

**ANNUAL BUDGET OF
LEJWELEPUTSWA DISTRICT MUNICIPALITY
2013/2014
MEDIUM TERM REVENUE AND EXPENDITURE
FORECASTS**

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Part 1 – ANNUAL BUDGET

1.1 Mayor's Report

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1.2 Council Resolutions

At the Council sitting on 07 June 2012 the following decisions were taken:

- That the operating budget totalling 101874 31 be approved.
- That the capital budget totalling R3 842 000 be approved.
- That the Asset Management Policy; Credit Control Policy; and Capital Replacement Reserve Policy be noted.
- That the 2012/2013 IDP be adopted as a final document.

The Council at its sitting on 05 December 2012 resolved as follows:

- That the upward/downward budget adjustments be approved as per the following adjustments documentation:
- That the operating budget for the 2012/2013 financial year be increased from R101 874 314 to R105 021 814 be approved.
- That the capital budget for the 2012/2013 financial year totalling R3 842 000 be approved.

The Council at its sitting on 25 March 2013 resolved as follows:

- That a total amount of R2 830 000 from capital expenditure be reallocated to operating expenditure as follows:
 - Tourism Promotion R 600 000
 - Youth Development R 500 000
 - Moral Regeneration R 130 000
 - June 16 R 600 000
 - Agriculture R 500 000
 - Promotion of Arts & Culture R 500 000

1. The Council of Lejweleputswa District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2013/2014 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 8 on page 20;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 9 on page 22;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 10 on page 24; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 11 on page 27.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 12 on page 29;
 - 1.2.2. Budgeted Cash Flows as contained in Table 13 on page 31;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 14 on page 32;
 - 1.3. To give proper effect to the municipality's annual budget, the Council of Lejweleputswa District Municipality approves:
 - 1.4. That the backlog in cash backing be maintained through the transfer of surpluses to ensure that all capital reserves, provisions and unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

1.3 Executive Summary

The main objective of a municipal budget is to allocate realistic expected resources to the service delivery goals or performance objectives identified as priorities in the approved IDP.

All municipalities must prepare their budgets, adjustment budgets and in-year reports from the 2010/2011 financial year onwards in accordance with the Municipal Budget and Reporting Regulations and this implied major changes in the budget formats and attachments which are distributed as part of this document.

Each municipality must also do a funding compliance assessment of the budget to prove that the budget is properly funded. This budget program runs over a three-year period and each year the municipality must ensure that the budget is properly funded.

It is each Council's responsibility to ensure that its budget complies with the following three criteria, i.e.:

- Sustainability, to ensure that the municipality has sufficient revenue and adequate corporate and financial stability to fund and deliver on its budget.
- Credibility, to ensure that the municipality, with its ability and capacity to spend, deliver in terms of its budget.
- Governance, that the Municipality has appropriate capacity and stability to ensure the long term sustainability of service delivery.

Headline inflation forecasts

The headline inflation forecast follow:

Fiscal year	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	Actual		Estimate	Forecast		
Headline CPI inflation	3.8	5.6	5.6	5.6	5.4	5.4

In compiling the 2013/2014MTREF budget, the following remains challenges for the municipality:

1. Council's is almost 100% dependent on grants received from National Government and has no billable resources.
2. Overhead costs grow at a higher rate than income and is absorbing a bigger part of income year by year.
3. The impact of the global economy on available resources.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/2014 Medium-Term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2013/14 MTREF

EXPENDITURE ALLOCATION BY CATEGORY 2013/14					
DETAILS	ORIGINAL BUDGET 2012/13	REVISED BUDGET 2012/13	2ND REVISED BUDGET 2012/13	BUDGET 2013/14	DIFFERENCE
TOTAL OPERATING INCOME	102 704 365	102 904 365	102 802 260	106 307 976	3.41%
TOTAL OPERATING EXPENDITURE	101 874 314	105 021 814	107 851 814	104 864 192	-2.77%
SURPLUS/(DEFICIT)	830 051	-2 117 449	-5 049 554	1 443 784	
TOTAL CAPITAL EXPENDITURE	3 842 000	3 842 000	1 012 000	3 975 100	292.80%
LOAN REDEMPTION	1 792 878	1 792 878	1 792 878	1 585 085	-11.59%
TOTAL DEFICIT	-4 804 827	-7 752 327	-7 854 432	-4 116 401	-47.59%
UNAPPROPRIATED SURPLUS	-4 804 827	-7 752 327	-7 854 432	-4 116 401	
CAPITAL REPLACEMENT RESERVE				3 975 100	

Total operating revenue has grown by 3% or R3.5million for the 2013/14 financial year when compared to the 2012/13 Adjustment Budget.

Total operating expenditure for the 2013/14 financial year decreased from R107.852 million to R104.864 million a decrease of 3% compared to 2012/13 Adjustment Budget. The surplus will be utilized to cover loan redemption which is not a budget item anymore.

The capital budget of R3.975million for 2013/14 is 293%more when compared to the 2012/13 Adjustment Budget.

1.4 Operating Revenue Framework

The following table indicates Councils limited funding resources which will increase with 3% or R 3.5 million in total. National grants represent 97.9% of the total annual income. Interest income shows a decrease which is attributed to the weakness of the rand. Notable is the fact that Council's income grows below the consumer price index.

Table 2 Summary of Revenue Classes by Main Revenue Sources

SUMMARY OF INCOME BY SOURCE 2013/2014					
DETAILS	ORIGINAL BUDGET 2012/13	REVISED BUDGET 2012/13	2ND REVISED BUDGET 2012/13	BUDGET 2013/14	DIFFERENCE
INTEREST EARNED	1 680 000	1 680 000	1 680 000	1 668 000	-0.01
INREREST EARNED O/S DEBTORS	645 260	645 260	645 260	483 976	-0.25
OPERATING GRANTS & SUBSIDIES	100 387 000	100 489 105	100 387 000	104 076 000	0.04
OTHER INCOME	40 000	90 000	90 000	80 000	-0.11
TOTAL INCOME	102 752 260	102 904 365	102 802 260	106 307 976	0.03

1.5 Operating Expenditure Framework

Total remuneration is now standing at a rate of 61.84% of the total operating expenditure and is increasing at a higher rate than the income is growing and thus will erode the available operating income more and more on a yearly basis. It was estimated that yearly increases will not exceed 7% and hence a provision for 7% on both employees and councilors remuneration.

Steps to curb remuneration should be put in place and a recommendation will follow under recommendations.

Table 3 Expenditure by Main Categories

EXPENDITURE ALLOCATION BY CATEGORY					
DETAILS	ORIGINAL BUDGET 2012/2013	REVISED BUDGET 2012/2013	2ND REVISED BUDGET 2012/2013	BUDGET 2013/14	DIFFERENCE
Employee remuneration	49 514 858	48 727 243	48 732 243	56 466 275	0.16
Councillor remuneration	7 908 779	7 908 779	7 908 779	8 373 642	0.06
Working capital reserve	529 200	529 200	529 200	546 358	0.03
Depreciation	7 845 439	7 845 439	7 845 439	6 026 791	-0.23
Repairs & maintenance	912 970	623 550	623 550	640 475	0.03
Interest expenses	2 840 607	2 840 607	2 840 607	2 582 857	-0.09
Grant & subsidies	4 450 000	4 450 000	4 450 000	4 450 000	0.00
General expenditure	24 977 307	28 654 688	31 479 688	20 623 095	-0.34
Contribution: accrued leave	2 892 655	3 442 308	3 442 308	5 154 699	0.50
Total Amount	101 871 815	105 021 814	107 851 814	104 864 192	-0.03

Operating Expenditure by Department

Table 4 Expenditure by Departments

SUMMARY OF EXPENDITURE BY DEPARTMENT 2013/2014					
DETAILS	ORIGINAL BUDGET 2012/2013	REVISED BUDGET 2012/2013	2ND REVISED BUDGET 2012/2013	BUDGET 2013/14	DIFFERENCE
EXECUTIVE MAYOR	7 770 542	9 328 980	11 303 980	11 088 011	-0.02
SPEAKER	2 920 133	2 849 548	2 834 548	3 180 923	0.12
MAYORAL COMMITTEE	5 137 774	4 937 865	4 937 865	5 736 064	0.16
COUNCIL GENERAL	15 612 450	15 817 825	15 817 825	18 120 197	0.15
MUNICIPAL MANAGER	11 644 773	12 215 962	12 035 962	10 046 323	-0.17
CORPORATE SERVICES	9 193 357	8 767 752	8 767 752	10 436 651	0.19
PROPERTY	6 039 063	5 841 817	4 541 817	4 808 931	0.06
DISASTER MANAGEMENT	9 931 343	9 253 605	9 253 605	8 840 173	-0.04
ENVIRONMENTAL HEALTH	12 772 469	12 388 706	11 488 706	12 513 170	0.09
LED & PLANNING	8 355 143	8 106 977	8 356 977	6 151 372	-0.26
TOURISM	130 173	3 630 173	4 230 173	1 600 000	-0.62
BUDGET & TREASURY	16 259 094	15 724 605	15 294 605	16 317 477	0.07
Total	105 766 314	108 863 815	108 863 815	108 839 292	-0.00

The following table gives a breakdown of the main expenditure categories for the 2013/14 financial year.

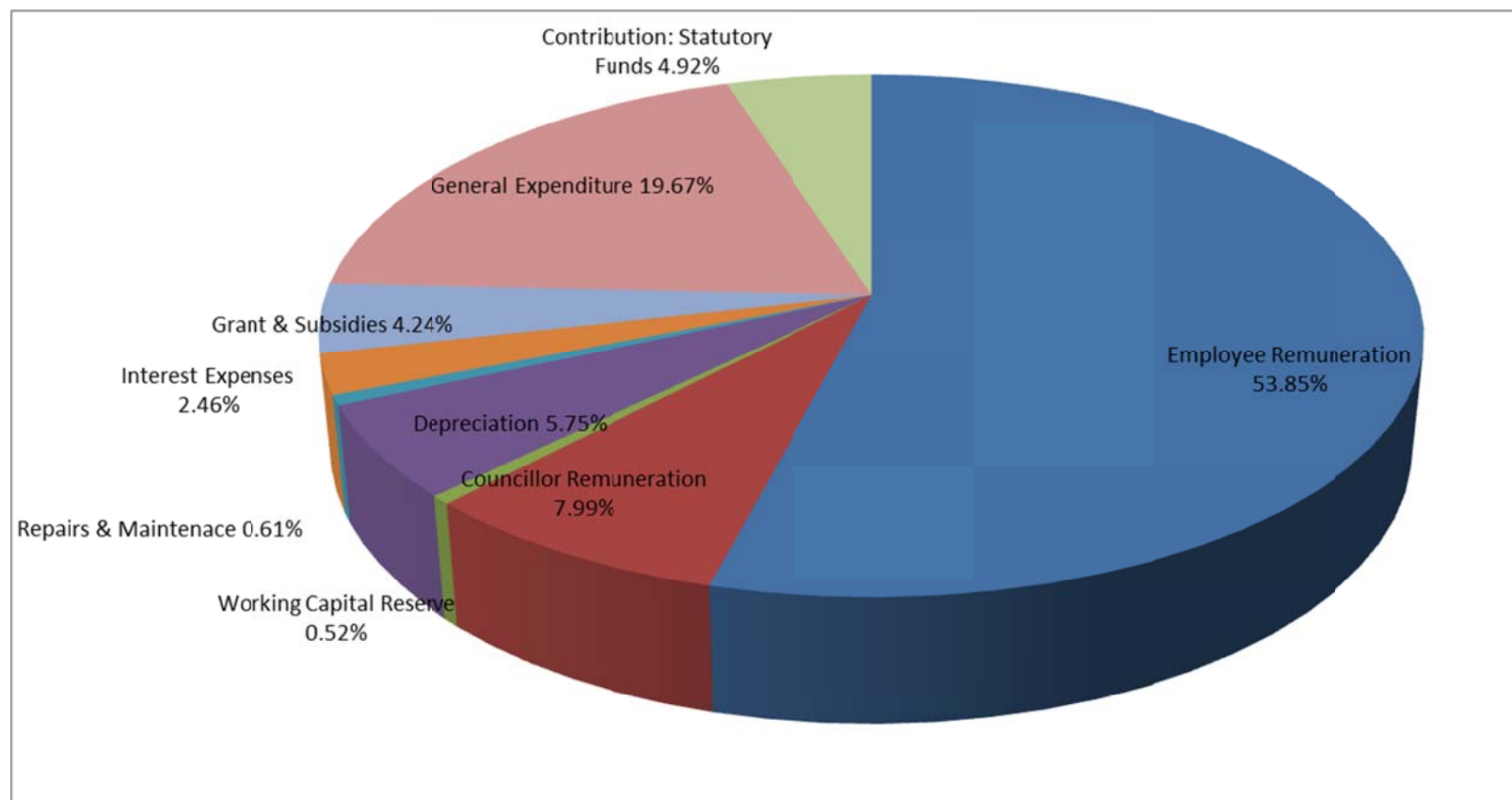


Figure 1 Main Operational Expenditure Categories for the 2013/14 Financial Year

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group also includes various projects, that is: Campaigns, HIV & AIDS, Poverty Alleviation, Youth Development, Agricultural Cooperatives and so on.

1.5.1 Repairs and Maintenance

Repairs and maintenance do not have the same impact as in the case of local municipalities. It is our submission that 1 to 1.5% of the budgeted amount is sufficient to cover repairs and maintenance to the buildings.

Operational Repairs and Maintenance

Table 5: Repairs and Maintenance

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Total Repairs and Maintenance Expenditure	1	724	803	1,575	913	624	624	640	765	813

1.6 Capital Expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 6: 2013/14 Medium-Term Capital Budget per Vote

DC18 Lejweleputswa - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive Mayor		-	-	-	-	-	-	-	-	-	-
Vote 2 - Speaker		-	-	-	-	-	-	-	-	-	-
Vote 3 - Mayoral Committee		-	-	-	-	-	-	-	-	-	-
Vote 4 - Council General		-	-	-	-	-	-	-	-	-	-
Vote 5 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 6 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-	-
Vote 10 - Property		-	-	-	-	-	-	-	-	-	-
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-	-
Vote 12 - Planning Development		-	-	-	-	-	-	-	-	-	-
Vote 13 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health Services		-	-	-	-	-	-	-	-	-	-
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive Mayor		31	33	74	40	35	35	-	59	-	-
Vote 2 - Speaker		21	12	27	30	15	15	-	35	-	-
Vote 3 - Mayoral Committee		-	-	69	20	20	20	-	30	-	-
Vote 4 - Council General		6 347	5 003	91	260	260	260	-	2 500	200	-
Vote 5 - Municipal Manager		17	21	106	200	20	20	-	80	-	-
Vote 6 - Budget & Treasury		107	49	86	945	515	515	-	83	20	10
Vote 7 - Corporate Services		77	-	1	22	22	22	-	100	-	-
Vote 8 - Human Resources		-	-	9	-	-	-	-	-	-	-
Vote 9 - Information Technology		1 198	208	544	-	-	-	-	-	-	-
Vote 10 - Property		9	-	787	1 300	-	-	-	270	100	100
Vote 11 - Municipal Support		-	-	18	-	-	-	-	-	-	-
Vote 12 - Planning Development		2 125	13	30	25	25	25	-	50	15	-
Vote 13 - Community & Social Services		3 888	4 075	7 260	-	-	-	-	150	26	-
Vote 14 - Environmental Health Services		1	96	50	1 000	100	100	-	619	-	-
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		13 821	9 511	9 151	3 842	1 012	1 012	-	3 975	361	110
Total Capital Expenditure - Vote		13 821	9 511	9 151	3 842	1 012	1 012	-	3 975	361	110

Capital Expenditure - Standard											
<i>Governance and administration</i>		7,807	5,326	1,812	2,817	887	887	-	3,157	320	110
Executive and council		6,416	5,070	367	550	350	350	-	2,704	200	-
Budget and treasury office		107	49	104	945	515	515	-	83	20	10
Corporate services		1,284	208	1,340	1,322	22	22	-	370	100	100
<i>Community and public safety</i>		3,888	4,075	7,260	-	-	-	-	150	26	-
Community and social services		3,888	4,075	7,260	-	-	-	-	150	26	-
Sport and recreation											
Public safety											
Housing											
Health											
<i>Economic and environmental services</i>		2,126	110	80	1,025	125	125	-	669	15	-
Planning and development		2,125	13	30	25	25	25	-	50	15	-
Road transport											
Environmental protection		1	96	50	1,000	100	100	-	619	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-
Electricity											
Water											
Waste water management											
Waste management											
<i>Other</i>											
Total Capital Expenditure - Standard	3	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110
Funded by:											
National Government											
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	5										
Borrowing	6										
Internally generated funds		13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110
Total Capital Funding	7	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110

Total capital budget for 2013/14 amounts to R 3.975 million which includes:

Building youth centre; buying environmental health equipment at a total amount of R 3.975million as well as other smaller items.

1.7 Annual Budget Tables - Municipality

The following nineteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2013/14 budget and MTREF as approved by the Council. Each table is accompanied by explanatory notes on the facing page.

Table 7 MBRR Table A1 - Budget Summary

DC18 Lejweleputswa - Table A1 Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousands										
Financial Performance										
Property rates	-	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	5,076	3,551	2,877	1,680	1,680	1,680	-	1,668	1,670	1,670
Transfers recognised - operational	88,139	92,852	96,214	100,387	100,387	100,387	-	104,076	109,155	115,676
Other own revenue	975	774	1,358	685	735	735	-	564	380	71
Total Revenue (excluding capital transfers and contributions)	94,190	97,177	100,449	102,752	102,802	102,802	-	106,308	111,205	117,417
Employee costs	41,081	43,397	43,239	49,515	48,732	48,732	-	56,466	60,136	63,744
Remuneration of councillors	6,273	5,929	6,490	7,909	7,909	7,909	-	8,374	8,918	9,453
Depreciation & asset impairment	3,726	5,633	7,956	7,845	7,845	7,845	-	6,027	6,539	7,193
Finance charges	4,054	3,836	3,107	2,841	2,841	2,841	-	2,583	2,321	2,022
Materials and bulk purchases	-	-	-	-	-	-	-	-	-	-
Transfers and grants	10,774	12,234	7,966	4,450	4,450	4,450	-	4,450	4,450	4,450
Other expenditure	21,989	29,122	47,770	29,315	36,075	36,075	-	26,965	28,635	30,019
Total Expenditure	87,897	100,151	116,527	101,874	107,852	107,852	-	104,864	110,998	116,881
Surplus/(Deficit)	6,293	(2,974)	(16,078)	878	(5,050)	(5,050)	-	1,444	207	536
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	6,293	(2,974)	(16,078)	878	(5,050)	(5,050)	-	1,444	207	536
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	6,293	(2,974)	(16,078)	878	(5,050)	(5,050)	-	1,444	207	536
Capital expenditure & funds sources										
Capital expenditure	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110
Total sources of capital funds	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110

Financial position										
Total current assets	58 369	51 058	32 871	30 559	30 559	30 559	-	19 520	13 750	10 840
Total non current assets	87 804	90 640	83 545	65 821	89 984	89 984	-	86 935	86 193	86 083
Total current liabilities	11 433	8 522	7 996	9 307	9 307	9 307	-	7 768	6 849	7 104
Total non current liabilities	24 749	24 646	23 907	21 273	21 273	21 273	-	19 737	18 008	15 040
Community wealth/Equity	109 992	108 530	84 513	65 800	89 962	89 962	-	78 950	75 086	74 779
Cash flows										
Net cash from (used) operating	12 604	5 216	(1 870)	8 723	2 795	2 795	-	6 887	4 947	5 859
Net cash from (used) investing	(12 821)	15 368	(5 044)	6 843	9 673	9 673	-	(475)	2 639	4 390
Net cash from (used) financing	(1 374)	(1 863)	(1 706)	(1 585)	(1 793)	(1 793)	-	(1 847)	(2 113)	(2 380)
Cash/cash equivalents at the year end	52 744	71 465	62 846	36 827	32 457	32 457	21 781	37 022	42 495	50 365
Cash backing/surplus reconciliation										
Cash and investments available	50 009	43 734	31 115	21 605	21 605	21 605	-	18 000	12 000	9 000
Application of cash and investments	4 292	4 689	5 785	(2 103)	(2 103)	(2 103)	-	4 627	2 433	(6 975)
Balance - surplus (shortfall)	45 717	39 046	25 330	23 707	23 707	23 707	-	13 373	9 567	15 975
Asset management										
Asset register summary (WDV)	1 185	916	4 812	330	260	260	381	381	-	-
Depreciation & asset impairment	3 726	5 633	7 956	7 845	7 845	7 845	6 027	6 027	6 539	7 193
Renewal of Existing Assets	-	7 595	-	1 000	-	-	-	-	-	-
Repairs and Maintenance	724	803	1 575	913	624	624	640	640	765	813

Explanatory Notes to MBRR Table A1 - Budget Summary

1. Table A1 is the budget summary and provides a concise overview of the Council's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance.

3. Financial management reforms emphasize the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit is positive for 2013/2014.
 - b. Capital expenditure is balanced by internally generated funds namely CRR.
4. The Cash backing/surplus reconciliation is positive.

Table 8 MBRR Table A2 - Budgeted Financial Performance (Revenue and Expenditure by Standard Classification)

DC18 Lejweleputswa - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		67 111	70 681	99 659	101 752	101 802	101 802	105 418	110 271	116 450
Executive and council		44 411	45 236	94 343	98 137	98 137	98 137	101 936	106 971	113 459
Budget and treasury office		11 875	12 671	5 315	3 615	3 665	3 665	3 482	3 300	2 991
Corporate services		10 824	12 774	-	-	-	-	-	-	-
<i>Community and public safety</i>		5 786	5 438	-	-	-	-	-	-	-
Community and social services		5 786	5 438	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		20 093	19 073	790	1 000	1 000	1 000	890	934	967
Planning and development		10 483	7 911	790	1 000	1 000	1 000	890	934	967
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		9 609	11 163	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	1 200	1 985	-	-	-	-	-	-	-
Total Revenue - Standard	2	94 190	97 177	100 449	102 752	102 802	102 802	106 308	111 205	117 417
Expenditure - Standard										
<i>Governance and administration</i>		67 463	76 340	86 606	71 760	74 647	74 647	76 578	81 520	85 658
Executive and council		48 619	54 405	60 743	42 536	46 580	46 580	45 468	48 407	50 544
Budget and treasury office		10 854	12 104	11 750	15 314	14 780	14 780	16 234	17 103	17 994
Corporate services		7 989	9 831	14 113	13 910	13 288	13 288	14 876	16 010	17 120
<i>Community and public safety</i>		4 038	3 754	4 730	9 931	9 254	9 254	8 690	9 250	9 808
Community and social services		4 038	3 754	4 730	9 931	9 254	9 254	8 690	9 250	9 808
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		15 215	18 280	20 923	20 053	19 721	19 721	17 996	19 629	20 791
Planning and development		6 633	8 753	11 694	8 330	8 332	8 332	6 101	6 926	7 314
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		8 582	9 527	9 229	11 722	11 389	11 389	11 895	12 703	13 477
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	1 182	1 777	4 268	130	4 230	4 230	1 600	600	624
Total Expenditure - Standard	3	87 897	100 151	116 527	101 874	107 852	107 852	104 864	110 998	116 881
Surplus/(Deficit) for the year		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	1 444	207	536

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (Revenue and Expenditure by Standard Classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 4 functional areas.
2. Functions that show a deficit between revenue and expenditure are being financed from Grant revenues reflected under the Council General.

Table 9 MBRR Table A3 - Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)

DC18 Lejweleputswa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote	1									
Vote 1 - Executive Mayor		-	11 511	-	-	-	-	-	-	-
Vote 2 - Speaker		-	3 270	-	-	-	-	-	-	-
Vote 3 - Mayoral Committee		-	5 843	-	-	-	-	-	-	-
Vote 4 - Council General		86 145	17 881	94 343	98 137	98 137	98 137	101 936	106 971	113 459
Vote 5 - Municipal Manager		-	6 731	-	-	-	-	-	-	-
Vote 6 - Budget & Treasury		7 500	11 571	5 315	3 615	3 665	3 665	3 482	3 300	2 991
Vote 7 - Corporate Services		-	6 735	-	-	-	-	-	-	-
Vote 8 - Human Resources		-	2 504	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	1 882	-	-	-	-	-	-	-
Vote 10 - Property		-	1 654	-	-	-	-	-	-	-
Vote 11 - Municipal Support		-	1 099	-	-	-	-	-	-	-
Vote 12 - Planning Development		544	7 911	790	1 000	1 000	1 000	890	934	967
Vote 13 - Community & Social Services		-	5 438	-	-	-	-	-	-	-
Vote 14 - Environmental Health Services		-	11 163	-	-	-	-	-	-	-
Vote 15 - Tourism		-	1 985	-	-	-	-	-	-	-
Total Revenue by Vote	2	94 190	97 177	100 449	102 752	102 802	102 802	106 308	111 205	117 417
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive Mayor		7 876	11 742	19 772	7 731	11 269	11 269	11 030	11 594	12 157
Vote 2 - Speaker		2 590	2 860	2 550	2 890	2 820	2 820	3 146	3 346	3 545
Vote 3 - Mayoral Committee		4 843	5 423	4 352	5 118	4 918	4 918	5 706	6 074	6 438
Vote 4 - Council General		25 318	26 536	25 850	15 352	15 558	15 558	15 620	16 786	17 160
Vote 5 - Municipal Manager		7 585	7 846	8 219	11 445	12 016	12 016	9 966	10 607	11 245
Vote 6 - Budget & Treasury		9 845	10 116	10 401	15 314	14 780	14 780	16 234	17 103	17 994
Vote 7 - Corporate Services		4 751	5 719	5 944	9 171	8 746	8 746	10 337	11 015	11 690
Vote 8 - Human Resources		1 128	1 361	2 123	-	-	-	-	-	-
Vote 9 - Information Technology		1 189	1 497	1 887	-	-	-	-	-	-
Vote 10 - Property		1 573	1 255	4 157	4 739	4 542	4 542	4 539	4 995	5 430
Vote 11 - Municipal Support		453	1 987	1 349	-	-	-	-	-	-
Vote 12 - Planning Development		7 512	8 753	11 694	8 330	8 332	8 332	6 101	6 926	7 314
Vote 13 - Community & Social Services		4 541	3 754	4 730	9 931	9 254	9 254	8 690	9 250	9 808
Vote 14 - Environmental Health Services		7 514	9 527	9 229	11 722	11 389	11 389	11 895	12 703	13 477
Vote 15 - Tourism		1 182	1 777	4 268	130	4 230	4 230	1 600	600	624
Total Expenditure by Vote	2	87 897	100 151	116 527	101 874	107 852	107 852	104 864	110 998	116 881
Surplus/(Deficit) for the year	2	6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	1 444	207	536

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (Revenue and Expenditure by Municipal Vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of Council.

Table 10 MBRR Table A4 - Budgeted Financial Performance (Revenue and Expenditure)

DC18 Lejweleputswa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment											
Interest earned - external investments		5 076	3 551	2 877	1 680	1 680	1 680		1 668	1 670	1 670
Interest earned - outstanding debtors		371	533	1 034	645	645	645		484	305	
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		88 139	92 852	96 214	100 387	100 387	100 387		104 076	109 155	115 676
Other revenue	2	604	241	323	40	90	90	-	80	75	71
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		94 190	97 177	100 449	102 752	102 802	102 802	-	106 308	111 205	117 417
Expenditure By Type											
Employee related costs	2	41 081	43 397	43 239	49 515	48 732	48 732	-	56 466	60 136	63 744
Remuneration of councillors		6 273	5 929	6 490	7 909	7 909	7 909		8 374	8 918	9 453
Debt impairment	3										
Depreciation & asset impairment	2	3 726	5 633	7 956	7 845	7 845	7 845	-	6 027	6 539	7 193
Finance charges		4 054	3 836	3 107	2 841	2 841	2 841		2 583	2 321	2 022
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8										
Contracted services											
Transfers and grants		10 774	12 234	7 966	4 450	4 450	4 450	-	4 450	4 450	4 450
Other expenditure	4, 5	21 989	29 122	47 770	29 315	36 075	36 075	-	26 965	28 635	30 019
Loss on disposal of PPE											
Total Expenditure		87 897	100 151	116 527	101 874	107 852	107 852	-	104 864	110 998	116 881
Surplus/(Deficit)		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	-	1 444	207	536
Transfers recognised - capital											
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	-	1 444	207	536
Taxation											
Surplus/(Deficit) after taxation		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	-	1 444	207	536
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	-	1 444	207	536
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	-	1 444	207	536

Explanatory notes to Table A4 - Budgeted Financial Performance (Revenue and Expenditure)

1. Total revenue is R102.802 million 2012/2013 and escalates to R 106.308 million by 2013/14. This represents a year-on-year increase of 3.41% for the 2013/14 financial year; 4.61% for the 2014/15 financial year and 5.59% 2015/16 financial year
2. Transfers recognized-operating, includes the local government equitable share and other operating grants from national and provincial government.

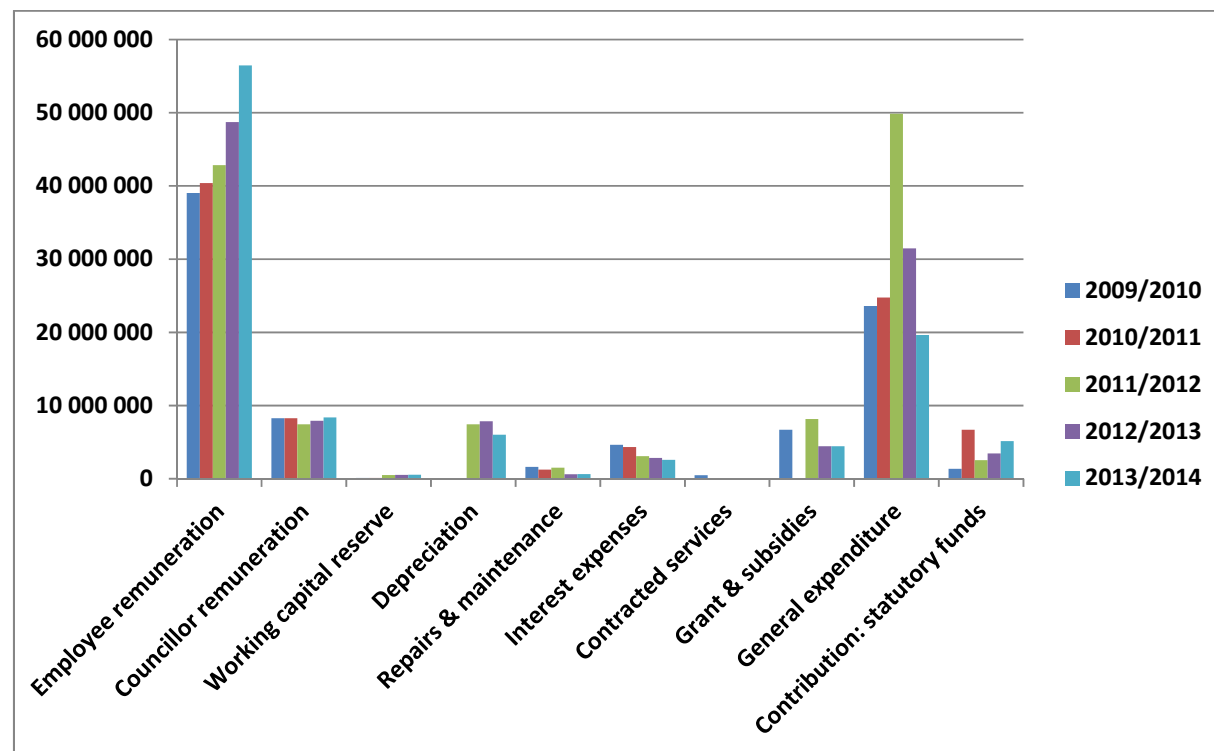


Figure 2 Expenditure by Major Type

1. Employee related costs and other expenditure are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of the wage bill in future years.

Table 11 MBRR Table A5 - Budgeted Capital Expenditure by Vote, Standard Classification and Funding Source

DC18 Lejweleputswa - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive Mayor		-	-	-	-	-	-	-	-	-	-
Vote 2 - Speaker		-	-	-	-	-	-	-	-	-	-
Vote 3 - Mayoral Committee		-	-	-	-	-	-	-	-	-	-
Vote 4 - Council General		-	-	-	-	-	-	-	-	-	-
Vote 5 - Municipal Manager		-	-	-	-	-	-	-	-	-	-
Vote 6 - Budget & Treasury		-	-	-	-	-	-	-	-	-	-
Vote 7 - Corporate Services		-	-	-	-	-	-	-	-	-	-
Vote 8 - Human Resources		-	-	-	-	-	-	-	-	-	-
Vote 9 - Information Technology		-	-	-	-	-	-	-	-	-	-
Vote 10 - Property		-	-	-	-	-	-	-	-	-	-
Vote 11 - Municipal Support		-	-	-	-	-	-	-	-	-	-
Vote 12 - Planning Development		-	-	-	-	-	-	-	-	-	-
Vote 13 - Community & Social Services		-	-	-	-	-	-	-	-	-	-
Vote 14 - Environmental Health Services		-	-	-	-	-	-	-	-	-	-
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive Mayor		31	33	74	40	35	35	-	59	-	-
Vote 2 - Speaker		21	12	27	30	15	15	-	35	-	-
Vote 3 - Mayoral Committee		-	-	69	20	20	20	-	30	-	-
Vote 4 - Council General		6 347	5 003	91	260	260	260	-	2 500	200	-
Vote 5 - Municipal Manager		17	21	106	200	20	20	-	80	-	-
Vote 6 - Budget & Treasury		107	49	86	945	515	515	-	83	20	10
Vote 7 - Corporate Services		77	-	1	22	22	22	-	100	-	-
Vote 8 - Human Resources		-	-	9	-	-	-	-	-	-	-
Vote 9 - Information Technology		1 198	208	544	-	-	-	-	-	-	-
Vote 10 - Property		9	-	787	1 300	-	-	-	270	100	100
Vote 11 - Municipal Support		-	-	18	-	-	-	-	-	-	-
Vote 12 - Planning Development		2 125	13	30	25	25	25	-	50	15	-
Vote 13 - Community & Social Services		3 888	4 075	7 260	-	-	-	-	150	26	-
Vote 14 - Environmental Health Services		1	96	50	1 000	100	100	-	619	-	-
Vote 15 - Tourism		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		13 821	9 511	9 151	3 842	1 012	1 012	-	3 975	361	110
Total Capital Expenditure - Vote		13 821	9 511	9 151	3 842	1 012	1 012	-	3 975	361	110

Capital Expenditure - Standard												
<i>Governance and administration</i>		7,807	5,326	1,812	2,817	887	887	-	3,157	320	110	
Executive and council		6,416	5,070	367	550	350	350	-	2,704	200	-	
Budget and treasury office		107	49	104	945	515	515	-	83	20	10	
Corporate services		1,284	208	1,340	1,322	22	22	-	370	100	100	
<i>Community and public safety</i>		3,888	4,075	7,260	-	-	-	-	150	26	-	
Community and social services		3,888	4,075	7,260	-	-	-	-	150	26	-	
Sport and recreation												
Public safety												
Housing												
Health												
<i>Economic and environmental services</i>		2,126	110	80	1,025	125	125	-	669	15	-	
Planning and development		2,125	13	30	25	25	25	-	50	15	-	
Road transport												
Environmental protection		1	96	50	1,000	100	100	-	619	-	-	
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	
Electricity												
Water												
Waste water management												
Waste management												
<i>Other</i>												
Total Capital Expenditure - Standard		3	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110
Funded by:												
National Government												
Provincial Government												
District Municipality												
Other transfers and grants												
Transfers recognised - capital		4	-	-	-	-	-	-	-	-	-	-
Public contributions & donations		5										
Borrowing		6										
Internally generated funds			13,821	9,511	9,151	3,842	1,012	1,012	3,975	361	110	
Total Capital Funding		7	13,821	9,511	9,151	3,842	1,012	1,012	-	3,975	361	110

Explanatory notes to Table A5 - Budgeted Capital Expenditure by Vote, Standard Classification and Funding Source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The capital programme is funded from the Capital Replacement Reserve.

Table 12MBRR Table A6 -Budgeted Financial Position

DC18 Lejweleputswa - Table A6 Budgeted Financial Position

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS											
Current assets											
Cash		9	3 734	5 115							
Call investment deposits	1	50 000	40 000	26 000	21 605	21 605	21 605	-	18 000	12 000	9 000
Consumer debtors	1	8 360	6 309	626	5 930	-	-	-	760	875	920
Other debtors			1 015	1 129	3 024	8 954	8 954		760	875	920
Current portion of long-term receivables											
Inventory	2										
Total current assets		58 369	51 058	32 871	30 559	30 559	30 559	-	19 520	13 750	10 840
Non current assets											
Long-term receivables											
Investments			0	0							
Investment property											
Investment in Associate											
Property, plant and equipment	3	86 619	89 724	78 733	65 491	89 724	89 724	-	86 553	86 193	86 083
Agricultural											
Biological											
Intangible		1 185	916	4 812	330	260	260		381		
Other non-current assets											
Total non current assets		87 804	90 640	83 545	65 821	89 984	89 984	-	86 935	86 193	86 083
TOTAL ASSETS		146 174	141 698	116 416	96 380	120 542	120 542	-	106 455	99 943	96 923
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	1 971	1 554	1 793	1 706	1 706	1 706	-	1 847	2 113	2 046
Consumer deposits											
Trade and other payables	4	9 462	6 969	6 203	6 848	6 848	6 848	-	5 921	4 736	5 058
Provisions					752	752	752				
Total current liabilities		11 433	8 522	7 996	9 307	9 307	9 307	-	7 768	6 849	7 104
Non current liabilities											
Borrowing		19 936	18 338	16 545	14 965	14 965	14 965	-	13 118	11 005	8 059
Provisions		4 813	6 308	7 362	6 308	6 308	6 308	-	6 619	7 003	6 981
Total non current liabilities		24 749	24 646	23 907	21 273	21 273	21 273	-	19 737	18 008	15 040
TOTAL LIABILITIES		36 182	33 168	31 903	30 580	30 580	30 580	-	27 505	24 857	22 144
NET ASSETS	5	109 992	108 530	84 513	65 800	89 962	89 962	-	78 950	75 086	74 779
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)	4	109 992	108 530	84 513	65 800	89 962	89 962	-	78 950	75 086	74 779
Reserves		-	-	-	-	-	-	-	-	-	-
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	109 992	108 530	84 513	65 800	89 962	89 962	-	78 950	75 086	74 779

Explanatory Notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 6 is supported by an extensive table of notes (SA3 which can be found on page 71) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non-current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Table 13MBRRTable A7 - Budgeted Cash Flow Statement

DC18 Lejweleputswa - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		603	241	323	685	735	735		480	500	465
Government - operating	1	79 587	97 123	96 211	100 387	100 387	100 387		104 076	107 236	113 411
Government - capital	1										
Interest		4 057	3 082	2 877	1 680	1 680	1 680		1 668	1 670	1 670
Dividends											
Payments											
Suppliers and employees		(59 283)	(91 394)	(98 175)	(86 738)	(92 716)	(92 716)		(92 304)	(97 688)	(103 215)
Finance charges		(4 054)	(3 836)	(3 107)	(2 841)	(2 841)	(2 841)		(2 583)	(2 321)	(2 022)
Transfers and Grants	1	(8 308)			(4 450)	(4 450)	(4 450)		(4 450)	(4 450)	(4 450)
NET CASH FROM/(USED) OPERATING ACTIVITIES		12 604	5 216	(1 870)	8 723	2 795	2 795	-	6 887	4 947	5 859
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			25 000	4 108							
Decrease (Increase) in non-current debtors					10 685	10 685	10 685		3 500	3 000	4 500
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments		1 000									
Payments											
Capital assets		(13 821)	(9 632)	(9 151)	(3 842)	(1 012)	(1 012)		(3 975)	(361)	(110)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(12 821)	15 368	(5 044)	6 843	9 673	9 673	-	(475)	2 639	4 390
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing		(1 374)	(1 863)	(1 706)	(1 585)	(1 793)	(1 793)		(1 847)	(2 113)	(2 380)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 374)	(1 863)	(1 706)	(1 585)	(1 793)	(1 793)	-	(1 847)	(2 113)	(2 380)
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin:	2	54 336	52 744	71 465	22 846	21 781	21 781	21 781	32 457	37 022	42 495
Cash/cash equivalents at the year end:	2	52 744	71 465	62 846	36 827	32 457	32 457	21 781	37 022	42 495	50 365

Explanatory Notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of Council fell significantly over the 2012/13 to a net decrease in cash R32.457 million.
4. The 2013/2014 budget indicates an increase in the Cash and cash equivalents to R4.565 million.

Table 14 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

DC18 Lejweleputswa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash equivalents at the year end	1	52 744	71 465	62 846	36 827	32 457	32 457	21 781	37 022	42 495	50 365
Other current investments > 90 days		(2 736)	(27 730)	(31 730)	(15 223)	(10 852)	(10 852)	(21 781)	(19 022)	(30 495)	(41 365)
Non current assets - Investments	1	-	0	0	-	-	-	-	-	-	-
Cash and investments available:		50 009	43 734	31 115	21 605	21 605	21 605	-	18 000	12 000	9 000
Application of cash and investments											
Unspent conditional transfers		848	667	664	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	3 444	4 022	5 122	(2 103)	(2 103)	(2 103)	-	4 627	2 433	(6 975)
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		4 292	4 689	5 785	(2 103)	(2 103)	(2 103)	-	4 627	2 433	(6 975)
Surplus(shortfall)		45 717	39 046	25 330	23 707	23 707	23 707	-	13 373	9 567	15 975

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. The 2013/2014 budget is showing a positive outcome.

Table 15MBRR Table A9 - Asset Management

DC18 Lejweleputswa - Table A9 Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
CAPITAL EXPENDITURE										
<u>Total New Assets</u>	1	13 821	1 915	9 151	2 842	1 012	1 012	3 975	361	110
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	12 636	1 814	4 644	2 542	682	682	3 594	361	110
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1 185	101	4 508	300	330	330	381	-	-
<u>Total Renewal of Existing Assets</u>	2	-	7 595	-	1 000	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	7 595	-	1 000	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
<u>Total Capital Expenditure</u>	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		12 636	9 409	4 644	3 542	682	682	3 594	361	110
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1 185	101	4 508	300	330	330	381	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	13 821	9 511	9 151	3 842	1 012	1 012	3 975	361	110

ASSET REGISTER SUMMARY - PPE (WDV)	5									
<i>Infrastructure - Road transport</i>										
<i>Infrastructure - Electricity</i>										
<i>Infrastructure - Water</i>										
<i>Infrastructure - Sanitation</i>										
<i>Infrastructure - Other</i>										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										
Heritage assets										
Investment properties		-	-	-	-	-	-	-	-	-
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		1,185	916	4,812	330	260	260	381	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,185	916	4,812	330	260	260	381	-	-
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		3,726	5,633	7,956	7,845	7,845	7,845	6,027	6,539	7,193
Repairs and Maintenance by Asset Class	3	724	803	1,575	913	624	624	640	765	813
<i>Infrastructure - Road transport</i>		-	-	-	-	-	-	-	-	-
<i>Infrastructure - Electricity</i>		-	-	-	-	-	-	-	-	-
<i>Infrastructure - Water</i>		-	-	-	-	-	-	-	-	-
<i>Infrastructure - Sanitation</i>		-	-	-	-	-	-	-	-	-
<i>Infrastructure - Other</i>		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	724	803	1,575	913	624	624	640	765	813
TOTAL EXPENDITURE OTHER ITEMS		4,449	6,435	9,531	8,758	8,469	8,469	6,667	7,304	8,006

Explanatory notes to Table A9 - Asset Management

Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

Part 2 – SUPPROTING DOCUMENTATION

2.1 Overview of the Annual Budget Process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Council's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.2 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2012) a time schedule that sets out the process to revise the IDP and prepare the budget.

The IDP and budget time lines schedule was table to the Council in August 2012. Key dates applicable to the process were:

BUDGET AND IDP TIMELINES

LEJWELEPUTSWA DISTRICT MUNICIPALITY IDP AND BUDGET PROCESS TIMEFRAMES				
	ACTION/ OUTPUT	DELIVERABLE	RESPONSIBLE	ACTION DATE
1.	<i>IDP to be reviewed</i>		<i>MM and Executive Mayor</i>	01 July 2012 to 31 May 2013
2.	<i>IDP Managers' Forum workshop on framework and process plan development</i>		<i>District IDP Manager, Local IDP Managers</i>	17 July 2012
3.	<i>Formation of IDP committees</i>		<i>Municipal Manager and s57 Managers</i>	July 2012
4.	<i>Submission of framework and process plans for adoption by council</i>	Adopted framework and process plans	<i>Municipal Manager</i>	August 2012
5.	<i>IDP analysis phase draft review report to Steering Committee</i>		<i>IDP Manager and Municipal Manager</i>	September 2012
6.	<i>Start community consultation process to ensure public participation</i>		<i>Executive Mayor and MM, etc</i>	October 2012
7.	<i>IDP Steering Committee quarterly performance review- Municipal SDBIP</i>	Quarterly Informal Performance Assessment Results	<i>Municipal Manager and s57 Managers</i>	Oct. 2012
8.	<i>Estimate available resources and provide guidance for way forward for budgeting</i>		<i>CFO and Budget Control Officer</i>	Oct. 2012
9.	<i>Review key objectives, strategies and projects</i>	Reviewed key objectives, strategies and projects	<i>Municipal Manager, IDP Manager, IDP Steering Com</i>	Nov. 2012
10.	<i>Submit budget instructions to all relevant persons</i>		<i>CFO and Budget Control Officer</i>	16 Nov. 2012
11.	<i>Submit 2013/2014 budget framework to all relevant persons (Budget framework to include salary, operational and capital related information).</i>		<i>CFO and Budget Control Officer</i>	16 Nov. 2012

12.	<i>Preparation of a summary of available funds from: Internal funds, e.g. CDF and External funding, e.g. FM grant</i>		<i>CFO and Budget Control Officer</i>	30 Nov. 2012
13.	<i>Prioritization of reviewed project list for 2013/14 from the 2012/13 IDP</i>	Project list	<i>MM, Steering Committee</i>	Nov. 2012
15.	<i>Submission of detailed estimates by MM, HODs and Political Offices to CFO.</i>	Budget estimates	<i>MM, HODs and Political Offices</i>	5 Dec. 2012
16.	<i>Assess financial feasibility of proposed new projects based on existing and potential funds</i>	Proposed new project list	<i>All HODs and Budget Control Officer</i>	Jan 2013
17.	<i>Meeting with relevant officials (First draft Budget meeting)</i>	Draft budget	<i>CFO, Budget Control Officer</i>	Jan. 2013
18.	<i>Meeting with relevant officials (Second draft Budget meeting)</i>		<i>CFO, Budget Control Officer</i>	Jan 2013
19.	<i>Meeting with relevant officials (Third draft Budget meeting)</i>		<i>CFO, Budget Control Officer</i>	Jan 2013
20.	<i>Considering of Draft Budget by Finance Portfolio Committee</i>		<i>CFO</i>	Feb. 2013
21.	<i>Table a draft reviewed IDP and budget to MAYCO for consideration.</i>	Mayoral committee IDP and budget item	<i>MM and Executive Mayor</i>	Mar. 2013
22.	<i>Tabling of MTEF Budget in Council meeting</i>	Draft budget item to Council	<i>Executive Mayor</i>	Mar. 2013
23.	<i>Tabling of draft IDP to council for approval as first draft</i>	Draft IDP item to Council	<i>Executive Mayor</i>	Mar. 2013
24.	<i>Publicize tabled budget within 5 Days after tabling on website & media</i>		<i>MM and CFO</i>	Apr. 2013

25.	<i>Submit copies of IDP and budget to National /Provincial Treasury</i>		<i>MM and CFO</i>	Apr. 2013
26.	<i>Second leg of IDP and Budget Participation process starts. Comments, additions and proposals by stakeholders</i>		<i>MM, CFO, HODs and Budget Control Officer and political offices</i>	Apr. 2013
27.	<i>Finalize IDP and Budget, prepare and submit report for inclusion in Council agenda. Consider stakeholders input</i>		<i>MM, CFO and Budget Control Officer</i>	Apr. 2013
28.	<i>Mayoral Committee finalizes the draft 2010/211 IDP and budget</i>		<i>MM and CFO</i>	May 2013
29.	<i>Submission of IDP and budget for 2013/2014 for approval by council</i>	Approved IDP and Budget by Council	<i>MM and CFO</i>	May 2013
30.	<i>Prepare Budget in the required format and submission thereof to both Provincial National Treasury</i>		<i>CFO and Budget Control Officer</i>	Jun. 2013
31.	<i>Submit the approved IDP to provincial departments</i>		<i>MM</i>	May 2013
32.	<i>Submit draft SDBIP to Mayor within 14 days after approval of the budget and IDP.</i>	Final Municipal SDBIP	<i>MM</i>	Jun. 2013
33.	<i>Set up expenditure, revenue and asset management system, incorporating budget.</i>		<i>CFO</i>	June 2013

The following table sets out the municipalities main performance objectives and benchmarks for the 2013/14 MTREF.

Table 16 MBRR Table SA8 - Performance Indicators and Benchmarks

DC18 Lejweleputswa - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	6.2%	5.7%	4.1%	4.3%	4.3%	4.3%	0.0%	4.2%	4.0%	3.8%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	89.7%	131.8%	113.6%	187.1%	191.8%	191.8%	0.0%	198.5%	216.3%	252.8%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	5.1	6.0	4.1	3.3	3.3	3.3	-	2.5	2.0	1.5
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	5.1	6.0	4.1	3.3	3.3	3.3	-	2.5	2.0	1.5
Liquidity Ratio	Monetary Assets/Current Liabilities	4.4	5.1	3.9	2.3	2.3	2.3	-	2.3	1.8	1.3
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		61.8%	31.1%	23.8%	1659.3%	1553.3%	1553.3%	0.0%	705.7%	921.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			61.8%	31.1%	23.8%	100.0%	100.0%	100.0%	0.0%	85.1%	131.6%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	8.9%	7.5%	1.7%	8.7%	8.7%	8.7%	0.0%	1.4%	1.6%	1.6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA' s 65(e))										
Creditors to Cash and Investments		16.3%	8.8%	8.8%	18.6%	21.1%	21.1%	0.0%	16.0%	11.1%	10.0%
Other Indicators											
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source										
Employee costs	Employee costs/(Total Revenue - capital revenue)	43.6%	44.7%	43.0%	48.2%	47.4%	47.4%	0.0%	53.1%	54.1%	54.3%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	53.8%	50.8%	49.5%	55.9%	55.1%	55.1%		61.0%	62.1%	62.3%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.8%	0.8%	1.6%	0.9%	0.6%	0.6%		0.6%	0.7%	0.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	8.3%	9.7%	11.0%	10.4%	10.4%	10.4%	0.0%	8.1%	8.0%	7.8%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	1.2	0.9	1.3	0.7	0.7	0.7	-	0.6	0.5	0.4
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	9.1	11.4	9.6	5.9	5.1	5.1	-	5.5	6.0	6.8

2.2.1 Performance Indicators and Benchmarks

2.2.1.1 *Borrowing Management*

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Lejweleputswa District Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. Council's debt portfolio is dominated by annuity loans and there is no intention to take up further loans.

The following financial performance indicators have formed part of the compilation of the 2013/14 MTREF:

- *Capital charges to operating expenditure* are a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing is 4.2% for 2013/14.
- Safety of Capital
- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, overdraft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves.

2.2.1.2 *Liquidity*

- *Current ratio* is a measure of the current assets divided by the current liabilities which is standing at 2.5 for 2013/2014.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately which reflects a 2.3 ratio for 2013/2014

2.2.1.3 *Creditors Management*

- The Finance department ensures that creditor payments are done within the allowed 30 days.
- Other Indicators
Employee costs as a percentage of operating revenue continues to increase which is a concern.

- Repairs and maintenance as percentage of operating revenue is showing an increase over the MTREF period.

2.3 Overview of Budget Related-Policies

The municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Policies	Approved	To be amended	New policies
Accounting policies	28-May-10		
Asset management policy	28-May-10		
Budget Policy	28-May-10		
Investment policy	28-May-10		
Supply chain Management Policy	28-May-10		
Capital Replacement Reserve	Feb-12		
Funding and Reserve Policy	Mar-12		

DOCUMENT AND VERSION CONTROL

2.4 Overview of Budget Assumptions

2.4.1 External Factors

The global environment remains highly uncertain and it is clear that the economic uncertainty will be with us for some time.

The impact is also felt by Council as its income will only grow with 3% to 4 % over the MTREF period.

Owing to the economic slowdown, financial resources are limited and Council had to relook at restraining expenditure.

2.4.2 General Inflation Outlook and its Impact on the Municipal Activities

There are five key factors that have been taken into consideration in the compilation of the 2013/14 MTREF:

- National Government macro-economic targets;
- The impact of municipal cost drivers;
- The increase in the cost of remuneration. Employee related costs comprise 54.37% of total operating expenditure in the 2013/14 MTREF and places a disproportionate upward pressure on the expenditure budget.

2.4.3 Credit Rating Outlook

No credit rating was done.

2.4.4 Interest Rates for Borrowing and Investment of Funds

It is not foreseen that Council will opt for borrowing funds in the near future.

Funds not utilised immediately is invested in short term instruments which accrue interest at an average rate of 5% currently.

2.4.5 Salary Increases

Looking at the CPIX is not expected that salary increases will exceed 6.85% and therefore the provision of 6.85% for both councillors and officials.

2.4.6 Impact of National, Provincial and Local Policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

2.4.7 Ability of the Municipality to Spend and Deliver on the Programmes

It is estimated that a spending rate of at least 95% is achieved on operating expenditure and 95% on the capital programme for the 2013/14 MTREF of which performance has been factored into the cash flow budget.

2.5 Overview of Budget Funding

2.5.1 Medium-Term Outlook: Operating Revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 17 Breakdown of the Operating Revenue over the Medium-Term

2013/2014 Medium Term Revenue & Expenditure Framework						
DESCRIPTION	BUDGET YEAR 2013/2014		BUDGET YEAR 2014/2015		BUDGET YEAR 2015/2016	
	R'000	%	R'000	%	R'000	%
INVESTMENT REVENUE	2 152	2%	1 975	2%	1 670	1%
TRANSFERS RECOGNISED	104 076	98%	109 155	98%	115 676	99%
OTHER REVENUE	80	0%	75	0%	71	0%
TOTAL OPERATING REVENUE	106 308	100%	111 205	100%	117 417	100%
TOTAL OPERATING EXPENSES	104 864		110 998		116 882	
SURPLUS/(DEFICIT)	1 444		207		535	

The following graph is a breakdown of the operational revenue per main category for the 2013/14 financial year.

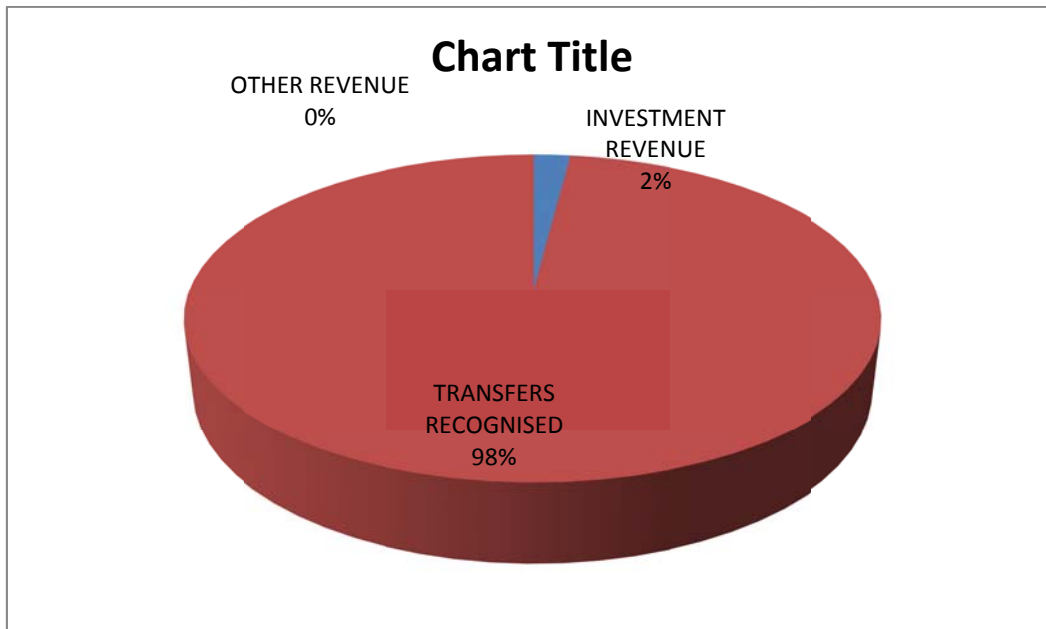


Figure 3 Breakdown of operating revenue over the 2013/14 MTREF

Council does not have any billable income and depends almost entirely on National Grants since own income represents only 2% of the total revenue.

Table 18 MBRR SA15 – Detail Investment Information

DC18 Lejweleputswa - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Parent municipality										
Securities - National Government Listed Corporate Bonds Deposits - Bank Deposits - Public Investment Commissioners Deposits - Corporation for Public Deposits Bankers Acceptance Certificates Negotiable Certificates of Deposit - Banks Guaranteed Endowment Policies (sinking) Repurchase Agreements - Banks Municipal Bonds		50,000	40,000	26,000	21,605	21,605	21,605	18,000	12,000	9,000
Municipality sub-total	1	50,000	40,000	26,000	21,605	21,605	21,605	18,000	12,000	9,000
Entities										
Securities - National Government Listed Corporate Bonds Deposits - Bank Deposits - Public Investment Commissioners Deposits - Corporation for Public Deposits Bankers Acceptance Certificates Negotiable Certificates of Deposit - Banks Guaranteed Endowment Policies (sinking) Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		50,000	40,000	26,000	21,605	21,605	21,605	18,000	12,000	9,000

Table 19 MBRR SA16 – Investment particulars by maturity

DC18 Lejweleputswa - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
		Yrs/Months								Rand thousand	
Parent municipality											
ABSA		Call	Call		Variable	4.00%				5,939	
ABSA		Call	Call		Variable	4.76%				5,000	
ABSA		90 days	Fixed		Fixed	5.22%			01 July 2013	5,000	64
African bank		3 months	Fixed		Fixed	5.25%			02 July 2013	5,000	65
Nedbank		3 months	Fixed		Fixed	5.25%			02 July 2013	10,000	131
First National Bank		3 months	Fixed		Fixed	5.22%			02 July 2013	5,000	65
Standard Bank		Call	Call		Variable	5.00%				5,000	
Municipality sub-total										40,939	326
Entities											
Entities sub-total										-	-
TOTAL INVESTMENTS AND INTEREST	1									40,939	326

The MTREF provides for a budgeted surplus of R1 443 784 for 2013/14 and this surplus is intended to fund capital charges (redemption).

2.5.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2013/14 Medium-Term Capital Programme:

Table 20 Sources of Capital revenue over the MTREF

DC18 Lejweleputswa - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Funded by:											
Internally generated funds		13 821	9 511	9 151	3 842	1 012	1 012		3 975	361	110
Total Capital Funding	7	13 821	9 511	9 151	3 842	1 012	1 012	-	3 975	361	110

The following table is a detailed analysis of the Council's borrowing liability.

Table 21MBRR Table SA 17 - Detail of Borrowings

DC18 Lejweleputswa - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality										
Long-Term Loans (annuity/reducing balance)		19,282	18,338	16,545	14,965	14,965	14,965	13,118	11,005	8,059
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases		654								
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	19,936	18,338	16,545	14,965	14,965	14,965	13,118	11,005	8,059
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	19,936	18,338	16,545	14,965	14,965	14,965	13,118	11,005	8,059

Above schedule and below graph indicates the reduction in the capital amount from R 14, 965 million to R 8.059 million at 2015/16.

Figure 4 Reductions in Outstanding Borrowing (Long Term Liabilities)

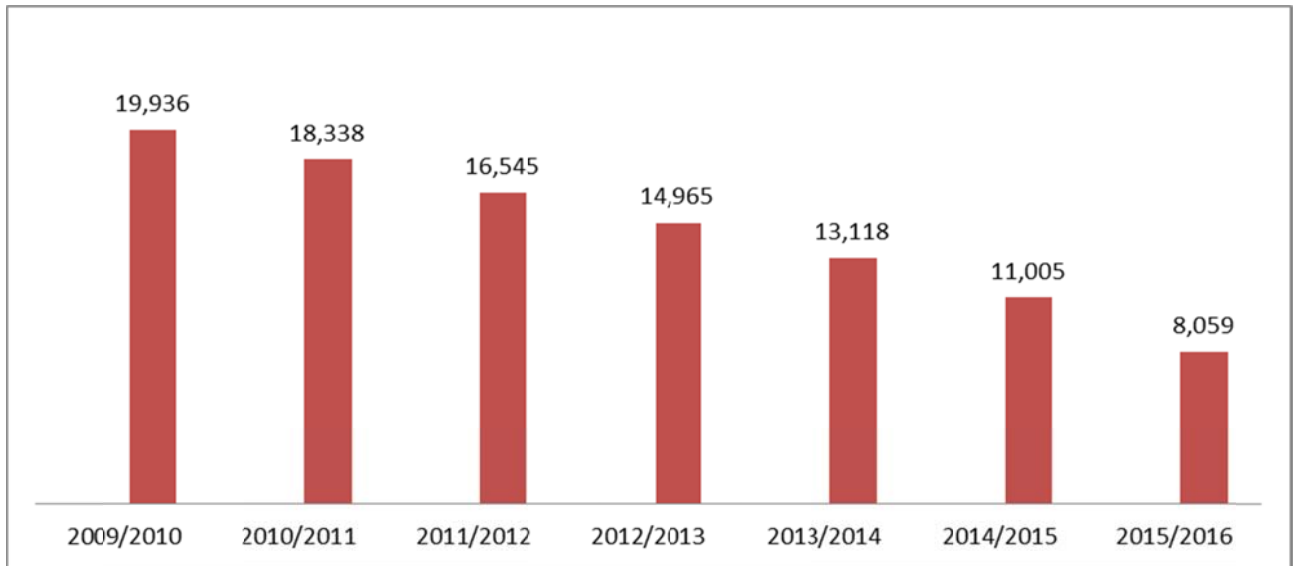


Table 22MBRR Table SA 18 - Capital Transfers and Grant Receipts

DC18 Lejweleputswa - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		85,572	92,672	96,211	100,387	100,387	100,387	104,076	109,155	115,676
Local Government Equitable Share		15,883	21,182	21,907	23,155	23,155	23,155	24,735	26,565	30,762
RSC Levy Replacement		67,695	69,740	71,828	73,982	73,982	73,982	76,201	78,487	80,432
Finance Management		1,449	1,000	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Municipal Systems Improvement		544	750	790	1,000	1,000	1,000	890	934	967
EPWP Incentive				436	1,000	1,000	1,000	1,000		
Rural Roads Asset Management Systems Grant									1,919	2,265
Provincial Government:		-	-	-	-	-	-	-	-	-
Rural Roads Asset Management Systems Grant										
District Municipality: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers: LGSETA		2,567	-	-	-	-	-	-	-	-
Other grant providers:		2,567								
Total Operating Transfers and Grants	5	88,139	92,672	96,211	100,387	100,387	100,387	104,076	109,155	115,676
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants <i>[insert desc]</i>										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants <i>[insert description]</i>										
District Municipality: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers: LGSETA		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS		88,139	92,672	96,211	100,387	100,387	100,387	104,076	109,155	115,676

2.5.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category.

- Clear separation of capital and operating receipts from government, which also enables cash from 'debtors and other' to be provide for as cash inflow based on actual performance.
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 23MBRR Table A7 - Budget Cash Flow Statement

DC18 Lejweleputswa - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		603	241	323	685	735	735		480	500	465
Government - operating	1	79 587	97 123	96 211	100 387	100 387	100 387		104 076	107 236	113 411
Government - capital	1										
Interest		4 057	3 082	2 877	1 680	1 680	1 680		1 668	1 670	1 670
Dividends											
Payments											
Suppliers and employees		(59 283)	(91 394)	(98 175)	(86 738)	(92 716)	(92 716)		(92 304)	(97 688)	(103 215)
Finance charges		(4 054)	(3 836)	(3 107)	(2 841)	(2 841)	(2 841)		(2 583)	(2 321)	(2 022)
Transfers and Grants	1	(8 308)			(4 450)	(4 450)	(4 450)		(4 450)	(4 450)	(4 450)
NET CASH FROM/(USED) OPERATING ACTIVITIES		12 604	5 216	(1 870)	8 723	2 795	2 795	-	6 887	4 947	5 859
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			25 000	4 108							
Decrease (Increase) in non-current debtors					10 685	10 685	10 685		3 500	3 000	4 500
Decrease (increase) other non-current receivables		1 000									
Decrease (increase) in non-current investments											
Payments											
Capital assets		(13 821)	(9 632)	(9 151)	(3 842)	(1 012)	(1 012)		(3 975)	(361)	(110)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(12 821)	15 368	(5 044)	6 843	9 673	9 673	-	(475)	2 639	4 390
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing											
Increase (decrease) in consumer deposits											
Payments											
Repayment of borrowing		(1 374)	(1 863)	(1 706)	(1 585)	(1 793)	(1 793)		(1 847)	(2 113)	(2 380)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 374)	(1 863)	(1 706)	(1 585)	(1 793)	(1 793)	-	(1 847)	(2 113)	(2 380)
NET INCREASE/ (DECREASE) IN CASH HELD		(1 591)	18 720	(8 619)	13 981	10 676	10 676	-	4 565	5 474	7 869
Cash/cash equivalents at the year begin:	2	54 336	52 744	71 465	22 846	21 781	21 781	21 781	32 457	37 022	42 495
Cash/cash equivalents at the year end:	2	52 744	71 465	62 846	36 827	32 457	32 457	21 781	37 022	42 495	50 365

The above table shows that cash and cash equivalents of Council slightly increased from 2012/2013 to a positive balance from 2013/2014.

2.5.4 Cash Backed Reserves/Accumulated Surplus Reconciliation

The Cash Backed Reserves meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA.

Table 24MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

DC18 Lejweleputswa - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash and investments available											
Cash/cash equivalents at the year end	1	52 744	71 465	62 846	36 827	32 457	32 457	21 781	37 022	42 495	50 365
Other current investments > 90 days		(2 736)	(27 730)	(31 730)	(15 223)	(10 852)	(10 852)	(21 781)	(19 022)	(30 495)	(41 365)
Non current assets - Investments	1	-	0	0	-	-	-	-	-	-	-
Cash and investments available:		50 009	43 734	31 115	21 605	21 605	21 605	-	18 000	12 000	9 000
Application of cash and investments											
Unspent conditional transfers		848	667	664	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	3 444	4 022	5 122	(2 103)	(2 103)	(2 103)	-	4 627	2 433	(6 975)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		4 292	4 689	5 785	(2 103)	(2 103)	(2 103)	-	4 627	2 433	(6 975)
Surplus(shortfall)		45 717	39 046	25 330	23 707	23 707	23 707	-	13 373	9 567	15 975

From the above table it can be seen that the cash and investments available total R13.373million in the 2013/14 financial year. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued.
- Provisions for statutory requirements include VAT owing to timing differences resulting from year- end obligations.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due.
- This liability is informed by all provisions.
- The level of cash-backing is directly informed by the municipality's cash backing policy.
- It can be concluded that Council has a surplus against the cash backed and accumulated surpluses reconciliation.

2.6 Expenditure on Grants and Reconciliations of Unspent Funds

Table 26 MBRR SA19 - Expenditure on Transfers and Grant Programmes

DC18 Lejweleputswa - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		85 572	92 800	96 214	100 387	100 387	100 387	104 076	109 155	115 676
Local Government Equitable Share		15 883	21 182	21 907	23 155	23 155	23 155	24 735	26 565	30 762
RSC Levy Replacement		67 695	69 740	71 828	73 982	73 982	73 982	76 201	78 487	80 432
Finance Management		1 449	1 152	1 253	1 250	1 250	1 250	1 250	1 250	1 250
Municipal Systems Improvement		544	726	790	1 000	1 000	1 000	890	934	967
EPWP Incentive				436	1 000	1 000	1 000	1 000		
Rural Roads Asset Management Systems Grant									1 919	2 265
Provincial Government:		-	-	-	-	-	-	-	-	-
Rural Roads Asset Management Systems Grant										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		2 567	87	-	-	-	-	-	-	-
LGSETA		26	87							
Other Grant Providers		2 541								
Total operating expenditure of Transfers and Grants:		88 139	92 886	96 214	100 387	100 387	100 387	104 076	109 155	115 676
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
LGSETA										
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		88 139	92 886	96 214	100 387	100 387	100 387	104 076	109 155	115 676

Table 27 MBRR SA 20 - Reconciliation of Transfers, Grant Receipts and Unspent Funds

DC18 Lejweleputswa - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		958	214	667						
Current year receipts		86 195	93 245	96 211	100 387	100 387	100 387	104 076	109 155	115 676
Conditions met - transferred to revenue		86 939	92 792	96 214	100 387	100 387	100 387	104 076	109 155	115 676
Conditions still to be met - transferred to liabilities		214	667	664						
Provincial Government:										
Balance unspent at beginning of the year		1 234	60							
Current year receipts		26								
Conditions met - transferred to revenue		1 200	60	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		60								
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		88 138	92 852	96 214	100 387	100 387	100 387	104 076	109 155	115 676
Total operating transfers and grants - CTBM	2	274	667	664	-	-	-	-	-	-
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		88 138	92 852	96 214	100 387	100 387	100 387	104 076	109 155	115 676
TOTAL TRANSFERS AND GRANTS - CTBM		274	667	664	-	-	-	-	-	-

2.6 Councillor and Employee Benefits

Table 28 MBRR SA22 - Summary of Councillor and Staff Benefits

DC18 Lejweleputswa - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		4 741	1 582	3 487	6 075	6 075	6 075	6 401	6 817	7 226
Pension and UIF Contributions		705	1 626	928						
Medical Aid Contributions		172								
Motor Vehicle Allowance		1 519	2 525	1 805	1 399	1 399	1 399	1 396	1 487	1 576
Cellphone Allowance		85	196	270	284	284	284	287	305	324
Housing Allowances		37								
Other benefits and allowances					151	151	151	290	309	328
Sub Total - Councillors		7 260	5 929	6 490	7 909	7 909	7 909	8 374	8 918	9 453
% increase	4		(18.3%)	9.5%	21.9%	-	-	5.9%	6.5%	6.0%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2 528	2 557	2 221	4 347	3 796	3 796	4 935	5 256	5 571
Pension and UIF Contributions		403	571	606						
Medical Aid Contributions										
Overtime										
Performance Bonus			213	381	652	590	590	740	788	836
Motor Vehicle Allowance	3	873	896	901						
Cellphone Allowance	3			6		42	42	156	166	176
Housing Allowances	3	18	71	77						
Other benefits and allowances	3		244	319						
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		3 823	4 552	4 511	4 999	4 427	4 427	5 831	6 210	6 583
% increase	4		19.1%	(0.9%)	10.8%	(11.4%)	-	31.7%	6.5%	6.0%
Other Municipal Staff										
Basic Salaries and Wages		21 802	23 219	23 657	31 058	29 857	29 857	34 873	37 140	39 368
Pension and UIF Contributions		4 836	3 179	3 526	5 174	5 695	5 695	5 920	6 305	6 683
Medical Aid Contributions			1 936	2 143	2 304	2 445	2 445	2 906	3 095	3 280
Overtime		158	259	483		337				
Performance Bonus		1 541	1 665	869	774					
Motor Vehicle Allowance	3	3 936	3 936	4 185	4 726	4 871	4 871	5 172	5 508	5 839
Cellphone Allowance	3					244	244	244	259	275
Housing Allowances	3	254	128	161	366	413	413	392	417	442
Other benefits and allowances	3	2 114	892	699	114	327	327	907	966	1 024
Payments in lieu of leave			1 815	1 633						
Long service awards		4 931				115	115	221	235	250
Post-retirement benefit obligations	6		1 818	1 371						
Sub Total - Other Municipal Staff		39 574	38 846	38 728	44 516	44 305	44 305	50 634	53 926	57 161
% increase	4		(1.8%)	(0.3%)	14.9%	(0.5%)	-	14.3%	6.5%	6.0%
Total Parent Municipality		50 656	49 326	49 729	57 424	56 641	56 641	64 839	69 054	73 197
			(2.6%)	0.8%	15.5%	(1.4%)	-	14.5%	6.5%	6.0%
TOTAL SALARY, ALLOWANCES & BENEFITS		50 656	49 326	49 729	57 424	56 641	56 641	64 839	69 054	73 197
% increase	4		(2.6%)	0.8%	15.5%	(1.4%)	-	14.5%	6.5%	6.0%
TOTAL MANAGERS AND STAFF	5	43 396	43 397	43 239	49 515	48 732	48 732	56 466	60 136	63 744

Table 29MBRR SA23 - Salaries, Allowances and Benefits (Political Office Bearers/Councillors/ Senior Managers)

DC18 Lejweleputswa - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	Ref	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
Councillors	3						
Speaker	4	315 034		131 897			446 931
Chief Whip							-
Executive Mayor		630 068		282 816			912 884
Deputy Executive Mayor							-
Executive Committee		2 973 310		1 122 661			4 095 971
Total for all other councillors		2 482 287		435 568			2 917 855
Total Councillors	8	-	-	1 972 942			8 373 641
Senior Managers of the Municipality	5						
Municipal Manager (MM)		1 170 413		36 000	175 562		1 381 975
Chief Finance Officer		1 026 720		30 000	154 008		1 210 728
Executive Manager Corporate Services		855 600		30 000	128 340		1 013 940
Executive Manager LED & Planning		855 600		30 000	128 340		1 013 940
Executive Manager Social Services		1 026 720		30 000	154 008		1 210 728
							-
<i>List of each official with packages >= senior manager</i>							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
Total Senior Managers of the Municipality	8	-	-	156 000	740 258		5 831 311
A Heading for Each Entity	6,7						
List each member of board by designation							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
Total for municipal entities	8	-	-	-	-		-
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		-	-	2 128 942	740 258		14 204 952

Monthly Targets for Revenue, Expenditure and Cash Flow

Table 31 MBRR SA25 - Budgeted Monthly Revenue and Expenditure

DC18 Lejweleputswa - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source																
Property rates														-	-	-
Property rates - penalties & 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														-	-	-
Interest earned - external investments		76	98	103	210	117	196	128	242	141	109	177	71	1 668	1 670	1 670
Interest earned - outstanding debtors		33	35	36	37	38	40	42	43	44	45	47	45	484	305	-
Dividends received														-	-	-
Fines														-	-	-
Licences and permits														-	-	-
Agency services														-	-	-
Transfers recognised - operational		41 920				38 060				24 096				104 076	109 155	115 676
Other revenue		3	3	4	5	6	7	8	9	10	9	9	9	80	75	71
Gains on disposal of PPE														-	-	-
Total Revenue (excluding capital transfers and contributions)		42 032	135	143	252	38 221	243	178	294	24 290	162	233	126	106 308	111 205	117 417
Expenditure By Type																
Employee related costs		4 317	4 470	4 563	4 680	4 751	4 811	4 901	4 808	4 867	4 918	4 923	4 457	56 466	60 136	63 744
Remuneration of councillors		646	650	654	651	667	685	720	733	739	742	750	737	8 374	8 918	9 453
Debt impairment														-	-	-
Depreciation & asset impairment		465	469	470	475	482	500	525	512	535	540	528	526	6 027	6 539	7 193
Finance charges							1 291						1 291	2 583	2 321	2 022
Bulk purchases														-	-	-
Other materials														-	-	-
Contracted services														-	-	-
Transfers and grants		2 500		650		700				550			50	4 450	4 450	4 450
Other expenditure		1 901	2 246	2 330	2 404	2 311	2 324	2 286	2 192	2 217	2 330	2 179	2 246	26 965	28 635	30 019
Loss on disposal of PPE														-	-	-
Total Expenditure		9 829	7 835	8 667	8 210	8 211	10 311	8 432	8 245	8 908	8 530	8 380	9 306	104 864	110 998	116 881
Surplus/(Deficit)		32 203	(7 699)	(8 524)	(7 958)	30 010	(10 068)	(8 255)	(7 951)	15 382	(8 368)	(8 147)	(9 181)	1 444	207	536
Transfers recognised - capital														-	-	-
Contributions recognised - capital														-	-	-
Contributed assets														-	-	-
Surplus/(Deficit) after capital transfers & contributions		32 203	(7 699)	(8 524)	(7 958)	30 010	(10 068)	(8 255)	(7 951)	15 382	(8 368)	(8 147)	(9 181)	1 444	207	536
Taxation														-	-	-
Atributable to minorities														-	-	-
Share of surplus/ (deficit) of associate														-	-	-
Surplus/(Deficit)	1	32 203	(7 699)	(8 524)	(7 958)	30 010	(10 068)	(8 255)	(7 951)	15 382	(8 368)	(8 147)	(9 181)	1 444	207	536

Table 32 MBRR SA26 - Budgeted Monthly Revenue and Expenditure (Municipal vote)

DC18 Lejweleputswa - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue by Vote																
Vote 1 - Executive Mayor													-	-	-	-
Vote 2 - Speaker													-	-	-	-
Vote 3 - Mayoral Committee													-	-	-	-
Vote 4 - Council General		7,500	7,690	8,700	8,900	9,320	9,900	8,010	8,321	8,467	8,590	8,041	8,497	101,936	106,971	113,459
Vote 5 - Municipal Manager													-	-	-	-
Vote 6 - Budget & Treasury		295	322	303	325	329	301	314	276	293	275	218	231	3,482	3,300	2,991
Vote 7 - Corporate Services													-	-	-	-
Vote 8 - Human Resources													-	-	-	-
Vote 9 - Information Technology													-	-	-	-
Vote 10 - Property													-	-	-	-
Vote 11 - Municipal Support													-	-	-	-
Vote 12 - Planning Development			890										-	890	934	967
Vote 13 - Community & Social Services													-	-	-	-
Vote 14 - Environmental Health Services													-	-	-	-
Vote 15 - Tourism													-	-	-	-
Total Revenue by Vote		7,795	8,902	9,003	9,225	9,649	10,201	8,324	8,597	8,760	8,865	8,259	8,728	106,308	111,205	117,417
Expenditure by Vote to be appropriated																
Vote 1 - Executive Mayor		780	805	814	839	842	905	918	925	913	894	861	1,533	11,030	11,594	12,157
Vote 2 - Speaker		291	325	301	273	254	241	260	237	222	248	216	278	3,146	3,346	3,545
Vote 3 - Mayoral Committee		416	439	470	487	508	521	508	490	476	460	489	442	5,706	6,074	6,438
Vote 4 - Council General		984	1,150	1,300	1,295	1,360	1,500	1,400	1,351	1,430	1,400	1,547	903	15,620	16,786	17,160
Vote 5 - Municipal Manager		709	715	837	846	860	891	864	837	859	865	846	837	9,966	10,607	11,245
Vote 6 - Budget & Treasury		1,005	1,200	1,306	1,424	1,200	1,410	1,345	1,500	1,402	1,607	1,700	1,135	16,234	17,103	17,994
Vote 7 - Corporate Services		750	787	810	841	892	1,070	943	902	861	834	820	827	10,337	11,015	11,690
Vote 8 - Human Resources													-	-	-	-
Vote 9 - Information Technology													-	-	-	-
Vote 10 - Property		265	280	303	320	334	360	428	457	479	482	492	339	4,539	4,995	5,430
Vote 11 - Municipal Support													-	-	-	-
Vote 12 - Planning Development		403	411	494	508	526	542	540	552	518	515	549	543	6,101	6,926	7,314
Vote 13 - Community & Social Services		680	695	709	742	701	753	729	740	773	762	755	652	8,690	9,250	9,808
Vote 14 - Environmental Health Services		855	881	917	940	980	1,103	974	980	1,121	1,256	991	897	11,895	12,703	13,477
Vote 15 - Tourism				300			1,000			300			-	1,600	600	624
Total Expenditure by Vote		7,138	7,688	8,561	8,515	8,456	10,296	8,909	8,971	9,354	9,323	9,266	8,387	104,864	110,998	116,881
Surplus/(Deficit) before assoc.		657	1,215	443	710	1,193	(96)	(585)	(374)	(594)	(458)	(1,007)	341	1,444	207	536
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	657	1,215	443	710	1,193	(96)	(585)	(374)	(594)	(458)	(1,007)	341	1,444	207	536

Table 33 MBRR SA27 -Budgeted Monthly Revenue and Expenditure (Standard Classification)

DC18 Lejweleputswa - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue - Standard																
<i>Governance and administration</i>		43,170	173	208	195	38,277	224	182	216	22,160	233	191	189	105,418	110,271	116,450
Executive and council		41,920				38,060				21,956				101,936	106,971	113,459
Budget and treasury office		1,250	173	208	195	217	224	182	216	204	233	191	189	3,482	3,300	2,991
Corporate services																
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services																
Sport and recreation																
Public safety																
Housing																
Health																
<i>Economic and environmental services</i>		-	890	-	-	-	-	-	-	-	-	-	-	890	934	967
Planning and development			890											890	934	967
Road transport																
Environmental protection																
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity																
Water																
Waste water management																
Waste management																
<i>Other</i>																
Total Revenue - Standard		43,170	1,063	208	195	38,277	224	182	216	22,160	233	191	189	106,308	111,205	117,417
Expenditure - Standard																
<i>Governance and administration</i>		5,445	5,758	5,946	6,220	6,471	7,092	6,417	6,787	6,917	6,484	6,779	6,261	76,578	81,520	85,658
Executive and council		3,500	3,640	3,512	3,640	3,758	4,013	3,829	3,960	4,071	3,833	3,905	3,807	45,468	48,407	50,544
Budget and treasury office		1,005	1,138	1,247	1,319	1,340	1,650	1,402	1,533	1,584	1,296	1,423	1,297	16,234	17,103	17,994
Corporate services		940	980	1,187	1,261	1,373	1,429	1,186	1,294	1,262	1,355	1,451	1,158	14,876	16,010	17,120
<i>Community and public safety</i>		713	737	751	748	765	781	732	719	681	670	696	698	8,690	9,250	9,808
Community and social services		713	737	751	748	765	781	732	719	681	670	696	698	8,690	9,250	9,808
Sport and recreation																
Public safety																
Housing																
Health																
<i>Economic and environmental services</i>		1,280	1,325	1,246	1,391	1,469	1,529	1,511	1,526	1,722	1,743	1,536	1,718	17,996	19,629	20,791
Planning and development		420	431	415	523	545	572	539	525	532	513	520	566	6,101	6,926	7,314
Road transport																
Environmental protection		860	894	831	868	924	957	972	1,001	1,190	1,230	1,016	1,152	11,895	12,703	13,477
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity																
Water																
Waste water management																
Waste management																
<i>Other</i>							1,000			600				1,600	600	624
Total Expenditure - Standard		7,438	7,820	7,943	8,359	8,705	10,402	8,660	9,032	9,920	8,897	9,011	8,677	104,864	110,998	116,881
Surplus/(Deficit) before assoc.		35,732	(6,757)	(7,735)	(8,164)	29,572	(10,178)	(8,478)	(8,816)	12,240	(8,664)	(8,820)	(8,488)	1,444	207	536
Share of surplus/ (deficit) of associate																
Surplus/(Deficit)	1	35,732	(6,757)	(7,735)	(8,164)	29,572	(10,178)	(8,478)	(8,816)	12,240	(8,664)	(8,820)	(8,488)	1,444	207	536

Table 34MBRR SA28 - Budgeted Monthly Capital Expenditure (Municipal vote)

DC18 Lejweleputswa - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Multi-year expenditure to be appropriated	1															
Vote 1 - Executive Mayor													-	-	-	-
Vote 2 - Speaker													-	-	-	-
Vote 3 - Mayoral Committee													-	-	-	-
Vote 4 - Council General													-	-	-	-
Vote 5 - Municipal Manager													-	-	-	-
Vote 6 - Budget & Treasury													-	-	-	-
Vote 7 - Corporate Services													-	-	-	-
Vote 8 - Human Resources													-	-	-	-
Vote 9 - Information Technology													-	-	-	-
Vote 10 - Property													-	-	-	-
Vote 11 - Municipal Support													-	-	-	-
Vote 12 - Planning Development													-	-	-	-
Vote 13 - Community & Social Services													-	-	-	-
Vote 14 - Environmental Health Services													-	-	-	-
Vote 15 - Tourism													-	-	-	-
Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated																
Vote 1 - Executive Mayor			20			10			15		14		-	59	-	-
Vote 2 - Speaker				15		5		10		5			-	35	-	-
Vote 3 - Mayoral Committee			18				12						-	30	-	-
Vote 4 - Council General			65		50		100	260	250	525	910	340	-	2 500	200	-
Vote 5 - Municipal Manager			25			55							-	80	-	-
Vote 6 - Budget & Treasury		12			20		15		17		19		-	83	20	10
Vote 7 - Corporate Services						35		65					-	100	-	-
Vote 8 - Human Resources													-	-	-	-
Vote 9 - Information Technology													-	-	-	-
Vote 10 - Property					60	30		180					-	270	100	100
Vote 11 - Municipal Support													-	-	-	-
Vote 12 - Planning Development					15		20		15				-	50	15	-
Vote 13 - Community & Social Services			50				30			70			-	150	26	-
Vote 14 - Environmental Health Services					300			250			69		-	619	-	-
Vote 15 - Tourism													-	-	-	-
Capital single-year expenditure sub-total	2	12	178	90	370	135	177	765	297	600	1 011	340	-	3 975	361	110
Total Capital Expenditure	2	12	178	90	370	135	177	765	297	600	1 011	340	-	3 975	361	110

Table 35MBRR SA29 - Budgeted Monthly Capital Expenditure (Standard Classification)

DC18 Lejweleputswa - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard	1															
<i>Governance and administration</i>		15	130	20	180	70	685	275	303	340	925	214	-	3 157	320	110
Executive and council			130	20		70	505	260	283	310	912	214	-	2 704	200	-
Budget and treasury office		15			20			15	20		13		-	83	20	10
Corporate services					160		180			30			-	370	100	100
<i>Community and public safety</i>		60	-	-	-	-	20	-	70	-	-	-	-	150	26	-
Community and social services		60					20		70				-	150	26	-
Sport and recreation													-	-	-	-
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
<i>Economic and environmental services</i>		-	20	-	400	-	12	-	-	237	-	-	0	669	15	-
Planning and development			20				12			18			-	50	15	-
Road transport													-	-	-	-
Environmental protection					400					219			0	619	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity													-	-	-	-
Water													-	-	-	-
Waste water management													-	-	-	-
Waste management													-	-	-	-
<i>Other</i>													-	-	-	-
Total Capital Expenditure - Standard	2	75	150	20	580	70	717	275	373	577	925	214	0	3 975	361	110

Table 36MBRR SA30 - Budgeted Monthly Cash Flow

DC18 Lejweleputswa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Cash Receipts By Source														1		
Property rates																
Property rates - penalties & 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																
Interest earned - external investments	76	98	103	210	117	196	128	242	141	109	177	71	1 668	1 670	1 670	
Interest earned - outstanding debtors	33	35	36	37	38	40	42	43	44	45	47	45	484	305		
Dividends received																
Fines																
Licences and permits																
Agency services																
Transfer receipts - operational	41 920					38 060			24 096					104 076	109 155	115 676
Other revenue	3	3	4	5	6	7	8	9	10	9	9	9	80	75	71	
Cash Receipts by Source	42 032	135	143	252	38 221	243	178	294	24 290	162	233	126	106 308	111 205	117 417	
Other Cash Flows by Source																
Transfer receipts - capital																
Contributions recognised - capital & Contributed assets																
Proceeds on disposal of PPE																
Short term loans																
Borrowing long term/refinancing																
Increase (decrease) in consumer deposits																
Decrease (Increase) in non-current debtors																
Decrease (Increase) other non-current receivables	2 000					1 500								3 500	3 000	4 500
Decrease (Increase) in non-current investments																
Total Cash Receipts by Source	44 032	135	143	252	39 721	243	178	294	24 290	162	233	126	109 808	114 205	121 917	
Cash Payments by Type																
Employee related costs	4 517	4 700	4 463	4 680	4 751	4 850	4 901	5 008	4 670	4 584	4 823	4 519	56 466	60 137	63 745	
Remuneration of councillors	646	650	654	651	667	685	720	733	739	742	750	737	8 374	8 918	9 456	
Finance charges						1 291						1 291	2 583	2 321	2 022	
Bulk purchases - Electricity																
Bulk purchases - Water & Sewer																
Other materials																
Contracted services																
Transfers and grants - other municipalities			650			700			380			220	1 950	1 950	1 950	
Transfers and grants - other	2 500												2 500	2 500	2 500	
Other expenditure	1 900	1 020	1 491	2 060	2 250	2 561	2 680	2 665	2 710	2 750	2 790	2 672	27 548	30 433	31 885	
Cash Payments by Type	9 563	6 370	7 258	7 391	7 668	10 087	8 301	8 406	8 499	8 076	8 363	9 439	99 421	106 258	111 558	
Other Cash Flows/Payments by Type																
Capital assets	184	150	20	258	70	317	255	1 347	133	941	300	0	3 975	361	110	
Repayment of borrowing												1 847	1 847	2 113	2 380	
Other Cash Flows/Payments																
Total Cash Payments by Type	9 747	6 520	7 278	7 649	7 738	10 404	8 556	9 753	8 632	9 017	8 663	11 286	105 243	108 732	114 048	
NET INCREASE/(DECREASE) IN CASH HELD	34 285	(6 385)	(7 135)	(7 397)	31 983	(10 161)	(8 379)	(9 459)	15 658	(8 855)	(8 430)	(11 160)	4 565	5 473	7 870	
Cash/cash equivalents at the month/year begin:	32 457	66 742	60 358	53 223	45 826	77 809	67 648	59 269	49 810	65 468	56 613	48 182	32 457	37 022	42 495	
Cash/cash equivalents at the month/year end:	66 742	60 358	53 223	45 826	77 809	67 648	59 269	49 810	65 468	56 613	48 182	37 022	37 022	42 495	50 365	

2.9 Annual Budgets and SDBIPs – Internal Departments

2.10 Contracts having Future Budgetary Implications

In terms of the Council's Supply Chain Management Policy, no contracts are awarded beyond the medium-term revenue and expenditure framework (three years). In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Treasury Department.

2.11 Capital Expenditure Details

The following three tables present details of the Council's capital expenditure programme, firstly on new assets, then the renewal of assets and finally on the repair and maintenance of assets.

Table 37 MBRR SA 34a - Capital Expenditure on New Assets by Assets Class

DC18 Lejweleputswa - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Other assets		12 636	1 814	4 644	2 542	682	682	3 594	361	110
General vehicles		2 587	452	200	200	200	200		200	
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment		267	528	2						
Computers - hardware/equipment					520	170	170	187	100	100
Furniture and other office equipment		631	571	4 175	1 492	312	312	607	61	10
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		9 109	242	263				2 600		
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		42	21	4	330			200		
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		1 185	101	4 508	300	330	330	381	-	-
Computers - software & programming		1 185	101	4 508	300	330	330	381		
Other (<i>list sub-class</i>)										
Total Capital Expenditure on new assets	1	13 821	1 915	9 151	2 842	1 012	1 012	3 975	361	110

Table 38 MBRR SA 34b - Capital Expenditure on the Renewal Assets by Asset Class

DC18 Lejweleputswa - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Other assets		-	7 595	-	1 000	-	-	-	-	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings			7 595		1 000					
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on renewal of existing assets	1	-	7 595	-	1 000	-	-	-	-	-

Table 39 MBRR SA 34c – Repairs and Maintenance Expenditure by Assets Class

DC18 Lejweleputswa - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Other assets		724	803	1 575	913	624	624	640	765	813
General vehicles		235	385	988	156	136	136	91	95	100
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment			4		5	5	5	5	6	6
Computers - hardware/equipment		69	58	18	155	38	38	45	48	50
Furniture and other office equipment			6	5	68	50	50	94	99	104
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		310	209	267	374	224	224	255	330	357
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		110	140	297	155	170	170	150	187	196
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (<i>list sub-class</i>)										
Total Repairs and Maintenance Expenditure	1	724	803	1 575	913	624	624	640	765	813

Table 40 MBRR SA 34d – Depreciation by Assets Class

DC18 Lejweleputswa - Supporting Table SA34d Depreciation by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
<i>Roads, Pavements & Bridges</i>										
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>										
<i>Transmission & Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
<i>Dams & Reservoirs</i>										
<i>Water purification</i>										
<i>Reticulation</i>										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
<i>Waste Management</i>										
<i>Transportation</i>	2									
<i>Gas</i>	3									
<i>Other</i>										
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		3 458	5 262	7 341	7 845	7 845	7 845	6 027	6 539	7 193
General vehicles		466	415	209	475	475	475	580	639	754
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		1 659	2 575	2 582	1 530	1 530	1 530	549	691	716
Computers - hardware/equipment										
Furniture and other office equipment		425	833	1 997	3 235	3 235	3 235	2 268	2 511	2 899
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings		289	1 396	2 480	2 580	2 580	2 580	2 603	2 670	2 795
Other Land										
Surplus Assets - (Investment or Inventory)										
Other		619	43	73	25	25	25	27	28	29
Agricultural assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-	-	-
<i>List sub-class</i>										
Intangibles		268	371	615	-	-	-	-	-	-
Computers - software & programming		268	371	615						
<i>Other (list sub-class)</i>										
Total Depreciation	1	3 726	5 633	7 956	7 845	7 845	7 845	6 027	6 539	7 193

Table 41 MBRR SA36 – Detailed Capital Budget per Municipal Vote

DC18 Lejweleputswa - Supporting Table SA36 Detailed capital budget

Municipal Vote/Capital project	Ref	Program/Project description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes		2013/14 Medium Term Revenue & Expenditure Framework		
										Audited Outcome 2011/12	Current Year 2012/13 Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	4				6	3	3	5						
Parent municipality: <i>List all capital projects grouped by Municipal Vote</i>														
		Building Archives & Security Houses			Yes	Infrastructure - Other	Buildings			263		100		
		Other Assesst			Yes	Software/Hardware	Intangible Assesst			4 508	330	381		
		Other Assesst			Yes	Furniture & Fixtures	Furniture & Fixtures			1 397	482	607	100	100
		Other Assesst			Yes	Motor Vehicles	General Motor Vehicles			200	200		200	
		Other Assesst			Yes	Office Equipment	Office Equipment			2 778		187	61	10
		Other Assesst			Yes	Other Property, Plant & Equipment	Other Buildings			4		2 500		
		Other Assesst			Yes	Plant & Equipment	Plant & Equipment			2				
		Other Assesst			Yes	Security Materials	Security Materials					100		
		Other Assesst			Yes	Food Monitoring Equipment	Other					100		
		Other Assesst			Yes	Water Monitoring Equipment	Other					100		
Parent Capital expenditure	1											3 975	361	110
Entities: <i>List all capital projects grouped by Entity</i>														
Entity A		Water project A												
Entity B		Electricity project B												
Entity Capital expenditure										-	-	-	-	-
Total Capital expenditure										9 151	1 012	3 975	361	110

2.12 Legislation Compliance Status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year Reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on Council's website.

2. Internship Programme

Council is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Department.

3. Budget and Treasury Office

The Budget and Treasury Office has been established in accordance with the MFMA.

4. Audit Committee

An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalized after approval of the 2013/14 MTREF in May 2013 directly aligned and informed by the 2013/14 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. MFMA Training

Nine staff members are enrolled for the Municipal Finance Management Programme.

2.13 Other Supporting Documents

Table 41 MBRR Table SA1 –Supporting Detail to Budgeted Financial Performance

DC18 Lejweleputswa - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
REVENUE ITEMS:											
Other Revenue by source											
<i>Sundry</i>		604	241	323	40	90	90		80	75	71
Total 'Other' Revenue	1	604	241	323	40	90	90	–	80	75	71
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	24 587	25 776	25 878	35 404	33 653	33 653		39 808	42 396	44 940
Pension and UIF Contributions		5 239	3 750	4 133	5 174	5 695	5 695		5 920	6 305	6 683
Medical Aid Contributions			1 936	2 143	2 304	2 445	2 445		2 906	3 095	3 280
Overtime		158	259	483	–	337	337		–	–	–
Performance Bonus		213	1 878	1 250	1 426	590	590		740	788	836
Motor Vehicle Allowance		4 039	4 832	5 086	4 726	4 871	4 871		5 172	5 508	5 839
Cellphone Allowance				6	–	285	285		400	426	451
Housing Allowances		273	199	237	366	413	413		392	417	442
Other benefits and allowances			1 136	1 018	114	327	327		907	966	1 024
Payments in lieu of leave			1 815	1 633	–	–	–		–	–	–
Long service awards						115	115		221	235	250
Post-retirement benefit obligations	4	6 572	1 818	1 371	–	–	–		–	–	–
<i>sub-total</i>	5	41 081	43 397	43 239	49 515	48 732	48 732	–	56 466	60 136	63 744
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	41 081	43 397	43 239	49 515	48 732	48 732	–	56 466	60 136	63 744
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		3 458	5 262	7 341	7 845	7 845	7 845		6 027	6 539	7 193
Lease amortisation		268	371	615	–	–	–		–	–	–
Total Depreciation & asset impairment	1	3 726	5 633	7 956	7 845	7 845	7 845	–	6 027	6 539	7 193
Transfers and grants											
Cash transfers and grants		10 774	12 234	7 966	4 450	4 450	4 450	–	4 450	4 450	4 450
Non-cash transfers and grants		–	–	–	–	–	–	–	–	–	–
Total transfers and grants	1	10 774	12 234	7 966	4 450	4 450	4 450	–	4 450	4 450	4 450
Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions		1 678	1 815	1 633	2 046	2 426	2 426		3 915	4 169	4 420
Consultant fees		274	1 155	3 542	1 269	1 939	1 939		924	963	1 003
Audit fees		2 107	1 930	2 056	2 231	2 231	2 231		2 102	2 144	2 208
General expenses	3	903	5 598	26 299	16 328	22 011	22 011		12 930	14 523	15 849
<i>List Other Expenditure by Type</i>											
<i>Grants & subsidies</i>		10 774	12 234	7 966	4 450	4 450	4 450		4 450	4 450	4 450
<i>Interest paid on DBSA loans</i>		3 447	3 836	3 107	2 841	2 841	2 841		2 583	2 321	2 022
<i>Branding internal</i>		1 625	770	588	150	176	176		61	64	67
<i>Tourism awareness</i>		1 182	1 784	2 580	–	–	–		–	–	–
Total 'Other' Expenditure	1	21 989	29 122	47 770	29 315	36 075	36 075	–	26 965	28 635	30 019
Repairs and Maintenance by Expenditure Item											
Other Expenditure	8	724	803	1 575	913	624	624		640	765	813
Total Repairs and Maintenance Expenditure	9	724	803	1 575	913	624	624	–	640	765	813

Table 42 MBRR Table SA2 – Matrix Financial Performance Budget (Revenue Source/Expenditure Type and Department)

DC18 Lejweleputswa - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive Mayor	Vote 2 - Speaker	Vote 3 - Mayoral Committee	Vote 4 - Council General	Vote 5 - Municipal Manager	Vote 6 - Budget & Treasury	Vote 7 - Corporate Services	Vote 8 - Human Resources	Vote 9 - Information Technology	Vote 10 - Property	Vote 11 - Municipal Support	Vote 12 - Planning Development	Vote 13 - Community & Social Services	Vote 14 - Environmental Health Services	Vote 15 - Tourism	Total
R thousand	1																
Revenue By Source																	
Property rates																	-
Property rates - penalties & 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																	-
Interest earned - external investments							1 668										1 668
Interest earned - outstanding debtors							484										484
Dividends received																	-
Fines																	-
Licences and permits																	-
Agency services																	-
Other revenue							80										80
Transfers recognised - operational					101 936		1 250					890					104 076
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	101 936	-	3 482	-	-	-	-	-	890	-	-	-	106 308
Expenditure By Type																	
Employee related costs		4 232	2 025	1 125		8 290	10 406	8 742			108		4 467	7 264	9 806		56 466
Remuneration of councillors		913	447	4 096	2 918												8 374
Debt impairment					546												546
Depreciation & asset impairment		93	51	80	832	236	584	232		2 970		70	297	583			6 027
Finance charges					2 583												2 583
Bulk purchases																	-
Other materials																	-
Contracted services																	-
Transfers and grants					4 450												4 450
Other expenditure		5 792	623	406	4 292	1 440	5 244	1 362		1 461		1 564	1 129	1 506	1 600		26 418
Loss on disposal of PPE																	-
Total Expenditure		11 030	3 146	5 706	15 620	9 966	16 234	10 336	-	-	4 539	-	6 101	8 690	11 895	1 600	104 864
Surplus/(Deficit)		(11 030)	(3 146)	(5 706)	86 316	(9 966)	(12 753)	(10 336)	-	-	(4 539)	-	(5 211)	(8 690)	(11 895)	(1 600)	1 444
Transfers recognised - capital																	-
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		(11 030)	(3 146)	(5 706)	86 316	(9 966)	(12 753)	(10 336)	-	-	(4 539)	-	(5 211)	(8 690)	(11 895)	(1 600)	1 444

Table 43MBRR Table SA3 – Supporting Detail to Statement of Financial Position

DC18 Lejweleputswa - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
ASSETS											
Call investment deposits											
Call deposits < 90 days		5 000	20 000	10 000	5 605	5 605	5 605				
Other current investments > 90 days		45 000	20 000	16 000	16 000	16 000	16 000		18 000	12 000	9 000
Total Call investment deposits	2	50 000	40 000	26 000	21 605	21 605	21 605	-	18 000	12 000	9 000
Consumer debtors											
Consumer debtors		15 870	16 356	12 996	5 930		-		760	875	920
Less: Provision for debt impairment		(7 509)	(10 048)	(12 370)							
Total Consumer debtors	2	8 360	6 309	626	5 930	-	-	-	760	875	920
Debt impairment provision											
Balance at the beginning of the year		7 509	7 509	10 048	12 370		-		-	-	-
Contributions to the provision			3 257	9 246							
Bad debts written off			(719)	(6 924)	(3 901)		-				
Balance at end of year		7 509	10 048	12 370	8 469	-	-	-	-	-	-
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		95 131	102 966	89 724	78 733	102 966	102 966		89 724	86 553	86 193
Leases recognised as PPE											
Less: Accumulated depreciation		8 512	13 242	10 991	13 242	13 242	13 242		3 170	361	110
Total Property, plant and equipment (PPE)	2	86 619	89 724	78 733	65 491	89 724	89 724	-	86 553	86 193	86 083
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		1 971	1 554	1 793	1 706	1 706	1 706		1 847	2 113	2 046
Total Current liabilities - Borrowing		1 971	1 554	1 793	1 706	1 706	1 706	-	1 847	2 113	2 046
Trade and other payables											
Trade and other creditors		8 614	6 302	5 540	6 848	6 848	6 848		5 921	4 736	5 058
Unspent conditional transfers		848	667	664							
VAT											
Total Trade and other payables	2	9 462	6 969	6 203	6 848	6 848	6 848	-	5 921	4 736	5 058
Non current liabilities - Borrowing											
Borrowing		19 891	18 338	16 545	14 965	14 965	14 965		13 118	11 005	8 059
Finance leases (including PPP asset element)		45									
Total Non current liabilities - Borrowing	4	19 936	18 338	16 545	14 965	14 965	14 965	-	13 118	11 005	8 059
Provisions - non-current											
Retirement benefits		3 407	4 728	5 504	4 728	4 728	4 728		4 916	5 179	5 048
List other major provision items											
Refuse landfill site rehabilitation											
Other		1 405	1 580	1 857	1 580	1 580	1 580		1 703	1 824	1 933
Total Provisions - non-current		4 813	6 308	7 362	6 308	6 308	6 308	-	6 619	7 003	6 981
CHANGES IN NET ASSETS											
Accumulated Surplus/(Deficit)											
Accumulated Surplus/(Deficit) - opening balance		52 959	111 503	100 591	64 922	95 012	95 012		77 506	74 879	74 243
GRAP adjustments											
Restated balance		52 959	111 503	100 591	64 922	95 012	95 012	-	77 506	74 879	74 243
Surplus/(Deficit)		6 293	(2 974)	(16 078)	878	(5 050)	(5 050)	-	1 444	207	536
Appropriations to Reserves											
Transfers from Reserves											
Depreciation offsets											
Other adjustments		50 740				-	-				
Accumulated Surplus/(Deficit)	1	109 992	108 530	84 513	65 800	89 962	89 962	-	78 950	75 086	74 779
Reserves											
Housing Development Fund											
Capital replacement											
Self-insurance											
Other reserves											
Revaluation											
Total Reserves	2	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	109 992	108 530	84 513	65 800	89 962	89 962	-	78 950	75 086	74 779

2.14 Municipal Manager's Quality Certificate

I, Municipal Manager of Lejweleputswa District Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name _____

Municipal Manager of Lejweleputswa District Municipality (DC18)

Signature _____

Date _____
