



EDEN DISTRICT MUNICIPALITY

FINANCIAL YEAR 2014 - 2015

MONTHLY FINANCIAL REPORT

30 JUNE 2015

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Glossary

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

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, Act 56 of 2003.

RECOMMENDATION:

That council takes notes of the monthly report for the period 30 June 2015.

Section 2 – Executive Summary

2.1 Introduction

These figures are presented in terms of section 71 of the MFMA. The information is presented for the month and year to date ending 30 June 2015.

2.2 Consolidated performance

2.2.1 Against annual budget (original)

Revenue by source

With the end of the financial year 30 June 2015 the municipality records a preliminary revenue performance of R203,911,997 against a budget of **R212,894,368** own funded projections. This represents a 95.8% recording of income.

Operating Expenditure by type

Year to date performance for the financial year totals R170,084,372 against a projected budget of **R209,275,866**. It should be noted that this figures represents preliminary results. With numerous year end procedures and processes that are required at the end of 30 June 2015, changes to the preliminary amounts will be reported as required by legislation.

More details in the rest of the report.

Capital Expenditure

The capital spending for the period ending 30 June 2015 totals R8,164,630 This represents a total of 87% of the capital budget for the financial year.

2.3 Material variances from SDBIP

Variances and deficiencies will be explained in terms of the SDBIP will be reported by the Performance management unit, situated in the Office of the Municipal Manager.

2.4 Remedial or corrective steps

Remedial actions and corrections will be instituted and changes done by the Performance management unit.

2.5 Conclusion

This report represents the end of the financial year 30 June 2015.

The municipality implemented various cost saving measured and other activities to ensure the municipal budget is implemented according to the mandate of council.

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 - M12 June									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	2 601	4 500	4 750	786	7 150	4 750	2 400	51%	4 750
Transfers recognised - operational	141 197	170 060	168 993	-	168 427	168 993	(566)	-0%	168 993
Other own revenue	131 931	134 257	155 441	3 622	28 336	155 441	(127 105)	-82%	155 441
Total Revenue (excluding capital transfers and contributions)	275 728	308 817	329 184	4 408	203 912	329 184	(125 272)	-38%	329 184
Employee costs	146 056	95 117	94 315	7 195	90 317	94 315	(3 999)	-4%	94 315
Remuneration of Councillors	6 969	7 705	7 723	647	7 413	7 723	(311)	-4%	7 723
Depreciation & asset impairment	8 136	8 322	6 800	331	3 723	6 800	(3 077)	-45%	6 800
Finance charges	485	530	830	-	138	830	(692)	-83%	830
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	4 244	36 253	35 396	1 198	32 354	35 396	(3 042)	-9%	35 396
Other expenditure	107 893	158 385	180 501	4 772	36 140	180 501	(144 361)	-80%	180 501
Total Expenditure	273 782	306 313	325 566	14 143	170 084	325 566	(155 481)	-48%	325 566
Surplus/(Deficit)	1 947	2 504	3 618	(9 735)	33 828	3 618	30 210	835%	3 618
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	1 947	2 504	3 618	(9 735)	33 828	3 618	30 210	835%	3 618
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	1 947	2 504	3 618	(9 735)	33 828	3 618	30 210	835%	3 618
Capital expenditure & funds sources									
Capital expenditure	6 935	8 300	9 414	1 692	8 165	9 414	(1 249)	-13%	9 414
Capital transfers recognised	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	6 935	8 300	9 414	1 692	8 165	9 414	(1 249)	-13%	9 414
Total sources of capital funds	6 935	8 300	9 414	1 692	8 165	9 414	(1 249)	-13%	9 414
Financial position									
Total current assets	105 078	113 384	105 078	-	172 834	-	-	-	113 384
Total non current assets	515 890	532 282	515 890	-	514 184	-	-	-	532 282
Total current liabilities	52 701	67 533	52 701	-	61 215	-	-	-	67 533
Total non current liabilities	114 974	117 570	114 974	-	114 974	-	-	-	117 570
Community wealth/Equity	453 293	460 563	453 293	-	510 829	-	-	-	460 563
Cash flows									
Net cash from (used) operating	20 820	9 020	(30 251)	(9 586)	33 977	(30 251)	(64 228)	212%	(30 251)
Net cash from (used) investing	1 399	(5 766)	(6 880)	16 829	(43 802)	-	43 802	#DIV/0!	2 534
Net cash from (used) financing	(622)	(650)	(650)	-	-	-	-	-	(650)
Cash/cash equivalents at the month/year end	94 581	97 186	59 405	-	103 680	66 935	(36 745)	-55%	85 138
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	624	1 293	53	7 626	-	-	-	-	9 597
Creditors Age Analysis									
Total Creditors	2 289	-	-	-	-	-	-	-	2 289

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

DC4 Eden - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M12 June										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		170 532	196 577	205 505	3 848	197 181	205 505	(8 323)	-4%	205 505
Executive and council		169 420	195 274	204 202	3 848	196 160	204 202	(8 042)	-4%	204 202
Budget and treasury office		-	-	-	-	-	-	-	-	-
Corporate services		1 112	1 302	1 302	-	1 021	1 302	(281)	-22%	1 302
<i>Community and public safety</i>		5 122	6 024	6 036	433	5 835	6 036	(201)	-3%	6 036
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		4 962	5 855	5 867	415	5 620	5 867	(247)	-4%	5 867
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		160	169	169	18	215	169	46	27%	169
<i>Economic and environmental services</i>		99 994	106 132	116 522	127	167	116 522	(116 355)	-100%	116 522
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		99 869	106 000	116 290	-	-	116 290	(116 290)	-100%	116 290
Environmental protection		125	132	232	127	167	232	(65)	-28%	232
<i>Trading services</i>		80	84	1 122	-	730	1 122	(392)	-35%	1 122
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		80	84	1 122	-	730	1 122	(392)	-35%	1 122
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	275 728	308 817	329 184	4 408	203 912	329 184	(125 272)	-38%	329 184
Expenditure - Standard										
<i>Governance and administration</i>		90 585	117 701	128 040	6 660	96 785	128 040	(31 255)	-24%	128 040
Executive and council		47 138	63 639	74 322	2 425	50 766	74 322	(23 557)	-32%	74 322
Budget and treasury office		16 295	24 699	22 999	1 992	18 785	22 999	(4 214)	-18%	22 999
Corporate services		27 152	29 363	30 719	2 243	27 234	30 719	(3 485)	-11%	30 719
<i>Community and public safety</i>		61 059	65 305	64 409	6 110	59 715	64 409	(4 694)	-7%	64 409
Community and social services		2 312	2 918	-	-	-	-	-	-	-
Sport and recreation		8 305	9 743	10 093	914	9 428	10 093	(665)	-7%	10 093
Public safety		26 839	25 179	23 534	2 556	21 584	23 534	(1 950)	-8%	23 534
Housing		-	-	-	-	-	-	-	-	-
Health		23 604	27 465	30 782	2 639	28 703	30 782	(2 080)	-7%	30 782
<i>Economic and environmental services</i>		117 747	118 237	126 746	847	8 465	126 746	(118 281)	-93%	126 746
Planning and development		8 456	6 909	7 351	684	6 677	7 351	(673)	-9%	7 351
Road transport		101 020	108 891	117 331	-	2	117 331	(117 329)	-100%	117 331
Environmental protection		8 272	2 436	2 065	163	1 785	2 065	(280)	-14%	2 065
<i>Trading services</i>		4 391	5 070	6 370	527	5 119	6 370	(1 251)	-20%	6 370
Electricity		-	-	-	-	-	-	-	-	-
Water		2 074	3 708	3 023	343	2 694	3 023	(329)	-11%	3 023
Waste water management		11	-	-	-	-	-	-	-	-
Waste management		2 305	1 362	3 347	184	2 425	3 347	(922)	-28%	3 347
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	273 782	306 313	325 566	14 143	170 084	325 566	(155 481)	-48%	325 566
Surplus/ (Deficit) for the year		1 945	2 504	3 619	(9 735)	33 828	3 619	30 209	835%	3 619

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:

Operational performance for the revenue budget totals R203,911,997 for the period ending 30 June 2015. Based on a Eden budget of R212,894,368 this represents 95.8% of budgeted revenues. The main contributor towards this revenue performance is the Equitable Share allocation that represents 66% of the municipal revenues.

Operating Expenditure

Spending of 81% is recorded for the year ended 30 June 2015. Spending consist most of the municipal operational activities and no spending for year-end transactions to date are recorded.

The spending of transactions related to provisions and contributions can only be processed at year end with the compilation of the annual financial statements. All these cost items still needs to be accounted for.

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

DC4 Eden - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June										
Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote										
Vote 1 - Executive & Council	1	169 420	195 274	204 202	3 848	196 160	204 202	(8 042)	-3.9%	204 202
Vote 2 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		1 112	1 302	1 302	-	1 021	1 302	(281)	-21.6%	1 302
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 6 - Health		160	169	169	18	215	169	46	27.3%	169
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		4 962	5 855	5 867	415	5 620	5 867	(247)	-4.2%	5 867
Vote 9 - Waste Management		80	84	1 122	-	730	1 122	(392)	-35.0%	1 122
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environmental Protection		125	132	232	127	167	232	(65)	-28.2%	232
Vote 14 - Roads Agency Function		99 869	106 000	116 290	-	-	116 290	(116 290)	-100.0%	116 290
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	275 728	308 817	329 184	4 408	203 912	329 184	(125 272)	-38.1%	329 184
Expenditure by Vote										
Vote 1 - Executive & Council	1	45 505	63 639	74 322	2 425	50 766	74 322	(23 557)	-31.7%	74 322
Vote 2 - Budget and Treasury Office		17 928	24 699	22 999	1 992	18 785	22 999	(4 214)	-18.3%	22 999
Vote 3 - Corporate Services		27 152	29 363	30 719	2 243	27 234	30 719	(3 485)	-11.3%	30 719
Vote 4 - Planning and Development		8 456	6 909	7 351	684	6 677	7 351	(673)	-9.2%	7 351
Vote 5 - Public Safety		26 838	25 179	23 534	2 556	21 584	23 534	(1 950)	-8.3%	23 534
Vote 6 - Health		23 604	27 465	30 782	2 639	28 703	30 782	(2 080)	-6.8%	30 782
Vote 7 - Community and Social Services		2 312	2 918	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		8 305	9 743	10 093	914	9 428	10 093	(665)	-6.6%	10 093
Vote 9 - Waste Management		2 305	1 362	3 347	184	2 425	3 347	(922)	-27.6%	3 347
Vote 10 - Road Transport		1 152	2 891	1 041	-	2	1 041	(1 039)	-99.8%	1 041
Vote 11 - Waste Water Management		11	-	-	-	-	-	-	-	-
Vote 12 - Water		2 074	3 708	3 023	343	2 694	3 023	(329)	-10.9%	3 023
Vote 13 - Environmental Protection		8 272	2 437	2 065	163	1 785	2 065	(280)	-13.6%	2 065
Vote 14 - Roads Agency Function		99 869	106 000	116 290	-	-	116 290	(116 290)	-100.0%	116 290
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	273 782	306 313	325 566	14 143	170 084	325 566	(155 482)	-47.8%	325 566
Surplus/ (Deficit) for the year	2	1 946	2 504	3 618	(9 735)	33 828	3 618	30 210	835.0%	3 618

Reporting per municipal vote provide details on the spread of spending over the various functions of council.

Income is mainly budgeted under the Executive and Council function and therefor the majority of the income will be reflected under this section.

The consolidation of the Roads Agency function into the budget of Eden reflects under the Roads Transport municipal function above.

No reporting of the information in terms of the Roads Agency function is included in the report.

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

DC4 Eden - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates								-		
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		1 248	2 357	2 357	497	1 296	2 357	(1 061)	-45%	2 357
Interest earned - external investments		2 601	4 500	4 750	786	7 150	4 750	2 400	51%	4 750
Interest earned - outstanding debtors				881	(82)	746	881	(135)	-15%	881
Dividends received								-		
Fines								-		
Licences and permits								-		
Agency services		11 280	12 671	13 777	1 197	13 233	13 777	(544)	-4%	13 777
Transfers recognised - operational		141 197	170 060	168 993		168 427	168 993	(566)	0%	168 993
Other revenue		119 403	119 229	138 425	2 010	13 060	138 425	(125 365)	-91%	138 425
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)		275 728	308 817	329 184	4 408	203 912	329 184	(125 272)	-38%	329 184
Expenditure By Type										
Employee related costs		146 056	95 117	94 315	7 195	90 317	94 315	(3 999)	-4%	94 315
Remuneration of councillors		6 969	7 705	7 723	647	7 413	7 723	(311)	-4%	7 723
Debt impairment		650	800	1 800			1 800	(1 800)	-100%	1 800
Depreciation & asset impairment		8 136	8 322	6 800	331	3 723	6 800	(3 077)	-45%	6 800
Finance charges		485	530	830		138	830	(692)	-83%	830
Bulk purchases								-		
Other materials								-		
Contracted services		10 372	9 975	8 414	1 189	7 648	8 414	(766)	-9%	8 414
Transfers and grants		4 244	36 253	35 396	1 198	32 354	35 396	(3 042)	-9%	35 396
Other expenditure		96 871	147 610	170 287	3 582	28 492	170 287	(141 795)	-83%	170 287
Loss on disposal of PPE								-		
Total Expenditure		273 782	306 313	325 566	14 143	170 084	325 566	(155 481)	-48%	325 566
Surplus/(Deficit)										
		1 947	2 504	3 618	(9 735)	33 828	3 618	30 210	0	3 618
Transfers recognised - capital								-		
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		1 947	2 504	3 618	(9 735)	33 828	3 618			3 618
Taxation								-		
Surplus/(Deficit) after taxation		1 947	2 504	3 618	(9 735)	33 828	3 618			3 618
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		1 947	2 504	3 618	(9 735)	33 828	3 618			3 618
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		1 947	2 504	3 618	(9 735)	33 828	3 618			3 618

Revenue by Source

Revenue by source explains the types of income budgeted for and the performance of these items individually.

Rental of facilities and equipment:

The revenue of R1,295,768 was recorded for the period ending 30 June 2015. As reported previously various corrections was required to correct the Income category. This income represents the municipal own income sources and represents 55%. Various corrections that were processed against the 2013/2014 financial year were also corrected in the 2014/15 financial year and these transactions had a negative impact on the rental income.

Interest earned – External Investments:

The municipal interest on investments outperforms projections of the January 2015 Adjustment budget. Finance made conservative estimations of Investment income but improved cash flow management during the 2014/15 financial year ensures that optimal performance of all access funds. Totals of R7,149,682 was recorded against a budget of R4,750,000. This should be commence and the finance department should ensure that a more accurate cash flow projection for the new financial year is implemented to ensure anticipated income is in line with projections.

Interest earned – Outstanding debtors

The municipality start implementing charging interest on outstanding accounts for the first time during the 2014/15 financial year. The performance of 85% of projected interest is in line with projections. An increase in interest on outstanding accounts should alert the municipality that outstanding accounts are not collected and this collates with the increase in debtors. More measures and attention should be given to this alarming trend since the municipality is not performing the collection of monies as per council approved credit control policies.

Agency services

The municipality performs an agency function on behalf of the Department of Transport – Roads department. Monthly agency fees are collected from the department. 12% Admin fee is received on the original allocation and 3% on additional reseal monies. Year to date performance totals R13,233,337

Transferred recognised – operational

The transfers recognised represents the allocations as promulgated in the National and Provincial Division of Revenues Act's respectively. The municipality received all grants as promulgated and no funds were withheld by National or Provincial treasury for the financial year 2014/2015.

The municipality will need to follow the Application for roll-over process with the unspent grant balances. This process and information needs to be submitted to the relevant departments as per the due dates in the Municipal Finance Management Circulars as issued by National and Provincial treasuries.

Other revenue / Sundry income

The majority of the council own funded sources are budgeted under this category. The year to date performance totals R28m.

The Executive Mayor, Municipal Manager and Chief Financial Officer is representing Eden on the Regional District Municipalities Task Team and this will hopefully in future bear positive fruits in terms of revenue enhancement initiatives.

Expenditure by Type

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

Employee Related cost / Remuneration of councillors

Remuneration related expenditures year to date amounts to R97,729,341 which represents a 96% expenditure year to date budget.

Based on budgeted figures for Employee and councillor remuneration the projection are that the municipal budget will be spent according to plans. Year to date spending of the remuneration related expenditure totals 96% of budgeted amounts.

Debt Impairment / Depreciation and asset impairment

The totals for depreciation and asset impairment is R3,723,031. This represents 55% of the budget R 6,800,000. As requested by various role players the municipality is now able to report on depreciation on a regular basis. Review of useful lives of assets are performed in June and will influence the depreciation figures for the year. With the year-end processed and the compilation of the financial statements this figure will need adjustment to ensure the municipality compile credible Annual financial statements.

Finance charges

Finance charges are only accounted for during May and September yearly when the repayments in terms of the long term obligations is due.

No new loans will be taken up in the current or new financial year. The municipality will settle all outstanding debt obligations during the next financial year.

Contracted services

Contracted services totals R7,570,513 of a budget of R8,414,183. This represents a spending of 90% of budgeted expenditure. Various year end transactions will also impact on the performance on the contracted services budget, due to items only being accounted for at 30 June 2015.

Other expenditure

Most of the other expenditure is only accounted for at the end of the financial year. Spending on these will therefore be below budgeted amounts. This status quo will maintain until the end of the financial year.

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) - M12 June										
Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive & Council		-	-	327	87	135	327	(192)	-59%	327
Vote 2 - Budget and Treasury Office		-	-	6	9	15	6	9	152%	6
Vote 3 - Corporate Services		485	1 000	923	269	741	923	(182)	-20%	923
Vote 4 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 5 - Public Safety		400	1 300	1 935	1 209	1 257	1 935	(678)	-35%	1 935
Vote 6 - Health		250	-	53	-	-	53	(53)	-100%	53
Vote 7 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 8 - Sport and Recreation		-	200	370	117	305	370	(65)	-18%	370
Vote 9 - Waste Management		5 800	5 800	5 800	0	5 711	5 800	(89)	-2%	5 800
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 12 - Water		-	-	-	-	-	-	-	-	-
Vote 13 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 14 - Roads Agency Function		-	-	-	-	-	-	-	-	-
Vote 15 - Electricity		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	6 935	8 300	9 414	1 692	8 165	9 414	(1 249)	-13%	9 414

Variances explained in Supporting Table C5

The municipality records a capital spending of 87% of a budget of R9,413,750. Capital spending totals R8,164,631. The main capital project the Regional Landfill site was successfully concluded within the financial year as planned. The next phase of the project, the building of the facilities should commence within the next financial year with the concluding of the supply chain processes currently underway.

Various veriments was also processed that ensure improved spending of the capital budget. More detailed below.

Provincial treasury required the municipality to provide more information in terms of the commitments of capital items on the budget. Below table explains the detailed capital budget of council with all approved veriments processed against the capital budget. This table should provide more accurate information as to "what" the capital budget is spend and ensure adherence to the request. This should also assist council in analysing the capital budget spending.

Section	Project description	Original Budget R'000	Adjusted budget R'000	Veriments Processed	Revised Adjusted Budget	YTD Expenditure R'000	Variance R'000	% Variance
De Hoek Mountain Resort	De Hoek Chlorinator Project	R 100 000.00	R 100 000.00	R -	R 100 000.00	R 89 495.15	R 10 504.85	89%
Resorts: Swartvlei	Swartvlei Septic Tank Project	R 100 000.00	R 100 000.00	R -	R 100 000.00	R 96 148.00	R 3 852.00	96%
Waste Management	Regional Landfill Site	R 5 800 000.00	R 5 800 000.00	R -	R 5 800 000.00	R 5 711 177.75	R 88 822.25	98%
Support Services: Registry	Absailing hooks: Windows	R 20 000.00	R 20 000.00	R -13 000.00	R 7 000.00	R -	R 7 000.00	0%
Support Services: Registry	Palisade Fencing Security	R 100 000.00	R 100 000.00	R -20 000.00	R 80 000.00	R 54 828.77	R 25 171.23	69%
ICT Unit	ICT Computer Related Equipment	R 590 000.00	R 590 000.00	R 20 200.00	R 610 200.00	R 602 058.53	R 8 141.47	99%
Council General	Air Conditioners	R 180 000.00	R 180 000.00	R -76 750.00	R 103 250.00	R 53 055.00	R 50 195.00	51%
Fire Services	Fire Truck	R 1 300 000.00	R 1 300 000.00	R -	R 1 300 000.00	R 1 083 333.33	R 216 666.67	83%
Resorts: Swartvlei	Vehicles - Swarvlei resort	R 110 000.00	R 110 000.00	R -	R 110 000.00	R 96 491.23	R 13 508.77	88%
Support Services: Registry	Smoke detectors		R 64 000.00	R 13 000.00	R 77 000.00	R 66 770.73	R 10 229.27	87%
Support Services: Registry	Speaker Cabling: Council Chambers		R 50 000.00	R -50 000.00	R -	R -	R -	#DIV/0!
Support Services: Registry	Security Cameras - Parking Bay			R 25 000.00	R 25 000.00	R 13 851.11	R 11 148.89	55%
Executive Manager: Community Services	Furniture: Chairs Community Services			R 20 000.00	R 20 000.00	R 8 495.00	R 11 505.00	42%
Human Resources Unit	Office Chairs		R 16 000.00		R 16 000.00	R 13 655.08	R 2 344.92	85%
Finance - Expenditures / Income / BTO	Furniture: Chairs - BTO			R 11 200.00	R 11 200.00	R 9 248.73	R 1 951.27	83%
Office: The Municipal Manager	Display Units (Reception)			R 5 000.00	R 5 000.00	R 3 519.40	R 1 480.60	70%
Manager Financial Services	Furniture: Chairs		R 5 000.00	R 29 100.00	R 34 100.00	R 23 242.70	R 10 857.30	68%
Communications and Public Participation	Video Camera			R 30 000.00	R 30 000.00	R 25 428.08	R 4 571.92	85%
Support Services: Registry	Burglar Bars: Registry		R 5 000.00		R 5 000.00	R 4 735.89	R 264.11	95%
MHS: Klein Karoo	New Roofshades, Palisade and Security		R 52 750.00	R 10 250.00	R 63 000.00	R -	R 63 000.00	0%
Support Services: Registry	Finger Scanner		R 58 000.00		R 58 000.00	R -	R 58 000.00	0%
Support Services: Registry	Roofshades: Yorkstreet		R 15 000.00	R -6 500.00	R 8 500.00	R 8 464.00	R 36.00	100%
Support Services: Registry	Clock In System		R 140 000.00		R 140 000.00	R -	R 140 000.00	0%
Support Services: Registry	Shredder: Registry		R 5 000.00		R 5 000.00	R 3 860.35	R 1 139.65	77%
Disaster Management Unit	Chairs: Disaster Centre		R 25 000.00		R 25 000.00	R 21 902.53	R 3 097.47	88%
Support Services: Registry	Security Equipment: Registry		R 8 000.00		R 8 000.00	R 6 907.89	R 1 092.11	86%
Resorts: Swartvlei	Equipment: Swartvlei		R 10 000.00		R 10 000.00	R 4 962.48	R 5 037.52	50%
Resorts: Vicbay	Equipment: Vicbay		R 10 000.00		R 10 000.00	R 1 314.04	R 8 685.96	13%
Resorts: Calitzdorp Spa	Equipment: Calitzdorp Spa		R 20 000.00		R 20 000.00	R 16 134.65	R 3 865.35	81%
De Hoek Mountain Resort	Equipment: De Hoek Resort		R 20 000.00		R 20 000.00	R -	R 20 000.00	0%
Fire Services	Emergency Radio - Equipment / Repeater Highsight		R 260 000.00		R 260 000.00	R -	R 260 000.00	0%
Fire Services	Emergency Equipment		R 150 000.00		R 150 000.00	R 135 858.13	R 14 141.87	91%
Fire Services	Emergency Fire Truck Equipment		R 200 000.00		R 200 000.00	R 7 650.00	R 192 350.00	4%
Support Services: Registry	Kitchen Equipment			R 2 500.00	R 2 500.00	R 2 042.10	R 457.90	82%
		R 8 300 000.00	R 9 413 750.00	R -	R 9 413 750.00	R 8 164 630.65	R 1 249 119.35	87%

3.1.6 Table C6: Monthly Budget Statement - Financial Position

DC4 Eden - Table C6 Monthly Budget Statement - Financial Position - M12 June						
Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		79 737	95 686	79 737	156 266	95 686
Call investment deposits		–	–			–
Consumer debtors		14 440	6 757	16 446	10 034	6 757
Other debtors		3 851	4 402	1 845		4 402
Current portion of long-term receivables		2 404	2 534	2 404	2 404	2 534
Inventory		4 645	4 005	4 645	4 130	4 005
Total current assets		105 078	113 384	105 078	172 834	113 384
Non current assets						
Long-term receivables		47 487	37 190	47 487	47 487	37 190
Investments		–	–		41	–
Investment property		170 665	345 577	170 665	170 578	345 577
Investments in Associate		–	–			–
Property, plant and equipment		294 896	146 406	294 896	293 507	146 406
Agricultural		–	–			–
Biological assets		–	–			–
Intangible assets		2 801	3 068	2 801	2 571	3 068
Other non-current assets		41	41	41		41
Total non current assets		515 890	532 282	515 890	514 184	532 282
TOTAL ASSETS		620 968	645 666	620 968	687 018	645 666
LIABILITIES						
Current liabilities						
Bank overdraft		–	–			–
Borrowing		1 923	700	1 904	1 470	700
Consumer deposits		–	–			–
Trade and other payables		30 278	44 745	30 296	48 026	44 745
Provisions		20 501	22 087	20 501	11 719	22 087
Total current liabilities		52 701	67 533	52 701	61 215	67 533
Non current liabilities						
Borrowing		3 136	2 156	705	705	2 156
Provisions		111 837	115 414	114 269	114 269	115 414
Total non current liabilities		114 974	117 570	114 974	114 974	117 570
TOTAL LIABILITIES		167 675	185 103	167 675	176 189	185 103
NET ASSETS	2	453 293	460 563	453 293	510 829	460 563
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		435 224	458 916	435 224	492 760	458 916
Reserves		18 069	1 647	18 069	18 069	1 647
TOTAL COMMUNITY WEALTH/EQUITY	2	453 293	460 563	453 293	510 829	460 563

The financial position of council is recorded at the end of June 2015. This table excludes the figures for Roads department. Various improvements to the information as accounted for during the financial year needs to be implemented to ensure accurate recording of council's financial position. The lack of capacity in the financial statements section contributes to this shortcoming and this will hopefully be addressed during the next financial year. As soon as this is sorted improved financial position reporting can be implemented.

3.1.7 Table C7: Monthly Budget Statement - Cash Flow

DC4 Eden - Table C7 Monthly Budget Statement - Cash Flow - M12 June										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		129 870	125 436	125 436	3 622	30 116	125 436	(95 320)	-76%	125 436
Government - operating		141 097	170 060	168 993		166 647	168 993	(2 346)	-1%	168 993
Government - capital							-			
Interest		2 601	4 500	4 750	786	7 150	4 750	2 400	51%	4 750
Dividends								-		
Payments										
Suppliers and employees		(248 119)	(286 362)	(293 704)	(12 977)	(137 624)	(293 704)	(156 080)	53%	(293 704)
Finance charges		(485)	(530)	(830)		(138)	(830)	(692)	83%	(830)
Transfers and Grants		(4 144)	(4 084)	(34 896)	(1 017)	(32 173)	(34 896)	(2 723)	8%	(34 896)
NET CASH FROM/(USED) OPERATING ACTIVITIES		20 820	9 020	(30 251)	(9 586)	33 977	(30 251)	(64 228)	212%	(30 251)
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables		2 534	2 534	2 534				-		2 534
Decrease (increase) in non-current investments					18 548	(35 610)		(35 610)	#DIV/0!	-
Payments										
Capital assets		(1 135)	(8 300)	(9 414)	(1 719)	(8 192)		8 192	#DIV/0!	
NET CASH FROM/(USED) INVESTING ACTIVITIES		1 399	(5 766)	(6 880)	16 829	(43 802)	-	43 802	#DIV/0!	2 534
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(622)	(650)	(650)				-		(650)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(622)	(650)	(650)	-	-	-	-		(650)
NET INCREASE/ (DECREASE) IN CASH HELD		21 597	2 604	(37 781)	7 243	(9 825)	(30 251)			(28 367)
Cash/cash equivalents at beginning:		72 984	94 582	97 186		113 505	97 186			113 505
Cash/cash equivalents at month/year end:		94 581	97 186	59 405		103 680	66 935			85 138

The budget and treasury section is in the process of addressing the cash flow reporting and accuracy of information as it relates to cash flow performance. This will be implemented within the next financial year.

The municipal cash flow position at the end of June 2015 totals R103.7m. this consist of short term investments of R90m and a current account balance.

A more detailed information regarding the cash position is tabled below that's giving a breakdown of the commitments against the cash of council.

REPORTING MONTH: 30 JUNE 2015		
Commitments against Cash & Cash Equivalents		
ITEM	Previous Month R'000	Current Month R'000
Cash & Cash Equivalents	113 164 368.00	103 366 513.00
LESS:	64 367 588.00	32 367 068.00
Unspent Conditional Grants	10 355 976.00	9 419 663.00
Current portion long term liabilities	674 390.00	674 390.00
Provision for staff leave	4 756 311.00	4 756 311.00
Current Portion: Post Retirement Benefits	3 155 155.00	3 155 155.00
Current Portion: Alien Vegetation	2 623 859.00	2 623 859.00
Performance Bonus	509 294.00	509 294.00
Backlog on spending of budget	34 483 323.00	
Trade Payables	5 202 617.00	11 228 396.00
Capital Budget	2 606 663.00	
Sub total	48 796 780.00	70 999 445.00
PLUS:	3 741 691.00	5 773 197.00
VAT Receivable	1 574 437.00	2 307 796.00
Receivable Exchange	2 167 254.00	3 465 401.00
Other receivables after impairment		
	52 538 471.00	76 772 642.00
LESS OTHER MATTERS:		
Capital Replacement Reserve	18 068 623.00	24 868 623.00
Sub Total	34 469 848.00	51 904 019.00
LESS: CONTIGENT LIABILITIES	22 684 471.00	22 684 471.00
F du Toit (Vicbay Theft)	376 750.00	376 750.00
Claim from Lefatshe Computer Systems	14 007 721.00	14 007 721.00
(Correctional Services Uniondale)	8 300 000.00	8 300 000.00
Surplus / (Deficit)	11 785 377.00	29 219 548.00

PART 2 – SUPPORTING DOCUMENTATION

Section 4 – Debtors' analysis

Supporting Table SC3

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June								
Description	NT Code	Budget Year 2014/15					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	3	3	0	33		39	33
Interest on Arrear Debtor Accounts	1810						-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820						-	-
Other	1900	621	1 290	53	7 593		9 557	7 593
Total By Income Source	2000	624	1 293	53	7 626		9 597	7 626
2013/14 - totals only							-	-
Debtors Age Analysis By Customer Group								
Organs of State	2200						-	-
Commercial	2300						-	-
Households	2400	542	1 200	41	639		2 422	639
Other	2500	83	93	12	6 987		7 174	6 987
Total By Customer Group	2600	624	1 293	53	7 626		9 597	7 626

As account for above the increase in municipal outstanding revenue interest income correlates with the increase of outstanding debtors of council. The municipality carries long outstanding overdue accounts longer than 3 years. The collectability of these accounts is questionable. A report needs to be compiled and table to council to ensure these debtors can be written off.

The current outstanding position of council at the end of June 2015 totals R9.6m. This is alarming and the tabling of the report mentioned above will ensure that the debtors section can focus their attention on the current accounts outstanding and ensure these monies is collected as per council credit control policy.

Section 5 – Creditors' analysis

Supporting Table C4

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June						
Description	NT Code	Budget Year 2014/15				Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	Total	
R thousands						
Creditors Age Analysis By Customer Type						
Bulk Electricity	0100				-	
Bulk Water	0200				-	
PAYE deductions	0300	1 143			1 143	
VAT (output less input)	0400				-	
Pensions / Retirement deductions	0500	1 145			1 145	
Loan repayments	0600				-	
Trade Creditors	0700				-	
Auditor General	0800	1			1	
Other	0900				-	
Total By Customer Type	1000	2 289	-	-	2 289	-

The short coming in the creditors system needs attention to ensure that more accurate reporting can be done in terms of the outstanding long overdue accounts by council. This will be addressed during the next financial year with more rigorous efforts to ensure a more complete and accurate report can be presented to council.

This should improve the reporting in future in terms of outstanding creditors but for the time being year to date the status quo will maintain.

Section 6 – Investment portfolio analysis

6.1 Investment monitoring information

	Movements for the month				Balance as at 30 June 2015	Interest earned Month	Interest earned Year to date
	Balance as at 01 June 2015	Investments matured	Investments made	Interest capitalised			
Eden district municipality							
<i>Interest Received YTD</i>					-	4 151 060.16	
<i>Standard Bank</i>	27 000 000.00	-27 000 000.00	-22 500 000.00		22 500 000.00	130 265.75	130 265.75
<i>FNB</i>	27 000 000.00	-27 000 000.00	-22 500 000.00		22 500 000.00	144 468.49	144 468.49
<i>ABSA</i>	27 000 000.00	-27 000 000.00	-22 500 000.00		22 500 000.00	134 260.27	134 260.27
<i>Nedbank</i>	27 000 000.00	-27 000 000.00	-22 500 000.00		22 500 000.00	138 920.55	138 920.55
<i>Standard Bank - Bank Guarantee investment</i>	125 049.46				125 049.46	-	-
BANK DEPOSITS	108 125 049.46	-108 000 000.00	-90 000 000.00	-	90 125 049.46	547 915.06	4 698 975.22

Totals interest income on investments totals R4,698,975 . This represents all the short term investment income of council. More detailed investment projections should be compiled to ensure that better measurement of the efforts of investment can be implemented. To date performance of finance represents a good picture in terms of interest performance

This should be done in line with the Cash Management and Investment policy of council.

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 - M12 June										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		139 393	167 213	167 213	-	166 647	167 213	(566)	-0.3%	167 213
Local Government Equitable Share		129 669	134 097	134 097		134 097	134 097	-		134 097
Finance Management		1 250	1 250	1 250		1 250	1 250			1 250
Municipal Systems Improvement		890	934	934		934	934			934
EPWP Incentive		1 000	1 000	1 000		1 000	1 000			1 000
Municipal Disaster Recovery Grant		6 584	27 432	27 432		27 432	27 432			27 432
LG: Bulk Water and Waste Water infrastruc.	3		2 500	2 500		1 934	2 500	(566)	-22.7%	2 500
Other transfers and grants [insert description]								-		
Provincial Government:		1 704	2 847	1 780	-	1 780	1 780	-		1 780
Intergrated Transport Planning - PT		604	900	900	-	900	900	-		900
Nelson Mandela Memorial		150								
WC FMG Assistance		550								
WC Support - Provincial Treasury	4	400								
Rural Roads Asset Management Systems			1 947							-
PT WC FMG Grant				880		880	880			880
Total Operating Transfers and Grants	5	141 097	170 060	168 993	-	168 427	168 993	(566)	-0.3%	168 993

All grants as promulgated by National and Provincial treasury was received to date ending 30 June 2015. The exception is the LG Bulk Water and Waste water infrastructure grant. This grant is received on a claim basis and the municipality is in the process of securing the balance for future spending. An application was submitted to the Department of Water affairs to ensure the balance is being made available for council spending.

All other unspent balances will be addressed during the roll-over application process of National Treasury to ensure the municipality apply for unspent balances as required.

7.2 Supporting Table C7

DC4 Eden - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June										
Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		139 393	167 213	167 213	910	31 682	167 213	(135 531)	-81.1%	167 213
Local Government Equitable Share		129 669	134 097	134 097	-	-	134 097	(134 097)	-100.0%	134 097
Finance Management		1 250	1 250	1 250	324	1 244	1 250	(6)	-0.5%	1 250
Municipal Systems Improvement		890	934	934	87	916	934	(18)	-2.0%	934
EPWP Incentive		1 000	1 000	1 000	230	1 000	1 000	-	-	1 000
Municipal Disaster Recovery Grant		6 584	27 432	27 432	-	26 069	27 432	(1 363)	-5.0%	27 432
LG: Bulk Water and Waste Water infrastruc.		-	2 500	2 500	268	2 454	2 500	(46)	-1.8%	2 500
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		1 554	2 847	1 780	288	672	1 780	(1 108)	-62.2%	1 780
Intergrated Transport Planning - PT		604	900	900	-	-	900	(900)	-100.0%	900
WC FMG Assistance		550	-	-	-	-	-	-	-	-
WC Support - Provincial Treasury		400	-	-	70	278	-	278	#DIV/0!	-
Rural Roads Asset Management Systems		-	1 947	-	-	-	-	-	-	-
PT WC FMG Grant		-	-	880	218	394	880	(486)	-55.2%	880
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		140 947	170 060	168 993	1 198	32 354	168 993	(136 639)	-80.9%	168 993

Performance reporting on grants will be enhanced to ensure compliance with the Division of Revenue Act that stipulates reporting on all grant performance should be done from the receiving officer.

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 - M12 June										
Summary of Employee and Councillor remuneration	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		5 199	5 016	5 969	458	5 293	5 969	(676)	-11%	5 969
Pension and UIF Contributions		107	135	107	11	124	107	17	16%	107
Medical Aid Contributions		107	180	107	21	216	107	109	102%	107
Motor Vehicle Allowance		1 223	1 709	1 223	131	1 466	1 223	243	20%	1 223
Cellphone Allowance		282	558	267	26	313	267	46	17%	267
Housing Allowances										
Other benefits and allowances		50	107	50			50	(50)	-100%	50
Sub Total - Councillors		6 969	7 705	7 723	647	7 413	7 723	(310)	-4%	7 723
% increase	4		10.6%	10.8%						10.8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 266	3 150	3 266	269	3 356	3 266	90	3%	3 266
Pension and UIF Contributions		417	607	417	43	475	417	58	14%	417
Medical Aid Contributions		61	65	61	4	43	61	(18)	-29%	61
Overtime										
Performance Bonus		507	485	325		364	325	39	12%	325
Motor Vehicle Allowance		369	471	369	41	489	369	120	32%	369
Cellphone Allowance		12	41	12	4	68	12	56	466%	12
Housing Allowances		84	84	84	7	84	84			84
Other benefits and allowances										
Payments in lieu of leave			45							
Long service awards										
Post-retirement benefit obligations	2									
Sub Total - Senior Managers of Municipality		4 716	4 949	4 534	367	4 879	4 534	345	8%	4 534
% increase	4		4.9%	-3.9%						-3.9%
Other Municipal Staff										
Basic Salaries and Wages		86 917	111 662	57 613	4 556	53 906	57 613	(3 707)	-6%	57 613
Pension and UIF Contributions		18 332	11 604	11 424	853	10 601	11 424	(823)	-7%	11 424
Medical Aid Contributions		13 993	6 705	8 150	661	7 618	8 150	(532)	-7%	8 150
Overtime		1 460	1 245	1 027	56	1 160	1 027	133	13%	1 027
Performance Bonus		(147)		35			35	(35)	-100%	35
Motor Vehicle Allowance		8 241	6 037	5 863	594	6 925	5 863	1 062	18%	5 863
Cellphone Allowance		133	596	119	1	7	119	(112)	-94%	119
Housing Allowances		823	565	516	44	560	516	44	9%	516
Other benefits and allowances		2 822	2 372	692	48	569	692	(123)	-18%	692
Payments in lieu of leave		6 511	4 228	4 342	16	4 091	4 342	(251)	-6%	4 342
Long service awards		158	750							
Post-retirement benefit obligations	2	2 095	4 324							
Sub Total - Other Municipal Staff		141 339	150 086	89 781	6 828	85 437	89 781	(4 344)	-5%	89 781
% increase	4		6.2%	-36.5%						-36.5%
Total Parent Municipality		153 023	162 740	102 038	7 842	97 729	102 038	(4 309)	-4%	102 038

Salary and council remuneration totals R97,729,341 at 30 June 2015. This represents 96% of the total salary and councillor remuneration budget. Various vacancies were budgeted during the adjustment budget. Some of these vacancies is still not filled and processes are underway to address is with the human resource section.

The municipality is in the process of implementing various strategies to reduce the staff related cost.

Section 9 – Municipal manager’s quality certification

NAVRAE:
ENQUIRIES: S Stanley

KONTAKNR
CONTACT NO 044 803 1343

VERW:
REF: 6/18/7/2014-2015

KANTOOR:
OFFICES: George

DATUM
DATE 10 July 2015



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 ended **30 JUNE 2015** (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 [Handwritten Signature]

Date 14/07/15