

John Taolo Gaetsewe

DISTRICT MUNICIPALITY

ADDENDUM 2

F17.14/11/2016

SECTION 52 REPORT FOR 1st QUARTER ENDING 30 SEPTEMBER 2016

PURPOSE

To submit the quarterly section 52 report for period ending 30 September 2016 on implementation of the budget and the financial state of affairs of the municipality and to request Council to approve the report.

STRATEGIC INTENT

Good governance and compliance with legislation.

EXECUTIVE SUMMARY

In terms of section 52 (d) of the MFMA, the Mayor of the municipality 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;

The quarterly consolidated financial report provides a high level overview of the municipality's financial viability and sustainability.

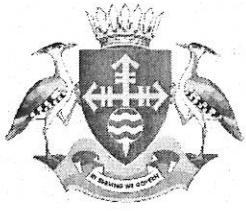
The report among others indicates –

- IV. Monthly budget statement summary
- V. Debtors and creditors' analysis
- VI. Allocation and grant receipts and expenditure

The report meets the requirements of the MFMA, section 52(d) and the Municipal Budget and Reporting Regulations.

LEGAL IMPLICATIONS

The MFMA requires Council to consider the financial status of the Municipality on a regular basis.



John Taolo Gaetsewe

DISTRICT MUNICIPALITY

ANNEXURE: Capital and Operating Expenditure for the 1st Quarter ending 30 September 2016
(Section 52 Quarterly Financial Report)

RECOMMENDED BY BTO TO THE FINANCE AND CORPORATE COMMITTEE

That the section 52 quarterly financial report for the period ending 30 September 2016 be approved.

RECOMMENDED BY THE MAYORAL COMMITTEE OF 28 OCTOBER 2016 TO COUNCIL

1. That the section 52 quarterly financial report for the period ending 30 June 2016 be approved.
2. That a monthly financial report be provided to the Portfolio Committee in preparation of the Quarterly report.

RESOLVED BY COUNCIL

1. That the section 52 quarterly financial report for the period ending 30 June 2016 be approved.
2. That a monthly financial report be provided to the Portfolio Committee in preparation of the Quarterly report.

NORTHERN CAPE: JOHN TAOLO GAETSEWE (DC45)
STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2016

Part1: Operating Revenue and Expenditure

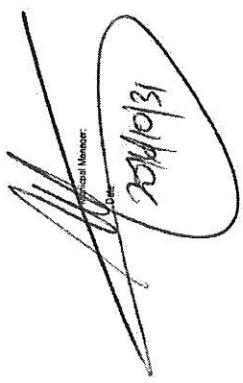
R thousands	2016/17			2015/16			Q1 of 2015/16 to Q1 of 2016/17	
	Budget Main appropriation	First Quarter		Year to Date		First Quarter		
		Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
Operating Revenue and Expenditure								
Operating Revenue	81 007	30 058	37,1%	30 058	37,1%	28 772	26,5%	4,5%
Property rates	-	-	-	-	-	-	-	-
Property rates - penalties and collection charges	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-
Rental of facilities and equipment	94	11	11,4%	11	11,4%	35	41,0%	(99,5%)
Interest earned - external investments	1 459	221	15,1%	221	15,1%	82	2,8%	167,7%
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-
Transfers recognised - operational	74 449	29 512	39,6%	29 512	39,6%	28 665	39,5%	3,2%
Other own revenue	5 006	314	6,3%	314	6,3%	69	2%	364,6%
Gains on disposal of PPE	-	-	-	-	-	-	-	-
Operating Expenditure	96 728	18 880	19,5%	18 880	19,5%	19 884	20,0%	(5,0%)
Employee related costs	59 555	12 276	20,6%	12 276	20,6%	13 207	24,6%	(7,0%)
Remuneration of councillors	4 675	1 057	22,6%	1 057	22,6%	1 227	17,5%	(13,1%)
Debt repayment	-	-	-	-	-	-	-	-
Depreciation and asset impairment	2 301	-	-	-	-	-	-	-
Finance charges	307	-	-	-	-	-	-	-
Buys/purchases	-	-	-	-	-	-	-	-
Other Materials	-	-	-	-	-	-	-	-
Corrected services	7 124	658	9,2%	658	9,2%	257	3,3%	166,2%
Transfers and grants	3 063	1 365	44,3%	1 365	44,3%	518	6,3%	163,5%
Other expenditure	19 624	3 614	17,9%	3 614	17,9%	4 675	21,6%	(24,8%)
Loss on disposal of PPE	-	-	-	-	-	-	-	-
plus/(Deficit)	(15 721)	11 177		11 177		8 888		
Transfers recognised - capital	-	-	-	-	-	-	-	-
Contributions recognised - capital	-	-	-	-	-	718	-	(100,0%)
Contributed assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers and contributions	(15 721)	11 177		11 177		9 606		
Taxation	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	(15 721)	11 177		11 177		9 606		
Attributable to members	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	(15 721)	11 177		11 177		9 606		
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(15 721)	11 177		11 177		9 606		

Part 2: Capital Revenue and Expenditure

Chief Financial Officer
Date:


31/10/2016

✓
Chief Financial Officer
Date:


25/10/31

1st Quarter Ended 30 September 2016
CONDITIONAL GRANTS TRANSFERRED FROM NATIONAL DEPARTMENTS AND ACTUAL PAYMENTS MADE BY MUNICIPALITIES: PRELIMINARY RESULTS
Northern Cape: John Tello Getsewe(DC5)

Municipality	Division of revenue Act No. 1 of 2015	Adjustments Mid year*	Other Adjustments	Total Available 2015/17	Year to date Approved payment schedule	Transferred to municipalities for direct grants	Actual expenditure by municipalities	% Change from 1st Q Actual expenditure by municipalities	% Changes for the 1st Q Allocation by National Department	Exp % of Allocation by municipalities	Total Available YTD expenditure by municipalities 2015/17	Approved Soil Over YTD expenditure by municipalities
									First Quarter Actual expenditure by municipalities	Actual expenditure by municipalities by National Department by 30 September 2016		
Khayelitsha	National Treasury (Note 10)			1 250		1 250			145	145		
	Local Government Financial Management Grant			3 100		3 000			408	408		
	Infrastructure Skills Development Grant											
	Integrated City Development Grant											
	Neighbourhood Development Partnership (Schedule 6B)											
	Sub-Tot. Vote			4 250		4 250						
	Cooperating Governance (Note 3)											
	Municipal Systems Improvement Grant (Schedule 5B)											
	Municipal Systems Improvement Grant (Schedule 6B)											
	Municipal Solid Waste Management Grant											
	Municipal Disaster Recovery Grant											
	Municipal Emergency Response Transfer Grant											
	Sub-Tot. Vote			1 041		1 041						
	Transport (Note 37)											
	Public Transport Network Construction and Operations Grant											
	Public Transport Network Construction Grant											
	Rural Roads Assets Management Systems Grant											
	Sub-Tot. Vote			1 623		1 623			118	118		
	Public Works (Note 6)											
	Expanded Public Works Programme Integrated Grant (National) (Note 29)			100		100			119	119		
	Energy (Note 29)			100		100			123	123		
	Integrated National Electrification Programme (National) (Note 29)											
	Integrated National Electrification Programme Allocation to Local Government											
	Energy Efficiency and Demand Site Management (National) (Note 29)											
	Energy Efficiency and Demand Site Management (Local) (Note 29)											
	Water Affairs (Note 38)											
	Batchelor in Water and Sanitation of Clinics and Schools Grant											
	Reioned Bulk Infrastructure Grant (Schedule 5B)											
	Reioned Bulk Infrastructure Grant (Schedule 6B)											
	Water Services Overhead and Transfer Subsidy Grant (Schedule 5B)											
	Water Services Overhead and Transfer Subsidy Grant (Schedule 6B)											
	Waterborne Waste Infrastructure Grant (Schedule 5B)											
	Waterborne Waste Infrastructure Grant (Schedule 6B)											
	Health Sector Infrastructure Project Grant (Schedule 5B)											
	Health Sector Infrastructure Project Grant (Schedule 6B)											
	Sport and Recreation (Note 16)											
	2013 African Nations Cup of Nations Host City Operating Grant											
	2014 African Nations Championship Host City Operating Grant											
	Human Settlements (Note 31)											
	Rural Households Infrastructure Grants (Schedule 6B)											
	Municipal Human Settlements Capacity Grant											
	Sub-Tot. Vote			1114		8114						
	Cooperating Governance (Note 3)											
	Municipal Infrastructure Grant											
	Sub-Tot. Vote			1114		8114						
	Total			3 114		3 114						
	Transfers by Provincial Departments to Municipalities (Agency services)	Main Budget	Adjustment	Other	Total Available 2015/17	Year to date Approved payment schedule	Transferred from Provincial Departments to Municipalities	Actual expenditure by municipalities	% Change from 1st Q Actual expenditure by municipalities	Exp % of Allocation by Provincial Department	Total Available YTD expenditure by municipalities	Approved Soil Over YTD expenditure by municipalities
	Summarized by Provincial Departments											
	Education											
	Health											
	Social Development											
	Police, Justice, Safety and Corrections											
	Transport											
	Agriculture, Land Reform and Rural Development											
	Science and Technology											
	Sport, Arts and Culture											
	Housing and Local Government											
	Office of the Premier											
	Other Departments											

Unlisted funds & GUSA, ESKOMA and Neighbourhood Development Office.

Spending of these grants is done in the National Department level and therefore no reporting is required from municipalities.

Sources: Data Monthly reports by the informed transferring office and 1st and 2nd sign-offs and electronic verification.

All figures are unaudited.

Where provincial Treasury will be instructed to provide the National Treasury with a payment schedule

in the same format as we provide payments which corresponds with the amounts in Budget Statement 1 and 2.

Part 3: Cash Receipts and Payments

R thousands	2016/17						2015/16	
	Budget Main appropriation	First Quarter		Year to Date		First Quarter		Q1 of 2015/16 to Q1 of 2016/17
		Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
Cash Flow from Operating Activities								
Receipts	81 006	34 304	42.3%	34 304	42.3%	35 030	42.8%	(2.1%)
Property rates, penalties and collection charges	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-
Other revenue	5 099	2 769	54.3%	2 769	54.3%	2 859	42.7%	(3.1%)
Government - operating	74 448	31 635	42.4%	31 595	42.4%	32 171	44.5%	(2.0%)
Government - capital	-	-	-	-	-	-	-	-
Interest	1 459	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Payments	(64 171)	(34 771)	36.0%	(34 771)	36.0%	(31 564)	31.7%	10.2%
Suppliers and employees	(92 781)	(33 406)	36.8%	(33 406)	36.8%	(31 046)	34.1%	7.6%
Finance charges	(307)	-	-	-	-	-	-	-
Transfers and parts	(3 063)	(1 355)	44.3%	(1 355)	44.3%	(518)	8.3%	(63.5%)
Net Cash from/(used) Operating Activities	(13 165)	(467)	3.5%	(467)	3.5%	3 467	(19.7%)	(113.5%)
Cash Flow from Investing Activities								
Receipts	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-
Decrease in non-current debtors	-	-	-	-	-	-	-	-
Decrease in other non-current receivables	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-
Payments	(4 100)	-	-	-	-	-	-	-
Capital assets	(4 100)	-	-	-	-	-	-	-
Net Cash from/(used) Investing Activities	(4 100)	-	-	-	-	-	-	-
Cash Flow from Financing Activities								
Receipts	-	-	-	-	-	-	-	-
Short term loans	-	-	-	-	-	-	-	-
Borrowing long term/Refinancing	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-
Payments	(505)	-	-	-	-	-	-	-
Rpayment of borrowing	(505)	-	-	-	-	-	-	-
Net Cash from/(used) Financing Activities	(505)	-	-	-	-	-	-	-
Net Increase/(Decrease) in cash held	(17 770)	(467)	2.5%	(467)	2.5%	3 467	(18.0%)	(113.5%)
Cash/cash equivalents at the year begin	2 454	613	24.5%	613	24.5%	2 987	11.2%	(79.5%)
Cash/cash equivalents at the year end	(18 306)	145	(1.0%)	145	(1.0%)	6 453	87.0%	(97.7%)

Part 4: Debtor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	Actual Bad Debts Written Off to Debtors	Amount %	Amount %	Actual Bad Debts Written Off to Council Policy
	Amount	%	Amount	%	Amount	%	Amount	%					
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular or abusive and wasteful expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1 324	8.2%	305	1.9%	5 282	32.8%	9 172	57.0%	16 083	100.0%	-	-	-
Total By Income Source	1 324	8.2%	305	1.9%	5 282	32.8%	9 172	57.0%	16 083	100.0%	-	-	-
Debtors Age Analysis By Customer Group													
Organs of State	1 263	8.1%	304	1.9%	5 282	33.1%	9 069	56.9%	15 535	99.1%	-	-	-
Commercial	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	40	27.7%	1	6%	1	6%	103	71.1%	145	5%	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	1 324	8.2%	305	1.9%	5 282	32.8%	9 172	57.0%	16 083	100.0%	-	-	-

Part 5: Creditor Age Analysis

R thousands	0 - 30 Days		31 - 60 Days		61 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%		
Creditor Age Analysis										
Bulk Electricity	-	-	-	-	-	-	-	-	-	
Bulk Water	-	-	-	-	-	-	-	-	-	
PAVE deductions	-	-	-	-	-	-	-	-	-	
VAT (output less input)	-	-	-	-	-	-	-	-	-	
Pensions / Retirement	-	-	-	-	-	-	-	-	-	
Loan repayments	-	-	-	-	-	-	-	-	-	
Trade Creditors	-	-	-	-	-	-	-	-	-	
Autorx-General	-	-	-	-	-	-	-	-	-	
Other	288	19.2%	114	7.7%	514	34.3%	580	38.8%	1 496	100.0%
Total	288	19.2%	114	7.7%	514	34.3%	580	38.8%	1 496	100.0%

Chief Financial Officer:	Mrs M P Bokwatho	053 712 6731
Financial Manager:	Mrs S S French-Sulman	053 712 6724

Source Local Government Database

1. All figures in this report are unaudited.

Municipal Manager:

Date: 31/10/2016

Chief Financial Officer:

31/10/2016