

ITEM 1:

REPORT OF THE CHIEF FINANCIAL OFFICER

QUARTERLY FINANCIAL REPORT SEPTEMBER 2011

PURPOSE OF THE REPORT

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

STATUTORY/LEGAL REQUIREMENT

Section 52(d) of the Municipal Finance Management Act reads as follows:

“The Mayor of the municipality must, within 30 days of the end of each quarter, submit to the council on the implementation of the budget and the financial state of affairs of the municipality.”

BACKGROUND, EXPOSITION, FACTS AND PROPOSALS

The report is discussed per annexures A, B, C, D and E. Annexure A and B are based on a baseline as determined on the budget projections. Annexure C refers to Council’s approved IDP and the expenditure incurred for the period ending 30 September 2011. Annexure D refers to projects rolled-over from the previous financial years. Annexure E refers to Council’s investment portfolio.

FINANCIAL REPORTING

DEBTORS

The outstanding debtors as at 30 September 2011 are as follows:

Abattoir:

NAME	SEPTEMBER 2011	JUNE 2011	MARCH 2011	DECEMBER 2010
Current	10 371	14 120	3 590	12 204
30 – 60 days	2 226	2 230	5 872	6 138
60 – 90 days	2 226	2 727	3 301	2 532
Above 90 days	423 197	416 690	408 498	401 328
TOTAL	438 020	435 767	421 261	422 202

There are Abattoir account holders who lodged disputes against their accounts (JFC and Major Meat). Our Legal Section handed them over to Verveen Attorneys who subsequently issued summons to them to recover the outstanding amounts above 90 days. Attached as Annexure F is a progress reporting from Verveen Attorneys on the recovery of these long outstanding debts.

CREDITORS

The total creditors outstanding are R399 368.00. All creditors are current.

STAFF IMPLICATION

None

FINANCIAL IMPLICATION

See Annexures A to E

OTHER PARTIES CONSULTED

Divisional Managers: Budget & Treasury Office

ANNEXURES

Quarterly Financial Report for the month ending 30 September 2011:

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: CAPITAL EXPENDITURE PER IDP

Annexure C refers to the IDP for the current financial year. The report indicates that 4.21% of the funds allocated for the IDP are spent.

ANNEXURE D: CAPITAL EXPENDITURE ON ROLL OVER

Annexure D refers to the rolled over projects. An amount of R23 966 687 was unspent as at 30 June 2011. The report indicates that 26.46% of the rolled over funds were spent.

ANNEXURE E: INVESTMENT PORTFOLIO

Council's total investment portfolio amounts to R140 000 000.00 as at 30 September 2011.

ANNEXURE F: LONG OUTSTANDING DEBTORS

A report from Verveen Attorneys on the progress of recovery of long outstanding abattoir debtors as at 8 August 2011.

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 quarterly financial report as at 30 September 2011 as contained in the agenda, be noted.