



baviaans
PARTICIPATION FOR DEVELOPMENT

umasipala
local municipality
plaaslike munisipaliteit

BAVIAANS LOCAL MUNICIPALITY

SECTION 71 AND SECTION 52(D) REPORT

FOR THE MONTH ENDING 30 JUNE 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 JUNE 2016

Description	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)	58 775 000	56 590 164	1 702 554	55 899 752	56 590 164	-690 412	-1%	58 775 000
Total Expenditure	78 033 000	85 739 112	5 342 092	66 493 304	85 739 112	-19 245 808	-22%	78 033 000
Surplus/(Deficit)	-19 258 000	-29 148 948	-3 639 538	-10 593 552	-29 148 948	18 555 396		-19 258 000

Explanation and reason for variances:

Revenue was R 690 412 (1%) less than anticipated as at 30 June 2016, with total revenue of R 5.3 million being recorded for June 2016.

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

Expenditure was R 19 million (22%) less than anticipated for the year to date, with expenditure of R 5.3 million being incurred during June 2016.

The following contributing factors should be taken into consideration:

- Depreciation was calculated for only 6 months up to December 2015.
- Severe cost saving measures have been implemented as a direct result of the cash constraints the municipality is currently experiencing.

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 June 2016

EC107 Baviaans - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M12 JUNE

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 single-year capital expenditure	31 449 900	34 104 805	1 452 385	31 850 797	34 104 805	-2 254 008	(0)	31 449 900

Explanation and reason for variance:

Capital expenditure for the year to date was R 31.85 million and it was R 2.2 thousand less than anticipated. The expenditure for June 2016 amounted to R 1.45 million. The underspending relates to new vehicles that was not acquired and spending on MSIG that was spend on operational computer costs and not hardware.

The following projects were spent on during June 2016:

	Month 12	Grand Total
Furniture and Equipment	663	35 263
IT infrastructure Upgrade	1 974	235 949
MIG - LED projects	-	364 900
Replacement of old water meters Rietbron		1 592 981
Replacement of equipment	7 647	7 647
Rietbron high mast light	51 727	176 653
Steytlerville water	857 164	22 691 273
Streets and storm water	21 413	3 510 903
Upgrading of sport fields	453 413	1 086 174
Wanhoop bulk water	58 384	219 242
Waste water treatment		1 929 812
Grand Total	1 452 384	31 850 797