

QUARTERLY FINANCIAL REPORT

The quarterly report deals with the Budget Implementation and Financial Reporting for the period ending 31 March 2007.

A. BUDGET IMPLEMENTATION

The progress on the budget is discussed per annexures A, B, C, D and E. Annexure A and B are based on a baseline of 75% (6 months). Budgeted 9 months projections are also included in the report. Annexure C refers to Council's approved IDP and the expenditure incurred for the period ending 31 March 2007. Annexure D refers to projects rolled-over from the previous financial years. Annexure E refers to Council's investment portfolio.

ANNEXURE A: ACTUAL REVENUE PER REVENUE SOURCE

1. Equitable Share

The equitable share includes the RSC replacement grant. The grant will be paid in three installments. The total grant installments amounting to R47 544 602 were received.

2. MSIG Grant

The grant is utilized to finance the PIMSS unit. The grant is paid in two installments. The total grant amounting to R1 million was received.

3. Conditional grants

The income on the grants is recognized once the conditions of the grants are met. The Finance grant funds the salaries of the financial interns. The Transport grant will fund the transport review plan.

4 RSC levies

RSC levies were abolished on 30 June 2006. No levies were budgeted in the current financial year. The levies received are additional income for the current year.

5. Interest on current account

The additional interest earned is due to the increase in the interest rate.

6. Interest on external investments

The increase is due to surplus funds invested at competitive rates and an increase in the interest rate.

7. Other Income

Included under other income is an amount of R25 000 received for the Mayor's Bursary Fund. A grant of R150 000 was received from DBSA to carry out an assessment on the financial skills in the municipalities within the District. An amount of R248 306 was received from the Umsombovu Youth Fund which is utilized to fund the youth advisors appointed at the local municipalities.

ANNEXURE B: ACTUAL EXPENDITURE PER VOTE

1. Various departments

The under-spending is due to vacancies that exist in the departments as well as savings on general expenditure. The following vacancies existed:

Municipal Manager	-	1 post
Corporate	-	3 posts
Planning & Econ Dev	-	1 post
Technical	-	5 posts
Social	-	1 post
Mayor's office	-	1 post

2. Fire fighting

The under-spending is due to non submission of claims from the local municipalities. The status on the claims as at the end of December 2006 is as follows:

NAME	BUDGET	CLAIMED	%
Bela Bela Municipality	R 575 170	R 168 779	29%
Lephalale Municipality	R1 243 970	Nil	
Mogalakwena Municipality	R1 774 100	R 1 041 663	59%
Modimolle Municipality	R 384 465	R 104 937	27%
Mookgophong Municipality	R 454 145	R 106 932	24%
Thabazimbi Municipality	R 162 960	R 102 918	63%

3. Municipal Health

No expenditure was incurred as the agreements are yet to be signed.

ANNEXURE C AND D: CAPITAL EXPENDITURE PER IDP

Annexure C refers to the IDP for the current financial year. The report indicates that 16.60% of the funds allocated for the IDP are spent. Annexure D refers to the rolled over projects. An amount of R25 688 707 was unspent as at 30 June 2006. Due to the fact that managers indicated a saving on some of the roll over project the unspent amount reduced to R20 376 736. The report indicates that 45.33% of the rolled over funds were spent.

ANNEXURE E: INVESTMENT POTFOLIO

Council's total investment portfolio amounts to R97 000 000 as at 31 March 2007.

B. FINANCIAL REPORTING

DEBTORS

The debtors outstanding as at 31 March 2007 are as follows:

RSC Levies

NAME	MARCH 2007	DEC 2006	SEP 2006
Current	6 319	4 672	0
30 – 60 days	303 546	6 591	7 793
60 – 90 days	10 795	4 588	8 686
Above 90 days	584 748	684 725	1 004 178
TOTAL	905 408	700 576	1 020 657

Abattoir

NAME	MARCH 2007	DEC 2006	SEP 2006
Current	200 006	209 728	158 071
30 – 60 days	2 620	3 532	22 949
60 – 90 days	235	245	1 218
Above 90 days	33 522	34 128	33 298
TOTAL	236 383	247 633	215 536

CREDITORS

The total creditors outstanding amounts to R218 980. All creditors are current.

