

FOR THE MONTH ENDING 31 MAY 2016

SECTION 71 REPORT

BAVIAANS LOCAL MUNICIPALITY



**SUMMARY OF OVERALL FINANCIAL PERFORMANCE**

**1. BUDGET PERFORMANCE – SUMMARY**

**1.1 OPERATING BUDGET PERFORMANCE**

**Table 1: Operating Budget performance for the period ending 31 May 2016**

EC107 Bavians - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11  
MAY

Description	Budget Year 2014/15					
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance
R thousands						%
Total Revenue (excluding capital transfers and contributions)	58 775	56 590	2 024	57 151	51 874	5 276 10%
Total Expenditure	78 033	85 739	4 790	60 282	78 594	(18 312) -23%

Explanation and reason for variances:

Revenue was R 57.151 million (10%) more than anticipated as at 31 May 2016, with total revenue of R 4.79 million being recorded for May 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 60.282 million (23%) less than anticipated for the year to date, with expenditure of R 4.79 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.
- 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 31 May 2016**

EC107 Bavians - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M11 MAY

Vote Description		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Total single-year capital expenditure		31 450	34 105	329	30 398	31 263	(864)	(0)	31 450
Budget Year 2014/15									

Explanation and reason for variance:

Capital expenditure for the year to date was R 30.398 million and it was R 864 thousand less than anticipated. The expenditure for May 2016 amounted to R 329 thousand.

The following projects were spent on during May 2016:

Steytlerville water R 329 363

# CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS TARGET

