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Monthly Budget Statement

4th Quarter

30 June 2014

DIRECTORATE: BUDGET AND TREASURY OFFICE

ITEM: 15

FILE REF: 4/1

FINANCIAL REPORT FOR THE PERIOD ENDED 30 JUNE 2014.

Report of the Chief Financial Officer

1. PURPOSE

The purpose of this report is to comply with section 71 and 52(d) of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 (Municipal Budgeting Monitoring and Reporting Requirements).

2. STRATEGIC OBJECTIVE

“To comply with MFMA priorities as well as MFMA implementation plan”

3. BACKGROUND

The Financial Report provides a high level overview of the organisation’s financial viability and sustainability. The report meets the requirements of the Municipal Finance Management Act (MFMA 56/2003 – S66 and S71) and the Municipal Budgets and Reporting Regulations (MBRR - No 32141 gazetted 17 April 2009).

Section 71 (1) states that the accounting officer of the municipality must by no later than **10 working days after the end of each month** submit to the mayor of the municipality and the relevant treasury a statement in the prescribed format on the implementation of the municipality’s approved budget.”

For the reporting period ending 30 June 2014 the ten working day reporting limit expires on **14 July 2014**. The Budget and Treasury Office has met the timelines for this reporting period.

RECOMMEND

That the report be noted.

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PART 1 – IN-YEAR REPORT

1.1 EXECUTIVE SUMMARY

The financial results for the period ending 30 June 2014 are summarised as follows;

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Total Revenue (excluding capital transfers and contributions)	1,668,960	1,969,533	2,068,954	136,391	1,804,099	2,068,954	(264,855)	-13%	2,068,954
Total Expenditure	1,916,119	1,944,707	2,033,002	211,384	1,886,401	2,033,002	(146,601)	-7%	2,033,002
Surplus/(Deficit)	(247,159)	24,826	35,952	(74,993)	(82,302)	35,952	(118,254)	(0)	35,952
Transfers recognised - capital	291,175	479,207	586,404	6,669	503,528	586,404	(82,876)	(0)	586,404
Surplus/ (Deficit) for the year	44,016	504,033	622,357	(68,324)	421,227	622,357			622,357

1.1.1 Revenue Performance

The approved budget revenue for 2013/2014 amounts to R1 969 533 000 and the approved adjustments budget is R 2 068 954 000. Actual revenue billed which includes grants and other direct income as at 30 June 2014 amounts **R 1 804 099 059.34** (87%) compared to the approved adjustments budget revenue

1.1.2 Expenditure performance

The budgeted expenditure for the year is R 1 944 707 000 and the approved adjustments budget is R 2 033 002 000. Total expenditure year to date as at 30 June 2014 amounted to **R 1 886 400 648.69** (93%) compared to the approved budget.

1.1.3 Capital Performance

Payments in respect of Roll Over Projects up to 30 June 2014 amounts to R165 222 932.81 against the budgeted amount of R204 421 743 (80.82%).

Payment in respect of Capital Projects up to 30 June 2014 amounts to R215 129 099.95 against an approved budget of R R417 690 612 (51.50%)

Total Capital Expenditure equals to R 380 352 032.76 vs. Budgeted amount of R 622 112 355 (61.14%).

Actual Capital Expenditure and Roll-Over Capital Projects for 30 June 2014 is enclosed as Annexure B.

Chart C1 2013/14 Capital Expenditure Monthly Trend: actual v target

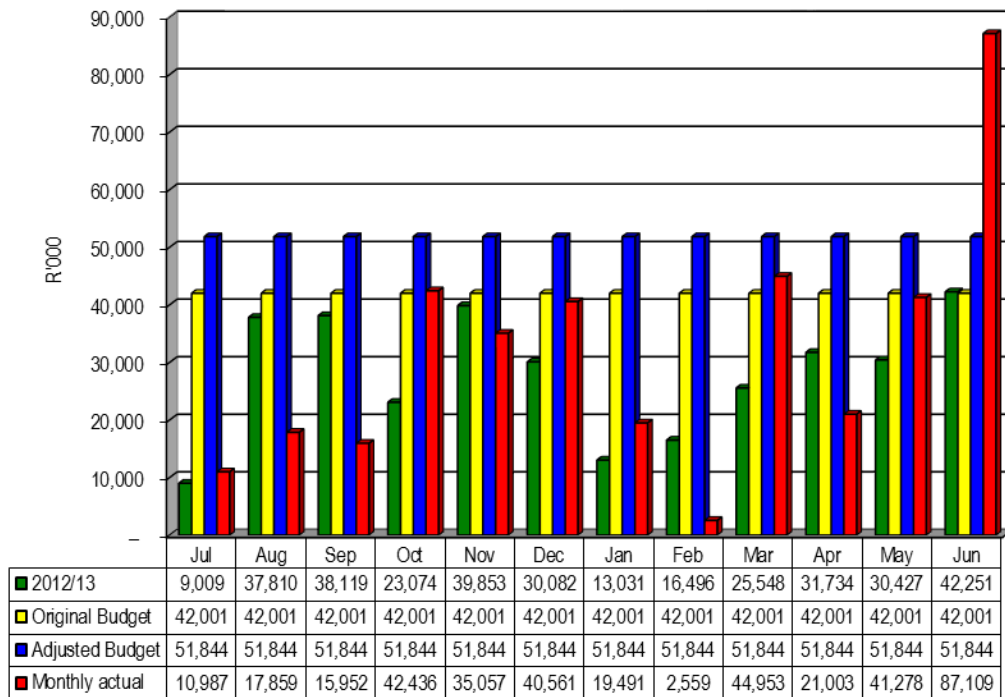
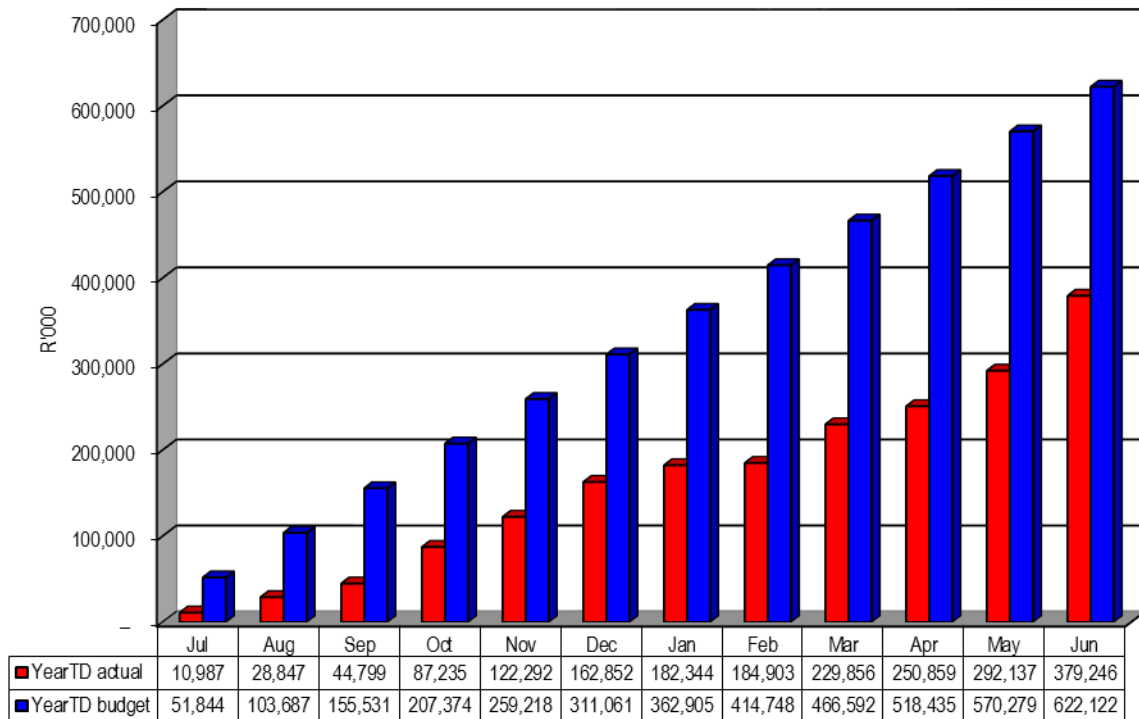


Chart C2 2013/14 Capital Expenditure: YTD actual v YTD target



1.1.4 Transfer of Funds

The following transfers of funds were approved in 30 June 2014 in terms of powers sub-delegated by the Municipal Manager.

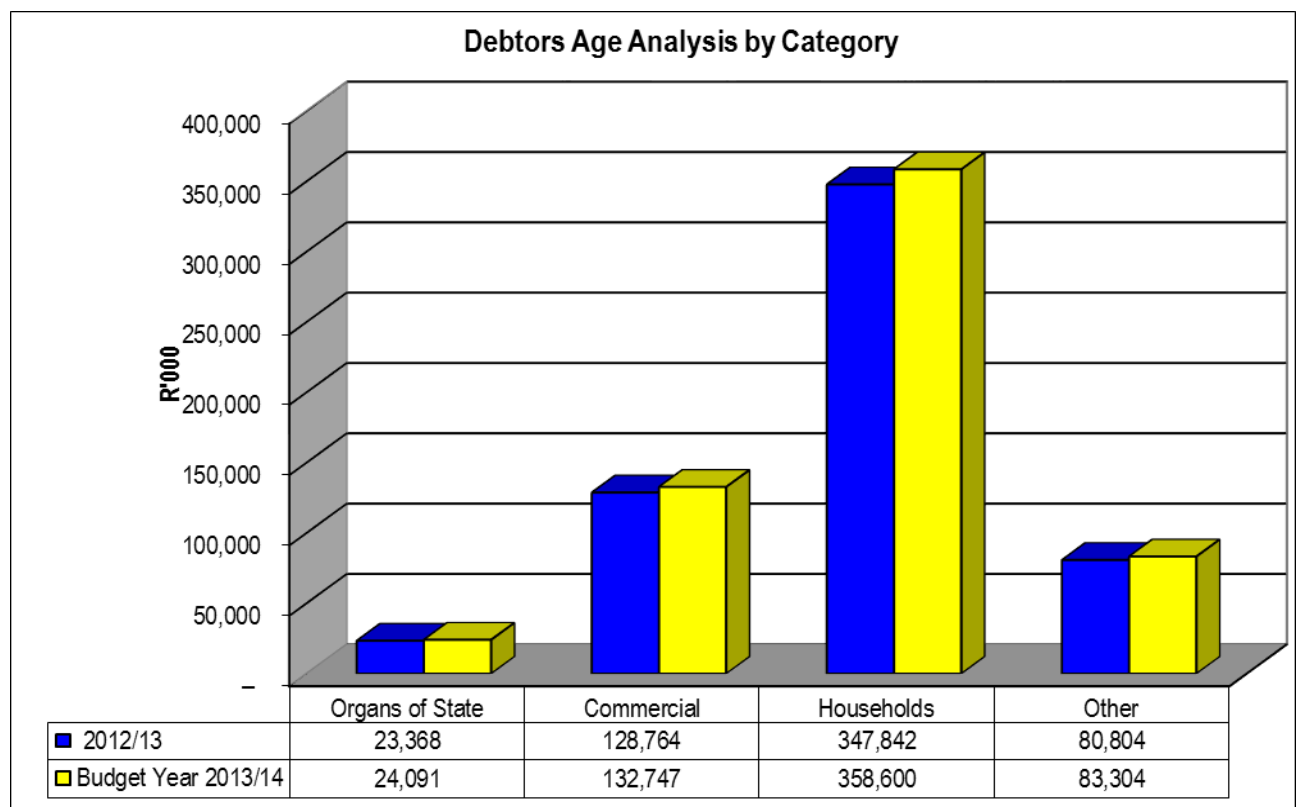
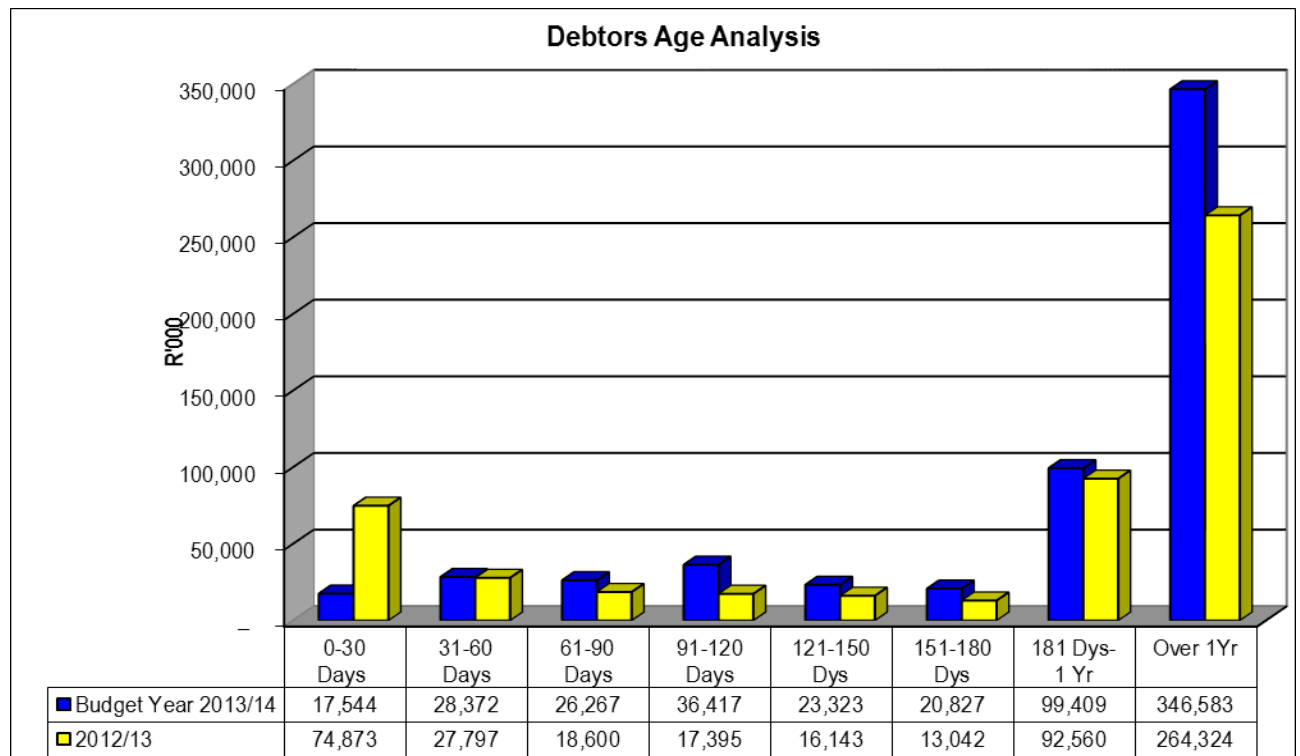
Reference Number	Directorate	SBU	Transfer from	Transfer to	Amount
MM06/01	Community Services	Environment management	Overtime Garden Services	Salaries	700,000
MM06/02	Community Development	Facility Commercialization	Salaries	Special events	500,000
			Allowance		89,712
			Research and Development		500,000
			Cleaning		7,000
			Consulting		300,000
			Buildings and equipment		500,000
		Director Community Development	Salaries		1,225,790
		Facility Management	Plant and equipment		31,000
	Roads and streets	140,000			
	Cultural Service	Workshops	26,000		
MM06/03	Budget and Treasury	Budget and treasury	Valuation roll	Postage and telegram	500,000
MM06/04	Budget and Treasury	Budget and treasury	Valuation roll	Audit fees	1,929,935
				Consulting fees	770,065
			Salary	Consulting fees	500,000
			Rental equipment	Consulting fees	400,000
MM06/05	Community Services	Waste management	Waste disposal recycling	Street cleaning	1,000,000
CFO 06/01	Community Services	Disaster Management	Overtime - Fire services	Overtime - Disaster management	50,000
CFO 06/02	Community Services	Environment management	Plant and equipment	Cleaning services	50,000
CFO 06/03	Budget and Treasury	SCM	Subsistence and travelling	Printing and stationery	10,000
			Office equipment	Stores and material	2,000
CFO 06/04	Community Services	Waste management	Waste disposal	Rental offices/buildings	160,000
CFO 06/05	Budget and Treasury	SCM	Overtime - Budget and treasury	Overtime - SCM	50,000
CFO 06/06	Corporate and Shared Services	Secretariat	refreshments	Printing and stationery	200,000
CFO 06/07	Strategic Planning Monitoring and Evaluation	IDP	Bosberaad	IDP & Hearings vote	138,000
CFO 06/08	Community Development	Facility management	Stores and material	Overtime - Facility management	2,000
			Subsistence and travelling		9,000
			Laundry	Overtime - Civic centre	2,000
			Stores and material		15,000
Total Transfers					9,807,502

1.1.5 External Loans and Instalments

Council met all its obligations in terms of instalments. Outstanding loans amounted to **R298 587 916.50** on 30 June 2014

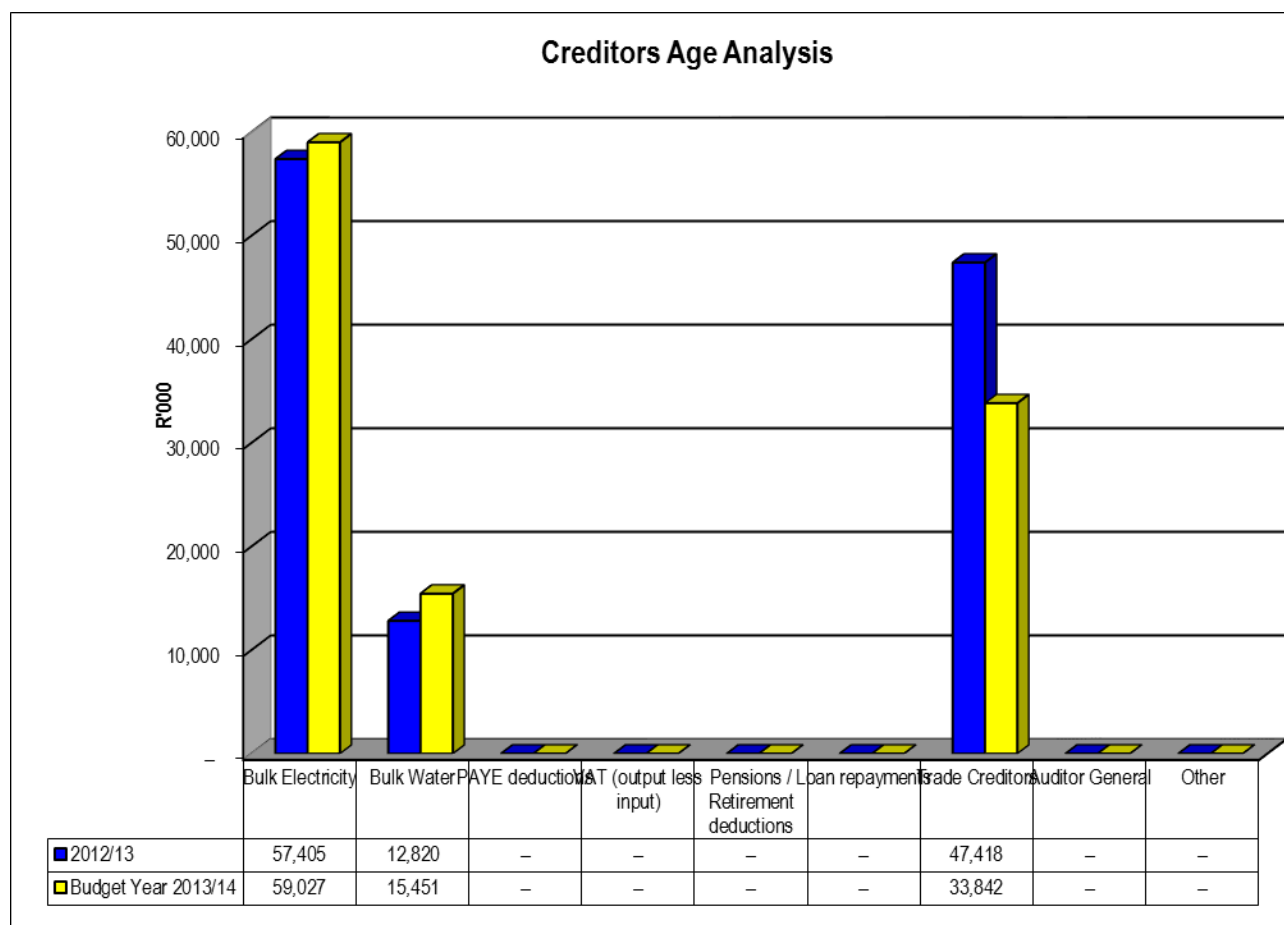
1.1.6 Debtors

Council debtor's book/ledger has a total balance of **R 597 875 173.89** as at 30 June 2014.



1.1.7 Creditors

Outstanding trade creditors amounted to **R 108 223 979** at 30 June 2014. Council pays its creditors within 30 days. In terms of circular 49 issued by treasury and further section 65(2) (e) of MFMA emphasize that municipality must honour its obligation within 30 days.



Top Ten Creditors as at 30 June 2014

Description	0 - 30 Days
Eskom	58,729,983
Lepelle Noethern Water	15,450,741
Fleet Africa	10,806,623
Actom (Pty) Ltd	1,903,954
Mmakoto Businee	1,754,323
REMS Electrical	1,696,179
GIBB Pty	1,560,414
I@ Consulting	1,441,952
Mohwibidu	1,441,952
Kingki Electrical Contractor	999,793
Total	95,785,914

1.1.8 Investments

On 30 June 2014 Council had **R177 217 189.00** of investments at an average rate of 4.319% per annum and the Grants account had a closing balance of **R242 063 970.45**.

1.1.9 Councillor and Staff Benefits

Employee benefits breakdown for the month ended 30 June 2014 are as follows:

Directors

Description	Amount
Basic Salaries and Wages	685,325.19
Pension Fund and UIF Contributions	78,065.20
Medical Aid Contributions	18,250.40
Motor Vehicle Allowance	96,208.35
Other benefits and allowances	204,835.52
Total	1,082,684.66

Councillors (Political Office Bearers)

Description	Amount
Basic salary and wages	1,302,782.44
Pension Fund and UIF Contributions	24,705.64
Medical Aid	35,195.34
Motor Vehicle Allowance	317,689.43
Cell phone	135,923.00
Other Benefits or Allowances	205,649.99
Total	2,021,945.84

Other Municipal Staff

Description	Amount
Basic salary and wages	22,636,078.37
Pension Fund and UIF Contributions	4,287,167.85
Medical Aid	1,509,521.83
Overtime	4,046,165.45
Motor Vehicle Allowance	2,517,387.47
Housing Allowance	206,313.00
Other Benefits and Allowances	2,175,939.08
Total	37,214,745.89

Overtime Breakdown per Directorate

Vote Description	2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD Budget	% Spent
Vote 1 - Council	66,963	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	118,159	334,000	334,000	14,271	151,176	334,000.00	45%
Vote 3 - Strategic Planning Monitoring and Evaluation	43,045	65,700	75,700	4,194	68,805	75,700.00	91%
Vote 4 - Engineering Services	14,574,361	14,895,200	15,295,200	1,840,440	15,925,544	15,295,200.00	104%
Vote 5- Community Services	16,422,218	17,757,200	18,198,877	1,889,177	14,745,294	18,198,877.00	81%
Vote 6- Community Development	1,463,018	1,071,300	1,916,300	66,057	2,045,096	1,916,300.00	107%
Vote 7- Corporate and Shared Services	658,279	610,600	1,075,600	119,346	1,001,236	1,075,600.00	93%
Vote 8- Planning and Economic Development	85,549	86,100	406,100	29,871	242,337	406,100.00	60%
Vote 9- Budget and Treasury	806,170	1,348,900	1,348,900	82,809	1,182,646	1,348,900.00	88%
Vote 10 -Transport Operations	-	-	-	-	-	-	0%
Total	34,237,762	36,169,000	38,650,677	4,046,165	35,362,133	38,650,677	91%

In-year budget statement tables

2.1 Table C1: Monthly budget statement summary

The table below provides a high-level summation of the Municipality's operating – and capital budgets, actual to date and financial position

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	254,721	279,863	279,863	24,161	296,845	279,863	16,982	6%	279,863
Service charges	924,299	1,091,702	1,091,702	91,579	919,284	1,091,702	(172,418)	-16%	1,091,702
Investment revenue	23,017	12,500	12,500	2,844	22,577	12,500	10,077	81%	30,500
Transfers recognised - operational	397,176	486,936	564,358	(110)	448,327	564,358	(116,031)	-21%	564,358
Other own revenue	69,747	98,532	120,532	17,917	117,067	120,532	(3,465)	-3%	120,532
Total Revenue (excluding capital transfers and contributions)	1,668,960	1,969,533	2,068,954	136,391	1,804,099	2,068,954	(264,855)	-13%	2,086,954
Employee costs	392,060	448,000	448,000	38,166	438,489	448,000	(9,511)	-2%	448,000
Remuneration of Councillors	18,937	23,684	23,684	2,055	24,030	23,684	346	1%	23,684
Depreciation & asset impairment	265,100	232,700	232,700	19,392	232,700	232,700	-		232,700
Finance charges	29,594	27,155	27,155	12,761	26,317	27,155	(838)	-3%	27,155
Materials and bulk purchases	725,949	782,975	784,390	69,602	736,612	784,390	(47,778)	-6%	784,390
Transfers and grants	5,540	5,140	6,940	-	6,760	6,940	(180)		6,940
Other expenditure	478,939	425,053	510,132	69,409	421,492	510,132	(88,640)	-17%	510,132
Total Expenditure	1,916,119	1,944,707	2,033,002	211,384	1,886,401	2,033,002	(146,601)	-7%	2,033,002
Surplus/(Deficit)	(247,159)	24,826	35,952	(74,993)	(82,302)	35,952	(118,254)	-329%	53,952
Transfers recognised - capital	291,175	479,207	586,404	6,669	503,528	586,404	(82,876)	-14%	586,404
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	44,016	504,033	622,357	(68,324)	421,227	622,357	(201,130)	-32%	640,357
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	44,016	504,033	622,357	(68,324)	421,227	622,357	(201,130)	-32%	640,357
Capital expenditure & funds sources									
Capital expenditure	-	504,007	622,112	88,215	380,352	622,112	(241,760)	-39%	622,112
Capital transfers recognised	225,076	479,207	586,405	84,074	356,777	586,405	(229,627)	-39%	586,405
Public contributions & donations	-	-	-	-	-	-	-		-
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	112,357	24,800	35,708	4,141	23,575	35,708	(12,133)	-34%	35,708
Total sources of capital funds	337,434	504,007	622,112	88,215	380,352	622,112	(241,760)	-39%	622,112
Financial position									
Total current assets	817,852	647,732	525,408		1,185,249				525,408
Total non current assets	5,958,353	6,799,065	6,921,171		5,458,573				6,921,171
Total current liabilities	585,694	399,363	299,363		565,821				299,363
Total non current liabilities	477,859	438,602	438,602		462,337				438,602
Community wealth/Equity	5,712,652	6,608,832	6,708,832		5,615,664				6,708,832
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	19,926	27,922	26,037	36,336	23,056	20,849	98,534	345,215	597,875
Creditors Age Analysis									
Total Creditors	108,224	95	-	-	-	-	-	-	108,319

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

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue - Standard									
Governance and administration	983,173	1,284,253	1,490,872	42,827	1,338,078	1,490,872	(152,794)	-10%	1,490,872
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	291,519	314,100	314,100	36,267	386,047	314,100	71,947	23%	314,100
Corporate services	691,654	970,153	1,176,772	6,561	952,031	1,176,772	(224,742)	-19%	1,176,772
Community and public safety	15,171	22,930	22,930	561	9,107	22,930	(13,823)	-60%	22,930
Community and social services	1,736	2,383	2,383	144	1,638	2,383	(746)	-31%	2,383
Sport and recreation	10,110	12,645	12,645	104	3,452	12,645	(9,193)	-73%	12,645
Public safety	3,313	7,863	7,863	311	4,006	7,863	(3,856)	-49%	7,863
Housing	12	39	39	1	11	39	(28)	-71%	39
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	36,066	48,040	48,040	7,854	40,182	48,040	(7,858)	-16%	48,040
Planning and development	29,364	27,719	27,719	7,375	34,709	27,719	6,990	25%	27,719
Road transport	3,816	18,314	18,314	344	3,687	18,314	(14,627)	-80%	18,314
Environmental protection	2,885	2,007	2,007	135	1,786	2,007	(221)	-11%	2,007
Trading services	925,725	1,093,517	1,093,517	91,817	920,261	1,093,517	(173,256)	-16%	1,093,517
Electricity	605,543	699,481	699,481	67,817	614,423	699,481	(85,059)	-12%	699,481
Water	221,060	268,842	268,842	14,874	200,363	268,842	(68,479)	-25%	268,842
Waste water management	46,449	67,116	67,116	4,329	48,588	67,116	(18,529)	-28%	67,116
Waste management	52,674	58,077	58,077	4,797	56,887	58,077	(1,190)	-2%	58,077
Other	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	1,960,135	2,448,740	2,655,359	143,060	2,307,627	2,655,359	(347,732)	-13%	2,655,359
Expenditure - Standard									
Governance and administration	473,990	468,470	475,846	62,391	391,125	475,846	(84,720)	-18%	475,846
Executive and council	114,196	105,632	105,632	5,718	61,785	105,632	(43,847)	-42%	105,632
Budget and treasury office	170,237	114,946	114,491	23,751	111,651	114,491	(2,840)	-2%	114,491
Corporate services	189,557	247,892	255,723	32,922	217,689	255,723	(38,033)	-15%	255,723
Community and public safety	316,095	385,731	388,781	30,224	266,631	388,781	(122,151)	-31%	388,781
Community and social services	66,957	81,891	81,441	5,181	60,870	81,441	(20,571)	-25%	81,441
Sport and recreation	121,615	160,406	163,906	10,594	75,300	163,906	(88,606)	-54%	163,906
Public safety	116,962	131,991	131,991	13,642	120,006	131,991	(11,985)	-9%	131,991
Housing	5,231	7,379	7,379	434	5,342	7,379	(2,036)	-28%	7,379
Health	5,330	4,064	4,064	373	5,113	4,064	1,048	26%	4,064
Economic and environmental services	165,669	141,338	147,188	8,490	75,028	67,830	7,199	11%	147,188
Planning and development	67,136	44,584	44,284	2,847	33,156	44,284	(11,128)	-25%	44,284
Road transport	91,489	80,073	86,573	5,066	35,284	7,214	28,069	389%	86,573
Environmental protection	7,044	16,681	16,331	576	6,589	16,331	(9,742)	-60%	16,331
Trading services	960,366	949,167	1,021,186	88,855	884,868	1,021,186	(136,318)	-13%	1,021,186
Electricity	560,506	587,403	628,375	62,950	574,216	628,375	(54,160)	-9%	628,375
Water	267,874	249,082	241,082	9,362	201,113	241,082	(39,969)	-17%	241,082
Waste water management	79,514	51,204	90,251	12,497	59,600	90,251	(30,651)	-34%	90,251
Waste management	52,472	61,478	61,478	4,046	49,940	61,478	(11,539)	-19%	61,478
Other	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	1,916,119	1,944,707	2,033,002	189,960	1,617,652	1,953,643	(335,991)	-17%	2,033,002
Surplus/ (Deficit) for the year	44,016	504,033	622,357	(46,901)	689,975	701,716	(11,741)	-2%	622,357

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

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure by vote as well as the operating surplus or deficit.

Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 - Council	-	-	-	-	-	-	-		-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-	-	-	-	-		-
Vote 4 - Engineering Services	873,099	1,045,483	1,045,483	87,023	863,454	1,045,483	(182,029)	-17.4%	1,045,483
Vote 5- Community Services	82,009	91,938	91,938	11,473	84,765	91,938	(7,173)	-7.8%	91,938
Vote 6- Community Development	11,038	14,089	14,089	163	4,318	14,089	(9,770)	-69.3%	14,089
Vote 7- Corporate and Shared Services	3,279	3,986	3,986	-	0	3,986	(3,986)	-100.0%	3,986
Vote 8- Planning and Economic Development	10,841	13,001	13,001	1,576	17,062	13,001	4,061	31.2%	13,001
Vote 9- Budget and Treasury	979,871	1,280,243	1,486,862	42,825	1,338,028	1,486,862	(148,834)	-10.0%	1,486,862
Vote 10 -Transport Operations	-	-	-	-	-	-	-		-
Total Revenue by Vote	1,960,135	2,448,740	2,655,359	143,060	2,307,627	2,655,359	(347,732)	-13.1%	2,655,359
Expenditure by Vote									
Vote 1 - Council	117,129	118,331	118,331	6,855	65,055	118,331	(53,276)	-45.0%	118,331
Vote 2 - Office of the Municipal Manager	20,395	25,938	25,338	3,576	22,619	25,338	(2,719)	-10.7%	25,338
Vote 3 - Strategic Planning Monitoring and Evaluation	12,296	19,480	19,480	895	11,040	19,480	(8,440)	-43.3%	19,480
Vote 4 - Engineering Services	997,303	944,873	1,023,392	89,137	864,102	1,023,392	(159,289)	-15.6%	1,023,392
Vote 5- Community Services	229,237	267,775	266,975	22,148	225,240	266,975	(41,736)	-15.6%	266,975
Vote 6- Community Development	169,366	225,673	231,678	14,581	122,120	231,678	(109,558)	-47.3%	231,678
Vote 7- Corporate and Shared Services	137,574	167,132	173,058	25,785	160,945	173,058	(12,113)	-7.0%	173,058
Vote 8- Planning and Economic Development	60,846	41,255	40,955	2,483	28,992	40,955	(11,962)	-29.2%	40,955
Vote 9- Budget and Treasury	170,237	114,946	114,491	23,751	111,651	114,491	(2,840)	-2.5%	114,491
Vote 10 -Transport Operations	1,736	19,304	19,304	750	5,888	19,304	(13,416)	-69.5%	19,304
Total Expenditure by Vote	1,916,119	1,944,707	2,033,002	189,960	1,617,652	2,033,002	(415,349)	-20.4%	2,033,002
Surplus/ (Deficit) for the year	44,016	504,033	622,357	(46,901)	689,975	622,357	67,618	10.9%	622,357

Table C2 and C3 does not include Debt Impairment and Depreciation

2.4 Table C4 - Monthly Budget Statement - Financial Performance (revenue and expenditure)

The table below is a view of the budgeted financial performance in relation to the revenue by source and expenditure by type.

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	254,721	279,863	279,863	24,161	296,845	279,863	16,982	6%	279,863
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	605,486	699,341	699,341	67,812	614,367	699,341	(84,974)	-12%	699,341
Service charges - water revenue	221,060	268,788	268,788	14,874	200,363	268,788	(68,425)	-25%	268,788
Service charges - sanitation revenue	46,449	67,116	67,116	4,329	48,588	67,116	(18,529)	-28%	67,116
Service charges - refuse revenue	51,305	56,456	56,456	4,563	55,966	56,456	(490)	-1%	56,456
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	12,154	17,566	17,566	481	15,668	17,566	(1,897)	-11%	17,566
Interest earned - external investments	23,017	12,500	12,500	2,844	22,577	12,500	10,077	81%	12,500
Interest earned - outstanding debtors	7,377	18,000	18,000	9,039	51,075	18,000	33,075	184%	18,000
Dividends received	-	-	-	-	-	-	-	-	-
Fines	2,627	6,087	6,087	273	2,789	6,087	(3,298)	-54%	6,087
Licences and permits	8,816	8,516	8,516	870	8,909	8,516	393	5%	8,516
Agency services	13,892	14,770	14,770	5,339	12,883	14,770	(1,887)	-13%	14,770
Transfers recognised - operational	397,176	486,936	564,358	(110)	448,327	564,358	(116,031)	-21%	564,358
Other revenue	23,430	33,393	55,392	1,914	25,686	55,392	(29,706)	-54%	55,392
Gains on disposal of PPE	1,451	200	200	(1)	56	200	(144)	-72%	200
Total Revenue (excluding capital transfers and contributions)	1,668,960	1,969,533	2,068,954	136,391	1,804,099	2,068,954	(264,855)	-13%	2,068,954
Expenditure By Type									
Employee related costs	392,060	448,000	448,000	38,166	438,489	448,000	(9,511)	-2%	448,000
Remuneration of councillors	18,937	23,684	23,684	2,055	24,030	23,684	346	1%	23,684
Debt impairment	53,486	40,000	40,000	3,333	40,000	40,000	-	-	40,000
Depreciation & asset impairment	265,100	232,700	232,700	19,392	232,700	232,700	-	-	232,700
Finance charges	29,594	27,155	27,155	12,761	26,317	27,155	(838)	-3%	27,155
Bulk purchases	581,301	658,000	647,500	52,622	613,107	647,500	(34,393)	-5%	647,500
Other materials	144,648	124,975	136,890	16,980	123,505	136,890	(13,385)	-10%	136,890
Contracted services	56,380	76,542	72,892	14,454	64,071	72,892	(8,820)	-12%	72,892
Transfers and grants	5,540	5,140	6,940	-	6,760	6,940	(180)	-3%	6,940
Other expenditure	369,073	308,511	397,241	51,621	317,421	397,241	(79,820)	-20%	397,241
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	1,916,119	1,944,707	2,033,002	211,384	1,886,401	2,033,002	(146,601)	-7%	2,033,002
Surplus/(Deficit)	(247,159)	24,826	35,952	(74,993)	(82,302)	35,952	(118,254)	(0)	35,952
Transfers recognised - capital	291,175	479,207	586,404	6,669	503,528	586,404	(82,876)	(0)	586,404
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	44,016	504,033	622,357	(68,324)	421,227	622,357			622,357
Surplus/(Deficit) after taxation	44,016	504,033	622,357	(68,324)	421,227	622,357			622,357
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to	44,016	504,033	622,357	(68,324)	421,227	622,357			622,357
Surplus/ (Deficit) for the year	44,016	504,033	622,357	(68,324)	421,227	622,357			622,357

- Finance charges are paid during December and June in the year.
- Debt Impairment and Depreciation are shown pro-rata for reporting purposes as the final expenditure will only be known at year end

2.5Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)

The table below reflects the Municipality's capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from departments.

Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Single Year expenditure appropriation									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	50	50	-	-	50	(50)	-100%	50
Vote 3 - Strategic Planning Monitoring and Evaluation	-	-	-	-	-	-	-	-	-
Vote 4 - Engineering Services	-	280,750	344,655	56,063	237,360	344,655	(107,295)	-31%	344,655
Vote 5 - Community Services	-	18,450	19,412	787	864	19,412	(18,548)	-96%	19,412
Vote 6 - Community Development	-	22,300	22,662	8,115	9,254	22,662	(13,408)	-59%	22,662
Vote 7 - Corporate and Shared Services	-	3,000	10,455	2,306	6,300	10,455	(4,155)	-40%	10,455
Vote 8 - Planning and Economic Development	-	-	3,083	-	-	3,083	(3,083)	-100%	3,083
Vote 9 - Budget and Treasury	-	-	-	-	-	-	-	-	-
Vote 10 - Transport Operations	-	179,457	221,795	20,945	126,574	221,795	(95,221)	-43%	221,795
Total Capital single-year expenditure	-	504,007	622,112	88,215	380,352	622,112	(241,760)	-39%	622,112
Total Capital Expenditure	-	504,007	622,112	88,215	380,352	622,112	(241,760)	-39%	622,112
Capital Expenditure - Standard Classification									
Governance and administration	-	7,550	9,166	2,561	7,324	9,166	(1,842)	-20%	9,166
Executive and council	-	50	50	-	-	50,000.00	(50)	-100%	50
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	-	7,500	9,116	2,561	7,324	9,116	(1,792)	-20%	9,116
Community and public safety	-	27,300	28,462	7,859	8,307	28,462	(20,156)	-71%	28,462
Community and social services	-	9,300	10,262	36	238	10,262	(10,024)	-98%	10,262
Sport and recreation	-	17,500	17,700	7,824	8,069	17,700	(9,632)	-54%	17,700
Public safety	-	500	500	-	-	500	(500)	-100%	500
Economic and environmental services	-	245,207	339,579	37,386	205,509	339,579	(134,070)	-39%	339,579
Planning and development	-	-	45,422	-	42,592	45,422	(2,829)	-6%	45,422
Road transport	-	245,207	294,158	37,386	162,917	294,158	(131,240)	-45%	294,158
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	-	223,950	244,904	40,408	159,212	249,531	(90,320)	-36%	244,904
Electricity	-	51,500	14,237	1,791	10,010	14,237	(4,227)	-30%	14,237
Water	-	122,000	220,239	37,830	148,249	224,866	(76,617)	-34%	220,239
Waste water management	-	41,500	1,478	-	166	1,478	(1,312)	-89%	1,478
Waste management	-	8,950	8,950	787	787	8,950	(8,163)	-91%	8,950
Other	337,434	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	337,434	504,007	622,112	88,215	380,352	626,739	(246,387)	-39%	622,112
Funded by:									
National Government	225,076	469,207	576,405	84,074	356,777	576,405	(219,627)	-38%	576,405
Other transfers and grants	-	10,000	10,000	-	-	10,000	(10,000)	-100%	10,000
Transfers recognised - capital	225,076	479,207	586,405	84,074	356,777	586,405	(229,627)	-39%	586,405
Internally generated funds	112,357	24,800	35,708	4,141	23,575	35,708	(12,133)	-34%	35,708
Total Capital Funding	337,434	504,007	622,112	88,215	380,352	622,112	(241,760)	-39%	622,112

2.6 Table C6: Monthly Budget Statement - Financial Position

The table below reflects the performance to date in relation to the financial position of the Municipality.

Description	2012/13	Budget Year 2013/14			
	Audited Outcome	Original Budget	Adjusted Budget	YTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	52,061	10,000	10,000	327,667	10,000
Call investment deposits	279,000	259,000	136,676	324,000	136,676
Consumer debtors	383,445	231,143	231,143	469,571	231,143
Other debtors	21,666	80,000	80,000	4,542	80,000
Current portion of long-term receivables	27,789	6,590	6,590	6,590	6,590
Inventory	53,891	61,000	61,000	52,879	61,000
Total current assets	817,852	647,732	525,408	1,185,249	525,408
Non current assets					
Long-term receivables	7,809	8,567	8,567	8,995	8,567
Investments	-	-	-	-	-
Investment property	234,602	138,360	138,360	234,602	138,360
Investments in Associate	8,217	8,217	8,217	8,217	8,217
Property, plant and equipment	5,664,780	6,643,920	6,766,026	5,206,759	6,766,026
Agricultural	-	-	-	-	-
Biological assets	13,965	-	-	-	-
Intangible assets	17,834	-	-	-	-
Other non-current assets	11,145	-	-	-	-
Total non current assets	5,958,353	6,799,065	6,921,171	5,458,573	6,921,171
TOTAL ASSETS	6,776,205	7,446,797	7,446,579	6,643,822	7,446,579
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	38,884	36,363	36,363	36,363	36,363
Consumer deposits	63,788	63,000	63,000	65,105	63,000
Trade and other payables	483,022	300,000	200,000	464,352	200,000
Provisions	-	-	-	-	-
Total current liabilities	585,694	399,363	299,363	565,821	299,363
Non current liabilities					
Borrowing	283,472	225,862	225,862	267,950	225,862
Provisions	194,387	212,740	212,740	194,387	212,740
Total non current liabilities	477,859	438,602	438,602	462,337	438,602
TOTAL LIABILITIES	1,063,553	837,965	737,965	1,028,158	737,965
NET ASSETS	5,712,652	6,608,832	6,708,614	5,615,664	6,708,614
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	4,931,059	5,826,559	5,926,559	4,833,530	5,926,559
Reserves	781,594	782,273	782,273	782,134	782,273
TOTAL COMMUNITY WEALTH/EQUITY	5,712,652	6,608,832	6,708,832	5,615,664	6,708,832

PART 2- SUPPORTING DOCUMENTATION

Section 1 – Debtors’ analysis

The debtor analysis provides an age analysis by revenue source and customer category.

1.1 Table SC3 Monthly Budget Statement - Aged Debtors

Description	Budget Year 2013/14									Total over 90 days
	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 - Water	16,240	10,619	8,937	6,997	10,833	7,298	40,353	53,065	154,342	118,546
Trade and Other Receivables from Exchange Transactions - Electricity	14,388	6,054	4,549	3,630	4,051	3,164	16,547	17,706	70,089	45,098
Receivables from Non-exchange Transactions - Property Rates	10,424	8,014	6,753	22,341	5,509	5,042	25,468	34,764	118,316	93,124
Receivables from Exchange Transactions - Waste Water Management	1,499	967	812	765	702	658	3,068	4,050	12,521	9,243
Receivables from Exchange Transactions - Waste Management	2,025	1,383	1,147	1,050	989	937	4,582	6,373	18,487	13,931
Receivables from Exchange Transactions - Property Rental Debtors	1	1	1	1	0	0	2	3	8	7
Interest on Arrear Debtor Accounts	232	54	441	785	726	1,822	6,442	37,278	47,780	47,053
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	(24,883)	831	3,397	766	244	1,928	2,072	191,977	176,333	196,987
Total By Income Source	19,926	27,922	26,037	36,336	23,056	20,849	98,534	345,215	597,875	523,990
2012/13 - totals only	74,873	27,797	18,600	17,395	16,143	13,042	92,560	264,324	525,404	403,463
Debtors Age Analysis By Customer Group										
Organs of State	756	788	724	17,011	238	206	1,117	3,256	24,096	21,828
Commercial	10,201	8,202	6,375	5,375	5,259	7,151	19,153	72,557	134,272	109,495
Households	10,916	16,578	14,147	11,718	15,681	9,233	68,284	209,034	355,591	313,950
Other	(1,947)	2,354	4,791	2,232	1,877	4,260	9,981	60,367	83,915	78,717
Total By Customer Group	19,926	27,922	26,037	36,336	23,056	20,849	98,534	345,215	597,875	523,990

The Municipality is preparing specification to appoint additional Debt collectors, the current debt collectors have been instructed to acquire more resources.

Section 2 – Creditors’ Age analysis

The creditors’ analysis contains an aged analysis by customer type

2.1Table SC4 Monthly Budget Statement - Aged Creditors

Description	Budget Year 2013/14									Prior year totals for chart (same period)
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	59,027	-	-	-	-	-	-	-	59,027	57,405
Bulk Water	15,451	-	-	-	-	-	-	-	15,451	12,820
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	33,746	95	-	-	-	-	-	-	33,842	47,418
Auditor General	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	108,224	95	-	-	-	-	-	-	108,319	117,643

Section 3 – Investment portfolio analysis

The investment portfolio analysis includes information on the institution where funds are invested, period of investment, type of investment and accrued interest for the month.

3.1 Table SC5 Monthly Budget Statement - investment portfolio

On 30 June 2014 Council had **R177 217 189.00** of investments at an average rate of 4.319% per annum.

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning	Change in market value	Market value at end of the
R thousands	Yrs/Months							
Municipality								
PHA	10 Years	long term deposit	04 November 2015	-	0.0%	8,217	-	8,217
Standard Bank	4 Years	Call deposit	Call deposit	218	4.5%	59,000	-	59,000
ABSA	-	0			5.2%	65,000	(65,000)	-
Standard Bank	3 Months	Fixed deposit		246	5.3%	65,000	(15,000)	50,000
NED	3 Months	Fixed deposit		301	5.5%	70,000	(10,000)	60,000
FNB	0	0		-	5.2%	50,000	(50,000)	-
TOTAL INVESTMENTS AND INTEREST				765		317,217	(140,000)	177,217

Section 4 - Capital programme performance

The capital programme performance table provides details of capital expenditure by month

4.1 Supporting Table SC12 Monthly Budget Statement - capital expenditure trend

Month	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July	9,009	42,001	51,844	10,987	10,987	51,844	40,856	78.8%	2%
August	37,810	42,001	51,844	17,859	28,847	103,687	74,840	72.2%	6%
September	38,119	42,001	51,844	15,952	44,799	155,531	110,732	71.2%	9%
October	23,074	42,001	51,844	42,436	87,235	207,374	120,139	57.9%	17%
November	39,853	42,001	51,844	35,057	122,292	259,218	136,926	52.8%	24%
December	30,082	42,001	51,844	40,561	162,852	311,061	148,209	47.6%	32%
January	13,031	42,001	51,844	19,491	182,344	362,905	180,561	49.8%	36%
February	16,496	42,001	51,844	2,559	184,903	414,748	229,846	55.4%	37%
March	25,548	42,001	51,844	44,953	229,856	466,592	236,736	50.7%	46%
April	31,734	42,001	51,844	21,003	250,859	518,435	267,577	51.6%	50%
May	30,427	42,001	51,844	41,278	292,137	570,279	278,142	48.8%	58%
June	42,251	42,001	51,844	87,109	379,246	622,122	242,877	39.0%	75%
Total Capital expenditure	337,434	504,007	622,122	379,246					

Section 5 - Municipal Manager Quality certification

I, **Constance Mametja**, the Municipal Manager of Polokwane Local Municipality, hereby

Certify that –

- The Monthly Budget Statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality

For the month of **June 2014** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: _____

Municipal Manager of Polokwane Local Municipality: LIM354

Signature : _____

Date : _____

Annexure A Capital Programme 2013/2014

New Projects

Description	Vote Number	Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Communication & Marketing									
Audio visual equipment	5 2100	00031 CRR	50,000			50,000		0.00	0.00
			50,000		0	50,000		0.00	0.00
Facility Management									
Renovation of Offices	5 3040	00111 CRR	1,000,000		-510,000	490,000	3,815.51	9,815.51	2.00
Renovation of Offices Stadium	5 3040	00121 CRR	3,000,000			3,000,000	18,456.15	412,617.71	13.75
Furniture and Office Equipment	5 3040	00131 CRR	500,000		555,000	1,055,000	232,965.11	527,829.67	50.03
			4,500,000		45,000	4,545,000	255,236.77	950,262.89	20.91
Road Transport Infrastructure Services									
Planning & Construction for NMT along Nelson Mandela	5 3230	00871 CRR	1,500,000		-1,000,000	500,000		500,000.00	100.00
Planning & Construction for NMT along Nelson Mandela	5 3230	00871 DEA			7,500,000	7,500,000	2,335,860.39	5,571,999.07	74.29
NDPG Projects	5 3230	00901 NDPG	7,750,000		-7,750,000	0		0.00	0.00
Upgrading of arterial road Mamatsha	5 3230	00911 MIG	10,000,000		187,200	10,187,200	2,799,748.75	6,973,028.68	68.45
Upgrading of arterial road Makotopong	5 3230	00921 MIG	10,000,000		-620,500	9,379,500	1,842,866.40	3,935,237.98	41.96
Upgrading of arterial road Khohloane	5 3230	00931 MIG	9,000,000		800,000	9,800,000	1,721,407.17	3,130,818.51	31.95
Upgrading of arterial road D3413 from D19 (Mamadila to Ramakgaphola: D3414 to Ga Manamela)	5 3230	00941 MIG	9,000,000		-401,500	8,598,500	1,728,470.30	4,762,522.64	55.39
Upgrading of Arterial road D977 (Silicon to Matobole 19km)	5 3230	00951 MIG	4,500,000		4,000,000	8,500,000	1,977,221.74	3,452,797.62	40.62
Upgrading of Arterial road D4030 & D1809 (Nobody to Laastehoop to Mothapo 17km)	5 3230	00961 MIG	1,500,000		-500,000	1,000,000	20,155.21	736,384.06	73.64
Upgrading of arterial road Sebayeng to Mantheding	5 3230	00971 MIG	9,000,000		79,500	9,079,500	543,394.72	2,726,540.98	30.03
Upgrading of access road SDA 1 (Lethuli and Madiba Park)	5 3230	00981 MIG	1,000,000		-200,000	800,000		541,498.20	67.69
Construction of low level bridges	5 3230	00991 CRR	500,000		1,000,000	1,500,000	946,535.07	946,535.07	63.10
			63,750,000		3,094,700	66,844,700	13,915,659.75	33,277,362.81	49.78

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Description	Vote Number			Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Sanitation											
Consumer connections	5	3335	00221	CRR	1,500,000		-1,500,000	0		0.00	0.00
Rural household sanitation	5	3335	00261	MIG	40,000,000		-40,000,000	0		0.00	0.00
Total					41,500,000		-41,500,000	0	0.00	0.00	0.00
Water Supply and reticulation											
Extension 78 bulk reticulation	5	3340	00691	CRR	500,000			500,000	500,000.00	500,000.00	100.00
Consumer connections	5	3340	00701	CRR	2,500,000		-2,500,000	0		0.00	0.00
Refurbishment of infrastructure	5	3340	00761	DWA	10,000,000			10,000,000		416,769.75	4.17
Mothapo RWS	5	3340	00771	MIG	10,000,000		-1,439,900	8,560,100	2,826,687.72	5,565,347.19	65.01
Molelje East RWS	5	3340	00781	MIG	10,000,000		-793,600	9,206,400	1,108,744.50	4,965,108.06	53.93
Molelje North RWS	5	3340	00791	MIG	2,000,000		485,700	2,485,700	405,689.88	2,306,056.46	92.77
Sebayeng/Dikgale RWS	5	3340	00801	MIG	15,000,000		2,000,000	17,000,000	5,463,515.16	8,962,812.24	52.72
Molelje South RWS	5	3340	00811	MIG	10,000,000		-498,500	9,501,500	974,910.40	7,782,398.37	81.91
Houtrivier RWS	5	3340	00821	MIG	9,000,000		-222,900	8,777,100	4,465,798.84	8,777,100.00	100.00
Chuene Maja RWS	5	3340	00831	MIG	8,000,000		1,072,900	9,072,900	2,405,517.55	5,402,038.56	59.54
Molepo RWS	5	3340	00841	MIG	9,000,000			9,000,000	4,039,687.67	7,252,890.79	80.59
Laastehoop RWS	5	3340	00851	MIG	3,000,000		-597,200	2,402,800		2,061,736.25	85.81
Mankweng RWS	5	3340	00861	MIG	15,000,000		-557,200	14,442,800	2,059,584.73	7,690,715.65	53.25
Boyne RWS	5	3340	00871	MIG	7,000,000		754,000	7,754,000	1,424,250.31	5,991,956.12	77.28
Segwasi RWS	5	3340	00881	MIG	1,000,000		26,800	1,026,800	597,618.66	837,430.90	81.56
Badimong RWS	5	3340	00891	MIG	10,000,000		-997,300	9,002,700	2,174,873.93	5,923,084.54	65.79
					122,000,000		-3,267,200	118,732,800	28,446,879.35	74,435,444.88	62.69
Energy Services											
Consumer connections	5	3430	00331	CRR	5,000,000		-5,000,000	0		0.00	0.00
Install fourth 20MVA transformer in Delta	5	3430	00371	CRR	1,500,000		-210,400	1,289,600		1,289,526.07	99.99
Demand Side Management Projects	5	3430	00411	EDSM	10,000,000			10,000,000	1,748,803.26	5,942,610.33	59.43
Electrification of 9600 households	5	3430	00421	INEP	35,000,000		-35,000,000	0		0.00	0.00
Plant & Equipment	5	3430	00431	CRR			262,400	262,400	42,290.91	92,882.43	35.40
					51,500,000	0	-39,948,000	11,552,000	1,791,094.17	7,325,018.83	63.41
Disaster and Fire											
Acquisition of fire Equipment	5	4230	00041	CRR	500,000			500,000		0.00	0.00
					500,000		0	500,000	0.00	0.00	0.00

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Description	Vote Number			Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Environmental Mangement											
Development of Tom Naude Dam	5	4335	00101	MIG	1,000,000			1,000,000		76,941.55	7.69
Development of Ext 44/71 park	5	4335	00111	MIG	4,000,000			4,000,000		0.00	0.00
Grass cutting equipment	5	4335	00131	CRR			920,000	920,000		0.00	0.00
Development of Sterpark botanical garden	5	4335	00121	MIG	4,000,000		-4,000,000	0		0.00	0.00
					9,000,000		-3,080,000	5,920,000	0.00	76,941.55	1.30
Waste Management											
Waste 6m3 skip containers	5	4340	00051	CRR	600,000			600,000		0.00	0.00
Connection of water and electrification of the guard house (Mankweng Transfer Station)	5	4340	00061	CRR	350,000			350,000		0.00	0.00
Rural transfer station	5	4340	00071	MIG	8,000,000			8,000,000	787,044.96	787,044.96	9.84
					8,950,000		0	8,950,000	787,044.96	787,044.96	8.79
Sport & Recreation											
Purchase of Grass Cutting equipment	5	4530	00081	CRR	500,000			500,000		245,000.00	49.00
Upgrading of Seshego Stadium	5	4530	00091	MIG	7,000,000		-7,000,000	0		0.00	0.00
Upgrading of Ga- Manamela Sport Field	5	4530	00101	MIG	1,000,000		2,000,000	3,000,000	760,740.00	760,740.00	25.36
Construction of Ga-Molepo/Maja Sport Complex	5	4530	00111	MIG	1,000,000			1,000,000	846,140.37	846,140.37	84.61
Construction Mankweng Sport Complex	5	4530	00121	MIG	7,000,000		5,000,000	12,000,000	6,216,660.67	6,216,660.67	51.81
Sebayeng Outdoor Sport facilities	5	4530	00131	MIG	1,000,000			1,000,000		0.00	0.00
					17,500,000		0	17,500,000	7,823,541.04	8,068,541.04	46.11
Libraries											
Books	5	4630	00021	CRR	300,000			300,000	35,934.33	161,251.07	53.75
					300,000		0	300,000	35,934.33	161,251.07	53.75
Information Services											
ICT Equipment	5	5210	00191	CRR	500,000			500,000		410,724.47	82.14
Network Upgrade	5	5210	00201	CRR	4,500,000		-1,660,888	2,839,112	102,049.09	2,793,199.13	98.38
					5,000,000		-1,660,888	3,339,112	102,049.09	3,203,923.60	95.95
Transport Operations											
IRPTS Project	5	6160	00021	PTISG	179,457,000			179,457,000	23,806,466.98	86,843,308.32	48.39
					179,457,000		0	179,457,000	23,806,466.98	86,843,308.32	48.39
TOTAL EXPENDITURE NEW PROJECTS					504,007,000		-86,316,388	417,690,612	76,963,906.44	215,129,099.95	51.50

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Description	Vote Number			Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Funding Sources											
Municipal Infrastructure Grant (MIG)				MIG	237,000,000		-41,422,500	195,577,500	47,190,729.64	108,465,031.35	55.46
Integrated National Electrification Programme (INEP)				INEP	35,000,000		-35,000,000	0	0.00	0.00	0.00
Electricity Demand Side Management (EDSM)				EDSM	10,000,000		0	10,000,000	1,748,803.26	5,942,610.33	59.43
Neighbourhood Development Partnership Grant (NDPG)				NDPG	7,750,000		-7,750,000	0	0.00	0.00	0.00
Department of Water Affairs(DWA)				DWA	10,000,000		0	10,000,000	0.00	416,769.75	4.17
Dept Environmental Affairs				DEA			7,500,000	7,500,000	2335860.39	5,571,999.07	74.29
Public Transport Infrastructure System Grant (PTIG)				PTISG	179,457,000		0	179,457,000	23,806,466.98	86,843,308.32	48.39
Total DoRA Allocations					479,207,000		-76,672,500	402,534,500	75,081,860.27	207,239,718.82	51.48
Capital Replacement Reserve (CRR)				CRR	24,800,000		-9,643,888	15,156,112	1,882,046.17	7,889,381.13	52.05
TOTAL NEW PROJECTS					504,007,000		-86,316,388	417,690,612	76,963,906.44	215,129,099.95	51.50

Roll Over Projects 2013/14

Description	Vote Number			Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
ADMIN & MAINTENANCE											
Renovation of Offices	5	3040	00091	CRR		504,775	-455,000	49,775		49,656.52	99.76
Furniture & equipment	5	3040	00101	CRR		66,750		66,750		24,227.63	36.30
Total						571,525.00	-455,000	116,525.00	0.00	73,884.15	63.41
Roads and Stormwater											
Arterial roads Molepo / Maja / Chuene (Paledi) Phase 3	5	3230	00591	MIG		4,992,656	44	4,992,700		4,971,223.66	99.57
Arterial roads Makotopong Phase 3	5	3230	00601	MIG		10,197,928	-2,046,728	8,151,200	172,652.71	8,065,203.33	98.94
Arterial roads Mamatsa Phase 4	5	3230	00611	MIG		1,279,878	400,022	1,679,900		859,799.22	51.18
Matamanyane to Mashobohlang phase 3	5	3230	00621	MIG		3,871,199	886,001	4,757,200		4,757,170.20	100.00
Ga - Mamphaka Phase 3	5	3230	00631	MIG		1,492,779	21	1,492,800		464,133.33	31.09
Upgrading stormwater Mankweng	5	3230	00641	MIG		1,139,771	-201,171	938,600		935,084.16	99.63

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Description	Vote Number	Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Sebayeng access roads	5 3230	00651	MIG	6,199,244	56	6,199,300		6,159,654.38	99.36
Badimong Access roads	5 3230	00661	MIG	4,300,175	1,195,025	5,495,200		5,041,643.83	91.75
Molejje Cluster Upgrading of arterial road	5 3230	00671	MIG	10,959,979	21	10,960,000	2,352,824.54	8,913,341.78	81.33
Ablusion facility & store room Workshop	5 3230	00141	CRR	515,566	-383,266	132,300		489,653.00	370.11
Planning of NMT along Nelson Mandela	5 3230	00711	CRR	30,253		30,253		30,253.00	100.00
Rehabilitation of streets and road signs in Mankweng	5 3230	00721	CRR	500,000		500,000		499,971.25	99.99
Rehabilitation of streets in Polokwane East(A) and West (B)	5 3230	00731	CRR	1,150,000	-1,400	1,148,600		1,148,542.01	99.99
Rehabilitation of streets and road signs in Seshego	5 3230	00741	CRR	500,000		500,000		499,847.20	99.97
Regravelling of roads	5 3230	00771	CRR	2,226,535		2,226,535		2,226,535.00	100.00
Asset Renewal-Planned routine maintenance	5 3230	00781	CRR	651,311		651,311	55,694.26	651,311.00	100.00
Total				50,007,274.00	-151,375	49,855,899.00	2,581,171.51	45,713,366.35	91.69
Sanitation									
Upgrading of laboratory	5 3330	00131	CRR	1,478,469		1,478,469		166,000.00	11.23
Rural household sanitation	5 3335	00161	MIG	4,829,129	-4,829,129	0		0.00	0.00
Total				6,307,598.00	-4,829,129	1,478,469.00	0.00	166,000.00	11.23
Water Supply and reticulation									
Mothapo RWS	5 3340	00441	MIG	14,445,549	-5,445,549	9,000,000	1,568,400.61	6,256,550.44	69.52
Molejje East RWS	5 3340	00451	MIG	7,138,521	689,479	7,828,000	165,925.60	701,629.52	8.96
Molejje North RWS	5 3340	00461	MIG	4,111,774	-152,174	3,959,600		3,993,155.81	100.85
Molejje South RWS	5 3340	00471	MIG	4,653,930	-2,730	4,651,200	1,074,966.00	3,664,081.28	78.78
Houtrivier RWS	5 3340	00481	MIG	5,257,411	-1,320,411	3,937,000		3,591,511.22	91.22
Chuene Maja RWS	5 3340	00491	MIG	2,353,286	14	2,353,300		2,122,850.33	90.21
Molepo RWS	5 3340	00501	MIG	6,048,743	-2,193,143	3,855,600	978,603.10	3,523,989.23	91.40
Laastehoop RWS	5 3340	00511	MIG	9,930,875	2,381,125	12,312,000	2,183,564.26	8,032,186.53	65.24
Mmotong wa perikisi	5 3340	00521	MIG	10,567,525	18,548,653	29,116,178		21,672,702.84	74.44
Mankweng RWS	5 3340	00531	MIG	1,266,085	15	1,266,100		1,266,085.00	100.00
Boyne RWS	5 3340	00541	MIG	38,332	14,068	52,400		0.00	0.00
Badimong RWS	5 3340	00561	MIG	6,400,794	632,806	7,033,600		6,969,566.23	99.09

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Description	Vote Number	Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Sebayeng/Dikgale RWS	5 3340	00571	MIG	13,225,708	-2,121,408	11,104,300	65,122.20	4,257,078.09	38.34
Planning for water and Sanitation	5 3340	00581	MIG	2,954,907	-2,559,107	395,800		395,702.32	99.98
Refurbishment of infrastructure	5 3340	00601	DWA/CRR	2,057,678		2,057,678	429,952.65	1,852,177.88	90.01
Upgrading of water reticulation in City cluster	5 3340	00621	CRR	3,389,370	-805,570	2,583,800		2,597,387.68	100.53
Total				93,840,488.00	7,666,068	101,506,556.00	6,466,534.42	70,896,654.40	69.84
Electricity									
Electricity low income houses rural	5 3430	00291	INEP	1,374,329	-1,374,329	0		0.00	0.00
Electricity low income houses rural	5 3430	00071	CRR	2,684,611		2,684,611		2,684,611.00	100.00
Total				4,058,940.00	-1,374,329	2,684,611.00	0.00	2,684,611.00	100.00
ENVIRONMENTAL MANAGEMENT									
Cemeteries									
Replacement of cemetary New Pietersburg	5 4315	00031	CRR	42,000		42,000		0.00	0.00
Total				42,000.00	0	42,000.00	0.00	0.00	0.00
Nursery									
Green Goal	5 4330	00021	CRR	324,146	-324,146	0		0.00	0.00
Total				324,146.00	-324,146	0.00	0.00	0.00	0.00
Sport & Recreation									
Sport equipment	5 4530	00071	CRR	200,426		200,426		0.00	0.00
Total				200,426.00	0	200,426.00	0.00	0.00	0.00
IT Services									
Network Infrastructure upgrade	5 5210	00171	CRR	3,744,000	-654,912	3,089,088	2,203,514.53	3,089,087.54	100.00
ICT Equipment	5 5210	00181	CRR	26,610		26,610		7,105.00	26.70
Total				3,770,610.00	-654,912	3,115,697.54	2,203,514.53	3,096,192.54	99.37
Transportation Services									
Integrated transport planning	5 6120	00211	PTIG	42,338,277		42,338,277		42,338,277.00	100.00
Total				42,338,277	0	42,338,277	0.00	42,338,277.00	100.00

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Description	Vote Number			Funding Source	Original Budget 2013/14	Roll over Budget 2013/14	Adjustments	Adjusted Budget	Jun-14	Total Expenditure	% Spent
Land use and Spatial planning											
Revision of the Town Planning Scheme	5	6120	00241	CRR		620,109		620,109		0.00	0.00
Township establishment ext 78	5	6120	00251	CRR		2,124,936		2,124,936		0.00	0.00
Sebayeng development framework plan	5	6120	00261	CRR		294,737		294,737		210,526.32	71.43
Mankweng development framework plan	5	6120	00271	CRR		109,211	-65,711	43,500		43,421.05	99.82
Total						3,148,993.00	-65,711	3,083,282.00	0.00	253,947.37	8.24
TOTAL EXPENDITURE ROLL OVER PROJECTS											
						204,610,277	-188,534	204,421,743	11,251,220.46	165,222,932.81	80.82
Funding Source											
Municipal Infrastructure Grant (MIG)						137,656,178	3,875,800	141,531,978	8,562,059.02	106,614,342.73	75.33
Integrated National Electrification Programme (INEP)						1,374,329	-1,374,329	0	0.00	0.00	0.00
Electricity Demand Side Management (EDSM)						0	0	0	0.00	0.00	
Public Transport Infrastructure System Grant (PTIG)						42,338,277	0	42,338,277	0.00	42,338,277.00	100.00
Neighbourhood Development Partnership Grant (NDPG)						0	0	0	0.00	0.00	
Extended Public Works Programme(EPWP)						0	0	0	0.00	0.00	
Department of Water Affairs(DWA)						0	0	0	429,952.65	0.00	
Total Grants						181,368,784	2,501,471	183,870,255	8,992,011.67	148,952,619.73	81.01
Capital Replacement Reserve (CRR)						23,241,493	-2,690,005	20,551,488	2,259,208.79	16,270,313.08	79.17
TOTAL						204,610,277	-188,534	204,421,743	11,251,220.46	165,222,932.81	80.82
TOTAL EXPENDITURE ALL PROJECTS											
						504,007,000				380,352,032.76	61.14
SUMMARY OF FUNDING											
Municipal Infrastructure Grant (MIG)					237,000,000	137,656,178	-37,546,700	337,109,478	55,752,788.66	215,079,374.08	63.80
Integrated National Electrification Programme (INEP)					35,000,000	1,374,329	-36,374,329	0	0.00	0.00	0.00
Electricity Demand Side Management (EDSM)					10,000,000	0	0	10,000,000	1,748,803.26	5,942,610.33	59.43
Public Transport Infrastructure System Grant (PTIG)					179,457,000	42,338,277	0	221,795,277	23,806,466.98	129,181,585.32	58.24
Neighbourhood Development Partnership Grant (NDPG)					7,750,000	0	-7,750,000	0	0.00	0.00	0.00
Extended Public Works Programme(EPWP)					0	0	0	0	0.00	0.00	0.00
Dept Environmental Affairs							7,500,000	7,500,000	2,335,860.39	5,571,999.07	74.29
Department of Water Affairs(DWA)					10,000,000	0	0	10,000,000	429,952.65	1,001,730.06	10.02
Total Grants					479,207,000	181,368,784	-74,171,029	586,404,755	84,073,871.94	356,777,298.86	60.84
Capital Replacement Reserve (CRR)					24,800,000	23,241,493	-12,333,893	35,707,600	4,141,254.96	23,574,733.90	66.02
TOTAL					504,007,000	204,610,277	-86,504,922	622,112,355	88,215,126.90	380,352,032.76	61.14

Annexure B: Polokwane Housing Agency

Supporting Table SC11 Monthly Budget Statement - summary of municipal entities – M12 June 2014

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Revenue By Municipal Entity</u>									
<i>Polokwane Housing Association</i>	10,393	12,308	10,518	875	9,543	9,642	(99)	-1%	10,518
Rental Income	5,300	4,900	6,700	1,800	6,700	6,142	558	9%	6,700
Operational grant from polokwane Municipality	2,365	–	–	–	–	–	–	–	–
Bad debt reversal	35	123	48	1	11	44	(33)	-76%	48
Other income							–		
Total Operating Revenue	18,094	17,331	17,267	2,676	16,254	15,828	426	3%	17,267
<u>Expenditure By Municipal Entity</u>									
Employee Related costs	3,003	3,846	3,916	273	2,729	3,590	(861)	-24%	3,916
Remuneration of Directors	1,209	1,350	1,227	179	927	1,125	(197)	-18%	1,227
Debt Impairment	3,586	60	3,500	–	–	3,208	(3,208)	-100%	3,500
Finance Charges	3,519	3,360	2,700	198	2,178	2,475	(297)	-12%	2,700
Other Expenditure	3,334	5,718	4,537	217	2,813	4,159	(1,346)	-32%	4,537
Total Operating Expenditure	14,651	14,334	15,880	867	8,647	14,557	(5,910)	-41%	15,880
Surplus/ (Deficit) for the yr/period	3,443	2,997	1,386	1,808	7,606	1,271	(5,484)	-431%	1,386
<u>Capital Expenditure By Municipal Entity</u>									
<i>Polokwane Housing Association</i>							–		
Property Plant and Equipment		88	123	–	33	113	(80)	-71%	123
Total Capital Expenditure	3,443	3,085	123	–	33	113	(80)	-71%	123