

THABA CHWEU

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All Correspondence to be directed
to the Municipal Manager

LOCAL MUNICIPALITY

1. PURPOSE

To comply with **Section 71** of the MFMA, the provision of a monthly budget statement to the Municipal Manager and the Executive Mayor containing detailed financial particulars, as legislated.

2. STRATEGIC OBJECTIVE

To ensure sound financial sustainability in terms of the municipal financial management

3. BACKGROUND

Section 71 of the MFMA requires that:

The accounting officer of a municipality must by no later than **10 working days** after the end of each month submit to the **mayor of the municipality**, and the relevant **National and Provincial treasury**, a statement in the prescribed format on the state of the municipality's budget reflecting certain particulars for that month and for the financial year up to the end of that month.

For the reporting period ending **28 February 2015**, the ten working day reporting limit expires on **13 March 2015**.

4. EXECUTIVE SUMMARY

Table C 1: Monthly Budget Statement Summary

- ✦ Operational revenue to the amount of **R16, 4 million** was realized.
- ✦ The year to date operating revenue amounts to R 301, 1 million against the adjusted budgeted revenue of R 421, 7 Million and reflects a 71% of the total budget.
- ✦ The total service charge is **R 13, 6 Million**

| | |
|-------------|--------------|
| Electricity | R 9, 149,211 |
| Water | R 2, 519,622 |
| Sanitation | R 899,434 |
| Refuse | R 1, 016,077 |
- ✦ Grants Received: EPWP R 497,000
- ✦ Expenditure for the month of February is **R 17, 5 Million**

| | |
|-------------------------|-------------|
| Employee Related Costs | R 9,172,489 |
| Remuneration to Council | R 639,000 |
| Finance Charges | R 15,692 |
| Bulk Purchases | R1, 136,158 |
| Other | R6, 503,548 |
- ✦ The municipality had a deficit of **R 1 Million**
- ✦ The total outstanding debtors are R 187, 1 Million and Creditors is R 362 Million.

Note: The above is based on accrual accounting.

MP321 Thaba Chweu - Table C1 Consolidated Monthly Budget Statement Summary - M08 February

| Description | 2013/14 | Budget Year 2014/15 | | | | | | | |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | 34 082 | 60 039 | 112 186 | 140 | 98 673 | 74 600 | 24 073 | 32% | 112 186 |
| Service charges | 158 071 | 182 051 | 168 201 | 13 584 | 114 936 | 126 281 | (11 345) | -8% | 168 201 |
| Investment revenue | 1 112 | 1 600 | 538 | 15 | 226 | 226 | 71 | 31% | 538 |
| Transfers recognised - operational | 78 161 | 64 675 | 64 737 | - | 68 672 | 68 572 | - | - | 64 737 |
| Other own revenue | 44 822 | 30 802 | 28 207 | 2 680 | 19 273 | 17 586 | 1 686 | 7% | 28 207 |
| Total Revenue (excluding capital transfers and contributions) | 316 277 | 362 358 | 421 669 | 15 430 | 301 878 | 289 865 | 15 017 | 5% | 421 669 |
| Employee costs | 109 418 | 101 341 | 100 880 | 9 172 | 75 808 | 72 631 | 3 178 | 2% | 109 580 |
| Remuneration of Councilors | 7 428 | 6 167 | 7 555 | 539 | 5 036 | 6 203 | (2 167) | -4% | 7 555 |
| Depreciation & asset impairment | 33 077 | 44 187 | 44 187 | - | 29 340 | 29 340 | - | -100% | 44 187 |
| Finance charges | 23 521 | 600 | 27 005 | 19 | 19 658 | 17 932 | 1 726 | 11% | 27 005 |
| Materials and bulk purchases | 115 402 | 172 856 | 151 558 | 1 135 | 77 976 | 87 375 | (9 399) | -19% | 151 558 |
| Transfers and grants | - | - | 6 129 | 574 | 6 533 | 5 306 | 1 227 | 17% | 6 129 |
| Other expenditure | 148 768 | 100 600 | 107 629 | 3 960 | 77 945 | 70 792 | 7 153 | 10% | 107 629 |
| Total Expenditure | 437 769 | 427 790 | 455 941 | 17 467 | 253 956 | 289 239 | (35 284) | -12% | 455 941 |
| Surplus/(Deficit) | (121 492) | (45 432) | (34 272) | (1 037) | 47 923 | (2 378) | 50 301 | -215% | (34 272) |
| Transfers recognised - capital | 56 422 | 45 004 | 45 004 | - | 15 131 | 15 271 | (1 140) | -7% | 45 004 |
| Contributors & Contributed assets | 177 670 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 81 400 | 572 | 10 732 | (1 037) | 63 054 | 13 893 | 49 161 | 354% | 10 732 |
| Share of surplus/ (deficit) of associates | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 81 400 | 572 | 10 732 | (1 037) | 63 054 | 13 893 | 49 161 | 354% | 10 732 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | - | 46 004 | - | 68 | 18 208 | 23 002 | (4 794) | -21% | 46 004 |
| Capital transfers recognised | - | 45 004 | - | 69 | 15 219 | 23 002 | (7 783) | -34% | 46 004 |
| Public contributions & donations | - | - | - | - | - | - | - | - | - |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | - | - | - | - | 2 989 | - | 2 989 | #DIV/0! | - |
| Total sources of capital funds | - | 46 004 | - | 68 | 18 208 | 23 002 | (4 794) | -21% | 46 004 |
| Financial position | | | | | | | | | |
| Total current assets | 119 585 | 153 962 | 119 661 | - | 218 595 | - | - | - | 122 791 |
| Total non-current assets | 1 580 525 | 1 011 583 | 1 303 525 | - | 1 367 671 | - | - | - | 1 381 525 |
| Total current liabilities | 364 537 | 431 650 | 369 212 | - | 452 611 | - | - | - | 364 537 |
| Total non-current liabilities | - | 5 826 | 26 863 | - | 25 558 | - | - | - | 1 203 |
| Community wealth/Equity | 1 138 571 | 734 140 | 1 108 040 | - | 1 126 400 | - | - | - | 1 108 918 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 56 341 | 25 308 | 71 845 | 8 975 | 17 333 | 40 280 | 22 949 | 64% | 17 435 |
| Net cash from (used) investing | (63 255) | (46 004) | (45 489) | - | (15 872) | (19 158) | (3 193) | 17% | (36 004) |
| Net cash from (used) financing | (9 175) | - | - | - | - | - | - | - | - |
| Cash/cash equivalents at the month/year end | 4 685 | 7 737 | 36 298 | - | 647 | 29 067 | 28 420 | 98% | (26 288) |
| Debtors & creditors analysis | 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 |
| Debtors Age Analysis | | | | | | | | | |
| Total By Income Source | 17 117 | 9 709 | 7 743 | 152 525 | - | - | - | - | 187 094 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 12 243 | 20 846 | 18 485 | 12 437 | 3 516 | 19 246 | 13 617 | 262 837 | 302 027 |

Table C4: Monthly Financial Performance by Revenue Source and Expenditure Type.

This table provides the monthly details for revenue by source and expenditure by type. For the purpose of reporting, Table C4 will be used to provide explanations on deviations. Reasons for deviations will only be provided in cases where the percentages differ with more than 10 % and can be viewed in supporting table SC1.

MP321 Thaba Chwee - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

| Description | Ref | 2013/14 | | Budget Year 2014/15 | | | | | | |
|--|-----|------------------|-----------------|---------------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue By Source | | | | | | | | | | |
| Property rates | | 34 392 | 30 320 | 112 186 | 140 | 93 672 | 74 600 | 24 073 | 32% | 112 186 |
| Property rates - penalties & collection charges | | - | - | - | - | - | - | - | - | - |
| Service charges - electricity revenue | | 16 476 | 14 750 | 135 211 | 0 49 | 73 744 | 33 163 | 10 413 | -12% | 135 211 |
| Service charges - water revenue | | 28 013 | 25 738 | 25 320 | 2 520 | 19 916 | 19 667 | 43 | 3% | 25 320 |
| Service charges - contribution revenue | | 9 679 | 10 529 | 10 749 | 899 | 7 177 | 7 157 | 20 | 1% | 10 749 |
| Service charges - refuse revenue | | 0 901 | 11 552 | 12 399 | 1 076 | 3 076 | 8 053 | 45 | 1% | 12 399 |
| Service charges - other | | - | - | 122 | - | 51 | 61 | 103 | -27% | 122 |
| Rent of facilities and equipment | | 2 236 | 1 950 | 2 700 | 309 | 1 761 | 1 563 | 199 | 11% | 2 450 |
| Interest earned - asset/real investments | | 1 112 | 1 500 | 338 | 15 | 235 | 225 | 71 | 31% | 338 |
| Interest earned - outstanding debts | | - | 5 158 | 8 168 | 990 | 6 261 | 5 494 | 637 | 14% | 8 168 |
| Dividends received | | - | - | - | - | - | - | - | - | - |
| Fines | | 800 | 1 086 | 1 294 | 251 | 1 234 | 856 | 373 | 44% | 1 294 |
| Licences and permits | | - | - | - | - | - | - | - | - | - |
| Agency services | | 20 492 | 20 451 | 12 138 | 838 | 7 890 | 9 794 | (673) | -10% | 12 138 |
| Transfers recognised - operational | | 38 181 | 34 576 | 34 737 | - | 69 672 | 63 672 | - | - | 34 737 |
| Other revenue | | 15 332 | 1 352 | 1 207 | 242 | 1 166 | 466 | 681 | 143% | 1 207 |
| Gain on disposal of PPE | | - | - | - | - | - | - | - | - | - |
| Total Revenue (excluding capital transfers and contributions) | | 316 277 | 382 358 | 421 669 | 16 430 | 301 878 | 286 861 | 15 617 | 5% | 421 669 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 109 418 | 101 341 | 105 980 | 9 172 | 73 806 | 72 621 | 1 179 | 2% | 105 980 |
| Remuneration of councillors | | 7 426 | 8 157 | 7 555 | 639 | 5 006 | 5 269 | (203) | -4% | 7 555 |
| Debt impairment | | 28 147 | 2 300 | 2 300 | - | - | 1 328 | 1 328 | -100% | 2 300 |
| Depreciation & asset impairment | | 33 077 | 44 187 | 44 187 | - | - | 33 240 | (20 613) | -100% | 44 187 |
| Finance charges | | 23 691 | 500 | 27 306 | 16 | 19 856 | 17 652 | 2 204 | 11% | 27 306 |
| Leak purchases | | 5 432 | 79 896 | 141 556 | 1 136 | 60 076 | 37 876 | 16 002 | -10% | 51 556 |
| Other materials | | - | - | - | - | - | - | - | - | - |
| Contracted services | | 48 325 | 47 233 | 42 740 | 2 302 | 24 035 | 25 653 | (1 618) | -4% | 42 740 |
| Transfers and grants | | - | - | 8 129 | 541 | 5 303 | 5 258 | 905 | 17% | 8 129 |
| Other expenditure | | 72 231 | 51 301 | 69 889 | 3 668 | 33 621 | 43 509 | 10 031 | 23% | 69 889 |
| Loss on disposal of PPE | | - | - | - | - | - | - | - | - | - |
| Total Expenditure | | 437 769 | 427 790 | 455 941 | 17 467 | 293 955 | 289 239 | (35 294) | -12% | 455 941 |
| Surplus/(Deficit) | | (121 492) | (45 432) | (34 272) | (1 037) | 47 923 | (2 379) | 50 331 | (0) | (34 272) |
| Transfers recognised - capital | | 56 422 | 46 004 | 45,004 | - | 15 121 | 16 271 | (1 149) | (0) | 45 004 |
| Contributions recognised - capital | | - | - | - | - | - | - | - | - | - |
| Contributed assets | | 147 470 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | | 81 400 | 572 | 10 732 | (1 037) | 63 054 | 13 693 | | | 10 732 |
| Taxation | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after taxation | | 81 400 | 572 | 10 732 | (1 037) | 63 054 | 13 693 | | | 10 732 |
| Attributable to municipalities | | - | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) attributable to municipality | | 81 400 | 572 | 10 732 | (1 037) | 63 054 | 13 693 | | | 10 732 |
| Share of surplus/ (deficit) of associates | | - | - | - | - | - | - | - | - | - |
| Surplus/ (deficit) for the year | | 81 400 | 572 | 10 732 | (1 037) | 63 054 | 13 693 | | | 10 732 |

Table C5: Monthly Capital Expenditure by Vote

- * Table C 5 indicates the monthly actuals on capital expenditure for all votes and measures the year to date actuals against the year to date Budget (Budget) figures.
- * Year to Date Capex R 18, 208, 000. 00
- * National Transfers R 15, 219, 000.00
- * Internally Generated Funds R 2, 989, 000.00

MP121 Thaba Chweu - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) -
MGB February

| Vote Description | Ref | Budget Year 2014/15 | | | | | | | | |
|--|-----|-------------------------------|--------------------|--------------------|-------------------|------------------|------------------|-----------------|----------------------|-----------------------|
| | | 2013/14 Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Municipal Manager | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 2 - Executive Council | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 3 - Finance Services Department | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 4 - Corporate Services Department | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 5 - Social Development Services Department | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 6 - Social Development Services Department | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 7 - Engineering Services | | -- | 8 707 | 8 707 | -- | -- | 4 353 | (4 354) | -100% | 8 707 |
| Vote 8 - Engineering Services | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 9 - [NAME OF VOTE 9] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 10 - [NAME OF VOTE 10] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 11 - [NAME OF VOTE 11] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 12 - [NAME OF VOTE 12] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 13 - [NAME OF VOTE 13] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 14 - [NAME OF VOTE 14] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 15 - [NAME OF VOTE 15] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Capital Multi-year expenditure | 4 7 | -- | 8 707 | 8 707 | -- | -- | 4 354 | (4 354) | -100% | 8 707 |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - Municipal Manager | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 2 - Executive Council | | -- | -- | -- | -- | 182 | -- | 182 | 100% | -- |
| Vote 3 - Finance Services Department | | -- | -- | -- | -- | 365 | -- | 365 | 100% | -- |
| Vote 4 - Corporate Services Department | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 5 - Social Development Services Department | | -- | -- | -- | -- | 281 | -- | 281 | 100% | -- |
| Vote 6 - Social Development Services Department | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 7 - Engineering Services | | -- | 37 297 | 36 297 | -- | 16 264 | 18 643 | (2 384) | -13% | 37 297 |
| Vote 8 - Engineering Services | | -- | -- | -- | -- | 1 123 | -- | 1 123 | 100% | -- |
| Vote 9 - [NAME OF VOTE 9] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 10 - [NAME OF VOTE 10] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 11 - [NAME OF VOTE 11] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 12 - [NAME OF VOTE 12] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 13 - [NAME OF VOTE 13] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 14 - [NAME OF VOTE 14] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Vote 15 - [NAME OF VOTE 15] | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Capital single-year expenditure | 4 | -- | 37 297 | 36 297 | -- | 18 265 | 18 343 | (440) | -2% | 37 297 |
| Total Capital Expenditure | | -- | 46 004 | 45 004 | -- | 18 265 | 23 302 | (4 794) | -21% | 46 004 |
| Capital Expenditure - Standard Classification | | | | | | | | | | |
| Governance and administration | | | | | | | | | | |
| Executive and council | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Budget and treasury office | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Corporate services | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Community and public safety | | | | | | | | | | |
| Community and social services | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sport and recreation | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Public safety | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Fire and rescue | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Health | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Economic and environmental services | | | | | | | | | | |
| Farming and development | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Road transport | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Environmental protection | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Trading services | | | | | | | | | | |
| Electricity | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Water | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Waste water management | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Waste management | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Capital Expenditure - Standard Classification | 3 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Funded by: | | | | | | | | | | |
| National Government | | -- | 46 004 | 46 004 | -- | 15 219 | 23 002 | (7 783) | -34% | 46 004 |
| Provincial Government | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Local Municipality | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other transfers and grants | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Transfers recognised - capital | | -- | 46 004 | 45 004 | -- | 15 219 | 23 002 | (7 783) | -34% | 46 004 |
| Public contributions & donations | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Borrowing | | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Internally generated funds | | -- | -- | 10 000 | -- | 2 889 | 2 988 | (989) | 100% | -- |
| Total Capital Funding | | -- | 46 004 | 56 004 | -- | 18 265 | 23 302 | (4 794) | -21% | 46 004 |

Capital Expenditure by Funding Source is reflected in the table below:

| Description | Capital Grants | |
|------------------------|----------------|---------------|
| | MIG R'000 | INEG R'000 |
| Allocation as per DoRa | 45,004 | 1,000 |
| YTD Receipts | 16,271 | 0 |
| YTD Conditions Met | 15,131 | 0 |
| Conditions to be met | 1,140 | 0 |

Table C6: Consolidated Monthly Budget Statement –Financial Position

MP321 Thaba Chweu - Table C6 Consolidated Monthly Budget Statement - Financial Position - M08 February

| Description | Ref | 2013/14 | Budget Year 2014/15 | | | |
|--|-----|------------------|---------------------|------------------|------------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash | | 4 685 | 20 175 | 4 804 | 14 912 | 8 086 |
| Call investment deposits | | | | | | |
| Consumer debtors | | 68 765 | 102 633 | 101 317 | 87 173 | 68 765 |
| Other debtors | | 42 133 | 28 592 | 9 580 | 109 902 | 42 153 |
| Current portion of long-term receivables | | | | | | |
| Inventory | | 3 801 | 12 562 | 3 800 | 4 908 | 3 801 |
| Total current assets | | 119 583 | 163 962 | 119 581 | 216 896 | 122 793 |
| Non current assets | | | | | | |
| Long-term receivables | | | | | | |
| Investments | | 1 596 | 1 007 | 1 585 | | |
| Investment property | | 490 330 | | 328 778 | 490 330 | 490 330 |
| Investments in Associate | | | | | | |
| Property, plant and equipment | | 891 553 | 1 010 526 | 1 050 323 | 877 641 | 891 553 |
| Agricultural | | | | | | |
| Biological assets | | | | | | |
| Intangible assets | | 46 | | 46 | | 46 |
| Other non-current assets | | | | 2 682 | | |
| Total non current assets | | 1 383 525 | 1 011 533 | 1 383 525 | 1 367 971 | 1 381 929 |
| TOTAL ASSETS | | 1 503 107 | 1 175 545 | 1 503 107 | 1 584 867 | 1 504 721 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | | | | |
| Borrowing | | - | 632 | 532 | | |
| Consumer deposits | | 4 300 | 3 809 | 4 309 | 4 663 | 4 300 |
| Trade and other payables | | 348 182 | 402 519 | 348 182 | 411 759 | 348 182 |
| Provisions | | 42 046 | 24 640 | 16 189 | 16 190 | 42 046 |
| Total current liabilities | | 394 537 | 431 580 | 369 212 | 432 611 | 394 537 |
| Non current liabilities | | | | | | |
| Borrowing | | | 8 559 | | | |
| Provisions | | | 1 266 | 25 655 | 25 656 | 1 266 |
| Total non current liabilities | | - | 9 825 | 25 655 | 25 656 | 1 266 |
| TOTAL LIABILITIES | | 394 537 | 441 405 | 395 067 | 458 467 | 395 803 |
| NET ASSETS | 2 | 1 108 571 | 734 140 | 1 108 040 | 1 126 400 | 1 108 918 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated Surplus/(Deficit) | | 1 108 571 | 734 140 | 1 108 040 | 1 126 400 | 1 108 918 |
| Reserves | | | | | | |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 1 108 571 | 734 140 | 1 108 040 | 1 126 400 | 1 108 918 |

Table C7: Consolidated Monthly Budget Statement –Cash Flow

MP321 Thaba Chweu - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M06 February

| Description | Ref | 2012/4 | | Budget Year 2014/15 | | | | | | |
|---|-----|-----------------|-----------------|---------------------|----------------|-----------------|-----------------|---------------|----------------|--------------------|
| | | Audit Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Employees and other | | 159 266 | 239 533 | 231 203 | 28 069 | 117 401 | 109 805 | 7 596 | 7% | 207 407 |
| Government - operating | | 79 161 | 31 670 | 139 339 | | 39 672 | 69 679 | - | - | 34 676 |
| Government - capital | | 35 422 | 45 004 | 45 004 | | 15 971 | 17 021 | (1 050) | -6% | 48 334 |
| Interest | | 1 119 | 3 000 | 13 366 | | | 2 791 | (2 791) | -100% | - |
| Dividends | | | | | | | | | | |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (914 078) | (331 002) | (254 423) | (159 060) | (302 522) | (159 701) | 23 981 | 15% | (3 8 304) |
| Finance charges | | (23 081) | (600) | (22 747) | (7) | (6 476) | (250) | 5 226 | -2400% | (1 937) |
| Transfers and Grants | | | | | | | | | | |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 58 341 | 29 308 | 71 845 | 6 975 | 14 339 | 41 286 | 25 946 | 84% | -7 435 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | 8 557 | | | | | | | | |
| Decrease (increase) in non-current debtors | | | | | | | | | | |
| Decrease (increase) other non-current receivables | | | | | | | | | | |
| Decrease (increase) in non-current investments | | | | 1 510 | | | | | | |
| Payments | | | | | | | | | | |
| Capital assets | | (51 823) | (46 004) | (46 004) | - | (15 372) | (16 168) | 13 192 | -7% | (45 004) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (43 266) | (46 004) | (43 494) | - | (15 972) | (15 168) | 13 196 | -7% | (45 004) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short-term loans | | | | | | | | | | |
| Borrowing long-term financing | | | | | | | | | | |
| Increase (decrease) in consumer deposits | | | | | | | | | | |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (9 175) | | | | | | | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (9 175) | - | - | - | - | - | - | - | - |
| NET INCREASE/(DECREASE) IN CASH HELD | | 3 911 | (16 696) | 28 351 | 6 975 | (1 634) | 21 120 | | | (28 569) |
| Cash/ cash equivalents at beginning | | 674 | 24 453 | 7 547 | | 2 281 | 7 977 | | | 2 281 |
| Cash/ cash equivalents at month/year end | | 4 865 | 7 757 | 35 298 | | 647 | 29 097 | | | (26 288) |

5 ADDITIONAL FINANCIAL INFORMATIONAL

5.1 Table SC3 Monthly Statement Debtors age analysis.

This Table measures the outstanding debtors as at the end of the month

MP321 Thaha Chweu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

| Description | NT Code | Budget Year 2014/15 | | | | | | | | | Total | Actual Bad Debt Written Off Against Debtors | Impairment - Bad Debts L.L.C. Council Policy | |
|--|-------------|---------------------|--------------|--------------|----------------|--------------|--------------|-----------------|-----------|----------|----------------|---|--|----------|
| | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Days | 151-180 Days | 181 Days - 1 Yr | Over 1 Yr | Total | | | | |
| R thousands | | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | | |
| Trade and Other Receivables from Billing Transactions - Water | 122 | 1,790 | 1,363 | 1,179 | 39,433 | - | - | - | - | - | 32,771 | 29,433 | - | - |
| Trade and Other Receivables from Exchange Transactions - Electricity | 300 | 5,332 | 2,970 | 1,338 | 30,782 | - | - | - | - | - | 4,870 | 32,162 | - | - |
| Receivables from Billing Transactions - Property Rates | 1400 | 4,354 | 4,323 | 4,154 | 62,065 | - | - | - | - | - | 25,221 | 17,045 | - | - |
| Receivables from Billing Transactions - Waste Water Management | 1500 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Receivables from Billing Transactions - Waste Management | 1600 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Receivables from Exchange Transactions - Property Councils/Other | 1700 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Local Government Debts Arising | 1800 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Receivable from Council, the port, utilities and waste management | 1900 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 1901 | 4,521 | 1,294 | 1,160 | 29,276 | - | - | - | - | - | 26,416 | 29,276 | - | - |
| Total By Income Source | 2000 | 17,117 | 9,719 | 7,743 | 162,625 | - | - | - | - | - | 167,184 | 162,625 | - | - |
| M08 Feb - totals only | | | | | | | | | | | | | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | | |
| Organisational | 2000 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Commercial | 2100 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Household | 2101 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 2200 | 17,117 | 9,719 | 7,743 | 162,625 | - | - | - | - | - | 167,184 | 162,625 | - | - |
| Total By Customer Group | 2300 | 17,117 | 9,719 | 7,743 | 162,625 | - | - | - | - | - | 167,184 | 162,625 | - | - |

5.2 SC4 Monthly Budgeted Statements Creditors age analysis

This Table lists all the outstanding creditors the municipality indebted

MP321 Thaha Chweu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

| Description | NT Code | Budget Year 2014/15 | | | | | | | | | Total |
|---|-------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------------|----------------|----------------|----------|
| | | 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 | | |
| R thousands | | | | | | | | | | | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | | |
| BL & Electricity | 0100 | 10,358 | 11,385 | 11,095 | 9,237 | 3,321 | 9,563 | 13,692 | 179,310 | 248,191 | - |
| BL & Water | 0200 | - | - | - | - | - | - | - | - | - | - |
| PAYE deductions | 0300 | - | - | - | - | - | - | - | - | - | - |
| VAT (subsidies input) | 0400 | - | - | - | - | - | - | - | - | - | - |
| Pensions / Retirement deductions | 0500 | - | - | - | - | - | - | - | - | - | - |
| Loan repayments | 0600 | - | - | - | - | - | - | - | - | - | - |
| Trade Creditors | 0700 | 355 | 8,529 | 5,714 | - | 844 | 302 | 1,661 | 31,691 | 50,419 | - |
| Authority General | 0800 | - | - | 379 | 1,759 | 512 | 710 | 342 | 5,423 | 9,631 | - |
| Other | 0900 | - | 1,232 | 1,296 | 1,442 | 1,438 | 2,666 | - | 46,110 | 54,186 | - |
| Total By Customer Type | 1000 | 12,243 | 20,846 | 18,485 | 12,437 | 6,316 | 13,248 | 15,817 | 282,837 | 362,027 | - |

5.3 Grant Register

THABA CHWEU MUNICIPALITY CONDITIONAL GRANT REGISTER M/P321
YEAR TO DATE 2014/15

| Details | Opening Balance as at 01 July 2014 | Dollar Allocation 2014/15 | Funds Withheld | Received this year | Expenditure | Closing Balance as at 28 February 2015 |
|--|------------------------------------|---------------------------|----------------|--------------------|---------------|--|
| EQUITABLE SHARE | | 13 457 000,00 | | 65 972 000,00 | 66 978 000,00 | |
| FMG | | 1 000 000,00 | | 1 500 000,00 | 1 418 427,31 | 181 572,69 |
| INEG | | 15 000 000,00 | | - | - | |
| MSIG | | 432 600,00 | | 934 000,00 | 725 348,00 | 638 252,00 |
| Expanded Public Works Programme (EPWP) | | 657 000,00 | | 1 657 000,00 | 2 361 521,55 | 704 321,55 |
| MIG | | 45 004 000,00 | | 26 277 000,00 | 15 031 348,35 | 29 972 651,65 |

- ✦ Receipts :
- ✦ EPWP R 497, 000,00
- ✦ Expenditure:
- ✦ FMG R 40, 000,00
- ✦ EPWP R 261, 874,80

5.3 FINANCIAL RATIOS

5.3.1 Liquidity Management

| 1 | Cash / Capex Coverage Ratio (Excl. Unspent Conditional Grants) | ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operations Expenditure excluding (Depreciation, Amortisation, Provision for Bad Debts, Impairment and Loss or Disposal of Assets) | Statement of Financial Position, Statement of Financial Performance, Notes to the AFS, Budget In year Reports and AR | 1 - 3 Months | 0 Month | | The ratio indicates the municipality's ability to meet its monthly fixed operating commitments from cash without collecting any additional revenue during that month. TCM does not meet the norm, this is largely due to cash management failures |
|---|--|--|--|--------------|--------------------------------------|-------------|---|
| | | | | | | | |
| | | | | | Cash and cash equivalents | 2 462 526 | |
| | | | | | Unspent Conditional Grants | 4 187 455 | |
| | | | | | Overdraft | | |
| | | | | | Short term investments | | |
| | | | | | Total Annual Operational Expenditure | 237 763 247 | |

5.3.2 Current Ratio

| 2 | Current Ratio | Current Assets / Current Liabilities | Statement of Financial Position, Budget IDP and AR | 1.5 - 2:1 | 0,30 | | The current ratio is used to assess the municipality's ability to pay back its short term liabilities. TCM ratio indicates a high risk that the municipality will not be in a position to cover its current or short term obligations and continue operating at desired levels. |
|---|---------------|--------------------------------------|--|-----------|---------------------|-------------|---|
| | | | | | | | |
| | | | | | Current Assets | 119 582 841 | |
| | | | | | Current Liabilities | 394 538 000 | |

5.4 Irregular, Fruitless and Wasteful expenditure Report

ANNEXURE A

Register of Unauthorised, Irregular, Fruitless and Wasteful Expenditure
Feb-15

Name of Municipality: **PHABA DRIVE LOCAL MUNICIPALITY (10720)**

| No | Date of discovery | Date reported to the reporting officer | Date of payment | Payment Number | Transaction Details | | Responsible Official (Name & Title) | Type of Irregular Expenditure | Reme | | | | | | | |
|----|-------------------|--|-----------------|----------------|---|--------------------------------|-------------------------------------|-------------------------------|------|----|----|----|---|----|-------|--|
| | | | | | Amount | Multi-Item/Related Description | | | U | UR | UC | TR | P | WC | Other | |
| 1 | 2015/06/03 | 2015/06/03 | 2010/01 | 62320.00 | SAFE-INTEREST ON OFFICE | | DFC | FRUITLESS & WASTEFULL | | | | | | | | |
| 2 | 2015/02/11 | 2015/02/11 | 2008/1 | 27515.00 | ERNEU RW- Councilors never checked in for the Accredited or journal | | Municipal Manager | FRUITLESS & WASTEFULL | | | | | | | | |
| 3 | | | | R1874.15 | TELECOM- based on the | | | FRUITLESS & WASTEFULL | | | | | | | | |
| 4 | 2015/02/11 | 2015/02/11 | | 23612156.61 | Corr. M. Ficks - SCA procedures not observed to duties appointment | | Legal Office | irregular | | | | | | | | |
| 5 | 2015/02/11 | 2015/02/11 | | 247625.00 | Salaries | | | irregular | | | | | | | | |
| 6 | 2015/02/11 | 2015/02/11 | | 2282000.00 | WAT Projects - SCA procedures not observed to duties appointment | | CEO | Wasteful | | | | | | | | |

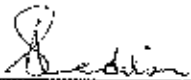
11/02/2015

6. IMPLEMENTATION PLAN

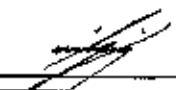
As per the Approved IDP, Budget and SDBIP for 2014/15 FY.

7. CONCLUSION

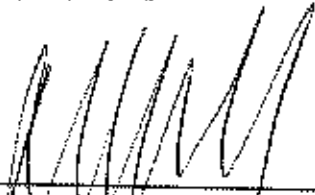
This report meets the MFMA requirement for the Executive Mayor to receive a Section 71 'monthly budget statement' within 10 working days of the end of the month, and a copy be submitted to Provincial and National Treasury.



MR M SEDIBE
ACTING MANAGER BUDGET & TREASURY
Date: 17/03/2015



MR MGT MNISI
DEPUTY DIRECTOR FINANCIAL SERVICES
Date 17/03/2015



MR LM MOKWENA
CHIEF FINANCIAL OFFICER
Date Feb 2015

Lydenburg Head Office:

Tel: 013 235 7300

Fax: 013 235 1108

Sabie Unit:

Tel: 013 235 7444

Fax: 013 764 1077

Graskop Unit:

Tel: 013 767 7448

Fax: 013 767 1611

www.thabachweu.gov.za

THABA CHWEU

24 Hrs Emergency no:

Tel: 013 235 1788

013 235 7370

Toll free: 0800 007 222

PO Box 61

Lydenburg 1120

Chr. Viljoen & Sentraal Streets

All Correspondence to be directed
to the Municipal Manager:

MUNICIPALITY

OFFICE OF THE MUNICIPAL MANAGER

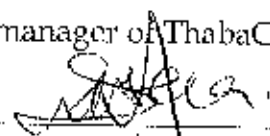
Enq: Budget Office

February 2015 BUDGET STATEMENT CERTIFICATE

I **SD Maebela**, Acting Municipal manager of Thaba Chweu Local Municipality, hereby certify that the February budget statement and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name SURPRICE MAEBELA

Municipal manager of ThabaChweu Local Municipality (MP 321)

Signature 

Date 21/05/2015

PM13 *** VOTE ANALYSIS OF INCOME AND EXPENDITURE 2014/15

2015/03/13

10:29 AM

Page: 84

For the month... Vote Description Budget/M Actual/M Year To Date Performance Variance % Budget Actual Amt Variance % Tot Budget Projected

6,503,548

1,774,990.81
2,503,583.40

60,292

SUMMARY

Table with columns: Budget/M, Actual/M, Year To Date Performance, Variance, % Budget, Actual Amt, Variance, % Tot Budget Projected. Rows include EMPLOYEES: REMUNERATION, EMPLOYEE: SOCIAL CONTRIBUTIONS, OPERATIONS: REMUNERATION, etc.

EXPENDITURES TOTAL

Table with columns: Budget/M, Actual/M, Year To Date Performance, Variance, % Budget, Actual Amt, Variance, % Tot Budget Projected. Rows include PROPERTY RATES, WASTE: REVENUE FORGOWN, WATER: FURNISH & COLLECT COST, etc.

INCOME

Table with columns: Budget/M, Actual/M, Year To Date Performance, Variance, % Budget, Actual Amt, Variance, % Tot Budget Projected. Rows include PROPERTY RATES, WASTE: REVENUE FORGOWN, WATER: FURNISH & COLLECT COST, etc.

PM13 *** VOTE ANALYSIS OF INCOME AND EXPENDITURE 2014/15

| For the month... | | Description | | Year To Date Performance | | K'000 amounts | |
|------------------|-----------|-------------------------------|------------|--------------------------|-----------|---------------|------------------|
| Budget | Actual | Budget | Actual | Variance | % | Budget | Projected |
| H | C | PROFIT: SAIR OF IMP PROF/LAND | C | C | 1000 | 0 | 0** |
| U | C | INTERDEPARTMENTAL TRANSFERS | C | C | 1000 | 0 | 0** |
| -35011874 | -16179315 | INCOME TOTAL | -280034902 | -316032678 | -35987686 | 10312 | -421830-456235** |
| 2143016 | 2017270 | GRAND TOTAL | 9144128 | -92106446 | -71250572 | 779 | 13771-741114 |