

# THABAZIMBI LOCAL MUNICIPALITY



## MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 JULY 2013

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## **PART 1: THE MONTHLY REPORT**

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The purpose of this report is to adhere to the requirements of the legislation and regulations as quoted below.

**a. Section 71. (1)** of the MFMA, stipulates that :

The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a) *Actual* revenue, per revenue source;
- (b) Actual borrowings;
- (c) Actual expenditure, per vote;
- (d) Actual capital expenditure, per vote;
- (e) The amount of any allocations received;
- (f) Actual expenditure on those allocations, excluding expenditure on—
  - (i) Its share of the local government equitable share; and
  - (ii) Allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g) When necessary, an explanation of—
  - (i) Any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  - (ii) Any material variances from the service delivery and budget implementation plan; and
  - (iii) Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's approved budget.

**b. Section 66** of the MFMA, stipulates further that :

The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely—

- (a) Salaries and wages;
- (b) Contributions for pensions and medical aid;
- (c) Travel, motor car, accommodation, subsistence and other allowances;
- (d) Housing benefits and allowances;
- (e) Overtime payments;
- (f) Loans and advances; and
- (g) Any other type of benefit or allowance related to staff.

**c. Deviation from and ratification of minor breaches of procurement processes** : Regulation 36 (2) of the Supply Chain Management Regulations per Government Gazette, Notice number 27636, dated 30 May 2005 stipulates that :

The accounting officer must record the reasons for any deviations in terms of sub-regulation 1(a) and (b) and report them to the next meeting of the council and include as a note to the financial statements

## 1. **Tabling of the Monthly Budget Statements**

Regulation 29 of the Budget Regulations per Government Gazette, Notice number 31804, dated 23 January 2009 stipulates that:

The mayor may table in the municipal council a monthly budget statement submitted to the mayor in terms of section 71 (1) of the Act. If the mayor does so, the monthly budget statement must be accompanied by a mayor's report in a format set out in schedule C.

## 2. **Publication of the Monthly Budget Statements**

Regulation 30 of the Budget Regulations per Government Gazette, Notice number 31804(read with Section 71, MFMA), dated 23 January 2009 stipulates that:

- (1) The monthly budget statement of a municipality must be placed on the municipality's website;
- (2) The municipal manager must publish on the municipal website any other information that the municipal council considers appropriate to facilitate public awareness of the monthly budget statement, including–
  - (a) Summaries of the monthly budget statements in alternate languages predominant in the community; and
  - (b) Information relevant to each ward in the municipality.

## 3. **Reports attached:**

Table 1 Monthly Budget Statement – Summary;  
Table 2 Monthly Budget Statement – Financial Performance per standard classification;  
Table 3 Monthly Budget Statement – Financial Performance (Revenue and Expenditure by vote);  
Table 4 Monthly Budget Statement – Financial Performance (Revenue and Expenditure by source);  
Table 5 Monthly Budget Statement – Capital Expenditure (municipal vote; standard classification and funding);  
Table 6 Monthly Budget Statements – Financial Position;  
Table 7 Monthly Budget Statements – Cash Flow;

## 4. **Supporting tables :**

Table 8: Material variance explanations;  
Table 9: Performance Indicators;  
Table 10: Debtors age analysis;  
Table 11: Creditors age analysis;  
Table 12: Investment portfolio;  
Table 13: Transfers and Grants received;  
Table 14: Transfers and Grants expenditure;  
Table 15: Councilor and staff benefits;  
Table 17: Capital expenditure trend  
Table 18: Capital expenditure on new assets by asset class  
Table 19: Expenditure on repairs by asset class  
Table 20: Deviations from supply chain policy

**5. Deviation from and ratification of minor breaches of procurement process**

The deviations from, and ratification of minor breaches of the procurement process for the month of July 2013 as required in terms of subparagraph 36(1)(a) and (b) of the Supply Chain Management Regulations and Policy is herewith attached.

**RECOMMENDATION**

**It is recommended that the council:**

1. takes note of the monthly budget statements as reported by the mayor under Table C 1 to 7 and the supporting tables SC 1 to 13;
2. approves the remedial and corrective steps as recommended under Supporting Table SC 1 to be implemented with immediate effect; and
3. Takes note of the explanations and ratify the deviations from the procurement process in terms of subparagraph 36(1) (a) and (b) of the Supply Chain Management Regulations; as detailed on Table 20.
4. takes note that each departmental head were informed of the budget statement applicable to their department and that they were instructed to exercise more effective control over the authorization and payment of all expenditure in their departments;

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**Adv ME Ntsoane** (*Accounting Officer of Thabazimbi Local Municipality*)  
**2013**

**DATE:** \_\_\_\_ / \_\_\_\_ /

## EXECUTIVE SUMMARY

**Table 1 MBRR C1 Quarterly Budget Statement Summary – M01 July 2013**

| 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 |
| <b>R thousands</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| <b>Financial Performance</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Property rates   | 14,721           | 23,658              | 23,658            | 1,376              | 1,376              | 2,242              | (866)               | -39%            | 23,658             |
| Service charges  | 130,105          | 133,288             | 133,288           | 9,827              | 9,827              | 9,827              | -                   |                 | 133,288            |
| Investment revenue   | 185              | 45                  | 45                | 1                  | 1                  | 4                  | (3)                 | -82%            | 4,600              |
| Transfers recognised - operational                                   | 56,514           | 67,686              | 67,686            | 13,997             | 13,997             | 13,997             | -                   |                 | 67,686             |
| Other own revenue  | 11,124           | 16,706              | 16,706            | 1,117              | 1,117              | 1,527              | (410)               | -27%            | 16,706             |
| <b>Total Revenue (excluding capital transfers and contributions)</b> | <b>212,649</b>   | <b>241,383</b>      | <b>241,383</b>    | <b>26,319</b>      | <b>26,319</b>      | <b>27,597</b>      | <b>(1,278)</b>      | <b>-5%</b>      | <b>245,938</b>     |
| Employee costs   | 76,944           | 82,900              | 82,900            | 7,058              | 7,058              | 6,908              | 150                 | 2%              | 82,900             |
| Remuneration of Councillors  | 6,516            | 6,933               | 6,933             | 534                | 534                | 578                | (43)                | -8%             | 6,933              |
| Depreciation & asset impairment                                      | 7                | 16,123              | 16,123            | -                  | -                  | 1,344              | (1,344)             | -100%           | 16,123             |
| Finance charges  | 1,015            | 3,500               | 3,500             | 30                 | 30                 | 292                | (262)               | -90%            | 3,500              |
| Materials and bulk purchases   | 56,741           | 58,803              | 58,803            | 5,836              | 5,836              | 5,836              | -                   |                 | 58,803             |
| Transfers and grants   | -                | -                   | -                 | -                  | -                  | -                  | -                   |                 | -                  |
| Other expenditure  | 56,794           | 52,740              | 52,740            | 1,477              | 1,477              | 2,384              | (908)               | -38%            | 52,740             |
| <b>Total Expenditure</b>   | <b>198,017</b>   | <b>220,999</b>      | <b>220,999</b>    | <b>14,935</b>      | <b>14,935</b>      | <b>17,341</b>      | <b>(2,407)</b>      | <b>-14%</b>     | <b>220,999</b>     |
| <b>Surplus/(Deficit)</b>   | <b>14,632</b>    | <b>20,384</b>       | <b>20,384</b>     | <b>11,384</b>      | <b>11,384</b>      | <b>10,256</b>      | <b>1,128</b>        | <b>11%</b>      | <b>24,939</b>      |
| Transfers recognised - capital                                       | 38,834           | 40,019              | 40,019            | 12,776             | 12,776             | 12,776             | -                   |                 | 40,019             |
| Contributions & Contributed assets                                   | -                | -                   | -                 | -                  | -                  | -                  | -                   |                 | -                  |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> | <b>53,466</b>    | <b>60,403</b>       | <b>60,403</b>     | <b>24,160</b>      | <b>24,160</b>      | <b>23,032</b>      | <b>1,128</b>        | <b>5%</b>       | <b>64,958</b>      |
| Share of surplus/ (deficit) of associate                             | -                | -                   | -                 | -                  | -                  | -                  | -                   |                 | -                  |
| <b>Surplus/ (Deficit) for the year</b>                               | <b>53,466</b>    | <b>60,403</b>       | <b>60,403</b>     | <b>24,160</b>      | <b>24,160</b>      | <b>23,032</b>      | <b>1,128</b>        | <b>5%</b>       | <b>64,958</b>      |
| <b>Capital expenditure &amp; funds sources</b>                       |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| <b>Capital expenditure</b>   | <b>26,448</b>    | <b>57,029</b>       | <b>57,029</b>     | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>            | <b>-</b>        | <b>57,029</b>      |
| Capital transfers recognised   | 24,074           | 40,019              | 40,019            | -                  | -                  | -                  | -                   |                 | 40,019             |
| Public contributions & donations                                     | -                | -                   | -                 | -                  | -                  | -                  | -                   |                 | -                  |
| Borrowing  | -                | -                   | -                 | -                  | -                  | -                  | -                   |                 | -                  |
| Internally generated funds   | 2,374            | 17,010              | 17,010            | -                  | -                  | -                  | -                   |                 | 17,010             |
| <b>Total sources of capital funds</b>                                | <b>26,448</b>    | <b>57,029</b>       | <b>57,029</b>     | <b>-</b>           | <b>-</b>           | <b>-</b>           | <b>-</b>            | <b>-</b>        | <b>57,029</b>      |
| <b>Financial position</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total current assets   | 59,451           | 58,423              | 58,423            |                    | 165,128            |                    |                     |                 | 58,423             |
| Total non current assets   | 105,231          | 1,639,682           | 1,639,682         |                    | 1,617,546          |                    |                     |                 | 1,639,682          |
| Total current liabilities  | 95,502           | 68,855              | 68,855            |                    | 85,993             |                    |                     |                 | 68,855             |
| Total non current liabilities  | 31,540           | 37,362              | 37,362            |                    | 244,338            |                    |                     |                 | 37,362             |
| <b>Community wealth/Equity</b>                                       | <b>37,641</b>    | <b>1,591,887</b>    | <b>1,591,887</b>  |                    | <b>1,452,342</b>   |                    |                     |                 | <b>1,591,887</b>   |
| <b>Cash flows</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Net cash from (used) operating                                       | 21,759           | 50,036              | 50,036            | 7,835              | 7,835              | 22,310             | (14,476)            | -65%            | 50,036             |
| Net cash from (used) investing                                       | (19,742)         | (50,601)            | (50,601)          | (684)              | (684)              | (4,217)            | 3,533               | -84%            | (50,601)           |
| Net cash from (used) financing                                       | (670)            | 9,998               | 9,998             | -                  | -                  | 833                | (833)               | -100%           | 9,998              |
| <b>Cash/cash equivalents at the month/year end</b>                   | <b>5,805</b>     | <b>10,788</b>       | <b>13,448</b>     | <b>-</b>           | <b>16,934</b>      | <b>20,282</b>      | <b>(3,348)</b>      | <b>-17%</b>     | <b>19,216</b>      |
| <b>Debtors &amp; creditors analysis</b>                              | <b>0-30 Days</b> | <b>31-60 Days</b>   | <b>61-90 Days</b> | <b>91-120 Days</b> | <b>121-150 Dys</b> | <b>151-180 Dys</b> | <b>181 Dys-1 Yr</b> | <b>Over 1Yr</b> | <b>Total</b>       |
| <b>Debtors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total By Income Source   | 12,725           | 6,246               | 4,408             | 3,335              | 2,788              | 113,430            | -                   | -               | 142,932            |
| <b>Creditors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total Creditors  | 31,132           | 3,501               | 13,594            | 219                | 22,872             | -                  | 2,036               | 6,661           | 80,014             |

This summary is based on financial information available at the time of preparation and is unaudited. The table above only shows summarized data; details are depicted on the Tables 1 – 7 as well as supporting tables that follow.

Total operating revenue achieved to date amounts to R26.3 million against a target of R27.6 million. This is equivalent to an underachievement of R1.2 million or 5%. Expenditure incurred year to date amounts R14.9 million excluding capital expenditure. A total percentage saving of approximately 14% results in an operating surplus of R11.3 million. However it must be noted that this is before incorporating expenditure on all of our accounting estimates ie depreciation, provisions for long service award, post employment benefit and increase in receivables provision for impairment.

Capital receipts received to date amounts to R12.8 million which is as per the National Treasury payment schedule for 2013/14 financial year. The total spending on MIG funds in the 2012/13 financial year was 100% inclusive of committed funds and rolled-over funds from 2011/12 financial year; hence no application of MIG roll-overs was necessary into 2013/14 year end.

Debtors book remain very high as a result of balances accumulated from prior years. An impairment provision was raised at the end of June 2013 but no bad debts have been written off. There is, however, need to consider writing off some of these debts as it is highly unlikely that any recoveries will materialize. This includes approximately R25 million debt for services provided to the Municipal offices over the past years. Efforts are being made with the assistance of COGHSTA to try and recover all sector department debts and Government debts.

Details of the variances shown on the table above as well as tables that follow are explained in Table 8 on page 16.

#### **Deviation from and ratification of minor breaches of procurement process**

The deviations from, and ratification of minor breaches of the procurement process for the period to July 2013 as required in terms of subparagraph 36(1)(a) and (b) of the Supply Chain Management Regulations and Policy is herewith attached in Table 20 in this report.



## MONTHLY BUDGET STATEMENT TABLES

The table below shows monthly financial performance, by revenue source and expenditure item, for the period ended 31 July 2013.

**Table 2 MBRR C2 Monthly Budget Statement - Financial Performance (revenue and expenditure) – M01 July 2013**

| 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>                         | 1   |                 |                     |                 |                |               |               |              |                |                    |
| <b>Revenue - Standard</b>                  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Governance and administration</b>       |     | 75,953          | 100,362             | 100,362         | 16,364         | 16,364        | 17,136        | (772)        | -5%            | 100,362            |
| Executive and council                      |     | 70,024          | 94,477              | 94,477          | 15,315         | 15,315        | 15,315        | -            |                | 94,477             |
| Budget and treasury office                 |     | 5,697           | 3,646               | 3,646           | 1,021          | 1,021         | 1,629         | (608)        | -37%           | 3,646              |
| Corporate services                         |     | 232             | 2,238               | 2,238           | 28             | 28            | 191           | (164)        | -86%           | 2,238              |
| <b>Community and public safety</b>         |     | 4,807           | 5,235               | 5,235           | 112            | 112           | 436           | (324)        | -74%           | 5,235              |
| Community and social services              |     | 224             | 675                 | 675             | 18             | 18            | 56            | (39)         | -69%           | 675                |
| Sport and recreation                       |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Public safety                              |     | 4,583           | 4,560               | 4,560           | 95             | 95            | 380           | (285)        | -75%           | 4,560              |
| Housing                                    |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Health                                     |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Economic and environmental services</b> |     | 38,608          | 2,499               | 2,499           | 26             | 26            | 208           | (183)        | -88%           | 2,499              |
| Planning and development                   |     | 683             | 2,499               | 2,499           | 26             | 26            | 208           | (183)        | -88%           | 2,499              |
| Road transport                             |     | 37,925          | -                   | -               | -              | -             | -             | -            |                | -                  |
| Environmental protection                   |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Trading services</b>                    |     | 132,114         | 133,288             | 133,288         | 9,817          | 9,817         | 9,817         | -            |                | 133,288            |
| Electricity                                |     | 51,335          | 53,184              | 53,184          | 5,509          | 5,509         | 5,509         | -            |                | 53,184             |
| Water                                      |     | 61,789          | 57,104              | 57,104          | 2,541          | 2,541         | 2,541         | -            |                | 57,104             |
| Waste water management                     |     | 10,823          | 13,612              | 13,612          | 1,036          | 1,036         | 1,036         | -            |                | 13,612             |
| Waste management                           |     | 8,167           | 9,388               | 9,388           | 730            | 730           | 730           | -            |                | 9,388              |
| <b>Other</b>                               | 4   | -               | 40,019              | 40,019          | 12,776         | 12,776        | 12,776        | -            |                | 40,019             |
| <b>Total Revenue - Standard</b>            | 2   | 251,483         | 281,402             | 281,402         | 39,095         | 39,095        | 40,373        | (1,278)      | -3%            | 281,402            |
| <b>Expenditure - Standard</b>              |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Governance and administration</b>       |     | 57,980          | 63,898              | 63,898          | 4,014          | 4,014         | 5,870         | (1,856)      | -32%           | 63,898             |
| Executive and council                      |     | 38,098          | 22,688              | 22,688          | 1,619          | 1,619         | 2,419         | (800)        | -33%           | 22,688             |
| Budget and treasury office                 |     | 3,693           | 20,165              | 20,165          | 1,323          | 1,323         | 1,680         | (357)        | -21%           | 20,165             |
| Corporate services                         |     | 16,189          | 21,045              | 21,045          | 1,072          | 1,072         | 1,771         | (699)        | -39%           | 21,045             |
| <b>Community and public safety</b>         |     | 14,445          | 17,590              | 17,590          | 1,337          | 1,337         | 1,535         | (198)        | -13%           | 17,590             |
| Community and social services              |     | 2,453           | 5,013               | 5,013           | 301            | 301           | 418           | (117)        | -28%           | 5,013              |
| Sport and recreation                       |     | 3,727           | 1,946               | 1,946           | 365            | 365           | 162           | 203          | 125%           | 1,946              |
| Public safety                              |     | 8,265           | 10,631              | 10,631          | 671            | 671           | 955           | (284)        | -30%           | 10,631             |
| Housing                                    |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Health                                     |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Economic and environmental services</b> |     | 36,084          | 36,143              | 36,143          | 1,815          | 1,815         | 2,167         | (352)        | -16%           | 36,143             |
| Planning and development                   |     | 4,795           | 6,166               | 6,166           | 322            | 322           | 674           | (352)        | -52%           | 6,166              |
| Road transport                             |     | 30,953          | 29,977              | 29,977          | 1,467          | 1,467         | 1,468         | (1)          | 0%             | 29,977             |
| Environmental protection                   |     | 336             | -                   | -               | 25             | 25            | 25            | -            |                | -                  |
| <b>Trading services</b>                    |     | 89,508          | 103,368             | 103,368         | 7,769          | 7,769         | 7,769         | -            |                | 103,368            |
| Electricity                                |     | 40,629          | 48,742              | 48,742          | 5,021          | 5,021         | 5,021         | -            |                | 48,742             |
| Water                                      |     | 33,302          | 34,478              | 34,478          | 1,942          | 1,942         | 1,942         | -            |                | 34,478             |
| Waste water management                     |     | 8,205           | 7,799               | 7,799           | 249            | 249           | 249           | -            |                | 7,799              |
| Waste management                           |     | 7,372           | 12,349              | 12,349          | 557            | 557           | 557           | -            |                | 12,349             |
| <b>Other</b>                               |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Total Expenditure - Standard</b>        | 3   | 198,017         | 220,999             | 220,999         | 14,935         | 14,935        | 17,341        | (2,407)      | -14%           | 220,999            |
| <b>Surplus/ (Deficit) for the year</b>     |     | 53,466          | 60,403              | 60,403          | 24,160         | 24,160        | 23,032        | 1,128        | 5%             | 60,403             |

The above table shows financial performance for the period ended 31 July 2013 by standard classification. Details and explanations of the variances reported are given on Table 8 that follows.

Below is a table showing financial performance for the period ended 31 July 2013 categorised by municipal vote. Details of the variances indicated are given on Table 8 that follows.

**Table 3 MBRR C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July 2013**

| 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 - 100 Political Office Bearers  |     | 70,024          | 88,363              | 88,363          | 15,315         | 15,315        | 15,315        | -              |                | 88,363             |
| Vote 2 - 200 Municipal Manager         |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 3 - 300 Budget & Treasury         |     | 5,697           | 5,853               | 5,853           | 1,021          | 1,021         | 1,052         | (31)           | -2.9%          | 5,853              |
| Vote 4 - 400 Corporate Services        |     | 420             | 2,238               | 2,238           | 28             | 28            | 210           | (182)          | -86.9%         | 2,238              |
| Vote 5 - 500 Planning and Development  |     | 683             | 2,499               | 2,499           | 26             | 26            | 26            | -              |                | 2,499              |
| Vote 6 - 600 Community Services        |     | 12,787          | 19,016              | 19,016          | 842            | 842           | 1,907         | (1,065)        | -55.9%         | 19,016             |
| Vote 7 - 700 Technical Services        |     | 161,872         | 163,434             | 163,434         | 21,863         | 21,863        | 21,863        | -              |                | 163,434            |
| Vote 8 -                               |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 9 -                               |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 10 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 11 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 12 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 13 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 14 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 15 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| <b>Total Revenue by Vote</b>           | 2   | <b>251,483</b>  | <b>281,402</b>      | <b>281,402</b>  | <b>39,095</b>  | <b>39,095</b> | <b>40,373</b> | <b>(1,278)</b> | <b>-3.2%</b>   | <b>281,402</b>     |
| <b>Expenditure by Vote</b>             | 1   |                 |                     |                 |                |               |               |                |                |                    |
| Vote 1 - 100 Political Office Bearers  |     | 18,339          | 14,589              | 14,589          | 1,091          | 1,091         | 1,216         | (125)          | -10.3%         | 14,589             |
| Vote 2 - 200 Municipal Manager         |     | 3,694           | 6,097               | 6,097           | 528            | 528           | 578           | (49)           | -8.5%          | 6,097              |
| Vote 3 - 300 Budget & Treasury         |     | 23,983          | 12,162              | 12,162          | 1,323          | 1,323         | 1,440         | (116)          | -8.1%          | 12,162             |
| Vote 4 - 400 Corporate Services        |     | 16,189          | 19,839              | 19,839          | 1,072          | 1,072         | 1,653         | (581)          | -35.2%         | 19,839             |
| Vote 5 - 500 Planning and Development  |     | 5,131           | 6,273               | 6,273           | 348            | 348           | 523           | (175)          | -33.5%         | 6,273              |
| Vote 6 - 600 Community Services        |     | 21,817          | 32,092              | 32,092          | 1,894          | 1,894         | 2,796         | (902)          | -32.2%         | 32,092             |
| Vote 7 - 700 Technical Services        |     | 108,864         | 129,947             | 129,947         | 8,678          | 8,678         | 9,136         | (457)          | -5.0%          | 129,947            |
| Vote 8 -                               |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 9 -                               |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 10 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 11 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 12 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 13 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 14 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| Vote 15 -                              |     | -               | -                   | -               | -              | -             | -             | -              |                | -                  |
| <b>Total Expenditure by Vote</b>       | 2   | <b>198,017</b>  | <b>220,999</b>      | <b>220,999</b>  | <b>14,935</b>  | <b>14,935</b> | <b>17,341</b> | <b>(2,407)</b> | <b>-13.9%</b>  | <b>220,999</b>     |
| <b>Surplus/ (Deficit) for the year</b> | 2   | <b>53,466</b>   | <b>60,403</b>       | <b>60,403</b>   | <b>24,160</b>  | <b>24,160</b> | <b>23,032</b> | <b>1,128</b>   | <b>4.9%</b>    | <b>60,403</b>      |

An aggregate negative variance of 3.2% is largely contributed by an underachievement in basic services, however due to the seasonal demands of our services; we anticipate the trend to even out after the full calendar circle.

Overall, there are general savings of 14% on operating expenditure over the four quarters, it is worth noting that some of accounting estimates such as GRAP 25 provisions and Debt impairment and write off are subject to the necessary reviews and approvals and are not part of this report.

**Table 4 MBRR C4 Monthly Budget Statement - Financial Performance (standard classification) – M11 May 2013**

| 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 Source</b>   |     |                 |                     |                 |                |               |               |                |                |                    |
| Property rates   |     | 14,721          | 23,650              | 23,650          | 1,376          | 1,376         | 2,241         | (865)          | -39%           | 23,650             |
| Property rates - penalties & collection charges                      |     | -               | 8                   | 8               | -              | -             | 1             | (1)            | -100%          | 8                  |
| Service charges - electricity revenue                                |     | 49,656          | 53,184              | 53,184          | 5,509          | 5,509         | 5,509         | -              | -              | 53,184             |
| Service charges - water revenue                                      |     | 61,720          | 57,104              | 57,104          | 2,541          | 2,541         | 2,541         | -              | -              | 57,104             |
| Service charges - sanitation revenue                                 |     | 10,786          | 13,612              | 13,612          | 1,036          | 1,036         | 1,036         | -              | -              | 13,612             |
| Service charges - refuse revenue                                     |     | 7,944           | 9,388               | 9,388           | 740            | 740           | 740           | -              | -              | 9,388              |
| Service charges - other  |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Rental of facilities and equipment                                   |     | 215             | 750                 | 750             | 28             | 28            | 63            | (34)           | -55%           | 750                |
| Interest earned - external investments                               |     | 185             | 45                  | 45              | 1              | 1             | 4             | (3)            | -82%           | 45                 |
| Interest earned - outstanding debtors                                |     | 4,678           | 4,555               | 4,555           | 962            | 962           | 962           | -              | -              | 4,555              |
| Dividends received   |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Fines  |     | 1,078           | 1,026               | 1,026           | 14             | 14            | 86            | (71)           | -83%           | 1,026              |
| Licences and permits   |     | 2,486           | 1,889               | 1,889           | 12             | 12            | 157           | (145)          | -92%           | 1,889              |
| Agency services  |     | 540             | 1,908               | 1,908           | -              | -             | 159           | (159)          | -100%          | 1,908              |
| Transfers recognised - operational                                   |     | 56,514          | 67,686              | 67,686          | 13,997         | 13,997        | 13,997        | -              | -              | 67,686             |
| Other revenue  |     | 1,947           | 6,579               | 6,579           | 101            | 101           | 101           | -              | -              | 6,579              |
| Gains on disposal of PPE   |     | 180             | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Total Revenue (excluding capital transfers and contributions)</b> |     | <b>212,649</b>  | <b>241,383</b>      | <b>241,383</b>  | <b>26,319</b>  | <b>26,319</b> | <b>27,597</b> | <b>(1,278)</b> | <b>-5%</b>     | <b>241,383</b>     |
| <b>Expenditure By Type</b>   |     |                 |                     |                 |                |               |               |                |                |                    |
| Employee related costs   |     | 76,944          | 82,900              | 82,900          | 7,058          | 7,058         | 6,908         | 150            | 2%             | 82,900             |
| Remuneration of councillors  |     | 6,516           | 6,933               | 6,933           | 534            | 534           | 578           | (43)           | -8%            | 6,933              |
| Debt impairment  |     | -               | 2,000               | 2,000           | -              | -             | 167           | (167)          | -100%          | 2,000              |
| Depreciation & asset impairment                                      |     | 7               | 16,123              | 16,123          | -              | -             | 1,344         | (1,344)        | -100%          | 16,123             |
| Finance charges  |     | 1,015           | 3,500               | 3,500           | 30             | 30            | 292           | (262)          | -90%           | 3,500              |
| Bulk purchases   |     | 56,741          | 58,803              | 58,803          | 5,836          | 5,836         | 5,836         | -              | -              | 58,803             |
| Other materials  |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Contracted services  |     | 17,763          | 8,893               | 8,893           | -              | -             | 741           | (741)          | -100%          | 8,893              |
| Transfers and grants   |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Other expenditure  |     | 39,031          | 41,847              | 41,847          | 1,477          | 1,477         | 1,477         | -              | -              | 41,847             |
| Loss on disposal of PPE  |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Total Expenditure</b>   |     | <b>198,017</b>  | <b>220,999</b>      | <b>220,999</b>  | <b>14,935</b>  | <b>14,935</b> | <b>17,341</b> | <b>(2,407)</b> | <b>-14%</b>    | <b>220,999</b>     |
| <b>Surplus/(Deficit)</b>   |     | <b>14,632</b>   | <b>20,384</b>       | <b>20,384</b>   | <b>11,384</b>  | <b>11,384</b> | <b>10,256</b> | <b>1,128</b>   | <b>0</b>       | <b>20,384</b>      |
| Transfers recognised - capital                                       |     | 38,834          | 40,019              | 40,019          | 12,776         | 12,776        | 12,776        | -              | -              | 40,019             |
| Contributions recognised - capital                                   |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| Contributed assets   |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b> |     | <b>53,466</b>   | <b>60,403</b>       | <b>60,403</b>   | <b>24,160</b>  | <b>24,160</b> | <b>23,032</b> |                |                | <b>60,403</b>      |
| Taxation   |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Surplus/(Deficit) after taxation</b>                              |     | <b>53,466</b>   | <b>60,403</b>       | <b>60,403</b>   | <b>24,160</b>  | <b>24,160</b> | <b>23,032</b> |                |                | <b>60,403</b>      |
| Attributable to minorities   |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Surplus/(Deficit) attributable to municipality</b>                |     | <b>53,466</b>   | <b>60,403</b>       | <b>60,403</b>   | <b>24,160</b>  | <b>24,160</b> | <b>23,032</b> |                |                | <b>60,403</b>      |
| Share of surplus/ (deficit) of associate                             |     | -               | -                   | -               | -              | -             | -             | -              | -              | -                  |
| <b>Surplus/ (Deficit) for the year</b>                               |     | <b>53,466</b>   | <b>60,403</b>       | <b>60,403</b>   | <b>24,160</b>  | <b>24,160</b> | <b>23,032</b> |                |                | <b>60,403</b>      |

Overall, the insignificant magnitudes of variances for both revenue and expenditure are expected, mainly due to the seasonal demand for basic services, we expect the trend to be compensated and even out after the full calendar circle. No accounting estimates for 2013/14 have been incorporated in the accounting system as we only anticipate to receive our complete asset register in August 2013. No assessment of debt impairment has been performed between the prior year to date.

**Table 5 MBRR C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)  
- M01 July 2013**

| Vote Description   | Ref | Budget Year 2013/14           |                    |                    |                   |                  |                  |                 |                      |                       |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
|  |     | 2012/13<br>Audited<br>Outcome | Original<br>Budget | Adjusted<br>Budget | Monthly<br>actual | YearTD<br>actual | YearTD<br>budget | YTD<br>variance | YTD<br>variance<br>% | Full Year<br>Forecast |
| <b>R thousands</b>   | 1   |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Multi-Year expenditure appropriation</b>                | 2   |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| Vote 1 - 100 Political Office Bearers                      |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 2 - 200 Municipal Manager                             |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 3 - 300 Budget & Treasury                             |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 4 - 400 Corporate Services                            |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 5 - 500 Planning and Development                      |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 6 - 600 Community Services                            |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 7 - 700 Technical Services                            |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 8 -   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 9 -   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 10 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 11 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 12 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 13 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 14 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 15 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Total Capital Multi-year expenditure</b>                | 4,7 | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Single Year expenditure appropriation</b>               | 2   |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| Vote 1 - 100 Political Office Bearers                      |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 2 - 200 Municipal Manager                             |     | -                             | 100                | 100                | -                 | -                | -                | -               | -                    | 100                   |
| Vote 3 - 300 Budget & Treasury                             |     | -                             | 2,500              | 2,500              | -                 | -                | -                | -               | -                    | 2,500                 |
| Vote 4 - 400 Corporate Services                            |     | 2,374                         | 8,450              | 8,450              | -                 | -                | -                | -               | -                    | 8,450                 |
| Vote 5 - 500 Planning and Development                      |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 6 - 600 Community Services                            |     | 209                           | 8,160              | 8,160              | -                 | -                | -                | -               | -                    | 8,160                 |
| Vote 7 - 700 Technical Services                            |     | 23,865                        | 37,819             | 37,819             | -                 | -                | -                | -               | -                    | 37,819                |
| Vote 8 -   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 9 -   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 10 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 11 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 12 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 13 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 14 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Vote 15 -  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Total Capital single-year expenditure</b>               | 4   | 26,448                        | 57,029             | 57,029             | -                 | -                | -                | -               | -                    | 57,029                |
| <b>Total Capital Expenditure</b>                           |     | <b>26,448</b>                 | <b>57,029</b>      | <b>57,029</b>      | -                 | -                | -                | -               | -                    | <b>57,029</b>         |
| <b>Capital Expenditure - Standard Classification</b>       |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Governance and administration</b>                       |     | 2,374                         | 11,050             | 11,050             | -                 | -                | -                | -               | -                    | 11,050                |
| Executive and council                                      |     | -                             | 100                | 100                | -                 | -                | -                | -               | -                    | 100                   |
| Budget and treasury office                                 |     | -                             | 2,500              | 2,500              | -                 | -                | -                | -               | -                    | 2,500                 |
| Corporate services   |     | 2,374                         | 8,450              | 8,450              | -                 | -                | -                | -               | -                    | 8,450                 |
| <b>Community and public safety</b>                         |     | 209                           | 6,160              | 6,160              | -                 | -                | -                | -               | -                    | 6,160                 |
| Community and social services                              |     | 209                           | 2,100              | 2,100              | -                 | -                | -                | -               | -                    | 2,100                 |
| Sport and recreation                                       |     | -                             | 4,000              | 4,000              | -                 | -                | -                | -               | -                    | 4,000                 |
| Public safety  |     | -                             | 60                 | 60                 | -                 | -                | -                | -               | -                    | 60                    |
| Housing  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Health   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Economic and environmental services</b>                 |     | 6,944                         | 1,819              | 1,819              | -                 | -                | -                | -               | -                    | 1,819                 |
| Planning and development                                   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Road transport   |     | 6,944                         | 1,819              | 1,819              | -                 | -                | -                | -               | -                    | 1,819                 |
| Environmental protection                                   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Trading services</b>                                    |     | 16,921                        | 38,000             | 38,000             | -                 | -                | -                | -               | -                    | 38,000                |
| Electricity  |     | 1,623                         | 1,500              | 1,500              | -                 | -                | -                | -               | -                    | 1,500                 |
| Water  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Waste water management                                     |     | 15,298                        | 34,500             | 34,500             | -                 | -                | -                | -               | -                    | 34,500                |
| Waste management   |     | -                             | 2,000              | 2,000              | -                 | -                | -                | -               | -                    | 2,000                 |
| <b>Other</b>   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Total Capital Expenditure - Standard Classification</b> | 3   | <b>26,448</b>                 | <b>57,029</b>      | <b>57,029</b>      | -                 | -                | -                | -               | -                    | <b>57,029</b>         |
| <b>Funded by:</b>  |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| National Government  |     | 24,074                        | 40,019             | 40,019             | -                 | -                | -                | -               | -                    | 40,019                |
| Provincial Government                                      |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| District Municipality                                      |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other transfers and grants                                 |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Transfers recognised - capital</b>                      |     | <b>24,074</b>                 | <b>40,019</b>      | <b>40,019</b>      | -                 | -                | -                | -               | -                    | <b>40,019</b>         |
| <b>Public contributions &amp; donations</b>                | 5   | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Borrowing</b>   | 6   | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Internally generated funds</b>                          |     | 2,374                         | 17,010             | 17,010             | -                 | -                | -                | -               | -                    | 17,010                |
| <b>Total Capital Funding</b>                               |     | <b>26,448</b>                 | <b>57,029</b>      | <b>57,029</b>      | -                 | -                | -                | -               | -                    | <b>57,029</b>         |

Overall spending on MIG, capital projects is currently at nil as MIG funds were only received during the last week of July 2013, thus spending will be expected commencing the following month of August 2013.

**Table 6 MBRR C 6: Financial Position as at 31 July 2013**

| Description                              | Ref | 2012/13         | Budget Year 2013/14 |                  |                  |                    |
|--|-----|-----------------|---------------------|------------------|------------------|--------------------|
|  |     | Audited Outcome | Original Budget     | Adjusted Budget  | YearTD actual    | Full Year Forecast |
| <b>R thousands</b>                       | 1   |                 |                     |                  |                  |                    |
| <b>ASSETS</b>                            |     |                 |                     |                  |                  |                    |
| <b>Current assets</b>                    |     |                 |                     |                  |                  |                    |
| Cash                                     |     | 5,628           | 5,441               | 5,441            | 16,934           | 5,441              |
| Call investment deposits                 |     | 221             | 2,625               | 2,625            | 2,818            | 2,625              |
| Consumer debtors                         |     | 50,462          | 47,000              | 47,000           | 142,932          | 47,000             |
| Other debtors                            |     | 1,342           | -                   | -                | -                | -                  |
| Current portion of long-term receivables |     | -               | -                   | -                | -                | -                  |
| Inventory                                |     | 1,798           | 3,357               | 3,357            | 2,444            | 3,357              |
| <b>Total current assets</b>              |     | <b>59,451</b>   | <b>58,423</b>       | <b>58,423</b>    | <b>165,128</b>   | <b>58,423</b>      |
| <b>Non current assets</b>                |     |                 |                     |                  |                  |                    |
| Long-term receivables                    |     | -               | -                   | -                | -                | -                  |
| Investments                              |     | -               | -                   | -                | -                | -                  |
| Investment property                      |     | 0               | -                   | -                | -                | -                  |
| Investments in Associate                 |     | -               | -                   | -                | -                | -                  |
| Property, plant and equipment            |     | 105,127         | 1,639,682           | 1,639,682        | 1,617,546        | 1,639,682          |
| Agricultural                             |     | 0               | -                   | -                | -                | -                  |
| Biological assets                        |     | -               | -                   | -                | -                | -                  |
| Intangible assets                        |     | 104             | -                   | -                | -                | -                  |
| Other non-current assets                 |     | -               | -                   | -                | -                | -                  |
| <b>Total non current assets</b>          |     | <b>105,231</b>  | <b>1,639,682</b>    | <b>1,639,682</b> | <b>1,617,546</b> | <b>1,639,682</b>   |
| <b>TOTAL ASSETS</b>                      |     | <b>164,682</b>  | <b>1,698,105</b>    | <b>1,698,105</b> | <b>1,782,673</b> | <b>1,698,105</b>   |
| <b>LIABILITIES</b>                       |     |                 |                     |                  |                  |                    |
| <b>Current liabilities</b>               |     |                 |                     |                  |                  |                    |
| Bank overdraft                           |     | -               | -                   | -                | -                | -                  |
| Borrowing                                |     | -               | -                   | -                | -                | -                  |
| Consumer deposits                        |     | 3,233           | 3,348               | 3,348            | 3,389            | 3,348              |
| Trade and other payables                 |     | 78,319          | 21,049              | 21,049           | 80,014           | 21,049             |
| Provisions                               |     | 13,950          | 44,458              | 44,458           | 2,590            | 44,458             |
| <b>Total current liabilities</b>         |     | <b>95,502</b>   | <b>68,855</b>       | <b>68,855</b>    | <b>85,993</b>    | <b>68,855</b>      |
| <b>Non current liabilities</b>           |     |                 |                     |                  |                  |                    |
| Borrowing                                |     | 6,499           | 5,840               | 5,840            | 7,232            | 5,840              |
| Provisions                               |     | 25,041          | 31,523              | 31,523           | 237,106          | 31,523             |
| <b>Total non current liabilities</b>     |     | <b>31,540</b>   | <b>37,362</b>       | <b>37,362</b>    | <b>244,338</b>   | <b>37,362</b>      |
| <b>TOTAL LIABILITIES</b>                 |     | <b>127,041</b>  | <b>106,218</b>      | <b>106,218</b>   | <b>330,331</b>   | <b>106,218</b>     |
| <b>NET ASSETS</b>                        | 2   | <b>37,641</b>   | <b>1,591,887</b>    | <b>1,591,887</b> | <b>1,452,342</b> | <b>1,591,887</b>   |
| <b>COMMUNITY WEALTH/EQUITY</b>           |     |                 |                     |                  |                  |                    |
| Accumulated Surplus/(Deficit)            |     | 37,641          | 1,591,887           | 1,591,887        | 1,452,342        | 1,591,887          |
| Reserves                                 |     | -               | -                   | -                | -                | -                  |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | 2   | <b>37,641</b>   | <b>1,591,887</b>    | <b>1,591,887</b> | <b>1,452,342</b> | <b>1,591,887</b>   |

The balance sheet size has minor fluctuations in assets and liabilities components compared to prior year unaudited outcome. The increase in the net community wealth is mainly because of the revaluation of all Municipal assets as required by GRAP 17, the subsequent revaluation surplus (Accumulated Surplus) also saw our asset backed reserves increasing by the same magnitude.

Receivables have relatively increased due to low collection rates which average approximately 60%. This has a direct knock-on effect on our efficiency to service our creditors.

**Table 7 MBRR C7 Monthly Budget Statement - Cash Flow – M01 July 2013**

| 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>                                | 1   |                 |                     |                 |                |               |                |                 |                |                    |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>        |     |                 |                     |                 |                |               |                |                 |                |                    |
| <b>Receipts</b>                                   |     |                 |                     |                 |                |               |                |                 |                |                    |
| Ratepayers and other                              |     | 120,756         | 150,825             | 150,825         | 6,373          | 6,373         | 12,569         | (6,196)         | -49%           | 150,825            |
| Government - operating                            |     | 55,801          | 63,569              | 63,569          | 13,997         | 13,997        | 13,997         | -               |                | 63,569             |
| Government - capital                              |     | 23,685          | 40,019              | 40,019          | 12,776         | 12,776        | 12,776         | -               |                | 40,019             |
| Interest  |     | 228             | -                   | -               | -              | -             | -              | -               |                | -                  |
| Dividends   |     | -               | -                   | -               | -              | -             | -              | -               |                | -                  |
| <b>Payments</b>                                   |     |                 |                     |                 |                |               |                |                 |                |                    |
| Suppliers and employees                           |     | (174,670)       | (203,375)           | (203,375)       | (25,310)       | (25,310)      | (16,948)       | 8,362           | -49%           | (203,375)          |
| Finance charges                                   |     | (4,041)         | (1,002)             | (1,002)         | (1)            | (1)           | (84)           | (83)            | 99%            | (1,002)            |
| Transfers and Grants                              |     | -               | -                   | -               | -              | -             | -              | -               |                | -                  |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>  |     | <b>21,759</b>   | <b>50,036</b>       | <b>50,036</b>   | <b>7,835</b>   | <b>7,835</b>  | <b>22,310</b>  | <b>(14,476)</b> | <b>-65%</b>    | <b>50,036</b>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>       |     |                 |                     |                 |                |               |                |                 |                |                    |
| <b>Receipts</b>                                   |     |                 |                     |                 |                |               |                |                 |                |                    |
| Proceeds on disposal of PPE                       |     | 180             | -                   | -               | -              | -             | -              | -               |                | -                  |
| Decrease (Increase) in non-current debtors        |     | 310             | -                   | -               | -              | -             | -              | -               |                | -                  |
| Decrease (increase) other non-current receivables |     | -               | 6,428               | 6,428           | -              | -             | 536            | (536)           | -100%          | 6,428              |
| Decrease (increase) in non-current investments    |     | -               | -                   | -               | -              | -             | -              | -               |                | -                  |
| <b>Payments</b>                                   |     |                 |                     |                 |                |               |                |                 |                |                    |
| Capital assets                                    |     | (20,232)        | (57,029)            | (57,029)        | (684)          | (684)         | (4,752)        | (4,068)         | 86%            | (57,029)           |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>  |     | <b>(19,742)</b> | <b>(50,601)</b>     | <b>(50,601)</b> | <b>(684)</b>   | <b>(684)</b>  | <b>(4,217)</b> | <b>(3,533)</b>  | <b>84%</b>     | <b>(50,601)</b>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>       |     |                 |                     |                 |                |               |                |                 |                |                    |
| <b>Receipts</b>                                   |     |                 |                     |                 |                |               |                |                 |                |                    |
| Short term loans                                  |     | -               | -                   | -               | -              | -             | -              | -               |                | -                  |
| Borrowing long term/refinancing                   |     | 498             | 15,000              | 15,000          | -              | -             | 1,250          | (1,250)         | -100%          | 15,000             |
| Increase (decrease) in consumer deposits          |     | 128             | -                   | -               | -              | -             | -              | -               |                | -                  |
| <b>Payments</b>                                   |     |                 |                     |                 |                |               |                |                 |                |                    |
| Repayment of borrowing                            |     | (1,297)         | (5,002)             | (5,002)         | -              | -             | (417)          | (417)           | 100%           | (5,002)            |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>  |     | <b>(670)</b>    | <b>9,998</b>        | <b>9,998</b>    | <b>-</b>       | <b>-</b>      | <b>833</b>     | <b>833</b>      | <b>100%</b>    | <b>9,998</b>       |
| <b>NET INCREASE/ (DECREASE) IN CASH HELD</b>      |     | <b>1,347</b>    | <b>9,433</b>        | <b>9,433</b>    | <b>7,151</b>   | <b>7,151</b>  | <b>18,927</b>  |                 |                | <b>9,433</b>       |
| Cash/cash equivalents at beginning:               |     | 4,458           | 1,355               | 4,015           |                | 9,783         | 1,355          |                 |                | 9,783              |
| Cash/cash equivalents at month/year end:          |     | 5,805           | 10,788              | 13,448          |                | 16,934        | 20,282         |                 |                | 19,216             |

The Municipality's cash flow position is fairly healthy; however continuous efforts to improve the revenue collection rate and to broaden revenue streams through implementation of revenue enhancement plans needs to be pursued.

**PART 2 – SUPPORTING DOCUMENTATION**

**Table 8 MBRR SC1 Monthly Budget Statement – Material variances explanations – M01 July 2013**

| Description                 | Variance | Reasons for material deviations  | Remedial or corrective steps/remarks              |
|-----------------------------|----------|--|---|
| <b>Revenue By Source</b>    |          |  |   |
| <i>Basic Services</i>       |          | <i>The variances noted on basic services after one month of reporting are considered insignificant and merely represent the seasonal demand of the Municipal services from spring, summer and winter and a clearer trend will be analyzed over time.</i> | <i>None needed, performance is as forecasted.</i> |
| <i>Grants</i>               |          | <i>Grants from National treasury were received as anticipated and communicated through the payment schedule.</i>   | <i>None needed.</i>                               |
| <b>Expenditure By Type</b>  |          |  |   |
| <i>Accounting estimates</i> |          | <i>These were not incorporated into the report for July as the final reports were not yet received from the valuers.</i>   | <i>None needed.</i>                               |
| <i>Other expenditure</i>    |          | <i>There is a general saving on the other expenditure due to effective expenditure management.</i>   | <i>None needed.</i>                               |
| <b>Capital Expenditure</b>  |          |  |   |
| <i>All</i>                  |          | <i>Our 2013/14 allocation of MIG was received during the last week of the month and we not new commitments were recorded yet for capex.</i>  |   |

**Table 9 MBRR SC2 Monthly Budget Statement - performance indicators - M01 July 2013**

| Description of financial indicator                          | Basis of calculation   | Ref | 2012/13         | Budget Year 2013/14 |                 |               |                    |
|---|--|-----|-----------------|---------------------|-----------------|---------------|--------------------|
|   |  |     | Audited Outcome | Original Budget     | Adjusted Budget | YearTD actual | Full Year Forecast |
| <b><u>Borrowing Management</u></b>                          |  |     |                 |                     |                 |               |                    |
| Capital Charges to Operating Expenditure                    | Interest & principal paid/Operating Expenditure  |     | -0.1%           | 8.9%                | 8.9%            | 0.2%          | 4.7%               |
| Borrowed funding of 'own' capital expenditure               | Borrowings/Capital expenditure excl. transfers and grants                                      |     | 0.0%            | 0.0%                | 0.0%            | 0.0%          | 0.0%               |
| <b><u>Safety of Capital</u></b>                             |  |     |                 |                     |                 |               |                    |
| Debt to Equity  | Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves                           |     | 225.3%          | 1.7%                | 1.7%            | 6.0%          | 1.7%               |
| Gearing   | Long Term Borrowing/ Funds & Reserves  |     | 0.0%            | 0.0%                | 0.0%            | 0.0%          | 0.0%               |
| <b><u>Liquidity</u></b>                                     |  |     |                 |                     |                 |               |                    |
| Current Ratio   | Current assets/current liabilities   | 1   | 62.3%           | 84.8%               | 84.8%           | 192.0%        | 84.8%              |
| Liquidity Ratio   | Monetary Assets/Current Liabilities  |     | 6.1%            | 11.7%               | 11.7%           | 23.0%         | 11.7%              |
| <b><u>Revenue Management</u></b>                            |  |     |                 |                     |                 |               |                    |
| Annual Debtors Collection Rate (Payment Level %)            | Last 12 Mths Receipts/ Last 12 Mths Billing  |     |                 |                     |                 |               |                    |
| Outstanding Debtors to Revenue                              | Total Outstanding Debtors to Annual Revenue  |     | 24.4%           | 19.5%               | 19.5%           | 543.1%        | 19.5%              |
| Longstanding Debtors Recovered                              | Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old                                      |     | 0.0%            | 0.0%                | 0.0%            | 0.0%          | 0.0%               |
| <b><u>Creditors Management</u></b>                          |  |     |                 |                     |                 |               |                    |
| Creditors System Efficiency                                 | % of Creditors Paid Within Terms (within MFMA s 65(e))   |     | 60.0%           | 95.0%               |                 | 45.0%         | 80.0%              |
| <b><u>Funding of Provisions</u></b>                         |  |     |                 |                     |                 |               |                    |
| Percentage Of Provisions Not Funded                         | Unfunded Provisions/Total Provisions   |     |                 |                     |                 |               |                    |
| <b><u>Other Indicators</u></b>                              |  |     |                 |                     |                 |               |                    |
| Electricity Distribution Losses                             | % Volume (units purchased and generated less units sold)/units purchased and generated         | 2   | 22.0%           | 30.0%               | 22.0%           | 22.0%         | 22.0%              |
| Water Distribution Losses                                   | % Volume (units purchased and own source less units sold)/Total units purchased and own source | 2   | 10.0%           | 10.0%               | 30.0%           | 30.0%         | 30.0%              |
| Employee costs  | Employee costs/Total Revenue - capital revenue   |     | 36.2%           | 34.3%               | 34.3%           | 26.8%         | 34.3%              |
| Repairs & Maintenance                                       | R&M/Total Revenue - capital revenue  |     | 0.0%            | 0.0%                | 0.0%            | 0.0%          | 0.0%               |
| Interest & Depreciation                                     | I&D/Total Revenue - capital revenue  |     | 0.5%            | 8.1%                | 8.1%            | 0.1%          | 4.3%               |
| <b><u>IDP regulation financial viability indicators</u></b> |  |     |                 |                     |                 |               |                    |
| i. Debt coverage  | (Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)  |     |                 |                     |                 |               |                    |
| ii. O/S Service Debtors to Revenue                          | Total outstanding service debtors/annual revenue received for services                         |     |                 |                     |                 |               |                    |
| iii. Cost coverage  | (Available cash + Investments)/monthly fixed operational expenditure                           |     |                 |                     |                 |               |                    |



## **Explanations of significant statistics**

### *Borrowing management*

Borrowing levels remain low, even lower than prior audited year, although expected to rise if the plans to acquire vehicles on vehicle finance proceed. Capital charges refers to total installment to repay loans (comprising of capital and interest portions) and this remains a very small proportion of total operating expenditure to date.

### *Safety of capital*

Municipal reserves remain greater than the liabilities as indicated by the low gearing level of only 5.6%. However the high level of unpaid creditors remains a threat to the overall debt to equity ratio. If compliance with section 65(2)(e) of MFMA is observed, this ratio could be managed within the acceptable range.

### *Liquidity*

The statistics indicate that the current assets are sufficient to cover current liabilities with more than the recommended (2;1 times). However it is important to note that if reconciling items are pushed through the cash book, this ratio may deteriorate. Also note that an increase in gross debtors to date has also contributed to the healthy liquidity, which may technically be doubtful.

### *Revenue management*

The municipality is not doing very well in this particular aspect because of two main issues namely;

- The accounting system in use (prior to February 2012) did not allow filtering and categorizing receipts per revenue source. This implies accuracy of reported figures on this financial indicator maybe compromised.
- The debtors' collection itself is generally low with debtors dating back from a decade ago. Approximately R88 million of the R142million of gross debtors' book is more than 12 months old. This reduces the overall revenue collection rate to approximately 60%.

### *Creditors' management*

The creditors' efficiency rate of 45% is below budget figures of 95% and efforts need to be put in place to comply with the MFMA as regards payment of creditors. This of course depends on revenue collection which is considered low as mentioned under revenue management above.

### *Water and electricity losses*

No accurate figures have been reported in this category as it is currently difficult to record losses. There are no meters that record units of either utility purchased and distributions. Figures reported in table 9 above are estimates based on invoices paid to utility providers as well as municipal billing system.

**Table 10MBRRSC 3: Debtors age analysis**

| Description   | NT Code     | Budget Year 2013/14 |              |              |              |              |                |              |          |                |                    | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.to 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 |  |  |  |
| <b>R thousands</b>  |             |                     |              |              |              |              |                |              |          |                |                    |  |  |  |
| <b>Debtors Age Analysis By Income Source</b>                            |             |                     |              |              |              |              |                |              |          |                |                    |  |  |  |
| Trade and Other Receivables from Exchange Transactions - Water          | 1200        | 3,027               | 2,268        | 1,039        | 1,029        | 938          | 41,693         | -            | -        | 49,994         | 43,660             |  |  |  |
| Trade and Other Receivables from Exchange Transactions - Electricity    | 1300        | 4,801               | 1,237        | 418          | 453          | 743          | 4,741          | -            | -        | 12,394         | 5,938              |  |  |  |
| Receivables from Non-exchange Transactions - Property Rates             | 1400        | 1,297               | 529          | 1,253        | 246          | 238          | 7,484          | -            | -        | 11,048         | 7,968              |  |  |  |
| Receivables from Exchange Transactions - Waste Water Management         | 1500        | 1,002               | 577          | 403          | 369          | 352          | 9,222          | -            | -        | 11,924         | 9,943              |  |  |  |
| Receivables from Exchange Transactions - Waste Management               | 1600        | 648                 | 373          | 273          | 248          | 238          | 6,777          | -            | -        | 8,557          | 7,263              |  |  |  |
| Receivables from Exchange Transactions - Property Rental Debtors        | 1700        | 23                  | 13           | 11           | 10           | 9            | 2,237          | -            | -        | 2,303          | 2,256              |  |  |  |
| Interest on Arrear Debtor Accounts                                      | 1810        | 882                 | 821          | 801          | 782          | 0            | 8,237          | -            | -        | 11,524         | 9,019              |  |  |  |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820        | -                   | -            | -            | -            | -            | -              | -            | -        | -              | -                  |  |  |  |
| Other   | 1900        | 1,044               | 428          | 210          | 197          | 269          | 33,039         | -            | -        | 35,188         | 33,506             |  |  |  |
| <b>Total By Income Source</b>   | <b>2000</b> | <b>12,725</b>       | <b>6,246</b> | <b>4,408</b> | <b>3,335</b> | <b>2,788</b> | <b>113,430</b> | <b>-</b>     | <b>-</b> | <b>142,932</b> | <b>119,553</b>     | <b>-</b>                                     | <b>-</b>                                   |  |
| <b>2012/13 - totals only</b>  |             |                     |              |              |              |              |                |              |          |                |                    |  |  |  |
| <b>Debtors Age Analysis By Customer Group</b>                           |             |                     |              |              |              |              |                |              |          |                |                    |  |  |  |
| Organs of State   | 2200        | 172                 | 745          | 139          | 86           | 93           | 7,349          | -            | -        | 8,585          | 7,529              |  |  |  |
| Commercial  | 2300        | 2,016               | 427          | 352          | 455          | 663          | 6,428          | -            | -        | 10,342         | 7,547              |  |  |  |
| Households  | 2400        | 6,693               | 3,007        | 2,877        | 2,305        | 1,740        | 69,633         | -            | -        | 86,255         | 73,678             |  |  |  |
| Other   | 2500        | 3,845               | 2,067        | 1,040        | 489          | 291          | 30,019         | -            | -        | 37,750         | 30,799             |  |  |  |
| <b>Total By Customer Group</b>  | <b>2600</b> | <b>12,725</b>       | <b>6,246</b> | <b>4,408</b> | <b>3,335</b> | <b>2,788</b> | <b>113,430</b> | <b>-</b>     | <b>-</b> | <b>142,932</b> | <b>119,553</b>     | <b>-</b>                                     | <b>-</b>                                   |  |

The debtors' balance above is a gross amount. An impairment provision has already been raised that has reduced the debtors balance significantly, following a recommendation by the Auditor General of South Africa.

**Table 11 MBRR SC4 Monthly Budget Statement - aged creditors – M01 July 2013**

| Description                                    | NT Code     | Budget Year 2013/14 |              |               |               |                |                |                   |              |               | Prior year totals for chart (same period) |
|--|-------------|---------------------|--------------|---------------|---------------|----------------|----------------|-------------------|--------------|---------------|---|
|  |             | 0 - 30 Days         | 31 - 60 Days | 61 - 90 Days  | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year  | Total         |   |
| <b>R thousands</b>                             |             |                     |              |               |               |                |                |                   |              |               |   |
| <b>Creditors Age Analysis By Customer Type</b> |             |                     |              |               |               |                |                |                   |              |               |   |
| Bulk Electricity                               | 0100        | 45                  | 44           | -             | -             | -              | -              | -                 | -            | 89            | -   |
| Bulk Water                                     | 0200        | 1,367               | 880          | 1,339         | -             | -              | -              | -                 | -            | 3,586         | -   |
| PAYE deductions                                | 0300        | 849                 | -            | -             | -             | -              | -              | -                 | -            | 849           | -   |
| VAT (output less input)                        | 0400        | -                   | -            | -             | -             | -              | -              | -                 | -            | -             | -   |
| Pensions / Retirement deductions               | 0500        | -                   | -            | -             | -             | -              | -              | -                 | -            | -             | -   |
| Loan repayments                                | 0600        | -                   | -            | -             | -             | -              | -              | -                 | -            | -             | -   |
| Trade Creditors                                | 0700        | 28,871              | 2,576        | 12,255        | 219           | 22,872         | -              | 2,036             | 6,661        | 75,490        | -   |
| Auditor General                                | 0800        | -                   | -            | -             | -             | -              | -              | -                 | -            | -             | -   |
| Other  | 0900        | -                   | -            | -             | -             | -              | -              | -                 | -            | -             | -   |
| <b>Total By Customer Type</b>                  | <b>1000</b> | <b>31,132</b>       | <b>3,501</b> | <b>13,594</b> | <b>219</b>    | <b>22,872</b>  | <b>-</b>       | <b>2,036</b>      | <b>6,661</b> | <b>80,014</b> | <b>-</b>                                  |

**Table 12 MBRR SC5 Monthly Budget Statement - investment portfolio – M01 July 2013**

| Investments by maturity<br>Name of institution & investment ID | Ref | 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 |
|--|-----|----------------------|--------------------|---------------------------|--------------------------------|---------------------------|--|------------------------|----------------------------------|
|  |     |                      |                    |                           |                                |                           |  |                        |                                  |
| <b>R thousands</b>   |     |                      |                    |                           |                                |                           |  |                        |                                  |
| <b>Municipality</b>  |     |                      |                    |                           |                                |                           |  |                        |                                  |
| ABSA Investment  |     | 1 Month              | Fixed deposit      | -                         | -                              | 0.0%                      | 162                                    | 3                      | 165                              |
| Sanlam Investment  |     | 1 Month              | Unit trusts        | -                         | -                              | 0.0%                      | 26                                     | 1                      | 26                               |
| Sanlam Investment  |     | 1 Month              | Unit trusts        | -                         | -                              | 0.0%                      | 42                                     | 1                      | 43                               |
| Old Mutual Investment  |     | 1 Month              | Unit trusts        | -                         | -                              | 0.0%                      | 2,567                                  | 17                     | 2,584                            |
| <b>Municipality sub-total</b>                                  |     |                      |                    |                           | -                              |                           | 2,797                                  | 21                     | 2,818                            |

**Table 13 MBRR SC6 Monthly Budget Statement - transfers and grant receipts – M01 July 2013**

| Description                                     | Ref | Budget Year 2013/14           |                    |                    |                   |                  |                  |                 |                      |                       |
|---|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
|   |     | 2012/13<br>Audited<br>Outcome | Original<br>Budget | Adjusted<br>Budget | Monthly<br>actual | YearTD<br>actual | YearTD<br>budget | YTD<br>variance | YTD<br>variance<br>% | Full Year<br>Forecast |
| <b>R thousands</b>                              |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>RECEIPTS:</b>                                |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Operating Transfers and Grants</b>           |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>National Government:</b>                     | 1,2 | 55,658                        | 63,569             | 63,569             | 13,939            | 13,939           | 13,939           | -               |                      | 63,569                |
| Local Government Equitable Share                |     | 52,832                        | 60,129             | 60,129             | 12,389            | 12,389           | 12,389           | -               |                      | 60,129                |
| Finance Management                              |     | 1,500                         | 1,550              | 1,550              | 1,550             | 1,550            | 1,550            | -               |                      | 1,550                 |
| Municipal Systems Improvement                   |     | 790                           | 890                | 890                | -                 | -                | -                | -               |                      | 890                   |
| EPWP Incentive                                  |     | 536                           | 1,000              | 1,000              | -                 | -                | -                | -               |                      | 1,000                 |
|   |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| <b>Provincial Government:</b>                   |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| <b>District Municipality:</b>                   |     | 945                           | 4,117              | 4,117              | 58                | 58               | 58               | -               |                      | 4,117                 |
| Waterberg District Fire Subsidy                 |     | 713                           | 2,117              | 2,117              | -                 | -                | -                | -               |                      | 2,117                 |
| LG SETA   |     | 232                           | 2,000              | 2,000              | 58                | 58               | 58               | -               |                      | 2,000                 |
| <b>Other grant providers:</b>                   |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| <b>Total Operating Transfers and Grants</b>     | 5   | 56,603                        | 67,686             | 67,686             | 13,997            | 13,997           | 13,997           | -               |                      | 67,686                |
| <b>Capital Transfers and Grants</b>             |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>National Government:</b>                     |     | 22,474                        | 40,019             | 40,019             | 12,776            | 12,776           | 12,776           | -               |                      | 40,019                |
| Municipal Infrastructure Grant (MIG)            |     | 22,474                        | 40,019             | 40,019             | 12,776            | 12,776           | 12,776           | -               |                      | 40,019                |
| <b>Provincial Government:</b>                   |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| <b>District Municipality:</b>                   |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| <b>Other grant providers:</b>                   |     | -                             | -                  | -                  | -                 | -                | -                | -               |                      | -                     |
| <b>Total Capital Transfers and Grants</b>       | 5   | 22,474                        | 40,019             | 40,019             | 12,776            | 12,776           | 12,776           | -               |                      | 40,019                |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b> | 5   | 79,077                        | 107,705            | 107,705            | 26,773            | 26,773           | 26,773           | -               |                      | 107,705               |

All grants have been received as allocated in the 2013/14 Division of Revenue Act payment schedule.

**Table 14: Transfers and Grants expenditure;**

| 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>EXPENDITURE</b>  |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Operating expenditure of Transfers and Grants</b>        |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>National Government:</b>                                 |     | 55,658          | 63,569              | 63,569          | 12,492         | 12,492        | 12,492        | -            |                | 63,569             |
| Local Government Equitable Share                            |     | 52,832          | 60,129              | 60,129          | 12,389         | 12,389        | 12,389        | -            |                | 60,129             |
| Finance Management  |     | 1,500           | 1,550               | 1,550           | 103            | 103           | 103           | -            |                | 1,550              |
| Municipal Systems Improvement                               |     | 790             | 890                 | 890             | -              | -             | -             | -            |                | 890                |
| EPWP Incentive  |     | 536             | 1,000               | 1,000           | -              | -             | -             | -            |                | 1,000              |
| Other transfers and grants [insert description]             |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Provincial Government:</b>                               |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other transfers and grants [insert description]             |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>District Municipality:</b>                               |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <i>Waterberg District Fire Subsidy</i>                      |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Other grant providers:</b>                               |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <i>[insert description]</i>                                 |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Total operating expenditure of Transfers and Grants:</b> |     | 55,658          | 63,569              | 63,569          | 12,492         | 12,492        | 12,492        | -            |                | 63,569             |
| <b>Capital expenditure of Transfers and Grants</b>          |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>National Government:</b>                                 |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Municipal Infrastructure Grant (MIG)                        |     |                 |                     |                 |                |               |               |              |                |                    |
| Other capital transfers [insert description]                |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Provincial Government:</b>                               |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| District Municipality:                                      |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| Other grant providers:                                      |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>Total capital expenditure of Transfers and Grants</b>    |     | -               | -                   | -               | -              | -             | -             | -            |                | -                  |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>            |     | 55,658          | 63,569              | 63,569          | 12,492         | 12,492        | 12,492        | -            |                | 63,569             |

**Table 15 MBRR SC8 Monthly Budget Statement – Councillors and Employee Benefits – M01 July 2013**

| Summary of Employee and Councillor remuneration             | Ref | Budget Year 2013/14     |                 |                 |                |               |               |              |                |                    |
|---|-----|-------------------------|-----------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
|   |     | 2012/13 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>    | 1   |                         |                 |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages                                    |     | 4,098                   | 4,373           | 4,373           | 335            | 335           | 364           | (29)         | -8%            | 4,373              |
| Pension and UIF Contributions                               |     | 252                     | 530             | 530             | 47             | 47            | 44            | 3            | 6%             | 530                |
| Medical Aid Contributions                                   |     | 121                     | 302             | 302             | 7              | 7             | 25            | (18)         | -73%           | 302                |
| Motor Vehicle Allowance                                     |     | 1,537                   | 1,247           | 1,247           | 112            | 112           | 104           | 8            | 8%             | 1,247              |
| Cellphone Allowance   |     | 303                     | 289             | 289             | 22             | 22            | 24            | (2)          | -8%            | 289                |
| Housing Allowances  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Other benefits and allowances                               |     | 207                     | 193             | 193             | 11             | 11            | 16            | (5)          | -30%           | 193                |
| <b>Sub Total - Councillors</b>                              |     | <b>6,516</b>            | <b>6,934</b>    | <b>6,934</b>    | <b>534</b>     | <b>534</b>    | <b>578</b>    | <b>(44)</b>  | <b>-8%</b>     | <b>6,934</b>       |
| <b>% increase</b>   | 4   |                         | <b>6.4%</b>     | <b>6.4%</b>     |                |               |               |              |                | <b>6.4%</b>        |
| <b>Senior Managers of the Municipality</b>                  | 3   |                         |                 |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages                                    |     | 4,608                   | 5,576           | 5,576           | 734            | 734           | 465           | 269          | 58%            | 5,576              |
| Pension and UIF Contributions                               |     | -                       | -               | -               | 35             | 35            | -             | 35           | #DIV/0!        | -                  |
| Medical Aid Contributions                                   |     | 21                      | -               | -               | 15             | 15            | -             | 15           | #DIV/0!        | -                  |
| Overtime  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Performance Bonus   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Motor Vehicle Allowance                                     |     | 928                     | 1,000           | 1,000           | 86             | 86            | 83            | 2            | 3%             | 1,000              |
| Cellphone Allowance   |     | 44                      | 16              | 16              | 3              | 3             | 1             | 2            | 113%           | 16                 |
| Housing Allowances  |     | -                       | -               | -               | 1              | 1             | -             | 1            | #DIV/0!        | -                  |
| Other benefits and allowances                               |     | 41                      | 59              | 59              | 16             | 16            | 5             | 11           | 220%           | 59                 |
| Payments in lieu of leave                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Long service awards   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Post-retirement benefit obligations                         |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| <b>Sub Total - Senior Managers of Municipality</b>          |     | <b>5,642</b>            | <b>6,652</b>    | <b>6,652</b>    | <b>889</b>     | <b>889</b>    | <b>554</b>    | <b>335</b>   | <b>60%</b>     | <b>6,652</b>       |
| <b>% increase</b>   | 4   |                         | <b>17.9%</b>    | <b>17.9%</b>    |                |               |               |              |                | <b>17.9%</b>       |
| <b>Other Municipal Staff</b>                                |     |                         |                 |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages                                    |     | 43,917                  | 43,990          | 43,990          | 4,468          | 4,468         | 3,666         | 803          | 22%            | 43,990             |
| Pension and UIF Contributions                               |     | 10,222                  | 10,669          | 10,669          | 699            | 699           | 889           | (190)        | -21%           | 10,669             |
| Medical Aid Contributions                                   |     | 2,838                   | 2,709           | 2,709           | 206            | 206           | 226           | (20)         | -9%            | 2,709              |
| Overtime  |     | 2,701                   | 3,145           | 3,145           | 314            | 314           | 262           | 52           | 20%            | 3,145              |
| Performance Bonus   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Motor Vehicle Allowance                                     |     | 3,456                   | 9,052           | 9,052           | 29             | 29            | 754           | (725)        | -96%           | 9,052              |
| Cellphone Allowance   |     | 240                     | 264             | 264             | 18             | 18            | 22            | (4)          | -18%           | 264                |
| Housing Allowances  |     | 49                      | 75              | 75              | 5              | 5             | 6             | (1)          | -15%           | 75                 |
| Other benefits and allowances                               |     | 4,256                   | 6,476           | 6,476           | 430            | 430           | 540           | (110)        | -20%           | 6,476              |
| Payments in lieu of leave                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Long service awards   |     | 3,623                   | 821             | 821             | -              | -             | 68            | (68)         | -100%          | 821                |
| Post-retirement benefit obligations                         |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| <b>Sub Total - Other Municipal Staff</b>                    |     | <b>71,302</b>           | <b>77,199</b>   | <b>77,199</b>   | <b>6,169</b>   | <b>6,169</b>  | <b>6,433</b>  | <b>(264)</b> | <b>-4%</b>     | <b>77,199</b>      |
| <b>% increase</b>   | 4   |                         | <b>8.3%</b>     | <b>8.3%</b>     |                |               |               |              |                | <b>8.3%</b>        |
| <b>Total Parent Municipality</b>                            |     | <b>83,460</b>           | <b>90,785</b>   | <b>90,785</b>   | <b>7,592</b>   | <b>7,592</b>  | <b>7,565</b>  | <b>27</b>    | <b>0%</b>      | <b>90,785</b>      |
| <b>Unpaid salary, allowances &amp; benefits in arrears:</b> |     |                         |                 |                 |                |               |               |              |                |                    |
| <b>Board Members of Entities</b>                            |     |                         |                 |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages                                    |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Pension and UIF Contributions                               |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Medical Aid Contributions                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Overtime  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Performance Bonus   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Motor Vehicle Allowance                                     |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Cellphone Allowance   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Housing Allowances  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Other benefits and allowances                               |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Board Fees  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Payments in lieu of leave                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Long service awards   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Post-retirement benefit obligations                         |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| <b>Sub Total - Board Members of Entities</b>                | 2   | <b>-</b>                | <b>-</b>        | <b>-</b>        | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b>       | <b>-</b>           |
| <b>% increase</b>   | 4   |                         |                 |                 |                |               |               |              |                |                    |
| <b>Senior Managers of Entities</b>                          |     |                         |                 |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages                                    |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Pension and UIF Contributions                               |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Medical Aid Contributions                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Overtime  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Performance Bonus   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Motor Vehicle Allowance                                     |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Cellphone Allowance   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Housing Allowances  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Other benefits and allowances                               |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Payments in lieu of leave                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Long service awards   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Post-retirement benefit obligations                         |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| <b>Sub Total - Senior Managers of Entities</b>              | 2   | <b>-</b>                | <b>-</b>        | <b>-</b>        | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b>       | <b>-</b>           |
| <b>% increase</b>   | 4   |                         |                 |                 |                |               |               |              |                |                    |
| <b>Other Staff of Entities</b>                              |     |                         |                 |                 |                |               |               |              |                |                    |
| Basic Salaries and Wages                                    |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Pension and UIF Contributions                               |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Medical Aid Contributions                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Overtime  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Performance Bonus   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Motor Vehicle Allowance                                     |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Cellphone Allowance   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Housing Allowances  |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Other benefits and allowances                               |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Payments in lieu of leave                                   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Long service awards   |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| Post-retirement benefit obligations                         |     | -                       | -               | -               | -              | -             | -             | -            | -              | -                  |
| <b>Sub Total - Other Staff of Entities</b>                  | 4   | <b>-</b>                | <b>-</b>        | <b>-</b>        | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b>       | <b>-</b>           |
| <b>% increase</b>   | 4   |                         |                 |                 |                |               |               |              |                |                    |
| <b>Total Municipal Entities</b>                             |     | <b>-</b>                | <b>-</b>        | <b>-</b>        | <b>-</b>       | <b>-</b>      | <b>-</b>      | <b>-</b>     | <b>-</b>       | <b>-</b>           |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>              |     | <b>83,460</b>           | <b>90,785</b>   | <b>90,785</b>   | <b>7,592</b>   | <b>7,592</b>  | <b>7,565</b>  | <b>27</b>    | <b>0%</b>      | <b>90,785</b>      |
| <b>% increase</b>   | 4   |                         | <b>8.8%</b>     | <b>8.8%</b>     |                |               |               |              |                | <b>8.8%</b>        |
| <b>TOTAL MANAGERS AND STAFF</b>                             |     | <b>76,944</b>           | <b>83,851</b>   | <b>83,851</b>   | <b>7,058</b>   | <b>7,058</b>  | <b>6,988</b>  | <b>71</b>    | <b>1%</b>      | <b>83,851</b>      |

**Table 17 MBRR SC12 Monthly Budget Statement - capital expenditure trend – M01 July 2013**

| 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 |
| <b>R thousands</b>                           |                 |                     |                 |                |               |               |              |                |                            |
| <b>Monthly expenditure performance trend</b> |                 |                     |                 |                |               |               |              |                |                            |
| July   | 187             | 10,969              | 10,969          | -              |               | 10,969        | -            |                |                            |
| August                                       | 1,807           | 7,887               | 7,887           |                |               | 18,856        | -            |                |                            |
| September                                    | 1,397           | 2,350               | 2,350           |                |               | 21,206        | -            |                |                            |
| October                                      | 115             | -                   | -               |                |               | 21,206        | -            |                |                            |
| November                                     | 4,980           | 5,906               | 5,906           |                |               | 27,112        | -            |                |                            |
| December                                     | 3               | 6,500               | 6,500           |                |               | 33,612        | -            |                |                            |
| January                                      | 4               | -                   | -               |                |               | 33,612        | -            |                |                            |
| February                                     | 102             | -                   | -               |                |               | 33,612        | -            |                |                            |
| March  | 97              | 10,918              | 10,918          |                |               | 44,530        | -            |                |                            |
| April  | 16,919          | 5,939               | 5,939           |                |               | 50,469        | -            |                |                            |
| May  | 0               | -                   | -               |                |               | 50,469        | -            |                |                            |
| June   | 837             | 6,560               | 6,560           |                |               | 57,029        | -            |                |                            |
| <b>Total Capital expenditure</b>             | <b>26,448</b>   | <b>57,029</b>       | <b>57,029</b>   | <b>-</b>       |               |               |              |                |                            |

## Other supporting documents

Table 18 MBRR SC13a Monthly Budget Statement - capital expenditure on new assets by asset class – M01 July 2013

| 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>  | 1   |                 |                     |                 |                |               |               |              |                |                    |
| <b>Capital expenditure on new assets by Asset Class/Sub-class</b> |     |                 |                     |                 |                |               |               |              |                |                    |
| <b>Infrastructure</b>   |     | 23,865          | 39,700              | 39,700          | -              | -             | -             | -            | -              | 39,700             |
| Infrastructure - Road transport                                   |     | 6,944           | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Roads, Pavements & Bridges  |     | 6,944           | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Storm water   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Infrastructure - Electricity                                      |     | 1,623           | 2,500               | 2,500           | -              | -             | -             | -            | -              | 2,500              |
| Generation  |     | -               | 2,500               | 2,500           | -              | -             | -             | -            | -              | 2,500              |
| Transmission & Reticulation                                       |     | 1,623           | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Street Lighting   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Infrastructure - Water  |     | -               | 1,500               | 1,500           | -              | -             | -             | -            | -              | 1,500              |
| Dams & Reservoirs   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Water purification  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Reticulation  |     | -               | 1,500               | 1,500           | -              | -             | -             | -            | -              | 1,500              |
| Infrastructure - Sanitation                                       |     | 15,298          | 34,500              | 34,500          | -              | -             | -             | -            | -              | 34,500             |
| Reticulation  |     | 15,298          | 34,500              | 34,500          | -              | -             | -             | -            | -              | 34,500             |
| Sewerage purification   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Infrastructure - Other  |     | -               | 1,200               | 1,200           | -              | -             | -             | -            | -              | 1,200              |
| Waste Management  |     | -               | 1,200               | 1,200           | -              | -             | -             | -            | -              | 1,200              |
| Transportation  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Gas   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Community</b>  |     | -               | 60                  | 60              | -              | -             | -             | -            | -              | 60                 |
| Parks & gardens   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Sportsfields & stadia   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Swimming pools  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Community halls   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Libraries   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Recreational facilities   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Fire, safety & emergency  |     | -               | 60                  | 60              | -              | -             | -             | -            | -              | 60                 |
| Security and policing   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Buses   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Clinics   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Museums & Art Galleries   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Cemeteries  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Social rental housing   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Heritage assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Buildings   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Investment properties</b>                                      |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Housing development   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Other assets</b>   |     | 2,583           | 7,450               | 7,450           | -              | -             | -             | -            | -              | 7,450              |
| General vehicles  |     | 750             | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Specialised vehicles  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Plant & equipment   |     | 190             | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Computers - hardware/equipment                                    |     | 333             | 450                 | 450             | -              | -             | -             | -            | -              | 450                |
| Furniture and other office equipment                              |     | 100             | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Abattoirs   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Markets   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Civic Land and Buildings  |     | 1,210           | 5,000               | 5,000           | -              | -             | -             | -            | -              | 5,000              |
| Other Buildings   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other Land  |     | -               | 2,000               | 2,000           | -              | -             | -             | -            | -              | 2,000              |
| Surplus Assets - (Investment or Inventory)                        |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Agricultural assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| List sub-class  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Biological assets</b>  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| List sub-class  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Intangibles</b>  |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Computers - software & programming                                |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| Other   |     | -               | -                   | -               | -              | -             | -             | -            | -              | -                  |
| <b>Total Capital Expenditure on new assets</b>                    | 1   | 26,448          | 47,210              | 47,210          | -              | -             | -             | -            | -              | 47,210             |

**Table 19MBRRSC 13c Expenditure on repairs and maintenance by asset class**

| Description   | Ref | Budget Year 2013/14           |                    |                    |                   |                  |                  |                 |                      |                       |
|---|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
|   |     | 2012/13<br>Audited<br>Outcome | Original<br>Budget | Adjusted<br>Budget | Monthly<br>actual | YearTD<br>actual | YearTD<br>budget | YTD<br>variance | YTD<br>variance<br>% | Full Year<br>Forecast |
| <b>R thousands</b>  | 1   |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Repairs and maintenance expenditure by Asset Class/Sub-class</b> |     |                               |                    |                    |                   |                  |                  |                 |                      |                       |
| <b>Infrastructure</b>   |     | 9,629                         | 18,252             | 18,252             | 281               | 281              | 1,222            | 941             | 77.0%                | 18,252                |
| Infrastructure - Road transport                                     |     | 3,602                         | 6,417              | 6,417              | 10                | 10               | 236              | 226             | 95.6%                | 6,417                 |
| Roads, Pavements & Bridges  |     | 3,027                         | 6,417              | 6,417              | 10                | 10               | 236              | 226             | 95.6%                | 6,417                 |
| Storm water   |     | 574                           | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Infrastructure - Electricity  |     | 1,099                         | 3,988              | 3,988              | -                 | -                | 332              | 332             | 100.0%               | 3,988                 |
| Generation  |     | -                             | 3,988              | 3,988              | -                 | -                | 332              | 332             | 100.0%               | 3,988                 |
| Transmission & Reticulation   |     | 1,080                         | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Street Lighting   |     | 19                            | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Infrastructure - Water  |     | 2,979                         | 4,890              | 4,890              | 270               | 270              | 408              | 137             | 33.7%                | 4,890                 |
| Dams & Reservoirs   |     | -                             | 4,890              | 4,890              | 270               | 270              | 408              | 137             | 33.7%                | 4,890                 |
| Water purification  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Reticulation  |     | 2,979                         | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Infrastructure - Sanitation   |     | 1,949                         | 2,956              | 2,956              | -                 | -                | 246              | 246             | 100.0%               | 2,956                 |
| Reticulation  |     | 1,949                         | 2,956              | 2,956              | -                 | -                | 246              | 246             | 100.0%               | 2,956                 |
| Sewerage purification   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Infrastructure - Other  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Waste Management  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Transportation  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Gas   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Community</b>  |     | 461                           | 100                | 100                | -                 | -                | 8                | 8               | 100.0%               | 100                   |
| Parks & gardens   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Sportsfields & stadia   |     | -                             | 50                 | 50                 | -                 | -                | 4                | 4               | 100.0%               | 50                    |
| Swimming pools  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Community halls   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Libraries   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Recreational facilities   |     | 461                           | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Fire, safety & emergency  |     | -                             | 50                 | 50                 | -                 | -                | 4                | 4               | 100.0%               | 50                    |
| Security and policing   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Buses   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Clinics   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Museums & Art Galleries   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Cemeteries  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Social rental housing   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Heritage assets</b>  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Buildings   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Investment properties</b>  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Housing development   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Other assets</b>   |     | 2,608                         | 3,948              | 3,948              | -                 | -                | 329              | 329             | 100.0%               | 3,948                 |
| General vehicles  |     | -                             | 1,734              | 1,734              | -                 | -                | 144              | 144             | 100.0%               | 1,734                 |
| Specialised vehicles  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Plant & equipment   |     | 2,357                         | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Computers - hardware/equipment                                      |     | -                             | 100                | 100                | -                 | -                | 8                | 8               | 100.0%               | 100                   |
| Furniture and other office equipment                                |     | 4                             | 14                 | 14                 | -                 | -                | 1                | 1               | 100.0%               | 14                    |
| Abattoirs   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Markets   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Civic Land and Buildings  |     | 191                           | 100                | 100                | -                 | -                | 8                | 8               | 100.0%               | 100                   |
| Other Buildings   |     | -                             | 2,000              | 2,000              | -                 | -                | 167              | 167             | 100.0%               | 2,000                 |
| Other Land  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Surplus Assets - (Investment or Inventory)                          |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other   |     | 56                            | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Agricultural assets</b>  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| List sub-class  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Biological assets</b>  |     | 13                            | -                  | -                  | -                 | -                | 5                | 5               | 100.0%               | -                     |
| List sub-class  |     | 13                            | -                  | -                  | -                 | -                | 5                | 5               | 100.0%               | -                     |
| <b>Intangibles</b>  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Computers - software & programming                                  |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| Other   |     | -                             | -                  | -                  | -                 | -                | -                | -               | -                    | -                     |
| <b>Total Repairs and Maintenance Expenditure</b>                    |     | 12,710                        | 22,300             | 22,300             | 281               | 281              | 1,565            | 1,284           | 82.0%                | 22,300                |

**Table 20: -Deviations from supply chain policy**

There are no known incidences of SCM policies deviations



**Quality certificate**

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I, *ME Ntsoane*, the Municipal Manager of Thabazimbi Local Municipality, hereby certify that the Monthly budget statement for the period ended 31 July 2013 has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

*Advocate. ME Ntsoane*

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Municipal manager of Thabazimbi Local Municipality (LIM361)

**Signature**.....

**Date**.....

***End of report***