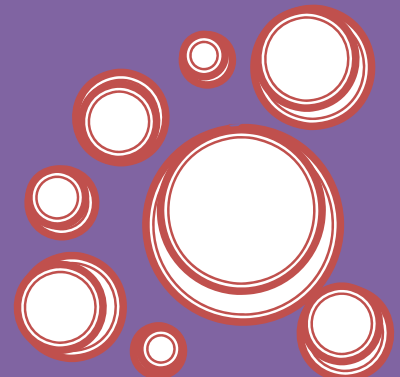


**STEVE TSHWETE
LOCAL MUNICIPALITY**

**MID YEAR BUDGET AND
PERFORMANCE ASSESSMENT
REPORT**

DECEMBER 2010



19/01/2011

FINANCES : MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT : 2010/2011

FINANCIAL YEAR

5/1/1/4 (B)/lb

Report by the Executive Manager Finance

1. In terms of section 72(1) of the Municipal Finance Management Act, Act 56 of 2003, the accounting officer must, by 25 January of each year, assess the performance of the municipality during the first half of the financial year.
2. Section 72(3) further stipulates that as part of the assessment, recommendations must be made whether an adjustment budget is necessary, taking into consideration the revised projections for revenue and expenditure to the extent that this may be necessary.
3. The mid-year budget and performance assessment report must be consistent with the monthly budget statements on the implementation of the annual budget in accordance with the Service Delivery Budget Implementation Plan (SDBIP) for the first half of the financial year and be submitted to the Executive Mayor, National Treasury and the relevant Provincial Treasury.
4. The format of the report is specified in the Municipal Budget and Reporting Regulation under schedule C and includes all the required tables, charts and explanatory information.
5. It further prescribed that the mid-year budget and performance assessment report be made public by placing it on the municipal website within five working days of 25 January of each year.
6. The mid-year budget and performance assessment, taking into account the stipulations of the MFMA, section 72(1) and the Municipal Budget and Reporting Regulations as at 31 December 2010 are attached as **ANNEXURE A**
7. The overall operating results for the first six months ending 31 December 2010 indicates a deficit of R6,8-million compared to the SDBIP deficit of R33,9-million. The favourable deviation is the net result of higher revenue received to the amount of R19,8-million, less expenditure incurred of R12,8-million and less capital transfers and contributions received than planned of R5,5-million.
8. 53% of the budgeted revenue realised at the end of December 2010, whilst the full year forecast indicates a favorable deviation of R27,1-million for revenue. Almost 49% of the budgeted operating expenditure of R821,7-million was spent and the full year forecast indicates a deviation of less than 1%. After transfers to recognised capital and contributed assets are considered, the overall forecasted deficit is R10,3-million which is R23,6-million less than budgeted.
9. The total capital expenditure for the first six months amounts to R125,6-million (31 December 2009: R38,8-million) which is a vast improvement compared to the previous financial year and constitutes 29% of the adjusted capital budget for 2010/2011.

10. The total outstanding external loans as at 31 December 2010 amounts to R156,9-million (30 June 2010: R 167,5-million). R10,6-million was redeemed during the first six months of the financial year and it is planned to take up a new external facility during the second half of the financial year to supplement the existing and future capital programmes.
11. Early indications are that the performance against the goals in the Service Delivery and Budget implementation plans (SDBIP'S) are more or less on track with a favourable deviation of 6% in revenue, whilst operating expenditure indicates an under spending of 3%. The revenue forecast estimate variance for the year against the SDBIP is 3,8% and for operating expenditure it is less than 1%. Although there was vast improvement in capital expenditure, the actual performance deviates with 31% from the SDBIP. The main reasons for this deviation are mainly the lengthy procurement processes and lack of proper planning in the SDBIP process. Despite this early deviation it is forecasted that almost 85% of the capital budget will be spent by 30 June 2011 with the likelihood that about R63-million will be rolled over to the next financial year.
12. The financial performance indicators for the first six months are well within targets. The average debtor's collection rate for the year is 100,3% (KPI: 99%). The collection period amounted to a very healthy 21 days with a debtor's turnover rate of 5,9% (KPI: 9%). Total debtor's outstanding amounts to R63,2-million (June 2010: R55,7-million). The main increase is reflected in current debtors to the amount of R4,4-million whilst debt older than 150 days slightly increases with R2,3-million.
13. The inclining investment in infrastructure together with the planned related expenditure resulted in a decline in the available cash as a large portion of internal funds were used to finance capital expenditure. Although the cash flow of the municipality declined with R76,3-million, the net available cash at the end of December 2010 amounts to R448,8-million (30 June 2010: R525,1-million).
14. On 15 December 2010 additional unconditional and conditional grant allocations to municipalities were promulgated under Government Gazette No. 33879 in terms of the Division of Revenue Amendment Act, 2010. In terms of the gazette, no additional allocations were received nor were any allocations forfeited, resulting in that the amended gazette will have no impact on the municipal budget.
15. Without qualifying the 30 June 2009 financial statements the Auditor-General has reported on the following matters:

15.1 Key governance responsibilities

- Risk assessment was conducted on a regular basis and a risk strategy, which includes a fraud prevention plan, is documented and used as set out in section 62(1)(c)(i) of the MFMA.

Comments: A risk register based on a risk assessment workshop for the 2008/2009 financial year did form part of the rolling three-year strategic internal audit plan for the 2008/2009 to 2010/2011 financial years. The risk prioritization was separate from the fraud prevention policy. However, the annual review of the fraud prevention plan was not finalised during the 2008/2009 financial year. This was corrected and the fraud prevention plan was reviewed and approved by Council under item C01/02/2010. The next review must be conducted by February 2011.

- Adequate control processes and procedures are designed and implemented to ensure the accuracy and completeness of reported performance information.

Comments: The performance management framework was reviewed under item C42/07/2009 which will address the concerns with the reported performance information. Oversight on the performance information is performed by the IDP Manager and Municipal Manager where after it is also audited by the Internal Auditors.

15.2 Non-compliance with regulatory requirements

- The objectives of the Integrated Development Plan could not be matched to the relevant key performance indicators and the targets.

Comments: Only objectives which can be measured are linked to projects and are incorporated as key performance indicators. However, the IDP is continuously improved and refined to only reflect measurable objectives and strategies.

15.3 Inconsistently reported performance information.

- The municipality did not report on its performance with regard to its targets as per the approved IDP.

Comments: The key performance indicators for 2008/2009 were revised during November 2008 which corresponds with the targets as per the IDP. The opinion of the Auditor-General was based on the key performance indicators originally included when the IDP was adopted by Council during March 2008. This matter has been rectified.

16. In light of the financial assessment and forecasting of figures on the annual budget based on the first six months of the financial year it is recommended that an

adjustment budget for the 2010/2011 financial year is required and it be submitted to the Council during February 2011.

17. It is further suggested that revenue and expenditure for the financial year be revised in an adjustment budget for the various votes to reflect the additional revenues and to utilize the projected savings on expenditure among the different votes to allow for expected over expenditure.
18. Recommendation:
 - 18.1 That the mid-year budget and performance assessment as tabled be noted.
 - 18.2 That the 2010/2011 annual budget be adjusted during February 2011.
 - 18.3 That the mid-year budget and performance assessment report be submitted to the Executive Mayor, the National and Provincial Treasury by 25 January 2011.
 - 18.4 That the mid-year budget and performance assessment report be placed on the municipal website within five working days of 25 January.

Recommendation by the Municipal Manager

- 1 **THAT** the report by the Executive Manager : Finance on the mid-year budget and performance assessment as tabled, be noted.
- 2 **THAT** the 2010/2011 annual budget be adjusted during February 2011.
- 3 **THAT** the Executive Manager : Finance be granted permission to submit the mid-year budget and performance assessment report to the Executive Mayor, the National and Provincial Treasury by 25 January 2011.
- 4 **THAT** the mid-year budget and performance assessment report be placed on the municipal website within five working days of 25 January 2011.

M19/01/2011

FINANCES : MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT :
2010/2011 FINANCIAL YEAR

5/1/1/4 (B)/lb

RESOLVED BY THE EXECUTIVE MAYOR

- 1 **THAT** the report by the Executive Manager : Finance on the mid-year budget and performance assessment as tabled, be noted.

- 2 **THAT** the 2010/2011 annual budget be adjusted during February 2011.

- 3 **THAT** the Executive Manager : Finance be granted permission to submit the mid-year budget and performance assessment report to the Executive Mayor, the National and Provincial Treasury by 25 January 2011.

- 4 **THAT** the mid-year budget and performance assessment report be placed on the municipal website within five working days of 25 January 2011.

PART 1

MID YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

1. Executive Summary

Table C1: Monthly Budget Statement Summary – Mid Year Assessment

For the first six months ending December, revenue to the amount of R377,6-million realised. The year to date budgeted revenue amounts to R357,8-million which reflects a favourable deviation of 6%. 53% of the budgeted revenue realised at the end of December 2010 whilst the projected forecasted revenue amounts to R738,7-million which is R27,1-million more than budgeted.

Operating expenditure to the amount of R408,1-million was spent against the year to date budgeted expenditure of R421,0-million. This reflects a deviation of 3%. The forecasted operating expenditure amounts to R816,7-million which is a deviation of less than 1% of the original budget.

Capital expenditure for the first six months amounts to R125,6-million which is a deviation of 31% against the SDBIP figure of R181,9-million. The projected capital expenditure for 30 June 2011 amounts to R370,7-million with a likelihood that about R63-million will probably be rolled over to the next financial year.

Taking the above into consideration the net operating deficit forecast for the year amounts to R10,3-million whilst it is projected that the cash and cash equivalents might decrease to R24,3-million.

2. In-Year Budget Statements Tables – Mid Year Assessment

Table C2: Monthly Financial Performance by Vote

Table C2 measures the actual performance against the year to date SDBIP figures which realised by vote for revenue and expenditure. The 30 June 2011 forecasted figures by vote are reflected in the last column, full year forecast.

The difference in revenue variations between Table C2 and Table C1 is the result of capital grants received, which are included to Table C2.

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

This table provides the actual performance 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 the full year forecasted deviations will only be provided in cases where the percentages differ with more than 5% of the original budgeted figures and can be viewed in Supporting Table SC1.

The actual performance details for revenue by source and expenditure by type with the full year forecasted figures is graphically presented in:

- Chart 1 – Revenue by major source;
- Chart 2 – Revenue by minor source;
- Chart 3 – Expenditure by major type; and
- Chart 4 – Expenditure by minor type;

Table C5: Monthly Capital Expenditure by Vote

Table C5 indicates the actual performance details on capital expenditure for all votes, whilst the 30 June 2011 forecasted figures are reflected in the last column, full year forecast.

Capital expenditure for the first six months amounts to R125,6-million which deviates with R56,3-million against the planned figure of R181,9-million and reflects deviation of 31%. The full year forecasted capital expenditure amounts to R370,7-million.

The deviation with the SDBIP figures is spread over the whole vote structure of the municipality. Reasons for deviations can be viewed in Supporting Table SC1.

The actual performance detail for capital expenditure by vote is graphically presented in:

- Chart 5 – Capex by major vote
- Chart 6 – Capex by minor vote

Table C6: Monthly Budget Statement Financial Position

In general the community wealth of the municipality is projected to amount to R6 441,3-million. Total liabilities amounts to R436,0-million, whilst total assets amounts to R6 877,4-million.

Table C7: Monthly Budget Statement Cash Flow

Table C7 provides detail of the projected cash in- and outflow. A net cash inflow from operating activities of R164,1-million is forecasted, whilst a cash outflow from investing activities to the amount of R296,6-million is projected. The forecasted cash held on 30 June 2011 decrease slightly from R33,3-million to R24,3-million.

MP313 Steve Tshwete - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2009/10	Budget Year 2010/11							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Financial Performance</u>									
Property rates	137,820	158,413	158,413	14,360	84,113	79,224	4,889	6%	171,637
Service charges	310,297	388,524	388,524	31,638	199,031	197,620	1,410	1%	386,787
Investment revenue	40,549	33,917	33,917	3,164	17,353	20,188	(2,835)	-14%	33,185
Transfers recognised - operational	62,632	75,081	75,081	23,560	54,343	39,735	14,608	37%	75,130
Other own revenue	71,078	55,736	55,736	3,564	22,787	21,035	1,752	8%	71,996
Total Revenue (excluding capital transfers and contributions)	622,376	711,671	711,671	76,286	377,627	357,802	19,825	6%	738,735
Employee costs	185,798	222,340	222,340	21,575	112,653	106,852	5,802	5%	231,182
Remuneration of Councillors	10,850	12,220	12,220	989	5,595	5,539	56	1%	11,843
Depreciation & asset impairment	160,104	153,377	153,377	12,781	76,688	76,689	(0)	0%	153,377
Finance charges	17,215	22,041	22,041	1,837	11,020	11,020	(0)	0%	22,041
Materials and bulk purchases	147,785	195,687	195,687	12,290	99,929	103,629	(3,700)	-4%	193,463
Transfers and grants	991	31,012	31,012	2,748	16,753	15,397	1,355		36,255
Other expenditure	140,299	185,030	185,030	29,973	85,508	101,883	(16,375)	-16%	168,634
Total Expenditure	663,043	821,707	821,707	82,192	408,147	421,009	(12,861)	-3%	816,795
Surplus/(Deficit)	(40,667)	(110,036)	(110,036)	(5,906)	(30,521)	(63,207)	32,686	-52%	(78,060)
Transfers recognised - capital	30,803	46,073	46,073	6,580	23,700	29,229	(5,528)	-19%	46,743
Contributions & Contributed assets	13,484	21,670	21,670	-	-	-	-		21,000
Surplus/(Deficit) after capital transfers & contributions	3,620	(42,293)	(42,293)	674	(6,820)	(33,978)	27,158	-80%	(10,317)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	3,620	(42,293)	(42,293)	674	(6,820)	(33,978)	27,158	-80%	(10,317)
<u>Capital expenditure & funds sources</u>									
Capital expenditure	187,545	288,428	433,724	36,963	125,631	181,940	(56,309)	-31%	370,732
Capital transfers recognised	43,701	46,423	46,153	3,827	14,543	22,245	(7,702)	-35%	44,240
Public contributions & donations	-	-	-	-	414	-	414	#DIV/0!	414
Borrowing	25,813	59,126	155,535	9,436	29,746	57,145	(27,399)	-48%	102,653
Internally generated funds	118,032	182,879	232,036	23,699	80,927	102,550	(21,623)	-21%	223,425
Total sources of capital funds	187,545	288,428	433,724	36,963	125,631	181,940	(56,309)	-31%	370,732
<u>Financial position</u>									
Total current assets	584,647	201,024	201,024		516,768				519,999
Total non current assets	6,116,033	4,699,669	4,699,669		6,247,332				6,357,400
Total current liabilities	103,125	121,236	121,236		157,583				121,236
Total non current liabilities	192,165	301,638	301,638		197,490				314,802
Community wealth/Equity	6,405,390	4,477,819	4,477,819		6,409,027				6,441,360
<u>Cash flows</u>									
Net cash from (used) operating	221,797	115,172	115,172	8,081	40,464	45,097	(4,633)	-10%	164,137
Net cash from (used) investing	(237,199)	(218,162)	(218,162)	35,037	90,414	(141,116)	231,530	-164%	(296,638)
Net cash from (used) financing	20,823	74,873	74,873	(8,852)	(6,150)	77,767	(83,917)	-108%	99,743
Cash/cash equivalents at the month/year end	40,796	33,373	33,373	80,966	181,832	43,238	138,593	321%	24,347
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
<u>Debtors Age Analysis</u>									
Total By Revenue Source	35,142	3,349	1,798	1,455	1,326	20,125	-	0%	63,195
<u>Creditors Age Analysis</u>									
Total Creditors	101,420	-	-	-	-	-	-	0%	101,420

MP313 Steve Tshwete - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Mid-Year Assessment

Description	Ref	2009/10	Budget Year 2010/11							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Governance and administration</i>		258,332	266,111	266,111	33,360	144,630	129,497	15,133	12%	294,228
Executive and council		30,159	38,651	38,651	12,884	29,072	16,635	12,437	75%	38,749
Budget and treasury office		183,612	198,118	198,118	19,129	105,491	103,350	2,142	2%	210,590
Corporate services		44,561	29,342	29,342	1,346	10,067	9,512	555	6%	44,889
<i>Community and public safety</i>		11,708	23,802	23,802	948	6,360	10,313	(3,953)	-38%	24,081
Community and social services		1,652	6,908	6,908	380	1,121	3,222	(2,102)	-65%	6,847
Sport and recreation		1,321	8,618	8,618	86	3,096	4,973	(1,877)	-38%	9,189
Public safety		3,994	5,309	5,309	468	2,056	1,895	161	8%	5,336
Housing		330	414	414	13	42	207	(164)	-80%	127
Health		4,412	2,552	2,552	2	45	16	29	176%	2,583
<i>Economic and environmental services</i>		45,716	34,057	34,057	4,419	22,126	16,445	5,681	35%	34,397
Planning and development		1,018	2,244	2,244	81	1,094	1,229	(134)	-11%	2,589
Road transport		44,698	31,812	31,812	4,338	21,032	15,217	5,815	38%	31,808
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		350,907	455,445	455,445	44,139	228,211	230,776	(2,565)	-1%	453,772
Electricity		245,466	294,782	294,782	26,710	150,304	154,650	(4,346)	-3%	292,714
Water		39,286	56,132	56,132	5,360	26,625	26,597	28	0%	54,494
Waste water management		33,029	57,688	57,688	5,879	25,317	23,456	1,861	8%	58,953
Waste management		33,126	46,843	46,843	6,191	25,964	26,072	(108)	0%	47,611
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	666,663	779,414	779,414	82,866	401,327	387,031	14,296	4%	806,478
Expenditure - Standard										
<i>Governance and administration</i>		134,796	145,601	145,601	11,526	71,805	69,489	2,316	3%	147,921
Executive and council		48,193	47,789	47,789	3,365	21,821	21,582	239	1%	44,995
Budget and treasury office		25,736	33,200	33,200	3,381	19,228	16,775	2,453	15%	39,066
Corporate services		60,868	64,611	64,611	4,779	30,757	31,132	(375)	-1%	63,860
<i>Community and public safety</i>		114,475	135,105	135,105	12,399	64,967	62,892	2,075	3%	133,148
Community and social services		17,198	19,487	19,487	1,708	8,641	9,177	(536)	-6%	18,057
Sport and recreation		33,863	40,861	40,861	4,276	18,613	18,602	11	0%	38,761
Public safety		42,789	47,281	47,281	4,142	24,272	22,081	2,191	10%	48,401
Housing		3,220	6,962	6,962	579	3,500	3,419	81	2%	7,616
Health		17,405	20,513	20,513	1,693	9,941	9,613	328	3%	20,313
<i>Economic and environmental services</i>		100,025	102,403	102,403	8,845	49,117	49,622	(504)	-1%	100,675
Planning and development		7,944	8,991	8,991	642	3,711	4,011	(300)	-7%	8,371
Road transport		92,081	93,412	93,412	8,203	45,407	45,611	(205)	0%	92,304
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		313,747	438,598	438,598	49,422	222,258	239,006	(16,748)	-7%	435,050
Electricity		202,924	295,176	295,176	35,715	153,428	167,948	(14,520)	-9%	295,892
Water		40,373	50,806	50,806	4,560	22,186	25,414	(3,228)	-13%	45,015
Waste water management		38,522	46,477	46,477	4,450	23,053	23,118	(65)	0%	46,842
Waste management		31,929	46,138	46,138	4,698	23,591	22,526	1,065	5%	47,302
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	663,043	821,707	821,707	82,192	408,147	421,009	(12,861)	-3%	816,795
Surplus/ (Deficit) for the year		3,620	(42,293)	(42,293)	674	(6,820)	(33,978)	1,435	-4%	(10,317)

MP313 Steve Tshwete - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Mid-Year Assessment

Description	Ref	Budget Year 2010/11								
		2009/10 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Standard										
<i>Municipal governance and administration</i>		258,332	266,111	266,111	33,360	144,630	129,497	15,133	12%	294,228
Executive and council		30,159	38,651	38,651	12,884	29,072	16,635	12,437	75%	38,749
<i>Mayor and Council</i>		30,155	38,651	38,651	12,845	29,023	16,635	12,388	74%	38,700
<i>Municipal Manager</i>		5			39	49		49	#DIV/0!	49
Budget and treasury office		183,612	198,118	198,118	19,129	105,491	103,350	2,142	2%	210,590
Corporate services		44,561	29,342	29,342	1,346	10,067	9,512	555	6%	44,889
<i>Human Resources</i>		762	886	886		137	358	(221)	-62%	889
<i>Information Technology</i>		3	3	3			3	(3)	-97%	2
<i>Property Services</i>		36,838	20,682	20,682	1,008	5,654	5,218	436	8%	36,181
<i>Other Admin</i>		6,958	7,771	7,771	337	4,275	3,934	342	9%	7,818
<i>Community and public safety</i>		11,708	23,802	23,802	948	6,360	10,313	(3,953)	-38%	24,081
Community and social services		1,652	6,908	6,908	380	1,121	3,222	(2,102)	-65%	6,847
<i>Libraries and Archives</i>		794	808	808	32	74	753	(679)	-90%	800
<i>Museums & Art Galleries etc</i>								-		
<i>Community halls and Facilities</i>		127	2,623	2,623	12	96	670	(575)	-86%	2,660
<i>Cemeteries & Crematoriums</i>		349	3,201	3,201	314	812	1,665	(853)	-51%	3,110
<i>Child Care</i>								-		
<i>Aged Care</i>		254	276	276	23	139	134	5	4%	277
<i>Other Community</i>								-		
<i>Other Social</i>		128						-		
Sport and recreation		1,321	8,618	8,618	86	3,096	4,973	(1,877)	-38%	9,189
Public safety		3,994	5,309	5,309	468	2,056	1,895	161	8%	5,336
<i>Police</i>		3,352	4,113	4,113	464	2,028	1,572	457	29%	4,161
<i>Fire</i>		642	196	196	3	27	73	(46)	-63%	175
<i>Civil Defence</i>								-		
<i>Street Lighting</i>			1,000	1,000			250	(250)	-100%	1,000
<i>Other</i>								-		
Housing		330	414	414	13	42	207	(164)	-80%	127
Health		4,412	2,552	2,552	2	45	16	29	176%	2,583
<i>Clinics</i>		4,152	2,400	2,400				-		2,400
<i>Ambulance</i>								-		
<i>Other</i>		260	152	152	2	45	16	29	176%	183
<i>Economic and environmental services</i>		45,716	34,057	34,057	4,419	22,126	16,445	5,681	35%	34,397
Planning and development		1,018	2,244	2,244	81	1,094	1,229	(134)	-11%	2,589
<i>Economic Development/Planning</i>								-		
<i>Town Planning/Building enforcement</i>		1,018	2,244	2,244	81	1,094	1,229	(134)	-11%	2,589
<i>Licensing & Regulation</i>								-		
Road transport		44,698	31,812	31,812	4,338	21,032	15,217	5,815	38%	31,808
<i>Roads</i>		32,115	15,263	15,263	3,289	13,526	7,605	5,921	78%	15,238
<i>Public Buses</i>								-		
<i>Parking Garages</i>								-		
<i>Vehicle Licensing and Testing</i>		12,546	12,711	12,711	1,046	6,289	5,793	496	9%	12,734
<i>Other</i>		37	3,838	3,838	3	1,217	1,819	(602)	-33%	3,837
Environmental protection								-		
<i>Pollution Control</i>								-		
<i>Biodiversity & Landscape</i>								-		
<i>Other</i>								-		
<i>Trading services</i>		350,907	455,445	455,445	44,139	228,211	230,776	(2,565)	-1%	453,772
Electricity		245,466	294,782	294,782	26,710	150,304	154,650	(4,346)	-3%	292,714
<i>Electricity Distribution</i>		245,466	294,782	294,782	26,710	150,304	154,650	(4,346)	-3%	292,714
<i>Electricity Generation</i>								-		
Water		39,286	56,132	56,132	5,360	26,625	26,597	28	0%	54,494
<i>Water Distribution</i>		39,158	48,132	48,132	5,360	26,625	26,597	28	0%	46,494
<i>Water Storage</i>		128	8,000	8,000				-		8,000
Waste water management		33,029	57,688	57,688	5,879	25,317	23,456	1,861	8%	58,953
<i>Sewerage</i>		33,029	57,688	57,688	5,879	25,317	23,456	1,861	8%	58,953
<i>Storm Water Management</i>								-		
<i>Public Toilets</i>								-		
Waste management		33,126	46,843	46,843	6,191	25,964	26,072	(108)	0%	47,611
<i>Solid Waste</i>		33,126	46,843	46,843	6,191	25,964	26,072	(108)	0%	47,611
Other								-		
<i>Air Transport</i>								-		
<i>Abattoirs</i>								-		
<i>Tourism</i>								-		
<i>Forestry</i>								-		
<i>Markets</i>								-		
Total Revenue - Standard	2	666,663	779,414	779,414	82,866	401,327	387,031	14,296	4%	806,478

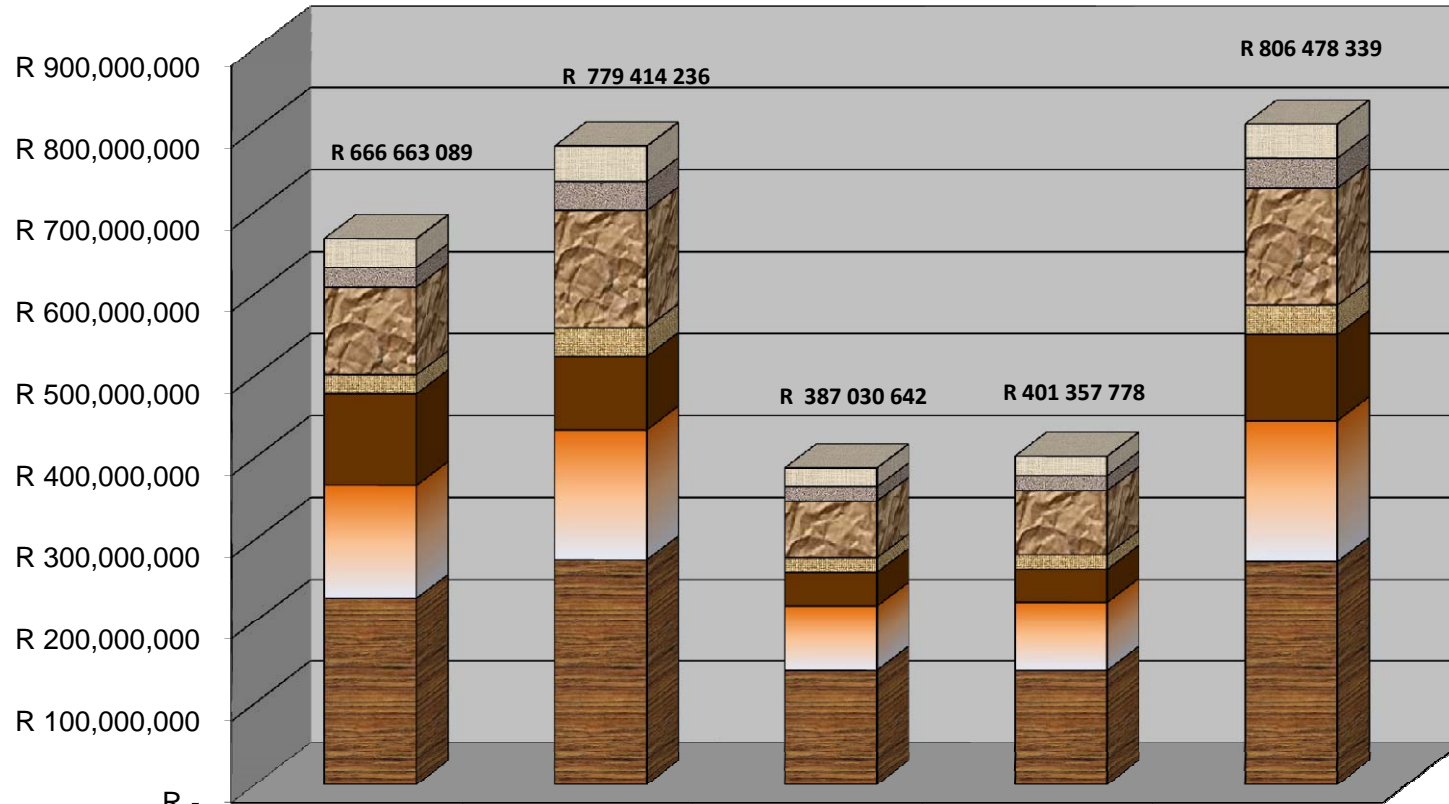
MP313 Steve Tshwete - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - Mid-Year Assessment

Description	Ref	Budget Year 2010/11								
		2009/10 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Expenditure - Standard										
<i>Municipal governance and administration</i>		134,796	145,601	145,601	11,526	71,805	69,489	2,316	3%	147,921
Executive and council		48,193	47,789	47,789	3,365	21,821	21,582	239	1%	44,995
<i>Mayor and Council</i>		29,437	24,853	24,853	1,869	11,362	11,961	(599)	-5%	23,554
<i>Municipal Manager</i>		18,756	22,936	22,936	1,497	10,459	9,621	838	9%	21,442
Budget and treasury office		25,736	33,200	33,200	3,381	19,228	16,775	2,453	15%	39,066
Corporate services		60,868	64,611	64,611	4,779	30,757	31,132	(375)	-1%	63,860
<i>Human Resources</i>		6,114	8,244	8,244	539	3,485	3,681	(196)	-5%	8,123
<i>Information Technology</i>		6,073	8,130	8,130	741	4,002	3,986	16	0%	8,234
<i>Property Services</i>		19,372	18,493	18,493	1,620	8,772	9,110	(338)	-4%	18,170
<i>Other Admin</i>		29,307	29,743	29,743	1,880	14,497	14,356	142	1%	29,333
<i>Community and public safety</i>		114,475	135,105	135,105	12,399	64,967	62,892	2,075	3%	133,148
Community and social services		17,198	19,487	19,487	1,708	8,641	9,177	(536)	-6%	18,057
<i>Libraries and Archives</i>		7,030	7,737	7,737	663	3,581	3,678	(97)	-3%	7,607
<i>Museums & Art Galleries etc</i>										
<i>Community halls and Facilities</i>		4,103	4,375	4,375	370	2,093	2,158	(66)	-3%	4,223
<i>Cemeteries & Crematoriums</i>		4,024	4,917	4,917	439	2,031	2,186	(156)	-7%	4,058
<i>Child Care</i>										
<i>Aged Care</i>		908	288	288	100	172	132	41	31%	358
<i>Other Community</i>										
<i>Other Social</i>		1,133	2,170	2,170	136	764	1,023	(259)	-25%	1,812
Sport and recreation		33,863	40,861	40,861	4,276	18,613	18,602	11	0%	38,761
Public safety		42,789	47,281	47,281	4,142	24,272	22,081	2,191	10%	48,401
<i>Police</i>		17,154	21,249	21,249	2,019	10,769	10,148	621	6%	21,450
<i>Fire</i>		21,501	21,533	21,533	1,782	11,729	9,890	1,839	19%	23,575
<i>Civil Defence</i>										
<i>Street Lighting</i>		4,134	4,500	4,500	342	1,774	2,043	(269)	-13%	3,376
<i>Other</i>										
Housing		3,220	6,962	6,962	579	3,500	3,419	81	2%	7,616
Health		17,405	20,513	20,513	1,693	9,941	9,613	328	3%	20,313
<i>Clinics</i>		13,683	16,058	16,058	1,326	7,905	7,820	85	1%	16,224
<i>Ambulance</i>										
<i>Other</i>		3,722	4,455	4,455	367	2,036	1,793	243	14%	4,089
<i>Economic and environmental services</i>		100,025	102,403	102,403	8,845	49,117	49,622	(504)	-1%	100,675
Planning and development		7,944	8,991	8,991	642	3,711	4,011	(300)	-7%	8,371
<i>Economic Development/Planning</i>		1,781	2,309	2,309	137	757	960	(203)	-21%	2,056
<i>Town Planning/Building enforcement</i>		6,163	6,682	6,682	505	2,954	3,050	(96)	-3%	6,316
<i>Licensing & Regulation</i>										
Road transport		92,081	93,412	93,412	8,203	45,407	45,611	(205)	0%	92,304
<i>Roads</i>		81,982	81,213	81,213	7,178	39,576	39,867	(291)	-1%	80,454
<i>Public Buses</i>										
<i>Parking Garages</i>										
<i>Vehicle Licensing and Testing</i>		8,649	10,652	10,652	836	5,029	4,952	77	2%	10,282
<i>Other</i>		1,450	1,547	1,547	189	801	792	9	1%	1,567
Environmental protection										
<i>Pollution Control</i>										
<i>Biodiversity & Landscape</i>										
<i>Other</i>										
<i>Trading services</i>		313,747	438,598	438,598	49,422	222,258	239,006	(16,748)	-7%	435,050
Electricity		202,924	295,176	295,176	35,715	153,428	167,948	(14,520)	-9%	295,892
<i>Electricity Distribution</i>		202,924	295,176	295,176	35,715	153,428	167,948	(14,520)	-9%	295,892
<i>Electricity Generation</i>										
Water		40,373	50,806	50,806	4,560	22,186	25,414	(3,228)	-13%	45,015
<i>Water Distribution</i>		21,916	31,308	31,308	2,837	12,432	15,806	(3,374)	-21%	25,483
<i>Water Storage</i>		18,457	19,498	19,498	1,723	9,754	9,607	146	2%	19,532
Waste water management		38,522	46,477	46,477	4,450	23,053	23,118	(65)	0%	46,842
<i>Sewerage</i>		37,223	44,965	44,965	4,290	22,230	22,398	(168)	-1%	45,227
<i>Storm Water Management</i>										
<i>Public Toilets</i>		1,299	1,513	1,513	160	823	720	103	14%	1,615
Waste management		31,929	46,138	46,138	4,698	23,591	22,526	1,065	5%	47,302
<i>Solid Waste</i>		31,929	46,138	46,138	4,698	23,591	22,526	1,065	5%	47,302
Other										
<i>Air Transport</i>										
<i>Abattoirs</i>										
<i>Tourism</i>										
<i>Forestry</i>										
<i>Markets</i>										
Total Expenditure - Standard	3	663,043	821,707	821,707	82,192	408,147	421,009	(12,861)	-3%	816,795
Surplus/ (Deficit) for the year		3,620	(42,293)	(42,293)	674	(6,820)	(33,978)	27,158	-80%	(10,317)

MP313 Steve Tshwete - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

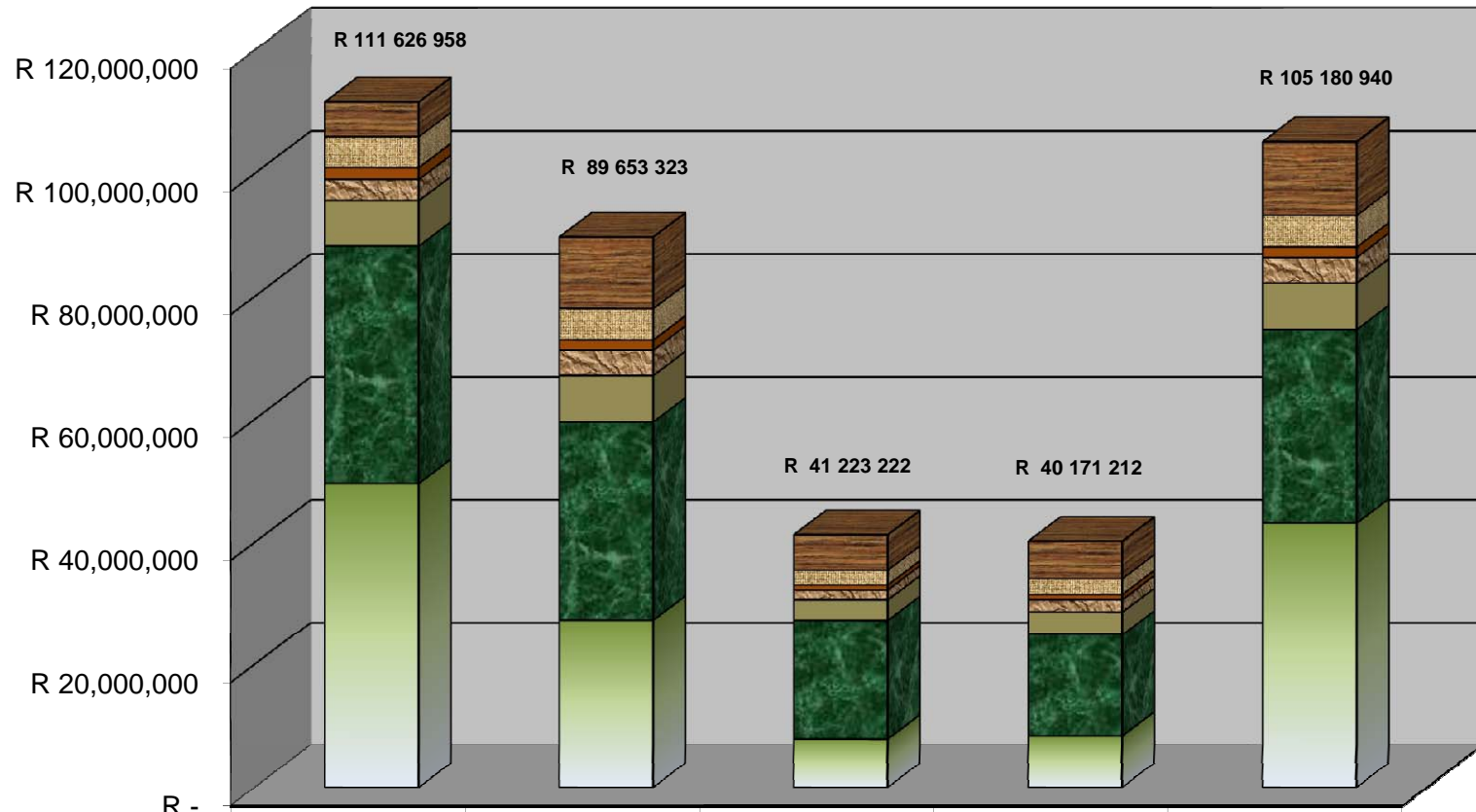
Description	Ref	2009/10	Budget Year 2010/11							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		137,820	158,413	158,413	14,360	84,113	79,224	4,889	6%	171,637
Property rates - penalties & collection charges								-		
Service charges - electricity revenue		228,208	275,167	275,167	21,989	139,278	139,470	(192)	0%	273,164
Service charges - water revenue		35,182	43,304	43,304	3,595	23,581	22,846	736	3%	41,447
Service charges - sanitation revenue		23,569	35,119	35,119	3,037	18,260	17,491	769	4%	36,361
Service charges - refuse revenue		23,337	34,934	34,934	3,017	17,912	17,814	98	1%	35,816
Service charges - other								-		
Rental of facilities and equipment		5,625	11,610	11,610	1,092	6,080	5,729	351	6%	11,972
Interest earned - external investments		38,624	32,250	32,250	3,009	16,494	19,359	(2,865)	-15%	31,481
Interest earned - outstanding debtors		1,925	1,667	1,667	155	859	829	30	4%	1,704
Dividends received								-		
Fines		3,466	4,120	4,120	480	2,047	1,617	430	27%	4,172
Licences and permits		5,036	5,118	5,118	444	2,568	2,409	159	7%	5,148
Agency services		7,376	7,550	7,550	599	3,705	3,357	348	10%	7,550
Transfers recognised - operational		62,632	75,081	75,081	23,560	54,343	39,735	14,608	37%	75,130
Other revenue		49,575	26,866	26,866	949	8,343	7,852	491	6%	42,682
Gains on disposal of PPE			473	473		45	71	(26)	-37%	473
Total Revenue (excluding capital transfers and contributions)		622,376	711,671	711,671	76,286	377,627	357,802	19,825	6%	738,735
Expenditure By Type										
Employee related costs		185,798	222,340	222,340	21,575	112,653	106,852	5,802	5%	231,182
Remuneration of councillors		10,850	12,220	12,220	989	5,595	5,539	56	1%	11,843
Debt impairment		5,456	4,088	4,088	341	2,044	2,044	(0)	0%	4,088
Depreciation & asset impairment		160,104	153,377	153,377	12,781	76,688	76,689	(0)	0%	153,377
Finance charges		17,215	22,041	22,041	1,837	11,020	11,020	(0)	0%	22,041
Bulk purchases		147,785	195,687	195,687	12,290	99,929	103,629	(3,700)	-4%	193,463
Other materials								-		
Contracted services		19,329	17,851	17,851	1,772	8,745	8,969	(225)	-3%	17,358
Transfers and grants		991	31,012	31,012	2,748	16,753	15,397	1,355	9%	36,255
Other expenditure		115,067	163,091	163,091	27,860	74,720	90,870	(16,150)	-18%	147,188
Loss on disposal of PPE		448						-		
Total Expenditure		663,043	821,707	821,707	82,192	408,147	421,009	(12,861)	-3%	816,795
Surplus/(Deficit)		(40,667)	(110,036)	(110,036)	(5,906)	(30,521)	(63,207)	6,963	(0)	(78,060)
Transfers recognised - capital		30,803	46,073	46,073	6,580	23,700	29,229			46,743
Contributions recognised - capital										
Contributed assets		13,484	21,670	21,670						21,000
Surplus/(Deficit) after capital transfers & contributions		3,620	(42,293)	(42,293)	674	(6,820)	(33,978)			(10,317)
Taxation								-		
Surplus/(Deficit) after taxation		3,620	(42,293)	(42,293)	674	(6,820)	(33,978)			(10,317)
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		3,620	(42,293)	(42,293)	674	(6,820)	(33,978)			(10,317)
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		3,620	(42,293)	(42,293)	674	(6,820)	(33,978)			(10,317)

REVENUE BY MAJOR SOURCE: 2010/2011



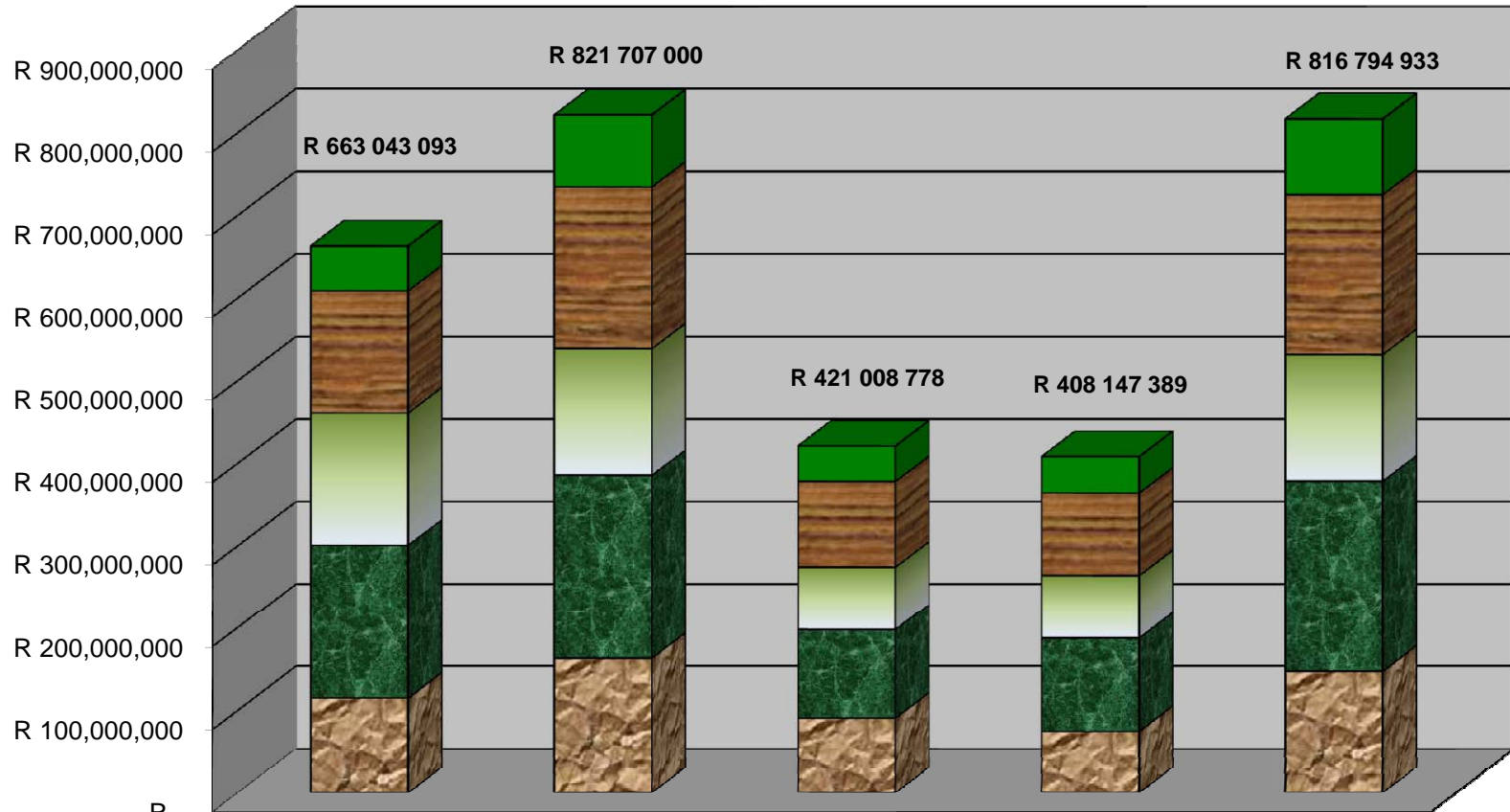
	09/10 Audited Actual	10/11 Approved Budget	10/11 SDBIP 31/12/2009	10/11 Actuals 31/12/2009	10/11 Full Year Forecast
□ Water tariffs	35,182,368	43,304,336	22,845,561	23,581,345	41,446,861
■ Sanitation tariffs	23,568,918	35,118,589	17,490,662	18,259,780	36,360,962
□ Grants & subsidies	106,918,941	142,824,000	68,963,120	78,042,795	142,873,000
■ Refuse tariffs	23,337,449	34,934,222	17,813,918	17,911,774	35,815,505
■ Other Revenue	111,626,958	89,653,323	41,223,222	40,171,212	105,180,940
□ Property rates	137,820,239	158,413,177	79,223,805	84,112,802	171,637,075
■ Electricity tariffs	228,208,216	275,166,589	139,470,354	139,278,070	273,163,996

REVENUE BY MINOR SOURCE: 2009/2010



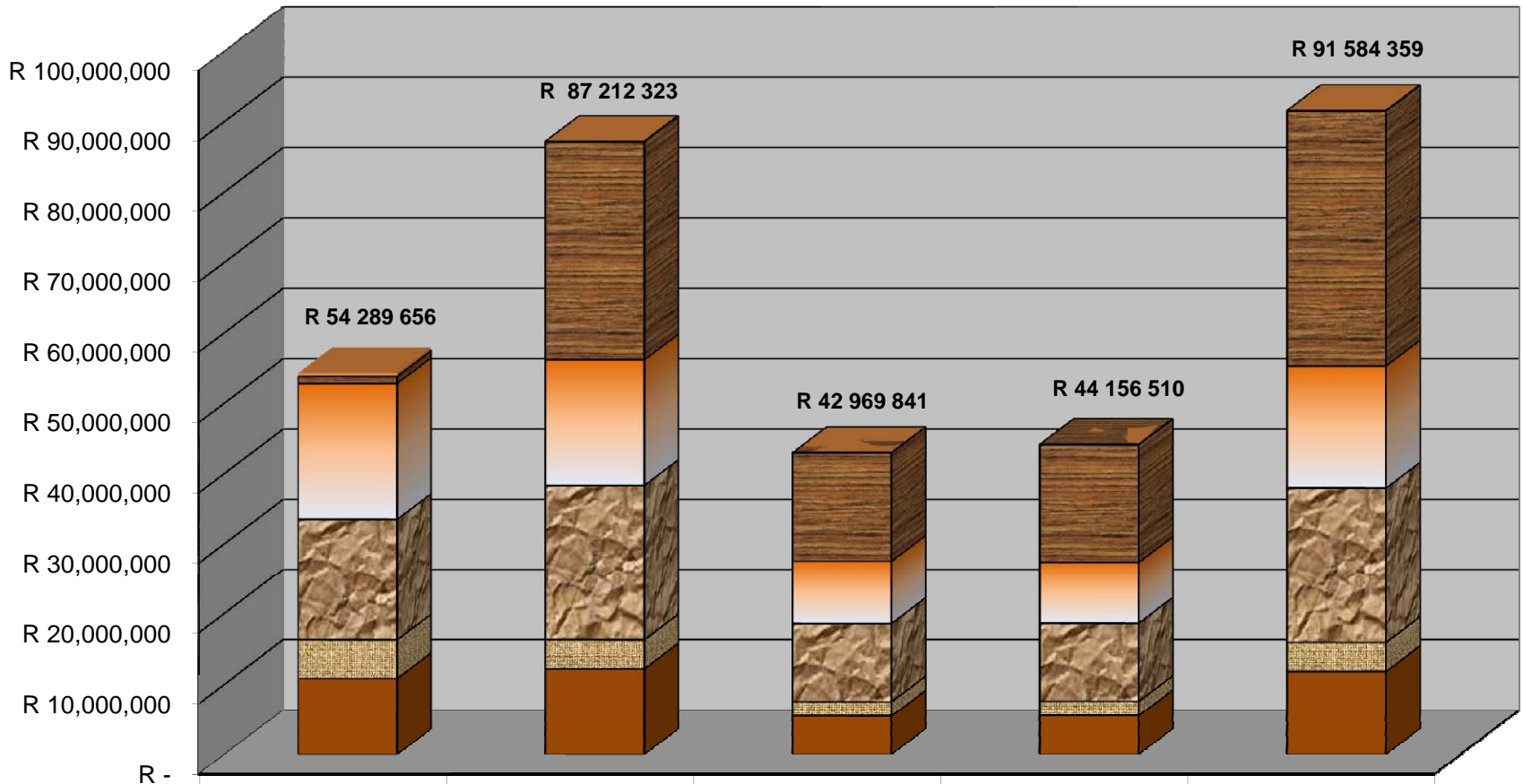
	09/10 Audited Actual	10/11 Approved Budget	10/11 SDBIP 31/12/2009	10/11 Actuals 31/12/2009	10/11 Full Year Forecast
■ Rental of facilities and equipment	5,625,426	11,610,060	5,728,809	6,078,525	11,971,510
■ Licenses and permits	5,035,571	5,117,500	2,409,188	2,568,007	5,148,000
■ Interest earned - outstanding debtors	1,925,436	1,666,870	829,417	859,406	1,704,320
■ Fines	3,465,656	4,120,000	1,617,062	2,047,839	4,172,000
■ Income from Agency Services	7,376,385	7,550,000	3,357,034	3,705,022	7,550,000
■ Interest earned - external investments	38,623,784	32,250,000	19,358,569	16,493,709	31,481,000
■ Other Charges	49,574,700	27,338,893	7,923,143	8,418,704	43,154,110

OPERATING EXPENDITURE BY MAJOR TYPE: 2010/2011



	09/10 Audited Actual	10/11 Approved Budget	10/11 SDBIP	10/11 Actuals	10/11 Full Year Forecast
■ Minor expenditure	54,289,656	87,212,323	42,969,841	44,156,510	91,584,359
■ Bulk purchases	147,784,539	195,687,065	103,629,088	99,929,296	193,463,305
■ Depreciation & asset impairment	160,103,948	153,376,967	76,688,568	76,688,486	153,377,143
■ Employee related costs	185,798,338	222,339,505	106,851,525	112,653,172	231,181,674
■ Other expenditure	115,066,612	163,091,140	90,869,756	74,719,924	147,188,452

OPERATING EXPENDITURE BY MINOR TYPE: 2010/2011

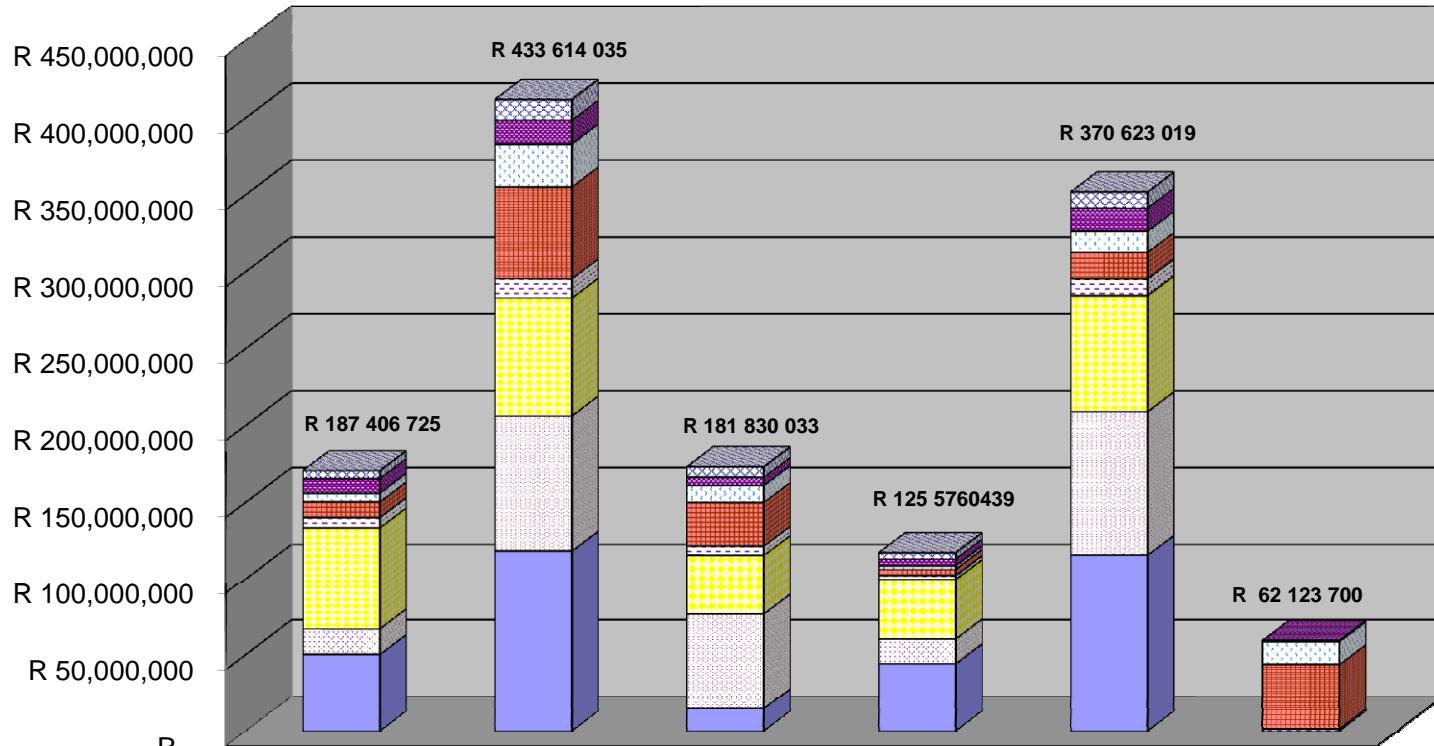


	09/10 Audited Actual	10/11 Approved Budget	10/11 SDBIP	10/11 Actuals	10/11 Full Year Forecast
■ Loss on disposal of PPE	447,621	0	0	0	0
■ Transfers and grants	991,000	31,012,300	15,397,417	16,752,729	36,254,536
■ Contracted services	19,329,350	17,851,072	8,969,349	8,744,663	17,357,919
■ Finance charges	17,215,421	22,040,849	11,020,434	11,020,425	22,040,815
■ Debt impairment	5,455,792	4,087,655	2,043,828	2,043,828	4,087,659
■ Remuneration of councillors	10,850,473	12,220,447	5,538,813	5,594,865	11,843,430

MP313 Steve Tshwete - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - Mid-Year Assessment

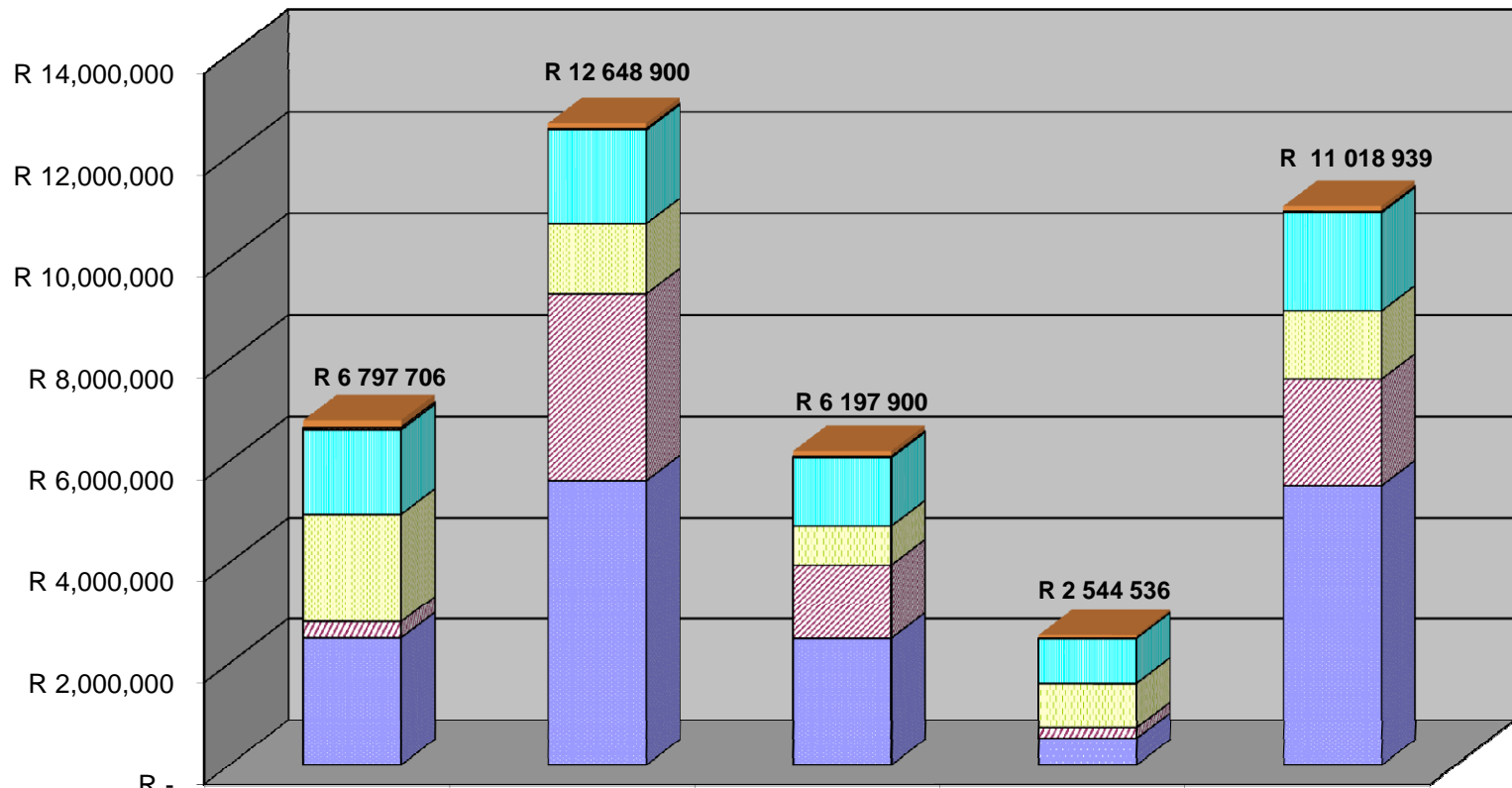
Vote Description	Ref	Budget Year 2010/11								
		2009/10 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Standard Classification										
<i>Governance and administration</i>		19,018	16,250	23,092	559	9,254	9,513	(259)	-3%	20,211
Executive and council		2,132	681	1,381	-	869	770	100	13%	1,341
Budget and treasury office		138	110	110	-	54	110	(56)	-51%	109
Corporate services		16,748	15,459	21,601	559	8,331	8,633	(303)	-4%	18,761
<i>Community and public safety</i>		32,971	75,742	118,715	5,446	25,572	75,253	(49,681)	-66%	120,806
Community and social services		16,628	48,698	87,889	2,803	16,041	61,652	(45,611)	-74%	93,365
Sport and recreation		9,495	15,065	15,447	899	4,581	5,402	(821)	-15%	14,921
Public safety		5,139	10,452	13,511	1,726	4,066	6,831	(2,765)	-40%	10,564
Housing		47	24	24	-	3	24	(21)	-88%	23
Health		1,663	1,503	1,845	18	880	1,345	(465)	-35%	1,933
<i>Economic and environmental services</i>		66,956	69,853	80,322	10,760	39,744	40,482	(738)	-2%	77,474
Planning and development		320	2,700	3,680	15	216	1,460	(1,244)	-85%	2,099
Road transport		66,636	67,153	76,642	10,745	39,528	39,022	507	1%	75,375
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		68,600	126,584	211,595	20,198	51,061	56,693	(5,632)	-10%	152,242
Electricity		50,203	51,552	118,351	17,888	44,170	14,776	29,394	199%	115,665
Water		5,695	25,357	27,972	976	2,214	10,979	(8,765)	-80%	13,809
Waste water management		10,203	44,745	59,662	1,030	4,155	28,448	(24,293)	-85%	17,255
Waste management		2,498	4,930	5,610	304	522	2,490	(1,968)	-79%	5,513
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	187,545	288,428	433,724	36,963	125,631	181,940	(56,309)	-31%	370,732
Funded by:										
National Government		29,394	45,473	46,073	3,827	14,476	22,165	(7,689)	-35%	44,172
Provincial Government		501	-	-	-	-	-	-	-	-
District Municipality		13,484	950	-	-	-	-	-	-	-
Other transfers and grants		322	-	80	-	68	80	(12)	-15%	68
Transfers recognised - capital		43,701	46,423	46,153	3,827	14,543	22,245	(7,702)	-35%	44,240
Public contributions & donations	5	-	-	-	-	414	-	414	#DIV/0!	414
Borrowing	6	25,813	59,126	155,535	9,436	29,746	57,145	(27,399)	-48%	102,653
Internally generated funds		118,032	182,879	232,036	23,699	80,927	102,550	(21,623)	-21%	223,425
Total Capital Funding		187,545	288,428	433,724	36,963	125,631	181,940	(56,309)	-31%	370,732

CAPITAL EXPENDITURE BY MAJOR VOTE: 2010/2011



	09/10 - Audited Actual	10/11 - Approved Budget	10/11 - SDBIP 31/12/2010	10/11 - Actuals 31/12/2010	10/11 - Forecast	Expected Roll-Over Projects
Public Safety	5,138,660	13,510,700	6,830,700	4,066,137	10,564,004	-
Sport and Recreation	9,495,083	15,447,000	5,402,000	4,581,487	14,920,982	600,000.00
Water	5,695,169	27,971,700	10,979,200	2,214,052	13,808,579	15,000,000.00
Waste Water Management	10,203,436	59,662,300	28,447,798	4,154,812	17,254,991	42,200,000.00
Other	6,659,224	12,538,900	6,087,900	2,490,154	10,909,803	1,400,000.00
Road Transport	66,635,971	76,641,700	39,021,700	39,528,463	75,374,942	40,000.00
Community & Social Services	16,627,719	87,889,300	61,651,900	16,041,096	93,364,587	-
Electricity	50,203,384	118,351,100	14,775,700	44,169,630	115,664,579	-

CAPITAL EXPENDITURE BY MINOR VOTE: 2010/2011



	09/10 - Audited Actual	10/11 - Approved Budget	10/11 - SDBIP 31/12/2010	10/11 - Actuals 31/12/2010	10/11 - Forecast
■ Budget & Treasury Office	138,482	110,000	110,000	54,381	109,136
■ Housing	46,683	23,500	23,500	2,845	22,845
■ Health	1,663,340	1,844,750	1,344,750	880,088	1,933,090
■ Executive & Council	2,131,696	1,380,650	769,650	869,185	1,341,212
■ Planning & Development	319,555	3,680,000	1,460,000	215,575	2,099,251
■ Waste Management (Refuse)	2,497,950	5,610,000	2,490,000	522,462	5,513,405

MP313 Steve Tshwete - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2008/09	2009/10	Budget Year 2010/11			
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1						
ASSETS							
Current assets							
Cash		40,796	57,139	33,373	33,373	181,832	24,347
Call investment deposits		450,000	468,000	80,000	80,000	267,000	408,000
Consumer debtors		30,608	33,619	36,658	36,658	22,570	36,658
Other debtors		15,711	15,062	14,230	14,230	9,673	14,230
Current portion of long-term receivables		13,017	3,926	-	-	-	-
Inventory		34,515	35,727	36,763	36,763	35,693	36,763
Total current assets		584,647	613,472	201,024	201,024	516,768	519,999
Non current assets							
Long-term receivables		555	384	-	-	-	-
Investments		13,871	15,000	16,129	16,129	15,000	16,129
Investment property							
Property, plant and equipment		6,098,311	6,123,881	4,679,516	4,679,516	6,228,905	6,337,247
Agricultural							
Biological assets							
Intangible assets		3,165	2,593	3,989	3,989	2,821	3,989
Other non-current assets		132	606	34	34	606	34
Total non current assets		6,116,033	6,142,465	4,699,669	4,699,669	6,247,332	6,357,400
TOTAL ASSETS		6,700,680	6,755,937	4,900,693	4,900,693	6,764,100	6,877,398
LIABILITIES							
Current liabilities							
Bank overdraft							
Borrowing		19,218	22,303	24,609	24,609	20,804	24,609
Consumer deposits		22,224	26,677	27,243	27,243	30,573	27,243
Trade and other payables		58,881	93,301	65,768	65,768	101,420	65,768
Provisions		2,802	4,787	3,616	3,616	4,787	3,616
Total current liabilities		103,125	147,067	121,236	121,236	157,583	121,236
Non current liabilities							
Borrowing		134,485	146,065	235,442	235,442	135,509	248,606
Provisions		57,681	61,981	66,196	66,196	61,981	66,196
Total non current liabilities		192,165	208,046	301,638	301,638	197,490	314,802
TOTAL LIABILITIES		295,290	355,113	422,874	422,874	355,073	436,038
NET ASSETS	2	6,405,390	6,400,824	4,477,819	4,477,819	6,409,027	6,441,360
COMMUNITY WEALTH/EQUITY							
Accumulated Surplus/(Deficit)		6,395,782	6,388,387	4,435,179	4,435,179	6,396,590	6,398,720
Reserves		9,608	12,437	42,640	42,640	12,437	42,640
TOTAL COMMUNITY WEALTH/EQUITY	2	6,405,390	6,400,824	4,477,819	4,477,819	6,409,027	6,441,360

MP313 Steve Tshwete - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2008/9	Budget Year 2010/11							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		524,448	602,673	602,673	59,682	365,577	297,880	67,697	23%	629,948
Government - operating		57,383	75,081	75,081	23,560	54,343	39,735	14,608	37%	75,130
Government - capital		19,400	67,743	67,743	6,580	23,700	29,229	(5,528)	-19%	46,743
Interest		59,721	33,917	33,917	3,164	17,353	20,188	(2,835)	-14%	33,185
Dividends								-		
Payments										
Suppliers and employees		(420,652)	(642,202)	(642,202)	(83,069)	(409,488)	(330,913)	78,575	-24%	(598,828)
Finance charges		(18,503)	(22,041)	(22,041)	(1,837)	(11,020)	(11,020)	(0)	0%	(22,041)
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		221,797	115,172	115,172	8,081	40,464	45,097	(4,633)	-10%	164,137
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		36	473	473	-	45	71	(26)	-37%	473
Decrease (Increase) in non-current debtors			50	50				-		50
Decrease (increase) other non-current receivables		12,042	13,571	13,571				-		13,571
Decrease (increase) in non-current investments		(55,129)	56,171	56,171	72,000	216,000	(10,000)	226,000	-2260%	60,000
Payments										
Capital assets		(194,148)	(288,428)	(288,428)	(36,963)	(125,631)	(131,187)	(5,556)	4%	(370,732)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(237,199)	(218,162)	(218,162)	35,037	90,414	(141,116)	(231,530)	164%	(296,638)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		35,429	95,671	95,671				-		-
Borrowing long term/refinancing							95,671	(95,671)	-100%	120,541
Increase (decrease) in consumer deposits		2,426	2,919	2,919	205	4,406	1,467	2,939	200%	2,919
Payments										
Repayment of borrowing		(17,032)	(23,716)	(23,716)	(9,057)	(10,556)	(19,371)	(8,814)	46%	(23,716)
NET CASH FROM/(USED) FINANCING ACTIVITIES		20,823	74,873	74,873	(8,852)	(6,150)	77,767	83,917	108%	99,743
NET INCREASE/ (DECREASE) IN CASH HELD		5,422	(28,118)	(28,118)	34,266	124,728	(18,252)			(32,757)
Cash/cash equivalents at beginning:		35,374	61,490	61,490	46,701	57,104	61,490			57,104
Cash/cash equivalents at month/year end:		40,796	33,373	33,373	80,966	181,832	43,238			24,347

PART 2

MID YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT- SUPPORTING DOCUMENTATIONS

1. **Debtors analysis**

Supporting Table SC3 provides a breakdown of the consumer debtors. The outstanding debtors at the end of December 2010 amounted to R63,1-million and reflects an increase of R7,4-million from the previous financial year. The debtor analysis is graphically presented in:

- Chart 7 – Debtor analysis

2. **Creditors analysis**

Supporting Table SC4 provides detail on aged creditors. In terms of the MFMA all creditors are paid within 30 days of receiving the invoice or statement. For the month of December 2010 creditors to the amount of R101,4-million were paid and no creditors were outstanding for more than 30 days.

3. **Investment portfolio analysis**

Supporting Table SC5 display the Council's Investment Portfolio and indicates that R267,0-million is invested at the end of December 2010.

4. **Allocation and grant receipts and expenditure**

Supporting Table SC6 & SC7 provide detail of grants separately as income and expenditure, as far as revenue is recognised and expenditure is appropriated. On the receipt of grants R75,2-million was received during the first half of the financial year whilst on the other hand grant expenditure to the amounts of R58,0-million was spent. It is forecasted that all grants as gazette for the 2010/2011 financial year will be received and fully spent by 30 June 2011.

5. **Councillor allowances and employee benefits**

Supporting Table SC8 provides the detail for councillor and employee benefits paid. The total salaries, allowances and benefits paid for the first six months ending 31 December 2010 amounts to R119,6-million, which is 51% of the budgeted amount. The full year forecast indicates that R5,3-million more employee related cost will realise for the financial year than budgeted.

6. **Material variances to the service delivery and budget implementation plan**

Supporting Table SC9 provides the detail of the cash inflow for the budget setting out receipts by source and payments by type per month. The projected cash receipts by source amounts to R982,5-million and for cash payments by type to R1 015,3-million which resulted in a net decrease in cash held of R32,7-million.

The implementation of the budget against the service delivery targets are on track with no major deviations. Revenue reflect a favourable deviation of 6% which is mainly for the expected sale of erven in Aerorand where additional income of R15,8-million is forecasted. It is also projected that more revenue on property rates will realise. Although expenditure reflects a under spending of 3% it is forecasted that the expenditure targets will be met by 30 June 2011. No immediate corrective steps are required.

The actual performance against the SDBIP for the first half of the financial year is graphically presented in:

- Chart 8 – Revenue vs. monthly SDBIP
- Chart 9 – Expenditure vs. monthly SDBIP

7. **Capital programme performance**

Supporting Table SC12 provides information on the actual monthly capital expenditure against the SDBIP targets for the first half of the financial year.

Although there is vast improvement in capital expenditure the actual performance deviates with 31% from the SDBIP. The main reasons for this deviation are the lengthy procurement processes and lack of proper planning in the SDBIP process. Early indications are that about 85% of the capital budget will be spent by 30 June 2011. The implementation of the capital budget according to the SDBIP will be closely monitored.

Supporting Tables SC13a and SC13b provide the detail of capital expenditure by asset classification for both new and replacement of assets separately, whilst supporting Table SC13c measures the extent to which Council's assets are maintained.

The year to date actual expenditure on repairs and maintenance amounts to R19,2-million against the planned figure of R17,8-million. This indicates an increase in expenditure of R1,4-million on repairs and maintenance from that planned.

The actual performance on capital expenditure against the SDBIP is graphically presented in:

- Chart 10 – Capital expenditure vs. monthly SDBIP

8. **Performance indicators**

Supporting Table SC2 provides detail on the financial performance indicators. The average payment rate for the past financial year was 99,9% and for the current year to date amounts to 100,3%. The collection period remains healthy at 21 days with a debtors turnover rate of 5,9%. The financial performance indicators for the first six months are well within the targets.

9. **Municipal Managers' quality certification**

**QUALITY CERTIFICATE
31 DECEMBER 2010**

*I, **WILHELM DIEDERICK FOUCHÉ**, municipal manager of **STEVE TSHWETE LOCAL MUNICIPALITY**, hereby certify that the mid-year budget and performance assessment report for the first half of the financial year end of December 2010 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.*

**W.D. FOUCHÉ
MUNICIPAL MANAGER**

of

**STEVE TSHWETE LOCAL MUNICIPALITY
MP313**

A handwritten signature in black ink, appearing to read 'W.D. Fouché', is written over a light grey rectangular background.

**SIGNATURE
DATE 18 January 2011**

MP313 Steve Tshwete - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Property rates	13,224	More income realised than originally estimated. The item "less revenue foregone", which relates to free basic services, now included under expenditure and no longer decreases revenue.	
	Other Revenue	15,815	It is expected that over 400 erven in Aerorand will be sold before the end of the financial year.	
2	Expenditure By Type			
	Transfers and grants	(5,242)	The higher amount for transfers and grant relate mainly to the rebates on assessment rates which in the original budget was budgeted as "income foregone", and now became an expenditure item.	
3	Capital Expenditure			
	Corporate Services	2,841	The following projects is possible roll over projects: Carpets Data Room & Council Chamber R150 000, Access Control System R350 000, Stores Yard Facility R1 633 700 and Refueling System R750 000.	
	Planning & Development	1,581	The amount of R1 400 000 for the Township Development is a lengthy process and this amount is a possible roll over. An amount of R180 749 will realise as a saving on the Town Planning for Mhluzi.	
	Community & Social Services	(5,475)	Additional funding of R5.5 million might be needed for the completion of the Banquet Hall	
	Public Safety	2,947	Savings of R400 000 realised on the highmast for Rockdale as well as R1 365 000 on the purchase of the Unimog Fire Engine. Additional funding for the building of traffic calming measures to the amount of R538 618 might be required.	
	Waste Water Management	42,407	There will be a possible roll over of R41 000 000 for Upgrade Boskrans Sewer Plant as well as R1 200 000 for Sanitation Mafube Village. Additional funding of R200 000 is required for the completion of New Networks - Aerorand West. A saving of R400 000 realised on Replace Bulk Electricity Supply Cable Hendrina as it was discovered that the problem is on Eskom's side.	
	Water	14,163	There will be a possible roll over of R5 000 000 for Vaalbank Water Treatment Plant and R10 000 000 for Bulk Water New Industrial Area. Additional funding of R570 000 is required for New Water Connections	

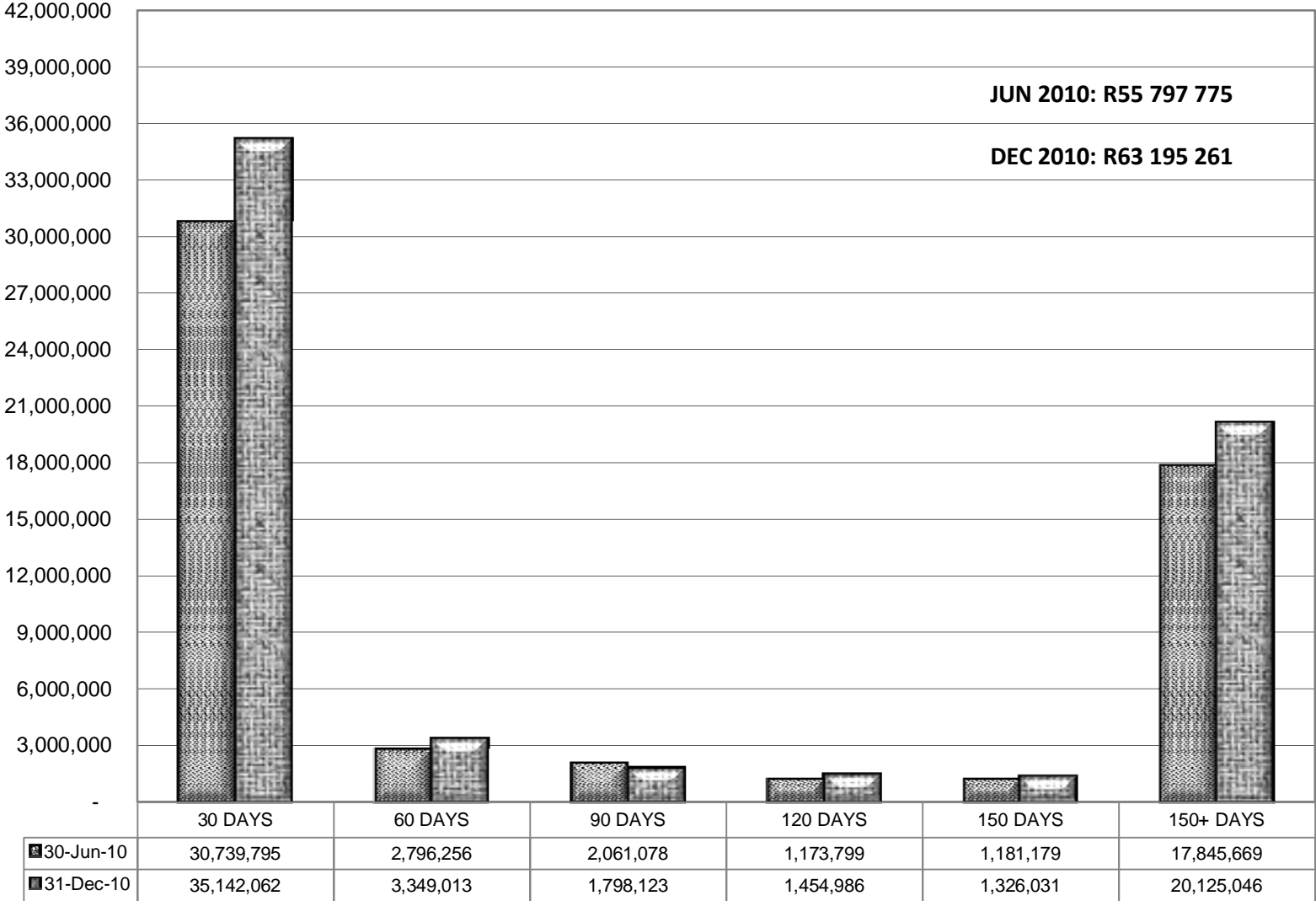
MP313 Steve Tshwete - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2009/10	Budget Year 2010/11			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Percentage							
<u>Borrowing Management</u>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		2.2%	4.8%	4.8%	2.0%	3.6%
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		21.3%	21.3%	21.3%	21.5%	21.5%
Borrowed funding of capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		4.1%	7.3%	7.3%	4.0%	5.3%
Gearing	Long Term Borrowing/ Funds & Reserves		1174.4%	552.2%	552.2%	1089.5%	583.0%
<u>Liquidity</u>							
Current Ratio 1	Current assets/current liabilities	1	417.1%	165.8%	165.8%	327.9%	428.9%
Liquidity Ratio	Monetary Assets/Current Liabilities		367.3%	106.8%	106.8%	294.3%	369.9%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		7.4%	7.2%	7.2%	8.5%	6.9%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))		100.0%	100.0%	100.0%	100.0%	100.0%
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		31.2%	31.2%	31.2%	29.8%	31.3%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		5.5%	5.8%	5.8%	1.2%	3.6%
Interest & Depreciation	I&D/Total Revenue - capital revenue		24.6%	24.6%	24.6%	23.2%	23.7%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

MP313 Steve Tshwete - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2010/11									Total	Bad Debts
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr			
R thousands												
Debtors Age Analysis By Revenue Source												
Rates	1200	10,879	1,422	933	865	745	13,050				27,893	
Electricity	1300	14,076	772	246	109	82	680				15,966	
Water	1400	3,053	304	174	119	86	1,337				5,072	
Sewerage / Sanitation	1500	1,935	253	142	93	75	909				3,407	
Refuse Removal	1600	1,733	234	102	74	56	707				2,906	
Housing (Rental Revenue)	1700										-	
Other	1900	3,466	365	201	195	282	3,442				7,950	
Total By Revenue Source	2000	35,142	3,349	1,798	1,455	1,326	20,125				63,195	-
2009/10 - totals only	10-Jun	30,740	2,796	2,061	1,174	1,181	17,846				55,798	-
Debtors Age Analysis By Customer Category												
Government	2200	615	163	111	104	92	814				1,899	
Business	2300	12,453	1,026	387	201	205	2,771				17,043	
Households	2400	14,718	1,484	754	625	402	8,308				26,292	
Other	2500	7,356	676	545	524	627	8,232				17,961	
Total By Customer Category	2600	35,142	3,349	1,798	1,455	1,326	20,125				63,195	-

CONSUMER DEBTORS 31 December 2010



MP313 Steve Tshwete - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Absa Bank		5	Fixed	2011/02/25	186	6.09%	36,000		36,000
Nedcor Bank		6	Fixed	2011/03/28	190	6.20%	36,000		36,000
Standard Bank		6	Fixed	2010/12/22	146	6.75%	36,000	(36,000)	-
Standard Bank		6	Fixed	2010/12/29	193	6.75%	36,000	(36,000)	-
Standard Bank		4	Fixed	2010/01/28	187	6.10%	36,000		36,000
First National Bank		4	Fixed	2010/01/29	184	6.03%	36,000		36,000
First National Bank		6	Fixed	2011/03/29	188	6.16%	36,000		36,000
Investec Bank		5	Fixed	2011/02/28	190	6.20%	36,000		36,000
Investec Bank		6	Fixed	2011/03/28	191	6.25%	36,000		36,000
Absa Bank		120	Zero Bond	2011/11/30	End of term		15,000		15,000
Municipality sub-total		168			1,655		339,000	(72,000)	267,000

MP313 Steve Tshwete - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2009/10	Budget Year 2010/11							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		52,003	72,681	72,681	23,521	54,293	52,224	2,069	4.0%	72,681
Equitable share		47,394	70,395	70,395	23,465	52,797	50,727	2,069	4.1%	70,395
Finance Management grant	3	500	1,000	1,000	-	1,000	1,000	-	-	1,000
Municipal Systems Improvement		735	-	-	-	-	-	-	-	-
Other transfers and grants - MIG (PMU)		3,375	1,286	1,286	56	497	497	(0)	0.0%	1,286
Provincial Government:		4,443	2,400	2,400	-	-	-	-	-	2,400
Health		4,443	2,400	2,400	-	-	-	-	-	2,400
Local Government Transition Grant			-	-	-	-	-	-	-	-
Department of Arts & Culture (DAC)	4		-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
Cleanest Town Competition			-	-	-	-	-	-	-	-
Umsobomvu Youth Fund			-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	56,446	75,081	75,081	23,521	54,293	52,224	2,069	4.0%	75,081
Capital Transfers and Grants										
National Government:		15,277	44,453	44,453	6,000	19,530	26,939	(7,408)	-27.5%	44,453
Municipal Infrastructure Grant (MIG)		15,277	24,453	24,453	3,000	11,375	11,574	(199)	-1.7%	24,453
Finance Management Grant (FMG)										
Integrated National Electricity Program (INEP)			10,000	10,000	3,000	5,000	10,000	(5,000)	-50.0%	10,000
Neighbourhood Development Partnership Grant			10,000	10,000	-	3,155	5,365	(2,210)	-41.2%	10,000
Provincial Government:		770	750	750	-	750	750	-	-	750
Department of Arts & Culture (DAC)		320	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant (MSIG)		450	750	750	-	750	750	-	-	750
District Municipality:		-	-	-	-	-	-	-	-	-
Nkangala District Municipality										
Other grant providers:		-	870	870	-	578	870	(292)	-33.6%	870
Cleanest Town Competition			-	-	-	-	-	-	-	-
National Lottery Distribution Trust Fund			-	-	-	577,930	-	578	#DIV/0!	-
EPWP			870,000	870,000	-	-	870,000	(870)	-100.0%	870
Total Capital Transfers and Grants	5	16,047	46,073	46,073	6,000	20,858	28,559	(7,700)	-27.0%	46,073
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	72,493	121,154	121,154	29,521	75,152	80,783	(5,631)	-7.0%	121,154

MP313 Steve Tshwete - Supporting Table SC7 Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2009/10	Budget Year 2010/11							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		52,634	72,681	72,681	6,051	41,659	46,554	(4,895)	-10.5%	72,681
Equitable share		47,768	70,395	70,395	5,837	40,175	45,446	(5,271)	-11.6%	70,395
Finance Management grant		858	1,000	1,000	147	789	612	178	29.1%	1,000
Municipal Systems Improvement		633	-	-	12	198	-	198	#DIV/0!	-
0										
0										
0										
Other transfers and grants - MIG (PMU)		3,375	1,286	1,286	55	496	496	(0)	-0.1%	1,286
Provincial Government:		4,810	2,400	2,400	200	1,200	1,200	-		2,400
Health		4,810	2,400	2,400	200	1,200	1,200	-		2,400
Local Government Transition Grant			-	-	-	-	-	-		-
Department of Arts & Culture (DAC)			-	-	-	-	-	-		-
0										
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-		-
[insert description]										
Other grant providers:		-	-	-	-	198	-	198	#DIV/0!	-
Cleanest Town Competition			-	-	-	198	-	198	#DIV/0!	-
Umsobomvu Youth Fund			-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:		57,444	75,081	75,081	6,251	43,057	47,754	(4,697)	-9.8%	75,081
Capital expenditure of Transfers and Grants										
National Government:		17,044	45,203	45,203	3,827	14,467	22,065	(7,598)	-34.4%	45,203
Municipal Infrastructure Grant (MIG)		16,024	24,453	24,453	3,384	14,011	14,700	(689)	-4.7%	24,453
Finance Management Grant (FMG)			750	750	-	-	-	-		750
Integrated National Electricity Program (INEP)		1,020	10,000	10,000	-	12	2,000	(1,988)	-99.4%	10,000
Neighbourhood Development Partnership Grant			10,000	10,000	443	443	5,365	(4,922)	-91.7%	10,000
0										
0										
Provincial Government:		753	750	750	-	-	-	-		750
Department of Arts & Culture (DAC)		303	-	-	-	-	-	-		-
Municipal Systems Improvement Grant (MSIG)		450	750	750	-	-	-	-		750
District Municipality:		-	-	-	-	-	-	-		-
Nkangala District Municipality										
Other grant providers:		306	870	950	-	491	180	311	172.8%	950
Cleanest Town Competition		306	-	80	-	68	80	(12)	-15.3%	80
National Lottery Distribution Trust Fund						414	-			
EPWP			870	870	-	9	100	(91)	-91.0%	870
Total capital expenditure of Transfers and Grants		18,104	46,823	46,903	3,827	14,958	22,245	(7,287)	-32.8%	46,903
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		75,547	121,904	121,984	10,078	58,014	69,999	(11,984)	-17.1%	121,984

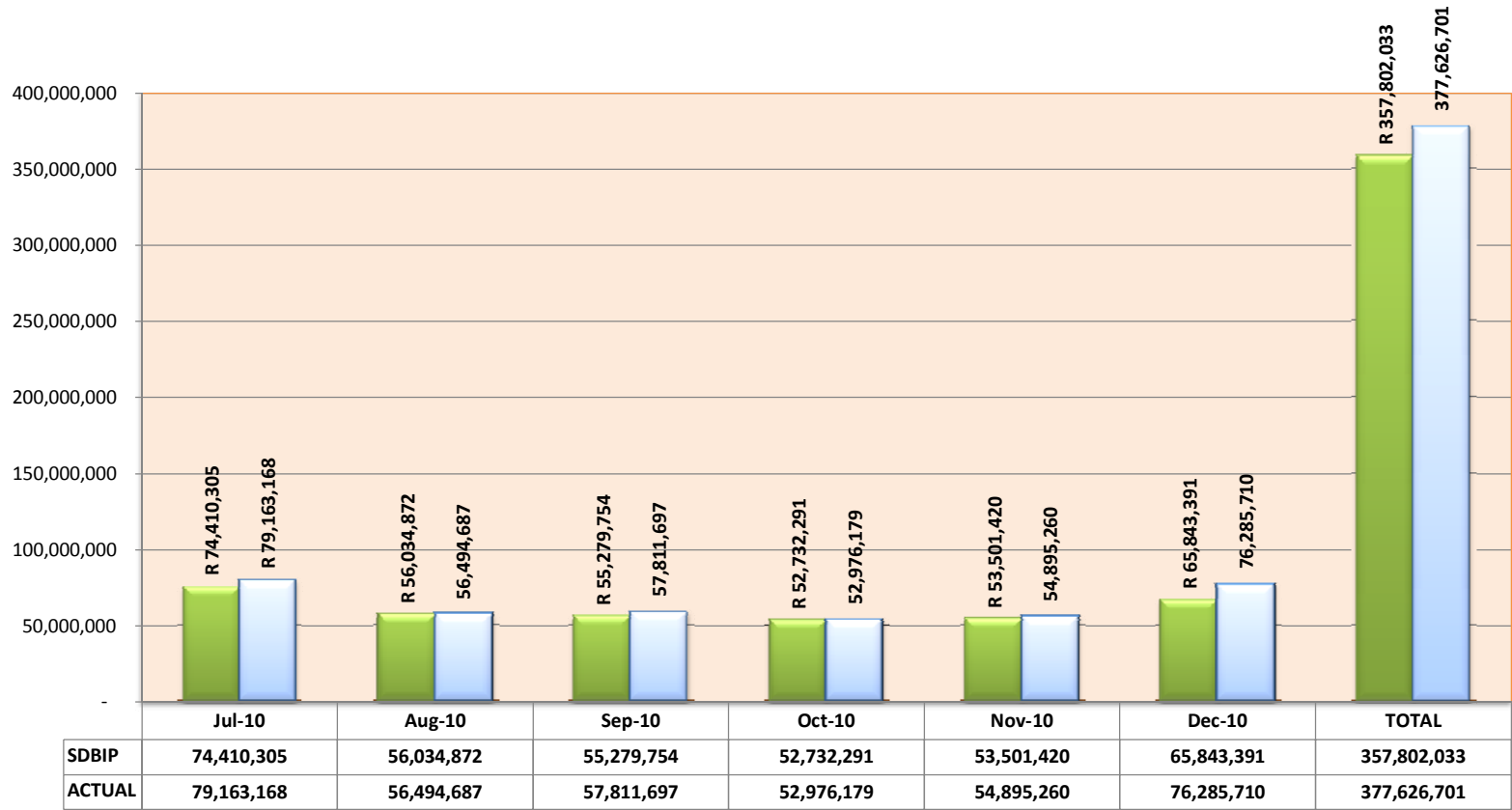
MP313 Steve Tshwete - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2009/10	Budget Year 2010/11							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Salary		6,574	7,140	7,140	600	3,430	3,331	98	3%	6,860
Pension Contributions		935	1,292	1,292	76	465	507	(41)	-8%	931
Medical Aid Contributions		259	296	296	19	123	157	(35)	-22%	245
Motor vehicle allowance		2,538	2,871	2,871	225	1,297	1,268	29	2%	2,595
Cell phone and other allowances		545	623	623	68	279	275	4	2%	559
Housing allowance		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		10,850	12,220	12,220	989	5,595	5,539	56	1%	11,190
% increase	4		12.6%	12.6%						3.1%
Senior Managers of the Municipality										
Salary		3,368,375	3,643,205	3,643,205	316,751	1,867,995	1,821,603	46	3%	3,736
Pension Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor vehicle and cell phone		685,972	729,600	729,600	55,800	341,380	364,800	(23)	-6%	683
Housing allowance		-	-	-	-	-	-	-	-	-
Performance Bonus		-	524,734	524,734	-	-	-	-	-	525
Other benefits or allowances		-	-	-	-	-	-	-	-	-
In-kind benefits	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4,054	4,898	4,898	373	2,209	2,186	23	1%	4,943
% increase	4		20.8%	20.8%						21.9%
Other Municipal Staff										
Basic Salaries and Wages		123,563	150,162	150,162	15,521	76,357	74,170	2,187	3%	152,713
Pension Contributions		22,329	28,235	28,235	2,282	13,357	13,302	55	0%	26,713
Medical Aid Contributions		8,460	9,974	9,974	814	4,867	4,738	129	3%	9,735
Motor vehicle and cell phone		-	-	-	-	-	-	-	-	-
Housing allowance		1,456	2,189	2,189	125	742	1,008	(266)	-26%	1,484
Overtime		22,983	23,066	23,066	2,218	14,619	10,892	3,727	34%	29,237
Performance Bonus		-	-	-	-	-	-	-	-	-
Other benefits or allowances		3,639	3,816	3,816	341	1,909	1,867	42	2%	3,819
In-kind benefits	2	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		182,430	217,442	217,442	21,300	111,850	105,977	5,873	6%	223,701
% increase	4		19.2%	19.2%						22.6%
Total Parent Municipality		197,335	234,560	234,560	22,661	119,655	113,702	5,952	5%	239,834
			18.9%	18.9%						21.5%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		197,335	234,560	234,560	22,661	119,655	113,702	5,952	5%	239,834
% increase	4		18.9%	18.9%						21.5%
TOTAL MANAGERS AND STAFF		186,484	222,340	222,340	21,673	114,060	108,163			228,644

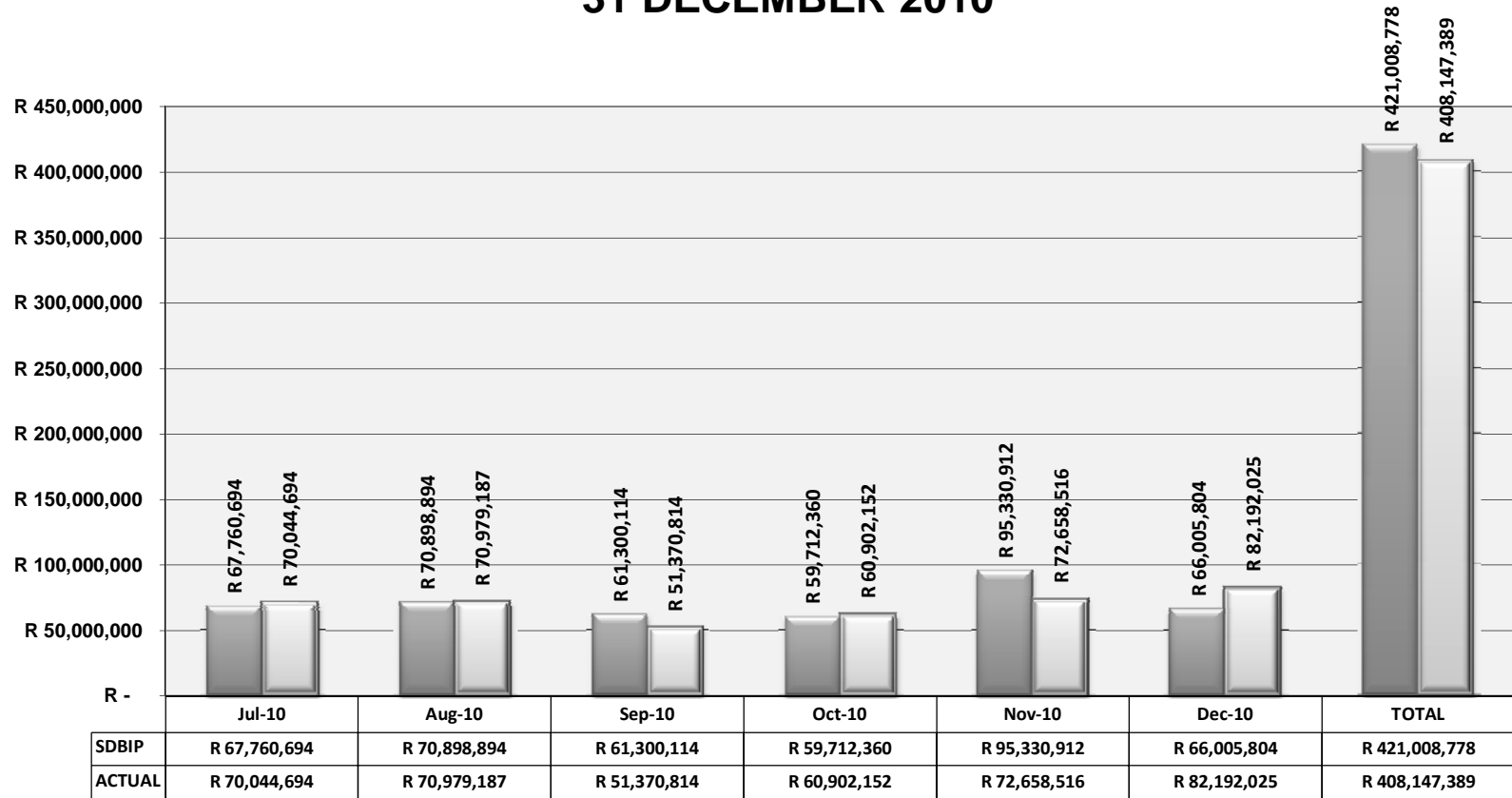
MP313 Steve Tshwete - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

Description	Ref	Budget Year 2010/11												2010/11 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2010/11	Budget Year +1 2011/12	Budget Year +2 2012/13
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
R thousands	1															
Cash Receipts By Source																
Property rates		14,034	12,838	14,310	14,262	14,308	14,360	13,189	13,200	13,216	13,202	13,201	21,516	171,637	166,817	176,763
Property rates - penalties & collection charges													-			
Service charges - electricity revenue		19,763	26,547	24,817	22,807	23,356	21,989	22,500	21,003	22,646	22,480	23,338	21,919	273,164	326,614	389,990
Service charges - water revenue		3,089	3,480	4,200	5,235	3,982	3,595	3,437	3,357	3,414	3,048	3,505	1,104	41,447	47,220	50,796
Service charges - sanitation revenue		2,979	3,072	3,060	3,037	3,075	3,037	2,672	2,441	3,105	3,140	2,987	3,757	36,361	41,932	49,103
Service charges - refuse		2,957	2,959	2,981	2,997	3,001	3,017	2,937	2,960	2,979	2,979	2,980	3,068	35,816	37,491	40,232
Service charges - other													-			
Rental of facilities and equipment		933	1,044	1,039	978	993	1,092	967	976	984	998	982	986	11,972	12,008	12,409
Interest earned - external investments		2,619	3,189	4,123	779	2,776	3,009	2,425	2,081	2,063	2,514	1,979	3,925	31,481	29,750	28,250
Interest earned - outstanding debtors		130	139	139	149	146	155	134	134	135	136	142	164	1,704	1,629	1,599
Dividends received													-			
Fines		344	94	346	345	437	480	407	396	462	407	432	21	4,172	4,361	4,614
Licences and permits		416	418	461	403	426	444	461	434	536	378	488	283	5,148	5,426	5,751
Agency services			1,182	617	650	656	599	755	701	756	648	647	338	7,550	8,003	8,483
Transfer receipts - operating		30,413	55	71	169	75	23,560	83	121	30,731	106	184	(10,439)	75,130	86,161	95,164
Other revenue		10,486	4,222	4,125	16,085	22,046	11,070	984	1,040	1,401	1,496	1,364	(31,637)	42,682	93,086	93,219
Cash Receipts by Source		88,163	59,240	60,289	67,896	75,278	86,406	50,950	48,844	82,429	51,533	52,228	15,006	738,263	860,500	956,371
Other Cash Flows by Source																
Transfer receipts - capital			882	2,416	5,674	8,148	6,580	3,400	4,465	7,266	651	750	6,511	46,743	39,410	45,587
Contributions & Contributed assets													-			
Proceeds on disposal of PPE		26			19						401		26	473	473	473
Short term loans													-			
Borrowing long term/refinancing													120,541	120,541	112,580	98,115
Increase in consumer deposits		624	997	848	1,302	430	205	47	25	163	122	120	(1,964)	2,919	3,269	3,051
Receipt of non-current debtors													50	50	(20)	(10)
Receipt of non-current receivables													13,571	13,571		
Change in non-current investments		72,000	108,000	(144,000)	36,000	72,000	72,000		20,000	20,000	30,000	20,000	(246,000)	60,000	(17,129)	(24,129)
Total Cash Receipts by Source		160,813	169,119	(80,447)	110,892	155,856	165,191	54,397	73,334	109,858	82,708	73,098	(92,259)	982,560	999,082	1,079,458
Cash Payments by Type																
Employee related costs		18,072	17,684	18,088	18,027	19,208	21,575	19,134	18,848	19,103	19,531	19,531	22,382	231,182	238,659	255,752
Remuneration of councillors		929	939	915	915	908	989	1,082	1,084	1,145	1,104	1,122	711	11,843	13,076	13,860
Interest paid		1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	1,837	22,041	30,056	37,768
Bulk purchases - Electricity		23,040	24,768	2,748	13,529	23,217	11,748	12,163	13,333	14,719	15,056	15,452	20,877	190,650	230,771	288,019
Bulk purchases - Water & Sewer				181	51	105	542	791	823	862	855	791	(2,187)	2,813	9,683	10,264
Other materials													-			
Contracted services		773	980	755	1,858	2,407	1,809	1,467	1,433	1,513	1,443	1,541	1,098	17,078	19,090	20,651
Grants and subsidies paid - other municipalities													-			
Grants and subsidies paid - other		2,416	2,872	3,111	2,799	2,806	2,748	2,539	2,498	2,570	2,595	2,570	6,730	36,255	34,907	39,545
General expenses		8,017	5,948	6,191	5,444	5,520	23,796	7,994	8,966	11,425	12,971	14,573	(1,837)	109,007	138,696	148,044
Cash Payments by Type		55,084	55,027	33,826	44,460	56,009	65,044	47,006	48,820	53,173	55,391	57,417	49,611	620,868	714,939	813,904
Other Cash Flows/Payments by Type																
Capital assets		2,178	12,388	24,852	22,540	26,710	36,963	23,601	31,293	26,225	32,895	22,073	109,014	370,732	250,362	234,288
Repayment of borrowing				1,499			9,057			2,527			10,633	23,716	24,609	23,018
Other Cash Flows/Payments		32,031	10,278	32,725	9,925	6,239	19,862						(111,059)			
Total Cash Payments by Type		89,293	77,693	92,902	76,925	88,958	130,925	70,607	80,113	81,926	88,287	79,490	58,199	1,015,317	989,911	1,071,210
NET INCREASE/(DECREASE) IN CASH HELD		71,520	91,426	(173,349)	33,967	66,898	34,266	(16,209)	(6,779)	27,933	(5,579)	(6,392)	(150,458)	(32,757)	9,171	8,248
Cash/cash equivalents at the month/year beginning:		57,104	128,624	220,050	46,701	80,668	147,566	181,832	165,622	158,843	186,775	181,196	174,805	57,104	24,347	33,518
Cash/cash equivalents at the month/year end:		128,624	220,050	46,701	80,668	147,566	181,832	165,622	158,843	186,775	181,196	174,805	24,347	24,347	33,518	41,766

REVENUE VS SDBIP TARGETS 31 DECEMBER 2010



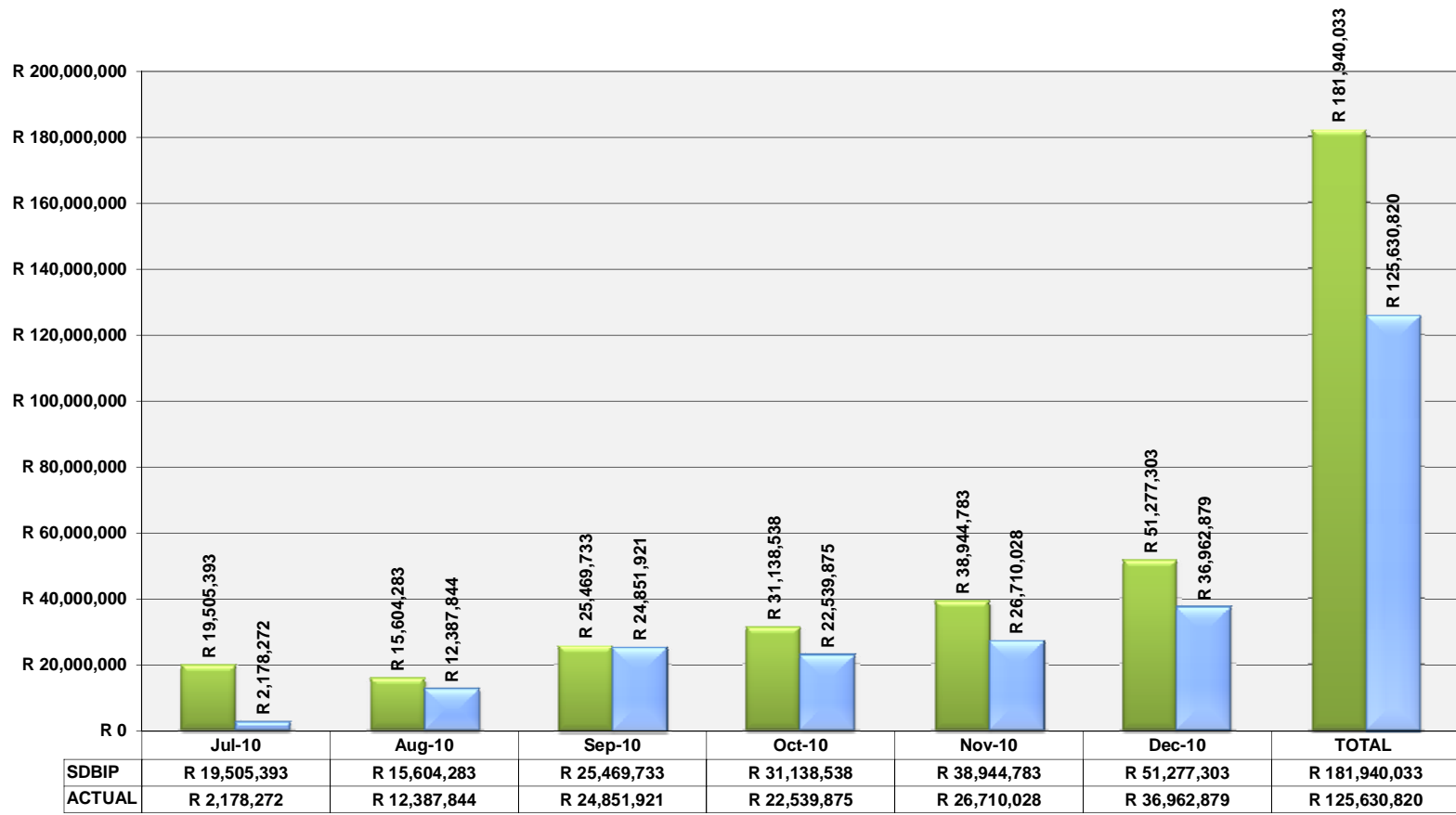
EXPENDITURE VS SDBIP TARGETS 31 DECEMBER 2010



MP313 Steve Tshwete - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

Month	2009/10	Budget Year 2010/11							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July	564	19,505	19,505	2,178	2,178	19,505	17,327	88.8%	1%
August	2,392	15,604	15,604	12,388	14,566	35,110	20,544	58.5%	5%
September	4,458	20,209	25,470	24,852	39,418	60,579	21,161	34.9%	14%
October	7,525	26,441	31,139	22,540	61,958	91,718	29,760	32.4%	21%
November	9,555	27,203	38,945	26,710	88,668	130,663	41,995	32.1%	31%
December	14,260	22,224	51,277	36,963	125,631	181,940	56,309	30.9%	44%
January	9,595	23,601	39,930			221,870	-		
February	11,418	31,293	40,223			262,093	-		
March	16,702	26,225	32,412			294,505	-		
April	22,559	32,895	42,625			337,130	-		
May	20,410	22,073	37,134			374,264	-		
June	68,107	21,154	59,460			433,724	-		
Total Capital expenditure	187,545	288,428	433,724	125,631					

CAPEX VS SDBIPTARGETS 31 DECEMBER 2010



MP313 Steve Tshwete - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment

Description	Ref	Budget Year 2010/11								
		2009/10 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		113,943	165,303	242,590	26,618	78,806	83,949	5,143	6.1%	181,537
Infrastructure - Road transport		59,054	60,873	64,402	11,183	39,095	37,334	(1,761)	-4.7%	63,983
Roads, Pavements & Bridges		41,547	42,173	45,003	8,038	28,947	27,835	(1,112)	-4.0%	43,783
Storm water		17,507	18,700	19,398	3,144	10,148	9,498	(650)	-6.8%	20,200
Infrastructure - Electricity		42,278	39,205	98,097	14,481	36,052	12,714	(23,338)	-183.6%	94,222
Generation		-	-	-	-	-	-	-	-	-
Transmission & Reticulation		42,003	36,880	94,476	14,290	35,405	11,019	(24,387)	-221.3%	90,851
Street Lighting		276	2,325	3,621	191	647	1,696	1,049	61.9%	3,371
Infrastructure - Water		3,179	22,295	22,395	378	953	7,163	6,210	86.7%	7,765
Dams & Reservoirs		-	-	-	-	-	-	-	-	-
Water purification		270	8,210	8,210	125	146	1,280	1,134	88.6%	3,160
Reticulation		2,909	14,085	14,185	254	807	5,883	5,076	86.3%	4,605
Infrastructure - Sanitation		8,303	41,430	56,031	467	2,507	26,272	23,765	90.5%	14,036
Reticulation		2,113	1,430	4,375	169	558	2,272	1,715	75.5%	3,380
Sewerage purification		6,190	40,000	51,656	298	1,950	24,000	22,050	91.9%	10,656
Infrastructure - Other		1,129	1,500	1,665	109	198	465	267	57.4%	1,532
Waste Management		152	1,500	1,500	89	179	300	121	40.5%	1,482
Transportation		897	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		80	-	165	20	20	165	145	88.0%	50
Community		21,152	56,905	97,566	3,055	16,765	65,218	48,453	74.3%	102,798
Parks & gardens		3,447	2,645	2,825	34	243	1,295	1,052	81.2%	2,800
Sportsfields & stadia		1,755	5,985	5,985	308	450	2,912	2,462	84.5%	6,005
Swimming pools		30	-	-	-	-	-	-	-	-
Community halls		14,463	42,500	82,438	2,310	14,236	56,702	42,466	74.9%	87,948
Libraries		98	300	402	-	239	352	113	32.0%	420
Recreational facilities		-	75	75	-	74	75	1	1.1%	74
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		430	1,200	1,300	110	495	740	245	33.0%	910
Buses		-	-	-	-	-	-	-	-	-
Clinics		700	800	1,142	-	376	642	266	41.4%	1,242
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Cemeteries		228	3,400	3,400	292	650	2,500	1,850	74.0%	3,400
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		17,166	19,047	31,603	2,586	10,230	14,360	4,130	28.8%	26,901
General vehicles		2,323	295	2,295	1,182	2,017	890	(1,127)	-126.6%	2,122
Specialised vehicles		352	-	600	-	-	600	600	100.0%	747
Plant & equipment		7,967	10,319	13,052	725	5,225	7,575	2,350	31.0%	12,558
Computers - hardware/equipment		4,530	2,560	3,130	137	821	1,580	759	48.0%	3,064
Furniture and other office equipment		1,171	873	1,073	20	614	943	329	34.8%	1,272
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		502	2,300	7,772	506	1,337	1,312	(25)	-1.9%	5,039
Other Buildings		-	-	-	-	-	-	-	-	-
Other Land		320	2,700	3,680	15	216	1,460	1,244	85.2%	2,099
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class		-	-	-	-	-	-	-	-	-
Intangibles		1,568	1,720	1,816	-	228	316	88	28.0%	1,059
Computers - software & programming		1,568	1,720	1,816	-	228	316	88	28.0%	1,059
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	153,828	242,975	373,575	32,258	106,028	163,843	57,814	35.3%	312,296

