		480
Community halls		945					-		945
Libraries		1 050					-		1 050
Recreational facilities							-		
Fire, safety & emergency		880					-		880
Security and policing							-		
Cemeteries							-		
Social rental housing		6 961					-		6 961
Other		50					-		50
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	2 173	-	-	-	-	-		2 173
General vehicles		1 485					-		1 485
Plant & equipment							-		
Computers - hardware/equipment							-		
Furniture and other office equipment							-		
Other		688					-		688
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	-	48 823	-	446	446	633	188	29.6%	48 823

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M01 July

Description	2015/16	Budget Year 2016/17							
	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	-	30 547	-	126	126	2 395	2 269	94.7%	30 547
Infrastructure - Road transport	-	11 855	-	-	-	-	-	-	11 855
<i>Roads, Pavements & Bridges</i>	-	10 355	-	-	-	-	-	-	10 355
<i>Storm water</i>	-	1 500	-	-	-	-	-	-	1 500
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Street Lighting</i>	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	10 492	-	75	75	962	887	92.2%	10 492
<i>Dams & Reservoirs</i>	-	-	-	-	-	-	-	-	-
<i>Water purification</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	-	10 492	-	75	75	962	887	92.2%	10 492
Infrastructure - Sanitation	-	8 200	-	51	51	1 433	1 383	96.5%	8 200
<i>Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>	-	8 200	-	51	51	1 433	1 383	96.5%	8 200
Infrastructure - Other	-	-	-	-	-	-	-	-	-
<i>Waste Management</i>	-	-	-	-	-	-	-	-	-
Community	-	8 986	-	-	-	-	-	-	8 986
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	2 065	-	-	-	-	-	-	2 065
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	1 000	-	-	-	-	-	-	1 000
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	5 921	-	-	-	-	-	-	5 921
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of	-	39 533	-	126	126	2 395	2 269	94.7%	39 533

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	2015/16	Budget Year 2016/17							
	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	-	110 372	-	6 646	10 325	18 395	8 070	43.9%	110 372
Infrastructure - Road transport	-	61 852	-	2 851	4 560	10 309	5 748	55.8%	61 852
<i>Roads, Pavements & Bridges</i>	-	55 545	-	2 629	4 150	9 258	5 108	55.2%	55 545
<i>Storm water</i>	-	6 306	-	222	411	1 051	640	60.9%	6 306
Infrastructure - Electricity	-	17 747	-	1 149	2 089	2 958	869	29.4%	17 747
<i>Generation</i>	-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>	-	17 747	-	1 149	2 089	2 958	869	29.4%	17 747
<i>Street Lighting</i>	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	16 555	-	886	1 539	2 759	1 221	44.2%	16 555
<i>Dams & Reservoirs</i>	-	-	-	-	-	-	-	-	-
<i>Water purification</i>	-	-	-	-	-	-	-	-	-
<i>Reticulation</i>	-	16 555	-	886	1 539	2 759	1 221	44.2%	16 555
Infrastructure - Sanitation	-	11 672	-	1 424	1 758	1 945	187	9.6%	11 672
<i>Reticulation</i>	-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>	-	11 672	-	1 424	1 758	1 945	187	9.6%	11 672
Infrastructure - Other	-	2 546	-	336	379	424	45	10.6%	2 546
<i>Waste Management</i>	-	2 546	-	336	379	424	45	10.6%	2 546
Community	-	4 878	-	486	521	813	292	35.9%	4 878
Parks & gardens	-	2 214	-	290	299	369	70	18.9%	2 214
Sportsfields & stadia	-	608	-	18	18	101	83	81.8%	608
Swimming pools	-	557	-	20	32	93	61	65.3%	557
Community halls	-	617	-	120	127	103	(25)	-23.9%	617
Libraries	-	103	-	0	3	17	14	80.3%	103
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Cemeteries	-	28	-	4	7	5	(2)	-41.2%	28
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	751	-	34	34	125	91	73.0%	751
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other assets	-	5 545	-	575	641	924	283	30.6%	5 545
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Other Buildings	-	673	-	18	20	112	92	82.1%	673
Other	-	4 872	-	557	621	812	191	23.5%	4 872
Agricultural assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expendit	-	120 795	-	7 707	11 487	20 133	8 645	42.9%	120 795

Supporting Table SC13d

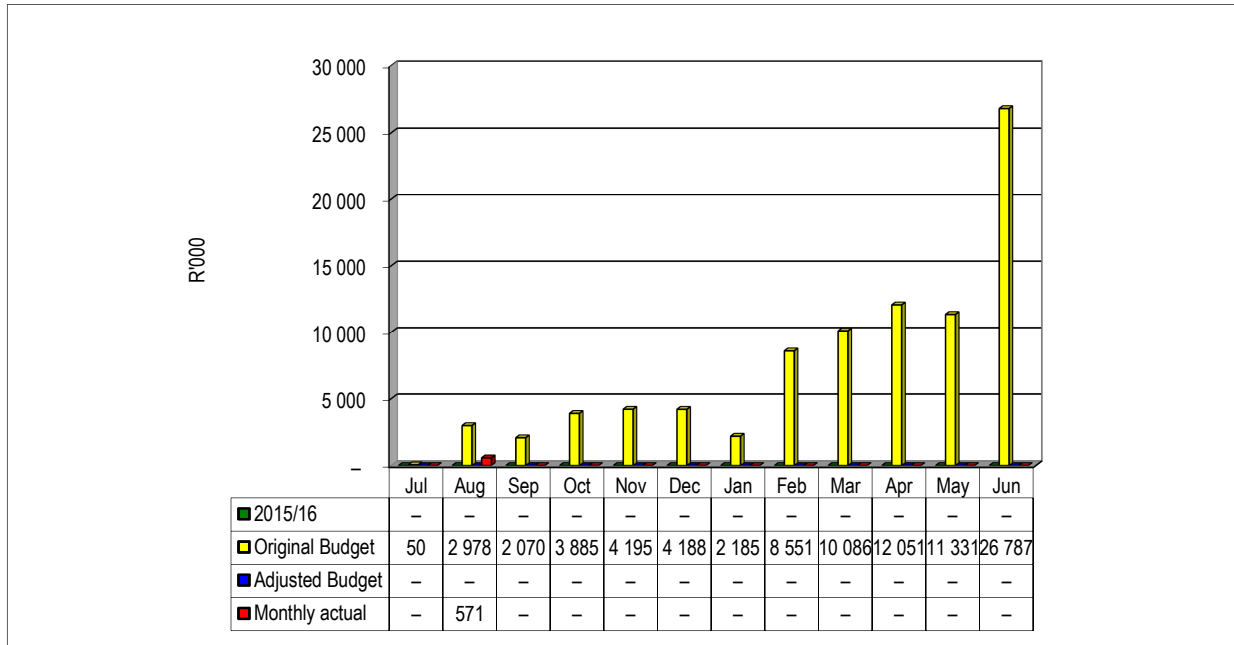
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M02 August

Description	2015/16	Budget Year 2016/17							
	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	-	99 505	-	8 292	16 584	16 584	-		99 505
Infrastructure - Road transport	-	34 067	-	2 839	5 678	5 678	-		34 067
<i>Roads, Pavements & Bridges</i>		31 330		2 611	5 222	5 222	-		31 330
<i>Storm water</i>		2 737		228	456	456	-		2 737
Infrastructure - Electricity	-	21 304	-	1 775	3 551	3 551	-		21 304
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		21 304		1 775	3 551	3 551	-		21 304
<i>Street Lighting</i>							-		
Infrastructure - Water	-	21 116	-	1 760	3 519	3 519	-		21 116
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		21 116		1 760	3 519	3 519	-		21 116
Infrastructure - Sanitation	-	18 002	-	1 500	3 000	3 000	-		18 002
<i>Reticulation</i>		18 002		1 500	3 000	3 000	-		18 002
<i>Sewerage purification</i>							-		
Infrastructure - Other	-	5 015	-	418	836	836	-		5 015
<i>Waste Management</i>		4 153		346	692	692	-		4 153
<i>Other</i>		862		72	144	144	-		862
Community	-	3 806	-	317	634	634	-		3 806
Recreational facilities		3 806		317	634	634	-		3 806
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	13 190	-	1 099	2 198	2 198	-		13 190
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment							-		
Furniture and other office equipment							-		
Civic Land and Buildings		6 008		501	1 001	1 001	-		6 008
Other Buildings							-		
Other Land							-		
Surplus Assets - (Investment or Inventory)							-		
Other		7 182		599	1 197	1 197	-		7 182
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	1 190	-	99	198	198	-		1 190
Computers - software & programming							-		
Other		1 190		99	198	198	-		1 190
Total Depreciation	-	117 690	-	9 808	19 615	19 615	-		117 690

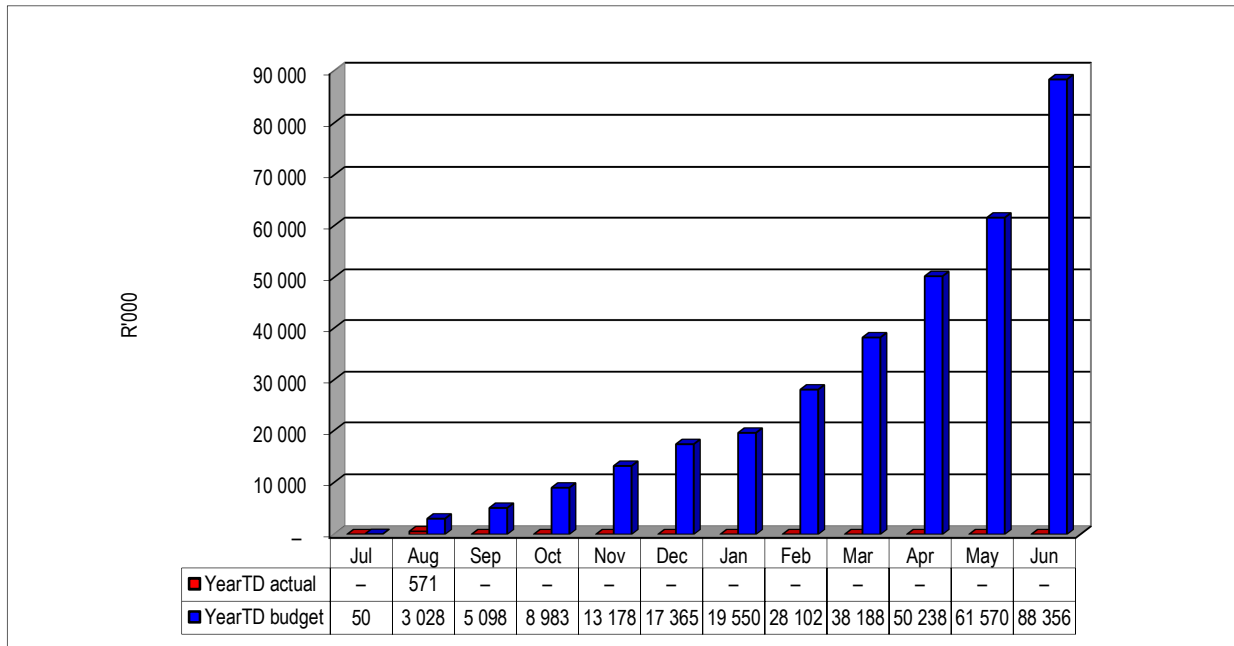
Other supporting documentation

Section 71 charts

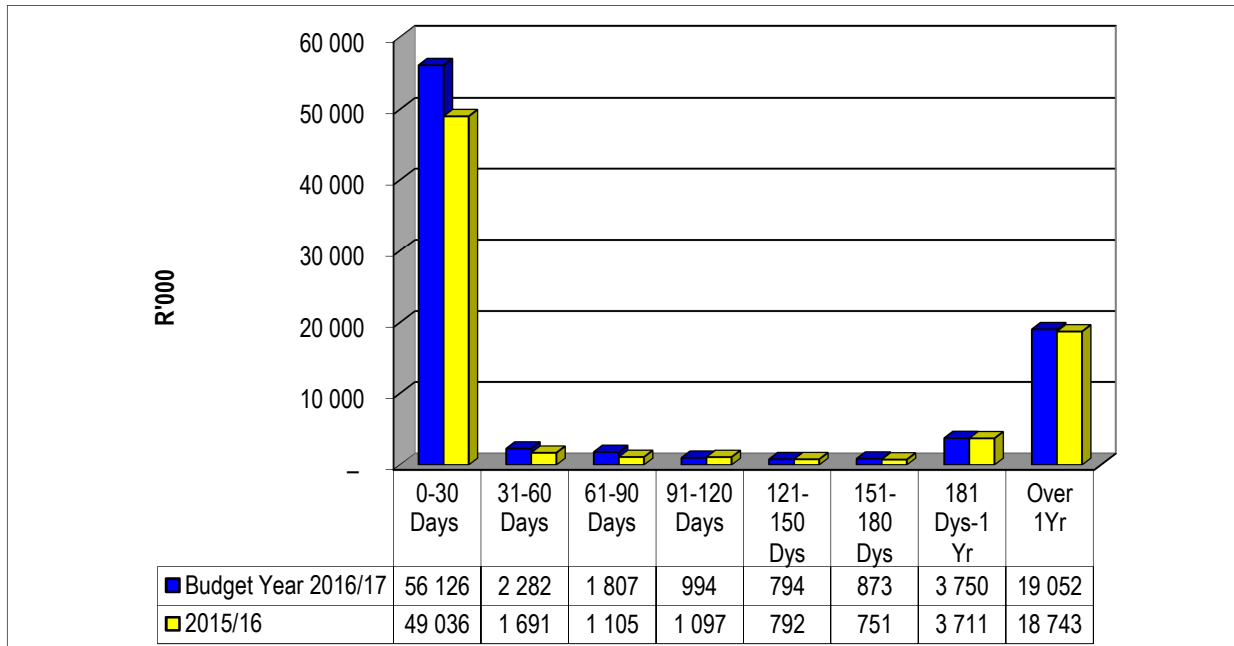
Capital expenditure monthly trend - actual vs target



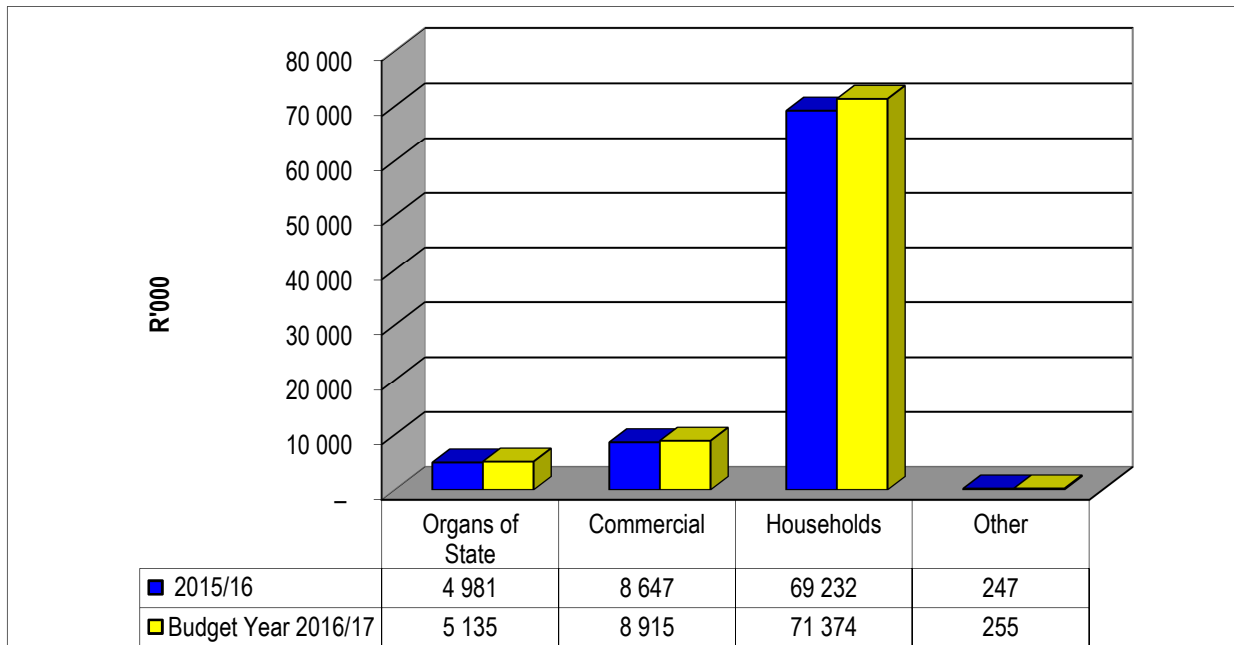
Capital expenditure – YTD actual vs YTD trend



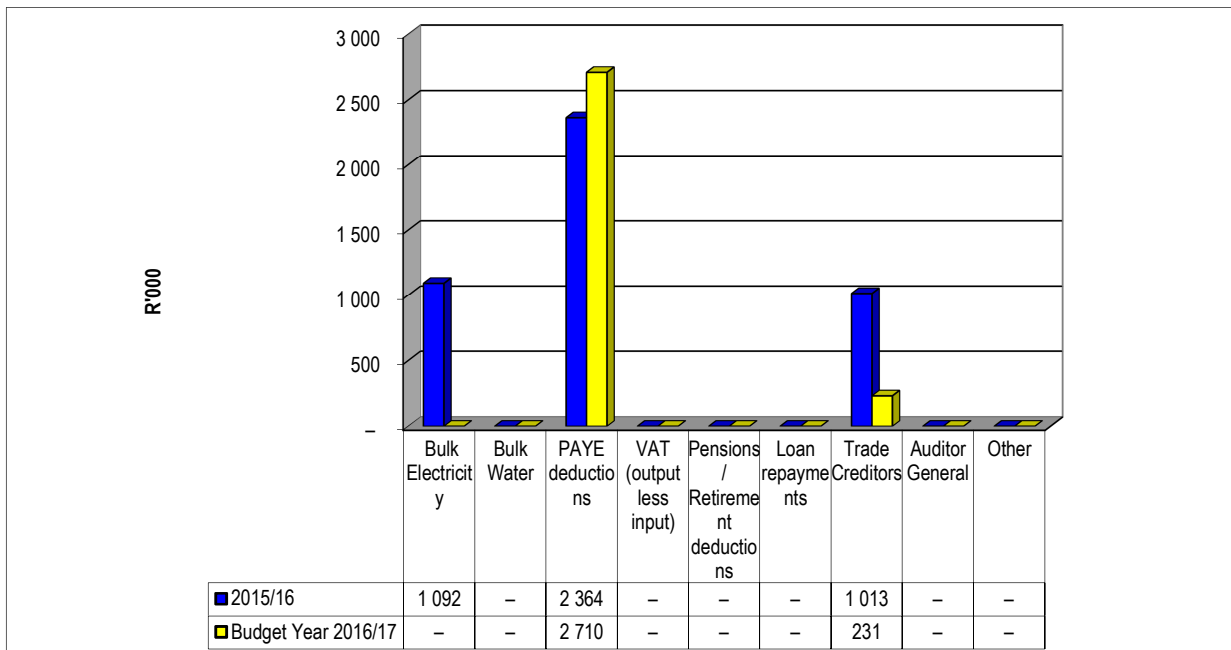
Debtors Age Analysis



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 **August 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: 13/09/2016