

**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-025-17

Mr A Sihlahla  
City Manager  
Buffalo City Metropolitan Municipality  
East London  
5201

Dear Mr Sihlahla

**BCMDA MONTHLY PERFORMANCE REPORT – MAY 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 May 2017.

Kind Regards

**MR GCINUMZI QOTYWA**  
**CHIEF EXECUTIVE OFFICER**

DATE: 09/06/2017

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BCMDA-FMR-022-17

## 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 May 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

Date

09/06/2017



Ref: BCMDA-SUB-043-17

Enquires: V Ntsodo

Tel: 043 101 0161

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

### **1. PURPOSE**

The purpose of this report is to present to the City Manager the monthly budget statement of the Buffalo City Metropolitan Development Agency (BCMDA) for the month ended 31 May 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 of the parent municipality, 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 CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – MAY 2017**

**5. EXECUTIVE SUMMARY ON THE IMPLEMENTATION OF THE BUDGET AND THE FINANCIAL STATE OF AFFAIRS OF THE AGENCY FOR THE PERIOD ENDING 31 MAY 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	19 058 419	Bank Balance	2 355 242
Expenditure	13 483 222	Call investments	3 185 264
Operating Surplus	5 575 197	Cash and cash equivalents	5 540 506
Capital Expenditure	1 976 192	Account Payables	(662 000)
Surplus after capital expenditure	3 599 005	Unspent conditional grants	(1 788 334)
		BCDA Closing balance	(1 681 517)
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	3 599 005	Total Staff Compliment	16
YTD Grants and subsidies	20 339 423	Staff Appointments	0
% Creditors paid within term	100%	Staff Terminations	1
Current ratio	3.13:1	Number of funded vacant posts	2
		Salary bill – Officials	8 769 293
		Workforce costs as a % of expenditure	59%

**5.2. Liquidity position**

BCMDA's liquidity is considered sound as the current ratio is 3.13:1, which indicates the ability of the agency's current assets to cover its current liabilities (debts). At the end of May 2017, the agency had no debtors other than anticipated refund from SARS

## **REPORT TO THE CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – MAY 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. As previously reported, included in the cash equivalents though is a cash balance of R1.68 million that belonged to BCDA before the establishment of the BCMDA. BCMDA has since engaged the City in so far as the expenses that were paid by BCMDA on behalf of BCDA. An invoice has been issued in this regard. A decision on how to neatly close off on BCDA's cash balance has not been communicated as yet as agreed in a meeting that was held on 22 February 2017.

### **5.3. Capital expenditure**

There has been minimal movement on capital expenditure for the month of May. This expenditure will however improve in June as the service provider appointed for the implementation of mSCOA would have billed for the work done in both April and May.

### **5.4. Expenditure on allocations received**

BCMDA has spent in total R 14.8 million (81%) to date from the grant received from its parent municipality. The expenditure at this point of the financial year is expected to be at 90.75%, which is 9% below target. The reasons are as follows:

- a) As previously reported, a service provider for the precinct plans only started working in March, with the first invoice received in April 2017. In terms of the project plan, the service provider will be paid in accordance with the agreed upon deliverables at a point in time. The agreement is that going forward the service provider will issue quarterly invoices based on the work satisfactorily performed in the quarter.
- b) GMC expenditure incurred is 26% of the allocated funding. This is below the expected expenditure pattern, due to the procurement processes the Agency needs to comply with before expenditure can be incurred. This project is anticipated that it will be concluded in December 2017 and therefore expenditure will be spent in full.
- c) Invoices for the work performed on mSCOA for the months of April and May. These will be processed during June.

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

**5.5. Cash and cash equivalents**

BCDMA's cash and cash equivalents balance at 31 May 2017 is R 5.5 million, which is made up of cash and bank account amounting to R 571 431, call investment balance of R 3 185 263.58 and unspent funds received from Department of Environmental Affairs (DEA) of R 1 788 834. These funds are all banked with First National Bank.

**5.6. Outstanding Creditors**

The agency pays its creditors within 30 days of receipt of invoice unless there are disputes. The balance of payables as at 31 May 2017 is R622 000, all of which will be paid during the month of June 2017. In addition, BCMDA's Exco took a decision to pay its suppliers fortnightly to ensure that this requirement is met at all times.

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

**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 CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY  
BUDGET STATEMENT – MAY 2017**

**Table 2: F1: Monthly Budget Statement Summary**

Buffalo City Metropolitan Development Agency SOC Ltd - Table F1 Monthly Budget Statement Summary - M11 May

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	69	199	22	185	182	0	1%	199
Transfers recognised - operational	764	18,116	18,116	-	15,891	18,116	(2)	-12%	18,116
Other own revenue	-	200	2,509	165	732	2,300	(2)	-68%	2,509
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>764</b>	<b>18,385</b>	<b>20,824</b>	<b>187</b>	<b>16,808</b>	<b>20,598</b>	<b>(3,790)</b>	<b>(0)</b>	<b>20,824</b>
Employee costs	760	12,225	9,773	987	8,769	8,958	(189)	(0)	9,773
Remuneration of Board Members	156	566	561	43	423	514	(91)	(0)	561
Depreciation and asset impairment	3	393	393	59	279	361	(82)	(0)	393
Finance charges	-	8	3	-	-	3	(3)	(0)	3
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5,192	7,336	473	4,012	6,724	(2,712)	(0)	7,336
<b>Total Expenditure</b>	<b>1,894</b>	<b>18,385</b>	<b>18,065</b>	<b>1,562</b>	<b>13,483</b>	<b>16,560</b>	<b>(3,077)</b>	<b>(0)</b>	<b>18,065</b>
<b>Surplus/(Deficit)</b>	<b>(430)</b>	<b>-</b>	<b>2,758</b>	<b>(1,375)</b>	<b>3,324</b>	<b>4,038</b>	<b>(714)</b>	<b>(0)</b>	<b>2,758</b>
Transfers recognised - capital	-	-	2,758	20	1,976	2,529	(552)	(0)	2,758
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(430)</b>	<b>-</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>	<b>(0)</b>	<b>5,517</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(430)</b>	<b>-</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>	<b>(0)</b>	<b>5,517</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	-	-	2,758	20	1,976	2,529	(552)	(0)	2,758
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	-	2,040	2,042		5,632				2,042
Total non current assets	52	688	2,376		1,726				2,376
Total current liabilities	482	1,287	3,053		2,479				3,053
Total non current liabilities	-	-	85		84				85
Community wealth/Equity	(430)	1,441	1,280		6,919				1,280
<b>Cash flows</b>									
Net cash from (used) operating	55	269	3,565	(1,731)	3,678	3,268	410	0	3,565
Net cash from (used) investing	(55)	-	(2,758)	(223)	(1,989)	(2,529)	539	(0)	(2,758)
Net cash from (used) financing	-	-	(508)	(3)	(300)	(466)	166	(0)	(508)
<b>Cash/cash equivalents at the year end</b>	<b>1,744</b>	<b>2,013</b>	<b>2,042</b>	<b>(1,957)</b>	<b>1,389</b>	<b>273</b>	<b>1,116</b>	<b>0</b>	<b>2,042</b>



**REPORT TO THE CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – MAY 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) - M11 May

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
<b>R thousands</b>									
<b>Revenue By Source</b>									
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 - as term investments	--	69	100	22	165	182	3	1.4%	190
Interest earned - outstanding debtors	--	--	--	--	--	--	--	--	--
Dividends received	--	--	--	--	--	--	--	--	--
Fines	--	--	--	--	--	--	--	--	--
Licences and permits	--	--	--	--	--	--	--	--	--
Agency services	--	200	375	--	60	344	(245)	-71.3%	375
Transfers recognised - operational	784	10,116	10,116	--	15,091	10,116	(2,225)	-12.3%	10,116
Other revenue	--	--	2,134	165	633	1,956	(1,323)	-67.0%	2,134
Gains on disposal of PPE	--	--	--	--	--	--	--	--	--
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>784</b>	<b>10,385</b>	<b>20,624</b>	<b>167</b>	<b>16,809</b>	<b>20,596</b>	<b>(3,787)</b>	<b>-18.4%</b>	<b>20,624</b>
<b>Expenditure By Type</b>									
Employee related costs	760	12,225	9,773	987	8,708	8,958	(189)	-2.1%	8,773
Remuneration of Directors	156	566	561	43	423	514	(91)	-17.0%	561
Debt impairment	--	--	--	--	--	--	--	--	--
Depreciation & asset impairment	3	393	393	59	270	361	(82)	-22.7%	393
Finance charges	--	8	3	--	--	3	(3)	-100.0%	3
Bulk purchases	--	--	--	--	--	--	--	--	--
Other materials	--	--	--	--	--	--	--	--	--
Contracted services	--	--	--	--	--	--	--	--	--
Transfers and grants	--	--	--	--	--	--	--	--	--
Other expenditure	276	5,182	7,336	473	4,012	6,724	(2,712)	-40.3%	7,336
Loss on disposal of PPE	--	--	--	--	--	--	--	--	--
<b>Total Expenditure</b>	<b>1,194</b>	<b>18,385</b>	<b>18,065</b>	<b>1,562</b>	<b>13,483</b>	<b>16,986</b>	<b>(3,077)</b>	<b>-18.0%</b>	<b>18,065</b>
<b>Surplus/(Deficit)</b>									
Transfers recognised - capital	--	--	2,758	(1,375)	3,324	4,038	(714)	-17.7%	2,758
Contributions recognised - capital	--	--	--	--	1,976	2,529	(532)	-21.8%	2,758
Contributed assets	--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) before taxation</b>	<b>(430)</b>	<b>--</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>	<b>-19.3%</b>	<b>5,517</b>
Taxation	--	--	--	--	--	--	--	--	--
<b>Surplus/(Deficit) for the year</b>	<b>(430)</b>	<b>--</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>		<b>5,517</b>

**6.2.1. Revenue by Source**

- The interest received is related to frequent investment of surplus funds and always maintaining a positive bank balance on the primary bank account. Other revenue is in relation to what has been recognised as revenue pertaining to the DEA unspent grant.

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

- Transfer recognised relates to the operational grant received from the municipality for all four tranches excluding VAT.

### **6.2.2. Expenditure by Type**

- The expenditure on employee related costs is currently at 90%, which is slightly below the expected 92%. The reason is mainly due to a resignation of one of the employees in April 2017. The recruitment process fill the vacancy has however been concluded and the new employee is expected to commence duty in July 2017.
- The Board expenditure has improved due to Board and sub-committee sittings continuously taking place as planned. It is currently at 75%, and this will increase as there are committee meetings and a Board meeting that will be taking place in June 2017.
- Procurement processes for the precinct plans which is one of the biggest components of general expenditure have been concluded and the actually work is currently in progress and the expenditure is minimally incurred due to late start of the project.
- The expenditure on Greenest Municipality Competition (GMC) grant is below what was anticipated to be spent by end of May 2017 due to competitive procurement which led to goods and services being procured at a lower cost than what was budget for.
- The parent municipality has supplied the agency with skip bins and containers for the furtherance of the GMC project and that has led to minimal expenditure being incurred as the said items were included on the budget.
- The agency will therefore propose to the funder to extend contracts of participants beyond the six months' period to avoid revenue reverting back to DEA.

### **6.3. Monthly Budget Statement – Financial Position**

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

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

**Table 4: F4: Monthly Budget Statement – Financial Position**

Buffalo City Metropolitan Development Agency SOC Ltd - Table F4 Monthly Budget Statement - Financial Position - M11 May

Vote Description	2015/16	Current Year 2016/17			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	-	644	644	2,355	644
Call investment deposits	-	1,369	1,398	3,165	1,398
Consumer debtors	-	-	-	-	-
Other debtors	-	27	-	92	-
Current portion of long-term receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<b>Total current assets</b>	-	<b>2,040</b>	<b>2,042</b>	<b>5,632</b>	<b>2,042</b>
<b>Non current assets</b>					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	44	220	489	469	489
Agricultural	-	-	-	-	-
Biological	-	-	-	-	-
Intangible	9	469	1,887	1,257	1,887
Other non-current assets	-	-	-	-	-
<b>Total non current assets</b>	<b>52</b>	<b>689</b>	<b>2,376</b>	<b>1,726</b>	<b>2,376</b>
<b>TOTAL ASSETS</b>	<b>52</b>	<b>2,729</b>	<b>4,418</b>	<b>7,358</b>	<b>4,418</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	0	-	-	-	-
Borrowing	93	-	575	33	575
Consumer deposits	-	100	-	-	-
Trade and other payables	389	1,187	2,478	2,446	2,478
Provisions	-	-	-	-	-
<b>Total current liabilities</b>	<b>482</b>	<b>1,287</b>	<b>3,053</b>	<b>2,479</b>	<b>3,053</b>
<b>Non current liabilities</b>					
Borrowing	-	-	85	84	85
Provisions	-	-	-	-	-
<b>Total non current liabilities</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>84</b>	<b>85</b>
<b>TOTAL LIABILITIES</b>	<b>482</b>	<b>1,287</b>	<b>3,138</b>	<b>2,563</b>	<b>3,138</b>
<b>NET ASSETS</b>	<b>(430)</b>	<b>1,441</b>	<b>1,280</b>	<b>4,795</b>	<b>1,280</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	(430)	1,441	1,280	6,519	1,280
Reserves	-	-	-	-	-
Share capital	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>(430)</b>	<b>1,441</b>	<b>1,280</b>	<b>6,519</b>	<b>1,280</b>

**REPORT TO THE CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – MAY 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 is currently being subjected to audit.
- 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, statutory obligations (e.g provident fund, SARS tax) and unspent GMC grant of R 1 788 334.

**6.4. Monthly Budget Statement – Cash Flows**

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

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

**Buffalo City Metropolitan Development Agency SOC Ltd - Table F5 Monthly Budget Statement - Cash Flows - M10 April**

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
<b>R thousands</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	-	200	2 509	-	2 454	2 091	363	17.4%	2 509
Government - operating	764	18 116	18 116	4 529	18 116	15 096	3 019	20.0%	18 116
Government - capital	-	-	-	-	-	-	-	-	-
Interest	-	69	199	20	179	166	13	8.1%	199
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(709)	(18 108)	(17 256)	(586)	(11 974)	(14 380)	2 406	-18.7%	(17 256)
Finance charges	-	(8)	(3)	-	(0)	(3)	2	-100.0%	(3)
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	(237)	(407)	-	(407)	#DIV/0!	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>55</b>	<b>269</b>	<b>3 565</b>	<b>3 326</b>	<b>6 367</b>	<b>2 871</b>	<b>1 395</b>	<b>47.8%</b>	<b>3 565</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(55)	-	(2 758)	-	(1 766)	(2 299)	532	-23.2%	(2 758)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(55)</b>	<b>-</b>	<b>(2 758)</b>	<b>-</b>	<b>(1 766)</b>	<b>(2 299)</b>	<b>(532)</b>	<b>23.2%</b>	<b>(2 758)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	-	-	(508)	(3)	(296)	(423)	127	-30.0%	(508)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>(508)</b>	<b>(3)</b>	<b>(296)</b>	<b>(423)</b>	<b>(127)</b>	<b>38.0%</b>	<b>(508)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(8)</b>	<b>269</b>	<b>298</b>	<b>3 322</b>	<b>6 395</b>	<b>248</b>	<b>6 856</b>	<b>2437.3%</b>	<b>298</b>
Cash/cash equivalents at the year begin:	1 744	1 744	1 744	-	-	-	-	-	1 744
Cash/cash equivalents at the year end:	1 744	2 013	2 042	3 322	6 305	248	6 056	2437.3%	2 042

An amount of cash inflow for the period under review amounted to R 4 548 504 with the cash outflow of R 1 222 964. 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 - M10 April**

Detail	BT 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
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Water	1100	-	-	-	-	-	-	-	-	-	-	-
Trade 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 Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1818	-	-	-	-	-	-	-	-	-	-	-
Receivable uncollected, regular or bulk and wastel Expenditure	1820	-	-	-	48	43	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Debtors Age Analysis By Customer Group</b>												
Organic of Rate	2200	-	-	-	-	-	-	-	-	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	-	-	48	43	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48</b>	<b>43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92</b>	<b>-</b>

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

The ageing debtor relates to SARS VAT refund which is still not received from SARS as they are currently conducting an audit.

**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 - M10 April

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
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	283	-	-	-	-	-	-	-	283
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	88	-	-	-	-	-	-	-	88
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	162	-	-	-	-	-	-	-	162
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	1	-	-	-	-	-	-	-	1
<b>Total By Customer Type</b>	<b>2600</b>	<b>533</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534</b>

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.

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

**6.7. Capital Expenditure**

The table below is an overview of the capital expenditure incurred by the agency

6.7.1. The Agency has managed during its adjustments budget process to reprioritize its needs in order to cater for the capital expenditure as it was initially not budgeted for.

6.7.2. The incurred capital expenditure for the month under review amounts to R 190 965 and is in relation to website hosting for the month and for mSCOA implementation (data migration, trial balance conversion, budget conversion assistance etc.).

**7. BCMDA Challenges**

7.1. Reprioritisation of the agency service delivery related needs in order to cater for mSCOA implementation.

7.2. Output VAT which has to be paid to SARS upon receipt of the operational grant which subsequently reduces the funds available for expenditure of the Agency.

**8. RECOMMENDATION**

8.1. It is recommended that the City Manager considers and notes this report for further consideration.



**GB QOTYWA**

**CHIEF EXECUTIVE OFFICER**

**DATE: 09/06/2017**

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Buffalo City Metropolitan Development Agency SOC Ltd - Table F1 Monthly Budget Statement Summary - M11 May

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
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Investment revenue	-	69	199	22	185	182	0	1%	199
Transfers recognised - operational	764	18,116	18,116	-	15,891	18,116	(2)	-12%	18,116
Other own revenue	-	200	2,509	165	732	2,300	(2)	-68%	2,509
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>764</b>	<b>18,385</b>	<b>20,824</b>	<b>187</b>	<b>16,808</b>	<b>20,588</b>	<b>(3,780)</b>	<b>(8)</b>	<b>20,824</b>
Employee costs	760	12,225	9,773	987	8,769	8,958	(189)	(0)	9,773
Remuneration of Board Members	156	566	561	43	423	514	(91)	(0)	561
Depreciation and asset impairment	3	393	393	59	279	361	(82)	(0)	393
Finance charges	-	8	3	-	-	3	(3)	(0)	3
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5,192	7,336	473	4,012	6,724	(2,712)	(0)	7,336
<b>Total Expenditure</b>	<b>1,194</b>	<b>18,385</b>	<b>18,865</b>	<b>1,562</b>	<b>13,483</b>	<b>18,560</b>	<b>(3,077)</b>	<b>(8)</b>	<b>18,865</b>
<b>Surplus/(Deficit)</b>	<b>(430)</b>	<b>-</b>	<b>2,758</b>	<b>(1,375)</b>	<b>3,324</b>	<b>4,830</b>	<b>(714)</b>	<b>(0)</b>	<b>2,758</b>
Transfers recognised - capital	-	-	2,758	20	1,976	2,529	(552)	(0)	2,758
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(430)</b>	<b>-</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>	<b>(0)</b>	<b>5,517</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>(430)</b>	<b>-</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>	<b>(0)</b>	<b>5,517</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	-	-	2,758	20	1,976	2,529	(552)	(0)	2,758
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial position</b>									
Total current assets	-	2,040	2,042		5,632				2,042
Total non current assets	52	688	2,376		1,726				2,376
Total current liabilities	482	1,287	3,053		2,479				3,053
Total non current liabilities	-	-	85		84				85
Community wealth/Equity	(430)	1,441	1,280		6,519				1,280
<b>Cash flows</b>									
Net cash from (used) operating	55	269	3,565	(1,731)	3,678	3,268	410	0	3,565
Net cash from (used) investing	(55)	-	(2,758)	(223)	(1,969)	(2,529)	539	(0)	(2,758)
Net cash from (used) financing	-	-	(508)	(3)	(300)	(466)	166	(0)	(508)
<b>Cash/cash equivalents at the year end</b>	<b>1,744</b>	<b>2,013</b>	<b>2,042</b>	<b>(1,957)</b>	<b>1,389</b>	<b>273</b>	<b>1,116</b>	<b>0</b>	<b>2,042</b>

Buffalo City Metropolitan Development Agency SOC Ltd - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May

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 %	
<b>R thousands</b>									
<b>Revenue By Source</b>									
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	199	22	185	182	3	14%	199
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	200	375	-	99	344	(245)	-71.3%	375
Transfers recognised - operational	764	18,116	18,116	-	15,891	18,116	(2,225)	-12.3%	18,116
Other revenue	-	-	2,134	165	633	1,555	(1,323)	-67.6%	2,134
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>764</b>	<b>18,385</b>	<b>20,824</b>	<b>187</b>	<b>18,808</b>	<b>20,588</b>	<b>(3,790)</b>	<b>-18.4%</b>	<b>20,824</b>
<b>Expenditure By Type</b>									
Employee related costs	760	12,225	9,773	987	8,769	8,958	(189)	-2.1%	9,773
Remuneration of Directors	155	566	561	43	423	514	(91)	-17.8%	561
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	3	393	393	59	279	361	(82)	-22.7%	393
Finance charges	-	8	3	-	-	3	(3)	-100.0%	3
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	276	5,182	7,336	473	4,012	6,724	(2,712)	-40.3%	7,336
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>1,194</b>	<b>18,385</b>	<b>18,065</b>	<b>1,582</b>	<b>13,483</b>	<b>16,560</b>	<b>(3,077)</b>	<b>-18.8%</b>	<b>18,065</b>
<b>Surplus/(Deficit)</b>	<b>(430)</b>	<b>-</b>	<b>2,758</b>	<b>(1,375)</b>	<b>3,324</b>	<b>4,038</b>	<b>(714)</b>	<b>-17.7%</b>	<b>2,758</b>
Transfers recognised - capital	-	-	2,758	20	1,976	2,529	(553)	-21.8%	2,758
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>	<b>(430)</b>	<b>-</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>	<b>-19.3%</b>	<b>5,517</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(430)</b>	<b>-</b>	<b>5,517</b>	<b>(1,355)</b>	<b>5,301</b>	<b>6,567</b>	<b>(1,266)</b>		<b>5,517</b>



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
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	-	644	644	2,355	644
Call investment deposits	-	1,369	1,390	3,185	1,398
Consumer debtors	-	-	-	-	-
Other debtors	-	27	-	82	-
Current portion of long-term receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<b>Total current assets</b>	-	<b>2,040</b>	<b>2,042</b>	<b>5,632</b>	<b>2,042</b>
<b>Non current assets</b>					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	44	220	489	469	489
Agricultural	-	-	-	-	-
Biological	-	-	-	-	-
Intangible	9	469	1,867	1,257	1,887
Other non-current assets	-	-	-	-	-
<b>Total non current assets</b>	<b>52</b>	<b>688</b>	<b>2,376</b>	<b>1,726</b>	<b>2,376</b>
<b>TOTAL ASSETS</b>	<b>52</b>	<b>2,728</b>	<b>4,418</b>	<b>7,358</b>	<b>4,418</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	0	-	-	-	-
Borrowing	83	-	575	33	575
Consumer deposits	-	100	-	-	-
Trade and other payables	389	1,187	2,478	2,446	2,478
Provisions	-	-	-	-	-
<b>Total current liabilities</b>	<b>482</b>	<b>1,287</b>	<b>3,053</b>	<b>2,479</b>	<b>3,053</b>
<b>Non current liabilities</b>					
Borrowing	-	-	85	84	85
Provisions	-	-	-	-	-
<b>Total non current liabilities</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>84</b>	<b>85</b>
<b>TOTAL LIABILITIES</b>	<b>482</b>	<b>1,287</b>	<b>3,138</b>	<b>2,563</b>	<b>3,138</b>
<b>NET ASSETS</b>	<b>(430)</b>	<b>1,441</b>	<b>1,280</b>	<b>4,795</b>	<b>1,280</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	(430)	1,441	1,280	6,519	1,280
Reserves	-	-	-	-	-
Share capital	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>(430)</b>	<b>1,441</b>	<b>1,280</b>	<b>6,519</b>	<b>1,280</b>

Buffalo City Metropolitan Development Agency SOC Ltd - Table F5 Monthly Budget Statement - Cash Flows - M11 May

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									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	-	200	2,509	23	2,499	2,300	200	8.7%	2,509
Government - operating	764	18,118	18,118	-	13,587	16,605	(3,019)	-18.2%	18,116
Government - capital	-	-	-	-	-	-	-	-	-
Interest	-	69	199	31	190	182	8	4.3%	199
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(709)	(18,108)	(17,256)	(1,519)	(11,974)	(15,816)	3,844	-24.3%	(17,256)
Finance charges	-	(8)	(3)	-	(8)	(3)	3	-100.0%	(3)
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	(165)	(624)	-	(624)	#DIV/0!	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>55</b>	<b>269</b>	<b>3,565</b>	<b>(1,731)</b>	<b>3,678</b>	<b>3,288</b>	<b>(6,034)</b>	<b>-164.7%</b>	<b>3,989</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(55)	-	(2,758)	(223)	(1,989)	(2,529)	539	-21.3%	(2,758)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(55)</b>	<b>-</b>	<b>(2,758)</b>	<b>(223)</b>	<b>(1,989)</b>	<b>(2,529)</b>	<b>(538)</b>	<b>21.3%</b>	<b>(2,758)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term financing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Repayment of borrowing	-	-	(508)	(3)	(300)	(466)	166	-35.7%	(508)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>(508)</b>	<b>(3)</b>	<b>(300)</b>	<b>(466)</b>	<b>(166)</b>	<b>35.7%</b>	<b>(508)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(8)</b>	<b>269</b>	<b>298</b>	<b>(1,957)</b>	<b>1,389</b>	<b>273</b>	<b>1,118</b>	<b>408.2%</b>	<b>298</b>
Cash/cash equivalents at the year begin	1,744	1,744	1,744	-	-	-	-	-	1,744
Cash/cash equivalents at the year end	1,744	2,013	2,042	(1,957)	1,389	273	1,116	408.2%	2,042

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F1 Entity Material variance explanation - M11 May

R thousands Description	Variance	Reasons for material deviations	Remedial or corrective steps / remarks
<b>Revenue Items</b>			
Agency Fees	(245)	The project commenced later than expected so the project management fees that have been transferred are only for the planning phase	The remainder will be expended on in the subsequent year as the project is overlapping to 2017/2018
Other Revenue	(1,323)	Late approval of the DEA grant business plan which resulted in the project commencing late than anticipated.	Extension of participants' contract beyond the current financial year.
Transfers	(2,225)	That is due to output VAT which reduced the operational grant	
<b>Expenditure Items</b>			
<b>Finance Charges</b>			
Remuneration of directors	(8)	Minimal interest is incurred that year to date budget	
Depreciation	(88)	The board term ended and there were meeting catered for in the budget whilst there was a break in their term.	The board got appointed and meetings are taking place as planned and the expenditure is accordingly increasing
Other Expenditure	(108)	The institution bought few capital assets	
Other Expenditure	(2,607)	Biggest components of expenditure are being expended on minimally	Designs are underway payment of which will increase other expenditure
<b>Capital Expenditure Items</b>			
N/A			
<b>Cash flow Items</b>			
<b>Transfer and Grants</b>			
Transfer and Grants	363	Expenditure is incurred minimally as compared to what was planned	Contracts of participants will be extended
<b>Finance Charges</b>			
Finance Charges	2	Minimal interest has been incurred as compared to the budget	Contracts of participants will be extended
<b>Measurable performance</b>			
Development of the website			
Institutional Launch			
Approval of the GMC business plan			
<b>Total variance</b>			

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F2 Entity Financial and non-financial indicators - M11 May

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
<b>Borrowing Management</b>							
Borrowing to Asset Ratio	Total Long-term Borrowing/ Total Assets		0.0%	0.0%	1.9%	1.1%	1.9%
Capital Charges to Operating Expenditure	Interest & Depreciation /Operating Expenditure		0.2%	2.2%	2.2%	2.1%	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%
<b>Safety of Capital</b>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		(112.1%)	89.3%	245.2%	39.3%	245.2%
Gearing	Long Term Borrowing/ Funds & Reserves						
<b>Liquidity</b>							
Current Ratio	Current assets/current liabilities		0.0%	158.5%	66.9%	227.2%	66.9%
Current Ratio adjusted for debtors	Current assets/current liabilities less debtors > 90 days		0.0%	158.5%	66.9%	227.2%	66.9%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	156.3%	66.9%	223.5%	66.9%
<b>Revenue Management</b>							
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%	0.5%	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%
<b>Creditors Management</b>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					100.0%	
<b>Funding of Provisions</b>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Other Indicators</b>							
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%	46.9%	52.2%	46.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Deprecation	I&D/Total Revenue - capital revenue		0.4%	2.2%	1.9%	1.7%	1.9%
<b>Financial viability Indicators</b>							
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 a water entity

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F3 Entity Aged debtors - M11 May

Detail	MT Code	Current Year 2016/17								Total	Bad Debt	+90 days
		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			
<b>R Residuals</b>												
<b>Debtors Age Analysis By Income Source</b>												
Trade and Other Receivables from Exchange Transactions - Water	1100	-	-	-	-	-	-	-	-	-	-	-
Trade 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 - Property Rents	1600	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rents Debtors arrested on Arrear Debtor Accounts	1700	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rents Debtors arrested on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised repairs or fuelless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	48	43	-	-	-	-	-
<b>Total By Income Source</b>	<b>3988</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Debtors Age Analysis By Customer Group</b>												
Deposits of State	2100	-	-	-	-	-	-	-	-	-	-	-
Commercial	2200	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	-	-	-	48	43	-	-	-	-	-
<b>Total By Customer Group</b>	<b>3988</b>	-	-	-	-	-	-	-	-	-	-	-







Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F6 Entity Board member allowances & staff benefits - M11 May

Summary of Employee and Board Member remuneration	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	A	B	C					%	D
<b>Remuneration</b>									
<b>Board Members of Entities</b>									
Basic Salaries	-	-	-	-	-	-	-	-	-
Pension Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
In-kind benefits	-	-	-	-	-	-	-	-	-
Board Fees	-	-	-	-	-	-	-	-	-
<b>Sub Total - Board Members of Entities</b>	-	566	561	43	423	467	(45)	-9.5%	561
<b>% Increase</b>		#DIV/0!	#DIV/0!				(45)	-9.5%	561
<b>Senior Managers of Entities</b>									#DIV/0!
Basic Salaries	-	5,580	4,801	400	4,058	4,401	(4,401)	100.0%	4,801
Pension Contributions	-	-	475	40	356	435	(80)	18.3%	475
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	74	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Other benefits or allowances	-	-	60	5	46	55	#REF!	#REF!	60
Performance Bonus	-	135	-	-	-	-	46	#DIV/0!	-
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Entities</b>	-	5,790	5,335	444	4,460	4,891	(431)	-8.8%	5,335
<b>% Increase</b>		#DIV/0!	#DIV/0!				(431)	-8.8%	5,335
<b>Other Staff of Entities</b>									#DIV/0!
Basic Salaries	-	6,322	3,984	458	3,704	3,652	52	1.4%	3,984
Pension Contributions	-	-	386	46	404	354	50	14.1%	386
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	-	-	-	-	-	-
Cell phone allowance	-	91	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	22	-	-	-	-	-	-	-
Other benefits or allowances	-	-	67	7	52	61	#REF!	#REF!	67
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Staff of Entities</b>	-	6,435	4,437	511	4,160	4,068	93	2.3%	4,437
<b>% Increase</b>		#DIV/0!	#DIV/0!				93	2.3%	4,437
<b>Total Municipal Entities remuneration</b>	-	12,791	10,333	998	9,043	9,426	(382)	-4.1%	10,333
<b>Unpaid salary, allowances &amp; benefits in arrears</b>	-	-	-	85	-	-	-	-	-

Buffalo City Metropolitan Development Agency SOC Ltd - Supporting Table F7 Entity monthly actuals & revised targets - M11 May

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	Budget Year +1 2017/18	Budget Year +2 2018/19	
	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	
<b>Revenue By Source</b>																
Service charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue	3,982	23	17	3,985	28	19	4,086	27	18	4,573	187	(16,947)	-	-	-	-
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>3,982</b>	<b>23</b>	<b>17</b>	<b>3,985</b>	<b>28</b>	<b>19</b>	<b>4,086</b>	<b>27</b>	<b>18</b>	<b>4,573</b>	<b>187</b>	<b>(16,947)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditure By Type</b>																
Employee related costs	560	590	734	789	784	519	975	947	949	1,948	987	(9,789)	-	-	-	-
Remuneration of Board Members	-	63	-	36	88	-	-	53	128	33	43	-	-	-	-	-
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	4	6	13	18	18	21	22	24	43	49	59	(277)	-	-	-	-
Finance charges	0	0	-	-	-	-	0	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	173	250	457	365	531	373	256	333	373	618	14,438	-	-	-	-	-
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditure</b>	<b>747</b>	<b>908</b>	<b>1,293</b>	<b>1,187</b>	<b>1,401</b>	<b>913</b>	<b>1,153</b>	<b>1,357</b>	<b>1,483</b>	<b>1,749</b>	<b>15,678</b>	<b>(8,147)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Expenditure</b>																
Capital assets	263	2	309	7	2	92	178	42	863	181	20	(1,987)	-	-	-	-
Total capital expenditure	263	2	309	7	2	92	178	42	863	181	20	(1,987)	-	-	-	-
<b>Cash flow</b>																
Receipts and other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants	4,529	-	-	4,529	4	5	585	1,088	739	-	23	(2,384)	-	-	-	-
Interest	9	23	17	13	24	16	15	27	24	4,520	-	-	-	-	-	-
Suppliers, employees and other	(745)	(639)	(1,508)	(1,134)	(1,529)	(1,458)	(1,000)	(1,134)	(2,234)	(1,225)	(1,708)	14,719	-	-	-	-
Finance charges	0	(9)	-	-	-	-	-	-	-	-	-	0	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/USED IN OPERATING ACTIVITIES</b>	<b>3,782</b>	<b>(918)</b>	<b>(1,697)</b>	<b>3,468</b>	<b>(1,391)</b>	<b>(1,436)</b>	<b>4,429</b>	<b>(89)</b>	<b>(1,671)</b>	<b>3,328</b>	<b>(1,777)</b>	<b>12,423</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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)	(178)	(42)	(863)	(181)	(20)	(1,987)	-	-	-	-
<b>NET CASH FROM/USED IN INVESTING ACTIVITIES</b>	<b>(263)</b>	<b>(2)</b>	<b>(309)</b>	<b>(7)</b>	<b>(2)</b>	<b>(92)</b>	<b>(178)</b>	<b>(42)</b>	<b>(863)</b>	<b>(181)</b>	<b>(20)</b>	<b>(1,987)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Borrowing long term/finance/short term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits	(39)	(39)	(39)	(39)	(69)	(42)	(62)	(62)	(36)	(36)	(9)	300	-	-	-	-
<b>NET CASH FROM/USED IN FINANCING ACTIVITIES</b>	<b>(39)</b>	<b>(39)</b>	<b>(39)</b>	<b>(39)</b>	<b>(69)</b>	<b>(42)</b>	<b>(62)</b>	<b>(62)</b>	<b>(36)</b>	<b>(36)</b>	<b>(9)</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>3,480</b>	<b>(957)</b>	<b>(2,035)</b>	<b>3,362</b>	<b>(1,351)</b>	<b>(1,571)</b>	<b>4,429</b>	<b>(347)</b>	<b>(2,462)</b>	<b>3,322</b>	<b>(1,803)</b>	<b>14,847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



- Supporting Table F8c Entity expenditure on repairs and maintenance by asset class - M11 May

Description	2015/16	Current Year 2016/17			Current Year 2016/17		YTD variance	YTD variance %	2015/16
	Actual	Original Budget	Revised Budget	Money available	YearTD actual	YTD Budget			
<b>All Resources</b>	-	-	-	-	-	-	-	-	-
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>									
Infrastructure - Road transport	-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges	-	-	-	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	-	-	-	-	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reception	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Retreatment	-	-	-	-	-	-	-	-	-
Infrastructure - Sewerage	-	-	-	-	-	-	-	-	-
Retreatment	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	-	-	-	-	-	-	-
Waste Management	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>									
Parks & grounds	-	-	-	-	-	-	-	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Cinemas	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Coroners	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>For Sale Assets</b>									
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment Properties</b>									
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other Assets</b>									
General vehicles	-	-	22	-	5	20	15	73.1%	22
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	10	-	0	9	5	90.2%	10
Furniture and other office equipment	-	-	12	-	6	11	5	51.5%	12
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>									
List sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>									
List sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>									
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	-	-	22	-	5	20	15	73.1%	22



**SUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY SOC LTD**

**SUMMARY BUDGET STATEMENT**

FOURTH QUARTER, MAY 2017

2016/17

Category	Budget	Approved Budget	Actual YTD	% Approved/Actual	Reason for Variance
Income					
Income From Grant	18,111,739.00	18,111,739.00	18,111,807.24	100%	
Interest	44,900.00	179,091.00	171,977.14	96%	
Tender Fees		9,948.00	9,247.81	100%	
Agency Fees	200,000.00	975,000.00	98,684.21	26%	The business plan was approved later than anticipated in December 2017 and the project will therefore overlap to 2017/2018. An amount of R 112 500 (R 20004.21 VAT exclusive) got transferred to the primary bank account as project commencement fees.
Grant DEA		2,125,000.00	624,022.24	29%	The business plan was approved later than anticipated in December 2017 which led to minimal expenditure being incurred in the current year and the project will therefore proceed in 2017/2018.
	18,356,639.00	19,295,778.00	18,915,696.40	93%	
Operational Expenditure	18,384,439.00	13,041,411.00	11,463,222.07	73%	
General Expenses	6,132,864.00	2,232,916.00	4,711,928.99	57%	The spending is below the acceptable norm of 81.67% as the major components of general expenditure have not been expended as anticipated due to procurement processes being underway as a result of late appointment of consultants and approval of the DEA business plan (in consultation).
Employee Related Cost	12,251,575.00	2,772,516.00	6,750,293.12	90%	The spending is below an acceptable norm of 91.67% by the end April 2017. All vacancies have now been filled and expenditure has increased as compared to the previous months. The air two resignations for the quarter under review and that has affected the spending pattern.
Capital Expenditure		2,736,378.00	1,976,192.96	72%	
Assets		2,736,378.00	1,976,192.96	72%	Major expenditure relates to mSCOA software.
Total Expenditure	18,384,439.00	13,041,411.00	11,463,222.07	73%	
Net Surplus/(Deficit)		6,254,367.00	7,452,474.33		



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

<b>Description</b>	<b>Amount</b>
Cash and Investments Available	5,540,505.80
Cash and cash equivalents at beginning of month (All Accounts)	7,497,517.50
Insurance Proceeds	22,706.29
Interest Received (All Accounts)	30,537.59
<b>Payments Made</b>	<b>2,010,255.58</b>
Bank Charges (All Accounts)	795.85
Suppliers and Recruitment Costs	426,139.15
SARS - Tax and VAT	668,267.45
Salaries, Wages, Allowances and Benefits	904,889.52
Staff Claims	10,163.61
<b>Total cash and investments available</b>	<b>5,540,505.80</b>