

**REPORT: FINANCIAL MANAGEMENT REPORT (FMR) / *FINANSIELE  
BESTUURS VERSLAG (FBR) ()***

(6/18/7)

13 September 2013

**REPORT FROM THE ACCOUNTING OFFICER (GW LOUW)**

**PURPOSE OF THE REPORT**

The Purpose of the document is to present the FINANCIAL MANGEMENT REPORT (FMR) to council as required in terms of the MFMA to the municipal council.

**BACKGROUND**

The accounting officer of the municipality must in terms of the Municipal Finance Management Act section 71 table a monthly report to the municipal council in a prescribe format on the financial state of affairs for the period under review.

This budget statement must reflect the actual expenditure for the month and the year to date under review.

**FINANCIAL IMPLICATIONS**

None

**RELEVANT LEGISLATION**

Municipal Finance Management Act, No 56 of 2003, section 71

**UITVOERENDE OPSOMMING**

*Volgens die MFMA artikel 71 is die rekenpligtige beampte van die munisipaliteit verantwoordelik om maandeliks begrotings state aan die burgemeester, die munisipale raad en die plaaslike provinsiale tesourie voor te lê. Die doel van die verslag is om die munisipale raad in te lig oor die stand van die finansiële posisie van die munisipaliteit.*

## **RECOMMENDATION**

That the contents of the Financial Management Report submitted for the month ending 31 August 2013 be noted.

## **AANBEVELING**

*Dat kennis geneem word van die inhoud van die Finansiële Bestuursverslag wat ingedien was vir die maand geëindig 31 Augustus 2013.*

## **ISINDULULO**

## **APPENDIX**

### **Summary of 2013/2014 budget progress/implementation**

The following table summarizes the overall position on the capital and operating budgets.

	<b>Capital Expenditure</b>	<b>Operating Expenditure</b>	<b>Operating Revenue</b>
<b>Budget</b>	8 875 000.00	175,047,426-00	176,402,779-00
<b>Year to Date (YTD)</b>	0.00	18,434,262-12	63,178,647-45
<b>% of Annual Budget</b>	<b>0.0%</b>	<b>10.5%</b>	<b>35.8%</b>

### **Capital Expenditure under-spending**

- The majority of the capital budget consists of the purchase of the land for the regional landfill site of R8 million. In process
- Included in the purchase of the IT equipment – ICT steer committee to prioritize items, thereafter SCM process will commence.

## SUMMARY INCOME & EXPENDITURE 2013/2014 EXCLUDING ROADS AGENCY

DESCRIPTION	BUDGET	M02 AUGUST 2013	YTD - AUGUST 2013	%
<b>OPERATING INCOME</b>				
EQS - RSC Levies grant	-129 669 000.00	-	-54 029 000.00	42%
Rental of Facilities and Equipment	-1 889 190.00	-65 070.14	-389 937.51	21%
Interest earned external investments	-2 050 635.00	-640 979.06	-800 164.68	39%
Government Grant and subsidies	-9 790 095.00	-2 194 200.00	-3 576 472.21	37%
Income from Sale of Land	-8 000 000.00	-1 123 556.14	-2 913 029.81	36%
Income Agency services	-13 779 578.00	-1 123 556.14	-2 913 029.81	21%
Contributions municipalities	-1 618 487.00			
Contributions municipalities & products	-79 125.00	-2 000.00	-4 00.00	5%
Sundry income	-7 784 168.00	-911 948.73	-1 466 043.24	19%
Public contribution and donated PPE	-1 742 500.00	-	-	0%
	<b>-176 402 778.00</b>	<b>-6 061 310.21</b>	<b>-66 091 677.26</b>	<b>37%</b>
DESCRIPTION	BUDGET	M02 AUGUST 2013	YTD - AUGUST 2013	%
<b>OPERATING EXPENDITURES</b>				
Salary related expenses	91 951 709.00	6 854 320.25	13 517 638.35	15%
Councillor Remuneration	6 953 825.00	542 433.27	1 079 806.28	16%
Bad Debts	650 000.00	-	-	0%
Depreciation	8 135 840.00	-	-	0%
Repairs and maintenance	4 940 900.00	132 183.19	153 849.26	3%
Interest	584 840.00	-	-	0%
Contracted services	11 330 390.00	554 195.37	1 052 257.88	9%
Grant projects	4 379 000.00	275 311.46	377 514.42	9%
Own fund projects	2 328 500.00	32 882.73	66 357.76	3%
<b>General expenses</b>	<b>27 759 967.00</b>	<b>1 714 678.56</b>	<b>2 186 838.17</b>	<b>8%</b>
Contribution	16 032 458.00	-	-	0%
<b>TOTAL EXPENDITURE</b>	<b>175 047 429.00</b>	<b>10 106 004.83</b>	<b>18 434 262.12</b>	<b>11%</b>
<b>SURPLUS / DEFICIT</b>	<b>-1 355 349.00</b>	<b>4 044 694.62</b>	<b>-47 657 415.14</b>	

### Revenue

- The majority (+\ - 80%) of revenue consists of grants. The Equitable share was paid in advance in July.
- The property task team has been established and property task manager coordinates the task team.
- Resorts task team has been established to investigate the management/operations of the resorts.

## Expenditure

- Bad debts, depreciation, contribution are year end transactions that are captured on the system with year end procedures.
- Employee related costs are in line with budget given the vacancies that must be filled
- Other expenditure incurred when needed and SCM processes have been completed.

## OPERATING PROJECTS

### GRANT FUNDED PROJECTS

English	Budget	YTD August	Variance	% Spent
<b>EXECUTIVE &amp; COUNCIL</b>				
EPWP PROGRAMME	1 000 000.00	80 301.86	919 698.14	8%
<b>TOTAL</b>	<b>1 000 000.00</b>	<b>80 301.86</b>	<b>919 698.14</b>	<b>8%</b>
<b>FINANCE SERVICES</b>				
FINANCE MANAGEMENT GRANT 13/14	1 250 000.00	297 212.56	952 787.44	24%
MSIG 2013/14	890 000.00	-	890 000.00	0%
<b>TOTAL</b>	<b>2 140 000.00</b>	<b>297 212.56</b>	<b>1 842 787.44</b>	<b>0%</b>
<b>HEALTH</b>				
DWAF:CHEMICAL WATER SAMPLING	535 000.00	-	535 000.00	0%
<b>TOTAL</b>	<b>535 000.00</b>	<b>-</b>	<b>535 000.00</b>	<b>0%</b>
<b>ROAD TRANSPORT</b>				
INTEGRATED TRANSPORT PLANNING	604 000.00	-	604 000.00	0%
<b>TOTAL</b>	<b>604 000.00</b>	<b>-</b>	<b>604 000.00</b>	<b>-</b>
<b>WATER</b>				
RBIG & DBSA Grant – Bulk Water Studies exp.	205 200.00	205 200.00	-	100%
<b>TOTAL</b>	<b>205 200.00</b>	<b>205 200.00</b>	<b>-</b>	<b>100%</b>
<b>ENVIROMENTAL PROTECTION</b>				
DWA:ABSTRACTION VALIDATION BITOU	100 000.00	-	100 000.00	0%
<b>TOTAL</b>	<b>100 000.00</b>	<b>-</b>	<b>100 000.00</b>	<b>0%</b>
	<b>4 584 200.00</b>	<b>582 714.42</b>	<b>4 001 485.58</b>	<b>13%</b>

## **OWN FUNDED PROJECTS**

<b>English</b>	<b>Budget</b>	<b>YTD August</b>	<b>Variance</b>	<b>% Spent</b>
<b>CORPORATE SERVICES</b>				
RECORDS CLEAN-UP PROJECT	81 000.00	32 408.86	48 591.14	40%
LEARNERSHIPS	35 000.00	-	35 000.00	0%
EMERGENCY PREPAREDNESS	153 000.00	-	153 000.00	0%
ENTERPRISE LICENCE AGREEMENT	742 500.00	-	742 500.00	0%
<b>TOTAL</b>	<b>1 011 500.00</b>	<b>32 408.86</b>	<b>979 091.14</b>	<b>3%</b>
<b>WASTE MANAGEMENT</b>				
INTEGRATED WASTE MANAGEMENT PLAN	300 000.00	-	300 000.00	0%
Article 78 Investigation Phase 2&3	350 000.00	-	350 000.00	0%
SPECIAL STUDIES	107 000.00	-	107 000.00	0%
<b>TOTAL</b>	<b>757 000.00</b>	<b>-</b>	<b>757 000.00</b>	<b>0%</b>
<b>WATER</b>				
Bulk Water-Augmentation Feasibility Studies	505 000.00	33 449.90	471 550.10	7%
<b>TOTAL</b>	<b>505 000.00</b>	<b>33 449.90</b>	<b>471 550.10</b>	<b>7%</b>
<b>ENVIROMENTAL PROTECTION</b>				
INTEGRATED WASTE MANAGEMENT PLAN	35 000.00	-	35 000.00	0%
ASSESSMENT DOCUMENT AND AIR QUALITY PLAN	20 000.00	499.00	19 501.00	2%
<b>TOTAL</b>	<b>55 000.00</b>	<b>499.00</b>	<b>54 501.00</b>	<b>1%</b>
<b>TOTAL</b>	<b>2 328 500.00</b>	<b>66 357.76</b>	<b>2 262 142.24</b>	<b>3%</b>

- **ROADS AGENCY FUNCTION – FINANCIAL INFORMATION**

Herewith a summary of expenditure in respect of the **2013/2014** Maintenance, Re-gravel, Reseal and Flood Damage budget.

A) **Actual Income**

<b>Advances Received</b>	<b>Actual income to date</b>	<b>Cumulative for the year</b>
For April and May received on 21 May 2013	R16,644,551	R16,644,551
For June and July received on 13 June 2013	R16,388,709	R33,033,260
For August and September on 12 August 2013	R26,468,549	R59,501,809
<b>TOTAL RECEIVED FOR THE 2013/2014 FINANCIAL YEAR</b>		<b>R59,501,809</b>

B) **Actual expenditure for AUGUST 2013**

	<b>Actual expenditure for AUGUST</b>	<b>Cumulative for the year</b>
Maintenance	R4,661,219	R22,163,947
Maintenance Noll	R 366,452	R 2,139,449
Re-gravel	R2,226,382	R10,838,498
Reseal	R 824,562	R 1,436,604
<b>Total Expenditure</b>	<b>R8,078,615</b>	<b>R36,578,498</b>

- This is the summary of the expenditure incurred with regards to the Roads agency function performed on behalf of Department of Public transport.
- Advances are paid every two months. August and September's advance paid in August.
- Department of Public Transport allocates the funding and budget, Eden District Municipality receives an administration fee.
- Spending occurred within forecasts.



## Financial Performance (revenue and expenditure by municipal vote)

DC4 Eden - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M02 August

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
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		168 962	170 528	-	4 247	62 163	28 421	33 748	118.7%	170 528
Vote 2 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		1 364	1 112	-	-	-	185	(185)	-100.0%	1 112
Vote 4 - PLANNING AND DEVELOPMENT		-	-	-	2	4	-	4	#DIV/0!	-
Vote 5 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-
Vote 6 - HEALTH		160	160	-	12	25	27	(2)	-7.9%	160
Vote 7 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - SPORT & RECREATION		4 985	4 553	-	604	908	759	149	19.7%	4 553
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-
Vote 11 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-
Vote 12 - WASTE WATER MANAGEMENT		327	-	-	-	-	-	-	-	-
Vote 13 - WATER		-	-	-	-	-	-	-	-	-
Vote 14 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 15 - ENVIRONMENTAL MANAGEMENT		475	50	-	73	73	8	65	775.0%	50
<b>Total Revenue by Vote</b>	2	<b>176 273</b>	<b>176 483</b>	<b>-</b>	<b>4 938</b>	<b>63 179</b>	<b>29 400</b>	<b>33 778</b>	<b>114.9%</b>	<b>176 403</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - EXECUTIVE AND COUNCIL		35 819	44 270	-	1 495	2 570	7 378	(4 808)	-65.2%	44 270
Vote 2 - BUDGET AND TREASURY OFFICE		21 007	20 012	-	1 382	2 475	3 335	(860)	-25.8%	20 012
Vote 3 - CORPORATE SERVICES		26 185	26 276	-	2 223	3 771	4 713	(942)	-20.0%	28 276
Vote 4 - PLANNING AND DEVELOPMENT		7 853	7 092	-	396	772	1 182	(410)	-34.7%	7 092
Vote 5 - PUBLIC SAFETY		27 956	25 608	-	1 372	2 722	4 268	(1 546)	-35.2%	25 608
Vote 6 - HEALTH		23 084	24 414	-	1 807	3 610	4 069	(458)	-11.3%	24 414
Vote 7 - COMMUNITY & SOCIAL SERVICES		3 546	2 940	-	182	378	490	(111)	-22.7%	2 940
Vote 8 - SPORT & RECREATION		7 089	8 008	-	551	952	1 335	(383)	-28.7%	8 008
Vote 9 - HOUSING		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		3 026	2 049	-	102	197	342	(144)	-42.3%	2 049
Vote 11 - ROAD TRANSPORT		592	1 152	-	-	-	192	(192)	-100.0%	1 152
Vote 12 - WASTE WATER MANAGEMENT		63	458	-	-	-	76	(76)	-100.0%	458
Vote 13 - WATER		2 600	505	-	17	33	84	(51)	-60.3%	505
Vote 14 - ELECTRICITY		-	-	-	-	-	-	-	-	-
Vote 15 - ENVIRONMENTAL MANAGEMENT		16 518	10 263	-	579	952	1 711	(758)	-44.3%	10 263
<b>Total Expenditure by Vote</b>	2	<b>175 337</b>	<b>175 847</b>	<b>-</b>	<b>10 106</b>	<b>18 434</b>	<b>29 175</b>	<b>(10 740)</b>	<b>-36.8%</b>	<b>175 047</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>936</b>	<b>1 355</b>	<b>-</b>	<b>(5 168)</b>	<b>44 744</b>	<b>226</b>	<b>44 518</b>	<b>19707.8%</b>	<b>1 355</b>



## Cash Flow

DC4 Eden - Table C7 Monthly Budget Statement - Cash Flow - M02 August

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									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Farepayers and other		800	33 249		2 403	5 205	2 771	2 435	88%	33 249
Government - operating		1 500	133 413		1 804	57 173	11 118	46 055	414%	133 413
Government - capital								-		
Interest		2 350	2 051		641	800	171	629	368%	2 051
Dividends								-		
<b>Payments</b>										
Suppliers and employees		(9 479)	(146 091)		(9 831)	(18 057)	(12 174)	5 882	-48%	(146 091)
Finance charges		(750)	(985)				(82)	(82)	100%	(985)
Transfers and Grants		(4 802)	(3 744)		(275)	(378)	(312)	66	-21%	(3 744)
<b>MET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>(10 771)</b>	<b>17 893</b>	<b>-</b>	<b>(5 168)</b>	<b>44 744</b>	<b>1 491</b>	<b>43 253</b>	<b>2981%</b>	<b>17 893</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE			8 000				667	(667)	-100%	8 000
Decrease (increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments					4 419	(48 612)		(48 612)	#DIV/0!	
<b>Payments</b>										
Capital assets		(935)	-				-	-		-
<b>MET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(935)</b>	<b>8 000</b>	<b>-</b>	<b>4 419</b>	<b>(48 612)</b>	<b>667</b>	<b>48 279</b>	<b>7392%</b>	<b>8 000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/financing								-		
Increase (decrease) in consumer deposits								-		
<b>Payments</b>										
Repayment of borrowing								-		
<b>MET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>MET INCREASE/(DECREASE) IN CASH HELD</b>		<b>(11 706)</b>	<b>25 893</b>	<b>-</b>	<b>(749)</b>	<b>(3 868)</b>	<b>2 158</b>			<b>25 893</b>
Cash/cash equivalents at beginning			25 893			14 687	25 893			14 687
Cash/cash equivalents at month/year end		(11 706)	51 786			10 819	28 051			40 580

- In the process of investing cash flow modules to be implemented to prepare weekly cash flow forecasts,

### Age Analysis - Debtors

DC4 Eden - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description	NT Code	Budget Year 2013/14									Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy	
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			Total over 90 days
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
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	70	307	117	2 973					3 467	2 973		
Interest on Arrear Debtor Accounts	1810												
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820												
Other	1900	456	350	29	5 773					6 609	5 773		
<b>Total By Income Source</b>	<b>2000</b>	<b>526</b>	<b>657</b>	<b>146</b>	<b>8 747</b>					<b>10 076</b>	<b>8 747</b>		
2012/13 - totals only													
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200												
Commercial	2300	0	0	0	92					92	92		
Households	2400	103	8	177	487					775	487		
Other	2500	423	650	(31)	8 167					9 209	8 167		
<b>Total By Customer Group</b>	<b>2600</b>	<b>526</b>	<b>657</b>	<b>146</b>	<b>8 747</b>					<b>10 076</b>	<b>8 747</b>		

Credit control and debt procedures to be initiated in October with the suspension of the Deputy Manager: Income, expenditure, BTO this process has been delayed.

### Age Analysis - Creditors

DC4 Eden - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

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		
R thousands											
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100										-
Bulk Water	0200										-
PAYE deductions	0300	1 095									1 095
VAT (output less input)	0400										-
Pensions / Retirement deductions	0500	1 071									1 071
Loan repayments	0600										-
Trade Creditors	0700										-
Auditor General	0800	129									129
Other	0900										-
<b>Total By Customer Type</b>	<b>1000</b>	<b>2 295</b>									<b>2 295</b>

Creditors are paid within 30 days of invoice or statement if the documentation is submitted timeously to the creditors section.

## Councillor and staff benefits

DC4 Eden - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

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
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		5 091	5 109		302	791	887	(75)	-9%	5 109
Pension and UIF Contributions		118	107		10	20	18	2	11%	107
Medical Aid Contributions		30	107		8	17	18	(1)	-6%	107
Motor Vehicle Allowance		528	1 223		112	211	204	7	3%	1 223
Cellphone Allowance		538	267		20	41	45	(3)	-7%	267
Housing Allowances										
Other benefits and allowances			50				8	(8)	-100%	50
<b>Sub Total - Councillors</b>		<b>8 871</b>	<b>6 968</b>	<b>-</b>	<b>542</b>	<b>1 080</b>	<b>1 168</b>	<b>(78)</b>	<b>-7%</b>	<b>8 968</b>
<b>% increase</b>	4		<b>1.2%</b>							<b>1.2%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages		2 275	3 206		347	494	544	(50)	-9%	3 206
Pension and UIF Contributions		251	417		33	66	70	(3)	-4%	417
Medical Aid Contributions			61		3	7	10	(3)	-34%	61
Overtime										
Performance Bonus			325				54	(54)	-100%	325
Motor Vehicle Allowance		247	369		39	78	62	17	28%	369
Cellphone Allowance			12		1	2	2	-		12
Housing Allowances		84	84		7	14	14	-		84
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Senior Managers of Municipality</b>		<b>2 867</b>	<b>4 534</b>	<b>-</b>	<b>331</b>	<b>681</b>	<b>768</b>	<b>(84)</b>	<b>-12%</b>	<b>4 534</b>
<b>% increase</b>	4		<b>58.7%</b>							<b>58.7%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		58 226	55 250		4 339	6 725	9 208	(483)	-5%	55 250
Pension and UIF Contributions		10 819	11 424		885	1 740	1 904	(158)	-8%	11 424
Medical Aid Contributions		8 801	8 150		568	937	1 358	(421)	-31%	8 150
Overtime		1 299	1 027		61	107	171	(64)	-37%	1 027
Performance Bonus		181	35				6	(6)	-100%	35
Motor Vehicle Allowance		7 003	5 863		590	1 147	977	170	17%	5 863
Cellphone Allowance		155	119				20	(20)	-100%	119
Housing Allowances		617	516		37	75	86	(11)	-13%	516
Other benefits and allowances		715	692		65	85	115	(31)	-27%	692
Payments in lieu of leave		4 071	4 342				38	(38)	-95%	4 342
Long service awards										
Post-retirement benefit obligations										
<b>Sub Total - Other Municipal Staff</b>		<b>88 009</b>	<b>87 418</b>	<b>-</b>	<b>6 624</b>	<b>12 668</b>	<b>14 670</b>	<b>(1 712)</b>	<b>-12%</b>	<b>87 418</b>
<b>% increase</b>	4		<b>-0.7%</b>							<b>-0.7%</b>
<b>Total Parent Municipality</b>		<b>97 737</b>	<b>98 905</b>	<b>-</b>	<b>7 398</b>	<b>14 689</b>	<b>16 484</b>	<b>(1 685)</b>	<b>-11%</b>	<b>98 905</b>

## Employee Related Cost

- Spending in line with projections taking into account the current vacancies.

## **Challenges**

- Currently the Chief Accountant: AFS resigned end of August 2013 and the Deputy Manager: AFS is vacant since August 2011. No capacity within GRAP unit, contract worker appointed to assist with audit.
- Deputy Manager: Income, Expenditure, BTO suspended
- Senior accountant BT appointed to act in this position until disciplinary hearing has been finalized
- Chief Accountant :Creditors, Loans, Investments vacant, clerk appointed to act in this position

## **Success**

- The recruitment and selection process with regards to the two vacant buyers position have been completed, envisioned that these positions will be filled by 1 October 2013.

## **Other**

- The financial statements have been submitted to the relevant stakeholders on 30 August 2013
- The office of the Auditor General is currently conducting the audit. The planning phase has been finalized, busy with the execution of the audit. Up to date of this report no audit queries have been issued.