

THABA CHWEU

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All Correspondence to be directed
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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 **30 September 2015**, the ten working day reporting limit expires on **14 October 2015**.

4. EXECUTIVE SUMMARY

Table C 1: Monthly Budget Statement Summary

- ⬇ Operational revenue to the amount of **R 19 443 768** was realized.
- ⬇ The year to date operating revenue amounts to R 187 877 000 against the budgeted revenue of R 500 760 223 and reflects a 38 % of the total budget.
- ⬇ The total service charge is **R 16 332 736**

Electricity	R 11 198 910
Water	R 2 862 586
Sanitation	R 1 023 668
Refuse	R 1 197 972
- ⬇ Expenditure for the month of August is R34 473 263

Employee Related Costs	R 11 404 163
Remuneration to Council	R 728 730
Finance Charges	R 3 370 339
Bulk Purchases	R 989 240
Other	R 17 980 791
- ⬇ The municipality had a deficit of **R 15 029 000** .The total outstanding debtors are R 192 251 638 and Creditors is R 411 239 090.

Note: The above is based on accrual accounting.