



baviaans
PARTICIPATION FOR DEVELOPMENT

umasipala
local municipality
plaaslike munisipaliteit

BAVIAANS MUNICIPALITY

SECTION 71 REPORT

FOR THE MONTH ENDING 31 AUGUST 2015

SUMMARY OF OVERALL FINANCIAL PERFORMANCE

1. BUDGET PERFORMANCE – SUMMARY

1.1 OPERATING BUDGET PERFORMANCE

Table 1: Operating Budget performance for the period ending 31 August 2015

	APPROVED BUDGET	PRO- RATA FOR PERIOD	ACTUAL FOR THE PERIOD	VARIANCE ACTUAL TO PRO- RATA BUDGET	% YTD VARIANCE	% VARIANCE OF TOTAL BUDGET
	R'000	R'000	R'000	R'000	%	%
EXPENDITURE	78 002	13 000	5 547	2 138	16.45	86.07
REVENUE	92 825	15 471	20 695	5 224	33.76	77.71
SURPLUS (DEFICIT)	14 823	2 471	1 748	7 362	297.98	33.67

Explanation and reason for variances:

Revenue was R 20.695 million (33.76%) more than anticipated as at 31 August 2015, with total revenue of R 3.8 million being recorded for August 2015. The grants received during July 2015 and annual rates levied during July 2015 boosted the year to date figures. It is expected that the revenue will decrease substantially during September and October as no the next Equitable Share tranche is only due in November.

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

Expenditure was R 2.138 million (16.45%) less than anticipated for the year to date, with expenditure of R 5.547 million being incurred during August 2015.

The following contributing factors should be taken into consideration:

- Annual salary increase not yet implemented due to salary negotiations not concluded
- Annual bonus only payable in November 2015
- Depreciation not calculated for the month

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 31 August 2015

	APPROVED BUDGET	YTD BUDGET	ACTUAL FOR THE PERIOD	VARIANCE ACTUAL TO YTD BUDGET	VARIANCE YTD	VARIANCE OF TOTAL BUDGET
	R'000	R'000	R'000	R'000	%	%
CAPITAL	31 450	5 242	5 729	486	9	82

Explanation and reason for variance:

Capital expenditure for the year to date 31 August 2015 was recorded at R 5.729 million and was R486 000 more than anticipated.

The following projects were spent on during August 2015:

- Replacement of old water meters Rietbron - R 97 668
- Waste water treatment works Rietbron - R 206 169
- Steytlerville bulk water - R 3 001 867

CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS TARGET

