

**EMAKHAZENI BUDGET PERFORMANCE FOR THE 1<sup>st</sup> QUARTER 30 SEPTEMBER 2015**  
**REPORT OF THE CHIEF FINANCIAL OFFICER**

**PURPOSE**

To submit to the Council the 4<sup>th</sup> Quarter Budget performance report for the period ending 30 September 2015.

**BACKGROUND**

As per MFMA Section 52 (d):

52. The mayor of a municipality -  
(d) must, within 30 days of the end of each quarter, submit a report to the council  
on the implementation of the budget and the financial state of affairs of the municipality.

Below is the Executive Summary of the 1<sup>st</sup> Quarter Budget Performance report:

**1. Executive Summary**

**Table C1: Quarterly Budget Statement Summary**

For the first quarter of July to September 2015, total revenue to the amount of R61,15 million was realised compared to the quarterly performance targets of R65,98 million. This reflects an unfavourable deviation of 8%. The total operating expenditure for the quarter amounts to R33,02 million, against the quarterly target of R65,48 million. This reflects an unfavourable deviation of 47%. Capital expenditure for the quarter amounts R 22 thousand. This reflects unfavourable deviation of 100%.

Taking into consideration the above, the net operating surplus for the first quarter amount to R28,18 million, whilst the cash and cash equivalent amounted to R 44,53 million.

Outstanding debtors comprises of consumer accounts and the outstanding debtors increased to R 79,77 million. Total creditors amounted to R 85,32 million.

**2. In-Year Budget Statements Tables**

**Table C2: Quarterly Financial Performance by Vote**

Table C2 measures the quarterly actual against the year to date budget figures which realised by vote for revenue and expenditure. The deviation by vote is reflected in the year to date variation column.

**Table C4: Quarterly Financial Performance by Revenue Source and Expenditure Type**

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

**Table C5: Quarterly Capital Expenditure by Vote**

The C5 indicates the quarterly actual on capital expenditure for all votes and measures the year –to – date performance targets against the actual capital expenditure figures.

For the quarter ending 30 September 2015 capital expenditure to the amount of R 22 thousand was realised. This favour deviates with R 22 thousand against the planned figure of R 4,51 million, which constitutes an unfavourable deviation of 100% for the quarter.

**Table C6: Quarterly Budget Statement Financial Position**

In general the community wealth of the municipality amounts to R647,53 million. The total liabilities amounts to R139,38 million whilst the total assets amounts to R786,88 million.

**Table C7: Quarterly Budget Statement Cash flow**

Table C7 provides detail of the monthly cash in and outflow. For the quarter end of 30 September 2015, the year net cash from operating activities was R37,88 million whilst cash used for investing activities was negative R22 thousand. The cash held increased to be R 44,53 million.

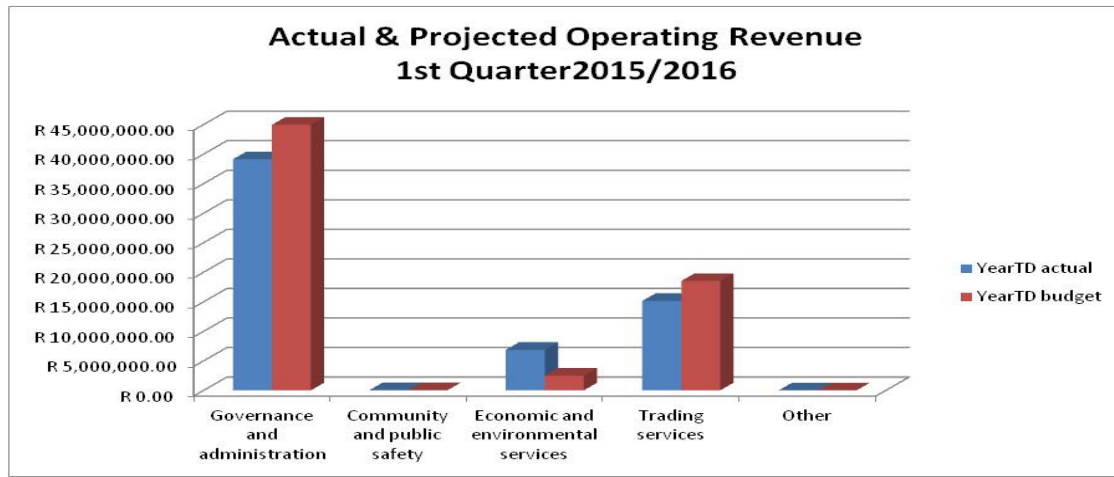
**MP314 Emakhazeni - Table C1 Quarterly Budget Statement Summary**

Description	2014/15	Budget Year 2015/16						
	Audited Outcome	Original Budget	Adjusted Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>								
<b>Financial Performance</b>								
Property rates		60,321		8,972	8,972	15,080	(6,109)	-41%
Service charges		73,703		15,045	15,045	18,426	(3,381)	-18%
Investment revenue		216		95	95	54	41	76%
Transfers recognised - operational		52,305		23,368	23,368	23,368	-	-
Other own revenue		31,206		6,926	6,926	2,305	4,621	201%
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>217,751</b>		<b>54,405</b>	<b>54,405</b>	<b>59,233</b>	<b>(4,827)</b>	
Employee costs		81,248		17,333	17,333	20,312	(2,979)	-15%
Remuneration of Councillors		5,442		1,277	1,277	1,360	(83)	-6%
Depreciation & asset impairment		51,487		-	-	12,872	(12,872)	-100%
Finance charges		2,053		408	408	513	(105)	-20%
Materials and bulk purchases		52,715		8,033	8,033	13,179	(5,146)	-39%
Transfers and grants		-		-	-	-	-	
Other expenditure		58,698		5,964	5,964	14,215	(8,251)	-58%
<b>Total Expenditure</b>		<b>251,643</b>		<b>33,015</b>	<b>33,015</b>	<b>62,451</b>	<b>(29,435)</b>	
<b>Surplus/(Deficit)</b>		<b>(33,891)</b>		<b>21,390</b>	<b>21,390</b>	<b>(3,218)</b>	<b>24,608</b>	
Transfers recognised - capital		17,755		6,747	6,747	6,747	-	
Contributions & Contributed assets		-		-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(16,136)</b>		<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	
Share of surplus/ (deficit) of associate		-		-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>		<b>(16,136)</b>		<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	
<b>Capital expenditure &amp; funds sources</b>								
<b>Capital expenditure</b>		<b>35,925</b>		<b>22</b>	<b>22</b>	<b>3,004</b>	<b>(2,982)</b>	<b>-99%</b>
Capital transfers recognised		34,767		-	-	2,811	(2,811)	-100%
Public contributions & donations		-		-	-	-	-	
Borrowing		-		-	-	-	-	
Internally generated funds		1,158		22	22	193	(171)	-89%
<b>Total sources of capital funds</b>		<b>35,925</b>		<b>22</b>	<b>22</b>	<b>3,004</b>	<b>(2,982)</b>	<b>-99%</b>
<b>Financial position</b>								
Total current assets		113,346		91,319	91,319			
Total non current assets		493,924		695,563	695,563			
Total current liabilities		83,225		86,286	86,286			
Total non current liabilities		44,416		53,071	53,071			
<b>Community wealth/Equity</b>		<b>479,630</b>		<b>647,525</b>	<b>647,525</b>			
<b>Cash flows</b>								
Net cash from (used) operating		53,029		37,881	37,881	16,918	20,963	124%
Net cash from (used) investing		(35,871)		(22)	(22)	(4,493)	4,484	-57%
Net cash from (used) financing		55		32	32	14	(18)	-130%
<b>Cash/cash equivalents at the month/year end</b>		<b>17,713</b>		<b>44,527</b>	<b>44,527</b>	<b>12,939</b>	<b>25,430</b>	
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>								
Total By Income Source	5,359	4,979	5,876	8,403				133,659
<b>Creditors Age Analysis</b>								
Total Creditors	3,862	2,222	0	6,666				51,969

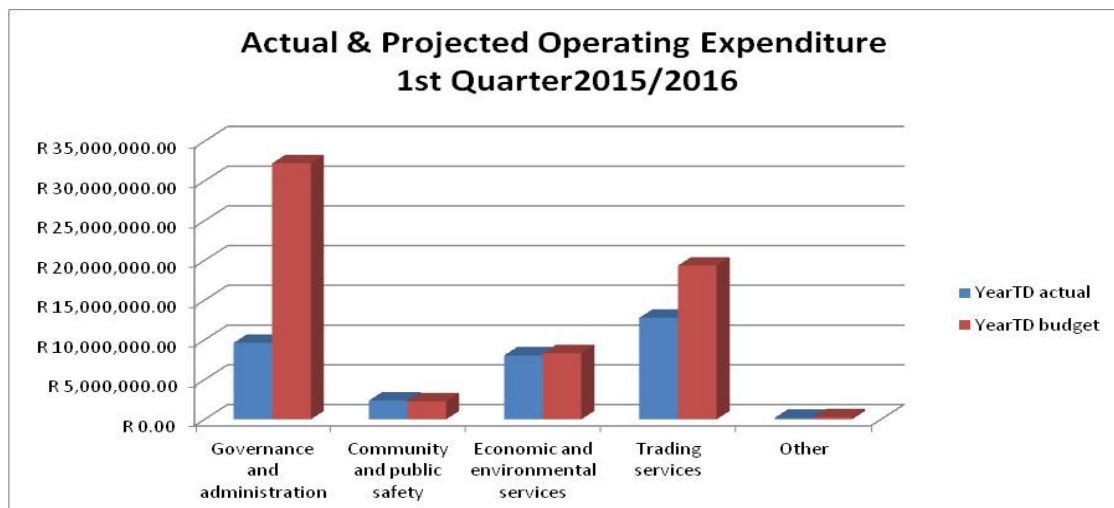
**MP314 Emakhazeni - Table C2 Quarterly Budget Statement - Financial Performance (standard classification)**

Description	Budget Year 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>						
<b>Revenue - Standard</b>						
<i>Governance and administration</i>	152,068	39,117	39,117	44,957	(5,840)	-13%
<i>Community and public safety</i>	122	28	28	31	(2)	-7%
<i>Economic and environmental services</i>	9,258	6,869	6,869	2,478	4,390	177%
<i>Trading services</i>	74,058	15,139	15,139	18,515	(3,376)	-18%
<i>Other</i>	-	-	-	-	-	0%
<b>Total Revenue - Standard</b>	<b>235,506</b>	<b>61,152</b>	<b>61,152</b>	<b>65,980</b>	<b>(4,827)</b>	
<b>Expenditure - Standard</b>						
<i>Governance and administration</i>	130,787	9,625	9,625	32,237	(22,611)	-70%
<i>Community and public safety</i>	9,093	2,363	2,363	2,273	90	4%
<i>Economic and environmental services</i>	33,278	8,051	8,051	8,319	(269)	-3%
<i>Trading services</i>	77,424	12,784	12,784	19,356	(6,572)	-34%
<i>Other</i>	1,061	192	192	265	(73)	-28%
<b>Total Expenditure - Standard</b>	<b>251,643</b>	<b>33,015</b>	<b>33,015</b>	<b>62,451</b>	<b>(29,435)</b>	
<b>Surplus/ (Deficit) for the year</b>	<b>(16,136)</b>	<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	

**Chart 1 – Table C2**



**Chart 2 – Table C2**



**MP314 Emakhazeni - Table C3 Monthly Budget Statement - Financial Performance (by municipal vote)**

Vote Description	Budget Year 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>						
<b>Revenue by Vote</b>						
Vote 1 - EXECUTIVE & COUNCIL	91,048	29,774	29,774	29,702	73	0%
Vote 2 - FINANCE & ADMIN	61,020	9,342	9,342	15,255	(5,913)	-39%
Vote 3 - PLANNING & DEVELOPMENT	1,315	473	473	493	(19)	-4%
Vote 4 - HEALTH	-	-	-	-	-	0%
Vote 5 - COMMUNITY & SOCIAL SERVICES	72	20	20	18	2	9%
Vote 6 - PUBLIC SAFETY	-	-	-	-	-	
Vote 7 - SPORT & RECREATION	50	9	9	12	(4)	-31%
Vote 8 - WASTE MANAGEMENT	8,996	2,484	2,484	2,249	234	10%
Vote 9 - WASTE WATER MANAGEMENT	8,787	2,106	2,106	2,197	(90)	-4%
Vote 10 - ROAD TRANSPORT	7,943	6,395	6,395	1,986	4,410	222%
Vote 11 - WATER	12,163	2,665	2,665	3,041	(376)	-12%
Vote 12 - ELECTRICITY	44,112	7,884	7,884	11,028	(3,144)	-29%
Vote 13 - OTHER	-	-	-	-	-	0%
<b>Total Revenue by Vote</b>	<b>235,506</b>	<b>61,152</b>	<b>61,152</b>	<b>65,980</b>	<b>(4,827)</b>	
<b>Expenditure by Vote</b>						
Vote 1 - EXECUTIVE & COUNCIL	45,700	4,108	4,108	10,965	(6,857)	-63%
Vote 2 - FINANCE & ADMIN	85,087	5,517	5,517	21,272	(15,755)	-74%
Vote 3 - PLANNING & DEVELOPMENT	15,738	3,182	3,182	3,935	(752)	-19%
Vote 4 - HEALTH	110	-	-	27	(27)	-100%
Vote 5 - COMMUNITY & SOCIAL SERVICES	2,336	419	419	584	(165)	-28%
Vote 6 - PUBLIC SAFETY	1,957	749	749	489	260	53%
Vote 7 - SPORT & RECREATION	4,690	1,195	1,195	1,173	22	2%
Vote 8 - WASTE MANAGEMENT	10,921	1,777	1,777	2,730	(954)	-35%
Vote 9 - WASTE WATER MANAGEMENT	6,771	1,424	1,424	1,693	(268)	-16%
Vote 10 - ROAD TRANSPORT	17,540	4,869	4,869	4,385	484	11%
Vote 11 - WATER	7,313	1,034	1,034	1,828	(795)	-43%
Vote 12 - ELECTRICITY	52,419	8,549	8,549	13,105	(4,555)	-35%
Vote 13 - OTHER	1,061	192	192	265	(73)	-28%
<b>Total Expenditure by Vote</b>	<b>251,643</b>	<b>33,015</b>	<b>33,015</b>	<b>62,451</b>	<b>(29,435)</b>	
<b>Surplus/ (Deficit) for the year</b>	<b>(16,136)</b>	<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	

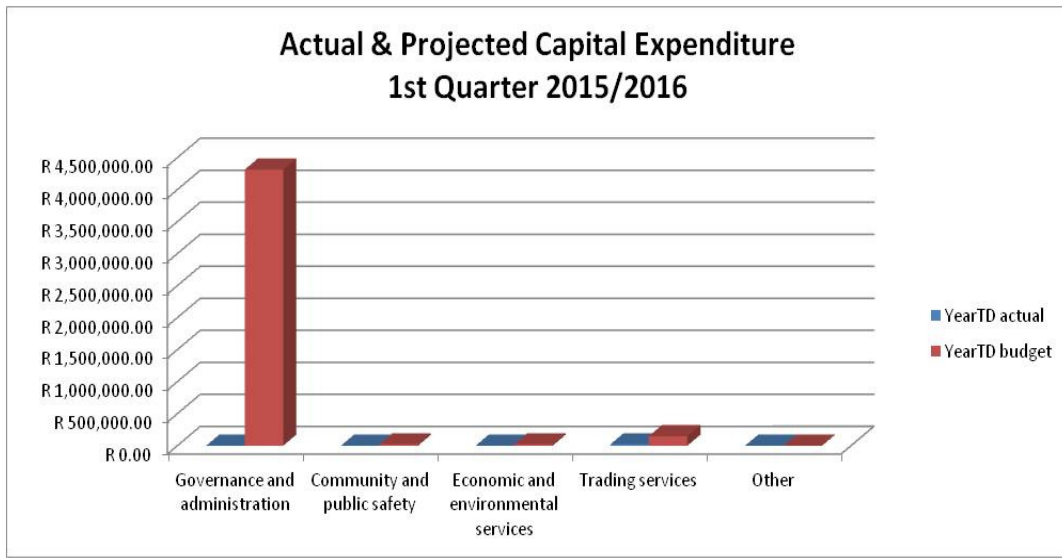
**MP314 Emakhazeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure)**

Description	Budget Year 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>						
<b>Revenue By Source</b>						
Property rates	60,321	8,972	8,972	15,080	(6,109)	-41%
Property rates - penalties & collection charges	-	-	-	-	-	
Service charges - electricity revenue	43,798	7,795	7,795	10,949	(3,154)	-29%
Service charges - water revenue	12,140	2,663	2,663	3,035	(371)	-12%
Service charges - sanitation revenue	8,770	2,102	2,102	2,192	(90)	-4%
Service charges - refuse revenue	8,996	2,484	2,484	2,249	234	10%
Service charges - other	-	-	-	-	-	
Rental of facilities and equipment	437	257	257	109	148	135%
Interest earned - external investments	216	95	95	54	41	76%
Interest earned - outstanding debtors	-	-	-	-	-	
Dividends received	-	-	-	-	-	
Fines	5,556	6,110	6,110	1,389	4,721	340%
Licences and permits	7	3	3	2	1	58%
Agency services	2,384	280	280	596	(316)	-53%
Transfers recognised - operational	52,305	23,368	23,368	23,368	-	0%
Other revenue	22,767	276	276	195	81	42%
Gains on disposal of PPE	54	-	-	14	(14)	-100%
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>217,751</b>	<b>54,405</b>	<b>54,405</b>	<b>59,233</b>	<b>(4,827)</b>	<b>-8%</b>
<b>Expenditure By Type</b>						
Employee related costs	81,248	17,333	17,333	20,312	(2,979)	-15%
Remuneration of councillors	5,442	1,277	1,277	1,360	(83)	-6%
Debt impairment	17,709	-	-	4,427	(4,427)	-100%
Depreciation & asset impairment	51,487	-	-	12,872	(12,872)	-100%
Finance charges	2,053	408	408	513	(105)	-20%
Bulk purchases	46,575	7,445	7,445	11,644	(4,199)	-36%
Other materials	6,139	588	588	1,535	(947)	-62%
Contracted services	5,610	560	560	1,403	(842)	-60%
Transfers and grants	-	-	-	-	-	
Other expenditure	35,379	5,404	5,404	8,385	(2,981)	-36%
Loss on disposal of PPE	-	-	-	-	-	
<b>Total Expenditure</b>	<b>251,643</b>	<b>33,015</b>	<b>33,015</b>	<b>62,451</b>	<b>(29,435)</b>	<b>-47%</b>
<b>Surplus/(Deficit)</b>	<b>(33,891)</b>	<b>21,390</b>	<b>21,390</b>	<b>(3,218)</b>	<b>24,608</b>	<b>(0)</b>
Transfers recognised - capital	17,755	6,747	6,747	6,747	-	
Contributions recognised - capital	-	-	-	-	-	
Contributed assets	-	-	-	-	-	
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(16,136)</b>	<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	
Taxation	-	-	-	-	-	
<b>Surplus/(Deficit) after taxation</b>	<b>(16,136)</b>	<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	
Attributable to minorities	-	-	-	-	-	
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(16,136)</b>	<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	
Share of surplus/ (deficit) of associate	-	-	-	-	-	
<b>Surplus/ (Deficit) for the year</b>	<b>(16,136)</b>	<b>28,137</b>	<b>28,137</b>	<b>3,529</b>	<b>24,608</b>	

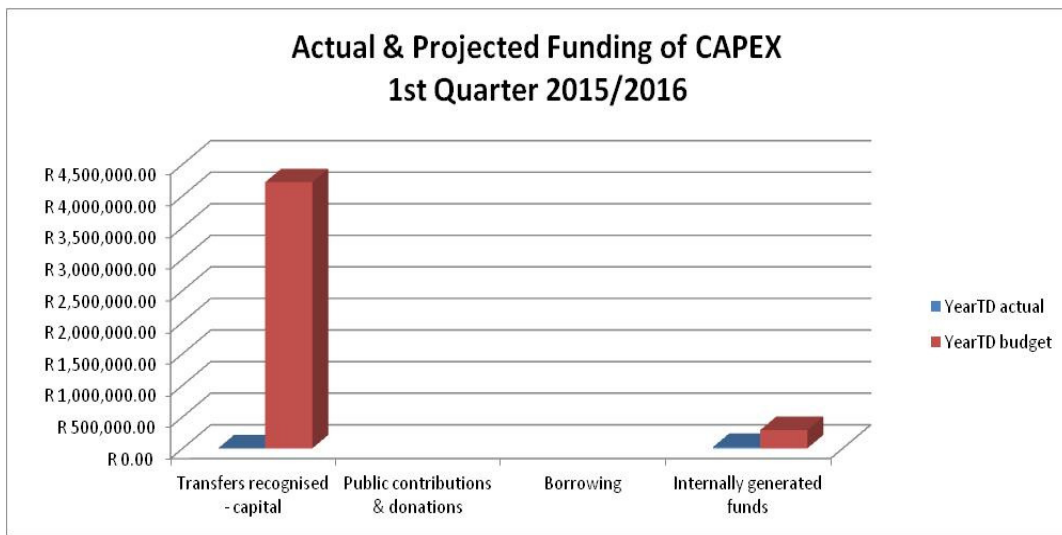
**MP314 Emakhazeni - Table C5 Quarterly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding)**

Vote Description	Budget Year 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>						
<b>Multi-Year expenditure appropriation</b>						
<b>Total Capital Multi-year expenditure</b>	-	-	-	-	-	
<b>Single Year expenditure appropriation</b>						
Vote 1 - Executive & Council	34,767	-	-	4,217	(4,217)	-100%
Vote 2 - Finance and Admin	386	1	1	97	(96)	-99%
Vote 3 - Planning and Development	-	-	-	-	-	
Vote 4 - Health	-	-	-	-	-	
Vote 5 - Community and social services	24	-	-	6	(6)	-100%
Vote 6 - Housing	-	-	-	-	-	
Vote 7 - Public safety	35	-	-	9	(9)	-100%
Vote 8 - Sports and recreation	30	-	-	8	(8)	-100%
Vote 9 - Environmental protection	-	-	-	-	-	
Vote 10 - Waste Management	-	-	-	-	-	
Vote 11 - Waste water management	200	-	-	50	(50)	-100%
Vote 12 - Road transport	83	-	-	21	(21)	-100%
Vote 13 - Water	200	-	-	50	(50)	-100%
Vote 14 - Electricity	200	21	21	50	(29)	-58%
Vote 15 - Other	-	-	-	-	-	
<b>Total Capital single-year expenditure</b>	<b>35,925</b>	<b>22</b>	<b>22</b>	<b>4,506</b>	<b>(4,484)</b>	<b>-100%</b>
<b>Total Capital Expenditure</b>	<b>35,925</b>	<b>22</b>	<b>22</b>	<b>4,506</b>	<b>(4,484)</b>	<b>-100%</b>
<b>Capital Expenditure - Standard Classification</b>						
<i>Governance and administration</i>	35,153	1	1	4,313	(4,312)	-100%
<i>Community and public safety</i>	89	-	-	22	(22)	-100%
<i>Economic and environmental services</i>	83	-	-	21	(21)	-100%
<i>Trading services</i>	600	21	21	150	(129)	-86%
<i>Other</i>	-	-	-	-	-	
<b>Total Capital Expenditure - Standard Classification</b>	<b>35,925</b>	<b>22</b>	<b>22</b>	<b>4,506</b>	<b>(4,484)</b>	<b>-100%</b>
<b>Funded by:</b>						
National Government	16,867	-	-	4,217	(4,217)	-100%
Provincial Government					-	
District Municipality	17,900	-	-	-	-	
Other transfers and grants					-	
<b>Transfers recognised - capital</b>	<b>34,767</b>	<b>-</b>	<b>-</b>	<b>4,217</b>	<b>(4,217)</b>	<b>-100%</b>
<b>Public contributions &amp; donations</b>					-	
<b>Borrowing</b>					-	
<b>Internally generated funds</b>	<b>1,158</b>	<b>22</b>	<b>22</b>	<b>289</b>	<b>(268)</b>	<b>-92%</b>
<b>Total Capital Funding</b>	<b>35,925</b>	<b>22</b>	<b>22</b>	<b>4,506</b>	<b>(4,484)</b>	<b>-100%</b>

**Chart 3 – Table 5**



**Chart 4 – Table 5**





MP314 Emakhazeni - Table C6 Monthly Budget Statement - Financial Position

Description	Budget Year 2015/16	
	Original Budget	YearTD actual
<b>R thousands</b>		
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	290	14
Call investment deposits	5,944	9,246
Consumer debtors	103,707	78,165
Other debtors	1,213	1,591
Current portion of long-term receivables	-	-
Inventory	2,193	2,303
<b>Total current assets</b>	<b>113,346</b>	<b>91,319</b>
<b>Non current assets</b>		
Long-term receivables	-	-
Investments	-	-
Investment property	32,350	76,281
Investments in Associate	-	-
Property, plant and equipment	461,235	611,807
Agricultural	-	-
Biological assets	-	-
Intangible assets	263	454
Other non-current assets	76	7,021
<b>Total non current assets</b>	<b>493,924</b>	<b>695,563</b>
<b>TOTAL ASSETS</b>	<b>607,270</b>	<b>786,882</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Bank overdraft	-	337
Borrowing	-	-
Consumer deposits	1,609	1,654
Trade and other payables	81,615	85,323
Provisions	-	849
<b>Total current liabilities</b>	<b>83,225</b>	<b>88,162</b>
<b>Non current liabilities</b>		
Borrowing	-	-
Provisions	44,416	51,195
<b>Total non current liabilities</b>	<b>44,416</b>	<b>51,195</b>
<b>TOTAL LIABILITIES</b>	<b>127,640</b>	<b>139,357</b>
<b>NET ASSETS</b>	<b>479,630</b>	<b>647,525</b>
<b>COMMUNITY WEALTH/EQUITY</b>		
Accumulated Surplus/(Deficit)	479,630	647,525
Reserves	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>479,630</b>	<b>647,525</b>

**MP314 Emakhazeni - Table C7 Monthly Budget Statement - Cash Flow**

Description	Budget Year 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>						
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
Ratepayers and other	165,176	30,943	30,943	41,294	(10,351)	-25%
Government - operating	52,305	23,368	23,368	23,368	-	0%
Government - capital	17,755	6,747	6,747	6,747	-	0%
Interest	216	95	95	54	41	76%
Dividends	-	-	-	-	-	-
<b>Payments</b>						
Suppliers and employees	(180,370)	(22,864)	(22,864)	(54,032)	31,168	-58%
Finance charges	(2,053)	(408)	(408)	(513)	105	-20%
Transfers and Grants	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>53,029</b>	<b>37,881</b>	<b>37,881</b>	<b>16,918</b>	<b>20,963</b>	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Receipts</b>						
Proceeds on disposal of PPE	54	-	-	14	-	42%
Decrease (Increase) in non-current debtors	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-
<b>Payments</b>						
Capital assets	(35,925)	(22)	(22)	(4,506)	4,484	-100%
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(35,871)</b>	<b>(22)</b>	<b>(22)</b>	<b>(4,493)</b>	<b>4,484</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Receipts</b>						
Short term loans	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-
Increase (decrease) in consumer deposits	55	32	32	14	(18)	-130%
<b>Payments</b>						
Repayment of borrowing	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>55</b>	<b>32</b>	<b>32</b>	<b>14</b>	<b>(18)</b>	
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>17,213</b>	<b>37,891</b>	<b>37,891</b>	<b>12,439</b>	<b>(25,452)</b>	
Cash/cash equivalents at beginning:	500	6,636	6,636	500	(6,136)	
Cash/cash equivalents at month/year end:	<b>17,713</b>	<b>44,527</b>	<b>44,527</b>	<b>12,939</b>	<b>(31,588)</b>	

## **PART 2 – SUPPORTING DOCUMENTATION**

### **1. Material variances**

Supporting table SC1 indicates the material variances between the year to date budget and year to date actual with further comments.

### **2. Performance indicators**

Supporting table SC2 indicates the performance indicators for September 2015.

### **3. Debtors analysis**

Supporting Table SC 3 provides a breakdown of the consumer debtors at the end of the 1<sup>st</sup> quarter. The outstanding consumer debtors amounted to R78,17 million.

Chart 5 – Debtors analysis

### **4. Creditors analysis**

Supporting Table SC4 provides detail on aged creditors. Unfortunately not all creditor payments have been made in terms of the MFMA section 65. The accumulated creditors payments for the 1<sup>st</sup> quarter amounted to R 51,97 million

### **5. Investment portfolio analysis**

Supporting Table SC5 display the Council's Investment Portfolio and indicates that R9,93 million is currently invested.

### **6. Allocation and grant receipts and expenditure**

Supporting Tables SC6 & 7 provide detail of grants separately as income and expenditure, as far as revenue is recognised and expenditure is appropriated. On the receipt of grants, the actual grants received for the 1<sup>st</sup> quarter amounts to R30,12 million, which is mainly made up of the equitable share.

### **7. Councillor allowance and employee benefits**

Supporting Table SC8 provides the detail for councillor and employee benefits. For the 1<sup>st</sup> quarter the total salaries, allowances and benefits paid amounted to R19,37 million. This amount include skills development levy.

### **8. Actual and revised targets for cash receipts**

Supporting Table SC9 provides the detail of the cash inflow for the budget setting out receipts by source and payments by type per month.

### **9. Capital programme performance**

Supporting Table SC12 provides information on the monthly trends for capital expenditure. In terms of this table the capital expenditure for the quarter amounts to R22 thousand.

The capital expenditure is graphically presented in: Chart 8 – Capital expenditure vs Targeted Budget

**MP314 Emakhazeni - Supporting Table SC1 Material variance explanations**

Ref	Description	Variance	Reasons for material deviations (All above 10%)
R thousands			
1	<b>Revenue By Source</b>		
	Property rates	(6,109)	The new implementation of the valuation roll 2015/16 and data cleansing resulted in the property rates being higher in the budget than the actual billing. The budget will only be corrected in the adjustment budget.
	Service charges - electricity revenue	(3,154)	Income section has been notified and will investigate as to why the budget is not been met with the assistance of National Treasury advisor.
	Service charges - water revenue	(371)	Income section has been notified and will investigate as to why the budget is not been met with the assistance of National Treasury advisor.
	Rental of facilities and equipment	148	Contract management has been implemented and will be monitored to ensure trend will continue. If needed, the adjustment budget adjustments will be made to increase the budget.
	Interest earned - external investments	41	Actual collection increased more than was anticipated, but in 2nd quarter less money will be invested so the interest earning in second quarter might decrease.
	Fines	4,721	TMT services are bringing in more revenue than originally anticipated and therefore the revenue exceeds the anticipated amount.
	License and permits	1	Actual collection increased more than was anticipated, but due to amount budget being so low, the amount show and material difference.
	Agency services	0	Late submission from Licensing department resulted in invoices for September not yet being captured in the 1st quarter that makes the difference to be major.
	Other revenue	81	Actual collection increased more than was anticipated, but due to amount budget being so low, the amount show and material difference.
	Gains on disposal of PPE	(14)	No sale has been recorded for first quarter.
2	<b>Expenditure By Type</b>		
	Employee related costs	(2,979)	Not all vacant posts have been filled as anticipated and provisions for employee benefits as per GRAP 25 will only be done at year end.
	Debt impairment	(4,427)	No impairment of debtors have been done, will only be done at year end once the as the municipality is currently receiving assistance from National Treasury.
	Depreciation & asset impairment	(12,872)	No depreciation/impairment have been done, will only be done when audit is concluded to upload credible asset register to munsoft which will then calculate depreciation.
	Finance charges	(105)	Due to backlog, not all invoices has been captured on the munsoft system that will lead to finance cost to increase.
	Bulk purchases	(4,199)	The first quarter of the year is in the summer months, while the budget is evenly spread through out the year, which means the actuals currently is lower than in winter months to come, which result in the budget still to be utilised during the course of t
	Other materials	(947)	Due to prioritization of expenditure and cashflow constrains expenditure is lower.
	Contracted services	(842)	A new service provider was appointed in the first quarter whereby the invoice amount is lower than anticipated.
	Other expenditure	(6,011)	Due to prioritization of expenditure and cashflow constrains expenditure is lower.
3	<b>Capital Expenditure</b>		
	Capital Expenditure	(2,982)	MIG project is not taking speed as anticipated which result in capital expenditure currently being lower than anticipated.
4	<b>Financial Position</b>		
	Non current assets		A new asset register was drafted and implemented which resulted in the actuals being higher than budget for.
	Current Assets		Due to lower billing for rates and prior year correction on rates as per MEC resolution on the valuation roll, the consumer debtors is lower than budgeted for.
	Current Liabilities		Provisions for legal cases where made that was not anticipated and a cashbook (bank) overdraft was held at the end of the first quarter that was not anticipated.
	Non current liabilities		The increase is due to long services awards being accounted for under non current but was budget as current.
5	<b>Cash Flow</b>		
	Rates and other		The new implementation of the valuation roll 2015/16 and data cleansing resulted in the property rates being higher in the budget than the actual billing. The budget will only be corrected in the adjustment budget.
	Interest		More investment money were invested than anticipated which earned revenue.

**MP314 Emakhazeni - Supporting Table SC2 Monthly Budget Statement - Performance indicators**

Description of financial indicator	Basis of calculation	Budget 2015/16	
		Original Budget	YearTD actual
<b><u>Borrowing Management</u></b>			
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure	21.3%	1.2%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants	0.0%	0.0%
<b><u>Safety of Capital</u></b>			
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves	17.0%	13.2%
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%
<b><u>Liquidity</u></b>			
Current Ratio	Current assets/current liabilities	136.2%	103.6%
Liquidity Ratio	Monetary Assets/Current Liabilities	7.5%	10.5%
<b><u>Revenue Management</u></b>			
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	-2.0%	-0.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		
<b><u>Creditors Management</u></b>			
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		
<b><u>Other Indicators</u></b>			
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated		
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source		
Employee costs	Employee costs/Total Revenue - capital revenue	37.3%	31.9%
Interest & Depreciation	I&D/Total Revenue - capital revenue	24.6%	0.8%

**MP314 Emakhazeni - Supporting Table SC3 Monthly Budget Statement - aged debtors**

Description	NT Code	Budget 2015/16									
		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	Total over 90 days
<b>R thousands</b>											
<b>Debtors Age Analysis By Income Source</b>											
Trade and Other Receivables from Exchange Transactions - Water	1200	863	803	650	523	20,331				23,171	20,854
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1,049	848	535	342	9,536				12,310	9,878
Receivables from Non-exchange Transactions - Property Rates	1400	1,889	1,697	3,433	6,450	35,148				48,617	41,599
Receivables from Exchange Transactions - Waste Water Management	1500	583	514	452	314	12,794				14,657	13,108
Receivables from Exchange Transactions - Waste Management	1600	731	714	548	423	15,043				17,459	15,466
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-				-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-				-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-				-	-
Other	1900	244	403	258	351	16,190				17,445	16,541
<b>Total By Income Source</b>	<b>2000</b>	<b>5,359</b>	<b>4,979</b>	<b>5,876</b>	<b>8,403</b>	<b>109,043</b>	-	-	-	<b>133,659</b>	<b>117,446</b>
<b>2013/14 - totals only</b>										-	-
<b>Debtors Age Analysis By Customer Group</b>											
Organs of State	2200	470	392	898	(335)	1,574				2,998	1,238
Commercial	2300	804	818	689	1,007	15,341				18,660	16,349
Households	2400	3,109	2,847	2,716	7,736	64,511				80,919	72,248
Other	2500	977	921	1,573	(6)	27,617				31,083	27,612
<b>Total By Customer Group</b>	<b>2600</b>	<b>5,359</b>	<b>4,979</b>	<b>5,876</b>	<b>8,403</b>	<b>109,043</b>	-	-	-	<b>133,659</b>	<b>117,446</b>

**MP314 Emakhazeni - Supporting Table SC4 Monthly Budget Statement - aged creditors**

Description	NT Code	Budget 2015/16					Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	
<b>R thousands</b>							
<b>Creditors Age Analysis By Customer Type</b>							
Bulk Electricity	0100	0	0	101	8,167	27,113,359	27,122
Bulk Water	0200	0	0	0	0	0	-
PAYE deductions	0300	0	0	0	0	0	-
VAT (output less input)	0400	725,508	0	0	0	0	726
Pensions / Retirement deductions	0500	1,012,051	0	0	0	0	1,012
Loan repayments	0600	0	0	0	0	0	-
Trade Creditors	0700	1,457,728	2,188,533	80	6,657,979	11,924,960	22,229
Auditor General	0800	492,730	0	0	0	0	493
Other	0900	174,220	33,555	0	0	180,000	388
<b>Total By Customer Type</b>	<b>1000</b>	<b>3,862</b>	<b>2,222</b>	<b>0</b>	<b>6,666</b>	<b>39,218</b>	<b>51,969</b>

**MP314 Emakhazeni - Supporting Table SC5 Monthly Budget Statement - investment portfolio**

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Accrued interest for the month	Market value at end of the month
	Yrs/Months			
<b>R thousands</b>				
<b>Municipality</b>				
FNB: Call Account 4600	Daily/monthly	Call Account	29	4
FNB: 32-day Account	32-Notice	32-day Account	0	2
FNB: Call Account (MIG)	Daily/monthly	Call Account	57	8,406
FNB: 7-day Account	7-notice	7 Day Account	10	681
<b>TOTAL INVESTMENTS AND INTEREST</b>			<b>95</b>	<b>9,093</b>

**MP314 Emakhazeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts**

Description	Budget 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands						
<b>RECEIPTS:</b>						
<u>Operating Transfers and Grants</u>						
<b>National Government:</b>	52,305	23,368	23,368	23,368	-	
Equitable share	48,486	20,202	20,202	20,202	-	0.0%
Finance Management grant	1,800	1,800	1,800	1,800	-	0.0%
Municipal Systems Improvement	930	930	930	930	-	0.0%
EPWP Incentive	1,089	436	436	436	-	0.0%
<b>Other grant providers:</b>	-	-	-	-	-	
LGSETA	-	-	-	-	-	0.0%
<b>Total Operating Transfers and Grants</b>	<b>52,305</b>	<b>23,368</b>	<b>23,368</b>	<b>23,368</b>	<b>-</b>	<b>0.0%</b>
<u>Capital Transfers and Grants</u>						
<b>National Government:</b>	17,755	6,747	6,747	6,747	-	0.0%
Municipal Infrastructure Grant (MIG)	17,755	6,747	6,747	6,747	-	0.0%
<b>Provincial Government:</b>	-	-	-	-	-	
<b>Total Capital Transfers and Grants</b>	<b>17,755</b>	<b>6,747</b>	<b>6,747</b>	<b>6,747</b>	<b>-</b>	<b>0.0%</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>70,060</b>	<b>30,115</b>	<b>30,115</b>	<b>30,115</b>	<b>-</b>	

**MP314 Emakhazeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure**

Description	Budget 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands						
<b>EXPENDITURE</b>						
<u>Operating expenditure of Transfers and Grants</u>						
<b>National Government:</b>	52,305	15,575	15,575	15,646	(72)	-0.5%
Equitable share	48,486	15,152	15,152	15,152	-	0.0%
Finance Management grant	1,800	182	182	185	(3)	-1.8%
Municipal Systems Improvement	930	79	79	38	41	109.5%
EPWP Incentive	1,089	163	163	272	(109)	-40.2%
<b>Other grant providers:</b>	-	-	-	-	-	#DIV/0!
LGSETA	-	-	-	-	-	0.0%
<b>Total operating expenditure of Transfers and Grants:</b>	<b>52,305</b>	<b>15,575</b>	<b>15,575</b>	<b>15,646</b>	<b>(72)</b>	<b>-0.5%</b>
<u>Capital expenditure of Transfers and Grants</u>						
<b>National Government:</b>	17,755	251	251	4,439	(4,188)	-94.3%
Municipal Infrastructure Grant (MIG)	17,755	251	251	4,439	(4,188)	-94.3%
<b>Total capital expenditure of Transfers and Grants</b>	<b>17,755</b>	<b>251</b>	<b>251</b>	<b>4,439</b>	<b>(4,188)</b>	<b>-94.3%</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>70,060</b>	<b>15,826</b>	<b>15,826</b>	<b>20,085</b>	<b>(4,259)</b>	<b>-21.2%</b>



**MP314 Emakhazeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits**

Summary of Employee and Councillor remuneration	Budget 2015/16					
	Original Budget	Q1 actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
<b>R thousands</b>						
<b>Councillors (Political Office Bearers plus Other)</b>						
Basic Salaries and Wages	3,329	787	787	832	(46)	-5%
Pension and UIF Contributions	496	117	117	124	(7)	-6%
Medical Aid Contributions	290	67	67	73	(5)	-7%
Motor Vehicle Allowance	900	212	212	225	(13)	-6%
Cellphone Allowance	389	92	92	97	(6)	-6%
Housing Allowances	37	9	9	9	(1)	-6%
Other benefits and allowances		-	-	-	-	#DIV/0!
<b>TOTAL COUNCILLORS</b>	<b>5,442</b>	<b>1,284</b>	<b>1,284</b>	<b>1,360</b>	<b>(77)</b>	<b>-6%</b>
<b>Senior Managers of the Municipality</b>						
Basic Salaries and Wages	3,095	442	442	774	(332)	-43%
Pension and UIF Contributions	693	89	89	173	(84)	-49%
Medical Aid Contributions	235	30	30	59	(29)	-49%
Overtime	-	-	-	-	-	-
Performance Bonus	652	-	-	163	(163)	-100%
Motor Vehicle Allowance	750	125	125	188	(63)	-33%
Cellphone Allowance	9	9	9	2	7	300%
Housing Allowances	-	2	2	-	2	(2)
Other benefits and allowances	-	-	-	-	-	-
Payments in lieu of leave	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>	<b>5,434</b>	<b>697</b>	<b>697</b>	<b>1,358</b>	<b>(661)</b>	<b>-49%</b>
<b>Other Municipal Staff</b>						
Basic Salaries and Wages	45,056	12,008	12,008	11,264	744	7%
Pension and UIF Contributions	9,996	2,011	2,011	2,499	(489)	-20%
Medical Aid Contributions	3,204	625	625	801	(176)	-22%
Overtime	3,650	831	831	913	(82)	-9%
Performance Bonus	3,646	891	891	912	(21)	-2%
Motor Vehicle Allowance	4,298	959	959	1,074	(115)	-11%
Cellphone Allowance	174	45	45	44	2	4%
Housing Allowances	36	16	16	9	7	73%
Other benefits and allowances	2,712	-	-	678	(678)	-100%
Payments in lieu of leave	-	-	-	-	-	-
Long service awards	673	-	-	168	(168)	-100%
Post-retirement benefit obligations	3,621	-	-	905	(905)	1,810
<b>Sub Total - Other Municipal Staff</b>	<b>77,067</b>	<b>17,386</b>	<b>17,386</b>	<b>73,714</b>	<b>(56,328)</b>	<b>-76%</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>82,500</b>	<b>18,083</b>	<b>18,083</b>	<b>75,072</b>	<b>(56,989)</b>	<b>-76%</b>
<b>TOTAL EMPLOYEE &amp; COUNCILLOR REMUNERATION</b>	<b>87,942</b>	<b>19,367</b>	<b>19,367</b>	<b>76,433</b>	<b>(57,066)</b>	<b>-75%</b>

**MP314 Emakhazeni - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts**

Description	Budget 2015/16												2015/16 Medium Term Revenue &		
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>															
Property rates	4,561	2,191	2,220	5,027	5,027	5,027	5,027	5,027	5,027	5,027	5,027	5,027	60,321	63,941	67,777
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	1,159	4,332	2,304	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	3,650	43,798	48,776	54,340
Service charges - water revenue	1,007	941	716	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	1,012	12,140	12,868	13,640
Service charges - sanitation revenue	701	701	701	731	731	731	731	731	731	731	731	731	8,770	9,296	9,853
Service charges - refuse	769	877	838	750	750	750	750	750	750	750	750	750	8,996	9,536	10,108
Rental of facilities and equipment	74	60	123	36	36	36	36	36	36	36	36	36	437	463	491
Interest earned - external investments	14	32	50	18	18	18	18	18	18	18	18	18	216	229	243
Fines	8	2,658	3,445	463	463	463	463	463	463	463	463	463	5,556	5,890	6,243
Licences and permits	0	2	1	1	1	1	1	1	1	1	1	1	7	7	8
Agency services	-	280	-	199	199	199	199	199	199	199	199	199	2,384	2,527	2,679
Transfer receipts - operating	22,932	436	-	-	14,546	327	-	-	12,448	-	-	-	52,305	54,367	57,452
Other revenue	110	56	110	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	22,767	827	877
<b>Cash Receipts by Source</b>	<b>31,334</b>	<b>12,565</b>	<b>10,507</b>	<b>13,783</b>	<b>28,329</b>	<b>14,109</b>	<b>13,783</b>	<b>13,783</b>	<b>26,231</b>	<b>13,783</b>	<b>13,783</b>	<b>13,783</b>	<b>217,697</b>	<b>208,727</b>	<b>223,711</b>
<b>Other Cash Flows by Source</b>															
Transfer receipts - capital	6,747	0	0	5,327	-	-	-	-	4,439	-	-	-	17,755	20,306	22,131
Proceeds on disposal of PPE	-	-	-	5	5	5	5	5	5	5	5	5	54	54	54
Increase in consumer deposits	26	1	5	-	-	-	-	-	-	-	-	55	55	-	-
<b>Total Cash Receipts by Source</b>	<b>38,107</b>	<b>12,565</b>	<b>10,512</b>	<b>19,114</b>	<b>28,333</b>	<b>14,114</b>	<b>13,787</b>	<b>13,787</b>	<b>30,674</b>	<b>13,787</b>	<b>13,787</b>	<b>13,842</b>	<b>235,562</b>	<b>229,087</b>	<b>245,896</b>
<b>Cash Payments by Type</b>															
Employee related costs	5,310	5,833	6,190	6,875	6,875	6,875	6,875	6,875	6,875	6,875	6,875	6,875	82,500	87,017	91,621
Remuneration of councillors	426	426	426	452	452	452	452	452	452	452	452	452	5,419	5,768	6,114
Interest paid	(9)	302	115	171	171	171	171	171	171	171	171	171	2,053	2,176	2,307
Bulk purchases - Electricity	758	4,979	1,708	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,881	46,575	53,208	60,784
Bulk purchases - Water & Sewer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	37	265	286	512	512	512	512	512	512	512	512	512	6,141	6,264	6,389
Contracted services	-	560	-	444	444	444	444	444	444	444	444	444	5,325	5,432	5,540
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General expenses	(8,619)	2,311	1,967	2,867	2,867	2,867	2,867	2,867	2,867	2,867	2,867	2,867	34,410	34,300	35,415
<b>Cash Payments by Type</b>	<b>(2,097)</b>	<b>14,677</b>	<b>10,692</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>182,424</b>	<b>194,164</b>	<b>208,172</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>(2,097)</b>	<b>14,677</b>	<b>10,692</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>15,202</b>	<b>182,424</b>	<b>194,164</b>	<b>208,172</b>
<b>Other Cash Flows/Payments by Type</b>															
Capital assets	-	1	21	2,994	2,994	2,994	2,994	2,994	2,994	2,994	2,994	2,994	35,925	20,572	22,379
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>(2,097)</b>	<b>14,677</b>	<b>10,713</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>18,196</b>	<b>218,349</b>	<b>214,735</b>	<b>230,550</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>40,204</b>	<b>(2,112)</b>	<b>(201)</b>	<b>918</b>	<b>10,137</b>	<b>(4,082)</b>	<b>(4,409)</b>	<b>(4,409)</b>	<b>12,478</b>	<b>(4,409)</b>	<b>(4,409)</b>	<b>(4,353)</b>	<b>17,213</b>	<b>14,352</b>	<b>15,346</b>
Cash/cash equivalents at the month/year beginning:	6,636	46,840	44,728	44,527	45,445	55,583	51,501	47,092	42,684	55,162	50,754	46,345	500	17,713	32,065
Cash/cash equivalents at the month/year end:	46,840	44,728	44,527	45,445	55,583	51,501	47,092	42,684	55,162	50,754	46,345	41,992	17,713	32,065	47,411

**MP314 Emakhazeni - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend**

Month	Budget 2015/16					
	Original Budget	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>						
<b>Monthly expenditure performance trend</b>						
July	1,502	-	1,502	(1,502)	-100.0%	0.0%
August	1,502	1	1,502	(1,501)	-99.9%	0.0%
September	1,502	21	1,502	(1,481)	-98.6%	0.1%
<b>1st QUARTER</b>	<b>4,506</b>	<b>22</b>	<b>4,506</b>	<b>(4,484)</b>	<b>-100%</b>	<b>0%</b>
<b>Total Capital expenditure</b>	<b>35,925</b>	<b>22</b>	<b>35,925</b>	<b>(35,903)</b>	<b>-100%</b>	<b>0%</b>

**RECOMMENDATIONS BY MANAGER FINANCIAL SERVICES**

1. **That,** the above 1<sup>st</sup> Quarter Budget performance 2015/16 be noted.

**FOR NOTING**