

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

A Investment Centre, East London IDZ,
Lower Chester Road, Sunnyridge,
East London, 5241
Eastern Cape, South Africa

E info@bcmda.org.za | T +27 (0) 43 101 0160
www.bcmda.org.za



BCMDA
BUFFALO CITY METROPOLITAN
DEVELOPMENT AGENCY

Enquires: 043 101 0161

Email: vicky@bcmda.org.za

BCMDA-FMR-030-17

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

Dear Mr Sihlahla

BCMDA MONTHLY PERFORMANCE REPORT – JULY 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 July 2017.

Kind Regards


MR GENHUMZI QOTYWA
CHIEF EXECUTIVE OFFICER

DATE: 10/08/2017



Ref: BCMDA-SUB-057-17

Enquires: V Ntsodo

Tel: 043 101 0161

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

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

5.1. Dashboard/Performance Summary

BCMDA hereby presents its' 2017/18 budget and performance assessment report to the City Manager. Below is the high-level summary of the performance of the agency.

Table 1: Performance Summary

OVERALL OPERATING RESULTS		CASH MANAGEMENT	
Income	5 230 877	Bank Balance	831 235
Expenditure	1 595 639	Call investments	5 604 170
Operating Surplus	3 635 238	Cash and cash equivalents	3 348 271
Capital Expenditure	0.00	Account Payables	(586 568)
Surplus after capital expenditure	3 635 238	Unspent conditional grants	(1 354 012)
		BCDA Closing balance	(1 681 517)
FINANCIAL		HUMAN RESOURCES	
Operating Surplus for the period	3 635 238	Total Staff Compliment	17
YTD Grants and subsidies	5 219 126	Staff Appointments	0
% Creditors paid within term	100%	Staff Terminations	0
Current ratio	2:26:1	Number of funded vacant posts	1
		Salary bill – Officials	1 325 550
		Workforce costs as a % of expenditure	44.48%

5.2. Liquidity position

BCMDA's liquidity is considered sound as the current ratio is 2:26:1, which indicates the ability of the agency's current assets to cover its current liabilities (debts). Its current assets comprise mainly of cash and cash equivalents. As previously reported, included

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

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

The agency did not incur any capital expenditure as procurement processes are underway and they have been delays in receiving invoices for recurring intangible assets.

5.4. Expenditure on allocations received

BCMDA has spent in total R 1 595 639 million (5 %) to date from the grant received from its parent municipality. The expenditure at this point of the financial year is expected to be at 8.33 %, which is 3.3% below target. With the first time implementation of mSCOA, the procurement process takes a little longer than previously, due to teething problems of the new system and staff familiarity as it involves all employees not just finance.

BCMDA has spent in total R 153 337 for the month under review from the grant received from DEA. This is below the expected expenditure pattern, due to the reasons explained below. This project is anticipated to be concluded in December 2017 and therefore expenditure will be spent in full.

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

5.5. Cash and cash equivalents

BCDMA's cash and cash equivalents balance at 31 July 2017 is R 7.7 million, which is made up of cash and bank account amounting to R 831 235, call investment balance of R 5 604 170 and unspent funds received from Department of Environmental Affairs (DEA) of R 1 354 012. 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 July 2017 is R 586 568, all of which will be paid during the month of August 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 – JULY 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.

Buffalo City Metropolitan Development Agency - Table F1 Monthly Budget Statement Summary - M01 July

Description	2016/17	Current Year 2017/18							
	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	-	238	-	12	12	20	(8)	-41%	238
Transfers recognised - operational	-	22 138	-	5 066	5 066	5 534	(468)	-8%	22 138
Other own revenue	-	10 784	-	153	153	899	(746)	-83%	10 784
Total Revenue (excluding capital transfers and contributions)	-	33 160	-	5 231	5 231	6 453	(1 222)	(0)	33 160
Employee costs	-	15 178	-	1 326	1 326	1 265	61	0	15 178
Remuneration of Board Members	-	850	-	10	10	71	(61)	(0)	850
Depreciation and asset impairment	-	471	-	69	69	39	29	0	471
Finance charges	-	2	-	-	-	0	(2)	(0)	2
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	-	16 659	-	-	-	1 368	(1 368)	(0)	16 659
Total Expenditure	-	33 160	-	1 404	1 404	2 763	(1 360)	(0)	33 160
Surplus/(Deficit)	-	0	-	3 827	3 827	3 690	138	0	0
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	962	-	-	-	80	(80)	(0)	962
Surplus/(Deficit) after capital transfers & contributions	-	962	-	3 827	3 827	3 770	57	0	962
Taxation	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	962	-	3 827	3 827	3 770	57	0	962
Capital expenditure & funds sources									
Capital expenditure	-	962	-	-	-	80	(80)	(0)	962
Transfers recognised - capital	-	962	-	-	-	80	(80)	(0)	962
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	962	-	-	-	80	(80)	(0)	962
Financial position									
Total current assets	-	3 183	-	-	8 667	-	-	-	3 183
Total non current assets	-	1 113	-	-	1 955	-	-	-	1 113
Total current liabilities	-	2 518	-	-	3 834	-	-	-	2 518
Total non current liabilities	-	1 391	-	-	89	-	-	-	-
Community wealth/Equity	-	387	-	-	6 700	-	-	-	387
Cash flows									
Net cash from (used) operating	-	2 628	-	4 546	4 546	3 170	1 376	0	(8 155)
Net cash from (used) investing	-	(962)	-	(58)	(58)	(50)	22	(0)	(962)
Net cash from (used) financing	-	(526)	-	(48)	(48)	(44)	(4)	0	(526)
Cash/cash equivalents at the year end	-	1 141	-	4 440	4 440	3 046	1 393	0	(9 643)

REPORT TO THE CITY MANAGER TO CONSIDER AND NOTE BCMDA'S MONTHLY BUDGET STATEMENT – JULY 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 - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	2016/17	Current Year 2017/18							
	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	-	-	-	-	-	-	-	-	-
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	-	238	-	12	12	20	(8)	-4.0%	238
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	3 830	-	-	-	302	(302)	-100.0%	3 830
Transfers and subsidies	-	22 138	-	5 068	5 068	5 534	(466)	-8.5%	22 138
Other revenue	-	7 154	-	153	153	596	(443)	-74.3%	7 154
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	-	33 160	-	5 231	5 231	6 453	(1 222)	-18.8%	33 160
Expenditure By Type									
Employee related costs	-	15 178	-	1 326	1 326	1 265	61	4.8%	15 178
Remuneration of Directors	-	850	-	10	10	71	(61)	-86.6%	850
Debt impairment	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	-	471	-	69	69	39	29	74.6%	471
Finance charges	-	2	-	-	-	0	(2)	-100.0%	2
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Other expenditure	-	16 659	-	-	-	1 388	(1 388)	-100.0%	16 659
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
Total Expenditure	-	33 160	-	1 404	1 404	2 763	(1 360)	-49.2%	33 160
Surplus/(Deficit)									
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	0	-	3 827	3 827	3 690	138	3.7%	0
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises)	-	-	-	-	-	-	-	-100.0%	-
Transfers and subsidies - capital (in-kind - all)	-	962	-	-	-	60	(80)	-	962
Surplus/(Deficit) before taxation	-	962	-	3 827	3 827	3 770	57	1.5%	962
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	-	962	-	3 827	3 827	3 770	57	1.5%	962

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

6.2.1. Revenue by Source

The interest received is related to 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 and a receipt of an operational grant.

6.2.2. Expenditure by Type

- The expenditure on employee related costs is currently at 8%, which is within the expected norm of 8.3% due to a company secretary being paid a pro rata salary hence a short fall of 0.3% below the expected norm. All positions have now been filled.
- There have not been any Board and sub-committee sittings as they will be held in August after which the expenditure will be incurred.
- Procurement processes for the expenditure items are underway and due to mSCOA requirements they are taking some time than previously
- The expenditure on Greenest Municipality Competition (GMC) grant is below what was anticipated to be spent by end of June 2017 due to competitive procurement which led to goods and services being procured at a lower cost than what was budgeted for hence the contracts of participants have been extended until December 2017.
- 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.

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 – JULY 2017

Table 4: F4: Monthly Budget Statement – Financial Position

Buffalo City Metropolitan Development Agency - Table F4 Monthly Budget Statement - Financial Position - M01 July

Vote Description	2016/17	Current Year 2017/18			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	-	713	-	2 185	713
Call investment deposits	-	2 469	-	5 604	2 469
Consumer debtors	-	-	-	-	-
Other debtors	-	-	-	878	-
Current portion of long-term receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Total current assets	-	3 183	-	8 667	3 183
Non current assets					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	-	485	-	463	485
Agricultural	-	-	-	-	-
Biological	-	-	-	-	-
Intangible	-	628	-	1 493	628
Other non-current assets	-	-	-	-	-
Total non current assets	-	1 113	-	1 955	1 113
TOTAL ASSETS	-	4 296	-	10 622	4 296
LIABILITIES					
Current liabilities					
Bank overdraft	-	-	-	-	-
Borrowing	-	526	-	539	526
Consumer deposits	-	-	-	-	-
Trade and other payables	-	1 000	-	3 295	1 000
Provisions	-	992	-	-	992
Total current liabilities	-	2 518	-	3 834	2 518
Non current liabilities					
Borrowing	-	1 391	-	89	-
Provisions	-	-	-	-	-
Total non current liabilities	-	1 391	-	89	-
TOTAL LIABILITIES	-	3 909	-	3 923	2 518
NET ASSETS	-	387	-	6 700	1 778
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	-	387	-	6 700	387
Reserves	-	-	-	-	-
Share capital	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	-	387	-	6 700	387

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

6.3.1. Assets

- The Agency cash is made up of the primary bank account balance, money market account balance, petty cash on hand and what is available on the GMC Account.
- Property, Plant and Equipment and Intangible Assets consist of carrying amounts of current assets as there are no additions for the current month.

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 (provident fund) and unspent GMC grant.

6.4. Monthly Budget Statement – Cash Flows

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

Buffalo City Metropolitan Development Agency - Table F5 Monthly Budget Statement - Cash Flows - M01 July

Description	2016/17	Current Year 2017/18							
	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	-	-	-	-	-	-	-	-	-
Service charges	-	-	-	-	-	-	-	-	-
Other revenue	-	10 784	-	-	-	-	-	-	-
Government - operating	-	23 100	-	5 775	5 775	5 775	-	-	23 100
Government - capital	-	-	-	-	-	-	-	-	-
Interest	-	238	-	18	18	20	(2)	-10.1%	238
Dividends	-	-	-	-	-	-	-	-	-
Payments									
Suppliers and employees	-	(31 492)	-	(1 247)	(1 247)	(2 824)	1 378	-52.5%	(31 492)
Finance charges	-	(2)	-	-	-	(0)	0	-100.0%	(2)
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES	-	2 628	-	4 548	4 548	3 170	(1 380)	-43.5%	(8 135)
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	-	(862)	-	(58)	(58)	(80)	22	-27.7%	(862)
NET CASH FROM/(USED) INVESTING ACTIVITIES	-	(862)	-	(58)	(58)	(80)	(22)	27.7%	(862)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/re-financing	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	-	(528)	-	(48)	(48)	-43 804.11	(4)	10.3%	(528)
NET CASH FROM/(USED) FINANCING ACTIVITIES	-	(528)	-	(48)	(48)	(44)	4	-10.3%	(528)
NET INCREASE/ (DECREASE) IN CASH HELD	-	1 141	-	4 440	4 440	3 048	1 393	45.7%	(8 643)
Cash/cash equivalents at the year begin	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	-	1 141	-	4 440	4 440	3 048	1 393	45.7%	(8 643)

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

An amount of cash inflow for the period under review amounted to R 5 792 861 with the cash outflow of R 1 350 980. 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 - Supporting Table F3 Entity Aged debtors - 30/01 July

Detail	IT Code	Current Year 2017/18								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 Reversals											
Debtors Age Analysis By Income Source	1800										
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	179	-	-	-	699	-	-	-	-	-
Total By Income Source	2000	-	-	-	-	-	-	-	-	-	-
Debtors Age Analysis By Customer Group	2100										
Organs of State	2200	-	-	-	-	-	-	-	-	-	-
Commercial	2300	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-
Other	2500	179	-	-	-	699	-	-	-	878	-
Total By Customer Group	2600	179	-	-	-	699	-	-	-	878	-

The debtors are made up of amounts owed by the City for payments incurred by BCMDA on behalf of BCDA, an amount owed by GMC to the agency as the 2nd tranche of project management fees and a prepaid payment for CaseWare license fees.

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

6.6. Aged creditors

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

Buffalo City Metropolitan Development Agency - Supporting Table F4 Entity Aged creditors - M01 July

Detail	NT Code	Current Year 2017/18								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	
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	99	-	-	-	-	-	-	-	99
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	97	376	-	-	-	-	-	-	473
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	1 368	-	-	-	-	-	-	0	1 368
Total By Customer Type	2600	1 564	376	-	-	-	-	-	0	1 941

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. These creditors are made up of trade creditors, provident fund contribution and a GMC unspent grant.

6.7. Capital Expenditure

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

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

Buffalo City Metropolitan Development Agency - Supporting Table F8a Entity capital expenditure on new assets by asset class - M01 July

Description	2016/17	Current Year 2017/18							
	Approved Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	-	-	-	-	-	-	-	-	-
Roads Infrastructure	-	-	-	-	-	-	-	-	-
Roads	-	-	-	-	-	-	-	-	-
Road Structures	-	-	-	-	-	-	-	-	-
Road Furniture	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Storm water Infrastructure	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	-	-	-	-	-	-	-	-	-
Dams and Weirs	-	-	-	-	-	-	-	-	-
Boreholes	-	-	-	-	-	-	-	-	-
Reservoirs	-	-	-	-	-	-	-	-	-
Pump Stations	-	-	-	-	-	-	-	-	-
Water Treatment Works	-	-	-	-	-	-	-	-	-
Bulk Mains	-	-	-	-	-	-	-	-	-
Distribution	-	-	-	-	-	-	-	-	-
Distribution Points	-	-	-	-	-	-	-	-	-
PRV Stations	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Sanitation Infrastructure	-	-	-	-	-	-	-	-	-
Pump Station	-	-	-	-	-	-	-	-	-
Reticulation	-	-	-	-	-	-	-	-	-
Waste Water Treatment Works	-	-	-	-	-	-	-	-	-
Outfall Sewers	-	-	-	-	-	-	-	-	-
Toilet Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites	-	-	-	-	-	-	-	-	-
Waste Transfer Stations	-	-	-	-	-	-	-	-	-
Waste Processing Facilities	-	-	-	-	-	-	-	-	-
Waste Drop-off Points	-	-	-	-	-	-	-	-	-
Waste Separation Facilities	-	-	-	-	-	-	-	-	-
Electricity Generation Facilities	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines	-	-	-	-	-	-	-	-	-
Rail Structures	-	-	-	-	-	-	-	-	-
Rail Furniture	-	-	-	-	-	-	-	-	-
Drainage Collection	-	-	-	-	-	-	-	-	-
Storm water Conveyance	-	-	-	-	-	-	-	-	-
Attenuation	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Coastal Infrastructure	-	-	-	-	-	-	-	-	-
Sand Pumps	-	-	-	-	-	-	-	-	-
Piers	-	-	-	-	-	-	-	-	-
Revetments	-	-	-	-	-	-	-	-	-
Promenades	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-

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

Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-
Intangible Assets	-	853	-	-	-	71	71	100.0%	853
Services	-	-	-	-	-	-	-	-	-
Licences and Rights	-	853	-	-	-	71	71	100.0%	853
Water Rights	-	-	-	-	-	-	-	-	-
Effluent Licenses	-	-	-	-	-	-	-	-	-
Solid Waste Licenses	-	-	-	-	-	-	-	-	-
Computer Software and Applications	-	715	-	-	-	60	60	100.0%	715
Load Settlement Software Applications	-	-	-	-	-	-	-	-	-
Unspecified	-	138	-	-	-	12	12	100.0%	138
Computer Equipment	-	99	-	-	-	8	8	100.0%	99
Computer Equipment	-	99	-	-	-	8	8	100.0%	99
Furniture and Office Equipment	-	10	-	-	-	1	1	100.0%	10
Furniture and Office Equipment	-	10	-	-	-	1	1	100.0%	10
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Transport Assets	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	-	962	-	-	-	80	80	100.0%	962

7. BCMDA Challenges

7.1. 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. This has now become a reality as budgeted items not fully spent on in 2016/2017 are not supported by available funds due to Output VAT of approximately R 2.2 million paid to SARS in 2016/2017.

7.2. Non-conclusion on the treatment of amounts owed between the City and 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: 10/08/2017

BUFFALO CITY METROPOLITAN DEVELOPMENT AGENCY

A Investment Centre, East London IDZ,
Lower Chester Road, Sunnyside,
East London, 5241
Eastern Cape, South Africa

E info@bcmda.org.za | T +27 (0) 43 101 0160
www.bcmda.org.za



Enquires: 043 101 0161

Email: vicky@bcmda.org.za

BCMDA-FMR-032-17

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 July 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

10/08/2017