



baviaans
PARTICIPATION FOR DEVELOPMENT

umasipala
local municipality
plaaslike munisipaliteit

BAVIAANS LOCAL MUNICIPALITY

SECTION 71 REPORT

FOR THE MONTH ENDING 30 APRIL 2016

SUMMARY OF OVERALL FINANCIAL PERFORMANCE

1. BUDGET PERFORMANCE – SUMMARY

1.1 OPERATING BUDGET PERFORMANCE

Table 1: Operating Budget performance for the period ending 30 April 2016

EC107 Baviaans - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – M10 April

Description	Ref	Budget Year 2014/15							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Total Revenue (excluding capital transfers and contributions)		58 775	56 590	1 819	55 127	48 979	6 148	13%	58 775
Total Expenditure		78 033	85 739	3 440	55 492	65 028	(9 536)	-15%	78 033
Surplus/ (Deficit) for the year		14 793	11 102	(1 620)	(365)	12 328			14 793

Explanation and reason for variances:

Revenue was R 55.127 million (13%) more than anticipated as at 30 April 2016, with total revenue of R 7.819 million being recorded for April 2016.

The last Equitable Share tranche was receivable in March 2016 and resulted in the revenue reflecting as higher than anticipated.

The details of the individual revenue items are discussed in more detail under paragraph 2.3

Expenditure was R 55.492 million (15%) less than anticipated for the year to date, with expenditure of R 3.4 million being incurred during March 2016.

The following contributing factors should be taken into consideration:

- Depreciation was calculated for only 6 months up to December 2015

The details of the individual expenditure items are discussed in more detail under paragraph 2.2

1.2 CAPITAL BUDGET PERFORMANCE

Table 2: Capital Budget performance for the period ending 30 March 2016

EC107 Baviaans - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M10 APRIL 2016

Vote Description R thousand	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
						-		
Total Capital Expenditure	31 450	34 065	1 574	29 560	26 208	3 352	0	31 450

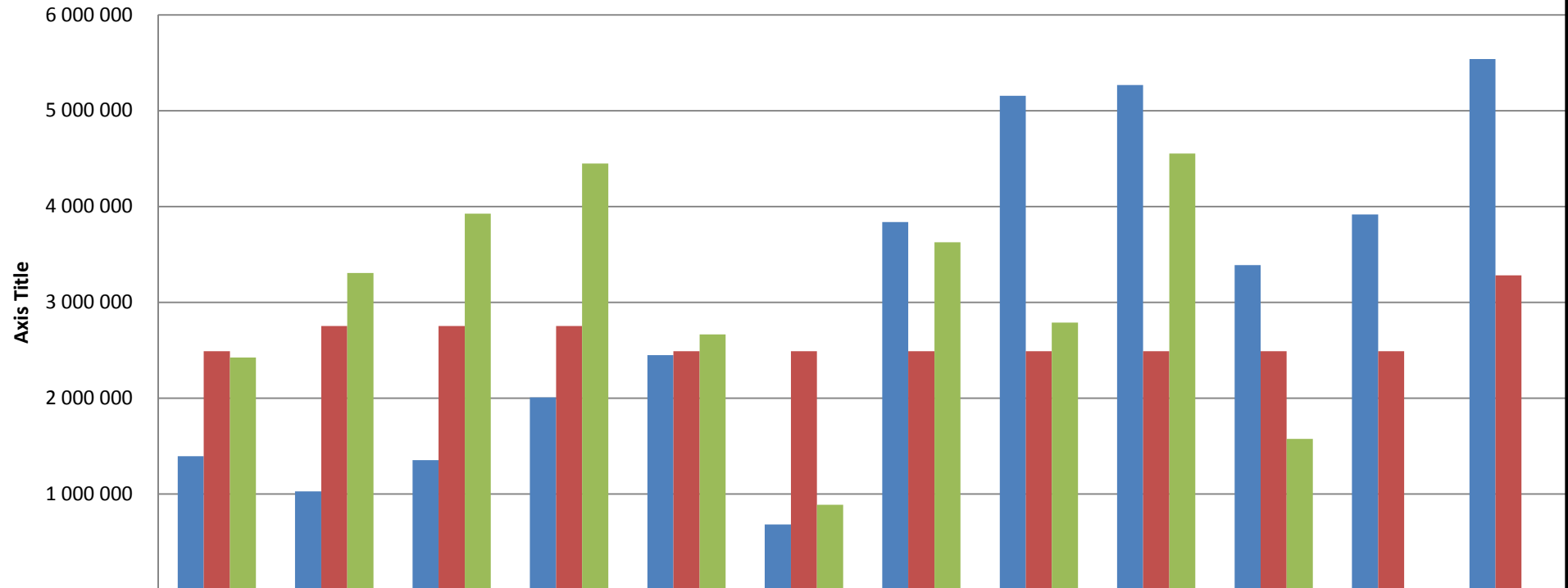
Explanation and reason for variance:

Capital expenditure for the year to date was R 29.56 million and it was R 3.3 million more than anticipated. The expenditure for April 2016 amounted to R 1.574 million.

The following projects were spent on during April 2016:

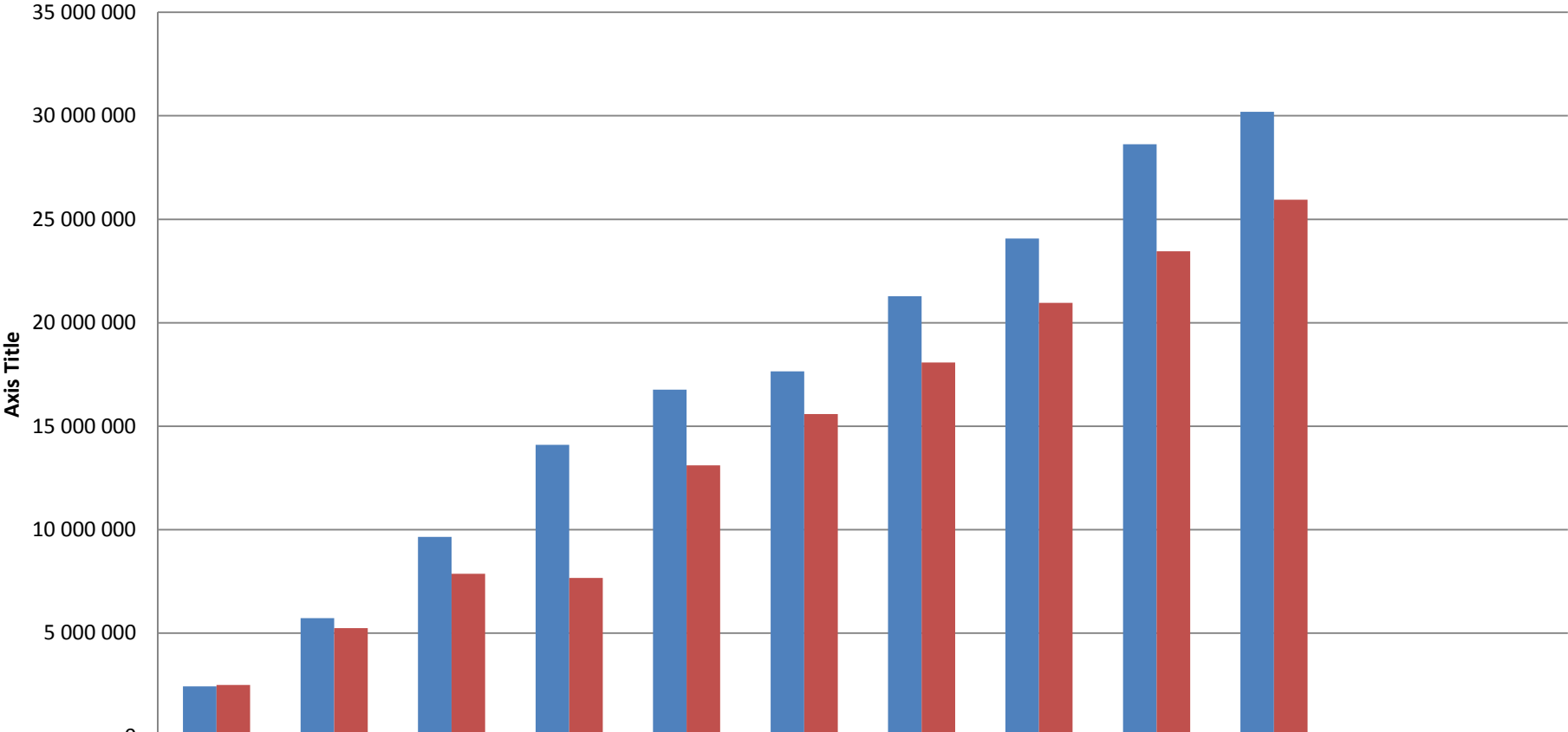
Sum of Amount		
Row Labels	April	Grand Total
Furniture and Equipment	34 600	34 600
IT infrastructure Up	40 024	233 975
MIG - LED projects	109 000	364 900
Replacement of old d		1 592 981
Rietbron high mast Light		124 926
Steytlerville water	702 960	21 504 746
Streets and storm water	526 300	3 613 649
Upgrading of sport fields		632 762
Wanhooop Bulk water supply	160 858	160 858
Waste water treatment		1 929 812
Grand Total	1 573 743	30 193 209

CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS TARGET



	July	August	September	October	November	December	January	February	March	April	May	June
2014/15	1 393 325	1 026 524	1 351 539	2 008 925	2 449 105	680 400	3 838 129	5 154 999	5 267 647	3 388 623	3 916 907	5 539 250
Original budget	2 489 072	2 752 230	2 752 230	2 752 230	2 489 072	2 489 072	2 489 072	2 489 072	2 489 072	2 489 072	2 489 072	3 281 159
Monthly actual	2 422 927	3 305 704	3 925 130	4 447 480	2 664 802	887 868	3 626 730	2 786 979	4 551 815	1 573 743		

CAPITAL EXPENDITURE: YTD ACTUAL VS YTD TARGET



	July	August	Sept	Oct	Nov	Dec	January	February	March	April	May	June
■ YTD ACTUAL	2 422 927	5 728 631	9 653 791	14 101 27	16 766 073	17 653 94	21 280 67	24 067 65	28 619 46	30 193 20		
■ YTD BUDGET	2 489 072	5 241 737	7 862 605	7 664 583	13 104 342	15 593 414	18 082 48	20 966 94	23 456 01	25 945 09		

1.3 CASH FLOW POSITION AS AT 30 APRIL 2016

	<u>Apr-16</u>
Opening Balance	3 627 930
Add: Receipts	6 059 542
Less: Payments	-9 188 043
Closing Cash Book Balance	<u>499 429</u>
Balance as per bank statement	468 994
Less: Outstanding cheques	-582 783
Add: Outstanding deposits	97 990
Bank transactions not in GL	515 228
Closing Bank Statement Balance	<u><u>499 429</u></u>
Balance per Bank Statement	
ABSA Bank	230 994
Standard Bank	238 000
	<u><u>468 994</u></u>

The bank balance ended on R 468 994 as at 30 April 2016.

The following grants were received during April 2016:

- ACIP – R 357 034

1.4 BANK BALANCE, INVESTMENTS, AND BORROWINGS IN TERMS OF S.71 (1)(b)

Table 4: Key Treasury Information as at 31 March 2016

	OPENING BALANCE	MOVEMENT DURING THE PERIOD	CLOSING BALANCE
CURRENT ACCOUNT			
Absa	3 179 403	-2 948 409	230 994
Standard bank	440 445	-202 445	238 000
INVESTMENTS	213 057	2 394 213	2 607 270
EXTERNAL BORROWING			
Finance leases	121 298	31 324	89 974
Repayment of Conditional Grants	742 616		742 616

1.4.1 Cash management

The cash flow is managed on a daily basis and the Acting CFO and all senior managers are informed of the daily current account balances.

The Municipality does not currently have an overdraft facility in place.

The Bank reconciliation as well as the cash flow statement for the month are attached as part of Annexure A.

1.4.2 Investments

Regulation 9 of the Investment regulations requires that the Accounting officer of a municipality must within 10 working days of the end of each month, as part of the section 71 report submit to the Mayor a report describing in accordance with generally recognized accounting practice the investment portfolio of the municipality as at the end of the month.

The report must contain at least:

- (i) the market value of each investment at the beginning of the period
- (ii) any changes to the investment portfolio during the reporting period
- (iii) the market value of each investment at the end of the period
- (iv) fully accrued interest and yield for the reporting period.

Investments consist of short term deposits made from conditional grants received.

Attached as part of Annexure A is a schedule reflecting all investments for the period ending 30 April 2016.

1.4.3 Borrowings

Finance leases consist of finance leases for photocopiers (Xerox) and vehicles (ABSA). The average lease term is over a period of 3 years.

Repayment of Conditional grants relates to the unsuccessful application for rollover on the unspent conditional grants for 2012/13 which needs to be repaid to the National Treasury. R2 169 000 has been deducted from the Equitable Share disbursement for July 2015.

1.5 PERFORMANCE ON REVENUE COLLECTION

Collection rate – April 2016

Services	Amount	Actual Income	Percentage	Actual Income	Percentage
	Raised R	Current	Payment - Current %	Arrears R	Payment - MONTH %
Rates	103 586.31	43 990.99	42.47	38 854.33	79.98
Deer	-	-	-	-	-
Sundries	6 188.00	2 479.60	40.07	2 362.56	78.25
Electricity	265 049.99	116 239.70	43.86	139 643.19	96.54
Erf	-	-	-	-	-
Huis	-	-	-	-	-
Huur	16 600.00	2 950.00	-	-	-
Leen	-	-	-	-	-
Riool	59 244.25	19 047.18	32.15	15 696.15	58.64
Vullis	113 596.66	45 910.87	40.42	34 504.99	70.79
Water	336 189.24	111 185.59	33.07	95797.18	61.57
ZZZZZ	-	-	-	-	-
TOTAL	900 454.45	341 803.93	37.96	326 858.40	74.26

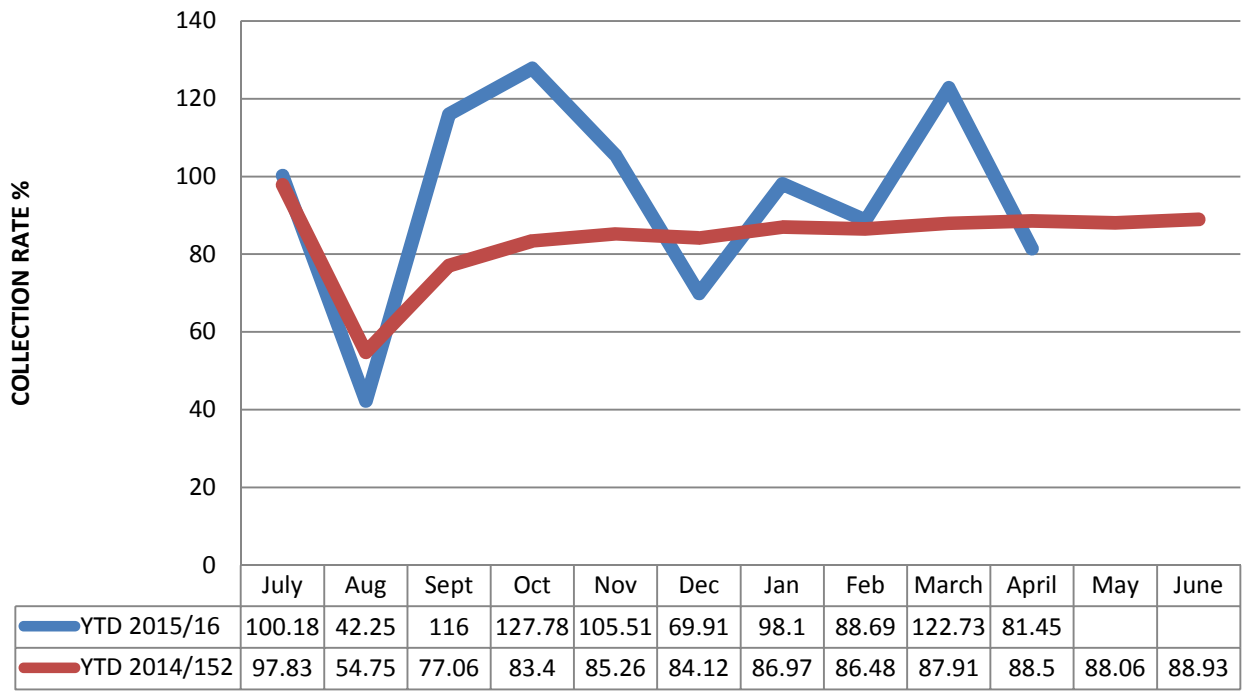
Average collection ended on 74.26 % year to date. The monthly collection rate for April 2016 was recorded as 81.45 % (refer to annexure) and this is as a result of the yearly rates being received being allocated to arrear accounts.

The collection of Property rates is currently on 79.98 %.

The credit control policy is being implemented and electricity is blocked on a monthly basis when accounts are in arrears, unfortunately accounts could not be blocked in April as a result of the offices being closed by the striking workers on 19 to 22 April 2016. All indigents approved by Council are receiving their subsidies.

Revco has collected an amount of R 22 908 during April 2016.

AVERAGE COLLECTION RATE - CURRENT YR VS PRIOR YR



2. OPERATING BUDGET PERFORMANCE - DETAIL

2.1 OPERATING REVENUE BY REVENUE SOURCE IN TERMS OF S.71(1)(a)

Table 6: Operating Revenue for the period ended 30 April 2016 by Source.

EC107 Baviaans - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Ref	Budget Year 2014/15							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Revenue By Source</u>									
Property rates		4 814	4 825		4 802	4 012	790	20%	4 814
Property rates - penalties & collection charges						-	-		-
Service charges - electricity revenue		12 637	11 388	800	9 220	10 531	(1 311)	-12%	12 637
Service charges - water revenue		4 339	4 219	419	3 792	3 616	176	5%	4 339
Service charges - sanitation revenue		2 770	2 721	209	2 144	2 308	(164)	-7%	2 770
Service charges - refuse revenue		3 183	3 130	261	2 608	2 653	(45)	-2%	3 183
Service charges - other						-	-		-
Rental of facilities and equipment		253	216	2	87	211	(123)	-59%	253
Interest earned - external investments		121	40	1	27	101	(74)	-74%	121
Interest earned - outstanding debtors		530	250	36	280	442	(161)	-37%	530
Dividends received						-	-		-
Fines		2	2		1	2	(0)	-27%	2
Licences and permits		832	635	23	415	693	(278)	-40%	832
Agency services		756	680	59	499	630	(131)	-21%	756
Transfers recognised - operational		28 054	28 125	6	30 941	23 378	7 563	32%	28 054
Other revenue		484	298	4	252	403	(152)	-38%	484
Gains on disposal of PPE			60		59	-	59	#DIV/0!	-
Total Revenue (excluding capital transfers and contributions)		58 775	56 590	1 819	55 127	48 979	6 148	13%	58 775

Explanations:

Property Rates were levied during July for the full year.

Electricity revenue was 12% less than anticipated. The discrepancies in electricity usage appears to be related to an error in the estimated use when the budget was compiled and the adjustment budget has been adjusted to reflect the decrease.

Revenue from sewerage tanks were recorded at 7 % less than budgeted as at the end of April 2016. This under-recovery is still related to the labour action of July/August 2015 and January/February/March and April 2016.

Rental of properties was 59 % less than anticipated. Indications are that the estimate made during the budget preparation was overly optimistic.

Investment income was 74 % less than anticipated. The creditors outstanding as at 30 June 2015 impacted on the ability of the Municipality to retain investments on non-conditional grants.

Interest on debtors was 37 % less than anticipated. Council wrote off bad debt during June 2015 and as such interest on outstanding accounts is less than original budgeted for.

Transfers recognised – Operating was 32 % more than anticipated. The full FMG and MSIG grant was received during July 2015 as well as the first quarter tranche of Equitable share. The second tranche of Equitable Share was received in November and the third and final tranche was received in March 2016. In addition, the Fire Services grant from Sarah Baartman District Municipality was received in February and the amount was R 189 000 more than originally budgeted for. A National Integrated Electrification Grant of R 3 000 000 was received in March 2016.

Transfers recognised – Capital is showing at 100% less than anticipated as the journals recognising the revenue from capital grants will only be done later in the financial year.

Income from Learner's and Driver's permits are 40 % below the expected year to date figure and it is expected to remain low due to ongoing staff problems being experienced amongst the officials qualified to do the required testing.

2.2 OPERATING EXPENDITURE BY TYPE

Table 7: Operating expenditure by type for the period ending 30 April 2016

EC107 Baviaans - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

Description	Re f	Budget Year 2014/15							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Expenditure By Type</u>	-								
Employee related costs		24 696	24 926	1 995	18 978	20 580	(1 602)	-8%	24 696
Remuneration of councillors		1 859	1 847	146	1 550	1 549	1	0%	1 859
Debt impairment			1 300			-	-		-
Depreciation & asset impairment		16 000	16 435		8 000	13 333	(5 333)	-40%	16 000
Finance charges		1 305	1 160	94	798	1 088	(290)	-27%	1 305
Bulk purchases		10 620	12 000	744	8 845	8 850	(5)	0%	10 620
Other materials						-	-		-
Contracted services						-	-		-
Transfers and grants		7 328	7 411	431	5 285	6 107	(822)	-13%	7 328
Other expenditure		16 225	20 659	29	12 037	13 521	(1 484)	-11%	16 225
Loss on disposal of PPE						-	-		-
Total Expenditure		78 033	85 739	3 440	55 492	65 028	(9 536)	-15%	78 033

Explanation:

Depreciation on assets were estimated for the first 6 months of the year and will only be finalised during the preparation process of the financial statements.

Interest expense was 27 % less than anticipated. This relates to the interest paid on creditors as well as on finance leases and the bank overdraft facility.

Employee related costs are 8 % lower than anticipated. This can be attributed to the impact of the implementation of the 'no work, no pay' rule re the labour action. The payment made to striking workers on 24 March 2016 was not processed during March 2016 as there was a great deal of uncertainty regarding how it should be treated. The 24 March 2016 payment will not inflate the expenditure item as it was finally treated as loans made to staff members and therefore forms part of the Balance Sheet items.

2.3 OPERATING REVENUE AND EXPENDITURE BY VOTE INTERMS OF S.71 (1)(c)

Table 8: Operating Revenue for the period ending 30 April 2016 by Vote (department).

Description	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Revenue - Standard</u>								
Governance and administration	16 402	32 789	47	31 332	13 668	17 664	129%	16 402
Executive and council	1 368	1 368	-	-	1 140	(1 140)	-100%	1 368
Budget and treasury office	14 772	31 189	37	31 174	12 310	18 864	153%	14 772
Corporate services	262	232	10	158	218	(60)	-28%	262
Community and public safety	6 185	2 087	-	748	5 154	(4 406)	-85%	6 185
Community and social services	4 604	317	-	309	3 837	(3 528)	-92%	4 604
Sport and recreation	1 331	1 331	-	-	1 109	(1 109)	-100%	1 331
Public safety	250	439	-	439	208	231	111%	250
Housing	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Economic and environmental services	8 004	7 453	82	1 962	6 670	(4 708)	-71%	8 004
Planning and development	648	452	-	4	540	(536)	-99%	648
Road transport	7 356	7 002	82	1 957	6 130	(4 173)	-68%	7 356
Environmental protection	-	-	-	-	-	-	-	-
Trading services	62 109	55 834	1 689	20 829	51 758	(30 929)	-60%	62 109
Electricity	15 011	14 473	800	12 276	12 509	(233)	-2%	15 011
Water	33 704	33 306	419	3 799	28 087	(24 288)	-86%	33 704
Waste water management	7 823	4 924	209	2 146	6 519	(4 373)	-67%	7 823
Waste management	5 571	3 130	261	2 608	4 643	(2 035)	-44%	5 571
Other	125	178	-	247	104	142	137%	125
Total Revenue - Standard	92 825	98 340	1 818	55 117	77 354	(22 237)	-29%	92 825

Explanation for major variances:

Property rates - Property rates have been billed for the full year in July and thus revenue is more than anticipated for year to date

Finance – Full FMG and full MSIG as well as the Equitable Share tranche received in July, November and March was brought to book in full.

Community services shows an under recovery of income and this is due to the capital grants that had not yet been recognised as revenue.

Electricity – the INEP grant processed as an operating grant impacted positively on the revenue figures.

Table 9: Operating Expenditure for the period ending 30 April 2016 by Vote (department)

EC107 Baviaans - Table C2 Monthly Budget Statement - Financial Performance (standard classification) -

Description	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
<u>Expenditure - Standard</u>								
Governance and administration	19 924	22 929	136	15 207	16 603	(1 397)	-8%	19 924
Executive and council	3 793	3 742	255	2 638	3 161	(523)	-17%	3 793
Budget and treasury office	10 140	11 673	(829)	7 075	8 450	(1 375)	-16%	10 140
Corporate services	5 991	7 514	710	5 494	4 993	501	10%	5 991
Community and public safety	4 189	4 209	270	2 781	3 491	(710)	-20%	4 189
Community and social services	3 561	3 601	224	2 354	2 968	(613)	-21%	3 561
Sport and recreation	15	-	-	-	13	(13)	-100%	15
Public safety	613	608	46	427	511	(84)	-16%	613
Housing	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Economic and environmental services	17 155	17 508	704	10 740	14 296	(3 556)	-25%	17 155
Planning and development	1 227	1 017	78	843	1 023	(179)	-18%	1 227
Road transport	15 928	16 491	626	9 897	13 273	(3 377)	-25%	15 928
Environmental protection	-	-	-	-	-	-	-	-
Trading services	35 838	40 163	2 259	26 021	33 469	(7 448)	-22%	35 838
Electricity	15 140	19 093	929	11 102	15 911	(4 809)	-30%	15 140
Water	10 551	10 534	607	7 284	8 778	(1 494)	-17%	10 551
Waste water management	5 869	6 210	359	4 226	5 175	(949)	-18%	5 869
Waste management	4 278	4 326	364	3 409	3 605	(196)	-5%	4 278
Other	926	1 059	98	743	882	(139)	-16%	926
Total Expenditure - Standard	78 032	85 868	3 467	55 492	68 741	(13 249)	-19%	78 032

Explanation for major variances:

Corporate services indicates over expenditure due to insurance paid in full for the financial year and legal cost more than anticipated due to cost associated with legal action against Demarcation Board, the costs will be recovered from the Demarcation Board. The legal costs of the Municipality will also continue to rise exponentially along with the continuation of the labour unrest.

Expenditure is closely monitored and only essential items are expensed on resulting in ongoing savings against all the budget items.

3. CAPITAL BUDGET PERFORMANCE- MFMA – S.71 (1) (d) (e) & (f)

3.1 CAPITAL EXPENDITURE BY VOTE IN TERMS OF S.71 (1)(d)

Table 10: Capital Expenditure for the period ended 30 April 2016 by Vote.

EC107 Baviaans - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M10 APRIL 2016

Vote Description R thousand	Budget Year 2014/15							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>Capital expenditure - Municipal Vote</u>								
<u>Expenditure of single-year capital appropriation</u>								
Vote 1 - Executive & Council	792	792	-	-	660	(660)	-100%	792
1.1 - Council	792	792			660	(660)	-100%	792
1.2 - Accounting Officer						-		
Vote 2 - Corporate Services	-	40	-	-	-	-		-
2.1 - Administration	-					-		
2.2 - Building and Estate		40				-		
Vote 3 - Budget & Treasury Office	789	487	75	269	658	(389)	-59%	789
3.1 - Budget Planning and Implementation	789	487	75	269	658	(389)	-59%	789
3.2 - Property Rates						-		
Vote 4 - Technical Services	28 312	31 230	1 390	28 927	23 594	5 333	23%	28 312
4.1 - Electricity	175	185		125	146	(21)	-14%	175
4.2 - Water	22 696	25 574	864	23 259	18 913	4 345	23%	22 696
4.3 - Sanitation/Sewerage	1 930	1 940		1 930	1 608	321	20%	1 930
4.4 - Roads & Public Works	3 511	3 531	526	3 614	2 926	687	23%	3 511
Vote 5 - Community Services	1 556	1 556	109	365	1 297	(932)	-72%	1 556
5.1 - Cemetery	1 167	1 167			973	(973)	-100%	1 167
5.7 - Local Economic Development	389	389	109	365	325	40	12%	389
						-		
Total Capital Expenditure	31 450	34 065	1 574	29 560	26 208	3 352	0	31 450

Explanation:

Capital expenditure for the period ending 30 April 2016 was recorded at R 29.56 million and was R 3.352 million more than anticipated mainly due to the increased spending on the RBIG project.

4. UTILISATION OF GRANT FUNDING – MFMA SEC 71 (1)(e) & (f)

**Table11: Grants received and expenditure on grant funding
(Schedule SC6 of monthly Schedule C report)**

Grant	Amount gazetted	Amount Received	Expenditure YTD	% spent of allocation received
MIG	8 870 000	8 870 000	7 803 863	88%
Equitable Share	23 452 000	21 283 000	21 283 000	100%
FMG	1 600 000	1 600 000	1 487 061	93%
MSIG	930 000	930 000	352 523	38%
EPWP	1 018 000	1 018 000	857 384	84%
RBIG	23 808 000	26 401 635	26 401 635	100%
Library	300 000	300 000	591 240	197%
Fire subsidy	250 000	439 000	427 210	97%
ACIP	1 816 000	1 815 998	1 815 998	100%
Cacadu Tourism	192 000	192 000	69 886	36%

5. CASH FLOW POSITION

The cash flow position for the year to date is given in Annexure A which reflects the movement in the cash more clearly.

5.1 RECEIPTS PER AREA FOR THE MONTH OF APRIL 2016

AREA	AMOUNT RECEIPTED
WILLOWMORE	459 153
DIRECT BANK DEPOSITS (INCLUDING INVESTMENT MOVEMENTS)	5 461 073
STEYTLERVILLE	134 055
RIETBRON	5 262

6. OUTSTANDING DEBTORS (AMOUNTS OWED TO MUNICIPALITY)

6.1 AGE ANALYSIS – ALL TRADE DEBTORS

Table12: Age analysis for period ending 30 APRIL 2016

	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
R thousands									
Debtors Age Analysis By Customer Group									
Organs of State	143	29	11	1	1	1	7	4	198
Commercial	156	6	4	4	4	2	201	235	611
Households	769	275	245	165	223	190	993	1 025	3 886
Other	-	-	-	-	-	-	-	-	-
Total By Customer Group	1 068	310	260	170	228	193	1 201	1 264	4 695

Explanations:

Total debt outstanding on 30 April 2016 was R 4.695 million, an increase from the outstanding amount of R 4.420 million as at 31 March 2016.

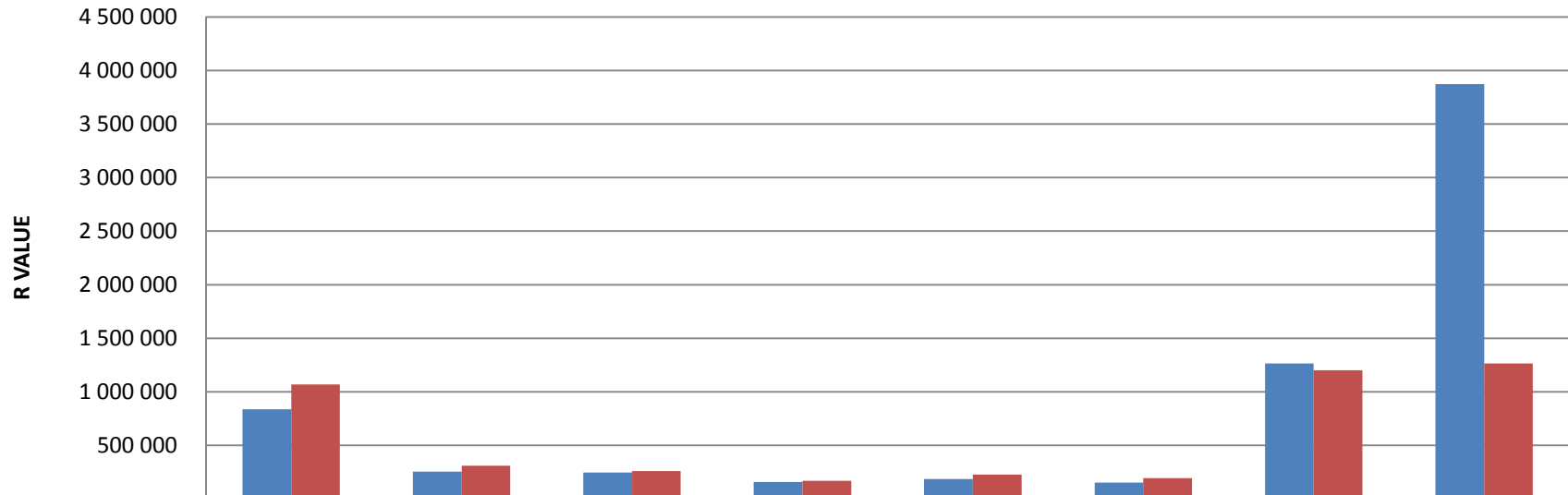
Spot checks on meter readings were not performed during April 2016 and no follow-up was done to ensure that illegal connections are not taking place.

No blocking of arrear accounts took place during April 2016 as a direct result of the labour unrest.

7.2 AGE ANALYSIS BY SERVICE TYPE AS AT 30 APRIL 2016 (Schedule SC3 of monthly Schedule C report)

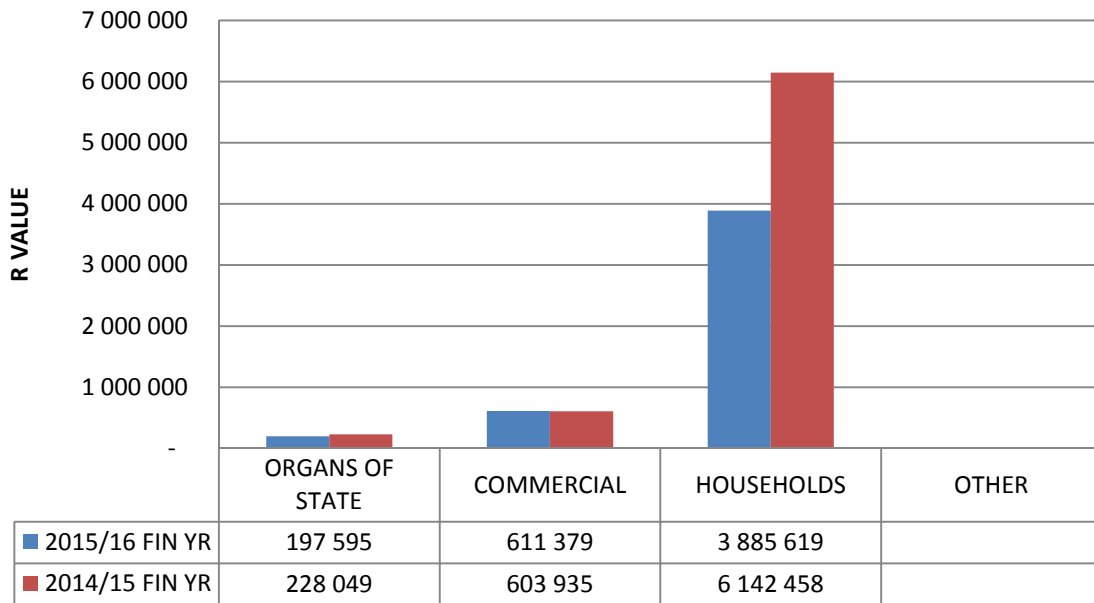
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
R thousands									
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	448	171	144	74	109	67	313	11	1 337
Trade and Other Receivables from Exchange Transactions - Electricity	269	27	19	7	7	4	15	2	350
Receivables from Non-exchange Transactions - Property Rates	136	30	25	21	19	17	548	919	1 714
Receivables from Exchange Transactions - Waste Water Management	112	35	30	29	27	27	115	6	381
Receivables from Exchange Transactions - Waste Management	151	39	34	31	29	29	123	6	444
Receivables from Exchange Transactions - Property Rental Debtors									-
Interest on Arrear Debtor Accounts	8	6	7	6	10	8	86	316	447
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-
Other	(57)	2	1	1	27	41	2	5	22
Total By Income Source	1 068	310	260	170	228	193	1 201	1 264	4 695

DEBTORS AGE ANALYSIS



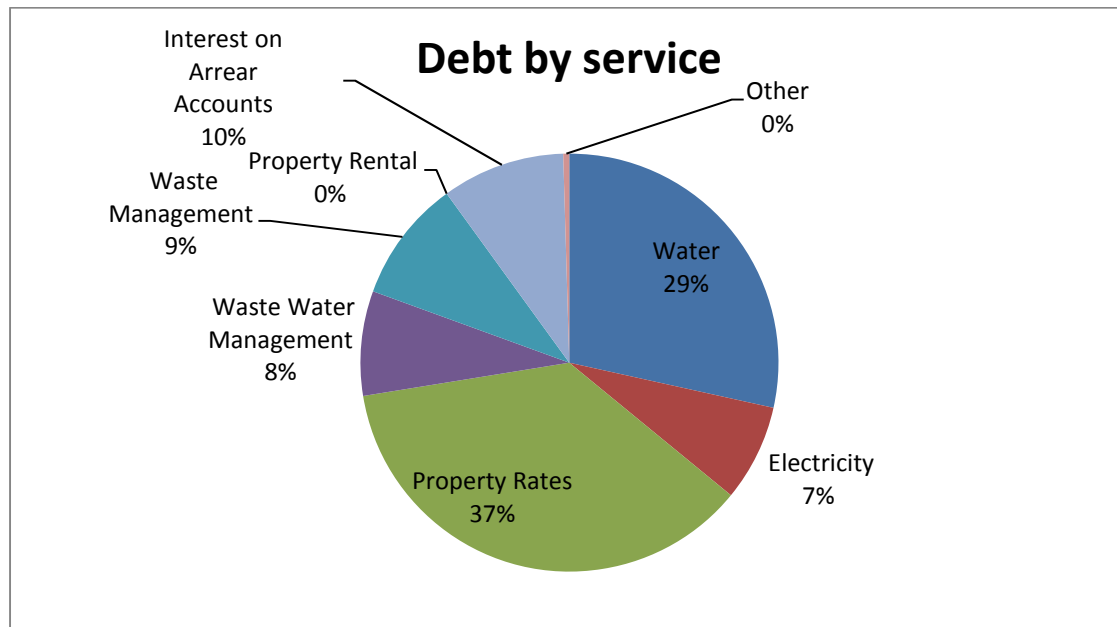
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year
■ FIN YR 2014/15	837 710	253 616	247 147	157 572	186 279	153 713	1 265 927	3 872 451
■ FIN YR 2015/16	1 067 757	310 354	260 486	170 040	228 457	192 847	1 200 629	1 264 023

DEBTORS BY CONSUMER CATEGORY



As at the end of April 2016 Organs of state owed the municipality R 197 595 compared to R 228 049 at the same time in the previous financial year, whilst businesses owes the municipality R 611 379 compared to R 603 935 in the previous financial year.

Arrear accounts have been handed over for debt collection. The municipality is in constant contact with government departments to ensure accounts are paid.



8. STAFF BENEFITS

Section 66 of the MFMA requires disclosure of the Municipality's expenditure on staff benefit as follows:

The accounting officer of a municipality must, in the format and for the 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 allowance
- e) Overtime payments
- f) Loans and advances
- g) Any type of benefit or allowance related to staff

Attached as part of annexure A is a schedule detailing the required information for the month of April 2016.

9. CREDITORS

9.1 CREDITORS AGE ANALYSIS

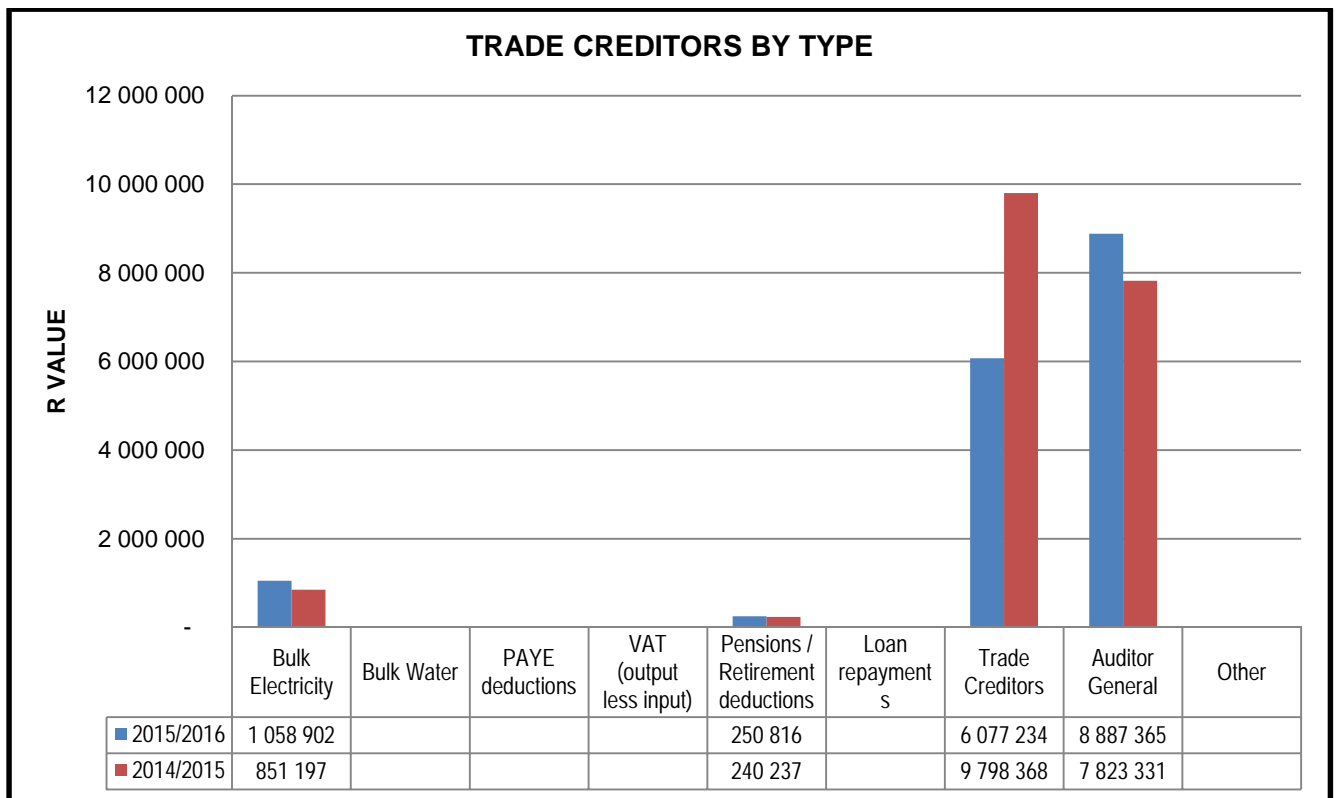
Table 14 – Creditors age analysis as at 31 March 2016

Description	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
Creditors Age Analysis By Customer Type									
Bulk Electricity	1 003	56							1 059
Pensions / Retirement deductions	251		0						251
Trade Creditors	1 556	421	365	26	1	4	803	2 901	6 077
Auditor General		(1 247)	162	338	65	1 083	959	7 526	8 887
Total By Customer Type	2 809	(770)	528	365	66	1 088	1 762	10 426	16 274

Creditors increased R14.8 million as at 31 March 2016 to R 16.3 million as at 30 April 2016. The municipality is experiencing severe cash flow problems and creditors cannot be paid within the legislatively required 30 days.

Table 15 – Top ten creditors’ age analysis as at 31 March 2016

Detail	0 - 30 Days	31 - 60 Days -1 246 567	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
ODITEUR-GENERAAL	0	567	162 179	338 421	65 303	1 083 208	959 182	7 525 639	8 887 365
SALGA	0	0	0	0	0	0	0	2 021 100	2 021 100
BYTES UNIVERSAL SYSTEMS A DIVI	0	0	0	3 351	0	3 351	439 565	881 159	1 327 426
ESKOM URHWEBO E-TRANSAND (WILLVEST T	1 002 519	56 383	0	0	0	0	0	0	1 058 902
UHAMBISO CONSULT (PTY LTD	543 866	0	0	0	0	0	0	0	543 866
DEPARTEMENT VAN VERVOER	460 380	0	0	0	0	0	0	0	460 380
TREVOR KAY CC VERGOEDINGSKOMMISSARIS	72 068	183 187	109 396	0	0	0	0	0	364 651
ARIS	0	0	0	0	0	0	343 861	0	343 861
ESKOM	138 694	49 032	0	0	0	0	0	0	187 726
ESKOM	81 282	56 382	0	0	0	0	0	0	137 664
Total	2 298 809	-901 583	271 575	341 772	65 303	1 086 559	1 742 608	10 427 898	15 332 941



10. OTHER ANALYSIS

10.1 ELECTRICITY ANALYSIS

BAVIAANS MUNICIPALITY				
Electricity Statistics - year to date				
	Kwh Sold	Kwh Bought	Difference	Difference
			Kwh	%
Steytlerville	1 358 828	2 021 947	663 120	32.80
Willowmore	4 533 662	5 630 035	1 096 373	19.47

The electricity losses are mainly due to technical losses. An audit of high risk meters identified will be conducted as soon as the labour situation normalises to ensure that no meter tampering is taking place.

10.2 WATER ANALYSIS

<u>Baviaans Municipality</u>				
<u>Water Statistics Steytlerville</u>				
Month	Water pump	Water sold/	Loss	Loss
	to Town	to Town	Kl.	%
Sub Total	291 620	186 295	105 325	36.12

The output readings for Willowmore had not been received since January at the date of the report.

Water reticulation losses for Rietbron could not be calculated as the pump readings had not been received for August to April 2016.

11. MATTERS ARISING FROM CCRC AND SCM WORKING GROUP MEETINGS

The CCRC and SCM working group meeting was held on 21 April 2016 and the reports are attached in Annexure B.

ANNEXURES A – FINANCIAL INFORMATION

- Bank recons
- Cash flow
- Debtors age analysis and payment ratio
- List of councillors & staff with arrear debtors accounts
- List of businesses with arrear debtors accounts
- List of Churches with arrear debtors accounts
- List of LED projects with arrear accounts
- Income & Expenditure main class
- Income & Expenditure per item
- Income & Expenditure per vote
- Capital expenditure
- Salaries & wages
- Overtime
- Shift Allowances
- Electricity and water losses
- Investments
- Age analysis of creditors

ANNEXURE B – REPORTS FROM WORKING GROUPS

- Indigent Water Leakages
-

ANNEXURE C – SCHEDULE C TABLES

- C1 – Summary
- C2 – Financial performance – Standard chart
- C3 – Financial performance per Vote
- C4 – Financial performance per source
- C5 – Capital expenditure
- C6 – Financial Position
- C7 – Cash flow
- SC3 – Debtors
- SC4 – Creditors
- SC 5 – Investment portfolio
- SC6 – Grant receipts
- SC 7 – Expenditure on grants
- SC8 – Staff benefits
- SC13a – Capital expenditure on new assets
- SC13b – Capital expenditure on renewal assets
- SC13c – Repairs and maintenance
- SC13d – Depreciation