



EDEN DISTRICT MUNICIPALITY

FINANCIAL YEAR 2013 - 2014

MONTHLY FINANCIAL REPORT

31 MAY 2014

Table of Contents	
Glossary	3
Legislative Framework	5
PART 1 – IN YEAR REPORT	6
Section 1 – Resolutions	6
Section 2 – Executive summary	6
Section 3 – In-year budget statement tables	7
PART 2 SUPPORTING DOCUMENTATION	19
Section 4 – Debtor’s analysis	19
Section 5 – Creditors analysis	20
Section 6 – Investment portfolio analysis	21
Section 7 – Allocation and grant receipts and expenditure	22
Section 8 – Expenditure on councillor and staff related expenditure	24
Section 9 – Municipal Manager’s quality certification	25

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.

Allocations – Money received from Provincial or National Government or other municipalities.

Budget – The financial plan of the Municipality.

Budget related policy – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

Capital expenditure - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

Cash flow statement – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

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

Equitable share – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

Fruitless and wasteful expenditure – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

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

GRAP – Generally Recognised Accounting Practice. The new 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 April 2009

MFMA – The Municipal Finance Management Act – No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

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

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

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. A detailed plan comprising quarterly performance targets and monthly budget estimates.

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.

Unauthorised expenditure – Generally, spending without, or in excess of, an approved budget.

Virement – A transfer of budget.

Virement policy - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

Vote – One of the main segments into which a budget. In Eden District this means the different GFS classification the budget is divided.

Legislative Framework

This report has been prepared in terms of the following enabling legislation.

The Municipal Finance Management Act – No. 56 of 2003

Section 71: Monthly budget statements

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

PART 1 – IN-YEAR REPORT

SECTION 1 – RESOLUTIONS

SECTION 71 Monthly budget statements

These are the resolutions being presented to Council in the Monthly report on the implementation of the budget and the financial state of affairs of the municipality as required in terms of section 71 of the Municipal Finance Management Act 56 of 2003

RECOMMENDATION:

That Council notes the monthly report and any other supporting documentation on the implementation of the budget and the financial affairs for the month ending 31 May 2014.

Section 2 – Executive Summary

2.1 Introduction

These figures are presented in terms of section 71 of the MFMA. The information is presented for month of 31 May 2014 year to date.

2.2 Consolidated performance

2.2.1 Against annual budget (original)

Revenue by source

Operating performance for the year to date ending 31 May 2014 totals R175,053,044 for Revenue performance. This is in line with projected budget in terms of Eden Revenue component.

Operating Expenditure by type

Spending year to date totals R133,545,866 or 77% of the Eden Operational expenditure budget. This is in line with projections and these projections is enhance with the recording of non-cash items like depreciation on a more regular basis.

Capital Expenditure

The capital project Regional Landfill Site will not be complete within the current financial year. This project was transferred to the next financial year for completion. This project is in the contract management phase.

2.3 Material variances from SDBIP

The municipality adjusted its SDBIP during the January budget process. These adjustments has been finalised on the IGNITE system and reporting thereof is currently underway.

2.4 Remedial or corrective steps

No remedial or corrective steps implement to correct any material variances and differences.

2.6 Conclusion

Detailed analysis of the municipal performance for the year ending 31 May 2014 will be presented under the different sections of the report.

Section 3 – In-year budget statement tables

3.1 Monthly budget statements

3.1.1 Table C1: s71 Monthly Budget Statement Summary

DC4 Eden - Table C1 Monthly Budget Statement Summary - M11 May

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									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	3 433	2 051	2 601	450	4 174	2 384	1 790	75%	2 601
Transfers recognised - operational	128 949	133 413	141 097	-	141 097	129 339	11 758	9%	141 097
Other own revenue	150 843	40 939	130 995	2 369	29 782	120 078	(90 296)	-75%	130 995
Total Revenue (excluding capital transfers and contributions)	283 224	176 402	274 692	2 819	175 053	251 801	(76 748)	-30%	274 692
Employee costs	91 463	91 952	143 624	6 777	78 465	131 656	(53 191)	-40%	143 624
Remuneration of Councillors	6 747	6 954	6 969	858	6 411	6 388	23	0%	6 969
Depreciation & asset impairment	5 041	8 136	8 136	1 244	6 824	7 458	(634)	-8%	8 136
Finance charges	743	585	485	-	224	444	(220)	-50%	485
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	11 274	3 744	3 744	572	9 506	3 432	6 074	-	3 744
Other expenditure	152 843	63 677	110 504	2 588	32 115	101 295	(69 181)	-68%	110 504
Total Expenditure	268 110	175 048	273 462	12 040	133 545	250 673	(117 129)	-47%	273 462
Surplus/(Deficit)	15 114	1 354	1 230	(9 221)	41 509	1 128	40 381	3580%	1 230
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	15 114	1 354	1 230	(9 221)	41 509	1 128	40 381	3580%	1 230
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	15 114	1 354	1 230	(9 221)	41 509	1 128	40 381	3580%	1 230
Capital expenditure & funds sources									
Capital expenditure	935	8 875	6 935	28	199	6 128	(5 929)	-97%	6 935
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	935	8 875	6 935	28	199	6 357	(6 158)	-97%	6 935
Total sources of capital funds	935	8 875	6 935	28	199	6 357	(6 158)	-97%	6 935
Financial position									
Total current assets	55 001	53 866	53 866	-	-	-	-	-	53 866
Total non current assets	662 404	629 283	629 283	-	-	-	-	-	629 283
Total current liabilities	47 625	45 243	45 243	-	-	-	-	-	45 243
Total non current liabilities	94 626	89 124	89 124	-	-	-	-	-	89 124
Community wealth/Equity	17 075	16 018	16 018	-	-	-	-	-	16 018
Cash flows									
Net cash from (used) operating	(10 771)	17 893	-	(9 221)	41 507	16 402	25 105	153%	14 911
Net cash from (used) investing	(935)	(8 875)	-	50 362	(2 109)	(8 135)	6 026	-74%	(8 875)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	(11 706)	34 911	-	-	45 103	34 160	10 944	32%	11 741
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	566	498	413	10 995	-	-	-	-	12 472
Creditors Age Analysis									
Total Creditors	2 195	-	-	-	-	-	-	-	2 195

DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M11 May

Description	Ref	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	1									
Revenue - Standard										
<i>Governance and administration</i>		277 393	171 640	169 497	2 242	169 284	157 337	11 947	8%	169 497
Executive and council		276 492	170 528	168 385	2 094	168 155	156 317	11 837	8%	168 385
Budget and treasury office		-	-	-	-	-	-	-		-
Corporate services		900	1 112	1 112	148	1 129	1 019	110	11%	1 112
<i>Community and public safety</i>		5 009	4 713	5 122	577	5 414	4 320	1 094	25%	5 122
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		4 878	4 553	4 962	561	5 243	4 174	1 070	26%	4 962
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		131	160	160	16	171	147	24	17%	160
<i>Economic and environmental services</i>		510	50	99 994	-	167	46	121	265%	99 994
Planning and development		21	-	-	-	4	-	4	#DIV/0!	-
Road transport		-	-	99 869	-	-	-	-		99 869
Environmental protection		488	50	125	-	163	46	117	256%	125
<i>Trading services</i>		312	-	80	-	188	-	188	#DIV/0!	80
Electricity		-	-	-	-	-	-	-		-
Water		-	-	-	-	-	-	-		-
Waste water management		-	-	-	-	-	-	-		-
Waste management		312	-	80	-	188	-	188	#DIV/0!	80
<i>Other</i>	4	-	-	-	-	-	-	-		-
Total Revenue - Standard	2	283 223	176 403	274 692	2 819	175 053	161 703	13 350	8%	274 692
Expenditure - Standard										
<i>Governance and administration</i>		198 365	92 559	89 550	6 667	70 791	84 845	(14 055)	-17%	89 550
Executive and council		159 117	44 270	44 470	2 440	28 779	40 581	(11 802)	-29%	44 470
Budget and treasury office		16 412	20 012	17 928	2 379	19 539	18 345	1 194	7%	17 928
Corporate services		22 836	28 276	27 152	1 848	22 473	25 920	(3 447)	-13%	27 152
<i>Community and public safety</i>		57 155	60 970	61 774	4 436	48 882	55 889	(7 007)	-13%	61 774
Community and social services		3 378	2 940	2 312	182	2 062	2 695	(633)	-23%	2 312
Sport and recreation		7 414	8 008	8 305	553	6 481	7 341	(860)	-12%	8 305
Public safety		23 508	25 608	27 553	1 866	18 930	23 474	(4 544)	-19%	27 553
Housing		-	-	-	-	-	-	-		-
Health		22 855	24 414	23 604	1 835	21 409	22 379	(970)	-4%	23 604
<i>Economic and environmental services</i>		10 372	18 506	117 747	825	10 770	16 964	(6 194)	-37%	117 747
Planning and development		6 728	7 092	8 456	485	5 028	6 501	(1 472)	-23%	8 456
Road transport		-	1 152	101 020	147	147	1 056	(908)	-86%	101 020
Environmental protection		3 644	10 263	8 272	192	5 594	9 408	(3 813)	-41%	8 272
<i>Trading services</i>		2 219	3 013	4 391	113	3 103	2 762	341	12%	4 391
Electricity		-	-	-	-	-	-	-		-
Water		66	505	2 074	18	1 659	463	1 196	258%	2 074
Waste water management		4	458	11	-	-	420	(420)	-100%	11
Waste management		2 148	2 049	2 305	95	1 444	1 879	(435)	-23%	2 305
<i>Other</i>		-	-	-	-	-	-	-		-
Total Expenditure - Standard	3	268 110	175 047	273 462	12 040	133 546	160 460	(26 914)	-17%	273 462
Surplus/ (Deficit) for the year		15 113	1 355	1 230	(9 221)	41 507	1 242	40 265	3241%	1 230

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

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

Operating Revenue:

Operating revenue totals R175,053,044 for the period ending 31 May 2014. This is due to the equitable share being received 100% at the end of April 2014. The municipality also budgeted during the adjustment budget process conservatively for income and performance on some of these items projections was outperformed in terms of the budget.

Operating Expenditure

Operating expenditure performance totals 77% of the Adjustment budget for the period ending 31 May 2014. A total of 64% of these expenditure is attributed to Employee related cost and councillor remuneration.

Depreciation is accounted for on a monthly basis from February 2014. Other non cash items e.g. provisions, valuations, etc is accounted for at year end (30 June 2014)

DC4 Eden - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description	Ref	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	1									
Vote 1 - EXECUTIVE AND COUNCIL		276 492	170 528	168 385	2 094	168 155	156 317	11 837	7.6%	168 385
Vote 2 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		900	1 112	1 112	148	1 129	1 019	110	10.8%	1 112
Vote 4 - PLANNING AND DEVELOPMENT		21	-	-	-	4	-	4	#DIV/0!	-
Vote 5 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-
Vote 6 - HEALTH		131	160	160	16	171	147	24	16.6%	160
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - SPORT & RECREATION		4 878	4 553	4 962	561	5 243	4 174	1 070	25.6%	4 962
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		312	-	80	-	188	-	188	#DIV/0!	80
Vote 11 - ROAD TRANSPORT		-	-	99 869	-	-	-	-	-	99 869
Vote 12 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 13 - WATER		-	-	-	-	-	-	-	-	-
Vote 14 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 15 - ENVIRONMENTAL MANAGEMENT		488	50	125	-	163	46	117	255.9%	125
Total Revenue by Vote	2	283 223	176 403	274 692	2 819	175 053	161 703	13 350	8.3%	274 692
Expenditure by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		159 117	44 270	44 470	2 440	28 779	40 581	(11 802)	-29.1%	44 470
Vote 2 - BUDGET AND TREASURY OFFICE		16 412	20 012	17 928	2 379	19 539	18 345	1 194	6.5%	17 928
Vote 3 - CORPORATE SERVICES		22 836	28 276	27 152	1 848	22 473	25 920	(3 447)	-13.3%	27 152
Vote 4 - PLANNING AND DEVELOPMENT		6 728	7 092	8 456	485	5 028	6 501	(1 472)	-22.7%	8 456
Vote 5 - PUBLIC SAFETY		23 508	25 608	27 553	1 866	18 930	23 474	(4 544)	-19.4%	27 553
Vote 6 - HEALTH		22 855	24 414	23 604	1 835	21 409	22 379	(970)	-4.3%	23 604
Vote 7 - COMMUNITY & SOCIAL SERVICES		3 378	2 940	2 312	182	2 062	2 695	(633)	-23.5%	2 312
Vote 8 - SPORT & RECREATION		7 414	8 008	8 305	553	6 481	7 341	(860)	-11.7%	8 305
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		2 148	2 049	2 303	95	1 444	1 879	(435)	-23.2%	2 303
Vote 11 - ROAD TRANSPORT		-	1 152	101 023	147	147	1 056	(908)	-86.0%	101 023
Vote 12 - WASTE WATER MANAGEMENT		4	458	11	-	-	420	(420)	-100.0%	11
Vote 13 - WATER		66	505	2 074	18	1 659	463	1 196	258.4%	2 074
Vote 14 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 15 - ENVIRONMENTAL MANAGEMENT		3 644	10 263	8 272	192	5 594	9 408	(3 813)	-40.5%	8 272
Total Expenditure by Vote	2	268 110	175 047	273 463	12 040	133 546	160 460	(26 914)	-16.8%	273 463
Surplus/ (Deficit) for the year	2	15 113	1 355	1 230	(9 221)	41 507	1 242	40 265	3240.9%	1 230

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

Revenue and expenditure reflects the operating performance per municipal vote. This is in accordance with the Government Financial Statistics (GFS) classification of the National Treasury.

Eden reported most of its income under the Executive and Council function. This reflects the total income for the period ending 31 May 2014 of R175,053,044.

The municipality is in the process of discussing the allocation of non-core functions expenditure to the core functions. This will ensure that better costing of the functions can be performed. This will also be used to provide National Treasury with a more true and accurate reflection of the mandated functions and will hopefully influence the Equitable share allocation to the municipality.

Municipal expenditure is split into different functions:

- Core Functions
 - Planning and Development
 - Public Safety
 - Health Service
 - Waste Management
 - Road Transport
 - Waste Water Management
 - Environmental Management
- Support Services – non core functions:
 - Budget and Treasury Office
 - Corporate Services
- Non – core functions:
 - Social Services

DC4 Eden - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

Description	Ref	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 Source										
Property rates								-		
Property rates - penalties & collection charges								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Service charges - other								-		
Rental of facilities and equipment		1 775	1 889	1 248	49	1 274	1 144	130	11%	1 248
Interest earned - external investments		3 433	2 051	2 601	450	4 174	2 384	1 790	75%	2 601
Interest earned - outstanding debtors								-		-
Dividends received								-		-
Fines								-		-
Licences and permits								-		-
Agency services		14 148	13 780	11 280	1 010	12 344	10 340	2 004	19%	11 280
Transfers recognised - operational		128 949	133 413	141 097		141 097	129 339	11 758	9%	141 097
Other revenue		134 786	17 270	118 468	1 310	16 164	108 595	(92 431)	-85%	118 468
Gains on disposal of PPE		134	8 000				-	-		-
Total Revenue (excluding capital transfers and contributions)		283 224	176 402	274 692	2 819	175 053	251 801	(76 748)	-30%	274 692
Expenditure By Type										
Employee related costs		91 463	91 952	143 624	6 777	78 465	131 656	(53 191)	-40%	143 624
Remuneration of councillors		6 747	6 954	6 969	858	6 411	6 388	23	0%	6 969
Debt impairment		2 043	650	650			596	(596)	-100%	650
Depreciation & asset impairment		5 041	8 136	8 136	1 244	6 824	7 458	(634)	-8%	8 136
Finance charges		743	585	485		224	444	(220)	-50%	485
Bulk purchases								-		-
Other materials								-		-
Contracted services		6 385	11 330	11 436	471	8 029	10 483	(2 454)	-23%	11 436
Transfers and grants		11 274	3 744	3 744	572	9 506	3 432	6 074	177%	3 744
Other expenditure		144 024	51 697	98 418	2 118	24 085	90 216	(66 131)	-73%	98 418
Loss on disposal of PPE		391						-		-
Total Expenditure		268 110	175 048	273 462	12 040	133 545	250 673	(117 129)	-47%	273 462
Surplus/(Deficit)										
Transfers recognised - capital								-		-
Contributions recognised - capital								-		-
Contributed assets								-		-
Surplus/(Deficit) after capital transfers & contributions		15 114	1 354	1 230	(9 221)	41 509	1 128			1 230
Taxation								-		-
Surplus/(Deficit) after taxation		15 114	1 354	1 230	(9 221)	41 509	1 128			1 230
Attributable to minorities										-
Surplus/(Deficit) attributable to municipality		15 114	1 354	1 230	(9 221)	41 509	1 128			1 230
Share of surplus/ (deficit) of associate										-
Surplus/ (Deficit) for the year		15 114	1 354	1 230	(9 221)	41 509	1 128			1 230

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

Revenue by Source

Revenue by sources explains the types of incomes budgeted for and the performance of their items individually.

Rental of facilities and equipment:

Rental of facilities and equipment for the period ending 31 May 2014 totals R1.274m. The rental income of this income centre needs more interrogation and dissection in order to ensure that correct income allocations is reported on this item. Currently the majority of the income is income receivable from the resorts and rentals of properties. A property task team and resort task team has been established to drive this process.

Interest earned – External Investments:

The municipal practice is to invest all access cash on a month to month basis with interest not capitalised. This has resulted in the municipality comprehensively outperforming projected income. This is a good indication that measures implemented to limit expenditure is working and reflects in the better than budgeted performance of interest income. Interest from investments were budgeted conservatively.

Transferred recognised – operational

RSC replacement grant is the National Treasury allocation to the district to finance its operational activities during the financial year. The municipality was allocated an amount of R129, 669,000. The municipality received 100% of its projected allocation. Other grant reflected in this amount is the Municipal Disaster grant that was allocated to assist the local municipalities with disaster recovery expenditure incurred in terms of the flood damages of previous years.

Other revenue / Sundry income

The municipality needs to ensure identification of additional revenue sources in order to maximise the opportunities to create additional income and revenue streams. Included is revenue related to SLA's agreements with respective municipalities, as well as SLA's and MOU's implemented.

Gains on disposal of PPE (Sale of Land)

No income was recorded under the Gains on disposal of PPE. The municipality is in the process of investigating the sale of land. The established property task team is busy with the ongoing process.

Expenditure by Type

Expenditure by type reflects the operational budget per main type/category of expenditure.

Employee Related cost / Remuneration of councillors

Totals employee related cost year to date ending 31 May are R78,464m. This is a total of 87% of budgeted salary expenditure. See more detail under section 8 and is in line with projections.

Debt Impairment / Depreciation and asset impairment

These items account for non-cash budgeted items. Since February the municipality accounted for depreciation on a monthly basis. Year to date equals R6,823,981 or 84% of budgeted figures.

Finance charges

Loan repayments are processed in March and September yearly. A separate report is tabled to council in terms of Section 46 of the MFMA. No new loans have been taken up for the 2013/2014 financial year. It is envisioned that no additional loans will be taken up for the coming financial year 2014/2015.

Contracted services

Contracted services totals 73% of budgeted amount of R10,930m. With one month left of the financial year the projection is that spending will be within a 10% variance from budgeted amounts. The majority of the spending of contracted services is on the Core item functions e.g. fire fighting contract workers appointed. Consultants and other comprehensive contracts are included under the contracted services items respectively, but this is the minority of this expenditure.

Other expenditure

Other expenditure reflects all other expenses not identified specifically. The spending on other expenditure is below par, this is due to the non-cash items that's only accounted for in June 2014 with the compilation of financial statements e.g. actuarial valuation of post-retirement benefits, other provisions, etc. and general cost saving measures implemented.

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

DC4 Eden - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M11 May										
Vote Description	Ref	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	1									
Multi-Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		300	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		340	225	485	(0)	148	445	(297)	-67%	485
Vote 4 - PLANNING AND DEVELOPMENT		-	-	250	28	51	-	51	#DIV/0!	250
Vote 5 - PUBLIC SAFETY		-	400	400	-	-	367	(367)	-100%	400
Vote 6 - HEALTH		-	-	-	-	-	-	-	-	-
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - SPORT & RECREATION		295	250	-	-	-	-	-	-	-
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	8 000	5 800	-	-	5 317	(5 317)	-100%	5 800
Vote 11 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-
Vote 12 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 13 - WATER		-	-	-	-	-	-	-	-	-
Vote 14 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 15 - ENVIRONMENTAL MANAGEMENT		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	935	8 875	6 935	28	199	6 128	(5 929)	-97%	6 935
Single Year expenditure appropriation	2									
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 5 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-
Vote 6 - HEALTH		-	-	-	-	-	-	-	-	-
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - SPORT & RECREATION		-	-	-	-	-	-	-	-	-
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 11 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-
Vote 12 - WASTE WATER MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 13 - WATER		-	-	-	-	-	-	-	-	-
Vote 14 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 15 - ENVIRONMENTAL MANAGEMENT		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		935	8 875	6 935	28	199	6 128	(5 929)	-97%	6 935

Variations explained in Supporting Table C5

The major project Regional Landfill site will not be completed by the 30th of June 2014, the financial year end. The reason for this is the delay in the legal process to transfer the properties in the name of Eden which will enable to payment for the transferring party in the transaction. Currently this project is in the contract management phase.

The municipality included this project in the new Approved Budget for the 2014/2015 financial year that was approved by council during May 2014.

The other capital projects will be spend by 30 June with the completion of the Fire Fighting Vehicle purchased in June 2014.

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M10 April						
Description	Ref	2012/13	Budget Year 2013/14			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		27 145	25 788	25 788		25 788
Call investment deposits		30 000	30 000	30 000		30 000
Consumer debtors		(20 200)	(19 190)	(19 190)		(19 190)
Other debtors		12 352	11 734	11 734		11 734
Current portion of long-term receivables		2 298	2 298	2 298		2 298
Inventory		3 406	3 236	3 236		3 236
Total current assets		55 001	53 866	53 866	-	53 866
Non current assets						
Long-term receivables		35 111	33 355	33 355		33 355
Investments				-		
Investment property		354 027	336 326	336 326		336 326
Investments in Associate				-		
Property, plant and equipment		177 192	168 332	168 332		168 332
Agricultural				-		
Biological assets				-		
Intangible assets		3 358	3 190	3 190		3 190
Other non-current assets		92 716	88 080	88 080		88 080
Total non current assets		662 404	629 283	629 283	-	629 283
TOTAL ASSETS		717 405	683 149	683 149	-	683 149
LIABILITIES						
Current liabilities						
Bank overdraft				-		
Borrowing		537	510	510		510
Consumer deposits				-		
Trade and other payables		29 977	28 478	28 478		28 478
Provisions		17 111	16 255	16 255		16 255
Total current liabilities		47 625	45 243	45 243	-	45 243
Non current liabilities						
Borrowing		2 856	1 942	1 942		1 942
Provisions		91 770	87 182	87 182		87 182
Total non current liabilities		94 626	89 124	89 124	-	89 124
TOTAL LIABILITIES		142 251	134 367	134 367	-	134 367
NET ASSETS	2	575 154	548 782	548 782	-	548 782
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		1 640	1 355	1 355		1 355
Reserves		15 435	14 663	14 663		14 663
TOTAL COMMUNITY WEALTH/EQUITY	2	17 075	16 018	16 018	-	16 018

Table C6 reflects the effect of the combination of the capital and operating implementation of the budget on council's Financial Position. Currently the municipality is unable to report on these effects to date due to a number of reasons. The challenges with the financial system to report on Depreciation and Asset Impairment on a more regular basis and the integration of various components all contributes to this non-reporting. From February 2014 depreciation is reported monthly.

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Eden - Table C7 Monthly Budget Statement - Cash Flow - M11 May										
Description	Ref	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										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		500	33 249		2 369	29 782	30 478	(696)	-2%	27 708
Government - operating		1 500	133 413			141 097	122 295	18 802	15%	111 178
Government - capital							-	-		
Interest		2 350	2 051		450	4 174	1 880	2 294	122%	1 709
Dividends								-		
Payments										
Suppliers and employees		(9 479)	(146 091)		(11 452)	(121 603)	(133 917)	(12 314)	9%	(121 743)
Finance charges		(750)	(985)			(224)	(903)	(679)	75%	(821)
Transfers and Grants		(4 892)	(3 744)		(588)	(11 719)	(3 432)	8 287	-241%	(3 120)
NET CASH FROM/(USED) OPERATING ACTIVITIES		(10 771)	17 893	-	(9 221)	41 507	16 402	25 105	153%	14 911
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE			(8 000)				(7 333)	7 333	-100%	(8 000)
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments					50 390	(1 910)		(1 910)	#DIV/0!	
Payments										
Capital assets		(935)	(875)		(28)	(199)	(802)	(603)	75%	(875)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(935)	(8 875)	-	50 362	(2 109)	(8 135)	(6 026)	74%	(8 875)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing								-		
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(11 706)	9 018	-	41 141	39 398	8 267			6 036
Cash/cash equivalents at beginning:			25 893			5 705	25 893			5 705
Cash/cash equivalents at month/year end:		(11 706)	34 911	-		45 103	34 160			11 741

The cash flow performance of the municipality reflects a positive picture in the sense that council possess enough funds to operate over the short term and settle their short term obligations if required.

The INCA report, the long term financial report that was compiled to assist council in their financial planning needs to be investigated and analysed to ensure that this information will assist council in strengthening is financial situation and action plans need to be compiled and implemented.

The bank reconciliations are compiled regularly and are up to date and this should also assist council in bettering the financial position.

As explained earlier in the report the policy of council is to invest access cash not immediately required in the operations on short term investments – 32 day investments.

More information regarding this is reported under section 6 below.

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May								
Description	NT Code	Budget Year 2013/14					Total	Total over 90 days
		0-30 Days	31-60 Days	61-90 Days	91-120 Days			
R thousands								
Debtors Age Analysis By Income Source								
Trade and Other Receivables from Exchange Transactions - Water	1200						-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300						-	-
Receivables from Non-exchange Transactions - Property Rates	1400						-	-
Receivables from Exchange Transactions - Waste Water Management	1500						-	-
Receivables from Exchange Transactions - Waste Management	1600						-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	55	119	46	154		374	154
Interest on Arrear Debtor Accounts	1810						-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820						-	-
Other	1900	510	379	367	10,841		12,098	10,841
Total By Income Source	2000	566	498	413	10,995		12,472	10,995
2012/13 - totals only							-	-
Debtors Age Analysis By Customer Group								
Organs of State	2200						-	-
Commercial	2300						-	-
Households	2400	59	51	44	772		926	772
Other	2500	507	447	369	10,223		11,546	10,223
Total By Customer Group	2600	566	498	413	10,995		12,472	10,995

For the period ending 31 May 2014 outstanding debtors amounted to R12,472,000.

With the implementation of the municipal credit activities, the final letter of demand that was sent to the outstanding debtors, responses were received from numerous debtors. Numerous inquiries were received in terms of outstanding debtors that want to settle accounts and a few debtors actually settle long outstanding accounts due to the municipality.

A large part of the outstanding debtor balance is however outstanding longer than 3 years and a report needs to be compiled by the income section to management and council to require the written off of these long outstanding balances. This should be done in conjunction with the legal department and as soon as this process is finalised the administration will be able to concentrate on the good debt and implement measures in the collection.

Finance department need to spearhead this process to ensure that the municipality improves their debt collection activities. The ability to collect outstanding debt will ultimately improve the municipal liquidity position over the short and long-term.

Currently there is only one staff member allocated in the debtor section. With the revised microstructure an additional position has been allocated to the debtor section that will be responsible for the execution of debt management processes.

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May										
Description	NT Code	Budget Year 2013/14								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300	1,130								1,130
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500	1,063								1,063
Loan repayments	0600									-
Trade Creditors	0700									-
Auditor General	0800	2								2
Other	0900									-
Total By Customer Type	1000	2,195	-	-	-	-	-	-	-	2,195

The Creditors analysis is the reflection of outstanding creditors not paid. Due to lack of an integrated financial System there is an element for adjustments to be in order to provide an accurate account of the state of council's affairs. This is being addressed and we hope to implement measures soon in future to ensure that reporting to council is improved.

Council adheres to the MFMA requirement of paying creditors within 30 days of invoice or statement date where applicable.

The finance department is dependent on the other departments to submit the supporting documentation timeously to ensure payment is within the prescribed 30 days.

Section 6 – Investment portfolio analysis

	Balance as at 01 May 2014	Movements for the month		Balance as at 31 May 2014	Interest earned	
		Investments matured	Investments made		Month	Year to date
<i>Eden district municipality</i>						
<i>Interest Received YTD</i>				-		2 112 621.95
<i>Standard Bank</i>	-12 500 000.00	12 500 000.00		-	98 030.82	98 030.82
<i>FNB</i>	-12 500 000.00	12 500 000.00		-	94 863.63	94 863.63
<i>ABSA</i>	-12 500 000.00	12 500 000.00		-	95 890.41	95 890.41
<i>Nedbank</i>	-12 500 000.00	12 500 000.00		-	101 027.40	101 027.40
				-		-
BANK DEPOSITS	-50 000 000.00	50 000 000.00	-	-	389 812.26	2 502 434.21

6.1 Investment monitoring information

The municipality made various investments during the month of April and May. Investment revenues are currently outperforming finance projections for the financial year.

This is due to the non-cash effect on the operational budget of council, the RSC levy Equitable share is also received in lump sum and this investments as funds are not needed for operational requirements, excess funds are available for investments.

Section 7 – Allocation and grant receipts and expenditure

7.1 Supporting Table C6

DC4 Eden - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May										
Description	Ref	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										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		128 919	132 809	139 393	–	139 393	127 777	10 806	8.5%	139 393
Local Government Equitable Share		125 669	129 669	129 669		129 669	118 863	10 806	9.1%	129 669
Finance Management		1 250	1 250	1 250		1 250	1 146			1 250
Municipal Systems Improvement		1 000	890	890		890	816			890
EPWP Incentive		1 000	1 000	1 000		1 000	917			1 000
Municipal Disaster Recovery Grant				6 584		6 584	6 035			6 584
	3							–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
Provincial Government:		–	604	1 704	–	1 704	1 420	259	18.2%	1 704
Integrated Transport Planning - PT			604	604		604	503	101	20.0%	604
Nelson Mandela Memorial				150		150	125			150
WC FMG Assistance				550		550	458	92	20.0%	550
WC Support - Provincial Treasury				400		400	333	67	20.0%	400
	4							–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		–
								–		–
								–		–
								–		–
Total Operating Transfers and Grants	5	128 919	133 413	141 097	–	141 097	129 197	11 065	8.6%	141 097

The report reflects the allocation of grant received as legislated in the yearly Division of Revenue Act.

Currently the municipality received funds in terms of the following grants:

- RSC Replacement levy EQS (*Equitable Share*)
- Finance Management grant (*FMG*)
- Municipal Systems Improvement Grant (*MSIG*)
- Expanded Public Works Program (*EPWP*)
- Integration Transport Grant
- Nelson Mandela Memorial allocation
- Disaster Recovery grant – B municipalities
- WC Financial Management Grant assistance (*WCFMG*)

7.2 Supporting Table C7

DC4 Eden - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May										
Description	Ref	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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		128 949	132 809	139 393	425	9 536	127 777	(118 241)	-92.5%	139 393
Local Government Equitable Share		125 699	129 669	129 669			118 863	(118 863)	-100.0%	129 669
Finance Management		1 250	1 250	1 250	(30)	1 160	1 146	14	1.3%	1 250
Municipal Systems Improvement		1 000	890	890	426	896	816	80	9.9%	890
EPWP Incentive		1 000	1 000	1 000	28	896	917	(21)	-2.3%	1 000
Municipal Disaster Recovery Grant				6 584		6 584	6 035	549	9.1%	6 584
Other transfers and grants [insert description]								-		-
Provincial Government:		-	604	1 704	147	302	1 562	(1 260)	-80.6%	1 704
Intergrated Transport Planning - PT			604	604	147	147	554	(406)	-73.4%	604
WC FMG Assistance			-	150		155	138	17	12.6%	150
WC Support - Provincial Treasury			-	550			504	(504)	-100.0%	550
Other transfers and grants [insert description]			-	400			367	(367)	-100.0%	400
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
								-		
Total operating expenditure of Transfers and Grants:		128 949	133 413	141 097	572	9 838	129 339	(119 500)	-92.4%	141 097

This report reflects the operational expenditure on these grants. The municipality also reports on these grants individually to National and Provincial Treasury.

Performance reporting needs to be implemented to ensure that council adheres to the Division of Revenue act provisions. Finance is in the process of enhancing the monthly Finance Management Report to enable this and include all DORA related grants with specific emphasis on the performance component to address this shortcoming.

Section 8 – Expenditure on councillor and board members allowances and employee benefits

Supporting Table C8

DC4 Eden - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May										
Summary of Employee and Councillor remuneration	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 691	5 199	5 199	594	4 595	4 766	(171)	-4%	5 199
Pension and UIF Contributions		116	107	107	10	108	98	10	10%	107
Medical Aid Contributions		30	107	107	22	148	98	50	51%	107
Motor Vehicle Allowance		526	1 223	1 223	151	1 267	1 121	146	13%	1 223
Cellphone Allowance		508	267	282	82	292	245	48	19%	282
Housing Allowances								-		-
Other benefits and allowances			50	50			46	(4)	-100%	50
Sub Total - Councillors		6 871	6 953	6 969	858	6 411	6 374	37	1%	6 969
% increase	4		1.2%	1.4%						1.4%
Senior Managers of the Municipality										
Basic Salaries and Wages		2 275	3 266	3 266	248	2 741	2 994	(253)	-8%	3 266
Pension and UIF Contributions		251	417	417	41	427	382	45	12%	417
Medical Aid Contributions			61	61	4	38	56	(18)	-32%	61
Overtime								-		-
Performance Bonus			325	360		287	298	(11)	-4%	360
Motor Vehicle Allowance		247	369	369	39	432	338	93	28%	369
Cellphone Allowance			12	12	1	11	11	-		12
Housing Allowances		84	84	84	7	77	77	-		84
Other benefits and allowances								-		-
Payments in lieu of leave								-		-
Long service awards								-		-
Post-retirement benefit obligations								-		-
Sub Total - Senior Managers of Municipality		2 857	4 534	4 569	340	4 013	4 156	(143)	-3%	4 569
% increase	4		58.7%	59.9%						59.9%
Other Municipal Staff										
Basic Salaries and Wages		56 228	55 250	51 359	4 192	46 638	50 646	(4 008)	-8%	51 359
Pension and UIF Contributions		10 819	11 424	11 554	853	9 479	10 472	(993)	-9%	11 554
Medical Aid Contributions		6 861	8 150	8 786	611	6 453	7 471	(1 018)	-14%	8 786
Overtime		1 299	1 027	1 080	105	762	941	(179)	-19%	1 080
Performance Bonus		181	35				32	(32)	-100%	-
Motor Vehicle Allowance		7 063	5 863	6 624	589	6 363	5 374	988	18%	6 624
Cellphone Allowance		155	119	133			109	(109)	-100%	133
Housing Allowances		617	516	411	43	414	473	(59)	-13%	411
Other benefits and allowances		715	692	2 167	44	536	634	(99)	-16%	2 167
Payments in lieu of leave		4 071	4 342	3 712		3 807	3 980	(173)	-4%	3 712
Long service awards								-		-
Post-retirement benefit obligations								-		-
Sub Total - Other Municipal Staff		88 009	87 418	85 827	6 437	74 452	80 133	(5 681)	-7%	85 827
% increase	4		-0.7%	-2.5%						-2.5%
Total Parent Municipality		97 737	98 905	97 365	7 635	84 875	90 663	(5 788)	-6%	97 365

The municipality adjusted the Salary budget from R87m to R85m with the adjustment budget process. This is mainly due to the non-filling of vacancies budgeted during the Original budget cycle and the adjustment of these budgeted vacancies for the Adjustment budget process.

Various vacancies that were budgeted during the adjustment budget process haven't been filled to date. This is impacting the spending of the salary budget and projection indicates that the municipality will not spend within the 10% banned for salary related expense for the financial year.

Salary related expenditure accounts for 64% of the total expense for the year to date May 2014.

Section 9 – Municipal manager’s quality certification

NAAM/E:
ENIGERS: S Stanley

KONTAKNR/
CONTACT NO: 044 803 1343

VERW
REF: 6/18/7/2013-2014

KANTOOR
OFFICE: George

DATUM
DATE: 09 June 2014



QUALITY CERTIFICATE

I, **G W LOUW** the accounting officer / chief financial officer of **EDEN DISTRICT MUNICIPALITY DC4** (name of municipality), hereby certify that –

(mark as appropriate)

- The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid- year budget and performance assessment

For the month of **MAY** (month/year) has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Print name ----- G.W Louw -----

Accounting Officer / Chief Financial Officer of **EDEN DISTRICT MUNICIPALITY DC4**
(name and demarcation of municipality)

Signature ----- [Signature] -----

Date ----- 12/06/14 -----