



**QUARTERLY BUDGET
STATEMENT – S52 REPORT
31 MARCH 2016**

QUARTELY BUDGET STATEMENT: SECTION 52 REPORT – March 2016

PURPOSE

- To submit S 52 report

Background

The purpose of this report is to comply with Section 52 (d) of the Municipal Finance Management Act (MFMA) and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009 regarding Municipal Budget and Reporting Regulations, which requires that specific financial particulars be reported on and in the formats prescribed.

Section 52 (d) of the Municipal Finance Management Act (MFMA) inter alia, states":

"The mayor of the Municipality must within 30 days of the end of each quarter, submit a report to council on the implementation of the budget and financial state of affairs of the municipality.

a) Summary Statement of Financial Performance

The Summary Statement of Financial Performance shown 4 and 5, Table C4, is prepared on a similar basis of the prescribed budget format, detailing revenue by source type and expenditure per vote. The summary report indicates the following:

Operating income and expenditure against approved original budget

Revenue by Source

Property rates are budgeted at R22, 5m and are billed on a monthly basis, the total amount billed to date is R14, 7m and the Year to Date budget is R16,8m therefore the variance to date is R2,1m.

The budget for electricity has been adjusted to R5, 8m (which includes R1, 6m for billed electricity; R4m for prepaid electricity and R250 000 for connection fees). Total amount billed to date is R3, 9m and the Year to Date budget is R1,2m therefore the variance to date is (R2,7m).

The budget for refuse has been adjusted to R5, 4m. The total billed to date is R3, 2m and the Year to date budget is R4m, therefore variance to date is R800 000.

Below is the comparison between the budget and actual figures.

EC123 Great Kei - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March										
Description	Ref	2014/15	Budget Year 2015/16							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		17 194	22 500	22 500	1 273	14 765	16 875	(2 110)	-13%	22 500
Property rates - penalties & collection charges		-	-	-	-	-	-	-		-
Service charges - electricity revenue		5 395	6 600	5 850	494	3 952	4 950	(998)	-20%	6 600
Service charges - water revenue		-	-	-	-	-	-	-		-
Service charges - sanitation revenue		-	-	-	-	-	-	-		-
Service charges - refuse revenue		1 048	5 728	5 452	361	3 262	4 296	(1 034)	-24%	5 728
Service charges - other		-	-	-	-	-	-	-		-
Rental of facilities and equipment		210	223	150	7	82	167	(85)	-51%	223
Interest earned - external investments		276	1 500	1 200	141	344	1 125	(781)	-69%	1 500
Interest earned - outstanding debtors		5 105	2 849	2 849	393	2 732	2 136	596	28%	2 849
Dividends received		-	-	-	-	-	-	-		-
Fines		29	25	30	-	4	18	(15)	-80%	25
Licences and permits		1 379	2 500	2 580	131	699	1 875	(1 176)	-63%	2 500
Agency services		-	-	-	-	-	-	-		-
Transfers recognised - operational		42 637	47 417	47 417	11 030	45 313	35 563	9 750	27%	47 417
Other revenue		977	2 875	8 273	426	1 012	2 157	(1 145)	-53%	2 875
Gains on disposal of PPE		-	-	225	-	225	-	225	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		74 252	92 217	96 526	14 257	72 391	69 162	3 229	5%	92 217
Expenditure By Type										
Employee related costs		31 766	44 595	46 501	3 405	30 372	33 446	(3 075)	-9%	44 595
Remuneration of councillors		3 759	3 727	3 877	339	2 995	2 795	200	7%	3 727
Debt impairment		17 414	4 100	12 000	-	-	3 075	(3 075)	-100%	4 100
Depreciation & asset impairment		31 355	23 000	15 000	-	-	17 250	(17 250)	-100%	23 000
Finance charges		1 367	739	662	166	497	554	(56)	-10%	739
Bulk purchases		7 262	7 000	7 500	1 024	6 078	5 250	828	16%	7 000
Other materials		-	100	100	5	46	75	(29)	-39%	100
Contracted services		-	-	-	-	-	-	-		-
Transfers and grants		-	-	-	-	-	-	-		-
Other expenditure		19 847	31 215	34 801	2 374	23 099	23 411	(312)	-1%	31 215
Loss on disposal of PPE		528	-	-	-	-	-	-		-
Total Expenditure		113 298	114 475	120 441	7 312	63 087	85 856	(22 769)	-27%	114 475
Surplus/(Deficit)		(39 046)	(22 259)	(23 916)	6 945	9 304	(16 694)	25 998	(0)	(22 259)
Transfers recognised - capital		12 815	30 211	33 065	2 468	18 424	22 658	(4 235)	(0)	30 211
Contributions recognised - capital		-	-	-	-	-	-	-		-
Contributed assets		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		(26 231)	7 952	9 149	9 414	27 727	5 964			7 952
Taxation		-	-	-	-	-	-	-		-
Surplus/(Deficit) after taxation		(26 231)	7 952	9 149	9 414	27 727	5 964			7 952
Attributable to minorities		-	-	-	-	-	-	-		-
Surplus/(Deficit) attributable to municipality		(26 231)	7 952	9 149	9 414	27 727	5 964			7 952
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		(26 231)	7 952	9 149	9 414	27 727	5 964			7 952

Operating expenditure by type

Total operating expenditure indicates that approximately 70% of the budgeted operating expenditure has been spent to date. The Municipality's year to date operating budget is R90,3m and to date R63m has been spent, this reflects that the Municipality's operating expenditure is not within projected YTD budgeted expenditure. The variance is due to an amount of R27m which is for depreciation and provision for bad debts that has not been moved to date and the amount of the positions which have not been filled to date.

The budget for employee related costs indicates that 91% of the YTD budget has been spent. The budget for Councilor's allowances also indicates that 93% of the YTD budget has been spent.

The expenditure for bulk electricity, which is still the main area of concern in terms of huge spending, is now at 81% when comparing year to date budget and expenditure to date. There is also an outstanding amount of R569 130 as at March 2016 for bulk electricity.

Capital Expenditure

Capital expenditure was adjusted to R36m, this includes the MIG allocation of R12m, rollover of R20m and the R4m from internal funding. To date R12m has been spent on all MIG related projects, and R4m on internal funding, compared to YTD budget of 27m, therefore the spending to date is 60%. The municipality has spent 43% of the MIG rollover for the 2014/15 financial year and for the current year allocation, spending is at 75%.

EC123 Great Kei - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M09 March										
Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		85 096	13 536	14 864	815	8 397	10 152	1 755	17.3%	14 864
Infrastructure - Road transport		81 931	12 536	13 794	559	8 088	9 402	1 314	14.0%	13 794
<i>Roads, Pavements & Bridges</i>		81 931	12 536	13 794	559	8 088	9 402	1 314	14.0%	13 794
<i>Storm water</i>										
Infrastructure - Electricity		-	1 000	1 000	256	309	750	441	58.8%	1 000
<i>Generation</i>			-							
<i>Transmission & Reticulation</i>			1 000	1 000	256	309	750	441	58.8%	1 000
<i>Street Lighting</i>										
Infrastructure - Other		3 165	-	70	-	-	-	-		70
<i>Waste Management</i>		3 165	-	70						70
Community		4 315	18 011	17 998	1 502	6 524	13 491	6 968	51.6%	17 998
Parks & gardens										
Sportsfields & stadia		1 775	9 128	8 901	408	3 004	6 846	3 842	56.1%	8 901
Swimming pools										
Community halls		1 300	6 360	5 973	1 074	2 709	4 770	2 060	43.2%	5 973
Libraries										
Recreational facilities		1 241	2 074	2 674	20	811	1 555	744	47.9%	2 674
Cemeteries			250	250			188	188	100.0%	250
Social rental housing										
Other			200	200			133	133	100.0%	200
Investment properties		74 253	-	-	-	-	-	-		-
Housing development		74 253								
Other										
Other assets		155 256	3 606	3 288	21	1 724	2 704	980	36.2%	3 288
General vehicles		237	1 700	1 813	-	1 274	1 275	1	0.1%	1 813
Specialised vehicles		-	-	-	-	-	-	-		-
Plant & equipment			150	100	-	166	113	(54)	-47.9%	100
Computers - hardware/equipment			1 352	1 152	-	-	1 014	1 014	100.0%	1 152
Furniture and other office equipment		1 262	403	222	21	284	302	19	6.2%	222
Civic Land and Buildings		128 946								
Other Buildings		24 811	-							
Intangibles		40	-	-	-	-	-	-		-
Computers - software & programming		40								
Total Capital Expenditure on new assets	1	318 961	35 152	36 149	2 337	16 644	26 347	9 703	36.8%	36 149

Cash and Investment management

At present the Municipality is covering its costs without the assistance of external funding, and to date has as a favourable bank balance of R21, 5m (which includes Main bank account balance of R7m and Investments of R14, 5m).

The vat refunds from SARS and the implementation of the discount scheme on long overdue account has improved the Municipality's cash flow during this quarter. The Municipality is also implementing its debt and credit control policy as another measure of improving its revenue collection levels. The Municipality has secured only one long term loan from DBSA which is payable quarterly at a fixed rate of R165 000.

Investment Management

EC123 Great Kei - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March									
Investments by maturity	Ref	Period of	Type of	Expiry date	Accrued	Yield for the	Market	Change in	Market
Name of institution & investment ID		Investment	Investment	of	interest for	month 1	value at	market	value at end
R thousands		Yrs/Months		investment	the month	(%)	beginning	value	of the
Municipality									
Call Deposit (MIG)			Call Deposit		130		10 380	2 986	13 366
Call Deposit (MSIG)			Call Deposit		17		308	(124)	184
Call Deposit (Equitable Share)			Call Deposit		-		39	-	39
Call Deposit (FMG)			Call Deposit		29		107	(1)	106
Call Deposit (MVR)			Call Deposit		4		29	31	60
Call Deposit (EPWP)			Call Deposit		11		780	3	783
Call Deposit (Kei Mouth Housing Proj)			Call Deposit		-		-	-	-
Municipality sub-total					192		11 643	2 895	14 538
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				192		11 643	2 895	14 538

Diagram showing Cash flow management

EC123 Great Kei - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	Budget Year 2015/16								
		2014/15 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates, penalties & collection charges		7 301	22 500	22 500	918	12 963	16 875	(3 912)	-23%	22 500
Service charges		6 444	12 328	11 302	786	5 820	9 246	(3 426)	-37%	12 328
Other revenue			5 623	11 033	1 244	5 094	4 217	877	21%	5 623
Government - operating		42 637	47 417	47 417	10 601	46 815	35 563	11 252	32%	47 417
Government - capital		12 815	30 211	33 065	5 200	13 065	22 658	(9 593)	-42%	30 211
Interest		5 381	4 349	4 049	55	608	3 261	(2 654)	-81%	4 349
Dividends								-		
Payments										
Suppliers and employees		(38 403)	(86 637)	(92 779)	(7 622)	(61 023)	(64 978)	(3 954)	6%	(86 637)
Finance charges		(1 367)	(422)	(245)	(57)	(180)	(317)	(136)	43%	(422)
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		34 808	35 369	36 341	11 127	23 161	26 526	3 365	13%	35 369
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE				225				-		
Decrease (Increase) in non-current debtors								-		
Decrease (increase) other non-current receivables								-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(9 994)	(35 152)	(36 149)	(2 665)	(17 393)	(26 364)	(8 971)	34%	(35 152)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(9 994)	(35 152)	(35 924)	(2 665)	(17 393)	(26 364)	(8 971)	34%	(35 152)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits								-		
Payments										
Repayment of borrowing		(4 288)	(317)	(417)	(109)	(317)	(237)	80	-34%	(317)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(4 288)	(317)	(417)	(109)	(317)	(237)	80	-34%	(317)
NET INCREASE/ (DECREASE) IN CASH HELD		20 527	(100)	-	8 353	5 451	(75)			(100)
Cash/cash equivalents at beginning:		609	211	4 158			4 158			-
Cash/cash equivalents at month/year end:		21 136	111	4 158		5 451	4 083			(100)

Debt Management

Outstanding debtors

Total outstanding debtors at 31 March 2016 amounts to **R67, 9m**. There is an increase of **R110 509** on debtor's book compared to last month, which is due to non-payment by customers. The municipality is implementing the rebates to senior citizens as a measure to improve revenue collection. Furthermore, a programme that is scheduled to identify indigent customers is assisting in reducing the municipal debtor's book.

Debt Collection Rate for the quarter ending 31 March 2016

Months	Services Billed	Actual Billed	Actual Received	Variance	Overall Collection Rate
July – Mar 2016	Rates	14 641 087	12 983 719	1 657 368	88%
July – Mar 2016	Refuse	3 291 889	1 841 363	1 450 525	55%
July – Mar 2016	Electricity	2 258 648	1 469 299	759 605	65%
Total		20 191 624	16 294 381	3 867 498	80%

The overall collection rate to date is 80%. This is arrived at by taking amount billed to date against actual revenue received to date. Constant communication with ratepayers and farmers association is maintained in order to keep good relationship and in turn increasing collection rate. The municipality is also implementing credit control policy as a control measure to improve collection.

Outstanding Creditors as at 31 March 2016

EC123 Great Kei - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March											Prior year totals for chart (same period)
Description	NT Code	Budget Year 2015/16									
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	569	-	-	-	-	-	-	-	569	
Bulk Water	0200	-	-	-	-	-	-	-	-	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	-	-	-	-	-	-	-	
Trade Creditors	0700	432	225	274	3 403	-	-	-	-	4 335	
Auditor General	0800	46	760	1 800	-	-	-	-	-	2 606	
Other	0900	-	-	-	-	-	-	-	-	-	
Total By Customer Type	1000	1 048	985	2 075	3 403	-	-	-	-	7 510	-

The Municipality's top creditors for December are Auditor General (AG) at R2, 6m for audit fees, Amathole District Municipality R2m for water account and R569 000 for bulk electricity.

Other trade creditors amount to R1, 5m and the total creditors' book as at 31 March 2016 is R7, 5m. The creditor's book has decreased by R2m when comparing to the previous month's creditors book of R9, 5m. The municipality is not meeting the MFMA requirement of paying Creditors within 30 days of receiving Invoice, due to financial constraints. However the municipality signed an agreement with 2 top creditors which is AG and ADM to pay a ring-fenced amount and a current Invoice monthly.

Grants allocations and expenditure – as at 31 March 2016

The conditional grants allocation for 2015/16 amounts to R37, 8m and this amount was received in full. Only 57% of this amount has been spent to date.

Grants	Allocation & Rollover	Received to date	Spent to Date	Variance to date	%
Finance Management Grant (FMG)	1 875 000	1 875 000	1 373 769	501 231	73%
Municipal Systems Improvement Grant (MSIG)	930 000	930 000	767 954	162 046	82%
Municipal Infrastructure Grant (MIG)	33 065 000	33 065 000	18 015 673	15 049 327	54%
Extended Public Works Programme (EPWP)	1 000 000	1 000 000	821 664	178 336	83%
Integrated National Electrification Programme	1 000 000	1 000 000	351 871	648 129	35%
Total	37 870 000	37 870 000	21 330 931	16 539 069	57%

Expenditure on grants and subsidies

EC123 Great Kei - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		40 496	47 007	47 007	8 000	51 639	35 255	16 384	46.5%	47 007
Local Government Equitable Share		36 762	42 202	42 202	7 589	48 447	31 652	16 795	53.1%	42 202
Municipal Systems Improvement		934	930	930	15	645	698	(52)	-7.5%	930
Finance Management		1 800	1 875	1 875	104	1 374	1 406	(32)	-2.3%	1 875
Integrated National Electrification Programme		-	1 000	1 000	292	352	750	(398)	-53.1%	1 000
EPWP Incentive		1 000	1 000	1 000	-	822	750	72	9.6%	1 000
0										
Other transfers and grants [insert description]										
Provincial Government:		410	410	410	-	-	308	(308)	-100.0%	410
Sport and Recreation		410	410	410	-	-	308	(308)	-100.0%	410
Total operating expenditure of Transfers and Grants:		40 906	47 417	47 417	8 000	51 639	35 563	16 077	45.2%	47 417
Capital expenditure of Transfers and Grants										
National Government:		12 815	13 065	33 065	2 061	18 016	9 799	8 217	83.9%	33 065
Municipal Infrastructure Grant (MIG)		12 815	13 065	33 065	2 061	18 016	9 799	8 217	83.9%	33 065
Total capital expenditure of Transfers and Grants		12 815	13 065	33 065	2 061	18 016	9 799	8 217	83.9%	33 065
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		53 721	60 482	80 482	10 060	69 655	45 362	24 294	53.6%	80 482

Grants and subsidies received

EC123 Great Kei - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		40 496	47 007	47 007	10 601	47 007	35 255	10 551	29.9%	47 007
Local Government Equitable Share		36 762	42 202	42 202	10 551	42 202	31 652	10 551	33.3%	42 202
Municipal Systems Improvement		934	930	930	-	930	698			930
Finance Management		1 800	1 875	1 875	-	1 875	1 406			1 875
Integrated National Electrification Programme		-	1 000	1 000	50	1 000	750			1 000
EPWP Incentive		1 000	1 000	1 000	-	1 000	750			1 000
Provincial Government:		410	410	410	-	-	308	(308)	-100.0%	410
Sport and Recreation		410	410	410	-	-	308	(308)	-100.0%	410
Other grant providers:		1 731	-	-	-	-	-	-		-
Treasury Grant		1 731								
Total Operating Transfers and Grants	5	42 637	47 417	47 417	10 601	47 007	35 563	10 243	28.8%	47 417
Capital Transfers and Grants										
National Government:		12 815	13 065	33 065	5 200	13 065	9 799	3 266	33.3%	33 065
Municipal Infrastructure Grant (MIG)		12 815	13 065	33 065	5 200	13 065	9 799	3 266	33.3%	33 065
Total Capital Transfers and Grants	5	12 815	13 065	33 065	5 200	13 065	9 799	3 266	33.3%	33 065
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	55 452	60 482	80 482	15 801	60 072	45 362	13 509	29.8%	80 482

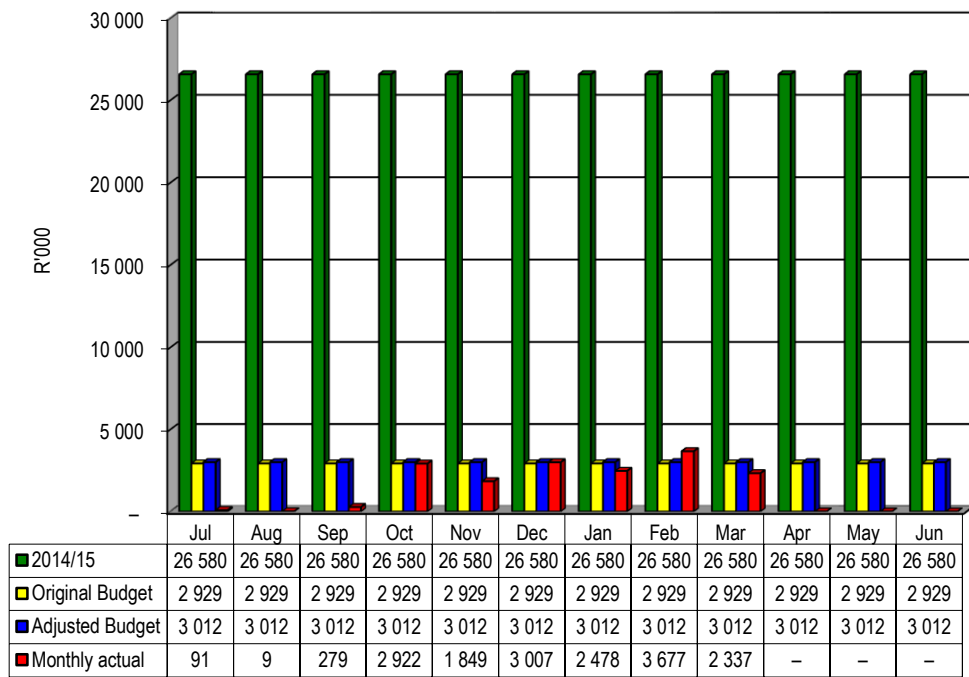
Expenditure on councilor allowances and employee benefits

EC123 Great Kei - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March										
Summary of Employee and Councillor remuneration	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		2 734	2 410	2 636	232	2 042	1 808	234	13%	2 410
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		706	834	876	77	703	626	77	12%	834
Cellphone Allowance		318	382	350	27	239	287	(48)	-17%	382
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		-	100	15	3	12	75	(63)	-85%	100
Sub Total - Councillors		3 759	3 727	3 877	339	2 995	2 795	200	7%	3 727
% increase	4		-0.9%	3.1%						-0.9%
Senior Managers of the Municipality										
Basic Salaries and Wages		1 663	3 264	2 996	191	1 898	2 448	(550)	-22%	3 264
Pension and UIF Contributions		38	500	40	3	11	375	(364)	-97%	500
Medical Aid Contributions		-	-	56	-	13	-	13	#DIV/0!	-
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	300	127	127	-	127	#DIV/0!	-
Motor Vehicle Allowance		658	388	319	23	195	291	(95)	-33%	388
Cellphone Allowance		-	164	41	3	31	123	(92)	-75%	164
Housing Allowances		-	306	174	10	94	229	(135)	-59%	306
Other benefits and allowances		101	-	285	21	135	-	135	#DIV/0!	-
Payments in lieu of leave		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		2 461	4 621	4 211	378	2 505	3 466	(961)	-28%	4 621
% increase	4		87.8%	71.1%						87.8%
Other Municipal Staff										
Basic Salaries and Wages		22 823	27 289	28 860	2 437	19 619	20 466	(847)	-4%	27 289
Pension and UIF Contributions		149	4 149	4 172	311	2 700	3 111	(411)	-13%	4 149
Medical Aid Contributions		1 309	2 272	1 977	141	1 137	1 704	(567)	-33%	2 272
Overtime		726	770	803	29	485	578	(92)	-16%	770
Performance Bonus		-	550	495	-	1	413	(411)	-100%	-
Motor Vehicle Allowance		685	928	1 165	62	593	696	(102)	-15%	928
Cellphone Allowance		-	10	86	0	5	7	(2)	-31%	10
Housing Allowances		213	928	1 118	18	125	696	(571)	-82%	928
Other benefits and allowances		317	2 607	3 262	16	377	1 955	(1 578)	-81%	-
Payments in lieu of leave		2 645	472	352	13	77	354	(277)	-78%	472
Long service awards		167	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	271	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		29 305	39 974	42 290	3 026	25 120	29 980	(4 860)	-16%	36 817
% increase	4		36.4%	44.3%						25.6%
Total Parent Municipality		35 525	48 322	50 378	3 743	30 620	36 242	(5 622)	-16%	45 165
TOTAL SALARY, ALLOWANCES & BENEFITS		35 525	48 322	50 378	3 743	30 620	36 242	(5 622)	-16%	45 165
% increase	4		36.0%	41.8%						27.1%
TOTAL MANAGERS AND STAFF		31 766	44 595	46 501	3 405	27 625	33 446	(5 821)	-17%	41 438

CAPITAL EXPENDITURE
Additional Information on capital program

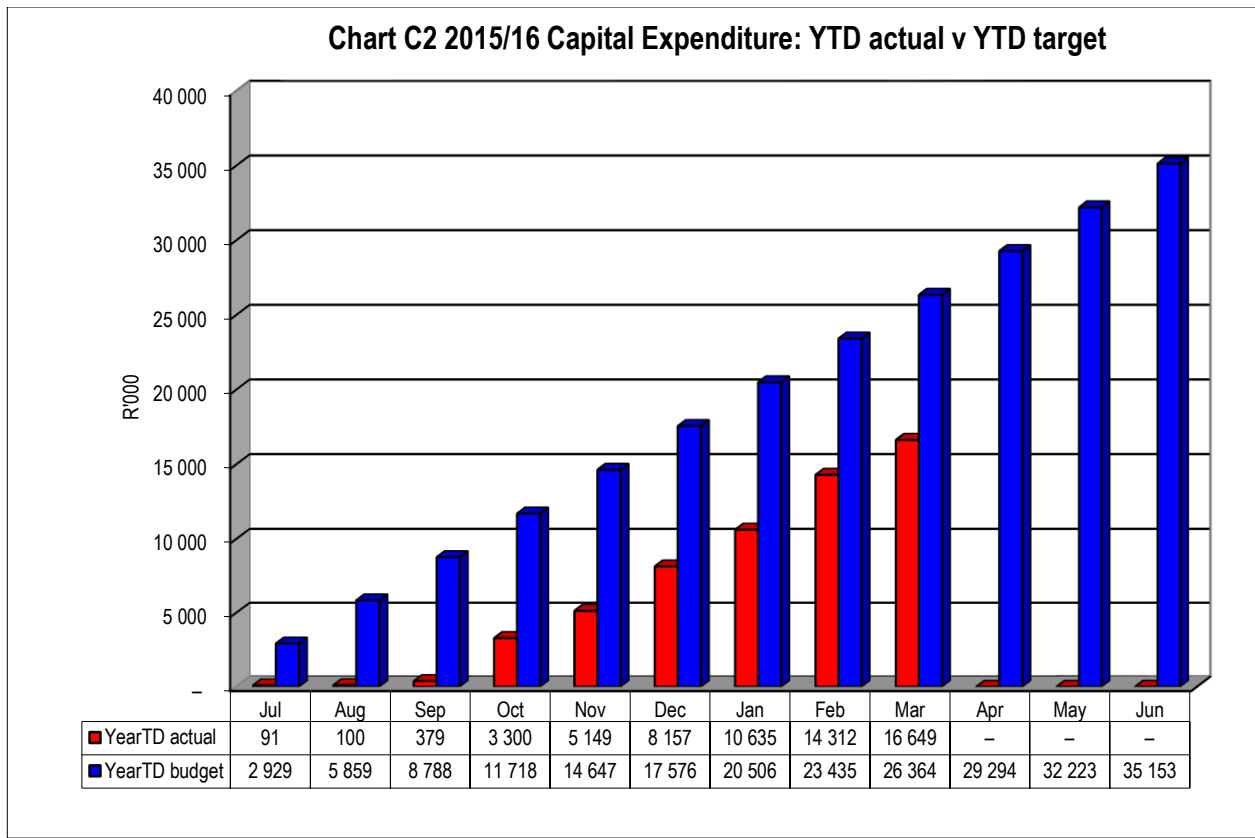
EC123 Great Kei - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March									
Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands									
%									
Monthly expenditure performance trend									
July	26 580	2 929	3 012	91	91	3 012	2 921	97.0%	0%
August	26 580	2 929	3 012	9	100	6 025	5 925	98.3%	0%
September	26 580	2 929	3 012	279	379	9 037	8 659	95.8%	1%
October	26 580	2 929	3 012	2 922	3 300	12 050	8 749	72.6%	9%
November	26 580	2 929	3 012	1 849	5 149	15 062	9 913	65.8%	15%
December	26 580	2 929	3 012	3 007	8 157	18 075	9 918	54.9%	23%
January	26 580	2 929	3 012	2 478	10 635	21 087	10 452	49.6%	30%
February	26 580	2 929	3 012	3 677	14 312	24 100	9 788	40.6%	41%
March	26 580	2 929	3 012	2 337	16 649	27 112	10 463	38.6%	47%
April	26 580	2 929	3 012			30 124	-		
May	26 580	2 929	3 012			33 137	-		
June	26 580	2 929	3 012			36 149	-		
Total Capital expenditure	318 961	35 153	36 149	16 649					

Chart C1 2015/16 Capital Expenditure Monthly Trend: actual v target



The table above shows the monthly spending on capital versus original and adjustment budget.

- monthly movement/ actual
- adjustment budget



The table above shows the difference between Year to Date budget and Year to Date actual on capital spending.

- Year To Date Actual
- Year To Date Budget

EC123 Great Kei - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M09 March

Description	Ref	Budget Year 2015/16												2015/16 Medium Term I	
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget		
Cash Receipts By Source															
Property rates		988	1 083	3 240	1 298	1 160	1 648	1 505	1 122	918			9 537	22 500	23 828
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-			-	-	-
Service charges - electricity revenue		452	429	403	425	406	511	356	546	465			1 857	5 850	6 195
Service charges - water revenue		-	-	-	-	-	-	-	-	-			-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-			-	-	-
Service charges - refuse		158	182	203	164	191	187	200	219	322			3 625	5 452	5 773
Service charges - other		-	-	-	-	-	-	-	-	-			-	-	-
Rental of facilities and equipment		1	2	4	4	4	1	3	1	0			130	150	159
Interest earned - external investments		-	-	-	-	-	-	-	-	-			1 200	1 200	1 271
Interest earned - outstanding debtors		186	41	37	43	73	113	42	17	55			2 241	2 849	3 017
Dividends received		-	-	-	-	-	-	-	-	-			-	-	-
Fines		-	-	-	-	-	-	-	-	-			30	30	32
Licences and permits		276	65	60	55	124	46	30	33	131			1 759	2 580	2 732
Agency services		-	-	-	-	-	-	-	-	-			-	-	-
Transfer receipts - operating		20 397	400	400	-	14 217	450	-	350	10 601			602	47 417	46 756
Other revenue		626	91	597	197	182	119	1 362	439	1 113			3 546	8 273	7 941
Cash Receipts by Source		23 084	2 294	4 944	2 187	16 357	3 076	3 498	2 728	13 605	-	-	24 527	96 300	97 703
Other Cash Flows by Source															
Transfer receipts - capital		3 300				4 565				5 200			20 000	33 065	13 413
Contributions & Contributed assets															
Proceeds on disposal of PPE													225	225	
Short term loans															
Borrowing long term/refinancing															
Increase in consumer deposits															
Receipt of non-current debtors															
Receipt of non-current receivables															
Change in non-current investments															
Total Cash Receipts by Source		26 384	2 294	4 944	2 187	20 922	3 076	3 498	2 728	18 805	-	-	44 753	129 591	111 116
Cash Payments by Type															
Employee related costs		2 486	2 656	3 642	3 305	4 838	3 295	3 257	3 764	3 405			14 936	45 584	48 274
Remuneration of councillors		313	316	313	313	318	316	316	452	339			882	3 877	4 105
Interest paid		-	-	-	64	-	60	-	-	57			65	245	259
Bulk purchases - Electricity		1 148	1 122	-	828	528	595	-	516	1 167			1 596	7 500	7 943
Bulk purchases - Water & Sewer		-	-	-	-	-	-	-	-	-			-	-	-
Other materials		0	26	1	1	1	-	12	0	5			54	100	106
Contracted services		-	-	-	-	-	-	-	-	-			-	-	-
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-			-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-			-	-	-
General expenses		401	1 726	1 921	3 439	3 919	2 956	2 801	1 878	2 706			12 608	34 354	40 442
Cash Payments by Type		4 348	5 845	5 877	7 950	9 604	7 221	6 386	6 610	7 678	-	-	30 140	91 660	101 129
Other Cash Flows/Payments by Type															
Capital assets		91	9	279	2 922	1 844	3 428	2 478	3 677	2 665			18 757	36 149	16 682
Repayment of borrowing		-	-	-	102	-	105	-	-	109			100	417	442
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-			-	-	-
Total Cash Payments by Type		4 440	5 854	6 156	10 974	11 448	10 755	8 864	10 287	10 453	-	-	48 997	128 227	118 252
NET INCREASE/(DECREASE) IN CASH HELD		21 945	(3 560)	(1 212)	(8 787)	9 474	(7 679)	(5 366)	(7 559)	8 353	-	-	(4 244)	1 364	(7 136)
Cash/cash equivalents at the month/year beginning:		993	22 937	19 377	18 165	9 378	18 853	11 173	5 807	(1 752)	6 600	6 600	6 600	993	2 357
Cash/cash equivalents at the month/year end:		22 937	19 377	18 165	9 378	18 853	11 173	5 807	(1 752)	6 600	6 600	6 600	2 357	2 357	(4 780)

Borrowings

The table below shows loan schedule:

DBSA Loan Schedule

<u>Date</u>	<u>Opening Balance</u>	<u>Loan Repayment</u>	<u>Interest Accrued</u>	<u>Balance</u>
01/07/2014	Opening balance			1 940 753.86
31/07/2015	Interest accrual		21 428.05	1 962 181.91
31/08/2015	Interest accrual		21 248.05	1 983 609.96
30/09/2015	Interest accrual		20 736.82	2 004 346.78
01/10/2015	Repayment	(102 063.95)	(63 592. 92)	1 838 689.91
31/10/2015	Interest accrual		20 301.15	1 858 991.06
31/11/2015	Interest accrual		19 646.28	1 878 637.34
31/12/2015	Interest accrual		20 301.15	1 898 938.49
31/12/2015	Repayment	(105 408.30)	(60 248.58)	1 733 281.61
31/01/2016	Interest accrual		19 137.33	1 752 418.94
29/02/2016	Interest accrual		17 902.66	1 770 321.60
31/03/2016	Repayment	(109 479.55)	(56 585.96)	1 604 256.09

The Municipality had secured a long term loan from DBSA which is payable quarterly at a fixed rate of R165, 000. The total budgeted for loan repayment is R739, 000 divided into (Interest R422 000 and capital R316, 500). The schedule below shows the balance of the loan as at 31 March 2016 which amounts to **R1 604 256.09**
