

ITEM:

TO: EXECUTIVE MAYOR

REPORT OF THE CHIEF FINANCIAL OFFICER

MONTHLY FINANCIAL REPORT FOR SEPTEMBER 2012

PURPOSE OF THE REPORT

The purpose is to comply with the financial reporting requirements per the Municipal Finance Management Act.

STATUTORY/LEGAL REQUIREMENT

Section 71 of the Municipal Finance Management Act reads as follows:

“The accounting officer must no later than 10 working days after the end of each month submit to the mayor of the municipality and the provincial treasury a statement on the state of the municipality’s budget reflecting the following particulars for that month and for the financial year up to the end of that month: actual revenue, per source, actual expenditure, per vote, actual capital expenditure, per vote.”

In terms of the Municipal Investment Regulation, that reads as follows:

“The accounting officer must within 10 working days of the end of each month, as part of the section 71 report required by the Act, submit to the mayor of the Municipality a report describing in accordance with generally recognized accounting practice the investment portfolio of that municipality at the end of the month”

BACKGROUND, EXPOSITION, FACTS AND PROPOSALS

The report is discussed per annexures A, B, C, D and E. Annexures A and B are based on a baseline as determined on the budget projections. Annexure C refers to the actual operating revenue, operating expenditure in relation to the projected operating revenue, operating expenditure and IDP capital expenditure in the approved 12/13 SDBIP, Annexure D refers to Council’s approved IDP for current and previous financial years and the expenditure incurred for the period ending 30 September 2012. Annexure E refers to Council’s investment portfolio.

STAFF IMPLICATION

None

FINANCIAL IMPLICATION

See Annexures A to E

OTHER PARTIES CONSULTED

Divisional Managers: Budget & Treasury Office

ANNEXURES

Monthly Financial Report for the month ending 30 September 2012.

ANNEXURE A

Annexure A refers to Revenue per revenue source and explanations are attached after Annexure A.

ANNEXURE B

Annexure B refers to Expenditure per vote and explanations are attached after Annexure B.

ANNEXURE C

Annexure C refers to the actual operating revenue, operating expenditure in relation to the projected operating revenue, operating expenditure and IDP capital expenditure in the approved 12/13 SDBIP

ANNEXURE D: ACTUAL PROJECT EXPENDITURE PER CURRENT AND ROLL OVER IDP

Annexure D refers to the IDP for the current financial year and roll over from previous financial years. The report indicates that 9.42% of the funds allocated for the IDP are spent.

ANNEXURE E: INVESTMENT PORTFOLIO

Council's total investment portfolio amounts to R 129 000 000.00 as at 30 September 2012.

AUTHORITY

Municipal Finance Management Act, No 56 of 2003
Municipal Investment Regulation (GNR 308 of 1 April 2005)

RECOMMENDATION

1. That the report by the Chief Financial Officer regarding the monthly financial report as at 30 September 2012 as contained in the agenda, be noted.