

OVERSTRAND MUNICIPALITY



Quarterly Budget Statement September 2013

In-Year Report of the Municipality

Prepared in terms of Section 52(d) of the Local Government: Municipal Finance Management Act (Act 56 of 2003) & Section 31 of the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

Table of Contents

Glossary	3
PART 1 – IN-YEAR REPORT	5
Mayor’s Report	5
Resolutions	6
Executive Summary	7
In-year budget statement tables	9
PART 2 – SUPPORTING DOCUMENTATION	18
Debtors' analysis	18
Creditors' analysis	19
Investment portfolio analysis	20
Allocation and grant receipts and expenditure	21
Councillor allowances and employee benefits	23
Material variances to the SDBIP.....	24
Municipal financial performance.....	25
Capital programme performance	26
Other supporting documentation	31
Municipal manager’s quality certification	34

Glossary

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

Budget – The financial plan of the Municipality.

Capital expenditure - Spending on assets such as infrastructure, land & buildings minor assets etc. Any capital expenditure must be reflected as an asset on the Municipality's statement of financial position.

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

Equitable share – An unconditional grant paid to municipalities. It is predominantly targeted towards funding the Indigent Policy.

FMG – Financial Management Grant.

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

GRAP – Generally Recognised Accounting Practice. The standard for municipal accounting.

IDP – Integrated Development Plan. The main strategic planning document of the Municipality.

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

MFMA – Local Government: Municipal Finance Management Act (56/2003). The principle legislation relating to municipal financial management.

MIG – Municipal Infrastructure Grant.

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

NDPG – Neighbourhood Development Partnership Grant.

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

Rates – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

SDBIP – Service Delivery and Budget Implementation Plan (SDBIP). A detailed plan comprising annual and quarterly performance information.

Strategic objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

Vote – A main appropriation segment of the budget. In Overstrand Municipality this relates to the directorate level for operating expenditure and the GFS classification for capital expenditure.

YTD – Year to date

PART 1 – IN-YEAR REPORT

Mayor's Report

1.1 In-Year Report - Monthly Budget Statement

1.1.1 Implementation of the budget in accordance with the SDBIP

The results of the SDBIP for the first quarter ended 30 September 2013 will be tabled in a separate comprehensive report to council.

1.1.2 Financial problems or risks facing the municipality

All the major sources of revenue are within acceptable norms. The risk of under recovery of revenue for electricity has decreased due to increased billing for September 2013.

A slight decrease in actual revenue compared to projected revenue suggests that service revenue be closely monitored and where necessary adjusted with the Mid Year Review Process and Adjustment Budget Process.

1.1.3 Other relevant information

Actual operating revenue for the first quarter of 2013/2014 is below the budgeted revenue by 0.62% (R1,1m) and expenditure is under spent by 2.19% (R3,7m). Capital expenditure exceeds the target at the end of September 2013 by 191%.

Outstanding consumer debtors remain stable and only reflect the year-on-year increase from increased tariffs as from 1 July 2013.

The positive cash flow remains stable.

Resolutions

IN-YEAR REPORTS 2013/2014

This is the resolution that will be presented to Council when the In-Year Report is tabled:

RECOMMENDATION:

(a) That Council **notes** the report for the quarter ended September 2013, prepared as part of the financial reporting obligations arising from the Local Government: Municipal Finance Management Act, 2003.

Executive Summary

As the Auditor General has not yet completed the audit of the 2012/2013 financial statements the 'Audited Outcome' for 2012/2013 will only be included after the audit is completed.

Revenue by Source

The Year-to-Date actual revenue is 0.62% below the YTD budget.

Borrowings

The balance of borrowings amounts to R376,9m at the end of September 2013.

Operating expenditure by vote & type

Current expenditure is 2.19% below YTD budget projections for September 2013.

Capital expenditure

YTD expenditure on capital amounts to R27.2m or 22%, of a total budget of R123,5m and is 191% above projections. The expenditure is funded by means of grants, public contributions, borrowings and internally generated cash.

The current capital commitments of orders in progress amounts to R25,9m, giving total capital spent and committed at 43% at the end of September 2013

Cash flows

The municipality started the year with a positive cashbook balance of R84,1 million. The September closing balance is R101,8 million. Refer to Supporting Table SC9 for more detail on the cash position.

Allocations received (National & Provincial Grants)

Grants totaling R32.2m were received during the first quarter, excluding the equitable share which amounts to R14,7m.

Spending on Grants

Spending on grants amounts to R3,4m for the first quarter.

Material variances

The table below summarises variances for projected revenue and expenditure.

WC032 Overstrand - Supporting Table SC1 Material variance explanations - M03 September

Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
<u>Revenue By Source</u>	-1%	Not material	
<u>Expenditure By Type</u>	-2%	Not material	
<u>Capital Expenditure</u>	191%	Commitments amounts to 21% Actual & commitments =43%	

Performance in relation to SDBIP targets

See the comprehensive report tabled in Council.

Remedial or corrective steps

No remedial or corrective steps are required at this time.

In-year budget statement tables

Table C1: s71 Monthly Budget Statement Summary

WC032 Overstrand - Table C1 Monthly Budget Statement Summary - M03 September

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	-	127 921	127 921	10 725	34 278	34 054	224	1%	127 921
Service charges	-	497 429	497 429	42 161	124 028	125 193	(1 165)	-1%	497 429
Investment revenue	-	7 714	7 714	457	1 478	1 607	(129)	-8%	9 918
Transfers recognised - operational	-	68 984	68 984	235	18 511	18 511	-		68 984
Other own revenue	-	41 093	41 093	3 109	9 826	9 931	(105)	-1%	41 093
Total Revenue (excluding capital transfers and contributions)	-	743 141	743 141	56 687	188 122	189 297	(1 175)	-1%	745 345
Employee costs	-	250 842	250 842	19 070	55 600	55 571	29	0%	250 842
Remuneration of Councillors	-	7 577	7 577	622	1 845	1 894	(49)	-3%	7 577
Depreciation & asset impairment	-	103 810	103 810	8 651	25 952	25 952	-		103 810
Finance charges	-	42 292	42 292	15	153	153	-		42 292
Materials and bulk purchases	-	171 947	171 947	17 741	41 167	41 858	(691)	-2%	171 947
Transfers and grants	-	38 766	38 766	3 156	9 424	9 692	(268)		38 766
Other expenditure	-	208 825	208 825	13 433	33 754	36 544	(2 791)	-8%	208 825
Total Expenditure	-	824 059	824 059	62 687	167 896	171 665	(3 769)	-2%	824 059
Surplus/(Deficit)	-	(80 918)	(80 918)	(6 000)	20 227	17 632	2 594	15%	(78 714)
Transfers recognised - capital	-	39 387	39 434	2 610	3 500	3 500	-		39 434
Contributions & Contributed assets	-	3 583	3 583	-	-	-	-		3 583
Surplus/(Deficit) after capital transfers & contributions	-	(37 947)	(37 901)	(3 390)	23 726	21 132	2 594	12%	(35 697)
Surplus/ (Deficit) for the year	-	(37 947)	(37 901)	(3 390)	23 726	21 132	2 594	12%	(35 697)
Capital expenditure & funds sources									
Capital expenditure	-	109 897	123 509	15 798	27 214	9 350	17 864	191%	123 509
Capital transfers recognised	-	36 028	36 074	2 610	3 500	1 804	1 696	94%	36 074
Public contributions & donations	-	3 583	3 583	-	-	-	-		3 583
Borrowing	-	59 861	73 427	13 151	22 844	6 869	15 975	233%	73 427
Internally generated funds	-	10 425	10 425	37	870	677	193	28%	10 425
Total sources of capital funds	-	109 897	123 509	15 798	27 214	9 350	17 864	191%	123 509
Financial position									
Total current assets	-	183 501	183 501		215 675				183 501
Total non current assets	-	3 188 259	3 188 259		3 300 851				3 188 259
Total current liabilities	-	130 310	130 263		143 128				130 263
Total non current liabilities	-	527 115	527 115		492 004				527 115
Community wealth/Equity	-	2 714 336	2 714 382		2 881 393				2 714 382
Cash flows									
Net cash from (used) operating	-	71 124	71 124	16 092	48 203	47 990	214	0%	71 124
Net cash from (used) investing	-	(115 209)	(115 209)	(16 267)	(28 116)	(10 239)	(17 877)	175%	(115 209)
Net cash from (used) financing	-	36 973	36 973	396	(2 379)	(2 880)	501	-17%	36 973
Cash/cash equivalents at the month/year end	-	84 406	84 406	-	101 855	126 389	(24 534)	-19%	77 035
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	45 101	1 861	1 260	957	815	712	3 576	15 399	69 682
Creditors Age Analysis									
Total Creditors	21 422	-	-	-	-	-	-	-	21 422

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

WC032 Overstrand - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
Governance and administration	-	193 558	193 558	12 404	56 772	55 033	1 739	3%	193 558
Executive and council	-	43 363	43 363	24	17 556	17 556	-		43 363
Budget and treasury office	-	147 919	147 919	12 251	38 756	36 980	1 776	5%	147 919
Corporate services	-	2 277	2 277	128	460	497	(37)	-7%	2 277
Community and public safety	-	57 725	57 772	2 584	7 340	8 622	(1 282)	-15%	57 772
Community and social services	-	2 078	2 078	205	603	519	83	16%	2 078
Sport and recreation	-	11 549	11 549	371	1 242	2 358	(1 116)	-47%	11 549
Public safety	-	12 393	12 393	959	3 197	3 098	99	3%	12 393
Housing	-	31 705	31 752	1 048	2 297	2 646	(349)	-13%	31 752
Economic and environmental services	-	25 383	25 383	1 871	3 057	4 421	(1 364)	-31%	25 383
Planning and development	-	11 377	11 377	398	1 106	1 559	(453)	-29%	11 377
Road transport	-	13 938	13 938	1 472	1 933	2 846	(912)	-32%	13 938
Environmental protection	-	68	68	1	18	17	1	6%	68
Trading services	-	509 446	509 446	42 439	124 453	124 721	(268)	0%	509 446
Electricity	-	289 279	289 279	26 108	76 540	75 001	1 539	2%	289 279
Water	-	99 562	99 562	6 892	20 076	21 148	(1 072)	-5%	99 562
Waste water management	-	67 584	67 584	5 025	14 571	16 051	(1 480)	-9%	67 584
Waste management	-	53 020	53 020	4 414	13 266	12 521	745	6%	53 020
Other	-	-	-	-	-	-	-		-
Total Revenue - Standard	-	786 112	786 158	59 297	191 622	192 797	(1 175)	-1%	786 158
Expenditure - Standard									
Governance and administration	-	120 523	120 523	9 442	25 075	27 344	(2 269)	-8%	120 523
Executive and council	-	64 562	64 562	4 442	15 223	16 140	(917)	-6%	64 562
Budget and treasury office	-	24 726	24 726	1 891	4 657	4 842	(185)	-4%	24 726
Corporate services	-	31 236	31 236	3 109	5 195	6 362	(1 167)	-18%	31 236
Community and public safety	-	122 599	122 599	7 594	21 300	22 945	(1 645)	-7%	122 599
Community and social services	-	30 554	30 554	2 281	6 349	6 739	(389)	-6%	30 554
Sport and recreation	-	21 105	21 105	1 350	3 829	4 485	(656)	-15%	21 105
Public safety	-	44 185	44 185	3 665	9 673	10 273	(600)	-6%	44 185
Housing	-	26 754	26 754	297	1 449	1 449	-		26 754
Economic and environmental services	-	135 645	135 645	9 269	27 498	26 673	824	3%	135 645
Planning and development	-	31 326	31 326	1 858	5 294	6 541	(1 248)	-19%	31 326
Road transport	-	96 482	96 482	6 954	20 809	18 670	2 139	11%	96 482
Environmental protection	-	7 837	7 837	457	1 395	1 462	(67)	-5%	7 837
Trading services	-	445 293	445 293	36 381	94 022	94 702	(680)	-1%	445 293
Electricity	-	244 304	244 304	22 410	55 642	55 986	(345)	-1%	244 304
Water	-	92 079	92 079	5 458	15 931	17 286	(1 355)	-8%	92 079
Waste water management	-	60 149	60 149	4 316	11 763	11 881	(118)	-1%	60 149
Waste management	-	48 760	48 760	4 198	10 686	9 549	1 138	12%	48 760
Other	-	-	-	-	-	-	-		-
Total Expenditure - Standard	-	824 059	824 059	62 687	167 896	171 665	(3 769)	-2%	824 059
Surplus/ (Deficit) for the year	-	(37 947)	(37 901)	(3 390)	23 726	21 132	2 594	12%	(37 901)

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

The main functions are Governance and administration; Community and public safety; Economic and environmental services; and Trading services.

It is for this reason that Financial Performance is reported in standard classification, Table C2, and by municipal vote, Table C3.

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

WC032 Overstrand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Council	-	42 395	42 395	24	17 550	17 550	-		42 395
Vote 2 - Municipal Manager	-	-	-	-	-	-	-		-
Vote 3 - Management Services	-	1 216	1 216	18	202	171	32	18.5%	1 216
Vote 4 - Finance	-	147 919	147 919	12 251	38 756	36 980	1 776	4.8%	147 919
Vote 5 - Community Services	-	280 926	280 972	19 537	54 253	58 449	(4 196)	-7.2%	280 972
Vote 6 - Local Economic Development	-	5 214	5 214	99	186	435	(248)	-57.1%	5 214
Vote 7 - Infrastructure & Planning	-	295 950	295 950	26 409	77 478	76 115	1 363	1.8%	295 950
Vote 8 - Protection Services	-	12 493	12 493	959	3 197	3 098	99	3.2%	12 493
Total Revenue by Vote	-	786 112	786 158	59 297	191 622	192 797	(1 175)	-0.6%	786 158
Expenditure by Vote									
Vote 1 - Council	-	56 809	56 809	4 429	15 187	14 202	984	6.9%	56 809
Vote 2 - Municipal Manager	-	1 949	1 949	130	292	487	(196)	-40.2%	1 949
Vote 3 - Management Services	-	11 031	11 031	1 781	1 593	2 758	(1 165)	-42.2%	11 031
Vote 4 - Finance	-	24 726	24 726	1 891	4 657	4 842	(185)	-3.8%	24 726
Vote 5 - Community Services	-	389 757	389 757	24 951	71 293	71 891	(598)	-0.8%	389 757
Vote 6 - Local Economic Development	-	8 303	8 303	607	1 841	1 903	(62)	-3.2%	8 303
Vote 7 - Infrastructure & Planning	-	287 299	287 299	25 233	63 361	65 309	(1 948)	-3.0%	287 299
Vote 8 - Protection Services	-	44 185	44 185	3 665	9 673	10 273	(600)	-5.8%	44 185
Total Expenditure by Vote	-	824 059	824 059	62 687	167 896	171 665	(3 769)	-2.2%	824 059
Surplus/ (Deficit) for the year	-	(37 947)	(37 901)	(3 390)	23 726	21 132	2 594	12.3%	(37 901)

The operating expenditure budget is approved by Council on the municipal vote level.

The municipal votes reflect the organisational structure of the municipality which is made up of the following directorates: Council; Municipal Manager; Management Services; Finance; Community Services; Local Economic Development; Infrastructure & Planning and Protection Services.

Unauthorised expenditure by year end would occur either for the municipality as a whole if the adjusted budget for 'Total Expenditure by Vote' or if any of the individual budgets for any specific vote/s were overspent. During the financial year some of the figures are influenced by transactions that occur annually only.

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

WC032 Overstrand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Revenue By Source									
Property rates		126 921	126 921	10 658	34 077	33 846	231	1%	126 921
Property rates - penalties & collection charges		1 000	1 000	67	202	208	(7)	-3%	1 000
Service charges - electricity revenue		284 936	284 936	25 984	76 416	77 764	(1 348)	-2%	284 936
Service charges - water revenue		98 642	98 642	6 815	19 922	19 728	194	1%	98 642
Service charges - sanitation revenue		60 917	60 917	4 963	14 447	14 468	(20)	0%	60 917
Service charges - refuse revenue		52 934	52 934	4 399	13 243	13 234	9	0%	52 934
Rental of facilities and equipment		8 551	8 551	495	1 810	1 796	15	1%	8 551
Interest earned - external investments		7 714	7 714	457	1 478	1 607	(129)	-8%	7 714
Interest earned - outstanding debtors		2 204	2 204	177	524	551	(27)	-5%	2 204
Fines		6 079	6 079	503	1 656	1 520	137	9%	6 079
Licences and permits		2 046	2 046	155	503	512	(9)	-2%	2 046
Agency services		2 250	2 250	175	544	563	(18)	-3%	2 250
Transfers recognised - operational		68 984	68 984	235	18 511	18 511	-		68 984
Other revenue		19 963	19 963	1 604	4 789	4 991	(202)	-4%	19 963
Gains on disposal of PPE							-		
contributions)	-	743 141	743 141	56 687	188 122	189 297	(1 175)	-1%	743 141
Expenditure By Type									
Employee related costs		250 842	250 842	19 070	55 600	55 571	29	0%	250 842
Remuneration of councillors		7 577	7 577	622	1 845	1 894	(49)	-3%	7 577
Debt impairment							-		
Depreciation & asset impairment		103 810	103 810	8 651	25 952	25 952	-		103 810
Finance charges		42 292	42 292	15	153	153	-		42 292
Bulk purchases		156 893	156 893	16 768	39 026	39 223	(197)	-1%	156 893
Other materials		15 055	15 055	973	2 141	2 635	(493)	-19%	15 055
Contracted services		74 909	74 909	6 013	12 678	13 109	(431)	-3%	74 909
Transfers and grants		38 766	38 766	3 156	9 424	9 692	(268)	-3%	38 766
Other expenditure		133 917	133 917	7 420	21 076	23 435	(2 359)	-10%	133 917
Loss on disposal of PPE							-		
Total Expenditure	-	824 059	824 059	62 687	167 896	171 665	(3 769)	-2%	824 059
Surplus/(Deficit)	-	(80 918)	(80 918)	(6 000)	20 227	17 632	2 594	0	(80 918)
Transfers recognised - capital		39 387	39 434	2 610	3 500	3 500	-		39 434
Contributions recognised - capital		3 583	3 583	-	-	-	-		3 583
Contributed assets							-		
Surplus/(Deficit) after capital transfers & Taxation	-	(37 947)	(37 901)	(3 390)	23 726	21 132	-		(37 901)
Surplus/(Deficit) after taxation	-	(37 947)	(37 901)	(3 390)	23 726	21 132			(37 901)
Surplus/(Deficit) attributable to municipality	-	(37 947)	(37 901)	(3 390)	23 726	21 132			(37 901)
Share of surplus/ (deficit) of associate									
Surplus/ (Deficit) for the year	-	(37 947)	(37 901)	(3 390)	23 726	21 132			(37 901)

The annual revenue budget is approved as 'Revenue by Source'. The Year-to-Date actual revenue is 0.62% below the YTD budget.

Current expenditure is 2.19%, below year-to-date budget projections for September 2013.

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

WC032 Overstrand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03 September

Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	1 439	1 439	-	833	72	761	1058%	1 439
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	68 764	80 217	5 624	9 286	4 988	4 298	86%	80 217
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	39 694	41 853	10 175	17 096	4 290	12 805	298%	41 853
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	-	109 897	123 509	15 798	27 214	9 350	17 864	191%	123 509
Total Capital Expenditure	-	109 897	123 509	15 798	27 214	9 350	17 864	191%	123 509
Capital Expenditure - Standard Classification									
Governance and administration	-	9 977	10 961	10	1 401	548	853	156%	10 961
Executive and council							-		
Budget and treasury office							-		
Corporate services		9 977	10 961	10	1 401	548	853	156%	10 961
Community and public safety	-	16 405	16 452	1 054	1 503	823	680	83%	16 452
Community and social services							-		
Sport and recreation		5 225	5 225	21	21	261	(241)	-92%	5 225
Public safety							-		
Housing		11 180	11 227	1 033	1 482	561	921	164%	11 227
Health							-		
Economic and environmental services	-	17 870	17 870	1 452	1 893	894	1 000	112%	17 870
Planning and development							-		
Road transport		17 870	17 870	1 452	1 893	894	1 000	112%	17 870
Environmental protection							-		
Trading services	-	65 644	78 226	13 282	22 417	7 086	15 331	216%	78 226
Electricity		37 194	38 369	10 175	16 537	4 116	12 421	302%	38 369
Water		15 900	24 144	1 649	3 866	2 207	1 659	75%	24 144
Waste water management		11 150	12 672	1 450	1 821	611	1 211	198%	12 672
Waste management		1 400	3 041	8	193	152	41	27%	3 041
Total Capital Expenditure - Standard Classification	-	109 897	123 509	15 798	27 214	9 350	17 864	191%	123 509
Funded by:									
National Government		22 355	22 355	1 153	1 594	1 118	476	43%	22 355
Provincial Government		13 673	13 719	1 457	1 906	686	1 220	178%	13 719
District Municipality							-		
Other transfers and grants							-		
Transfers recognised - capital	-	36 028	36 074	2 610	3 500	1 804	1 696	94%	36 074
Public contributions & donations		3 583	3 583				-		3 583
Borrowing		59 861	73 427	13 151	22 844	6 869	15 975	233%	73 427
Internally generated funds		10 425	10 425	37	870	677	193	28%	10 425
Total Capital Funding	-	109 897	123 509	15 798	27 214	9 350	17 864	191%	123 509

The capital expenditure is 191%, R17,8m above the budget

Table C6: Monthly Budget Statement - Financial Position

WC032 Overstrand - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	2012/13	Budget Year 2013/14			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash		84 406	84 406	52 215	84 406
Call investment deposits		-	-	49 640	-
Consumer debtors		50 826	50 826	52 127	50 826
Other debtors		40 769	40 769	44 242	40 769
Current portion of long-term receivables		14	14		14
Inventory		7 486	7 486	17 451	7 486
Total current assets	-	183 501	183 501	215 675	183 501
Non current assets					
Long-term receivables		73	73	101	73
Investments		16 379	16 379	12 499	16 379
Investment property		87 289	87 289	175 866	87 289
Investments in Associate			-		-
Property, plant and equipment		3 080 474	3 080 474	3 106 911	3 080 474
Agricultural			-		-
Biological assets			-		-
Intangible assets		4 043	4 043	4 449	4 043
Other non-current assets			-	1 025	-
Total non current assets	-	3 188 259	3 188 259	3 300 851	3 188 259
TOTAL ASSETS	-	3 371 760	3 371 760	3 516 526	3 371 760
LIABILITIES					
Current liabilities					
Bank overdraft			-		
Borrowing		20 623	20 623	35 912	20 623
Consumer deposits		38 618	38 618	36 359	38 618
Trade and other payables		64 237	64 191	70 857	64 191
Provisions		6 831	6 831		6 831
Total current liabilities	-	130 310	130 263	143 128	130 263
Non current liabilities					
Borrowing		391 789	391 789	342 432	391 789
Provisions		135 325	135 325	149 572	135 325
Total non current liabilities	-	527 115	527 115	492 004	527 115
TOTAL LIABILITIES	-	657 425	657 378	635 132	657 378
NET ASSETS	-	2 714 336	2 714 382	2 881 393	2 714 382
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)		2 397 233	2 397 279	2 879 500	2 397 279
Reserves		317 103	317 103	1 893	317 103
TOTAL COMMUNITY WEALTH/EQUITY	-	2 714 336	2 714 382	2 881 393	2 714 382

The statement of financial position is in line with expectations for the financial year.

Table C7: Monthly Budget Statement - Cash Flow

WC032 Overstrand - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other		652 431	652 431	55 174	166 593	163 108	3 485	2%	652 431
Government - operating		68 984	68 984	235	18 511	18 511	-		68 984
Government - capital		42 971	43 017	2 610	3 500	3 500	-		43 017
Interest		9 918	9 918	634	2 002	2 066	(64)	-3%	9 918
Dividends		-	-	-	-	-	-		-
Payments									
Suppliers and employees		(622 122)	(622 169)	(39 390)	(132 826)	(129 618)	3 207	-2%	(622 169)
Finance charges		(42 292)	(42 292)	(15)	(153)	(153)	-		(42 292)
Transfers and Grants		(38 766)	(38 766)	(3 156)	(9 424)	(9 424)	-		(38 766)
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	71 124	71 124	16 092	48 203	47 990	214	0%	71 124
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE		-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		48	48	0	0	4	(4)	-94%	48
Decrease (increase) in non-current investments		(5 359)	(5 359)	(469)	(902)	(893)	(9)	1%	(5 359)
Payments									
Capital assets		(109 897)	(109 897)	(15 798)	(27 214)	(9 350)	17 865	-191%	(109 897)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(115 209)	(115 209)	(16 267)	(28 116)	(10 239)	17 877	-175%	(115 209)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans		-	-	-	-	-	-		-
Borrowing long term/refinancing		51 300	51 300	-	-	-	-		51 300
Increase (decrease) in consumer deposits		3 704	3 704	447	1 427	926	501	54%	3 704
Payments									
Repayment of borrowing		(18 032)	(18 032)	(51)	(3 806)	(3 806)	-		(18 032)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	36 973	36 973	396	(2 379)	(2 880)	(501)	17%	36 973
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at beginning:		91 518	91 518		84 147	91 518			84 147
Cash/cash equivalents at month/year end:		84 406	84 406		101 855	126 389			77 035

Table C7 balances to the current Cash balance, shown in the 'YTD actual' column which is R101,8 million.

The municipality started the year with a positive cashbook balance of R84,1 million. The September closing balance is R101,8 million. Refer to Supporting Table SC9 for more detail on the cash position.

Supporting Table SC9: Monthly Budget Statement – Actual & revised targets for cash receipts & cash flows

WC032 Overstrand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Budget Year 2013/14											
	July Outcome	August Outcome	Sept Outcome	October	Nov	Dec	January	Feb	March	April	May	June Budget
R thousands												
Cash Receipts By Source												
Property rates	9 587	10 305	12 301									94 624
Property rates - penalties & collection charges	67	67	67									798
Service charges - electricity revenue	30 300	25 361	25 762									203 281
Service charges - water revenue	5 396	6 771	6 957									79 437
Service charges - sanitation revenue	3 354	4 742	4 754									48 016
Service charges - refuse	4 031	4 385	4 130									40 346
Rental of facilities and equipment	627	519	504									6 893
Interest earned - external investments	531	490	457									6 236
Interest earned - outstanding debtors	172	175	177									1 680
Fines	559	595	503									4 423
Licences and permits	184	164	155									1 543
Agency services	191	179	175									1 706
Transfer receipts - operating	17 561	715	235									50 473
Other revenue	3 409	625	(134)									4 771
Cash Receipts by Source	75 969	55 094	56 043	-	-	-	-	-	-	-	-	544 227
Other Cash Flows by Source												
Transfer receipts - capital		890	2 610									35 934
Contributions & Contributed assets												3 583
Proceeds on disposal of PPE												-
Borrowing long term/refinancing												51 300
Increase in consumer deposits	1 072	(92)	447									2 277
Receipt of non-current debtors												-
Receipt of non-current receivables	0	0	0									47
Change in non-current investments	(428)	(5)	(469)									(4 457)
Total Cash Receipts by Source	76 613	55 887	58 631	-	-	-	-	-	-	-	-	632 911
Cash Payments by Type												
Employee related costs	16 754	18 746	18 367									188 009
Remuneration of councillors	605	619	622									5 351
Interest paid	138	-	15									42 138
Bulk purchases - Electricity	2 686	19 572	16 768									117 867
Bulk purchases - Water & Sewer												-
Other materials	440	728	973									12 913
Contracted services	1 219	5 446	6 013									62 231
Grants and subsidies paid - other municipalities												-
Grants and subsidies paid - other	3 132	3 136	3 156									29 342
General expenses	24 888	1 733	(3 353)									102 971
Cash Payments by Type	49 862	49 980	42 561	-	-	-	-	-	-	-	-	560 824
Other Cash Flows/Payments by Type												
Capital assets	-	11 416	15 798									82 683
Repayment of borrowing	3 755		51									14 225
Total Cash Payments by Type	53 618	61 396	58 410	-	-	-	-	-	-	-	-	657 732
NET INCREASE/(DECREASE) IN CASH HELD	22 995	(5 509)	222	-	-	-	-	-	-	-	-	(24 820)
Cash/cash equivalents at the month/year beginning	84 147	107 143	101 633	101 855	101 855	101 855	101 855	101 855	101 855	101 855	101 855	101 855
Cash/cash equivalents at the month/year end	107 143	101 633	101 855	101 855	101 855	101 855	101 855	101 855	101 855	101 855	101 855	77 035

This supporting table gives a detailed breakdown of information summarised in Table C7

PART 2 – SUPPORTING DOCUMENTATION

Debtors' analysis

Supporting Table SC3 Debtors' age analysis

WC032 Overstrand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2013/14										Actual Bad Debts Written Off against Debtors	Impaired - 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													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	8 070	409	374	210	165	147	672	2 196	12 245	3 391	-	4 264
Trade and Other Receivables from Exchange Transactions - Electricity	1300	13 154	334	209	160	106	98	445	1 701	16 207	2 511	-	1 270
Receivables from Non-exchange Transactions - Property Rates	1400	12 170	445	221	223	158	143	702	2 991	17 053	4 217	-	3 907
Receivables from Exchange Transactions - Waste Water Management	1500	5 182	239	156	126	112	106	568	1 839	8 326	2 750	-	2 853
Receivables from Exchange Transactions - Waste Management	1600	4 182	162	105	84	74	68	305	1 178	6 157	1 709	-	1 573
Receivables from Exchange Transactions - Property Rental Debtors	1700	171	18	15	15	16	12	30	64	341	137	-	221
Interest on Arrear Debtor Accounts	1810	59	30	35	30	32	33	242	3 595	4 056	3 931	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	2 113	224	145	109	152	105	613	1 835	5 297	2 815	-	2 826
Total By Income Source	2000	45 101	1 861	1 260	957	815	712	3 576	15 399	69 682	21 460	-	16 916
2012/13 - totals only		40 805	1 818	1 230	984	838	847	3 819	15 655	65 996	22 144		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 084	52	38	22	8	6	27	334	1 570	397	-	-
Commercial	2300	6 945	110	95	51	17	13	92	494	7 817	668	-	646
Households	2400	37 075	1 700	1 128	884	790	693	3 458	14 571	60 297	20 395	-	16 270
Other	2500	(2)	-	-	-	-	-	-	-	(2)	-	-	-
Total By Customer Group	2600	45 101	1 861	1 260	957	815	712	3 576	15 399	69 682	21 460	-	16 916

Debtors' levels remain stable after the slight year-on-year decrease from 2012 to 2013. The increased debtors results from the year-on-year increase in billings from increased tariffs at the start of the new financial year.

Summary of Indigent Households

Indigent Household Statistics					
	Indigent Households	Amount	Other Households	Total Households	
2013					
July	6 427	3 131 937	25 314	31 741	20.25%
August	6 446	3 136 846	25 419	31 865	20.23%
September	6 514	3 155 567	25 335	31 849	20.45%
October			0		
November			0		
December			0		
2014					
January			0		
February			0		
March			0		
April			0		
May			0		
June			0		

Summary of Debtors Age Analysis

MONTH	< 30 Days	< 60 Days	< 90 Days	< 120 Days	< 150 Days	<180 Days	<365 Days	>365 Days	Total -	Older than 30 Days	Older than 90 days
2013/14											
June									0	0	0
May									0	0	0
April									0	0	0
March									0	0	0
February									0	0	0
January									0	0	0
December									0	0	0
November									0	0	0
October									0	0	0
September	45 101 428	1 861 255	1 259 835	957 082	814 639	712 400	3 576 463	15 399 007	69 682 108	24 580 680	21 459 590
Augustus	38 856 787	1 937 928	1 226 689	1 016 753	830 184	696 009	3 529 750	15 530 145	63 624 245	24 767 458	21 602 841
July	41 116 113	1 847 114	1 256 338	962 460	773 328	685 374	3 784 937	15 375 903	65 801 568	24 685 456	21 582 003

Creditors' analysis

Supporting Table SC4

WC032 Overstrand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2013/14								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100									-
Bulk Water	0200									-
PAYE deductions	0300	2 108								2 108
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	19 313								19 313
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	21 422	-	-	-	-	-	-	-	21 422

Supporting Table SC4 reflects creditors paid during September 2013.

The payment of creditors is within requirements of the MFMA

Investment portfolio analysis

Supporting Table SC5

WC032 Overstrand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands	Yrs/Months							
Municipality								
LIBERTY 15934476	15 YEARS		01/09/2025	14		4 870	125	5 009
LIBERTY 21196964	14 YEARS		01/09/2025	14		6 396	260	6 670
MOMENTUM MP 3853776	14 YEARS		01/07/2026	25		764	30	820
ABSA 4074809272	DAILY	CALL		1	4.8%	203	-	203
ABSA 9284200168	DEP PLUS	CALL		100	5.0%	24 337		24 437
NEDBANK 1232086916	31 DAYS	FIXED	04/10/2013		5.2%		25 000	25 000
Municipality sub-total				155		36 570	25 415	62 139
TOTAL INVESTMENTS AND INTEREST								
				155		36 570	25 415	62 139

Surplus cash not immediately required is invested in call and monthly deposits.

Long term investments relate to the sinking fund investments.

Allocation and grant receipts and expenditure

Supporting Table SC6 – Grant receipts

WC032 Overstrand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September									
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									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	-	45 383	45 383	-	20 167	20 167	-		45 383
Local Government Equitable Share		41 949	41 949		17 479	17 479	-		41 949
							-		
							-		
Provincial Government:	-	23 601	23 601	595	997	997	-		23 601
Housing		20 045	20 045	595	595	595	-		20 045
Provincial Library Grant		805	805		302	302	-		805
Main Road Subsidy		2 651	2 651				-		2 651
Sport & Recreation Grant		100	100		100	100	-		100
Other transfers and grants [insert description]							-		
District Municipality:	-	-	-	-	-	-	-		-
[insert description]							-		
							-		
Other grant providers:	-	-	-	-	-	-	-		-
[insert description]							-		
							-		
Total Operating Transfers and Grants	-	68 984	68 984	595	21 164	21 164	-		68 984
Capital Transfers and Grants									
National Government:	-	25 725	25 725	-	11 058	11 058	-		25 725
Municipal Infrastructure Grant (MIG)		18 755	18 755		4 095	4 095	-		18 755
INEP		3 000	3 000		3 000	3 000	-		3 000
Neighbourhood Development Partnership		3 970	3 970		3 963	3 963	-		3 970
Other capital transfers [insert description]							-		
Provincial Government:	-	6 671	6 671	-	-	-	-		6 671
							-		
District Municipality:	-	-	-	-	-	-	-		-
[insert description]							-		
							-		
Other grant providers:	-	-	-	-	-	-	-		-
[insert description]							-		
							-		
Total Capital Transfers and Grants	-	32 396	32 396	-	11 058	11 058	-		32 396
TOTAL RECEIPTS OF TRANSFERS & GRANTS	-	101 380	101 380	595	32 222	32 222	-		101 380

Grant receipts are monitored according to the payment schedules. Year to date actual only reflects actual receipts for 2013/2014.

Supporting Table SC7 – Grant expenditure

WC032 Overstrand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

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									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	-	3 434	3 434	166	319	319	-		3 434
Local Government Equitable Share							-		
Finance Management		1 300	1 300	64	129	129	-		1 300
Municipal Systems Improvement		890	890	4	4	4	-		890
EPWP Incentive		1 244	1 244	99	186	186	-		1 244
Provincial Government:	-	23 601	23 601	66	707	707	-		23 601
Housing		20 045	20 045		591	591	-		20 045
Provincial Library Grant		805	805	66	116	116	-		805
Main Road Subsidy		2 651	2 651				-		2 651
Sport & Recreation Grant		100	100				-		100
Other transfers and grants [insert description]							-		
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
[insert description]							-		
Total operating expenditure of Transfers and Grants:	-	27 035	27 035	232	1 026	1 026	-		27 035
Capital expenditure of Transfers and Grants									
National Government:	-	25 725	25 725	1 153	1 594	1 594	-		25 725
Municipal Infrastructure Grant (MIG)		18 755	18 755	1 028	1 469	1 469	-		18 755
INEP		3 000	3 000	125	125	125	-		3 000
Neighbourhood Development Partnership		3 970	3 970				-		3 970
Other capital transfers [insert description]							-		
Provincial Government:	-	6 671	6 671	424	873	873	-		6 671
Housing		5 689	5 689		449	449	-		5 689
Public Transport non-motorised infrastructure grant		982	982	424	424	424	-		982
District Municipality:	-	-	-	-	-	-	-		-
Other grant providers:	-	-	-	-	-	-	-		-
0							-		
Total capital expenditure of Transfers and Grants	-	32 396	32 396	1 577	2 466	2 466	-		32 396
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	-	59 431	59 431	1 809	3 493	3 493	-		59 431

Grant expenditure is monitored against grant receipts.

Expenditure on councillor and board members allowances and employee benefits

Supporting Table SC8

WC032 Overstrand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	2011/12	Budget Year 2012/13							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages		7 197	7 197	592	1 756	1 799	(43)	-2%	7 197
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		380	380	30	89	95	(6)	-6%	380
Housing Allowances							-		
Other benefits and allowances							-		
Sub Total - Councillors	-	7 577	7 577	622	1 845	1 894	(49)	-3%	7 577
<u>Senior Managers of the Municipality</u>									
Basic Salaries and Wages		8 657	8 657	721	2 162	2 164	(2)	0%	8 657
Pension and UIF Contributions							-		
Medical Aid Contributions							-		
Overtime							-		
Performance Bonus							-		
Motor Vehicle Allowance							-		
Cellphone Allowance		146	146	12	35	36	(2)	-4%	146
Housing Allowances							-		
Other benefits and allowances							-		
Post-retirement benefit obligations							-		
Sub Total - Senior Managers of Municipality	-	8 803	8 803	732	2 197	2 201	(4)	0%	8 803
<u>Other Municipal Staff</u>									
Basic Salaries and Wages		146 098	146 098	11 102	33 448	32 994	454	1%	146 098
Pension and UIF Contributions		27 080	27 080	2 078	6 239	5 937	302	5%	27 080
Medical Aid Contributions		11 179	11 179	711	2 120	2 451	(331)	-13%	11 179
Overtime		12 233	12 233	1 025	1 908	2 682	(773)	-29%	12 233
Performance Bonus		12 011	12 011	-	-	2 633	(2 633)	-100%	12 011
Motor Vehicle Allowance		10 714	10 714	818	2 408	2 349	59	3%	10 714
Cellphone Allowance		1 356	1 356	98	302	297	5	2%	1 356
Housing Allowances		945	945	82	249	207	41	20%	945
Other benefits and allowances		9 082	9 082	1 546	4 097	1 991	2 106	106%	9 082
Long service awards		813	813	-	-	-	-		813
Post-retirement benefit obligations		9 630	9 630	802	2 407	1 605	802	50%	9 630
Sub Total - Other Municipal Staff	-	242 039	242 039	18 338	53 403	53 370	33	0%	242 039
TOTAL SALARY, ALLOWANCES & BENEFITS	-	258 419	258 419	19 692	57 445	57 465	(20)	0%	258 419
TOTAL MANAGERS AND STAFF	-	250 842	250 842	19 070	55 600	55 571	29	0%	250 842

SDBIP

The results of the SDBIP for the first quarter ended 30 September 2013 will be included in a separate comprehensive report to be tabled in Council.

Financial Performance

Supporting Table SC2

WC032 Overstrand - Supporting Table SC2 Monthly Budget Statement - performance indicators - M03 September

Description of financial indicator	Basis of calculation	2012/13	Budget Year 2013/14			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	0.0%	17.7%	17.7%	0.1%	6.1%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	54.5%	59.5%	83.9%	59.5%
<u>Safety of Capital</u>						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	0.0%	17.6%	17.6%	15.6%	17.6%
Gearing	Long Term Borrowing/ Funds &	0.0%	123.6%	123.6%	18087.6%	123.6%
<u>Liquidity</u>						
Current Ratio	Current assets/current liabilities	0.0%	140.8%	140.9%	150.7%	140.9%
Liquidity Ratio	Monetary Assets/Current Liabilities	0.0%	64.8%	64.8%	71.2%	64.8%
<u>Revenue Management</u>						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		99.9%	99.9%	Annual Indicator	99.9%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual	0.0%	12.3%	12.3%	Annual	12.3%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		98.2%	98.2%		98.2%
<u>Funding of Provisions</u>						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
<u>Other Indicators</u>						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		7.1%	7.2%	7.2%	7.2%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		25.9%	25.8%	25.8%	25.8%
Employee costs	Employee costs/Total Revenue - capital revenue	0.0%	33.8%	33.8%	29.6%	33.8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue	0.0%	22.0%	22.0%	16.5%	22.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue	0.0%	19.7%	19.7%	0.1%	6.7%
<u>IDP regulation financial viability indicators</u>						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year		21.6	2155.9%	Annual Indicator	21.6
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		14.5%	14.5%	Annual Indicator	14.5%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		1.7	165.3%	5.35	1.7

Capital programme performance

Supporting Table SC12

WC032 Overstrand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		1 099	74	0	0	74	74	100.0%	0%
August		2 198	6 299	11 416	11 416	6 373	(5 043)	-79.1%	10%
September		4 396	2 977	15 798	27 214	9 350	(17 865)	-191.1%	25%
October		7 693	5 434			14 784	-		
November		6 594	7 559			22 343	-		
December		12 089	9 967			32 310	-		
January		8 792	3 582			35 892	-		
February		13 188	8 942			44 834	-		
March		10 990	9 955			54 789	-		
April		13 188	11 215			66 003	-		
May		15 386	22 689			88 692	-		
June		14 287	34 817			123 509	-		
Total Capital expenditure	-	109 897	123 509	27 214					

Supporting Table SC13a

WC032 Overstrand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M03 September

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									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	-	50 904	50 904	13 602	18 030	5 545	(12 485)	-225.1%	50 904
Infrastructure - Road transport	-	9 160	9 160	327	327	458	131	28.6%	9 160
<i>Roads, Pavements & Bridges</i>		9 160	9 160	327	327	458	131	28.6%	9 160
<i>Storm water</i>							-		
Infrastructure - Electricity	-	23 894	23 894	10 175	11 830	3 195	(8 636)	-270.3%	23 894
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		23 894	23 894	10 175	11 830	3 195	(8 636)	-270.3%	23 894
<i>Street Lighting</i>							-		
Infrastructure - Water	-	7 300	7 300	1 643	3 859	1 365	(2 494)	-182.7%	7 300
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>		7 300	7 300	1 643	3 859	1 365	(2 494)	-182.7%	7 300
<i>Reticulation</i>							-		
Infrastructure - Sanitation	-	9 150	9 150	1 450	1 821	458	(1 364)	-298.1%	9 150
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		9 150	9 150	1 450	1 821	458	(1 364)	-298.1%	9 150
Infrastructure - Other	-	1 400	1 400	8	193	70	(123)	-175.1%	1 400
<i>Waste Management</i>		1 400	1 400	8	193	70	(123)	-175.1%	1 400
Community	-	13 189	13 189	10	459	659	201	30.4%	13 189
Parks & gardens							-		
Sportsfields & stadia		5 000	5 000			250	250	100.0%	5 000
Security and policing							-		
Cemeteries							-		
Social rental housing		5 689	5 689		449	284	(164)	-57.7%	5 689
Other		2 500	2 500	10	10	125	115	91.9%	2 500
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	6 638	6 638	-	-	332	332	100.0%	6 638
General vehicles		4 695	4 695			235	235	100.0%	4 695
Specialised vehicles	-	-	-	-	-	-	-		-
Other							-		
Intangibles	-	-	-	-	-	-	-		-
Computers - software & programming							-		
Other							-		
Total Capital Expenditure on new assets	-	70 731	70 731	13 612	18 489	6 537	(11 952)	-182.9%	70 731

Supporting Table SC13b

WC032 Overstrand - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M03 September

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									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	-	32 610	45 192	1 132	6 280	2 260	(4 020)	-177.9%	45 192
Infrastructure - Road transport	-	8 710	8 710	1 125	1 566	436	(1 131)	-259.6%	8 710
<i>Roads, Pavements & Bridges</i>		8 710	8 710	1 125	1 566	436	(1 131)	-259.6%	8 710
<i>Storm water</i>							-		
Infrastructure - Electricity	-	13 300	14 475	-	4 707	724	(3 983)	-550.4%	14 475
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		13 300	14 475		4 707	724	(3 983)	-550.4%	14 475
<i>Street Lighting</i>							-		
Infrastructure - Water	-	8 600	16 844	7	7	842	836	99.2%	16 844
<i>Dams & Reservoirs</i>		200	200	7	7	10	3	33.3%	200
<i>Water purification</i>							-		
<i>Reticulation</i>		8 400	16 644			832	832	100.0%	16 644
Infrastructure - Sanitation	-	2 000	3 522	-	-	176	176	100.0%	3 522
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		2 000	3 522			176	176	100.0%	3 522
Infrastructure - Other	-	-	1 641	-	-	82	82	100.0%	1 641
<i>Waste Management</i>			1 641			82	82	100.0%	1 641
Community	-	5 716	5 763	1 054	1 054	462	(592)	-128.1%	5 763
Parks & gardens							-		
Sportsfields & stadia							-		
Swimming pools		225	225	21	21	11	(9)	-83.5%	225
Community halls							-		
Libraries							-		
Recreational facilities							-		
Fire, safety & emergency							-		
Security and policing							-		
Cemeteries							-		
Social rental housing				1 033	1 033		(1 033)	#DIV/0!	
Other		5 491	5 538			451	451	100.0%	5 538
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development							-		
Other							-		
Other assets	-	-	984	-	558	49	(509)	-1035.4%	984
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Total Capital Expenditure on renewal of	-	39 166	52 778	2 186	8 725	2 813	(5 912)	-210.2%	52 778

Supporting Table SC13c

WC032 Overstrand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September

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									
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	-	135 022	135 022	9 148	25 876	27 567	1 691	6.1%	135 022
Infrastructure - Road transport	-	62 485	62 485	4 280	12 681	12 757	76	0.6%	62 485
<i>Roads, Pavements & Bridges</i>		58 578	58 578	3 971	11 916	11 960	43	0.4%	58 578
<i>Storm water</i>		3 907	3 907	309	765	798	33	4.1%	3 907
Infrastructure - Electricity	-	27 457	27 457	1 613	4 543	5 606	1 063	19.0%	27 457
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		27 457	27 457	1 613	4 543	5 606	1 063	19.0%	27 457
<i>Street Lighting</i>							-		
Infrastructure - Water	-	28 574	28 574	1 909	5 463	5 834	371	6.4%	28 574
<i>Dams & Reservoirs</i>							-		
<i>Water purification</i>							-		
<i>Reticulation</i>		28 574	28 574	1 909	5 463	5 834	371	6.4%	28 574
Infrastructure - Sanitation	-	14 662	14 662	1 157	2 901	2 993	93	3.1%	14 662
<i>Reticulation</i>							-		
<i>Sewerage purification</i>		14 662	14 662	1 157	2 901	2 993	93	3.1%	14 662
Infrastructure - Other	-	1 844	1 844	188	288	377	88	23.5%	1 844
<i>Waste Management</i>		1 844	1 844	188	288	377	88	23.5%	1 844
Community	-	8 252	8 252	499	1 002	1 685	683	40.5%	8 252
Parks & gardens		2 568	2 568	274	506	524	19	3.6%	2 568
Sportsfields & stadia		1 034	1 034	16	72	211	139	65.7%	1 034
Swimming pools		303	303	1	14	62	47	76.7%	303
Community halls		904	904	75	101	185	84	45.3%	904
Libraries		221	221	2	6	45	39	86.4%	221
Recreational facilities							-		
Fire, safety & emergency		841	841	41	116	172	55	32.2%	841
Security and policing		638	638	45	82	130	48	36.8%	638
Cemeteries		55	55	5	10	11	1	12.5%	55
Social rental housing		317	317	3	8	65	57	87.7%	317
Other		1 372	1 372	38	86	280	194	69.3%	1 372
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Housing development							-		
Other assets	-	20 086	20 086	2 526	4 096	4 101	5	0.1%	20 086
General vehicles							-		
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment		5 852	5 852	1 921	2 441	1 195	(1 246)	-104.3%	5 852
Other Buildings		1 173	1 173	101	147	240	92	38.5%	1 173
Other		13 061	13 061	504	1 508	2 667	1 159	43.5%	13 061
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	-	163 360	163 360	12 173	30 974	33 353	2 379	7.1%	163 360

Supporting Table SC13d

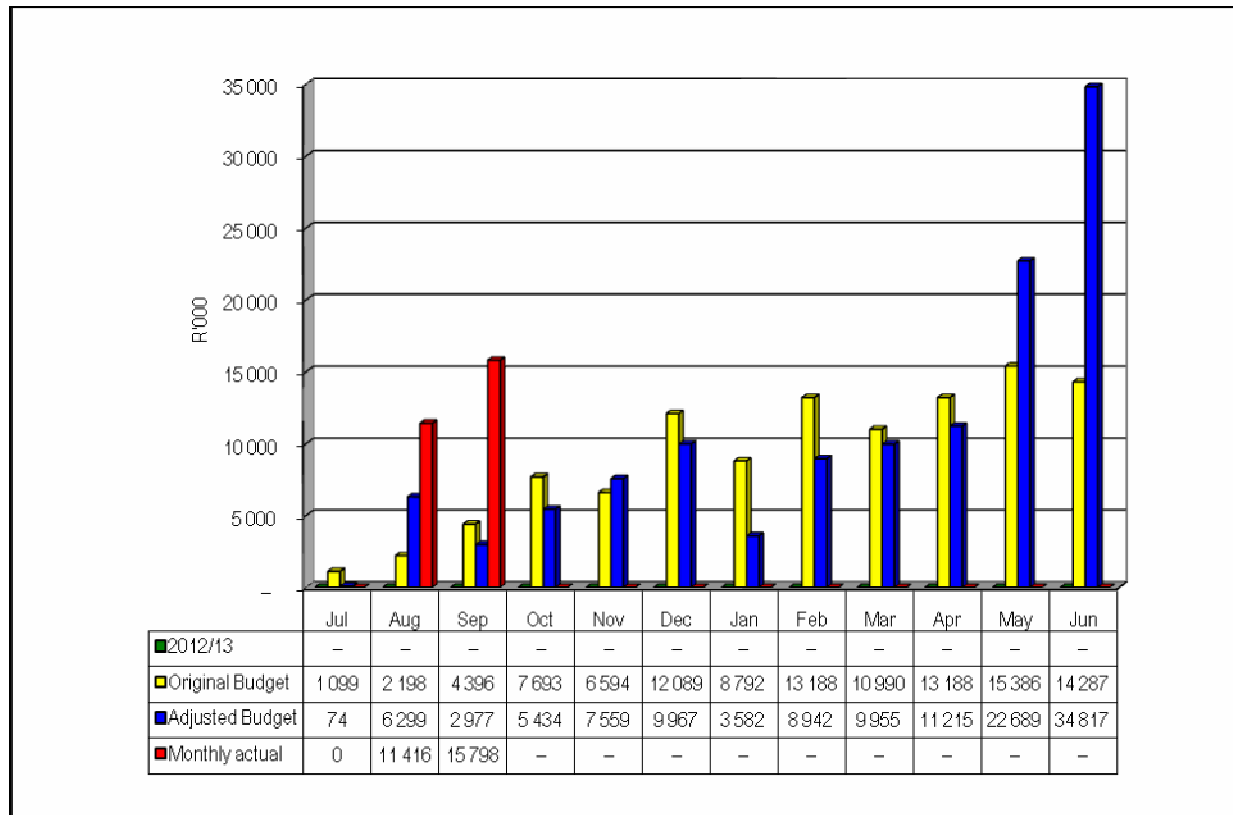
WC032 Overstrand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

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									
Depreciation by Asset Class/Sub-class									
Infrastructure	-	90 494	90 494	7 541	22 623	22 623	-		90 494
Infrastructure - Road transport	-	37 311	37 311	3 109	9 328	9 328	-		37 311
<i>Roads, Pavements & Bridges</i>		37 311	37 311	3 109	9 328	9 328	-		37 311
<i>Storm water</i>							-		
Infrastructure - Electricity	-	22 284	22 284	1 857	5 571	5 571	-		22 284
<i>Generation</i>							-		
<i>Transmission & Reticulation</i>		22 284	22 284	1 857	5 571	5 571	-		22 284
<i>Street Lighting</i>							-		
Infrastructure - Water	-	14 546	14 546	1 212	3 637	3 637	-		14 546
<i>Dams & Reservoirs</i>		14 546	14 546	1 212	3 637	3 637	-		14 546
<i>Water purification</i>							-		
<i>Reticulation</i>							-		
Infrastructure - Sanitation	-	12 696	12 696	1 058	3 174	3 174	-		12 696
<i>Reticulation</i>		12 696	12 696	1 058	3 174	3 174	-		12 696
<i>Sewerage purification</i>							-		
Infrastructure - Other	-	3 657	3 657	305	914	914	-		3 657
<i>Waste Management</i>		3 657	3 657	305	914	914	-		3 657
<i>Other</i>							-		
Community	-	4 696	4 696	391	1 174	1 174	-		4 696
Recreational facilities		4 696	4 696	391	1 174	1 174	-		4 696
Heritage assets	-	-	-	-	-	-	-		-
Investment properties	-	-	-	-	-	-	-		-
Other assets	-	8 402	8 402	700	2 101	2 101	-		8 402
General vehicles		1 864	1 864	155	466	466	-		1 864
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment							-		
Computers - hardware/equipment		838	838	70	210	210	-		838
Furniture and other office equipment		344	344	29	86	86	-		344
Civic Land and Buildings							-		
Other Buildings		5 356	5 356	446	1 339	1 339	-		5 356
Other Land							-		
Surplus Assets - (Investment or Inventory)							-		
Other							-		
Agricultural assets	-	-	-	-	-	-	-		-
Biological assets	-	-	-	-	-	-	-		-
Intangibles	-	218	218	18	55	55	-		218
Computers - software & programming							-		
Total Depreciation	-	103 810	103 810	8 651	25 952	25 952	-		103 810

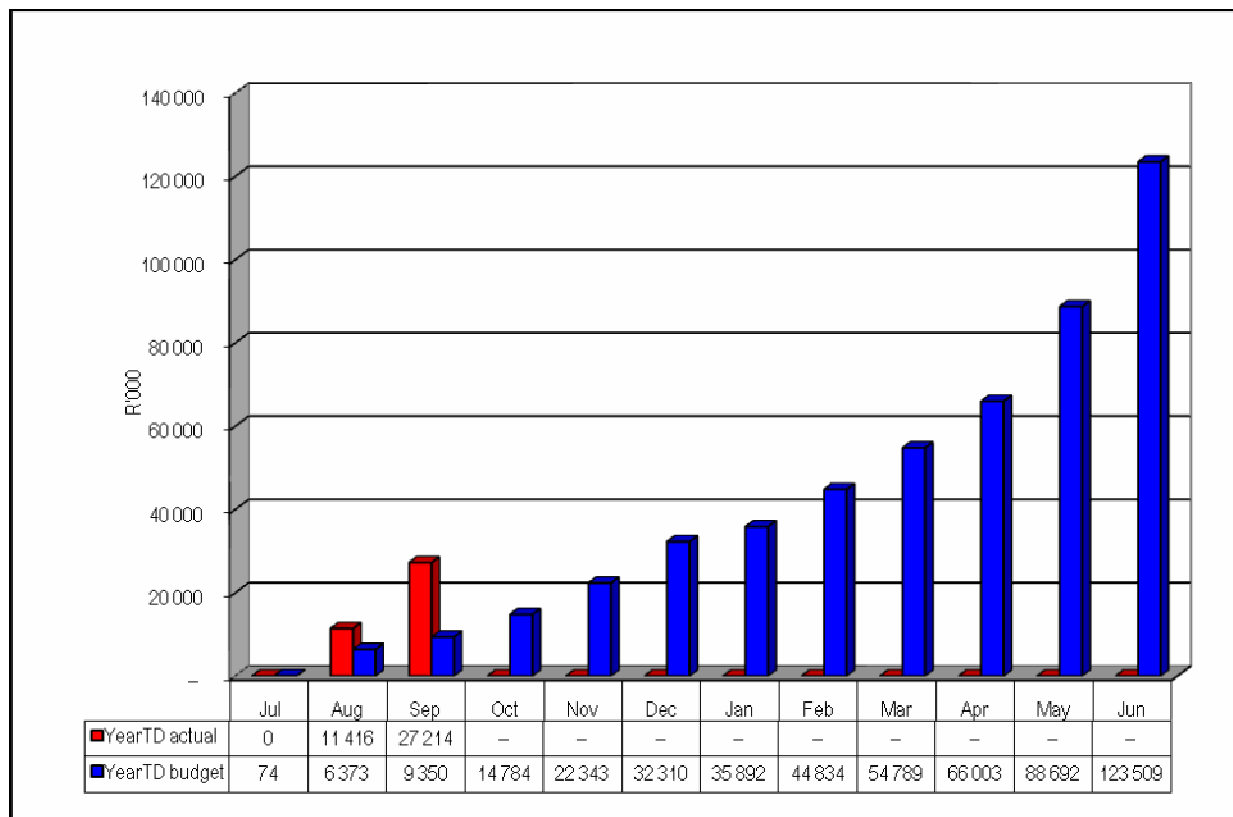
Other supporting documentation

Section 71 charts

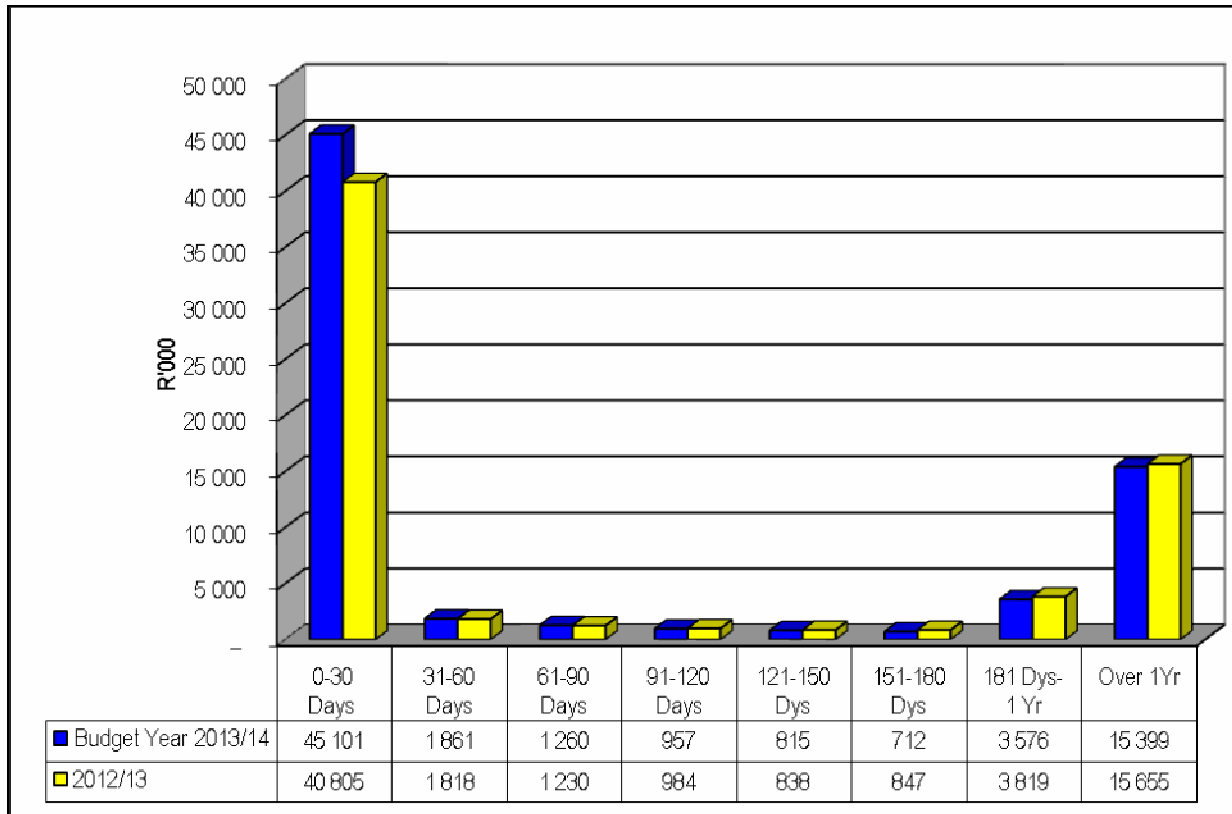
Capital expenditure monthly trend - actual vs target



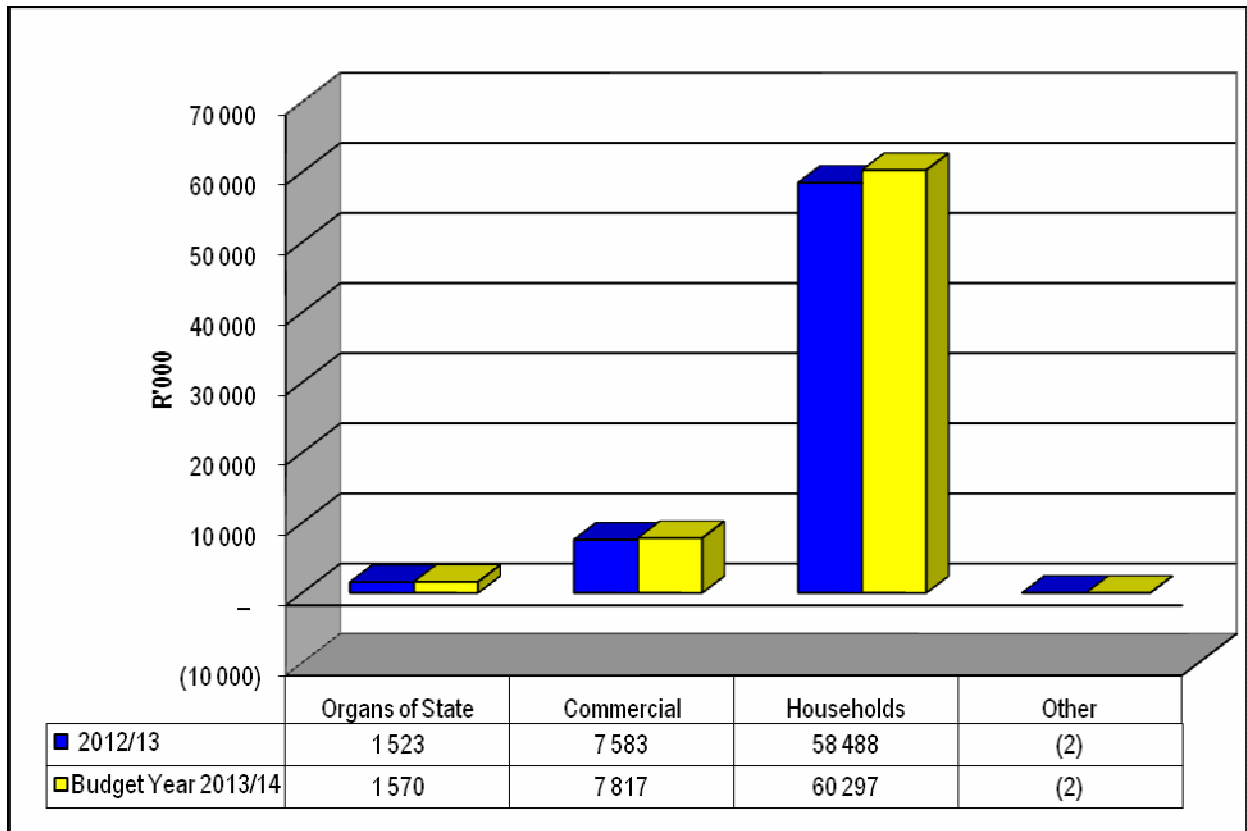
Capital expenditure – YTD actual vs YTD trend



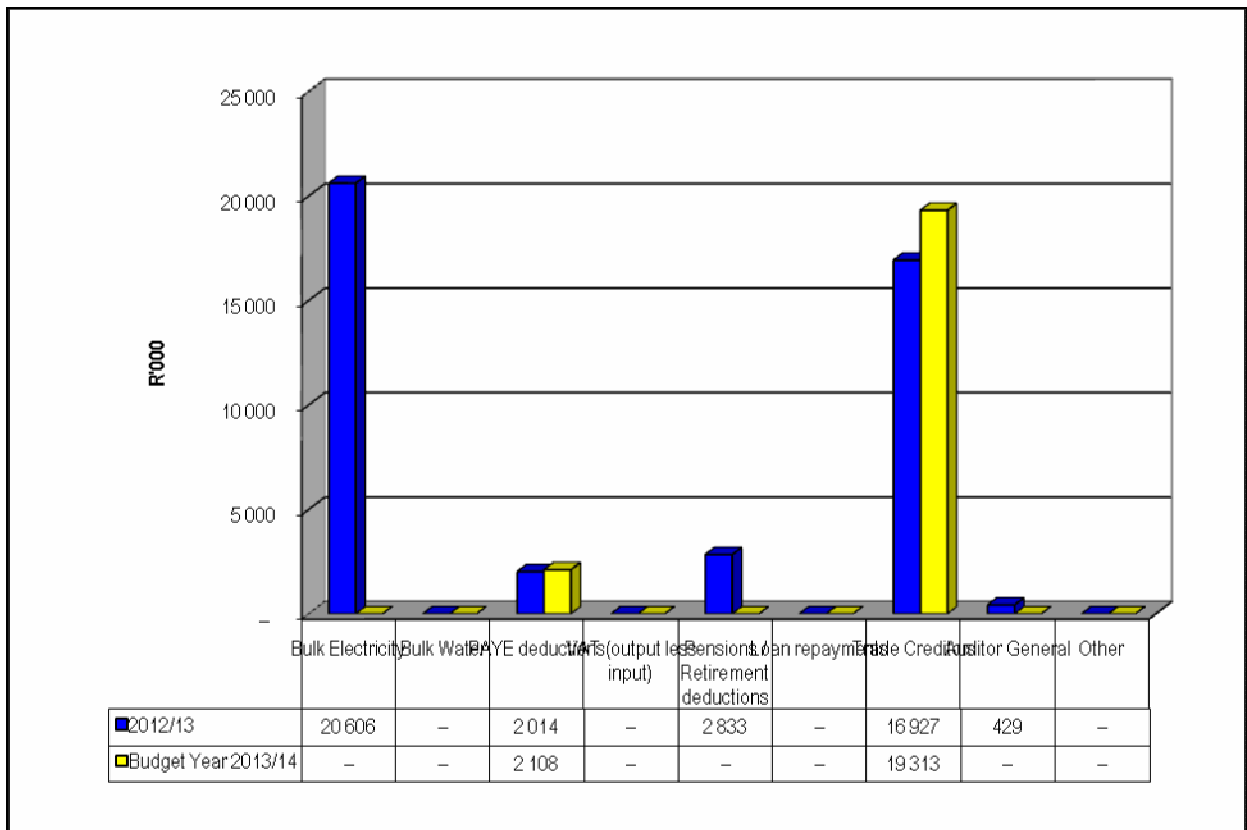
Debtors Age Analysis



Debtors by Type



Creditor Payments



Municipal manager's quality certification

QUALITY CERTIFICATE

I, Coenie Groenewald, the Municipal Manager of Overstrand Municipality, hereby certify that the –

- **The Quarterly Budget Statement**

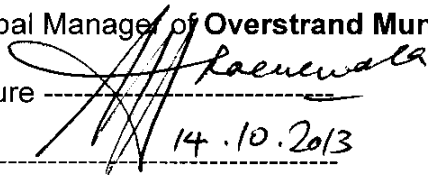
for the period ending **September 2013** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name **CC Groenewald**

Municipal Manager of **Overstrand Municipality (WC032)**

Signature -----

Date -----


14.10.2013