

[FS]: IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY

5/1/1 2008/09

COMPETENCY: COUNCIL

PURPOSE

The aim of this report is to submit the implementation of the budget and the financial state of affairs of the Midvaal Local Municipality up to the end of the 4th quarter (July 2008 – June 2009) in terms of Section 52(d) of the MFMA (Act 56 of 2003).

RECOMMENDATION:

That the report regarding the implementation of the budget (2008/09) and the financial state of affairs of the Midvaal Local Municipality up to the end of the 4th quarter (July 2008 – June 2009) be noted.

REPORT

BACKGROUND

The actual income and expenditure (I & E) up to the 4th quarter (July 2008 – June 2009) in comparison with the revised 2008/09 budget, is as follows:

1. Income and expenditure (Commitments excluded)

	EXPENDITURE			REVENUE		
	BUDGET	ACTUAL	%	BUDGET	ACTUAL	%
Municipal Manager	1 537 923	1 148 999	74.7	0	0	0
Support Services	23 556 918	21 911 918	93.0	2 071 000	2 085 566	100.7
Community Services	56 586 742	48 811 619	86.3	31 902 335	23 769 480	74.5
Development & Planning	12 690 249	12 165 141	95.8	2 295 000	1 660 721	72.4
Engineering Services	189 006 682	166 477 758	88.0	205 431 828	188 911 449	91.9
Financial Services	24 094 469	22 700 599	94.2	80 131 500	74 775 142	93.3
Management Services	6 870 325	6 222 744	90.6	400 000	346 413	86.6
Protection Services	26 489 058	24 537 478	92.6	3 606 500	5 397 094	149.7
	340 832 366	303 976 249	89.2	325 838 163	296 945 865	91.1

2. Capital

	EXPENDITURE		
	BUDGET	ACTUAL	%
Municipal Manager	100 000	100 000	100.0
Support Services	6 065 090	4 912 340	81.0
Community Services	5 510 610	3 919 662	71.1
Development & Planning	40 000	38 822	97.1
Engineering Services	33 393 000	30 625 980	91.7
Financial Services	0	0	0
Management Services	68 000	61 544	90.5
Protection Services	648 000	639 702	98.7
TOTAL	45 824 700	40 298 050	87.9

3. Long-term liabilities

The long-term liabilities (external loans) as at 30 June 2009 amounts to R101 181 084.54 which amount consists of the following:

Opening balance (01.07.2008)	R 87 959 752.56
<u>Plus:</u> Additions:	R 20 465 512.00
<u>Less:</u> Redemption:	- R 7 244 180.02

TOTAL LIABILITY (LONG-TERM)	R101 181 084.54

4. Investments

The total amount invested as at 30 June 2009 amounts to Zero.

5. Debtors

	Government	Business	Household	Other	Total
0 – 30 days	R 343 095	R 5 204 108	R16 429 194	R 8 214 598	R30 190 995
31 – 60 days	R 165 616	R 1 169 615	R 1 577 382	R 788 691	R 3 701 304
61 – 90 days	R 138 511	R 445 591	R 1 933 992	R 966 996	R 3 485 090
90 + days	R4 329 055	R 3 864 266	R23 255 700	R11 627 851	R43 076 872
TOTAL	R4 976 277	R10 683 580	R43 196 268	R21 598 136	R80 454 261
%	6.2	13.3	53.7	26.8	100.00

Percentage wise households represent more than 50% of all outstanding debt whilst the second highest stands at 26.8% in respect of other.

6. Asset Value

The total asset value at 30 June 2009 amounts to:

Opening balance 01.07.2008	R586 508 879
Additional (July 2008 – June 2009)	R 40 298 050

SUB-TOTAL	R626 806 929
Less: Depreciation	R 24 028 539

TOTAL	R602 778 390

7. Conclusion

The excess revenue (surplus) over actual expenditure as at 30 June 2009 amounts to R213 796 calculated as follows:

Total Revenue		R296 945 865
<u>Less:</u> Expenditure	R303 976 249	
<u>Less:</u> Redemption	R 7 244 180	R296 732 069
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SURPLUS		R 213 796
