



# In-Year Report of the Municipal Entity

Prepared in terms of the Local Government: Municipal Finance Management Act (56/2003): Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009.

## Monthly Budget Statement SEPTEMBER 2016

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# PART 1 – IN-YEAR REPORT

## Section 1 – Chairperson’s Report

### 1.1 In-Year Report - Monthly Budget Statement

The monthly budget statement for the month of September has been prepared in accordance with the Municipal Budget and Reporting Regulations, 2008.

### 1.2 Implementation of the budget in accordance with the APP

It is planned that quarterly assessments on implementation of the budget will be performed in line with the approved APP/Service Delivery and Budget Implementation Plan.

### 1.3 Financial risks or problems facing the entity

The audit report of 2014/15 financial year raised concerns regarding the going concern status of ASPIRE. This concern continues to haunt the overall sustainability of the entity due to the following reasons:

- ✓ Whilst the board approved and submitted an operating budget totaling to R17,5 million to the parent municipality, the total amount included as approved budget for the entity by the parent municipality only equals to R12,5 million.
- ✓ Payroll costs alone for the year are budgeted at R13,1 million. Current expenditure trends reflect that if the entity’s budget is not adjusted upwards by the parent municipality during the year, the entity will not be able to continue to operate from the beginning of the third quarter.
- ✓ The entity is a registered VAT Vendor with SARS and all revenue/drawdowns received from the parent municipality attract Output VAT. However the total operational budget allocation approved by the parent municipality already includes output VAT at 14% resulting in the actual approved budget available being reduced to only R10,9 million.
- ✓ Whilst the current anticipated revenue to be received from third party grants totals R120,1 million, these funds were however not confirmed in writing prior being brought into the budget. Failure to receive these funds will likely result in the budget being adjusted downwards during the mid-year budget review.
- ✓ During the 2015/16 financial period, output VAT totaling R1,1 million was not declared to SARS. Declaring these amounts as part of the 2016/17 VAT 201 returns will result in cash flow difficulties for the entity and will further attract interest and penalties as the entity will not have cash to pay for these declarations.
- ✓ The ADM council took a resolution in January 2016 to include ASPIRE on the roll-out of SAP(Financial Accounting System) as well as Municipal Standard Chart of Accounts (mSCOA) on the proviso that price negotiations ensue with the service provider. Whilst ADM has progressed with Phase 1A and 1B implementation of SAP (General Ledger, SCM, Accounts payable and Document Management, HR and Personnel module), ASPIRE was left out of this process. There does not seem to be a tangible roll-out plan received from ADM regarding both these mSCOA reform as well as SAP rollout.

## Section 2 – Resolutions

### ***IN-YEAR REPORTS 2015/2016***

That the board take note of the contents in the in-year monthly report for September 2016 as set out in the schedules contained in Section 4

### ***RECOMMENDATION:***

That Board notes the monthly budget statement and supporting documentation for September 2016.

## Section 3 – Executive Summary

### **3.1 Introduction**

This report has been prepared in accordance with the Municipal Budget and Reporting Regulations, 2008 and in line with Section 87 of the Municipal Finance Management Act, 2003.

### **3.2 Consolidated performance**

#### **3.2.1 Against annual budget (original approved) Revenue by Source**

#### **Operating Revenue**

For the month of September 2016, operating revenue collections depict an under-collection of 16% (R720k). Whilst the first quarter allocation from ADM was transferred in July, however this allocation was not in line with the actual anticipated receipts from ADM.

Other revenue (Budgeted Grants) – No transfers have been received in this component of revenue. Anticipated funds from the various funders did not come true. Requests for funding have been submitted to the following institutions:

- Wholesale and Retail SETA
- National Skills Fund – Rural Development
- National Lottery (Funding Proposal submitted was subsequently declined)
- Sports, Recreation, Arts and Culture (Still awaiting a response)
- Department of Economic Development, Environment and Tourism (Funding Proposal was subsequently declined)

Regarding NDPG Grant (R11m), these funds are already on our bank account. However, a roll-over application has been submitted to NT. Only upon approval of the roll-over can implementation of the planned projects occur.

#### **Operating Expenditure**

Operating expenditure for the month of September 2016 depicts an under-expenditure of 83% (R29.1 million). This is as a result of a 92% under-expenditure on the budget provision made on projects. Current indications are that most of these funds will not be received during the year.

### **Capital expenditure**

The agency has budgeted R300 000 on purchase of computers and software. However, no expenditure has been incurred as at the reporting period. Capital expenditure incurred totals to R932k on projects currently under implementation. However, this type of expenditure does not get capitalized as part of ASPIRE fixed assets as it relates to projects that we implement on behalf of third parties.

### **3.3 Material variances from APP**

Reporting against performance targets will be reported to the board as part of the first quarter report (September 2016).

# Section 4 – In-year budget statement tables

## 4.1 Monthly budget statements

Amathole Economic Development Agency - Table F1 Monthly Budget Statement Summary - M03 September

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	-	-	-	15	53	-	0	#DIV/0!	214
Transfers recognised - operational	18,558	17,501	-	-	3,655	4,375	(1)	-16%	14,620
Other own revenue	18,979	2,500	-	674	1,932	625	1	209%	7,727
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>37,537</b>	<b>20,001</b>	<b>-</b>	<b>689</b>	<b>5,640</b>	<b>5,000</b>	<b>640</b>	<b>0</b>	<b>22,561</b>
Employee costs	14,989	13,168	-	981	2,897	3,292	(395)	(0)	11,589
Remuneration of Board Members	845	653	-	84	141	163	(22)	(0)	564
Depreciation and asset impairment	184	385	-	42	42	96	(54)	(0)	170
Finance charges	3	-	-	-	-	-	-	-	-
Materials and bulk purchases	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	21,055	125,919	-	621	2,843	31,480	(28,637)	(0)	11,372
<b>Total Expenditure</b>	<b>37,076</b>	<b>140,125</b>	<b>-</b>	<b>1,729</b>	<b>5,924</b>	<b>35,031</b>	<b>(29,107)</b>	<b>(0)</b>	<b>23,696</b>
<b>Surplus/(Deficit)</b>	<b>460</b>	<b>(120,124)</b>	<b>-</b>	<b>(1,040)</b>	<b>(284)</b>	<b>(30,031)</b>	<b>29,747</b>	<b>(0)</b>	<b>(1,135)</b>
Transfers recognised - capital	-	120,124	-	-	-	-	-	-	120,124
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>(1,040)</b>	<b>(284)</b>	<b>(30,031)</b>	<b>29,747</b>	<b>(0)</b>	<b>118,989</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>(1,040)</b>	<b>(284)</b>	<b>(30,031)</b>	<b>29,747</b>	<b>(0)</b>	<b>118,989</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>									
Transfers recognised - capital	-	93,630	-	-	-	23,408	(23,408)	(0)	93,630
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-
<b>Total sources of capital funds</b>	<b>-</b>	<b>93,630</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,408</b>	<b>(23,408)</b>	<b>(0)</b>	<b>93,630</b>
<b>Financial position</b>									
Total current assets	16,871	-	-	-	14,514	-	-	-	-
Total non current assets	368	-	-	-	332	-	-	-	-
Total current liabilities	15,938	-	-	-	14,377	-	-	-	-
Total non current liabilities	-	-	-	-	-	-	-	-	-
<b>Community wealth/Equity</b>	<b>1,301</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>470</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Cash flows</b>									
Net cash from (used) operating	1,005	120,509	-	(2,792)	-	30,127	(30,127)	(0)	-
Net cash from (used) investing	(134)	(120,124)	-	-	-	(30,031)	30,031	(0)	(120,124)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year end</b>	<b>16,311</b>	<b>15,824</b>	<b>15,439</b>	<b>(2,792)</b>	<b>-</b>	<b>96</b>	<b>(96)</b>	<b>(0)</b>	<b>(104,685)</b>
<b>Debtors &amp; creditors analysis</b>									
	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>Debtors Age Analysis</b>									
Total By Revenue Source	-	-	-	-	-	-	-	-	-
<b>Creditors Age Analysis</b>									
Total Creditors	0	19	172	(274)	286	-	-	-	203

## 4.2 Financial Performance (revenue and expenditure)

Amathole Economic Development Agency - Table F2 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

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 - external investments	-	-	-	15	53	-	53	#DIV/0!	214
Interest earned - outstanding debtors	-	-	-	-	-	-	-	-	-
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-	-
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	18,558	17,501	-	-	3,655	4,375	(720)	-16.5%	14,620
Other revenue	18,976	2,500	-	674	1,932	625	1,307	209.1%	7,727
Gains on disposal of PPE	3	-	-	-	-	-	-	-	-
								12.8%	
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>37,537</b>	<b>20,001</b>	<b>-</b>	<b>689</b>	<b>5,640</b>	<b>5,000</b>	<b>640</b>		<b>22,561</b>
<b>Expenditure By Type</b>									
Employee related costs	14,989	13,168	-	981	2,897	3,292	(395)	-12.0%	11,589
Remuneration of Directors	845	653	-	84	141	163	(22)	-13.5%	564
Debt impairment	-	-	-	-	-	-	-	-	-
Collection costs	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	184	385	-	42	42	96	(54)	-55.9%	170
Finance charges	3	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	-	-	-	-	-	-	-	-	-
Transfers and grants	-	-	-	-	-	-	-	-	-
Other expenditure	21,055	125,919	-	621	2,843	31,480	(28,637)	-91.0%	11,372
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>37,076</b>	<b>140,125</b>	<b>-</b>	<b>1,729</b>	<b>5,924</b>	<b>35,031</b>	<b>(29,107)</b>	<b>-83.1%</b>	<b>23,696</b>
<b>Surplus/(Deficit)</b>	<b>460</b>	<b>(120,124)</b>	<b>-</b>	<b>(1,040)</b>	<b>(284)</b>	<b>(30,031)</b>	<b>29,747</b>	<b>-99.1%</b>	<b>(1,135)</b>
Transfers recognised - capital	-	120,124	-	-	-	-	-	-	120,124
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributions of PPE	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>(1,040)</b>	<b>(284)</b>	<b>(30,031)</b>	<b>29,747</b>	<b>-99.1%</b>	<b>118,989</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>(1,040)</b>	<b>(284)</b>	<b>(30,031)</b>	<b>29,747</b>		<b>118,989</b>

## 4.3 Capital Expenditure

Amathole Economic Development Agency - Table F3 Monthly Budget Statement - Capital Expenditure - M03 September

Vote 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>Multi-Year expenditure</b>									
<i>Insert programme/projects description</i>							-		
							-		
							-		
							-		
							-		
							-		
							-		
<b>Capital multi-year expenditure sub-total</b>	-	-	-	-	-	-	-		-
<b>Single Year expenditure</b>									
<i>Insert single year budgets and indicative estimates</i>							-		
NDPG	-	5,600	-	-	-	1,400	(1,400)	-100.0%	5,600
Adopt a Spot	-	6,666	-	-	113	1,667	(1,553)	-93.2%	6,666
Waste Management	-	15,000	-	-	-	3,750	(3,750)	-100.0%	15,000
Idutywa CBD Upgrade	-	67,000	-	-	239	16,750	(16,511)	-98.6%	67,000
Alice Transport Hub	-	11,000	-	-	-	2,750	(2,750)	-100.0%	11,000
Emthonjeni Arts	-	30	-	-	-	8	(8)	-100.0%	30
Waste Management	-	750	-	-	-	188	(188)	-100.0%	750
Rural Development/Agriculture	-	5,000	-	-	-	1,250	(1,250)	-100.0%	5,000
Heritage, Culture and Tourism	-	5,000	-	-	-	1,250	(1,250)	-100.0%	5,000
Natural Resource Management	-	4,078	-	-	579	1,019	(441)	-43.2%	4,078
<b>Capital single-year expenditure sub-total</b>	-	120,124	-	-	932	30,031	(29,099)	-96.9%	120,124
<b>Total Capital expenditure</b>	-	120,124	-	-	932	30,031	(29,099)	-96.9%	120,124
<b>Funded by:</b>									
National Government	-	67,000	-	-	-	16,750	(16,750)	-100.0%	67,000
Provincial Government	-	10,030	-	-	-	2,508	(2,508)	-100.0%	10,030
Parent Municipality	-	16,600	-	-	-	4,150	(4,150)	-100.0%	16,600
District Municipality	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	-	93,630	-	-	-	23,408	(23,408)	-100.0%	93,630
<b>Public contributions &amp; Donations</b>	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Funding</b>	-	93,630	-	-	-	23,408	(23,408)	-100.0%	93,630



## 4.4 Financial Position

Amathole Economic Development Agency - Table F4 Monthly Budget Statement - Financial Position - M03 Septem

Vote Description	2015/16	Current Year 2016/17			Full Year Forecast
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
<b>R thousands</b>					
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	750	-	-	241	-
Call investment deposits	15,560	-	-	13,621	-
Consumer debtors	-	-	-	-	-
Other debtors	560	-	-	653	-
Current portion of long-term receivables	-	-	-	-	-
Inventory	-	-	-	-	-
<b>Total current assets</b>	<b>16,871</b>	<b>-</b>	<b>-</b>	<b>14,514</b>	<b>-</b>
<b>Non current assets</b>					
Long-term receivables	-	-	-	-	-
Investments	-	-	-	-	-
Investment property	-	-	-	-	-
Property, plant and equipment	358	-	-	322	-
Agricultural assets	-	-	-	-	-
Biological assets	-	-	-	-	-
Intangible assets	10	-	-	10	-
<b>Total non current assets</b>	<b>368</b>	<b>-</b>	<b>-</b>	<b>332</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>17,239</b>	<b>-</b>	<b>-</b>	<b>14,847</b>	<b>-</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Bank overdraft	-	-	-	-	-
Borrowing	-	-	-	-	-
Consumer deposits	-	-	-	-	-
Trade and other payables	15,938	-	-	14,377	-
Provisions	-	-	-	-	-
<b>Total current liabilities</b>	<b>15,938</b>	<b>-</b>	<b>-</b>	<b>14,377</b>	<b>-</b>
<b>Non current liabilities</b>					
Borrowing	-	-	-	-	-
Provisions	-	-	-	-	-
<b>Total non current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>15,938</b>	<b>-</b>	<b>-</b>	<b>14,377</b>	<b>-</b>
<b>NET ASSETS</b>	<b>1,301</b>	<b>-</b>	<b>-</b>	<b>470</b>	<b>-</b>
<b>COMMUNITY WEALTH/EQUITY</b>					
Accumulated Surplus/(Deficit)	1,300	-	-	469	-
Reserves	-	-	-	-	-
Share capital	1	1	-	1	1
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>1,301</b>	<b>1</b>	<b>-</b>	<b>470</b>	<b>1</b>

## 4.5 Cash Flows

Amathole Economic Development Agency - Table F5 Monthly Budget Statement - Cash Flows - M03 September

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>									
Ratepayers and other	-	-	-	-	-	-	-	-	-
Government - operating	39,133	140,125	-	1,870	-	35,031	(35,031)	-100.0%	-
Government - capital	-	-	-	-	-	-	-	-	-
Interest	58	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(38,185)	(19,616)	-	(4,662)	-	(4,904)	4,904	-100.0%	-
Finance charges	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Transfers and Grants	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>1,005</b>	<b>120,509</b>	<b>-</b>	<b>(2,792)</b>	<b>-</b>	<b>30,127</b>	<b>(39,935)</b>	<b>-132.6%</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	7	-	-	-	-	-	-	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Capital assets	(141)	(120,124)	-	-	-	(30,031)	30,031	-100.0%	(120,124)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(134)</b>	<b>(120,124)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30,031)</b>	<b>(30,031)</b>	<b>100.0%</b>	<b>(120,124)</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	-	-	-	-	-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>871</b>	<b>385</b>	<b>-</b>	<b>(2,792)</b>	<b>-</b>	<b>96</b>	<b>(96)</b>	<b>-100.0%</b>	<b>(120,124)</b>
Cash/cash equivalents at the year begin:	15,439	15,439	15,439						15,439
Cash/cash equivalents at the year end:	16,311	15,824	15,439	(2,792)	-	96	(96)	-100.0%	(104,685)

# PART 2 – SUPPORTING DOCUMENTATION

## Section 5 – Debtors' analysis

Amathole Economic Development Agency - Supporting Table F3 Entity Aged debtors - M03 September

Detail	NT Code	Current Year 2016/17									Total	Bad Debts	>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>Debtors Age Analysis By Revenue Source</b>													
Rates	1200	-	-	-	-	-	-	-	-	-	-	-	-
Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Water	1400	-	-	-	-	-	-	-	-	-	-	-	-
Sewerage / Sanitation	1500	-	-	-	-	-	-	-	-	-	-	-	-
Refuse Removal	1600	-	-	-	-	-	-	-	-	-	-	-	-
Housing (Rental Revenue)	1700	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Debtors Age Analysis By Customer Group</b>													
Government	2200	-	-	-	-	-	-	-	-	-	-	-	-
Business	2300	-	-	-	-	-	-	-	-	-	-	-	-
Households	2400	-	-	-	-	-	-	-	-	-	-	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	-	-	-	-	-	-	-	-	-	-	-	-

Notes

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

The entity only has debtors in respect of VAT Control as well as Income Tax Provision. No major debtors exist as we do not provide services to communities but rather implement projects on behalf of either ADM and /or Sector Departments.

## Section 6 - Creditors' analysis

Amathole Economic Development Agency - Supporting Table F4 Entity Aged creditors - M03 September

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	
<b>R thousands</b>										
<b>Creditors Age Analysis By Customer Type</b>										
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-
Other	0900	0	19	172	(274)	286	-	-	-	203
<b>Total By Customer Type</b>	<b>2600</b>	<b>0</b>	<b>19</b>	<b>172</b>	<b>(274)</b>	<b>286</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>203</b>

## Section 7 – Investment portfolio analysis

### 7.1 Supporting Table F5

Currently the municipal entity has no significant investments. Only call accounts opened on behalf of unspent conditionals grants exist.

**Amathole Economic Development Agency - Supporting Table F5 Entity investment portfolio monthly statement - M03 September**

Investments by maturity Name of institution & investment ID R thousands	Current Year 2016/17							
	Period of investment Months	Type of investment	Expiry date of investment	Accrued interest for the month	Yield %	Market value		
						Begin	Change	End
Adopt a Spot Call		Call						607
BCM Waste Call		Call						754
NRM Call		Call						80
AEDA Call		Call						1,763
NDPG Call		Call						10,405
Bwattle Call		Call						6
EA Operations		Call						8
<b>Total investments</b>								<b>13,623</b>

## **Section 8 – Allocation and grant receipts and expenditure**

The entity has budgeted to receive both capital and operational grants, however, during the month of September no receipts have been realized from both these categories with the exception of the ADM grant receipt totaling R3,6 million that was transferred in July.

## **Section 9 - Material variances from APP**

Reporting against performance targets will be reported to the board at end the Quarter (September 2016).

# Section 10 – Expenditure on board member’s allowances and employee benefits

Amathole Economic Development Agency - Supporting Table F6 Entity Board member allowances & staff benefits - M03 September

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	845	653	-	84	141	163	(22)	-13.5%	1,693
<b>Sub Total - Board Members of Entities</b>	<b>845</b>	<b>653</b>	<b>-</b>	<b>84</b>	<b>141</b>	<b>163</b>	<b>(22)</b>	<b>-13.5%</b>	<b>1,693</b>
% increase		-22.8%							100.4%
<b>Senior Managers of Entities</b>									
Basic Salaries	6,766	4,308	-	288	873	1,077	(204)	-18.9%	5,241
Pension Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	22	22	-	22	#DIV/0!	-
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Other benefits or allowances	197	-	-	31	84	-	84	#DIV/0!	501
Performance Bonus	-	-	-	-	-	-	-	-	-
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Entities</b>	<b>6,963</b>	<b>4,308</b>	<b>-</b>	<b>342</b>	<b>979</b>	<b>1,077</b>	<b>(98)</b>	<b>-9.1%</b>	<b>5,742</b>
% increase		-38.1%							-17.5%
<b>Other Staff of Entities</b>									
Basic Salaries	6,783	8,980	-	538	1,615	2,245	(630)	-28.1%	9,688
Pension Contributions	767	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor vehicle allowance	-	-	-	12	36	-	36	#DIV/0!	218
Cell phone allowance	-	-	-	-	-	-	-	-	-
Housing allowance	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Other benefits or allowances	476	-	-	-	-	-	-	-	-
In-kind benefits	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Staff of Entities</b>	<b>8,026</b>	<b>8,980</b>	<b>-</b>	<b>550</b>	<b>1,651</b>	<b>2,245</b>	<b>(594)</b>	<b>-26.5%</b>	<b>9,906</b>
% increase		11.9%							23.4%
<b>Total Municipal Entities remuneration</b>	<b>15,834</b>	<b>13,941</b>	<b>-</b>	<b>975</b>	<b>2,772</b>	<b>3,485</b>	<b>(714)</b>	<b>-20.5%</b>	<b>17,341</b>
Unpaid salary, allowances & benefits in arrears:									

## Section 11 – SCM Report

RANGE : >R2 000 <R30 000 (FORMAL WRITTEN PRICE QUOTATIONS)				
Date	Name of Supplier	Vote no	Description	Amount
19/07/2016	Sage VIP	4440/000	Annual Licence fee	5,379.00
22/07/2016	Aloe Travel	4292/000	Accomodation for Mr Khaya Njinglo Sites Visit	1,821.93
03/08/2016	Khula Web Solutions	4440/000	Annual website Hosting	4,222.81
16/08/2016	Compusys	4440/000	Virus removal from Acer Laptop	842.11
04/08/2016	Just Write	4200/000	Printing & Stationery	760.00
19/08/2016	Compusys	4440/000	HARDWARE & SOFTWARE	15,802.63
19/08/2016	Compusys	4440/000	Backup solution	8,640.35
19/08/2016	Just Write	4200/000	Printing & Stationery	1,640.00
19/08/2016	Compusys	4440/000	HP Laser Jet CM500 toner.	2,192.98
24/08/2016	Meyers Vehicle Hire	4650/000	Travel Expense for Khaya Njingolo Sites Visit	1,973.68
25/08/2016	ULOY00 Uloyiso	4280/080	Annual Report Photo Shoot	1710.53
30/08/2016	Sure Travel	4650/000	Travel Expense for Mr Mbende and Mr Shenxane	1,956.14
02/09/2016	Kempston Group Car Rental	4650/000	Travel Expense for Mr Njingolo	2,070.18
02/09/2016	Sure Travel	4650/000	Travel Expense for Mr Njingolo	1,722.37
05/09/2016	Hymax	4300/035	Other rental-Telephone	1,245.00
14/09/2016	Harvey World Travel	4650/000	Travel & Acc For Mr Shenxane To Joburg	7,268.97
15/09/2016	Kopano Incorporated	3010/00	Annual Tax Returns/Accounting Fees	3,681.58
16/09/2016	Just Write	4200/000	Printing & Stationery	497.03
22/09/2016	Compucare	4440/000	Pastel Support Services-O/B	513.16
29/09/2016	Sheldon Recruitment	4400/000	Recruitment for Temp Receptionist	3,240.00
15/07/2016	Bushula Logistics	4292/000	Transport For Adopt a Sport Mandela day	9,975.00
22/07/2016	Vunakuhle General Trading	4292/000	Catering for Adopt a Sport Mandala day	2,833.33
22/07/2016	Bay Times Trading	4292/000	Catering for Adopt a Sport Mandala day	4,473.68
15/07/2016	Urent Van Rental	4292/000	Travel Expense for Mceleni Maphem Mandela da	1,964.00
02/09/2016	Urent Van Rental	4292/030	Travel for Mr Maphem Adopt a Sport	1,168.42
03/08/2016	Makinwa Media Management	4292/000	Printing of Street Banner double sid	24,318.76
15/09/2016	Urent Van Rental	4292/030	Travel for Mr Maphem Adopt a Sport	1,619.74
16/09/2016	ZSK	4292/010	Transport for 93 People adopt a sport	5,364.00
16/09/2016	Blossie Catering	4292/000	catering for Adopt A Sport	5,700.00
20/09/2016	Kempston Group Car Rental	4292/030	Travel for Mr Maphem Adopt a Sport	1,166.67
<b>TOTAL EXPENDITURE: JULY - SEPT 2016</b>				<b>125,764.05</b>
RANGE : >R30 000 <R200 000 (COMPETITIVE BIDDING)				
08/09/2016	VK Branding	4292/000	Supply Delivery and Installation of SignBords	55,000.00

**NB: NO PROCUREMENT ABOVE R200K WAS DONE DURING THE REPORTING PERIOD.**



# Chief Executive Officer's quality certification

I, Thabo Shenxane, the Acting Chief Executive Officer of Amathole Economic Development Agency, hereby certify that –

- the monthly budget statement

for the month of September (M03) of 2016/ 2017 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print Name \_\_\_\_\_

Amathole Economic Development Agency

Signature \_\_\_\_\_

Date \_\_\_\_\_