

SCHEDULE A

**ANNUAL BUDGET AND
SUPPORTING DOCUMENTATION
BOJANALA PLATINUM DISTRICT
MUNICIPALITY**

2015/16 TO 2017/18

Adopted by Council on 28 May 2015

Council Resolution

28/05/2015

FINAL BUDGET OF

BOJANALA DISTRICT

MUNICIPALITY

DC37

2015/16 TO 2016/18
MEDIUM TERM REVENUE AND
EXPENDITURE FORECAST

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Abbreviations and Acronyms

AMR	Automated Meter Reading	LED	Local Economic Development
ASGISA	Accelerated and Shared Growth Initiative	MEC	Member of the Executive Committee
BPC	Budget Planning Committee	MFMA	Municipal Financial Management Act Programme
CBD	Central Business District	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MPRA	Municipal Properties Rates Act
MM	Municipal Manager	MSA	Municipal Systems Act
CPI	Consumer Price Index	MTEF	Medium-term Expenditure Framework
CRRF	Capital Replacement Reserve Fund	MTREF	Medium-term Revenue and Expenditure Framework
DBSA	Development Bank of South Africa	NERSA	National Electricity Regulator South Africa
DoRA	Division of Revenue Act	NGO	Non-Governmental organisations
DWA	Department of Water Affairs	NKPIs	National Key Performance Indicators
EE	Employment Equity	OHS	Occupational Health and Safety
EEDSM	Energy Efficiency Demand Side Management	OP	Operational Plan
FBS	Free basic services	PBO	Public Benefit Organisations
GAMAP	Generally Accepted Municipal Accounting Practice	PHC	Provincial Health Care
GDP	Gross domestic product	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Plan	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kℓ	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		
ℓ	litre		

Part 1 – Annual Budget

1.1 Ministers Budget Speech

Honourable Speaker –

I have the honour to present the first budget of our fifth democratic Parliament.

Members of the House, and fellow South Africans –

Over the past twenty years we have built houses, delivered water and electricity, improved access to schools and health care. Yet there are people living in shacks, there are schools without sanitation, there are patients without care.

We have made progress in dismantling apartheid divisions. Yet there are still fault-lines across our social landscape.

We have agreed on a National Development Plan. But there is still hard work ahead in its implementation.

Though we continue to register positive growth rates, many businesses have struggled to maintain profitability, unemployment remains high and government has had to adjust to slower revenue growth.

Today's budget is constrained by the need to consolidate our public finances, in the context of slower growth and rising debt.

And so we must intensify our efforts to address economic constraints, improve our growth performance, create work opportunities and broaden economic participation. We need to achieve these goals if our National Development Plan is to be realised.

On the one hand, our development path is limited by the resource constraints of the current economic outlook. On the other hand, it seeks to lift these constraints by strengthening public institutions, supporting innovation and making markets work better and investing in infrastructure and our people.

The 2015 budget is aimed at rebalancing fiscal policy to give greater impetus to investment, to support enterprise development, to promote agriculture and industry and to make our cities engines of growth.

2015 Budget Speech

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Strategic priorities for growth and development

As outlined by President Zuma in the State of the Nation Address on the 12th of February, Cabinet has agreed on nine strategic priorities to be pursued this year, in partnership with the private sector and all stakeholders. They include:

- 1) Resolving the energy challenge,
- 2) Revitalising agriculture,
- 3) Adding value to our mineral wealth,
- 4) Enhancing the Industrial Policy Action Plan,
- 5) Encouraging private investment,
- 6) Reducing workplace conflict,
- 7) Unlocking the potential of small enterprises,
- 8) Infrastructure investment, and
- 9) Support for implementation of the National Development Plan through in-depth, results-driven processes, known as Phakisa laboratories.

The first of these laboratories focused on the oceans economy, including off-shore oil and gas exploration and aquaculture opportunities. Already this has led to investment of R9.6 billion in Saldanha Bay.

1.2 Council Resolutions

On 28 May 2015 the Council of Bojanala District Municipality met in Rustenburg Civic Center to consider the annual budget of the municipality for the financial year 2015/16. The Council approved and adopted the following resolutions:

1. The Bojanala Platinum District Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The draft annual budget of the municipality for the financial year 2015/16 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 18 on page 31;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 19 on page 33;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 21 on page 37; 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 22 on page 34.
- 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 20 on page 35;
 - 1.2.2. Budgeted Cash Flows as contained in Table 24 on page 41;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 22 on page 37;
 - 1.2.4. Asset management as contained in Table 23 on page 39; and
 - 1.2.5. Basic service delivery measurement as contained in Table 24 on page 41.
2. To give proper effect to the municipality's annual budget, the Council Bojanala Platinum District Municipality approves:
 - 2.1. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.
 - 2.2. That the salaries for officials be adjusted with effect from 1st July 2015 based on the percentage as approved by the South African Local Government Bargaining Council (Excluding Section 57 Managers).
 - 2.3. That the salary packages of the Municipal Manager and Section 57 managers be adjusted with 4.4, percent with effect from 1 July 2015.
 - 2.4. That the salaries and allowances of councillors be adjusted with the percentage approved by the Minister for Cooperative Governance and Traditional Affairs in terms of the Remuneration of Public Office Bearers Act, 1998 after concurrence of the responsible MEC have been obtained.
 - 2.5. That the amendments to the Budget related policies be approved as discussed in paragraph 2.4 and indicated in the policy documents hereto attached.

1.3 Executive Summary

BOJANALA PLATINUM DISTRICT MUNICIPALITY BUDGET SPEECH BY THE EXECUTIVE MAYOR CLLR L.J.R. DIREMELO HELD ON THE 28 MAY 2015 AT RUSTENBURGLOCAL MUNICIPALITY'S CIVIC CENTRE

Honourable Speaker of the Council, Gugulethu Mtshali
Honourable Chief Whip of the Ruling Party in the Council, Asnath Molekwa
Honourable Members of the Mayoral Committee
Honourable Council Members of the Bojanala Platinum District Council
Municipal Manager, Mr Innocent Sirovha
Senior Management, all managers and staff of the Bojanala Platinum District Municipality
Regional Heads of the sector departments in the district
All Mayors of the Local Municipalities in the district
Members of the broader Bojanala community
Distinguished guests
Ladies and Gentlemen

Madam Speaker, it is a great privilege and an honour to address the sitting of Council on this important occasion - the presentation of the 2015/16 Budget and Integrated Development Plan (IDP). In the Bojanala Platinum District Municipality, we see the budget as an instrument through which we manage public funds in a way that ensures that we improve the quality of life of our people.

We see the budget as an instrument of development and we do this through planning, allocation, control and proper accounting for every cent entrusted to this local government. We have gathered in the same fashion as elected representatives of the people of the district.

I still remember the anxiety and excitement we felt, to have been chosen to represent and fulfill the aspirations of the people of the district. More importantly, Madam Speaker, we were filled with immense humility, humbled by the enormous responsibility bestowed upon us. We knew that it was not going to be an easy task, but we were still willing to shoulder the responsibility for the development of the district.

Madam Speaker, today we can announce with pride that we did not disappoint the people of the district, both as the councilors from the ruling party and the opposition. We have worked together for the past year, with one goal in mind, and that was to develop this region and to deliver to its people. The outgoing council of the Bojanala Platinum District Municipality ensured that party-political differences never obstructed service-delivery in the region, and the council was always united in this resolve and we have done the same. I need to applaud all of you.

Madam Speaker, let me therefore take this opportunity to extend a word of appreciation and thanks to all the members of this council, without you we would not have achieved much in our fourth year in office. The Members of the Mayoral Committee always ensured that the day-to-day operations and decision-making of council were taken care of as the members displayed 100% commitment to the task at hand.

We must also warmly thank the Honourable Speaker and her office, for always ensuring that the council operated smoothly, and that the necessary discipline was enforced amongst all councilors including dress code Madam Speaker

Honorable Speaker, this year also marks the 25th anniversary of the release of the first democratically-elected president of the Republic of South Africa, Dr. Nelson Mandela. We can all still remember the day on which our struggle-icon was released, it was a day filled with joy and expectation, knowing that the freedom for the oppressed peoples of our country was not far away. We knew on that day that the struggles of our leaders and people were not in vain, as we could smell and touch our freedom. The release of our former president symbolizes democracy, non-racialism, non-sexism, as well as the hope for a united and prosperous South Africa.

We must however not treat our freedom as something, which was achieved freely and cheaply. Hundreds of ordinary oppressed people died, some of them are today still unaccounted for. Some of our leaders like the late Thembisile Chris Hani and Solomon Mahlangu were brutally murdered by racist and oppressive regime. Today, we are basking in the shades of the trees of freedom, which is nourished by their blood. Talking about our history and the role of the African National Congress and its leaders, can therefore not cause irritation and discomfort to others, as we must constantly remind one another and the younger generation where we are coming from.

Madam Speaker, we are also celebrating the 21st year of our freedom and democracy, 21st years in which the ANC-led government made strides to unite our country, and to move away from our racist and brutal past. This government has delivered, as is evident even in our own region. Houses are still being built, houses are being electrified, schools have been built, the vulnerable are getting financial-assistance from the government, some schools are being declared as no-fee schools. We have acknowledged that more still needs to be done, as the needs of the people are increasing by the day.

This caring ANC-led government will continue to respond to the needs of the people of this country, and it will intervene more decisively to improve the lives of all the people. We must however not leave the people behind, as government. All development must be done and implemented with the people of the region in the forefront, and they must act as the ultimate advisors to us as their representatives.

The government adopted five key priority-areas for service-delivery, which are:

- Education
- Creation of decent as sustainable jobs
- Rural Development and Land Reform
- Provision of Health-care
- Fighting Crime

These priorities, as set out by government, are not only the responsibility of the national and provincial government, but must be tackled and realized by all spheres of governments, more so local government. It is therefore more critical for local government service-delivery plans and programmes to be in line with these priorities, as the people at a ward-level must be able to identify and experience it.

The people of this country have indeed declared on 26 June 1955, in Kliptown, in Soweto, on the occasion of the adoption of the Freedom Charter, by the Congress of the People, that “The doors of learning and of culture shall be opened”, and that “Education shall be free, compulsory, universal and equal for all children”

This government is inspired and guided by these ideals and aspirations of the people of this country, as enshrined in the Freedom Charter. All programmes and plans of this government are therefore in response to the plight of the people, and nothing else.

It is normal practice that after the Draft Budget has been tabled at the Council Meeting, the National and Provincial Treasuries conduct budget analysis with all the municipalities in the Province. The purpose of this is to analyse the budget and indicate whether the budget is credible, funded and sustainable.

If the budget does not meet one of these, the National and Provincial Departments make recommendations to a municipality to enable it to meet all these requirements.

The budget analysis of BPDM was held on 11 May 2015. Recommendations were then made by the Province, and for the municipality to implement those recommendations, serious deductions had to be made from identified line items to fund the implementation of those recommendations.

Let me therefore take you through the budget per department as itemized below:

BOJANALA PLATINUM DISTRICT MUNICIPALITY 2015/16 Annual Budget and MTREF

DEPARTMENT/VOTE	2014/15 ADJUSTED BUDGET	2015/16 DRAFT BUDGET	2015/16 FINAL BUDGET	REASONS FOR
Community Development Services	20 215 492	19 650 415	18 357 794	Small reduction in items to fund implementation of recommendations. Treasury during analysis process.
Health and Environmental Services	29 672 076	30 592 752	28 170 695	Reduction in Subsistence containment recommended by Treasury. To place strict controls.
Municipal Manager	23 938 772	26 102 098	21 945 790	Less computer services since most now purchased in services budget reduced.
Municipal Council	24 119 261	23 882 519	24 264 006	No material change in 2014/2015 accounts.
Corporate Support Services.	42 220 109	47 077 962	55 159 217	Medical contracts of R3m, clothing and Provision of R9m, were not in 2014/15.
Executive Mayor	17 939 390	18 798 716	12 061 122	A big reduction in participation support to agricultural programmes accelerated in and reduction in cost of MMC measures.
EDTAR	10 773 585	11 422 582	9 313 200	Reduction on Rural support this will be met by Province.

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

Budget and Treasury Office.	20 051 603	30 998 223	57 050 134	Depreciation and Creditor budgeted for be included in the creditors at mmakau for project at cy tweelagte wa for R3m and treatment wo projects has we have bee on the progr
Technical Services	39 838 619	42 908 612	26 678 673	Reduction of projects until between DBS Provincial G finalised reg address water district.
Disaster Management	7 909 333	8 859 325	8 199 325	This increase the guideline
Mogwase Fire	12 624 542	14 215 581	13 882 321	Rank Progress not provided budget since implementat
Moretele Fire	10 158 667	11 324 726	11 278 498	Rank Progress not provided budget since implementat
Kgetleng Fire	13 060 446	14 568 636	14 568 636	Rank Progress not provided budget since implementat
<u>TOTAL</u>	272 521 900	300 972 016	300 929 416	

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and „nice to have“ items. The 2015/16 revised budget focussed on saving measures, and reprioritising of projects

National Treasury's MFMA Circulars No. 51, 54, 55, 58 and 59, 66, 67, 70 and 71 were used to guide the compilation of the 2015/16 MTREF.

The main challenges experienced during the compilation of the 2015/16 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and community infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2015/16 to 2017/2018 MTREF:

- The 2015/16 Budget priorities and targets, as well as the base line allocations contained in that Budget were adopted as the upper limits for the new baselines for the 2015/16 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Heads of departments as well as political offices should exercise strict control over the under mentioned expenditure:
 - Special Projects;
 - Consultant Fees;
 - Special Events;
 - Refreshments and entertainment;
 - Ad-hoc travelling;
 - Subsistence, Travelling & Conference fees (national & international) and
 - Telephone expenses.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/16 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2015/2016 MTREF

Description	Adjustment Budget	Budget Year	Budget Year +1	Budget Year +2
R Thousand	2014/2015	2015/2016	2016/2017	2017/2018
	R,000	R,000	R,000	R,000

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

Total Operating Revenue	272 374	300 128	308 476	326 226
Total Operating Expenditure	276 969	257 143	271 031	280 451
Surplus/(Deficit) for the year	-4 595	42 773	37 445	35 425
Total Capital Expenditure	815	965	810	854

Total operating revenue has grown by 10, 18 percent or R27.75 million for the 2015/16 financial year when compared to the 2014/15 Adjustments Budget. For the two outer years, operational revenue will increase by 2.78 and 5.75 percent respectively, equating to a total revenue growth of R8 348 million and R17 750 over the MTREF when compared to the 2015/16 financial year.

Total operating expenditure for the 2015/16 financial year has been appropriated at R257 355 Million and translates into a budgeted surplus of R42 773 million. The surplus is due to the sundry creditors, depreciation, provision for leave, performance budget and the lease. When compared to the 2014/15 Adjustments Budget, operational expenditure has decreased by -7.08 percent in the 2015/16 budget and increased by 5.31 and increase of 3.47 percent for each of the respective outer years of the MTREF. The operating cash surplus for the two outer years steadily increases to R42 773 million and R37 million respectively. **These surpluses will be used to pay for the creditors, other provisions and to ensure cash backing of reserves and funds as recommended by Provincial Treasury during the budget analysis.**

The capital budget of R965 thousand for 2014/15 is 18, 40 percent higher when compared to the 2014/15 Adjustment Budget. Our capital budget is mainly for other asset consist of furniture, computers and vehicles.

The municipality does not have infrastructure projects, use contracted services as capital but on behalf of the locals.

In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in BPDM and continued economic development and
- Efficient revenue management,

Table 2 Summary of revenue classified by main revenue source

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

DC37 Bojanala Platinum - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
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		5,377	1,586	1,798	1,142	734			1,000	1,100	11,500
Interest earned - outstanding debtors											
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		248,960	249,305	263,399	271,061	271,493			298,978	307,206	314,551
Other revenue	2	255	146	1,920	147	147	-	-	150	170	175
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		254,592	251,037	267,117	272,350	272,374	-	-	300,128	308,476	326,226

Table 3 Percentage growth in revenue by main revenue source

Description	Current year 2015/16 Medium Term Revenue & Expenditure Framework						
	Adjusted	%	Budget year	%	Budget Year +1	%	Budget Year +2
R Thousand	budget		2015/16				
Revenue by source	R,000		R,000		R,000		R,000
Interest earned-external investment	734	36.10	1 000	10	1 100	36.36	1 500
Transfer recognised - operational	272 308	9.72	298 978	2.75	307 206	2.39	314 551
Other revenue	147	2.0	150	13.33	170	2.94	175
Total Revenue(Excluding Capital Transfers & Contributions)	273 189	100%	300 128	100%	308 476	100%	316 226

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

Operating grants and transfers totals R 272 308 million 2014/15 financial year and increases to R299 943 million by 2015/16. Note that the year-on-year growth for the 2016/17 financial year is 9.72 percent and then increases to 2.75 and two outer years. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Table 4 Operating Transfers and Grant Receipts

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

DC37 Bojanala Platinum - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	249,305	260,398	270,186	271,683	-	298,978	315,909	316,368
Local Government Equitable Share					265,044	265,044		293,747	302,924	311,801
Local Government Equitable Share										
RSC Levy Replacement			246,049	255,854						
Finance Management			1,172	1,327	1,250	1,250		1,250	1,250	1,250
Municipal Systems Improvement			954	890	934	934		930	9,560	1,033
EPWP Incentive			1,129	2,327	1,191	1,191		1,041	-	-
Rural Assets Management Grant					1,767	3,264		2,010	2,175	2,284
Provincial Government:		-	-	3,000	625	625	-	-	-	-
Health subsidy traditional affairs				3,000	625	625				
District Municipality: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	-	249,305	263,398	270,811	272,308	-	298,978	315,909	316,368
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	965	810	854
Other capital transfers/grants <i>[insert desc]</i>								965	810	854
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants <i>[insert description]</i>										
District Municipality: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Other grant providers: <i>[insert description]</i>		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	-	-	-	-	965	810	854
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	249,305	263,398	270,811	272,308	-	299,943	316,719	317,222

The Rural Asset Management System grant of R2 010 million is to collect road infrastructure data and also to perform visual assessment on road infrastructure in the district; the condition of the grant is for operation.

Operating Expenditure Framework

The municipality's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;

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- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the contracted services budget and other core services; and
- Strict adherence to the principle of *no project plans no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

Table 11 Summary of operating expenditure by standard classification item

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Expenditure By Type											
Employee related costs	2	114,127	130,953	128,683	129,309	126,085	-	-	131,057	138,266	145,870
Remuneration of councillors		8,860	-	12,505	13,231	15,611			15,800	16,669	17,586
Debt impairment	3										
Depreciation & asset impairment	2	7,187	7,144	6,657	7,501	7,501	-	-	5,000	5,600	5,861
Finance charges		32	17	355	3,847	300			319	337	356
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	5,734	2,903	2,260	1,402	1,462			1,531	1,620	1,709
Contracted services		-	-	81,457	76,616	77,255	-	-	54,463	57,622	60,764
Transfers and grants		191,038	77,382	2,600	2,000	2,000	-	-	2,000	2,209	2,297
Other expenditure	4, 5	51,475	50,639	33,451	45,002	46,481	-	-	46,973	48,485	45,773
Loss on disposal of PPE		(14)		841							
Total Expenditure		378,439	269,037	268,808	278,908	276,696	-	-	257,143	270,807	280,216

The budgeted allocation for employee related costs for the 2015/16 financial year totals R131 057 million, inclusive of councillors remuneration, which equals 48, 71% percent of the total operating expenditure. Based on the estimated inflation rate and tendencies in the labour market, salary increases have been factored into this budget at a percentage increase of 5.8 percent for the 2015/16 financial year. An annual increase of 3, 52 percent has been included in the two outer years of the MTREF. As part of the municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized. The reason for 9.19 is because of the provision for the following which is not included in the financial performance but on the financial position: **Medical Aid continued members R3m, and Provision for leave bonus R9m, were not budgeted for in 2014/15 and the rank progression of fire services .**

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). Provision for a possible increase of 2.56 percent has been provided in the 2015/16 budget.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R5 million for the 2015/16 financial and equates to 5.08 percent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

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Other materials comprise of amongst others the purchase of licences renewal, materials for maintenance, cleaning materials and chemicals. In line with the municipality's repairs and maintenance plan this group of expenditure has been prioritised as far as possible to ensure sustainability of the Assets. Other materials increases by 4.71 for 2015/16, 5.81 and 5.49 percent for the two outer years of which budget allocation is in excess of R 16 million by 2017/18.

The contract service is used for the projects of the locals as they are not included on our assets register we transfer them to the locals after the completion.

Other expenditure comprises of various line items relating to the daily operations of the municipality. Growth has been limited to 1.05 percent for 2015/16 and curbed at 3.21 and -5.59 percent for the two outer years, indicating that significant cost savings have been already realised. The municipality have budget for lease, depreciation, provision for performance bonuses, leave, Retentions and sundry creditors, of which we did not make provision for them for past financial years.

Figure 1 Main operational expenditure categories for the 2015/16 financial year

1.3.1 Priority given to repairs and maintenance

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance: repairs and Maintenance of the municipality is mainly on vehicle maintenance.

Table 12 Operational repairs and maintenance

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Asset management										
Asset register summary (WDV)	5	3	-	27	3	-	-	-	-	-
Depreciation & asset impairment	7,187	7,144	6,657	7,501	7,501	-	5,000	5,000	5,600	5,861
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	5,734	2,903	2,260	1,402	1,362	-	1,531	1,531	1,530	1,614

During the compilation of the 2015/16 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the municipality's Assets and historic deferred maintenance. To this end, repairs and maintenance was substantially increased by 12.40 percent in the 2015/16 financial year.

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality'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, as well as the municipality's commitment to eliminating basic service delivery backlogs.

3. Financial management reforms emphasises 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 (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2015/16, when a small surplus is reflected.

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 7 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

Table 17 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Standard Classification Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue - Standard	1									
<i>Governance and administration</i>		254,592	251,037	267,117	273,600	273,189	-	301,093	309,389	327,189
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		254,592	251,037	267,117	273,600	273,189	-	301,093	309,389	327,189
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>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	254,592	251,037	267,117	273,600	273,189	-	301,093	309,389	327,189
Expenditure - Standard										
<i>Governance and administration</i>		377,046	266,087	123,093	278,908	272,003	-	126,694	135,945	145,017
Executive and council		-	-	65,916	-	-	-	58,421	63,643	67,693
Budget and treasury office		377,046	266,087	15,141	278,908	272,003	-	25,550	25,837	28,703
Corporate services		-	-	42,036	-	-	-	42,723	46,465	48,621
<i>Community and public safety</i>		-	-	85,811	-	-	-	94,457	90,246	88,129
Community and social services		-	-	44,889	-	-	-	46,528	49,381	44,182
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	40,922	-	-	-	47,929	40,865	43,947
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	40,517	-	-	-	35,992	44,616	47,070
Planning and development		-	-	9,446	-	-	-	9,313	10,185	10,745
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	31,071	-	-	-	26,679	34,431	36,325
<i>Trading services</i>		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	377,046	266,087	249,421	278,908	272,003	-	257,143	270,807	280,216
Surplus/(Deficit) for the year		(122,454)	(15,050)	17,696	(5,308)	1,186	-	43,950	38,582	46,973

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 organisational structure of the municipality.

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Table 18 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
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		5,377	1,586	1,798	1,142	734			1,000	1,100	1,150
Interest earned - outstanding debtors											
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		248,960	249,305	263,399	271,061	271,493			298,978	307,206	314,551
Other revenue	2	255	146	1,920	147	147	-	-	150	170	175
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		254,592	251,037	267,117	272,350	272,374	-	-	300,128	308,476	315,876
Expenditure By Type											
Employee related costs	2	114,127	130,953	128,683	129,309	126,085	-	-	131,057	138,266	145,870
Remuneration of councillors		8,860	-	12,505	13,231	15,611			15,800	16,669	17,586
Debt impairment	3										
Depreciation & asset impairment	2	7,187	7,144	6,657	7,501	7,501	-	-	5,000	5,600	5,861
Finance charges		32	17	355	3,847	300			319	337	356
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	5,734	2,903	2,260	1,402	1,462			1,531	1,620	1,709
Contracted services		-	-	81,457	76,616	77,255	-	-	54,463	57,622	60,764
Transfers and grants		191,038	77,382	2,600	2,000	2,000	-	-	2,000	2,209	2,297
Other expenditure	4, 5	51,475	50,639	33,451	45,002	46,481	-	-	46,973	48,485	45,773
Loss on disposal of PPE		(14)		841							
Total Expenditure		378,439	269,037	268,808	278,908	276,696	-	-	257,143	270,807	280,216
Surplus/(Deficit)		(123,847)	(18,000)	(1,691)	(6,558)	(4,323)	-	-	42,985	37,669	35,660
Transfers recognised - capital					1,250	815			965	810	854
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		(123,847)	(18,000)	(1,691)	(5,308)	(3,508)	-	-	43,951	38,479	36,515
Taxation											
Surplus/(Deficit) after taxation		(123,847)	(18,000)	(1,691)	(5,308)	(3,508)	-	-	43,951	38,479	36,515
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(123,847)	(18,000)	(1,691)	(5,308)	(3,508)	-	-	43,951	38,479	36,515
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(123,847)	(18,000)	(1,691)	(5,308)	(3,508)	-	-	43,951	38,479	36,515

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

- Total revenue is R301 093 million in 2014/15 and escalates to R307 206 million by 2015/16. This represents a year-on-year increase of 10.03 percent for the 2015/16 financial year and 2.03, and 2.39 percent for the 2017/18 financial year.
- Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF for the two outer years. The equitable share remains to most important part of the municipality’s revenue base.

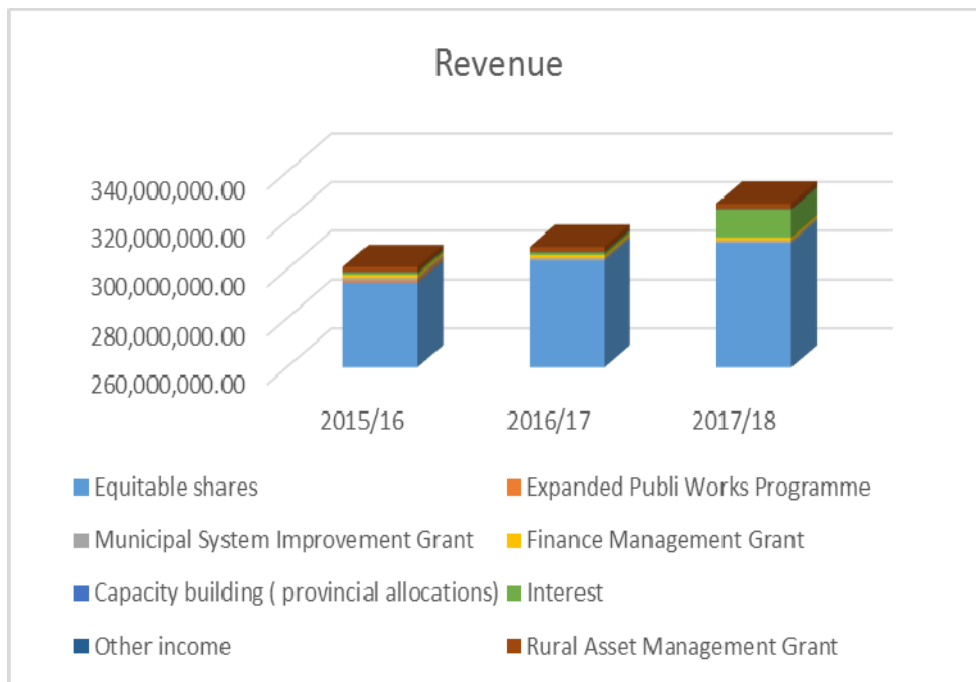


Figure 3 Expenditure by major type

DC37 Bojanala Platinum - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote	1									
Vote 1 - COMMUNITY Development		-	-	-	-	-	-	-	-	-
Vote 2 - Environmental & Health Services		-	-	-	-	-	-	-	-	-
Vote 3 - Municipal Manager's Office		-	-	-	-	-	-	-	-	-
Vote 4 - Municipal council		-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Support Services		-	-	-	-	-	-	-	-	-
Vote 6 - Economic Development Agric and Tourism		-	-	-	-	-	-	-	-	-
Vote 7 - Budget and Treasury Office		-	251,037	267,117	308,600	273,189	-	301,093	309,389	327,189
Vote 8 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 9 - Mayoral Executive		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	251,037	267,117	308,600	273,189	-	301,093	309,389	327,189
Expenditure by Vote to be appropriated	1									
Vote 1 - COMMUNITY Development		-	-	55,628	62,334	63,968	-	66,287	70,578	69,808
Vote 2 - Environmental & Health Services		-	-	30,182	30,762	29,672	-	28,171	31,839	33,521
Vote 3 - Municipal Manager's Office		-	-	25,059	24,883	23,439	-	22,496	24,616	26,135
Vote 4 - Municipal council		-	-	22,883	20,208	24,119	-	23,864	24,481	25,937
Vote 5 - Corporate Support Services		-	-	42,036	41,126	41,905	-	42,723	43,465	44,621
Vote 6 - Economic Development Agric and Tourism		-	-	9,446	11,054	10,774	-	9,313	10,185	10,745
Vote 7 - Budget and Treasury Office		-	-	15,141	19,663	20,052	-	25,550	24,567	25,503
Vote 8 - Technical Services		-	-	31,071	79,990	39,839	-	26,679	27,530	28,325
Vote 9 - Mayoral Executive		-	-	17,974	17,637	18,235	-	12,061	13,546	15,621
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	-	249,421	307,656	272,003	-	257,143	270,807	280,216
Surplus/(Deficit) for the year	2	-	251,037	17,696	944	1,186	-	43,950	38,582	46,973

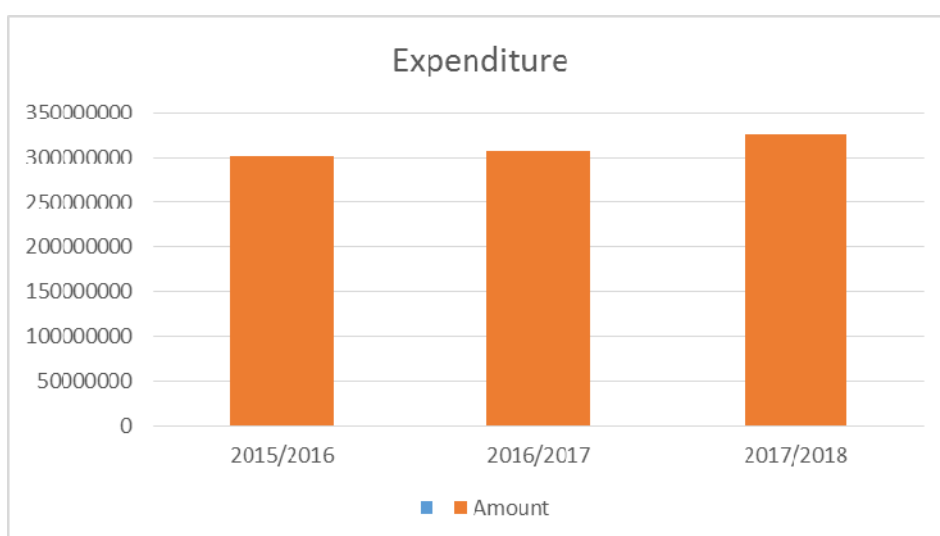


Table 19 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

DC37 Bojanala Platinum - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Capital expenditure - Vote											
Multi-year expenditure - to be appropriated	2										
Vote 1 - COMMUNITY Development		-	-	-	-	-	-	-	-	-	-
Vote 2 - Environmental & Health Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Municipal Manager's Office		-	-	-	-	-	-	-	-	-	-
Vote 4 - Municipal council		-	-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Support Services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Economic Development Agric and Tourism		-	-	-	-	-	-	-	-	-	-
Vote 7 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 8 - Technical Services		-	-	-	35,000	-	-	-	-	-	-
Vote 9 - Mayoral Executive		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	35,000	-	-	-	-	-	-
Single-year expenditure - to be appropriated	2										
Vote 1 - COMMUNITY Development		-	-	-	-	-	-	-	-	-	-
Vote 2 - Environmental & Health Services		-	-	-	-	-	-	-	-	-	-
Vote 3 - Municipal Manager's Office		-	-	1,214	1,000	565	-	-	531	562	593
Vote 4 - Municipal council		-	-	-	-	-	-	-	-	-	-
Vote 5 - Corporate Support Services		11,203	48,961	6,036	250	250	-	-	234	248	261
Vote 6 - Economic Development Agric and Tourism		-	-	-	-	-	-	-	-	-	-
Vote 7 - Budget and Treasury Office		-	-	-	-	-	-	-	-	-	-
Vote 8 - Technical Services		-	-	-	-	-	-	-	200	-	-
Vote 9 - Mayoral Executive		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		11,203	48,961	7,249	1,250	815	-	-	965	810	854
Total Capital Expenditure - Vote		11,203	48,961	7,249	36,250	815	-	-	965	810	854
Capital Expenditure - Standard											
Governance and administration		11,203	48,961	7,249	1,250	815	-	-	765	810	854
Executive and council				1,214	1,000	565			531	562	593
Budget and treasury office											
Corporate services		11,203	48,961	6,036	250	250			234	248	261
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services											
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		-	7,104	-	35,000	-	-	-	200	-	-
Planning and development					35,000	-			200	-	-
Road transport											
Environmental protection			7,104								
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity											
Water											
Waste water management											
Waste management											
Other											
Total Capital Expenditure - Standard	3	11,203	56,065	7,249	36,250	815	-	-	965	810	854
Funded by:											
National Government		11,203	56,065	7,249	1,250	815			965	810	854
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	11,203	56,065	7,249	1,250	815	-	-	965	810	854
Public contributions & donations	5										
Borrowing	6				35,000	-					
Internally generated funds											
Total Capital Funding	7	11,203	56,065	7,249	36,250	815	-	-	965	810	854

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital program in relation to capital expenditure by municipal vote (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 MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. Single-year appropriations have been done and amount to R965 thousand for 2015/2016 and R810 thousand 2016/2017 budget year.
3. Single-year capital expenditure has been appropriated at R965 thousand for the 2015/16 financial year and remains relatively constant over the MTREF at levels of 810 thousand and R854 thousand respectively for the two outer years.

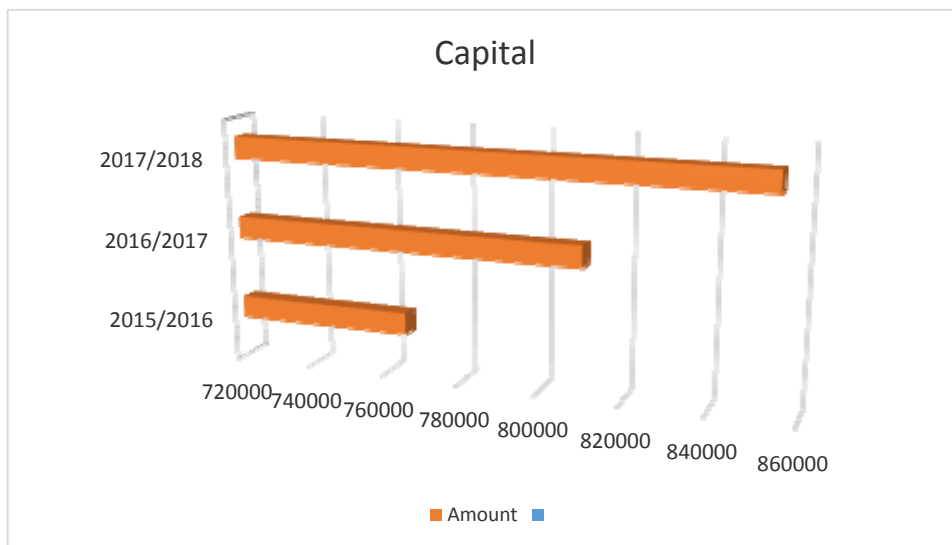


Table 20 MBRR Table A6 - Budgeted Financial Position

DC37 Bojanala Platinum - Table A6 Budgeted Financial Position

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
ASSETS											
Current assets											
Cash		623	2,589	5,623	943	3,829			2,589	2,680	2,680
Call investment deposits	1	-	-	-	108,000	108,000	-	-	15,500	14,500	15,312
Consumer debtors	1	-	-	-	-	-	-	-	-	-	-
Other debtors		29,823	9,586	1,265	65	1,129			1,639	1,697	1,697
Current portion of long-term receivables											
Inventory	2										
Total current assets		30,445	12,176	6,888	109,008	112,957	-	-	19,729	18,877	19,689
Non current assets											
Long-term receivables											
Investments											
Investment property											
Investment in Associate											
Property, plant and equipment	3	26,838	36,450	39,612	29,949	40,551	-	-	38,974	40,338	40,338
Agricultural											
Biological											
Intangible	5		3		27	3					
Other non-current assets											
Total non current assets		26,843	36,452	39,612	29,976	40,553	-	-	38,974	40,338	40,338
TOTAL ASSETS		57,289	48,628	46,500	138,984	153,511	-	-	58,703	59,215	60,027
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	125	-	-	-	-	-	-	-	-	-
Consumer deposits											
Trade and other payables	4	21,118	22,803	34,247	65	24,506	-	-	-	14,000	13,500
Provisions		17,064	12,355	14,162	1,082	12,355			14,162	14,657	14,657
Total current liabilities		38,307	35,158	48,409	1,147	36,861	-	-	14,162	28,657	28,157
Non current liabilities											
Borrowing		65	-	3,837	35,000	4,001	-	-	1,500	1,553	1,553
Provisions		-	-	-	1,082	-	-	-	9,370	9,805	10,261
Total non current liabilities		65	-	3,837	36,082	4,001	-	-	10,870	11,357	11,813
TOTAL LIABILITIES		38,372	35,158	52,246	37,229	40,862	-	-	25,032	40,015	39,970
NET ASSETS	5	18,917	13,470	(5,746)	101,755	112,648	-	-	33,671	19,200	20,056
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		17,674	12,678	(6,488)	(1,082)	111,856			31,255	14,329	15,015
Reserves	4	1,242	793	743	102,837	793	-	-	2,416	4,871	5,041
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	18,917	13,470	(5,746)	101,755	112,648	-	-	33,671	19,200	20,056

Explanatory notes to Table A6 - Budgeted Financial Position

- Table A6 is consistent with international standards of good financial management practice, and improves understandability for councillors and management of the impact of the budget on the statement of financial position (balance sheet)
 - The municipality does not have any intention to incur trade and other payables for 2015/16 financial year, therefore we have budgeted to pay all our creditors for previous years in 2015/16 financial year.**
 - Sufficient provision has been made with regard to pay and other creditors as per cash flow which implies that 100% thereof will be catered for**
 - The municipality is working towards clean audit, and it is also a resolution from council.**

- ❖ 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.
 - ❖ Table 66 is supported by an extensive table of notes (SA3 which can be found on page 102) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions noncurrent;
 - Changes in net assets; and
 - Reserves
1. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

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Table 21 MBRR Table A7 - Budgeted Cash Flow Statement

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges						-			-	-	-
Service charges									-	-	-
Other revenue		280,082		1,920	1,289	1,289			150	170	175
Government - operating	1		244,268	263,399	271,061	271,150			298,978	307,309	314,660
Government - capital	1				1,250	815			965	810	854
Interest		5,377	1,586	1,798					1,000	1,100	11,500
Dividends									-	-	-
Payments											
Suppliers and employees		(411,976)	(263,684)	(259,867)	(266,107)	(272,168)			(296,693)	(302,661)	(316,948)
Finance charges		(32)	(17)	(355)	(3,847)	(300)			(319)	(337)	(356)
Transfers and Grants	1								(1,000)	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(126,549)	(17,846)	6,895	3,646	786	-	-	3,081	6,391	9,885
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		915		706					-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(11,203)	12,922	(5,307)	(36,250)	815			(965)	(810)	(854)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(10,288)	12,922	(4,601)	(36,250)	815	-	-	(965)	(810)	(854)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		(111)			35,000	-			-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing			65	(879)	(1,453)	-			-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(111)	65	(879)	33,547	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(136,948)	(4,858)	1,416	943	1,601	-	-	2,116	5,581	9,031
Cash/cash equivalents at the year begin:	2	137,570	623	2,589	2,589	2,589			2,589	4,705	10,285
Cash/cash equivalents at the year end:	2	623	(4,236)	4,005	3,532	4,190			4,705	10,285	19,317

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.

Table 22 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available											
Cash/cash equivalents at the year end	1	623	(4,236)	4,005	3,532	4,190	-	-	4,705	10,285	19,317
Other current investments > 90 days		0	6,825	1,618	105,411	107,639	-	-	13,384	6,894	(1,325)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		623	2,589	5,623	108,943	111,829	-	-	18,089	17,180	17,992
Application of cash and investments											
Unspent conditional transfers		-	-	2,882	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2										
Other working capital requirements	3	(32,737,833)	22,803	30,100	(504)	14,610	-	-	(1,639)	12,303	11,803
Other provisions											
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		(32,737,833)	22,803	32,982	(504)	14,610	-	-	(1,639)	12,303	11,803
Surplus(shortfall)		32,738,456	(20,213)	(27,359)	109,447	97,219	-	-	19,728	4,877	6,189

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. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF
Table 23 MBRR Table A9 - Asset Management

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	11,203	56,038	5,324	36,250	815	-	965	810	854
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	11,203	56,038	5,324	36,250	815	-	965	810	854
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	11,203	56,038	5,324	36,250	815	-	965	810	854
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	11,203	56,038	5,324	36,250	815	-	965	810	854
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										
Heritage assets										
Investment properties		-	-	-	-	-	-	-	-	-
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		5	3	-	27	3	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	5	3	-	27	3	-	-	-	-
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		7,187	7,144	6,657	7,501	7,501	-	5,000	5,600	5,861
Repairs and Maintenance by Asset Class	3	5,734	2,903	2,260	1,402	1,362	-	1,531	1,530	1,614
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	5,734	2,903	2,260	1,402	1,362	-	1,531	1,530	1,614
TOTAL EXPENDITURE OTHER ITEMS		12,921	10,047	8,917	8,903	8,863	-	6,531	7,130	7,476
<i>Renewal of Existing Assets as % of total capex</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Renewal of Existing Assets as % of deprecn"</i>		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>R&M as a % of PPE</i>		21.4%	8.0%	5.7%	4.7%	3.4%	0.0%	3.9%	3.8%	4.0%
<i>Renewal and R&M as a % of PPE</i>		108823.0%	110877.0%	0.0%	5193.0%	52019.0%	0.0%	0.0%	0.0%	0.0%

Explanatory notes to Table A9 - Asset Management

1. 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.
2. National Treasury has recommended that municipalities should allocate to repairs and maintenance 8 percent of PPE. The municipality is not in a position to meet the requirements due to its limited revenue base.

Part 2 – Supporting Documentation

20.1 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 Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

- 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 municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting 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.

20.1.1 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 2013) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule. Key dates applicable to the process were:

ACTIVITIES	MONTH
Review and finalisation of the IDP/Budget process plan with the guidance of the Municipal Finance Management Act and Municipal Systems Act. Consultation on the 2015/16 IDP Framework and IDP/Budget process plan with all stakeholders. Tabling of the IDP/Budget process plan.	July – Aug 2014
IDP/Budget process plan made public. Presentation of the IDP Framework and Process Plan to the 1st IDP Representative Forum IDP Context and Process Community Needs analysis and prioritisation and by local municipalities. Consolidation & Presentation of community needs/issues to the IDP Managers Forum	Sept – Oct 2014
Presentation of the status quo to the 2nd District IDP Representative Forum.	Nov 2014
Mid Term Performance and Budget Review Review/development of strategic priorities review of municipal vision and mission. Determination of strategic objectives for service delivery and development for next three year budget including review of provincial and national sector and strategic plans.	Dec 2014 – Jan 2015
Tabling of 2013/14 Annual Report to Council. Publication of the Annual Report and commencement of the MPAC work with public on the content of the Annual Report. District IDP Manager`s Forum: Review/identification of the projects in line with reviewed municipal objectives and priorities. IDP Forum Meetings to consider the preliminary drafts of the IDPs and budgets, incl. Revised Tariffs for municipal services of all	Jan-Feb 2015.

municipalities. Presentation of municipal priorities and proposed projects to sector departments. Presentation of BPDM of programmes/projects by Sector Departments Tabling and approval of the Adjustment budget.	Jan – Feb 2015
Consolidation and confirmation of final programmes & projects from internal & external departments Submission of budget inputs by Municipal Departments. Consolidation of budget inputs to finalise draft IDP/Budget for the next three financial years.	Jan-Feb 2015.
Submission of the draft budget, IDP and plans for the next three years to management, Executive Mayor, Portfolio committees , Mayoral Committee.	Feb 2015 – March 2015
Issue notice of Council meeting to consider proposed IDP/Budget. Tabling of Draft IDP/Budget to council. Consideration of 2013/14 Annual Report by Council Adoption of oversight report by Council The tabled documents are sent to prescribe organs of state.	Mar 2015
Community participation and stakeholders' consultations on the draft IDP/Budget. Public comments and comments from other organs of state are taken into consideration and where necessary, amendments are made to the IDP and Budget. Budget Analysis by Provincial and National Treasury. Feedback session by Provincial Treasury on the budget analysis. Political inputs on the final drafts	April – May 2015
Tabling of IDP/Budget for final approval to Council. Copies of the approved IDP/Budget are sent to prescribe organs of state. Copies of the approved IDP/Budget are made public.	May – Jun 2015
Drafting and approval of Service Delivery Budget Implementation Plan (SDBIP) Approved Top Layer SDBIP is made public. Performance agreements are submitted to the Executive Mayor	Jun 2015 July 2015

20.1.2 IDP and Service Delivery and Budget Implementation Plan

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans including key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP has been taken into a business and financial planning process leading up to the 2015/16 MTREF, based on the approved 2015/16 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2015/16 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2014/15 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

20.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2015/16 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2015/16 MTREF:

- Municipal growth
- Policy priorities and strategic objectives
- Asset maintenance
- Performance trends
- The approved 2014/15 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 51, 54 and 55 has been taken into consideration in the planning and prioritisation process.

20.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2014/15 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 25 IDP Strategic Objectives

2015/16 Financial Year	2017/18 MTREF
1. Provision of quality basic services and infrastructure	1. Provision of quality basic services and infrastructure
2. Economic growth and development that sustainable job creation	2. Economic growth and development that leads to sustainable job creation
3. Fight poverty and build clean, healthy, safe and sustainable communities Integrated Social Services for empowered and sustainable communities	3.1 Fight poverty and build clean, healthy, safe and sustainable communities
	3.2 Integrated Social Services for empowered and sustainable communities
4. Fostering participatory democracy and adherence to Batho Pele principles through a caring, accessible and accountable service	4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service
5. Promote sound governance Ensure financial sustainability	5.1 Promote sound governance
	5.2 Ensure financial sustainability

Optimal institutional transformation to ensure capacity to achieve set objectives	5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
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In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
 - o Provide electricity;
 - o Provide water;
 - o Provide sanitation;
 - o Provide roads and storm water;
 - o Provide municipal planning services; and

2. Economic growth and development that leads to sustainable job creation by:
 - o Ensuring there is a clear structural plan for the municipality;
 - o Ensuring planning processes function in accordance with set timeframes;
 - o Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.

- 3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
 - o Working with strategic partners such as SAPS to address crime;
 - o Ensuring safe working environments by effective enforcement of building and health regulations;
 - o Promote viable, sustainable communities through proper zoning; and
 - o Promote environmental sustainability by protecting wetlands and key open spaces.

4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
 - o Optimising effective community participation in the ward committee system; and
 - o Implementing Batho Pele in the revenue management strategy.

- 5.1 Promote sound governance through:
 - o Publishing the outcomes of all tender processes on the municipal website

- 5.2 Ensure financial sustainability through:
 - o Reviewing the use of contracted services
 - o Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

- 5.3 Optimal institutional transformation to ensure capacity to achieve set objectives
 - o Review of the organizational structure to optimize the use of personnel;

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In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the municipality. The five-year programme responds to the development challenges and opportunities faced by the municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the municipality and other service delivery partners.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the municipality; Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2015/16 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 26 MBRR Table SA4-Reconciliation between the IDP strategic objectives and budgeted revenue

DC37 Bojanala Platinum - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
Basic Service delivery											
Good Governance and Public Participation											

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Economic Development and rural development												
Municipal Transformation & Organisational Development												
Municipal Financial Viability and Management				254,592	251,037	267,117	308,600	273,189		301,093	309,398	327,189
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	254,592	251,037	267,117	308,600	273,189	-	301,093	309,398	327,189

Table 27 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
(Technical dept) Basic Service delivery	Provision electricity, water, sanitation, roads & stormwater, and planning services			76,703	44,176	31,071	79,990	39,839		26,679	27,530	28,325
Community Development	Ensure effective accountability system through community participation and development of local enterprises			52,016	51,734	55,628	61,766	63,968		63,221	70,578	69,808
Economic Development and rural development	Ensure effective participation in the economic activities of the region and contribute to economic development through skills development, ensure an effective and efficient municipal			20,606	8,095	9,446	11,054	10,774		9,313	10,185	10,745
Corporate Support Services	through institution of effective controls, financial management and reporting, ensure effective participation in the the municipality			64,317	38,320	42,036	41,091	42,220		45,789	43,465	44,621
Municipal Financial Viability and Management				25,271	26,189	15,141	19,663	20,052		25,550	25,837	28,703
Municipal Managers office and council,				86,315	45,326	65,916	62,244	66,293		58,421	61,373	64,493
Health					27,856	30,182	30,350	29,672		28,171	31,839	33,521
Allocations to other priorities												
Total Expenditure				325,229	241,697	249,421	306,158	272,818	-	257,143	270,807	280,215

Table 28 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
(Technical dept) Basic Service delivery		A								200		
		B										
Community Development		C										
		D										
Economic Development and rural development		E										
Corporate Support Services		F		11,203	48,961		250	315		234	248	261
Municipal Financial Viability and Management		G										
Municipal Managers office and council,		H				4,622	1,000	500		531	562	593
		I										
		J										
Health		K			7,104							
		L										
		M										
		N										
		O										
		P										
Allocations to other priorities			3									
Total Capital Expenditure			1	11,203	56,065	4,622	1,250	815	-	965	810	854

20.3 Measurable performance objectives and indicators

DC37 Bojanala Platinum - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Vote 1 - TECHNICAL SERVICES		40.0%	100.0%		100.0%			45.0%	16.0%	50.0%
Function 1 - (name)										
Sub-function 1 - (name)										
<i>Insert measure/s description</i>		60.0%			100.0%					
Roads & Storm water	30kms of roads paved		100.0%							
Sub-function 2 - (name)										
<i>Insert measure/s description</i>		61.0%			100.0%			25.0%	45.0%	60.0%
electricity	6.5kdn line in		100.0%							
Sub-function 3 - (name)										
<i>Insert measure/s description</i>					2.0%			2.1%	2.1%	2.1%
		2.0%	2.0%							
Function 2 - (name)								7.0%	6.0%	4.0%
Sub-function 1 - (name)					9km%					
<i>Treatment works upgrade</i>	Number	9km%	9km%							
water Reticulation	Number									
Sub-function 2 - (name)					17kms%			12.0%	15.0%	16.0%
<i>Sewer line erected</i>	Kilometers	17kms%	17kms%							
Sub-function 3 - (name)										
<i>number of kilometres roads upgraded</i>	Number				1.0%				2.0%	
Vote 2 - Community Development		1.0%	1.0%							
Function 1 - (Sports facilities developed)										
Sub-function 1 - (construct sports										
<i>1 sports facility constructed</i>	Number				100.0%					
Sub-function 2 - (name)										
<i>Insert measure/s description</i>		66.0%	100.0%							
Local Economic Development										
Sub-function 3 - Marketing &										
<i>Number of events launched</i>	Number				2.0%					
Function 2 - (name)		2.0%	2.0%							
Sub-function 1 - Brick yards										
<i>Number of brickyards established</i>	Number	7.0%	7.0%		7.0%					
Sub-function 2 - support to enterprise										
<i>number of enterprise supported</i>	Number	7.0%	7.0%		7.0%					
Sub-function 3 - Agricultural support										
<i>number of projects launched</i>	Number									
Vote 3 - Financial support to moretele &		0.0%	0.0%		89.0%					
Function 1 - provide support for the		0.0%	0.0%							
Sub-function 1 - (name)										
<i>% audit queries & findings eliminated</i>	Percentage									
% audit queries & findings eliminated	Percentage									
Sub-function 2 - (name)										
<i>Insert measure/s description</i>										
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
		5.0%	5.0%		5.0%					
Function 2 - Municipal Health &		5.0%	5.0%							
Sub-function 1 - climate adaptation										
<i>number of initiatives launched</i>	number	4.0%	4.0%		4.0%					
number of air quality monitoring reports	number									
Sub-function 2 - Waste management										
<i>number of waste management</i>	number									
Sub-function 3 - (name)										
<i>Insert measure/s description</i>										
And so on for the rest of the Votes										

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the municipality has developed and implemented a performance management system of which system is constantly refined as the

integrated planning process unfolds. The Municipality targets, monitors, assess and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

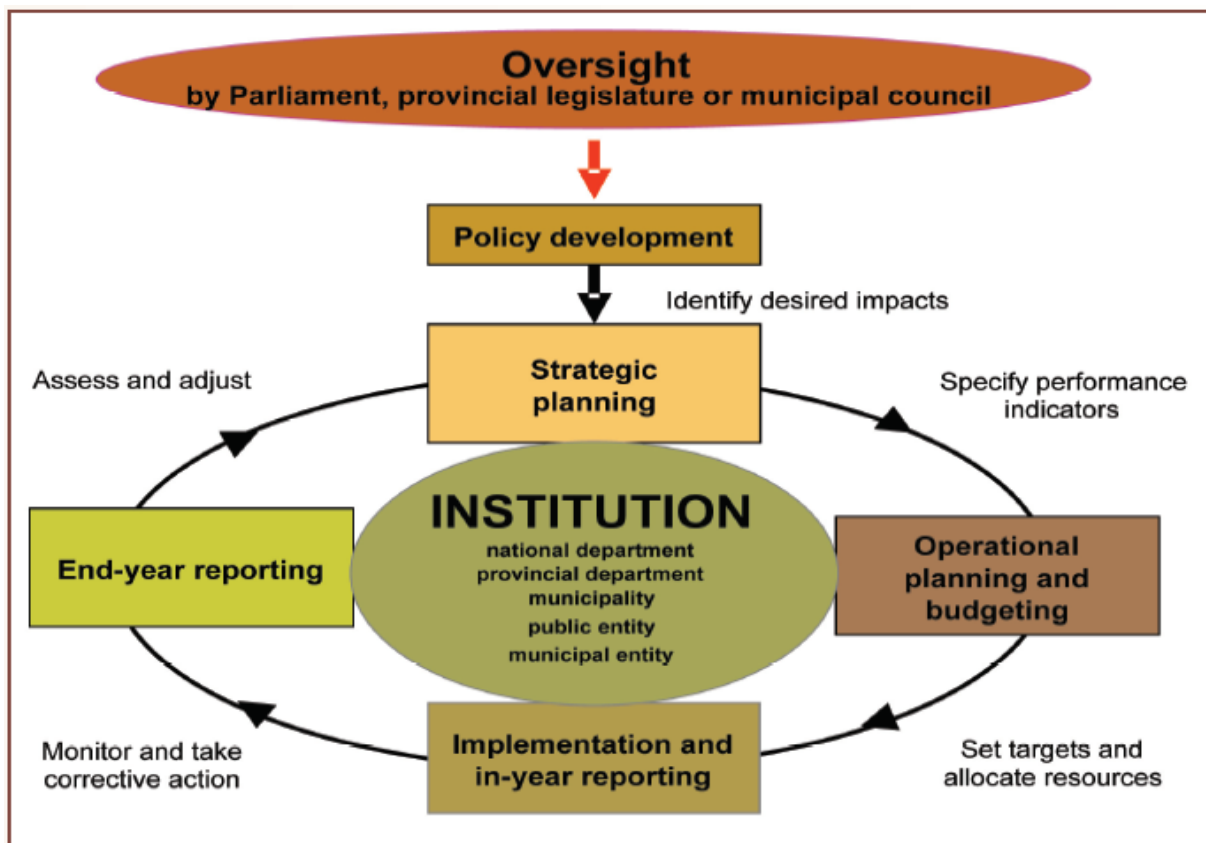


Figure 2 Planning, budgeting and reporting cycle

The performance of the municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Bojanala Platinum District Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by BPDM in its integrated performance management system are aligned to the **Framework of Managing Programme Performance Information** issued by the National Treasury:

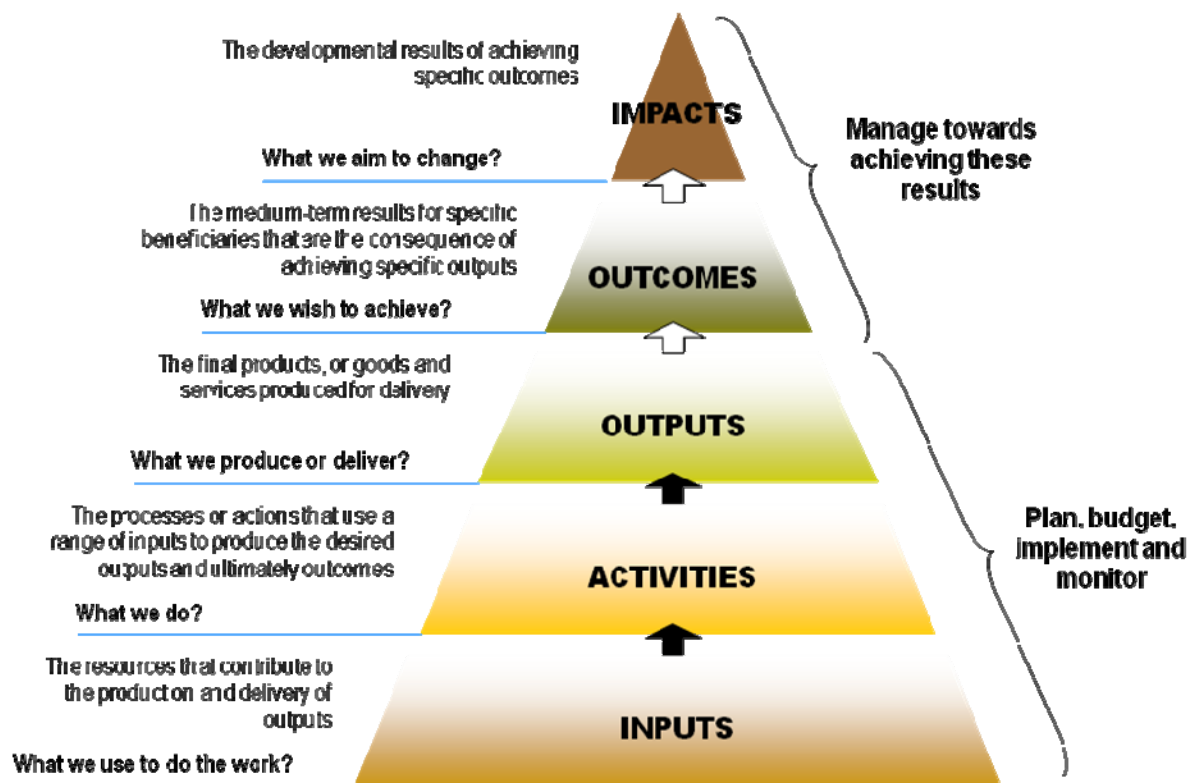


Figure 3 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

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Table 29 MBRR Table SA7 - Measurable performance objectives

DC37 Bojanala Platinum - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges						-			-	-	-
Service charges									-	-	-
Other revenue		280,082		1,920	1,289	1,289			150	170	175
Government - operating	1		244,268	263,399	271,061	271,150			298,978	307,309	314,660
Government - capital	1				1,250	815			965	810	854
Interest		5,377	1,586	1,798					1,000	1,100	11,500
Dividends									-	-	-
Payments											
Suppliers and employees		(411,976)	(263,684)	(259,867)	(266,107)	(272,168)			(297,012)	(302,999)	(317,304)
Finance charges		(32)	(17)	(355)	(3,847)	(300)			-	-	-
Transfers and Grants	1								(1,000)	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(126,549)	(17,846)	6,895	3,646	786	-	-	3,081	6,390	9,885
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		915		706					-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(11,203)	12,922	(5,307)	(36,250)	(750)			(965)	(810)	(854)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(10,288)	12,922	(4,601)	(36,250)	(750)	-	-	(965)	(810)	(854)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		(111)			35,000	-			-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing			65	(879)	(1,453)	-			-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(111)	65	(879)	33,547	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(136,948)	(4,858)	1,416	943	36	-	-	2,116	5,580	9,031
Cash/cash equivalents at the year begin:	2	137,570	623	2,589	623				2,589	4,705	10,285
Cash/cash equivalents at the year end:	2	623	(4,236)	4,005	1,566	36	-	-	4,705	10,285	19,316

The following table sets out the municipalities main performance objectives and benchmarks for the 2015/16 MTREF.

Table 30 MBRR Table SA8 - Performance indicators and benchmarks

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available											
Cash/cash equivalents at the year end	1	623	(4,236)	4,005	1,566	36	-	-	4,705	10,285	19,316
Other current investments > 90 days		0	6,825	1,618	107,377	111,793	-	-	50,884	48,522	42,634
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		623	2,589	5,623	108,943	111,829	-	-	55,589	58,807	61,950
Application of cash and investments											
Unspent conditional transfers		-	-	2,882	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(32,737,833)	22,803	30,100	(504)	14,610	-	-	28,361	12,303	11,803
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(32,737,833)	22,803	32,982	(504)	14,610	-	-	28,361	12,303	11,803
Surplus(shortfall)		32,738,456	(20,213)	(27,359)	109,447	97,219	-	-	27,228	46,504	50,147

20.3.1 Performance indicators and benchmarks

20.3.1.1 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. Bojanala does not have any borrowing in this stage. The following financial performance indicators have formed part of the compilation of the 2015/16 MTREF.

20.3.1.2 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, and overdraft and tax provisions as a percentage of funds and reserves. During the 2014/15 financial year the ratio deteriorated to a level 0 percent. As part of the planning guidelines that informed the compilation of the 2015/16 MTREF ensuring proper cash-backing of reserves and funds has been considered a prudent financial sustainability objective.

20.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the municipality has set a limit of 0 hence at no point in time should this ratio be less than 1. For the 2014/15 MTREF the current ratio is 0 in the 2011/12 financial year and 4.7 and 0.8 for the two outer years of the MTREF. Going forward we going it will be necessary to correct these.

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. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at

least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations.

20.3.1.4 Creditors Management

- The municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 percent compliance rate to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the municipality, which is expected to benefit the municipality in the form of more competitive pricing of tenders, as suppliers compete for the municipality's business.

20.3.2 Budget Approval Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

20.3.3 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in December 2005. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on. A Standard Operating Procedure Manual on SCM has been developed and implemented.

20.3.4 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the municipality's system of delegations. The Budget and Virement Policy was approved by Council in May 2014.

20.3.5 Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy were amended by Council in May 2010. The aim of the policy is to ensure that the municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduce time frames to achieve certain benchmarks.

All the above policies that available at the municipality:

- Budget policy
- Cash and investment management Policy;

- Virement Policy;
- Assets Policy; and
- Supply chain policy

20.4 Overview of budget assumptions

20.4.1 External factors

The official unemployment rate rose to 7, 9 percent of the labour force.

It is expected that recovery from this deterioration will be slow and uneven, and that growth for 2014 will be 3 percent rising to 3.8 percent by 2015.

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the municipality's finances.

20.4.2 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 2015/16 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and water; and
- The increase in the cost of remuneration. Employee related costs comprise 46% (Excluding depreciation) percent of total operating expenditure in the 2014/15 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget. Credit rating outlook

The rating definitions are:

- Short term : Prime – 1
- Short-Term Debt Ratings (maturities of less than one year)
- Prime-1 (highest quality)
- Long-term : Aa3
- Defined as high-grade. "Aa" rated are judged to be of high quality and are subject to very low credit risk.

20.4.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions.

20.4.4 Salary increases

Provision has been made for a 4.4% salary increase in terms of the guidelines from National Treasury

20.4.5 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 various 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.

20.4.6 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 97 percent is achieved on operating expenditure and 98 percent on the capital programme for the 2015/16 MTREF of which performance has been factored into the cash flow budget.

20.1 Overview of budget funding

Figure 8 Sources of capital revenue for the 2015/16 financial year

Capital grants and receipts equates to percent of the total funding source which represents R965 thousand for the 2015/16 financial year and decrease to R150 thousands or 1..18.

As explained earlier, the capital of the municipality is mainly for the other assets e.g. vehicles, computers and office equipment.

20.1.1 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 understanding ability 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 'Ratepayers and other' to be provided for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and

- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).

Table 38 MBRR Table A7 - Budget cash flow statement

DC37 Bojanala Platinum - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges						-			-	-	-
Service charges									-	-	-
Other revenue	1	280,082		1,920	1,289	1,289			150	170	175
Government - operating			244,268	263,399	271,061	271,150			298,978	307,309	314,660
Government - capital	1				1,250	815			965	810	854
Interest		5,377	1,586	1,798					1,000	1,100	11,500
Dividends									-	-	-
Payments											
Suppliers and employees		(411,976)	(263,684)	(259,867)	(266,107)	(272,168)			(296,693)	(302,661)	(316,948)
Finance charges		(32)	(17)	(355)	(3,847)	(300)			(319)	(337)	(356)
Transfers and Grants	1								(1,000)	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(126,549)	(17,846)	6,895	3,646	786	-	-	3,081	6,391	9,885
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		915		706					-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(11,203)	12,922	(5,307)	(36,250)	(750)			(965)	(810)	(854)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(10,288)	12,922	(4,601)	(36,250)	(750)	-	-	(965)	(810)	(854)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing		(111)			35,000	-			-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing			65	(879)	(1,453)	-			-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(111)	65	(879)	33,547	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(136,948)	(4,858)	1,416	943	36	-	-	2,116	5,581	9,031
Cash/cash equivalents at the year begin:	2	137,570	623	2,589	623				2,589	4,705	10,285
Cash/cash equivalents at the year end:	2	623	(4,236)	4,005	1,566	36	-	-	4,705	10,285	19,317

The above table shows that the cash and cash equivalents of the municipality have a surplus of R 4,7 million.

This following table 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. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It

is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

Table 39 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash and investments available											
Cash/cash equivalents at the year end	1	623	(4,236)	4,005	1,566	36	-	-	4,705	10,285	19,317
Other current investments > 90 days		0	6,825	1,618	107,377	111,793	-	-	50,884	48,521	42,633
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		623	2,589	5,623	108,943	111,829	-	-	55,589	58,807	61,950
Application of cash and investments											
Unspent conditional transfers		-	-	2,882	-	-	-	-	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(32,737,833)	22,803	30,100	(504)	14,610	-	-	28,361	12,303	11,803
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		(32,737,833)	22,803	32,982	(504)	14,610	-	-	28,361	12,303	11,803
Surplus(shortfall)		32,738,456	(20,213)	(27,359)	109,447	97,219	-	-	27,228	46,504	50,147

From the above table it can be seen that the cash and investments available shows figures that are dropping during the 2015/2016 and increase in outer years of the MTREF. The following graph provide an analyses of the trends relating to cash and cash equivalents and the cash back reserves/accumulated funds reconciliation over a seven year perspective.

Figure 10 Cash and cash equivalents/cash backed reserves accumulated funds

20.1.2 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

Table 40 MBRR SA10 – Funding compliance measurement

DC37 Bojanala Platinum Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	623	(4,236)	4,005	1,566	36	-	-	4,705	10,285	19,317
Cash + investments at the yr end less applications - R'000	18(1)b	2	32,738,456	(20,213)	(27,359)	109,447	97,219	-	-	27,228	46,504	50,147
Cash year end/monthly employee/supplier payments	18(1)b	3	0.0	(0.2)	0.2	0.1	0.0	-	-	0.3	0.5	0.9
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	(123,847)	(18,000)	(1,691)	(5,308)	(3,508)	-	-	43,951	38,479	36,515
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	5	N.A.	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)	(6.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	109845.9%	0.0%	100.0%	876.9%	876.9%	0.0%	0.0%	100.0%	100.0%	100.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital payments % of capital expenditure	18(1)c:19	8	100.0%	(26.4%)	73.2%	100.0%	92.0%	0.0%	0.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (ex cl. transfers)	18(1)c	9	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	(67.9%)	(86.8%)	(94.9%)	1639.1%	(100.0%)	0.0%	45.3%	3.5%	0.0%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	21.4%	8.0%	5.7%	4.7%	3.4%	0.0%	0.0%	3.9%	3.8%	4.0%
Asset renewal % of capital budget	20(1)(vi)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

20.1.2.1 Cash/cash equivalent position

The municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

The municipality's cash position is positive for previous financial and is strictly consistent.

Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

20.1.2.2 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a National Treasury Equitable share and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster. Notably, the ratio has been decreasing significantly for the period 2013/2014 to 2014/15, moving from 0.0 to 0.3 with the adopted 2015/16 MTREF. As indicated above the municipality aims to achieve at least one month's cash coverage in the medium term, and then gradually move towards two months coverage. This measure will have to be carefully monitored going forward but is difficult because we only get our revenue from Grants and subsidies.

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

20.1.2.3 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 percent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The municipality has budgeted for all transfers.

20.1.2.4 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the municipality's policy of settling debtor's accounts within 30 days.

20.1.2.5 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. A detail of the municipality's strategy pertaining to asset management and repairs and maintenance is contained in Table 60 MBRR SA34C on page 90.

20.1.2.6 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b on page 89.

20.2 Expenditure on grants and reconciliations of unspent funds

Table 41 MBRR SA19 - Expenditure on transfers and grant programmes

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		-	249,305	260,398	270,186	271,683	-	298,978	307,309	314,660
Local Government Equitable Share			246,049	255,854	265,044	265,044		293,747	302,924	310,093
Local Government Equitable Share										
RSC Levy Replacement										
Finance Management			1,172	1,327	1,250	1,250		1,250	1,250	1,250
Municipal Systems Improvement			954	890	934	934		930	960	1,033
EPWP Incentive			1,129	2,327	1,191	1,191		1,041	-	-
Rural Assets Management Grant					1,767	3,264		2,010	2,175	2,284
Provincial Government:		-	-	3,000	625	625	-	-	-	-
Health subsidy										
traditional affairs				3,000	625	625				
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants		-	249,305	263,398	270,811	272,308	-	298,978	307,309	314,660
Capital expenditure of Transfers and Grants										
National Government:		-	-	-	-	-	-	965	810	854
Other capital transfers/grants [insert desc]								965	810	854
Provincial Government:		-	-	3,000	-	-	-	-	-	-
Traditional affairs				3,000						
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	-	3,000	-	-	-	965	810	854
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	249,305	266,398	270,811	272,308	-	299,943	308,119	315,514

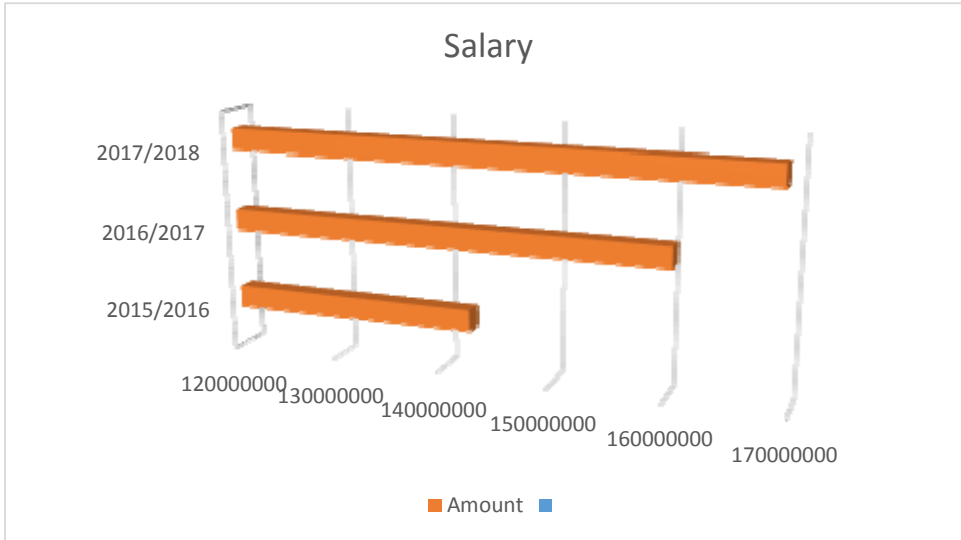
Table 42 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		2,784	1,846	2,359						
Current year receipts		2,915	17,065	10,241						
Conditions met - transferred to revenue		5,699	18,910	12,600	-	-	-	-	-	-
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 operating transfers and grants revenue		5,699	18,910	12,600	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
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		5,699	18,910	12,600	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Transfers to other municipalities											
<i>Moses kotane & Madibeng</i>											
Kgetleng Local Municipality & Rustenburg	1	1,393	1,600	2,600	1,000	1,000			1,000	1,104	1,149
Moretele Local Municipality			1,350		1,000	1,000			1,000	1,104	1,149
Total Cash Transfers To Municipalities:		1,393	2,950	2,600	2,000	2,000	-	-	2,000	2,209	2,297
Cash Transfers to Entities/Other External Mechanisms											
<i>Moses kotane & Madibeng</i>											
2											
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Moses kotane & Madibeng</i>											
3											
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Moses kotane & Madibeng</i>											
4		189,645	74,432								
Total Cash Transfers To Organisations		189,645	74,432	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Moses kotane & Madibeng</i>											
5											
Total Cash Transfers To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	6	191,038	77,382	2,600	2,000	2,000	-	-	2,000	2,209	2,297
Non-Cash Transfers to other municipalities											
<i>Insert description</i>											
1											
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Moses kotane & Madibeng</i>											
2											
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Moses kotane & Madibeng</i>											
3											
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Moses kotane & Madibeng</i>											
4											
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Moses kotane & Madibeng</i>											
5											
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	191,038	77,382	2,600	2,000	2,000	-	-	2,000	2,209	2,297

Table 44 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/ senior managers)



Bojanala Platinum District Municipality 2015/16 Annual Budget and MTREF

Summary of Employee and Councillor remuneration R thousand	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages			12,783	12,505	11,369	13,004		11,779	12,462	13,147
Pension and UIF Contributions					7	618		644	681	719
Medical Aid Contributions					264	283		299	316	334
Motor Vehicle Allowance					2,619	2,677		2,779	2,940	3,102
Cellphone Allowance					502	487		511	541	570
Housing Allowances					-	-		-	-	-
Other benefits and allowances					80	153		-	-	-
Sub Total - Councillors		-	12,783	12,505	14,842	17,221	-	16,012	16,940	17,872
% increase	4		-	(2.2%)	18.7%	16.0%	(100.0%)	-	5.8%	5.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		3,898	6,674	7,549	7,752	7,752		8,203	8,678	9,156
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		3,898	6,674	7,549	7,752	7,752	-	8,203	8,678	9,156
% increase	4		71.2%	13.1%	2.7%	-	(100.0%)	-	5.8%	5.5%
Other Municipal Staff										
Basic Salaries and Wages			68,605	74,391	71,271	76,860	76,860	66,930	60,806	53,890
Pension and UIF Contributions			11,154	11,965	14,485	14,385	14,385	15,099	15,929	16,805
Medical Aid Contributions			6,730	8,388	4,235	4,235	4,235	6,718	7,088	7,478
Overtime			4,700	5,647	3,465	3,495	3,495	4,497	4,744	5,005
Performance Bonus			3,721	1,530	5,628	5,428	5,428	-	-	-
Motor Vehicle Allowance	3		12,651	11,235	11,326	10,526	10,526	14,095	14,870	15,688
Cellphone Allowance	3		686	949	704	704	704	1,445	1,524	1,608
Housing Allowances	3		2,469	3,479	2,367	2,661	2,661	3,302	3,484	3,676
Other benefits and allowances	3		7,498	11,098	2,799	2,799	2,799	2,823	2,978	3,142
Payments in lieu of leave					6,337	7,645	7,645	7,946	8,383	8,844
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		-	118,215	128,683	122,618	128,739	128,739	122,855	119,807	116,136
% increase	4		-	8.9%	(4.7%)	5.0%	-	(4.6%)	(2.5%)	(3.1%)
Total Parent Municipality		3,898	137,672	148,737	145,212	153,712	128,739	147,069	145,426	143,163
			3,431.4%	8.0%	(2.4%)	5.9%	(16.2%)	14.2%	(1.1%)	(1.6%)
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Board Fees										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY ALLOWANCES & BENEFITS		3,898	137,672	148,737	145,212	153,712	128,739	147,069	145,426	143,163
% increase	4		3,431.4%	8.0%	(2.4%)	5.9%	(16.2%)	14.2%	(1.1%)	(1.6%)
TOTAL MANAGERS AND STAFF	5,7	3,898	124,889	136,232	130,370	136,491	128,739	131,057	128,485	125,291

Table 45 MBRR SA24 – Summary of personnel numbers

DC37 Bojanala Platinum - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers Number	Ref	2013/14			Current Year 2014/15			Budget Year 2015/16		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		29		29	29		29	29		29
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	4		4	7		7	7		7
Other Managers	7	20	20	9	29	21	8	29	21	8
Professionals		28	28	-	26	23	-	27	24	-
<i>Finance</i>		22	22		23	20		23	20	
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>		6	6		3	3		4	4	
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>										
Technicians		134	134	15	155	152	3	155	152	3
<i>Finance</i>										
<i>Spatial/town planning</i>										
<i>Information Technology</i>										
<i>Roads</i>										
<i>Electricity</i>										
<i>Water</i>										
<i>Sanitation</i>										
<i>Refuse</i>										
<i>Other</i>										
Clerks (Clerical and administrative)		45	45	5	71	56	15	71	56	15
Service and sales workers		111	80		100	101		100	101	
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators										
Elementary Occupations		94	94		48	48		48	48	
TOTAL PERSONNEL NUMBERS	9	465	401	62	465	401	62	466	402	62

Table 48 MBRR SA27 - Budgeted monthly revenue and expenditure (standard classification)

Description	Ref	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	
Revenue - Standard																	
<i>Governance and administration</i>		136,150	-	424	92,000	930	-	-	-	71,589	-	-	(0)	301,093	309,389	327,189	
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Budget and treasury office		136,150	-	424	92,000	930	-	-	-	71,589	-	-	(0)	301,093	309,389	327,189	
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>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue - Standard		136,150	-	424	92,000	930	-	-	-	71,589	-	-	(0)	301,093	309,389	327,189	
Expenditure - Standard																	
<i>Governance and administration</i>		9,856	10,046	9,771	9,966	9,883	9,659	9,882	9,279	8,955	9,583	9,547	63,982	170,410	155,750	165,278	
Executive and council		5,697	5,790	5,875	5,987	5,988	5,790	5,895	5,790	5,058	5,687	5,579	(4,934)	58,200	73,643	77,693	
Budget and treasury office		-	-	-	-	-	-	-	-	-	-	-	57,050	57,050	25,837	28,703	
Corporate services		4,159	4,257	3,896	3,978	3,896	3,870	3,988	3,489	3,898	3,895	3,968	11,866	55,159	56,270	58,882	
<i>Community and public safety</i>		7,774	7,773	7,770	7,278	7,784	8,577	9,058	8,681	8,797	8,559	8,447	1,490	91,989	104,376	110,037	
Community and social services		3,976	3,988	3,986	3,479	3,986	4,587	4,469	4,313	4,429	4,290	4,106	1,055	46,662	52,381	55,182	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Public safety		3,799	3,785	3,785	3,799	3,799	3,990	4,590	4,368	4,368	4,269	4,341	435	45,327	51,995	54,855	
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Economic and environmental services</i>		4,385	4,528	4,413	4,385	4,613	4,585	4,601	4,729	4,627	4,567	4,635	(13,789)	36,279	44,616	47,070	
Planning and development		926	939	954	926	927	927	953	970	969	988	976	(853)	9,600	10,185	10,745	
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Environmental protection		3,459	3,589	3,459	3,459	3,686	3,658	3,648	3,759	3,659	3,579	3,659	(12,935)	26,679	34,431	36,325	
<i>Trading services</i>		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditure - Standard		22,015	22,347	21,954	21,628	22,280	22,821	23,541	22,690	22,380	22,708	22,628	51,684	298,677	304,742	322,384	
Surplus/(Deficit) before assoc.		114,135	(22,347)	(21,530)	70,372	(21,350)	(22,821)	(23,541)	(22,690)	49,209	(22,708)	(22,628)	(51,684)	2,416	4,647	4,805	
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit)	1	114,135	(22,347)	(21,530)	70,372	(21,350)	(22,821)	(23,541)	(22,690)	49,209	(22,708)	(22,628)	(51,684)	2,416	4,647	4,805	

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 Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the municipality's website.

2. Internship programme

The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the first intake in 2010 five were employed permanently, and we have appointed another six in 2012 and appointed two and another two has been appointed another institution. The municipality have appointed another 5 on the 31 August 2014.

Budget and Treasury Office

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

3. Audit Committee

An Audit Committee has been established and is fully functional assisting our two local kgetleng and Moses kotane.

4. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2015/16 MTREF in May 2015 directly aligned and informed by the 2015/16 MTREF.

5. Annual Report

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

7. MFMA Training

The MFMA training module in electronic format is available to all financial staff.

8. Policies

All financial related policies are reviewed on an annual bases or whenever the need arises and submitted with the budget for adoption by council.

2.13 Municipal manager's quality certificate

I Innocent Sirhova, municipal manager of Bojanala Platinum 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 draft budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name: Innocent Sirhova

Municipal Manager of Bojanala Platinum District Municipality (DC37)

Signature _____

Date