

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

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BCMDA
BUFFALO CITY METROPOLITAN
DEVELOPMENT AGENCY

Enquires: 043 101 0161

Email: vicky@bcmda.org.za

BCMDA-FMR-007-17

Ms N Mbali-Majeng
Acting City Manager
Buffalo City Metropolitan Municipality
East London
5201

Dear Ms Mbali-Majeng

BCMDA MONTHLY PERFORMANCE REPORT – JANUARY 2017

Buffalo City Metropolitan Development Agency hereby submits the monthly report as required by section 87 of the MFMA. Attached is the Financial Performance report for the month of January 2017.

Kind Regards

MR GCINUMZI QOTYWA
CHIEF EXECUTIVE OFFICER

DATE: 09/02/2017

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QUALITY CERTIFICATE

I, G Qotywa, Chief Executive Officer of Buffalo City Metropolitan Development Agency, hereby certify that

the monthly budget statement

mid-year budget and performance assessment

for the month of January 2017 has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: Mr. G Qotywa

Chief Executive Officer of Buffalo City Metropolitan Development Agency

Signature *ff*

Date

09/02/2017



Ref: BCMDA-SUB-011-17
Enquires: V Ntsodo
Tel: 043 101 0161

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JANUARY 2017

1. PURPOSE

The purpose of this report is to present to the Acting City Manager the monthly budget statements of the Buffalo City Metropolitan Development Agency (BCMDA) for the month ended 31 January 2017.

2. AUTHORITY

Buffalo City Metropolitan Municipality

3. LEGISLATIVE FRAMEWORK

- Municipal Finance Management Act, 56 of 2003, section 88
- Municipal Systems Amendment Act, 44 of 2003
- Municipal Budget and Reporting Regulations, 2009
- Companies Act, 71 of 2008

4. BACKGROUND

- 4.1. In terms of section 87 (11) of the MFMA, the Accounting Officer of a municipal entity must by no later than seven working days after the end of each month submit to the Accounting Officer the entity's budget monthly statements in a prescribed format as stipulated on the MFMA.
- 4.2. This report therefore follows the legislative reporting requirements as outlined in the Municipal Budget and Reporting Regulations.

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JANUARY 2017

5. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE AGENCY FOR THE PERIOD ENDING 31 JANUARY 2017.

5.1. Dashboard/Performance Summary

BCMDA hereby presents its' 2016/17 budget and performance assessment report to the Acting City Manager. Below is the high-level summary of the performance of the agency

Table 1: Performance Summary

OVERALL OPERATING RESULTS		CASH MANAGEMENT	
Income	13 823 837	Bank Balance	5 839 407
Expenditure	7 367 668	Call investments	1 170 432
Operating Surplus	6 456 169	Cash and cash equivalents	7 009 839
Capital Expenditure	851 066	Account Payables	(619 994)
Surplus after capital expenditure	5 605 103	Unspent conditional grants	(586 044)
		BCDA Closing balance	(1 681 517)
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	6 456 169	Total Staff Compliment	13
YTD Grants and subsidies	14 282 749	Staff Appointments	8
% Creditors paid within term	100%	Staff Terminations	1
Current ratio	3.5:1	Number of funded vacant posts	17
		Salary bill – Officials	4 837 405
		Workforce costs as a % of expenditure	59%

5.2. Liquidity position

BCMDA's liquidity is considered sound as the current ratio is 3.5.1, which indicates the ability of the agency's current assets to cover its current liabilities (debts). At the end of January 2017, the agency had no debtors other than anticipated refund from SARS

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JANUARY 2017

(specifically for the months of November and December 2016) and had a small quantity of inventory items. Its current assets comprise mainly of cash and cash equivalents. Included in the cash equivalents though is a cash balance of R1.68 million that belonged to BCDA, engagements are yet to take place on the decision on how to take care of this amount taking into consideration that the new BCMDA has paid some of the expenses that should have been paid by the old BCDA, but due to the winding up process of BCDA, no further transactions could be done or effected under BCDA especially after the finalisation of the deregistration process by CIPC.

5.3. Capital expenditure

BCMDA has spent R 851 066 during the period under review. This capital expenditure was incurred in relation to the operational start-up costs, the financial management and reporting systems that were procured.

5.4. Expenditure on BCMM allocation

BCMDA has spent in total R 8.2 million (45%) to date from the grant received from its parent municipality. The expenditure at this point of the financial year is expected to be at 58%. This however could not be achieved due to a number of factors; e.g filling of vacancies in the development facilitation which is the core of the agency, which translates to the expenditure budgeted for this division being unspent. The recruitment of the vacant positions was concluded during Quarter 2 and the new incumbents have since commenced duty with the BCMDA. The agency will catch with its expenditure pattern in the next two Quarters to year end. Further the procurement processes within the Development Facilitation division are underway.

5.5. Cash and cash equivalents

BCDMA's cash and cash equivalents at 31 January are R7 million, which is made up of cash and bank account amounting to R 5,8 million and call investment deposits of R 1,1 million and unspent funds received from Department of Environmental Affairs (DEA) of R 586 044. This funding is invested with First National Bank.

**REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017**

5.6. Outstanding Creditors

The agency pays its creditors within 30 days of receipt of invoice. In addition, BCMDA's Exco took a decision to pay its suppliers fortnightly to ensure that this requirement is met at all times.

6. IN YEAR BUDGET STATEMENT MAIN TABLES

6.1. Monthly Budget Statement Summary

The table below is a high-level summary of BCMDA's financial performance, capital expenditure, financial position and cash flow.

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017

Table 2: F1: Monthly Budget Statement Summary

Buffalo City Metropolitan Development Agency SOC Ltd - Table F1 Monthly Budget Statement Summary - M07 January

Description	2015/16	Current Year 2016/17							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	69	-	15	114	40	0	184%	69
Transfers recognised - operational	764	18 116	-	4 072	11 918	13 587	(2)	-12%	18 116
Other own revenue	-	200	-	100	108	117	(0)	-9%	#REF!
Total Revenue (excluding capital transfers and contributions)	764	18 385	-	4 188	12 140	13 744	(1 603)	(0)	#REF!
Employee costs	760	12 225	-	875	4 837	7 131	(2 294)	(0)	12 225
Remuneration of Board Members	156	566	-	-	166	330	(164)	(0)	566
Depreciation and asset impairment	3	393	-	22	104	229	(125)	(0)	393
Finance charges	-	8	-	-	-	4	(4)	(0)	8
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5 192	-	256	2 260	3 029	(769)	(0)	5 192
Total Expenditure	1 194	18 385	-	1 153	7 368	10 724	(3 357)	(0)	18 385
Surplus/(Deficit)	(430)	-	-	3 034	4 773	3 019	1 753	0	#REF!
Transfers recognised - capital	-	-	-	176	851	-	851	#DIV/0!	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(430)	-	-	3 211	5 624	3 019	2 604	0	#REF!
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(430)	-	-	3 211	5 624	3 019	2 604	0	#REF!
Capital expenditure & funds sources									
Capital expenditure	-	-	-	176	851	-	851	#DIV/0!	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	-	2 040	-	-	7 101	-	-	-	2 040
Total non current assets	52	688	-	-	796	-	-	-	688
Total current liabilities	482	1 287	-	-	2 008	-	-	-	1 287
Total non current liabilities	-	-	-	-	100	-	-	-	-
Community wealth/Equity	(430)	1 441	-	-	5 748	-	-	-	1 441
Cash flows									
Net cash from (used) operating	55	269	-	4 429	6 050	3 176	2 874	0	269
Net cash from (used) investing	(55)	-	-	-	(675)	-	(675)	#DIV/0!	-
Net cash from (used) financing	-	-	-	-	(248)	-	(248)	#DIV/0!	-
Cash/cash equivalents at the year end	(0)	269	(0)	4 429	5 127	3 176	1 951	0	269

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017

6.2. Monthly Budget Statement – Financial Performance (Standard Classification)

The table below is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

Table 3: F2: Monthly Budget Statement – Financial Performance (Standard Classification)

Buffalo City Metropolitan Development Agency SOC Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	2015/16	Current Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	60	-	15	114	40	74	184.5%	60
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	200	-	90	99	117	(10)	-15.4%	#REF!
Transfers recognised - operational	764	10 110	-	4 072	11 010	13 507	(1 609)	-12.3%	10 110
Other revenue	-	-	-	1	9	-	9	#DIV/0!	200
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	764	10 385	-	4 180	12 140	13 744	(1 603)	-11.7%	#REF!
Expenditure By Type									
Employee related costs	700	12 225	-	875	4 837	7 131	(2 294)	-32.2%	12 225
Remuneration of Directors	158	568	-	-	196	330	(164)	-49.7%	568
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	3	393	-	22	104	229	(125)	-54.6%	393
Finance charges	-	8	-	-	-	4	(4)	-100.0%	8
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5 102	-	250	2 280	3 029	(769)	-25.4%	5 102
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	1 194	10 385	-	1 153	7 364	10 724	(3 357)	-31.3%	10 385
Surplus/(Deficit)									
Transfers recognised - capital	-	-	-	3 034	4 772	3 019	1 753	58.1%	#REF!
Contributions recognised - capital	-	-	-	170	851	-	851	#DIV/0!	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation	(430)	-	-	3 211	5 624	3 019	2 604	86.3%	#REF!
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(430)	-	-	3 211	5 624	3 019	2 604		#REF!

6.2.1. Revenue by Source

- Interest on external investments is more than the budget amount due to frequent investment of surplus funds and always maintaining a positive bank balance on the primary bank account.

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JANUARY 2017

- A project management fee of R112 500 (R98 684 excluding VAT) was transferred from the GMC project account to the primary bank account as the planning phase of the project was concluded in December 2016.
- All three tranches have been received from the parent municipality as per the agreement, however the amount received is less than the year-to-date budget amount due to the output VAT which is payable to SARS as the agency is currently a VAT vendor and when the budget was approved, this was not catered for since the agency was not registered at the time.
- An amount of R10 200 (R8 947 excluding VAT) has been received through sales of tender documents. The tender fees were not budgeted for and has however been corrected in the adjustments budget.

6.2.2. Expenditure by Type

- The Agency could not fill all vacancies timeously within the first two quarters as initially planned due to a lot of factors. Five vacancies have subsequently been filled, two of which started in January 2017, the other two in February 2017 with the remainder to commence duty by the end of March 2017.
- The expenditure on employee related costs will then increase to be in line with the expected norm and it has been adjusted downwards in the adjustments budget in order to reduce it which the salaries and benefits that were not incurred as a result of delayed appointments.
- The term of the Board of Directors expired on 31 December 2016 and Council took a resolution to appoint the new Board of Directors in a meeting that was held on 31 January 2017. The planned activities therefore of both the Board and its subcommittees could not take place. The activities include the AGM, annual report review and mid-year performance reports and therefore has an impact on the expenditure to date on the Board fees.
- It is anticipated that the engagements with the Board will be commencing in February 2017 and will catch up with the expenditure as initially budgeted.
- The activities that were anticipated to commence in the preceding months which are the biggest components of general expenses did not start as anticipated, however procurement processes are underway to ensure implementation of some of the development facilitation projects.

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017

6.3. Monthly Budget Statement – Financial Position

The table below is an overview of the financial position of the agency.

Table 4: F4: Monthly Budget Statement – Financial Position

Buffalo City Metropolitan Development Agency SOC Ltd - Table F4 Monthly Budget Statement - Financial Position - M07 January

Vote Description	2015/16	Current Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	-	644	-	5 839	644
Call investment deposits	-	1 369	-	1 170	1 369
Consumer debtors	-	-	-	-	-
Other debtors	-	27	-	92	27
Current portion of long-term receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Total current assets	-	2 040	-	7 101	2 040
Non current assets					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	44	220	-	451	220
Agricultural	-	-	-	-	-
Biological	-	-	-	-	-
Intangible	9	469	-	345	469
Other non-current assets	-	-	-	-	-
Total non current assets	52	688	-	796	688
TOTAL ASSETS	52	2 728	-	7 898	2 728
LIABILITIES					
Current liabilities					
Bank overdraft	0	-	-	-	-
Borrowing	93	-	-	235	-
Consumer deposits	-	100	-	-	100
Trade and other payables	389	1 187	-	1 772	1 187
Provisions	-	-	-	-	-
Total current liabilities	482	1 287	-	2 008	1 287
Non current liabilities					
Borrowing	-	-	-	100	-
Provisions	-	-	-	-	-
Total non current liabilities	-	-	-	100	-
TOTAL LIABILITIES	482	1 287	-	2 108	1 287
NET ASSETS	(430)	1 441	-	5 790	1 441
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	(430)	1 441	-	5 748	1 441
Reserves	-	-	-	-	-
Share capital	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	(430)	1 441	-	5 748	1 441

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JANUARY 2017

6.3.1. Assets

- The Agency cash is made up of the primary bank account balance and what is available on the GMC Account.
- Other debtors are as a result of VAT for the month of November and December 2016 which was submitted to SARS during January 2017 and the refund thereof has not yet been received
- Property, Plant and Equipment and Intangible Assets consist of carrying amounts of current assets and this months 'additions (See attached Annexures for details).

6.3.2. Liabilities

- Borrowings are as a result of operating lease rentals of both the office space and a multifunction Copier.
- Trade and Other payables relate to trade creditors of R 319 486, unspent GMC grant of R 586 044, provident fund of R 73 641, Tax of R 226 866 and VAT of R 525 973. Trade creditors, Tax and the provident fund were subsequently paid by the 7th of February 2017 with the VAT to be paid in March 2017 when is it due.

6.4. Monthly Budget Statement – Cash Flows

The table below is an overview of the cash flow of the agency

**REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017**

Buffalo City Metropolitan Development Agency SOC Ltd - Table F5 Monthly Budget Statement - Cash Flows - M07 January

Description	2015/16	Current Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	-	200	-	585	706	117	589	505.3%	200
Government - operating	764	18 118	-	4 529	13 587	13 567	0	0.0%	18 118
Government - capital	-	-	-	-	-	-	-	-	-
Interest	-	69	-	15	114	40	74	184.5%	69
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(709)	(18 106)	-	(700)	(8 357)	(10 563)	2 206	-20.9%	(18 106)
Finance charges	-	(8)	-	-	(0)	(4)	4	-100.0%	(8)
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	55	289	-	4 429	6 050	3 176	(1 546)	-48.7%	289
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(55)	-	-	-	(675)	-	(675)	#DIV/0!	-
NET CASH FROM/(USED) INVESTING ACTIVITIES	(55)	-	-	-	(675)	-	675	#DIV/0!	-
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/financing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	-	-	-	-	(248)	-	(248)	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	(248)	-	248	#DIV/0!	-
NET INCREASE/(DECREASE) IN CASH HELD	(0)	289	-	4 429	5 127	3 176	1 951	61.4%	289
Cash/cash equivalents at the year begin:	(0)	(0)	(0)	-	-	-	-	-	(0)
Cash/cash equivalents at the year end:	(0)	289	(0)	4 429	5 127	3 176	1 951	61.4%	289

An amount of cash inflow for the period under review amounted to R5,1 million with the cash outflow of R.7 million. Kindly refer to attached supporting schedules.

6.5. Aged debtors

The table below is an overview of aged debtors of the agency.

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F3 Entity Aged debtors - M07 January

Detail	NT Code	Current Year 2016/17										
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	Bad Debts	>90 days
Debtors Age Analysis By Income Source												
Taxes and Other Receivables from Exchange Transactions - Water	1100	-	-	-	-	-	-	-	-	-	-	-
Taxes and Other Receivables from Exchange Transactions - Electricity	1200	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rates Debtors	1700	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-
Receivables unclassified - regular or follow and similar Expenditure	1820	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	45	45	-	-	-	-	-	-	-	-
Total By Income Source	2898	-	45	45	-	-	-	-	-	-	-	-
Debtors Age Analysis By Customer Group												
Organis of State	2100	-	-	-	-	-	-	-	-	-	-	-
Commercial	2200	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	45	45	-	-	-	-	-	-	-	-
Total By Customer Group	5698	-	45	45	-	-	-	-	-	-	-	-

Note:
Material increases in value of debtors' categories compared to previous month to be explained

**REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017**

The ageing debtor relates to SARS VAT refund which has not reached 21 working days payment period from the submission date to the end of January 2017.

6.6. Aged creditors

The table below is an overview of aged creditors of the agency

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F4 Entity Aged creditors - M07 January

Detail	NT Code	Current Year 2016/17								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	227	-	-	-	-	-	-	-	227
VAT (output less input)	0400	521	-	-	-	-	-	-	-	521
Pensions / Retirement deductions	0500	74	-	-	-	-	-	-	-	74
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	365	-	-	-	-	-	-	-	365
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	586	-	-	-	-	-	-	-	586
Total By Customer Type	2600	1 185	-	-	-	-	-	-	-	1 772

Notes

All creditors due are settled within 30 days from the date of receiving an invoice unless there are disputes. All invoices are date stamped on arrival in order to track the settlement date thereof. Correspondence file is maintained for all disputed invoices. For the period under review, there were no disputed invoices.

6.7. Capital Expenditure

The table below is an overview of the capital expenditure incurred by the agency for the period under review.

REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JANUARY 2017

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F8a Entity capital expenditure on new assets by asset class - M07 January

Description	2016/17	Current Year 2016/17				YTD actual	YTD budget	YTD variance	YTD variance %	Five Year Estimate
	Adjusted Performance	Original Budget	Adjusted Budget	Monthly actual						
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure										
Infrastructure - Road transport										
Roads, Pavements & Bridges										
Storm sewer										
Infrastructure - Electricity										
Generation										
Transmission & Retention										
Street Lighting										
Infrastructure - Water										
Dams & Reservoirs										
Water purification										
Retention										
Infrastructure - Sanitation										
Retention										
Sewerage purification										
Infrastructure - Other										
Waste Management										
Transportation										
Gas										
Other										
Community										
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets										
Buildings										
Other										
Investment properties										
Housing development										
Other										
Other assets				142	447		(447)	#DIV/0!		
General vehicles										
Specialised vehicles										
Plant & equipment										
Computers - hardware/equipment				142	432		(432)	#DIV/0!		
Furniture and other office equipment					15		(15)	#DIV/0!		
Abutments										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets										
List sub-class										
Biological assets										
List sub-class										
Intangibles				25	494		(464)	#DIV/0!		
Computers - software & programming				34	315		(315)	#DIV/0!		
Email Services & Website Development/Hosting				1	89		(89)	#DIV/0!		
Total Capital Expenditure on new assets				176	851		(851)	#DIV/0!		
Specialised vehicles										
Refuse										
Fire										
Consignancy										
Ambulances										

**REPORT TO THE ACTING CITY MANAGER TO CONSIDER AND NOTE BCMDA'S
MONTHLY BUDGET STATEMENT – JANUARY 2017**


- 6.7.1. As previously reported, there is no budget line item for capital expenditure in the agency's approved budget.
- 6.7.2. A motivation requesting for the inclusion of this item has been catered for in the adjustment budget that was submitted to the parent municipality in December 2016.
- 6.7.3. Additional expenditure was incurred in the current period, kindly refer to the attached schedules. These are operational requirements especially for staff joining the agency and the required software needs so as to comply with mSCOA regulations.

7. BCMDA Challenges

- 7.1. Insufficient funds for the implementation of mSCOA which can compromise the set compliance date of the 1st of July 2017.
- 7.2. Delayed approval of the adjustments budget to ensure authorisation of the budget items that were not budgeted for and expenditure was incurred to ensure progress in operational obligations.
- 7.3. Output VAT which has to be paid to SARS upon receipt of the operational grant which subsequently reduces the approved budget.

8. RECOMMENDATION

- 8.1. It is recommended that the Acting City Manager considers and notes this report for further consideration and noting by Council.


IP _____

GB QOTYWA

CHIEF EXECUTIVE OFFICER

DATE: 09/02/2017

Municipal In-year reports & supporting tables

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Buffalo City Metropolitan Development Agency SOC Ltd - Table F1 Monthly Budget Statement Summary - M07 January

Description	2015/16	Current Year 2016/17							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	69	-	15	114	40	0	184%	69
Transfers recognised - operational	764	18 116	-	4 072	11 918	13 587	(2)	-12%	18 116
Other own revenue	-	200	-	100	108	117	(0)	-8%	#REF!
Total Revenue (excluding capital transfers and contributions)	764	18 385	-	4 188	12 140	13 744	(1 603)	(0)	#REF!
Employee costs	760	12 225	-	875	4 837	7 131	(2 294)	(0)	12 225
Remuneration of Board Members	156	566	-	-	166	330	(164)	(0)	566
Depreciation and asset impairment	3	393	-	22	104	229	(125)	(0)	393
Finance charges	-	8	-	-	-	4	(4)	(0)	8
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5 192	-	256	2 260	3 029	(769)	(0)	5 192
Total Expenditure	1 194	18 385	-	1 153	7 368	10 724	(3 357)	(0)	18 385
Surplus/(Deficit)	(430)	-	-	3 034	4 773	3 019	1 753	0	#REF!
Transfers recognised - capital	-	-	-	176	851	-	851	#DIV/0!	-
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(430)	-	-	3 211	5 624	3 019	2 604	0	#REF!
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	(430)	-	-	3 211	5 624	3 019	2 604	0	#REF!
Capital expenditure & funds sources									
Capital expenditure	-	-	-	176	851	-	851	#DIV/0!	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-
Financial position									
Total current assets	-	2 040	-	-	7 101	-	-	-	2 040
Total non current assets	52	688	-	-	796	-	-	-	688
Total current liabilities	482	1 287	-	-	2 008	-	-	-	1 287
Total non current liabilities	-	-	-	-	100	-	-	-	-
Community wealth/Equity	(430)	1 441	-	-	5 748	-	-	-	1 441
Cash flows									
Net cash from (used) operating	55	269	-	4 429	6 050	3 176	2 874	0	269
Net cash from (used) investing	(55)	-	-	-	(675)	-	(675)	#DIV/0!	-
Net cash from (used) financing	-	-	-	-	(248)	-	(248)	#DIV/0!	-
Cash/cash equivalents at the year end	(0)	269	(0)	4 429	5 127	3 176	1 951	0	269

Buffalo City Metropolitan Development Agency SOC Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	2015/16 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Current Year 2016/17			YTD variance %	Full Year Forecast
					YearTD actual	YearTD budget	YTD variance		
R thousands									
Revenue By Source									
Property rates	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	-	-	-	-
Service charges - water revenue	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	-	-	-	-	-	-	-	-
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-
Interest earned - external investments	-	69	-	15	114	40	74	184.5%	69
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	200	-	99	99	117	(18)	-15.4%	#REF!
Transfers recognised - operational	764	18 116	-	4 072	11 918	13 587	(1 669)	-12.3%	18 116
Other revenue	-	-	-	1	9	-	9	#DIV/0!	200
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	764	18 385	-	4 188	12 148	13 744	(1 603)	-11.7%	#REF!
Expenditure By Type									
Employee related costs	760	12 225	-	875	4 837	7 131	(2 294)	-32.2%	12 225
Remuneration of Directors	156	566	-	-	166	330	(164)	-49.7%	566
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	3	393	-	22	104	229	(125)	-54.6%	393
Finance charges	-	8	-	-	-	4	(4)	-100.0%	8
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5 192	-	256	2 260	3 029	(769)	-25.4%	5 192
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	1 194	18 385	-	1 153	7 368	10 724	(3 357)	-31.3%	18 385
Surplus/(Deficit)									
Transfers recognised - capital	(430)	-	-	3 034	4 773	3 019	1 753	58.1%	#REF!
Contributions recognised - capital	-	-	-	176	851	-	851	#DIV/0!	-
Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) before taxation	(430)	-	-	3 211	5 624	3 019	2 604	86.3%	#REF!
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(430)	-	-	3 211	5 624	3 019	2 604	#REF!	#REF!

Buffalo City Metropolitan Development Agency SOC Ltd - Table F4 Monthly Budget Statement - Financial Position

Vote Description	2015/16	Current Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	-	644	-	5 839	644
Call investment deposits	-	1 369	-	1 170	1 369
Consumer debtors	-	-	-	-	-
Other debtors	-	27	-	92	27
Current portion of long-term receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Total current assets	-	2 040	-	7 101	2 040
Non current assets					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	44	220	-	451	220
Agricultural	-	-	-	-	-
Biological	-	-	-	-	-
Intangible	9	469	-	345	469
Other non-current assets	-	-	-	-	-
Total non current assets	52	688	-	796	688
TOTAL ASSETS	52	2 728	-	7 898	2 728
LIABILITIES					
Current liabilities					
Bank overdraft	0	-	-	-	-
Borrowing	93	-	-	235	-
Consumer deposits	-	100	-	-	100
Trade and other payables	389	1 187	-	1 772	1 187
Provisions	-	-	-	-	-
Total current liabilities	482	1 287	-	2 008	1 287
Non current liabilities					
Borrowing	-	-	-	100	-
Provisions	-	-	-	-	-
Total non current liabilities	-	-	-	100	-
TOTAL LIABILITIES	482	1 287	-	2 108	1 287
NET ASSETS	(430)	1 441	-	5 790	1 441
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	(430)	1 441	-	5 748	1 441
Reserves	-	-	-	-	-
Share capital	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	(430)	1 441	-	5 748	1 441

Buffalo City Metropolitan Development Agency SOC Ltd - Table F5 Monthly Budget Statement - Cash Flows - M07 January

Description	2015/16 Audited Outcome	Current Year 2016/17							
		Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	-	200	-	585	706	117	589	505.3%	200
Government - operating	764	18 116	-	4 529	13 587	13 587	0	0.0%	18 116
Government - capital	-	-	-	-	-	-	-	-	-
Interest	-	69	-	15	114	40	74	184.5%	69
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	(709)	(18 108)	-	(700)	(8 357)	(10 563)	2 206	-20.9%	(18 108)
Finance charges	-	(8)	-	-	(0)	(4)	4	-100.0%	(8)
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	55	269	-	4 429	6 050	3 176	(1 546)	-48.7%	269
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(55)	-	-	-	(675)	-	(675)	#DIV/0!	-
NET CASH FROM/(USED) INVESTING ACTIVITIES	(55)	-	-	-	(675)	-	675	#DIV/0!	-
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	-	-	-	-	(248)	-	(248)	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	-	-	-	(248)	-	248	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD	(0)	269	-	4 429	5 127	3 176	1 951	61.4%	269
Cash/cash equivalents at the year begin:	(0)	(0)	(0)	-	-	-	-	-	(0)
Cash/cash equivalents at the year end:	(0)	269	(0)	4 429	5 127	3 176	1 951	61.4%	269

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F1 Entity Material variance explanation - M07 January

Description	Variance	Reasons for material deviations	Remedial or corrective steps / remarks
R thousands			
Revenue Items			
Interest received	74	Interest received is more than anticipated due to receipt of the operational grant transferred from the parent municipality.	
Agency Fees	18	Project Management Fees have been transfer from GMC to Primary Account	
Transfers	1 669	That is dut to output VAT which reduced the operational grant	
Expenditure Items			
Depreciation	125	The institution bought few capital assets	The draft adjustments budget has been submitted to the parent and is awaiting approval
Capital Expenditure Items			
Computers and Equipment	432	The laptops bought were not budgeted for due to internal reasons.	The draft adjustments budget has been submitted to the parent and is awaiting approval
Intangible Assets - Softwares, Email Services and Website development & hosting	404	The softwares bought were not budgeted for due to internal reasons	The draft adjustments budget has been submitted to the parent and is awaiting approval
Cash flow Items			
Capital Assets	851	Capital expenditure was not budgeted for.	The draft adjustments budget has been submitted to the parent and is awaiting approval
Finance Charges	4	Minimal Interest has been incurred as compared to the budget	
Other Revenue	9	Tender document Fess were not budgeted for	
Measurable performance			
Development of the website			
Institutional Launch			
Approval of the GMC business plan			
Total variance			

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F2 Entity Financial and non-financial Indicators - M07 January

Description of financial indicator	Basis of calculation	Ref	2015/16	Current Year 2016/17			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		0.0%	0.0%	0.0%	1.3%	0.0%
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure		0.2%	2.2%	0.0%	1.4%	2.2%
Borrowed funding of capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		(112.1%)	89.3%	0.0%	36.7%	89.3%
Gearing	Long Term Borrowing/ Funds & Reserves						
Liquidity							
Current Ratio	Current assets/current liabilities		0.0%	158.5%	0.0%	353.7%	158.5%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days		0.0%	158.5%	0.0%	353.7%	158.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	156.3%	0.0%	349.1%	156.3%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing		0.0%	0.0%	0.0%	0.0%	0.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0.0%	0.1%	0.0%	0.8%	0.0%
Longstanding Debtors Reduction Due To Recovery	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					100.0%	
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0.0%	0.0%	0.0%	0.0%	0.0%
Other Indicators							
Electricity Distribution Losses	% Volume (Total units purchased - generated less total units sold)/Total units purchased - generated	1	0.0%	0.0%	0.0%	0.0%	0.0%
Water Distribution Losses	% Volume (Total units purchased - own source less total units sold)/Total units purchased - own source	2	0.0%	0.0%	0.0%	0.0%	0.0%
Employee costs	Employee costs/Total Revenue - capital revenue		99.4%	66.5%	0.0%	39.8%	0.0%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.4%	2.2%	0.0%	0.9%	0.0%
Financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		0.0%	0.0%	0.0%	0.0%	0.0%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		0.0%	0.0%	0.0%	0.0%	0.0%
iii. Cost coverage	(Available cash - Investments)/monthly fixed operational expenditure		0.0%	0.0%	0.0%	0.0%	0.0%

References:

1. Delete if not an electricity entity
2. Delete if not an water entity

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F3 Entity Aged debtors - M07 January

Detail	NT Code	Current Year 2016/17								Total	Bad Debts
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Debtors Age Analysis By Income Source	1100	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	-	48	43	-	-	-	-	-	-	-
Total By Income Source	2000	-	48	43	-	-	-	-	-	-	-
Debtors Age Analysis By Customer Group	2100	-	-	-	-	-	-	-	-	-	-
Organs of State	2200	-	-	-	-	-	-	-	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-
Other	2500	-	48	43	-	-	-	-	-	92	-
Total By Customer Group	2600	-	48	43	-	-	-	-	-	92	-

Notes
 Material increases in value of debtors, categories compared to previous month to be explained

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F4 Entity Aged creditors - M07 January

Detail	NT Code	Current Year 2016/17								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	227	-	-	-	-	-	-	-	227
VAT (output less input)	0400	521	-	-	-	-	-	-	-	521
Pensions / Retirement deductions	0500	74	-	-	-	-	-	-	-	74
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	365	-	-	-	-	-	-	-	365
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	586	-	-	-	-	-	-	-	586
Total By Customer Type	2600	1 186	-	-	-	-	-	-	-	1 772

Notes

Material increases in value of creditors' categories compared to previous month to be explained

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F6 Entity Board member allowances & staff benefits - M07 January

Summary of Employee and Board Member remuneration	2015/16	Current Year 2016/17							Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	A	B	C					%	D
Remuneration									
Board Members of Entities									
Basic Salaries	-	-	-	-	-	-	-	-	0.0%
Pension Contributions	-	-	-	-	-	-	-	-	0.0%
Medical Aid Contributions	-	-	-	-	-	-	-	-	0.0%
Motor vehicle allowance	-	-	-	-	-	-	-	-	0.0%
Cell phone allowance	-	-	-	-	-	-	-	-	0.0%
Housing allowance	-	-	-	-	-	-	-	-	0.0%
Other benefits and allowances	-	-	-	-	-	-	-	-	0.0%
In-kind benefits	-	-	-	-	-	-	-	-	0.0%
Board Fees	-	566	-	-	166	330	(164)	-49.7%	0.0%
Sub Total - Board Members of Entities	-	566	-	-	166	330	(164)	-49.7%	-
% increase		#DIV/0!							
Senior Managers of Entities									
Basic Salaries	-	5 580	-	423	2 396	3 255	#REF!	#REF!	0.0%
Pension Contributions	-	-	-	40	237	-	#REF!	#REF!	0.0%
Medical Aid Contributions	-	-	-	-	-	-	-	-	0.0%
Motor vehicle allowance	-	-	-	-	-	-	-	-	0.0%
Cell phone allowance	-	74	-	-	-	43	-	-	0.0%
Housing allowance	-	-	-	-	-	-	-	-	0.0%
Other benefits or allowances	-	-	-	-	-	-	-	-	0.0%
Performance Bonus	-	135	-	-	-	79	(79)	-100.0%	0.0%
In-kind benefits	-	-	-	-	-	-	-	-	0.0%
Sub Total - Senior Managers of Entities	-	5 790	-	463	2 633	3 377	(745)	-22.1%	-
% increase		#DIV/0!							
Other Staff of Entities									
Basic Salaries	-	6 322	-	378	2 014	3 688	#REF!	#REF!	0.0%
Pension Contributions	-	-	-	34	190	-	#REF!	#REF!	0.0%
Medical Aid Contributions	-	-	-	-	-	-	-	-	0.0%
Motor vehicle allowance	-	-	-	-	-	-	-	-	0.0%
Cell phone allowance	-	91	-	-	-	53	-	-	0.0%
Housing allowance	-	-	-	-	-	-	-	-	0.0%
Overtime	-	-	-	-	-	-	-	-	0.0%
Performance Bonus	-	22	-	-	-	13	(13)	-100.0%	0.0%
Other benefits or allowances	-	-	-	-	-	-	-	-	0.0%
In-kind benefits	-	-	-	-	-	-	-	-	0.0%
Sub Total - Other Staff of Entities	-	6 435	-	412	2 205	3 754	(1 549)	-41.3%	-
% increase		#DIV/0!							
Total Municipal Entities remuneration	-	12 791	-	875	5 003	7 462	(2 450)	-32.9%	-
Unpaid salary, allowances & benefits in arrears:	-	-	-	74	-	-	-	-	0.0%

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F7 Entity monthly actuals & revised targets - M07 January

Description	Current Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17 Adjusted Budget	Budget Year +1 2017/18 Adjusted Budget	Budget Year +2 2018/19 Adjusted Budget
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Budget	Budget	Budget
Revenue By Source															
Service charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	3 982	23	17	3 985	28	19	4 088	-	-	-	-	(12 141)	-	-	-
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	3 982	23	17	3 985	28	19	4 088					(12 141)			
Expenditure By Type															
Employee related costs	568	569	734	769	784	519	875	-	-	-	-	(4 837)	-	-	-
Remuneration of Board Members	-	63	-	36	68	-	-	-	-	-	-	-	-	-	-
Debt Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	4	6	13	18	18	21	22	-	-	-	-	(102)	-	-	-
Finance charges	0	0	-	-	-	-	0	-	-	-	-	(0)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	175	250	457	365	531	373	256	-	-	-	-	-	-	-	-
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditure	747	908	1 203	1 187	1 401	913	1 153					(4 940)			
Capital expenditure															
Capital assets	263	2	309	7	2	92	176	-	-	-	-	(851)	-	-	-
Total capital expenditure	263	2	309	7	2	92	176					(851)			
Cash flow															
Ratepayers and other	-	-	-	-	4	5	585	-	-	-	-	(594)	-	-	-
Grants	4 529	-	-	4 529	-	-	4 529	-	-	-	-	-	-	-	-
Interest	9	23	17	13	24	14	15	-	-	-	-	-	-	-	-
Suppliers, employees and other	(745)	(939)	(1 906)	(1 134)	(1 529)	(1 455)	(700)	-	-	-	-	8 408	-	-	-
Finance charges	0	(0)	-	-	-	-	-	-	-	-	-	0	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM(USED) OPERATING ACTIVITIES	3 792	(916)	(1 808)	3 408	(1 501)	(1 436)	4 428					7 814			
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets	(263)	(2)	(309)	(7)	(2)	(92)	(700)	-	-	-	-	675	-	-	-
NET CASH FROM(USED) INVESTING ACTIVITIES	(263)	(2)	(309)	(7)	(2)	(92)	(700)					675			
Borrowing long term/retaining/short term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	(39)	(39)	(39)	(39)	(49)	(42)	-	-	-	-	-	248	-	-	-
Increase in consumer deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET CASH FROM(USED) FINANCING ACTIVITIES	(39)	(39)	(39)	(39)	(49)	(42)	-					248			
NET INCREASE(DECREASE) IN CASH HELD	3 490	(957)	(2 237)	3 362	(1 551)	(1 571)	4 428					8 737			

BUFFALO CITY FIRE PROPOUT PLAN DEVELOPMENT AGENCY
FINANCIAL YEAR ENDED 30 JUNE 2017
BUDGET VS ACTUAL 31 JANUARY 2017

	MONTHLY MOVEMENTS												YEAR TO DATE MOVEMENT		
	Original Budget 16/17	30-Jun-16	31-Jul-16	30-Sep-16	30-Oct-16	30-Nov-16	31-Dec-16	31-Jan-17	Year to date Movement	Budget Available	% Spent				
INCOME															
BCMMI - Operating Grant	18 115 739	3 972 750	-	16 868	3 972 750	24 099 31	13 686	3 972 750	11 918 249	6 197 490	66%				
Other Income : Interest Received	68 900	8 822	22 910	16 868	12 509	24 099 31	13 686	3 972 750	11 918 249	6 197 490	66%				
Other Income : Agency Fees	200 000	-	-	-	-	-	-	-	11 333	45 433	166%				
Output VAT	-	556 185	-	-	556 185	442	663	570 148	98 684	101 316	49%				
Other Income : Tender Document Fees	-	-	22 910	16 868	4 501 044	3 158	4 737	8 948	1 683 623	-8 948	#DIV/0!				
TOTAL OPERATING INCOME	18 384 639	4 537 757	22 910	16 868	4 501 044	27 699	19 086	4 537 757	13 923 857	4 530 802	75%				
TOTAL INCOME	18 384 639	4 537 757	22 910	16 868	4 501 044	27 699	19 086	4 537 757	13 923 857	4 530 802	75%				
EXPENDITURE															
TOTAL OPERATING EXPENDITURE	6 159 304	1 733 109	338 451	437 547	246 004	616 253	397 997	278 562	2 568 062	3 591 262	41%				
Accounting Fees	-	-	-	-	-	-	-	-	-	-					
Advertising	119 666	21 021	44 645	142 015	29 177	11 318	21 236	-	269 412	-					
Audit Fees - External	500 000	83 879	161 046	152 265	143 086	143 086	143 086	33 366	573 641	-149 746	225%				
Bank Charges	12 000	460	888	1 029	894	894	691	691	5 415	6 585	45%				
Board Expenditure - Fees	566 040	62 745	62 745	35 629	67 568	47 816	7 000	-	165 842	400 088	29%				
Audit Committee Remuneration	-	82 071	-	-	-	-	-	-	116 887	-116 887					
Conference and Visits	271 463	-	-	11 750	8 080	139 326	15 000	25 475	399 631	71 832	74%				
Consulting/Legal Expenses	3 060 000	3 525	-	2 917	-	-	-	-	6 442	2 993 558	0%				
Depreciation and Amortisation	-	3 951	6 459	12 637	18 203	18 076	20 612	22 428	102 367	-102 367	0%				
Insurance	-	-	-	-	-	28 249	-	-	28 249	-					
Postage and courier	25 000	-	-	-	-	-	-	-	-	25 000	0%				
Printing and Stationery	30 000	17 403	-	14 086	21 788	21 788	5 605	9 657	68 540	-38 500	218%				
Recruitment Costs	35 000	34 401	-	51 193	1 474	8 201	2 818	78 068	176 156	-151 156	705%				
Refreshments	60 000	-	5 944	-	4 664	4 664	22 068	-	37 339	22 661	62%				
Catering	-	-	4 538	3 900	1 750	3 300	1 400	-	14 888	-14 888					
Cleaning material/utensils	-	-	7 480	5 301	5 301	18 090	18 090	-	36 173	-36 173					
Rental-Office	470 667	39 222	39 222	39 222	39 222	39 222	39 222	39 222	274 555	196 112	58%				
Rental - Utilities	-	13 437	14 300	10 612	13 045	8 842	7 256	11 134	78 726	-78 726					
Rental - Equipment	97 633	-	-	-	-	9 374	3 125	3 125	15 623	82 010	16%				
Repairs & Maintenance - Equipment	-	-	-	-	-	2 047	-	-	2 047	-2 047					
Telephone	36 000	4 712	7 946	5 966	6 544	6 883	6 634	8 365	47 051	-11 051	131%				
Travel and Accommodation	762 235	48 750	59 562	51 009	1 505	30 169	76 609	22 275	289 880	472 355	38%				
Branding and Marketing	-	-	-	-	-	-	-	-	5 236	5 236					
GMC Project	-	-	-	-	-	-	-	-	14 235	-14 235					
Cellphone and Data Costs	183 600	3 679	5 374	4 475	5 287	1 875	6 138	12 360	39 626	143 974	22%				
Employee Related Costs	12 225 335	567 956	589 300	743 508	768 786	784 471	518 640	774 756	4 167 405	7 387 930	57%				
Provision for Salary Performance Bonus	-	-	-	-	-	-	-	-	-	-					
Salaries - Basic	11 125 055	518 836	523 361	636 822	642 779	662 693	648 386	749 043	4 361 920	6 743 135	39%				
Provident Fund	1 100 280	48 963	48 963	62 543	63 132	65 101	65 101	73 641	427 445	672 835	39%				
Leave Provision	-	-7 279	9 559	26 497	55 133	48 386	-202 786	42 841	-27 449	27 449					
Acting Allowance	-	-	-	-	-	-	-	-	-	-					
Skills - SDL Levies	-	5 131 79	5 177	6 300	6 359 79	6 559	6 416	7 401	43 345	-43 345					
Statutory Compliance - UIF	-	2 283	2 240	1 346	1 383	1 532	1 532	1 829	12 144	-12 144					
TOTAL OPERATING EXPENDITURE	18 384 639	4 537 757	338 451	437 547	246 004	616 253	397 997	278 562	2 568 062	3 591 262	41%				
NET INCOME	12 225 335	1 111 000	1 111 000	1 111 000	1 111 000	1 111 000	1 111 000	1 111 000	1 111 000	1 111 000	41%				
Triangle Assets: Email Services and Website	-	-	2 250	308 524	6 742	1 708	82 808	176 222	651 066	-651 066					
Intangible Assets : Softwares and Programming	-	261 701	2 250	16 825	1 342	1 708	-	500	89 310	-89 310					
Computer - hardware/equipment	-	-	-	290 357	-	-	-	34 154	314 930	-314 930					
Office Furniture & Fixings/Equipment	-	-	-	5 000	-	-	-	141 568	431 935	-431 935					
TOTAL EXPENDITURE	18 384 639	1 004 356	990 001	1 459 579	1 221 572	1 002 533	1 008 953	1 329 539	8 256 533	10 128 307	49%				

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY SOC LTD

SUMMARY BUDGET STATEMENT

SECOND QUARTER- JANUARY 2017

2016/17

Source	Budgeted	Actual	% Received/Spent	Reason for Variance
BCMM Op Grant	18 115 739.00	11 918 249.21	66%	Received 1st, 2nd and 3rd tranche of the operational grant for the 1st, 2nd and 3rd quarter.
Interest	68 900.00	114 332.77	166%	More interest is received than anticipated.
Agency Fees	200 000.00	98 684.21	49%	The business plan has been approved in December and procurement has commenced. An amount of R 112 500 got transferred to the primary bank account as project management fees.
	18 384 639.00	12 131 266.19	66%	

Operational Expenditure	Budgeted	Actual	% Received/Spent	Reason for Variance
General Expenses	6 159 304.00	2 568 062.19	42%	The spending is below the acceptable norm of 58.33% as the major components of general expenditure have not been expended on as expected due to procurement processes being underway (e.g consultation) There are however some items that we've spent on that were not necessarily budgeted for. Utilities monthly cost could not be estimated at the time of budget compilation. The spending will increase toward the end of the quarter.
Assets		851 065.64	#DIV/0!	The capital expenditure was not budgeted for due to internal reasons.
Employee Related Cost	12 225 335.00	4 837 404.70	40%	The spending is below an acceptable norm of 58.33% by the end January 2017. The vacancies have been filled and two incumbents have started in January 2017 and the other two in February 2017
Total Expenditure	18 384 639.00	7 256 532.53	45%	
Net Surplus/(Deficit)		3 874 073.66		

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY SOC LTD**SUMMARY CASH AND CASH EQUIVALENTS****SECOND QUARTER- JANUARY 2017****2016/17****Working Capital**

Description	Amount
Cash and Investments Available	7 009 839,53
Cash and cash equivalents at beginning of month (All Accounts)	2 580 878,14
Operational Grant	4 528 934,70
GMC Grant	583 445,31
Tender Document Fees	1 200,00
Interest Received (All Accounts)	15 438,41
Payments Made	700 057,03
Bank Charges (All Accounts)	691,06
Suppliers and Recruitment Costs	104 210,85
Salaries,Wages,Allowances and Benefits	583 829,03
Staff Claims	11 326,09
Total cash and Investments available	7 009 839,53

Payables at end of January 2017**-1 772 434,78**