

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
									R249 380.00	contracts and reports
	Leave Management	To ensure management of leave and collection of clocking data	Number of leave reports.	0	12	12 Achieved	None	None	Budget R00.00 Expenditure R00.00	Leave Reports
	Local Labour Forum (LLF)	To ensure sound labour relations	Number of Local Labour Forum meetings to be held	12	12	Not Achieved (only 6 meetings held)	LLF Committee not functional due to non-attendance of unions.	Recommend the revival of the committee	Budget R00.00 Expenditure R00.00	Signed minutes Attendance registers
	Fill budgeted vacancies	To appoint staff	Number of vacancies filled	217	17	Not Achieved (only 14 prioritized positions filed)	Not all positions were budgeted for	Filling of budgeted posts	Budget R00.00 Expenditure R00.00	Recruitment and selection memos Appointment letters.
PLANNING & ECONOMIC DEVELOPMENT	IDP Review	To ensure that an Integrated Development Plan (IDP) is reviewed.	Number of credible IDP approved by Council	1	1	1 Achieved	None	None	Budget R250 000.00 Expenditure R31 400.00	IDP and Council resolution

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
	Review Performance Management	To ensure proper implementation, monitoring, measurement and review of performance.	Number of performance management system framework reviewed and submitted to Council	1	1	1 achieved	None	None	Budget R0.00 Expenditure R0.00	Reviewed PMS Framework Council agenda
		To ensure Compliance with Statutory Requirements with regard to Performance Management	Number of performance review report	4	4	4 Achieved	None	None	Budget R0.00 Expenditure R0.00	Quarterly Lekgotla Report
		SDBIP quarterly performance reports	Number of Organizational performance reports submitted to Council	4	4	4 Achieved	None	None	Budget R0.00 Expenditure R0.00	Council Resolution.
	Strategic Planning	To ensure the review and develop strategies for	Number of strategic planning to be held	1	1	1 Achieved	None	None	Budget R150 000 Expenditure R 80 277.00	Strategic Planning Session Report
PLANNING ECONOMIC DEVELOPMENT										

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
		upcoming financial year								
Corporate services	End-user support.	To ensure that all ICT queries are resolved.	Number of reports on queries received and resolved.	12	12	12 Achieved	None	None	Budget R2 447 260.55	- Reports. - Job cards
	Disaster recovery and Business Continuity.	To ensure business continuity in the event of disaster.	Number of successful backup	365	365	365 Achieved (12 Monthly reports)	None	None		Daily back up reports.
	Renewal of ICT Licenses	To ensure compliance with ICT legislations on protection of ICT systems from intrusion.	Renewal of ICT licenses:	3	3	3 Achieved	None	None		License certificates
Corporate services	ICT infrastructure maintenance	To maintain ICT infrastructure	Number of reports on maintain ITC Infrastructure	12	12	12 Achieved	None	None	Expenditure R2 439 594.62	Monthly reports.
	Website Update	To ensure that website is updated	Number of report on the uploaded	0	12	12 Achieved	None	None		Report and confirmation of work uploaded by

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
Corporate services			information on the website.						R0.00	SITA through an email
	Purchase ICT network equipment and accessories	To ensure stable network and reliable hardware	Number of installed ICT equipment and accessories	65 Desktop, 39 Laptops 16 Switches	10	10 Achieved	None	None	Budget R0.00 Expenditure R0.00	Installation certificate
	Installation of fixed remote controlled projectors	To enhance interactive engagements during presentations	Number of installed fixed remote controlled projectors.	0	3	3 Achieved	None	None	Budget R250 000.00 Expenditure R216 667.78	- Installation Certificate
	To review Indigent Register	No of indigent register reviewed	1	1	1	1 Achieved	None	None	Budget R00.00 Expenditure R00.00	Indigent register Council Resolution
	Record management	To safeguard records and related data for future reference i.r.o. NARSA Act.	Numbers of report on mail received and filled	12	12	12 reports Achieved	None	None	Budget R00.00 Expenditure R0.00	Monthly and quarterly reports

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
Corporate services	Archives		Number of report on records filed off-site	12	12	12 reports Achieved	None	None	Budget R0.00 Expenditure R0.00	Monthly and quarterly reports.
	Install fire detectors	To safeguard records against fire in identified offices	Number of Installed fire detectors in identified offices	3	1	1 Achieved	None	None	Budget R131 789.00 Expenditure R65 894.35	Installation certificated
	Legislative updates	To comply with legislative requirements.	Number of reports on updated legislations	12	12	12 Achieved	None	None	Budget R77 880.09 Expenditure R77 803.06	Monthly report Council agenda
	Customer Care Charter	To develop Customer Service Delivery Charter aligned to Batho Pele Principles.	Number of service charters developed and submitted for approval	0	1	1 Achieved	None	None	Budget R00.00 Expenditure R00.00	Charter Council agenda
	Policy Confirmation	To ensure that policies comply with legislations and policies	Number of policies developed that are align to	14	12	12 Achieved	None	None	Budget R0.00	Approved Policies.

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
Corporate services			legislations and submitted for approval						Expenditure R0.00	Approved By Laws. Council agenda Attendance Registers.
	By-laws confirmation and publish	To ensure that By-laws are compliance to legislations.	Number of By-laws received for confirm and published within 90days	1	1	1 Achieved	None	None	Budget R0.00 Expenditure R0.00	
	Legal Matters	To advice and facilitate representation on legal	Number of report on cases received and attended to	12	12	12 reports Achieved	None	None	Budget R0.00 Expenditure R0.00	Reports Instructions letter
	5. FINANCIAL VIABILITY									

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
Corporate services	To provide Free Basic Services (FBE)	Number of beneficiaries provided with free basic electricity	1450	1500	1500	1500 Achieved	None	None	Budget R 795 878 Expenditure R 733 007.47	Budget Extract
	Compilation of annual financial statements based on standards of GRAP and MFMA	To ensure submission of AFS within the prescribed MFMA time frames	Set of AFS submitted	AFS 2012/2013 submission	AFS submitted by 31 August 2014	1 AFS submitted - Achieved	None	None	Budget R 1749 213.54 Expenditure R 1384 183.07	AFS submitted and AG acknowledgment
	revenue enhancement	To implement revenue collection in areas outside marble hall	Percentage improvement in internally generated revenue and collection in areas outside marble hall	10%	20%	Not Achieved	Culture of non-payment	Councillor to educate public on importance of payment of services	Budget R 0.00 Expenditure R 0.00	Sec 71 Report Billing v/s Collection Report
BTO										

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
BTO	Improvement of the audit report	To ensure that the 2013/14 audit opinion has improved	Improved audit report/outcome to Qualified audit opinion.	Disclaimer audit opinion- 2012/2013	A qualified audit opinion	Not Achieved	Lack of capacity	Develop PDP to identify skills gap. Recruit skilled personnel Appoint service provider for a period of 2 to 3 years for transformation and skills transfer..	Budget R 0.00 Expenditure R 0.00	Audit Report

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
BTD	Compilation of GRAP compliant asset register	To ensure compilation of a GRAP Compliant fixed asset register	Number GRAP compliant asset register compiled	Asset register 2012/2013	1 GRAP compliant asset register	1 Achieved	None	None	Budget R 1 375 073.19 Expenditure R 1 348 137.72	Asset register
	Management of the Financial management grant	To ensure fully functional and compliant institutional and individual performance management	% Expenditure on Financial Management Grant	100%	100%	100% Achieved	None	None	R 1 600 000.00 Expenditure R 1 532 424.38	Budget Extract
	Implementation of SCM processes	To ensure the efficient and effective functional procurement/SCM processes.	Number of SCM compliance reports submitted to council	4 quarterly SCM reports	4 quarterly SCM reports	4 SCM reports Achieved	None	None	Budget R 0.00 Expenditure R 0.00	SCM quarterly reports

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
BTD	Compilation of annual budget for 2015-16.	To ensure compilation of Annual budget in terms of MFMA and Regulations	Number of Annual Budget prepared and approved by the council before start of the financial year	Annual budget for 2014/2015	Approved budget 2014/2015	1 Annual Budget approved - Achieved	None	None	Budget R 0.00 Expenditure R 0.00	None
	Compilation of adjustment budget for 2015/2016	To ensure compilation of adjustment budget 2 in terms of MFMA and regulations	Number of adjustment budget prepared and submitted for approval by the legislative deadline	Adjustment budget 2013/2014	1 adjustment budget approved by council 28 February 2015	1 Adjustment Budget Achieved	None	None	Budget R 0.00 Expenditure R 0.00	
6. GOOD GOVERNANCE AND PUBLIC PARTICIPATION										
	Publishing of Newsletters	To inform the community about municipal activities	Number of newsletters published	4	1	1 Achieved	None	None	Budget R50 000.00 Expenditure R 29 640.00	Newsletters.

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
CORPORATE SERVICES	Mayoral outreach program	To conduct Mayoral outreach programs	Number of Mayoral outreach programs conducted	16	16	16 Achieved	None	None	Budget R386 037.09 Expenditure R375 261.04	Attendance register
	Ward Committee	To have a well-coordinated communication and good relations with the public.	Number of Ward Committee meetings conducted	192	192	192 Ward Committee meetings Achieved	None	None	Budget R2 329 971.45 Expenditure R2 329 064.00	Signed Minutes and attendance register
	Awareness on Land Use Management Systems and Integrated Development	To ensure appropriate land use and integrated development	No of workshops held with Magoši	0	2 workshops with Magoši	2 Achieved	None	None	Budget R0.00 Expenditure R0.00	Reports and attendance registers
	Council meeting		Number of Council Meetings held	4	4	4 Achieved	None	None		Council agenda, Minutes and

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
Corporate services	EXCO	To ensure optimum functionality of Council	Number of EXCO meeting held	12	12	12 Achieved	None	None	Budget R77 835.59	Reports Minutes Attendance Registers
	MPAC		Number of MPAC meeting held	4	12	Not Achieved (only 10 Achieved)	Not adhering to the annual program	adhering to the annual program	Expenditure R 69 544.34	
	Portfolio Committees		Number of Portfolio meeting held	60	60	Not Achieved (only 33 Portfolio Committees meetings held)	No items	None		
MM's	Mayoral programs for special needs people	To enhance and encourage the Aged & people living with Disability to participate in the Council activities	Number of programs implemented by Council	4	4	4 Achieved	None	None	Budget R51 557.81 Expenditure R51 557.00	Signed Minutes & reports
	Conducting Quarterly Internal Audits.	To provide an independent objective	Number of reports submitted	2014/2015 22 Internal	22	22 Achieved	None	None	NONE	Audit Committee agenda's

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
MM'S OFFICE		internal audit assurance.	timeliness to Audit Committee per Annual Audit Plan	Audits Reports						
	Quarterly SDBIP Performance Reports and Audit Committee Progress reports	To provide an independent objective internal audit assurance.	Number of performance reports submitted to EXCO every quarter.	2014/2015 Quarterly Performance Reports	4	4 Achieved	None	None	- Budget R00.00 Expenditure R00.00	EXCO agenda. EXCO minutes.
	2014/2015 Internal Audit Charter	To provide an independent objective internal audit assurance.	Number of internal audit charter reviewed.	1	1	1 Achieved	None	None	Budget R00.00 Expenditure R00.00	Audit Committee minutes Approved audit charter.
MM'S OFFICE	Conduct risk assessment and review.	To provide an independent objective on internal audit assurance.	Number of risk register developed	1	1	1 Achieved	None	None	Budget R00.00 Expenditure R00.00	Signed risk register

DIRECTORATE	Project	Objective	KPI	Baseline	Annual Target	PROGRESS	CHALLENGE	REMEDIAL	Budget and Expenditure	Evidence
	To review policy on risk assessment	To provide an independent objective internal audit assurance.	Number of risk management policy reviewed	1	1	1 Achieved	None	None	Budget R00.00 Expenditure R00.00	Reviewed Risk Management Policy Document EXCO agenda. EXCO minutes.
MM'S OFFICE	Review fraud prevention policy.	To provide an independent objective internal audit assurance. To curb fraud & corruption activities.	Number of Fraud prevention policy reviewed	1	1	None	None	None	Budget R00.00 Expenditure R00.00	Reviewed Fraud Prevention Policy Document EXCO agenda. EXCO minutes


 M.M. MATHEBELA
 MUNICIPAL MANAGER

Date: 26/10/15

COMPONENT F: MANAGING THE MUNICIPAL WORKFORCE

MUNICIPAL WORKFORCE MANAGEMENT

EMLM has established policies and procedures for the management of workforce. It has the following divisions that ensure that employee rights and needs are being met through appropriate and legitimate processes and systems. Compliance is achieved in terms of approved municipal policies and procedures which are in line with the SLGA Collective agreement and relevant national legislation.

The Municipality has also developed systems in terms of MSA 2000 S67 by developing an Employment Equity Plan (EEP) which has been reviewed for the next five years (2012-2017). The old EEP targets were not achieved as planned because of lack of proper monitoring and supervision of the plan, however, a reviewed EEP has been developed for the next five years which is ready for adoption by Council.

4.3. POLICIES

The municipality has developed numerous policies as a guideline to all officials. The following policies are in place:

NO.	POLICY NAME	RESOLUTION NUMBER	DEVELOPED	REVIEWED
1	Sports & Recreation Policy		✓	
2	Expanded Public Works Programme policy		✓	
3	Study Assistance Policy			✓
4	Conflict of Interest Policy		✓	
5	Recruitment, Selection and Appointment Policy		✓	✓
6			✓	
7	EMLM Employees Incapacity Policy		✓	
8	Amended Employees Cell phone Allowance Policy		✓	✓
9			✓	
10	Property rates policy		✓	✓
11	Discretionary fund policy		✓	
12	Information Technology Management policy		✓	
13	e-mail and internet policy		✓	
14	ICT disaster recovery policy		✓	
15	IT governance framework		✓	
16	Travelling Allowance Policy			✓

Employees					
Description	2013/14	2014/15			
	Employee es	Approv ed Posts	Employee es	vacanci es	Varian ce
	No.	No.	No.	No.	%
Electricity	9		11	2	82%
Roads	30		42	12	71%
Transport	5		7	2	71%
Planning	7		8	1	88%
Local Economic Development			1	1	0%
Planning (Strategic & Regulatory)			1	1	0%
Community & Social Services	75		85	10	88%
Environmental Protection	27		29	2	93%
Corporate Policy Offices and Other	31		29	2	94%
Totals	184		213	32	86%

Vacancy Rate 2014/15			
Designations	*Total Approved Posts	*Variances (Total time that vacancies exist using fulltime equivalents)	*Variances (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0%
CFO	1	0	0%
S57 Managers	6	2	33%
Senior management: Levels 13-15)	14	12	86%
Total	22	12	55%

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate
	No.	No.	
2014/15	15	14	1

4.4 INJURIES, SICKNESS AND SUSPENSIONS

- Two officials were suspended from duty for misconduct during the year under review.
- 01 minor injury was reported on duty and affected officials consulted their doctors and the case was reported to the Department of Labour.
- The municipality spent **R21 010.00** on medical surveillance for officials.

Number and Cost of Injuries on Duty					
Type of Injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	0	0	0%	0	0
Temporary total disablement	0	0	0%	0	0
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0
Total	0	0	0%	0	0

4.5 CAPACITATING THE MUNICIPAL WORKFORCE

The municipality has a Workplace Skills Plan (WSP) that is utilised for capacity building of staff. Each department is requested to forward their training plans to corporate services in May each year, in order to be included in the WSP - which serves as a guide as to how many officials should undergo training in the next financial year. The plan is also used to determine the expenditure for training. For the year under review 34 employees received different training. The WSP and annual training report were submitted to LGSETA at the end of each financial year. Municipality spent **R580 000.00** of skills development levy and received **R43 000.00** from LGSETA.

At the beginning of the financial year **R600 000.00** was budgeted for training, and these funds were exhausted by the end of the financial year. The training plan is effectively implemented in our municipality as we ensure that all officials on the training plan undergo relevant training.

The following are the trainings that took place:

Total number of employees trained	Training programme
6 Officials 5 Interns	MFMP
16	CERTIFICATE IN SCM
None	LGAAC
1 Officials	Asset Maintenance & management
2 Officials	PED for IDP
None	Integrated HIV/ AIDS & TB Management
3 Officials	BASIC COMPUTER TRAINING
3 Officials	CPMD
Total: 34 Officials	

Employees Appointed to Posts Not Approved				
Department	Level	Date of appointment	Not appointed	Reason for appointment when no established post exists
None	0	0	0	0
None	0	0	0	0
None	0	0	0	0

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (levels 1-2)	Female	0
	Male	0
Skilled (levels 3-5)	Female	
	Male	0
Highly skilled production (levels 6-8)	Female	
	Male	0
Highly skilled supervision (levels 9-12)	Female	
	Male	0
Senior management (levels 13-16)	Female	
	Male	2
MM and S 57	Female	
	Male	
Total		2

4.5.1 Managing workforce expenditure

4.5.1.1 Employee expenditure

The municipality manages its workforce expenditure very well, as we have policies in place such as Standby and overtime policies, travelling allowance policies, Cellphone Allowance Policy that are complied with before any expenditure can be incurred. The municipality has the organisational structure that is aligned to the IDP and budget, to ensure that all workforce expenditure has been budgeted for. The three documents - IDP, budget and organisational structure - are approved by council every year.

4.5.2 Disclosure of financial interest

Disclosure forms are given to all officials and councillors at the beginning of each financial year for completion. For the year under review, 32 councillors and 20 officials completed their disclosure forms. No conflict of interest were identified.

COMPONENT G: LEGAL REPORT

The following is the litigation report for the financial year 2014/2015:

CASE NO:	AMOUNT CLAIMED	PLAINTIFF	TYPE OF MATTER	FACTS	STATUS OF THE MATTER	ATTORNEY
CASE NO: 57932/09	R 585 709-00	Kwanha's Business Enterprise	Contractual Dispute: Breach	<p>The municipality awarded a tender to the Plaintiff in 2006 for the upgrading of the drainage system. On the 17 April 2007, the Plaintiff was instructed to suspend all the works in regard to the project as an agreement between the municipality and the Plaintiff was reached that the drainage system should deviate from the original route.</p> <p>The Plaintiff equipment's remained on site until June 2008.</p> <p>The Plaintiff is using for standing time when the equipment's were still on site until June 2008.</p>	The matter has been set-down for trial at the High Court North Gauteng on the 26 July 2016.	Kgatla Inc.
CASE NO: 654/2014	R 280 000-00	Walterama Kgatla Inc.	Contractual Dispute.	The municipality awarded the Plaintiff a tender for the provision of debt collection services. The Plaintiff submitted an	The matter was set for the 27 October 2015.	Mamadimo Magagane Attorneys.

CASE NO.	AMOUNT CLAIMED	PLAINTIFF	TYPE OF MATTER	FACTS	STATUS OF THE MATTER	ATTORNEY
				invoice of the amount of R208 000-00 which the municipality refused to settle based on clause 6.2 of the service level agreement.		
CASE NO: 72139/2015	R 1 605 515-35	Mohlalerwa & Boledi Construction	Contractual Dispute	The municipality awarded the Plaintiff a tender for the rehabilitation of admin block. Plaintiff submitted an invoice which the municipality refused to settle on the basis that the contractor has already been paid for the work done.	<p>The parties are currently in the process of Discovery.</p> <p>An affidavit has already been commissioned by the Municipal Manager in this respect.</p>	Popela Maake Attorneys
CASE NO: 33157/13	NIL	Ephraim Chiloane	Interdict	<p>The municipality made an offer to transfer Erf 41 Leeuwfontein to the Plaintiff.</p> <p>Council resolved not to effect the transfer because the said property belongs to someone else (Rathlagane Tribe) and not the municipality and that the municipal manager does not have power to dispose of immovable property belonging to the council. The</p>	The matter has been set-down for trial at the High Court North Gauteng on the 1 February 2016.	Renqe Kunene Incorporated

CASE NO:	AMOUNT CLAIMED	PLAINTIFF	TYPE OF MATTER	FACTS	STATUS OF THE MATTER	ATTORNEY
				Plaintiff approached the court for an order compelling the municipality to effect the transfer.		
CASE NO: J1324/145	NIL	Lesiba Makopo	Legitimate Expectation and Unfair Discrimination.	The Applicant was appointed by the municipality as the Director: Community on a fixed term contract which came to an end on the 31 March 2014. The post was advertised and he applied, went through the interview process but was not appointed. He then approached the Labour Court for an order setting aside the recommendations of the interview panel and to re-start the whole process of interview.	The Respondent is preparing Notice of Compliance in terms of Rule 7 A (2) (b) of the Labour Court rules.	Popela Maake Attorneys
CASE NO: J368/15	R 2 105 500 -35	Phillip Mphahlele	Damages and defamation of character	The Applicant was employed by the municipality and he resigned in 2009 pending criminal investigation by the Hawks.	The Respondent is preparing an application for the dismissal of the matter.	Popela Maake Attorneys.

CASE NO:	AMOUNT CLAIMED	PLAINTIFF	TYPE OF MATTER	FACTS	STATUS OF THE MATTER	ATTORNEY
				<p>The Hawks did not proceed with criminal case.</p> <p>The Applicant alleges that the municipality coerced him to resign and that his character has been defamed him as a result of the allegations which were been investigated by the Hawks.</p>	An affidavit has already been commissioned by the Municipal Manager in this respect.	
CASE NO: 846/13	R 205 000-00	Gerhardus Muller	<p>The municipality erroneously paid an amount of R 205 000-00 into the Defendant's bank account. He utilised the money after the municipality has notified him not to do so. The Defendant refused to repay the money and</p>	<p>Judgment was granted against the Defendant.</p> <p>A warrant of execution against his property was issued and served, but the sheriff advised that the Defendant does not have any attachable properties to satisfy the judgment.</p>	The matter has been finalised and a default judgement has been granted in favour of the municipality unfortunately the Sheriff is unable to attach properties belonging to the Defendant as he does not have any attachable properties to	Kgatla Incorporated.

CASE NO:	AMOUNT CLAIMED	PLAINTIFF	TYPE OF MATTER	FACTS	STATUS OF THE MATTER	ATTORNEY
			the municipality instituted action to recover the money.		satisfy the judgement.	
CASE NO: 846/13	NIL	Phillistus Sonto Matau	Application in terms of Section 145 of the Labour Relations Act.	<p>On the 17 July 2015 the Commissioner of SALGBC issued an arbitration award in favour of the employee and ordered the municipality to pay the amount of R 21 060-00 to the employee for her travel allowance.</p> <p>The municipality decided to review the arbitration.</p>	Notice in terms of section 145 of the Labour Relations Act was filed with the Labour Court.	Mokwana Inc.

CHAPTER 5: FINANCIAL PERFORMANCE



Ephraim Mogale Local Municipality
Annual Financial Statements
for the year ended 30 June 2015

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

General Information

Legal form of entity	Local municipality
Municipal demarcation code	LIM471
Nature of business and principal activities	The main business operations of the municipality is to engage in local governance activities, which includes planning and promotion of integrated development planning, land, economic and environmental development and supplying of the following services to the community.
Executive Mayor	Mmakola MY
Speaker	Modisha LB
Chief Whip	Ratau MF
Mayoral committee	Mahlobogoane ST Makilla TS Matlala F Monyamane EM Phefadi MG
Traditional leaders	Matlala MM Mashung MJ Lehwelere-Mathlala MA Rahlagane MP Kekana PK
Councillors	Bogopa JH Bokaba HS Chauke MS Esson BA Kekana KN Kekana MM Mabaso WM Makanyane GN Mamogobo SC Mashego GB Mokonyane MJ Molotshwa FK Morwaswi ME Mothwa NM Mphahlele LJ Nchabeleng MJ Ndobeni NR Phala MG Ranoto P Sebothoma OE Sehlola ET Seoka KM Seono MR Tshiguvho EM
Grading of local authority	Grade 2
Capacity of local authority	Low capacity

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

General Information

Accounting Officer	Mathebela M (1 April 2015 to date) Mashamba NS (Acting) (1 July 2014 to 31 March 2015)
Chief Finance Officer (CFO)	Ramosibi K
Registered office	No. 13 Ficus street Civic centre MARBLE HALL 0450
Business address	No. 13 Ficus street Civic centre MARBLE HALL LIMPOPO 0450
Postal address	PO Box 111 MARBLE HALL LIMPOPO 0450
Bankers	ABSA Bank First National Bank
Auditors	Auditor General of South Africa
Attorneys	Kgatla Incorporated Popela Maake Attorneys Renqe Kunene Incorporated Mamadimo Magane Attorneys

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

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Abbreviations

EPWP	Expanded Public Works Program
FMG	Finance Management Grant
GRAP	Generally Recognised Accounting Practice
IPSAS	International Public Sector Accounting Standards
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MSIG	Municipal System Improvement Grant
PAYE	Pay As You Earn
SALGA	South Africa Local Government Association
SDL	Skills Development Levy
UIF	Unemployment Insurance Fund

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Ephraim Mogale Local Municipality
Annual Financial Statements for the year ended 30 June 2015

Accounting Officer's Responsibilities and Approval

The accounting officer is required by the Municipal Finance Management Act (Act 56 of 2003), to maintain adequate accounting records and is responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the responsibility of the accounting officer to ensure that the annual financial statements fairly present the state of affairs of the municipality as at the end of the financial year and the results of its operations and cash flows for the period then ended. The external auditors are engaged to express an independent opinion on the annual financial statements and were given unrestricted access to all financial records and related data.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practise (GRAP) and the Municipal Finance Management Act (Act 56 of 2003) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

The annual financial statements are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.


The accounting officer acknowledges that she is ultimately responsible for the system of internal financial control established by the municipality and places considerable importance on maintaining a strong control environment. To enable the accounting officer to meet these responsibilities, the accounting officer sets standards for internal control aimed at reducing the risk of error or deficit in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the municipality and all employees are required to maintain the highest ethical standards in ensuring the municipality's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the municipality is on identifying, assessing, managing and monitoring all known forms of risk across the municipality. While operating risk cannot be fully eliminated, the municipality endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The accounting officer is of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The accounting officer has reviewed the municipality's cash flow forecast for the year to 30 June 2016 and, in the light of this review and the current financial position, she is satisfied that the municipality has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for auditing and reporting on the municipality's annual financial statements. The annual financial statements have been examined by the municipality's external auditors and presented in their report.

The annual financial statements set out on pages 7 to 93, which have been prepared on the going concern basis, were approved by the accounting officer on 31 August 2015 and were signed at Marble Hall and by:



Accounting Officer
M Mathebela

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Audit Committee Report

We are pleased to present our report for the financial year ended 30 June 2015.

Audit committee members and attendance

The audit committee consists of the members listed hereunder and should meet 4 times per annum as per its approved terms of reference. During the current year 7 meetings were held.

Name of member	Number of meetings attended
Malatji TM (Chairperson)	7
Fihlani Z	2
Letsela MH	7
Matabane BTA	7
Ramataboe M	7

Audit committee responsibility

The audit committee reports that it has complied with its responsibilities arising from section 166(2)(a) of the MFMA.

The audit committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The effectiveness of internal control

The system of internal controls applied by the municipality over financial and risk management is effective, efficient and transparent. In line with the MFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the audit committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the annual financial statements, and the management report of the Auditor General South Africa, it was noted that no matters were reported that indicate any material deficiencies in the system of internal control or any deviations therefrom. Accordingly, we can report that the system of internal control over financial reporting for the period under review was efficient and effective.

The quality of in year management and monthly/quarterly reports submitted in terms of the MFMA and the Division of Revenue Act.

The audit committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer of the municipality during the year under review.

Evaluation of annual financial statements

The audit committee has:

- reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the Accounting Officer;
- reviewed the Auditor General of South Africa's management report and management's response thereto;
- reviewed changes in accounting policies and practices (delete if not applicable);
- reviewed the entities compliance with legal and regulatory provisions;
- reviewed significant adjustments resulting from the audit.

The audit committee concur with and accept the Auditor General of South Africa's report the annual financial statements, and are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor-General of South Africa.

Internal audit

The audit committee is satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the municipality and its audits.


Chairperson of the Audit Committee

Ephraim Mogale Local Municipality
Annual Financial Statements for the year ended 30 June 2015

Audit Committee Report

Date: 31 August 2015

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Accounting Officer's Report

The accounting officer submits her report for the year ended 30 June 2015.

1. Review of activities

Main business and operations

The municipality is engaged in local governance activities, which includes planning and promotion of integrated development planning, land, economic and environmental development and supplying of the following services to the community: rates and general services - all types of services rendered by the municipality.

The operating results and state of affairs of the municipality are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net surplus of the municipality was R 46,413,827 (2014: surplus R 15,546,513).

2. Going concern

We draw attention to the fact that at 30 June 2015, the municipality had accumulated surplus of R 938,280,958.

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Subsequent events

The accounting officer is not aware of any matter or circumstance arising since the end of the financial year.

4. Accounting policies

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) including any interpretations of such Statements issued by the Accounting Standards Board.

5. Accounting Officer

The accounting officer of the municipality during the year and to the date of this report is as follows:

Name	Nationality
Mathebela M	South African

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Statement of Financial Position as at 30 June 2015

Figures In Rand	Note(s)	2015	2014 Restated*
Assets			
Current Assets			
Cash and cash equivalents	3	81,866,825	49,745,011
Deposits	4	260,564	100,926
Receivables from exchange transactions	5	5,236,458	5,334,809
Receivables from non-exchange transactions	6	16,230,001	9,833,942
VAT receivable	7	2,043,013	4,394,788
Inventories	8	798,751	689,236
		106,435,612	70,098,712
Non-Current Assets			
Investment property	9	118,087,200	114,048,000
Property, plant and equipment	10	793,054,824	788,573,861
		911,142,024	902,621,861
Non-Current Assets		911,142,024	902,621,861
Current Assets		106,435,612	70,098,712
Total Assets		1,017,577,636	972,720,573
Liabilities			
Current Liabilities			
Payables from exchange transactions	11	36,263,128	37,356,635
Consumer deposits	12	1,568,314	1,620,351
Finance lease obligation	13	1,425,253	1,316,866
Unspent conditional grants and receipts	14	9,626,998	9,426,104
Provisions	15	204,668	182,276
		49,088,361	49,902,232
Non-Current Liabilities			
Finance lease obligation	13	3,589,907	5,015,160
Provisions	15	9,267,410	8,426,547
Employee benefit obligation	16	17,351,000	18,242,000
		30,208,317	31,683,707
Non-Current Liabilities		30,208,317	31,683,707
Current Liabilities		49,088,361	49,902,232
Total Liabilities		79,296,678	81,585,939
Assets		1,017,577,636	972,720,573
Liabilities		(79,296,678)	(81,585,939)
Net Assets		938,280,958	891,134,634
Accumulated surplus		938,280,958	891,134,634

* See Note 43

Ephraim Mogale Local Municipality
Annual Financial Statements for the year ended 30 June 2015

Statement of Financial Performance

Figures in Rand	Note(s)	2015	2014 Restated*
Revenue			
Revenue from exchange transactions			
Service charges	17	40,764,929	36,994,241
Rental income	18	123,685	158,352
Interest received	19	4,979,205	5,315,725
Licences and permits	20	3,913,628	4,420,034
Other Income	21	15,012,901	3,297,654
Total revenue from exchange transactions		64,794,348	50,186,006
Revenue from non-exchange transactions			
Taxation revenue			
Property rates	22	25,771,581	29,830,571
Transfer revenue			
Government grants and subsidies	23	126,296,106	99,289,556
Fines	24	1,868,179	1,239,376
Total revenue from non-exchange transactions		153,935,866	130,359,503
		64,794,348	50,186,006
		153,935,866	130,359,503
Total revenue		218,730,214	180,545,509
Expenditure			
Employee related costs	25	(53,150,283)	(49,251,330)
Remuneration of councillors	26	(10,343,455)	(9,879,963)
Debt impairment	27	(2,944,339)	(6,066,546)
Depreciation and amortisation	28	(40,721,576)	(37,960,565)
Finance costs	29	(2,042,079)	(1,432,117)
Repairs and maintenance	30	(7,874,188)	(9,180,043)
Bulk purchases	31	(23,580,252)	(21,544,525)
Contracted services	32	(4,071,247)	(2,854,919)
Grants and subsidies paid	33	(1,587,562)	(1,173,633)
General expenses	34	(31,253,065)	(28,920,952)
Loss on disposal of assets	35	(1,305,664)	-
Total expenditure		(178,873,710)	(168,264,593)
		-	-
Total revenue		218,730,214	180,545,509
Total expenditure		(178,873,710)	(168,264,593)
Operating surplus		39,856,504	12,280,916
Fair value adjustments	36	4,039,200	6,719,000
Actuarial gains/ (losses)	16	3,196,530	(3,566,000)
		7,235,730	3,153,000
		47,092,234	15,433,916
Surplus before taxation		-	-
Taxation		-	-
Surplus for the year		47,092,234	15,433,916

* See Note 43

Ephraim Mogale Local Municipality
Annual Financial Statements for the year ended 30 June 2015

Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus	Total net assets
Balance at 01 July 2013	875,700,720	875,700,720
Changes in net assets	15,433,914	15,433,914
Surplus for the year	15,433,914	15,433,914
Total changes	894,770,890	894,770,890
Opening balance as previously reported	(3,582,167)	(3,582,167)
Adjustments	891,188,723	891,188,723
Prior year adjustments refer to note 43		
Restated* Balance at 01 July 2014 as restated*	891,188,723	891,188,723
Changes in net assets	47,092,235	47,092,235
Surplus for the year	47,092,235	47,092,235
Total changes	938,280,958	938,280,958
Balance at 30 June 2015	938,280,958	938,280,958
Note(s)		

* See Note 43

Ephraim Mogale Local Municipality
Annual Financial Statements for the year ended 30 June 2015

Cash Flow Statement

Figures in Rand	Note(s)	2015	2014 Restated*
Cash flows from operating activities			
Receipts			
Government grants and subsidies		126,497,000	108,715,660
Services		69,253,061	69,044,866
Interest income		4,956,814	5,187,539
Other income	21	9,682,304	(1,758,416)
		<u>210,389,179</u>	<u>181,189,649</u>
Payments			
Employee costs		(64,384,738)	(51,669,455)
Suppliers		(65,499,634)	(81,364,397)
Finance costs		(1,785,276)	(1,057,686)
		<u>(131,669,648)</u>	<u>(134,091,538)</u>
Total receipts		210,389,179	181,189,649
Total payments		(131,669,648)	(134,091,538)
Net cash flows from operating activities	37	<u>78,719,531</u>	<u>47,098,111</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(46,508,203)	(32,181,626)
Proceeds from sale of property, plant and equipment	10	1,305,664	1,478,489
Net movement in receivables	9	156,100	(77,925)
		<u>(45,046,439)</u>	<u>(30,781,062)</u>
Net cash flows from investing activities			
Cash flows from financing activities			
Finance lease payments		(1,573,670)	815,869
Loans		22,391	182,276
		<u>(1,551,279)</u>	<u>998,145</u>
Net cash flows from financing activities			
Net increase/(decrease) in cash and cash equivalents		<u>32,121,813</u>	<u>17,315,194</u>
Cash and cash equivalents at the beginning of the year		49,745,011	32,429,817
Cash and cash equivalents at the end of the year	3	<u>81,866,824</u>	<u>49,745,011</u>

* See Note 43

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference (note 51)
Figures In Rand						
	36,944,600	(34,165,958)	2,778,642	41,162,168	38,383,526	
	-	-	-	5,930,066	5,930,066	
Surplus before taxation	36,944,600	(34,165,958)	2,778,642	47,092,234	44,313,592	
Deficit before taxation	36,944,600	(34,165,958)	2,778,642	47,092,234	44,313,592	
Taxation	-	-	-	-	-	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	36,944,600	(34,165,958)	2,778,642	47,092,234	44,313,592	

Ephraim Mogale Local Municipality
Annual Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference (note 51)
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Service charges	48,661,458	-	48,661,458	40,764,929	(7,896,529)	51.1
Rental income	197,661	-	197,661	123,685	(73,976)	
Licences and permits	17,966,463	(13,442,000)	4,524,463	3,913,628	(610,835)	
Other income	4,671,046	(1,468,622)	3,202,424	15,012,901	11,810,477	51.2
Interest received	4,827,856	2,320,778	7,148,634	4,979,205	(2,169,429)	51.3
Total revenue from exchange transactions	76,324,484	(12,589,844)	63,734,640	64,794,348	1,059,708	
Revenue from non-exchange transactions						
Taxation revenue						
Property rates	15,204,926	10,046,352	25,251,278	25,771,581	520,303	
Transfer revenue						
Government grants and subsidies	126,497,000	-	126,497,000	126,296,106	(200,894)	51.4
Fines	635,169	100,000	735,169	1,868,179	1,133,010	51.5
Total revenue from non-exchange transactions	142,337,095	10,146,352	152,483,447	153,935,866	1,452,419	
'Total revenue from exchange transactions'	76,324,484	(12,589,844)	63,734,640	64,794,348	1,059,708	
'Total revenue from non-exchange transactions'	142,337,095	10,146,352	152,483,447	153,935,866	1,452,419	
Total revenue	218,661,579	(2,443,492)	216,218,087	218,730,214	2,512,127	
Expenditure						
Employee related costs	(50,947,726)	(3,293,668)	(54,241,394)	(53,150,283)	1,091,111	
Remuneration of councillors	(10,156,093)	259,451	(9,896,642)	(10,343,455)	(446,813)	
Depreciation and amortisation	(26,500,000)	(13,500,000)	(40,000,000)	(40,721,576)	(721,576)	
Finance costs	(3,360,200)	1,455,000	(1,905,200)	(2,042,079)	(136,879)	
Debt impairment	(636,000)	(5,364,000)	(6,000,000)	(2,944,339)	3,055,661	
Repairs and maintenance	(33,450,463)	8,316,742	(25,133,721)	(7,874,188)	17,259,533	
Bulk purchases	(23,827,855)	(145,000)	(23,972,855)	(23,580,252)	392,603	
Contracted services	(2,996,446)	(1,318,196)	(4,314,642)	(4,071,247)	243,395	
Grants and subsidies paid	(2,334,074)	628,601	(1,705,473)	(1,587,562)	117,911	
General expenses	(27,508,122)	(18,761,396)	(46,269,518)	(31,253,065)	15,016,453	
Total expenditure	(181,716,979)	(31,722,466)	(213,439,445)	(177,568,046)	35,871,399	
	218,661,579	(2,443,492)	216,218,087	218,730,214	2,512,127	
	(181,716,979)	(31,722,466)	(213,439,445)	(177,568,046)	35,871,399	
Operating surplus	36,944,600	(34,165,958)	2,778,642	41,162,168	38,383,526	
Loss on disposal of assets and liabilities	-	-	-	(1,305,664)	(1,305,664)	
Fair value adjustments	-	-	-	4,039,200	4,039,200	
Actuarial gains/losses	-	-	-	3,196,530	3,196,530	
	-	-	-	5,930,066	5,930,066	

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference (note 51)
Figures in Rand						
Statement of Financial Position						
Assets						
Current Assets						
Inventories	-	-	-	798,751	798,751	
Receivables from exchange transactions	-	-	-	5,236,457	5,236,457	
Receivables from non-exchange transactions	-	-	-	16,230,001	16,230,001	
VAT receivable	-	-	-	2,043,013	2,043,013	
Deposits	-	-	-	260,564	260,564	
Cash and cash equivalents	-	-	-	81,866,825	81,866,825	
	-	-	-	106,435,611	106,435,611	
Non-Current Assets						
Investment property	-	-	-	118,087,200	118,087,200	
Property, plant and equipment	63,430,000	(1,690,289)	61,739,711	793,054,824	731,315,113	
	63,430,000	(1,690,289)	61,739,711	911,142,024	849,402,313	
Non-Current Assets	-	-	-	106,435,611	106,435,611	
Current Assets	63,430,000	(1,690,289)	61,739,711	911,142,024	849,402,313	
Total Assets	63,430,000	(1,690,289)	61,739,711	1,017,577,635	955,837,924	
Liabilities						
Current Liabilities						
Finance lease obligation	-	-	-	1,425,253	1,425,253	
Payables from exchange transactions	-	-	-	36,263,128	36,263,128	
Consumer deposits	-	-	-	1,568,314	1,568,314	
Unspent conditional grants and receipts	-	-	-	9,626,998	9,626,998	
Provisions	-	-	-	204,668	204,668	
	-	-	-	49,088,361	49,088,361	
Non-Current Liabilities						
Finance lease obligation	-	-	-	3,589,907	3,589,907	
Employee benefit obligation	-	-	-	17,351,000	17,351,000	
Provisions	-	-	-	9,267,409	9,267,409	
	-	-	-	30,208,316	30,208,316	
	-	-	-	49,088,361	49,088,361	
	-	-	-	30,208,316	30,208,316	
	-	-	-	-	-	
Total Liabilities	-	-	-	79,296,677	79,296,677	
Assets	63,430,000	(1,690,289)	61,739,711	1,017,577,635	955,837,924	
Liabilities	-	-	-	(79,296,677)	(79,296,677)	
Net Assets	63,430,000	(1,690,289)	61,739,711	938,280,958	876,541,247	

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis

	Approved budget	Adjustments	Final budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference (note 51)
Figures in Rand						
Net Assets						
Net Assets Attributable to Owners of Controlling Entity						
Reserves						
Accumulated surplus	63,430,000	(1,690,289)	61,739,711	938,280,957	876,541,246	
Undefined Difference	-	-	-	1	1	
Total Net Assets	63,430,000	(1,690,289)	61,739,711	938,280,957	876,541,246	

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Figures in Rand

Original budget	Budget adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments and budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance	Actual outcome as % of final budget	Actual outcome as % of original budget
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Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

2015

Financial Performance

Property rates	15,204,926	10,046,352	25,251,278	-	25,251,278	25,771,581	520,303	102 %	169 %
Service charges	48,661,458	-	48,661,458	-	48,661,458	40,764,929	(7,896,529)	84 %	84 %
Investment revenue	4,827,856	2,320,778	7,148,634	-	7,148,634	4,979,205	(2,169,429)	70 %	103 %
Transfers recognised - operational	126,497,000	-	126,497,000	-	126,497,000	126,296,106	(200,894)	100 %	100 %
Other own revenue	23,470,338	(14,810,622)	8,659,716	-	8,659,716	24,957,593	16,297,877	288 %	106 %
Total revenue (excluding capital transfers and contributions)	218,661,578	(2,443,492)	216,218,086	-	216,218,086	222,769,414	6,551,328	103 %	102 %
Employee costs	(50,947,726)	(3,293,668)	(54,241,394)	-	(54,241,394)	(53,150,283)	1,091,111	98 %	104 %
Remuneration of councillors	(10,156,093)	259,451	(9,896,642)	-	(9,896,642)	(10,343,455)	(446,813)	105 %	102 %
Debt impairment	(636,000)	(5,364,000)	(6,000,000)	-	(6,000,000)	(2,944,339)	3,055,661	49 %	463 %
Depreciation and asset impairment	(26,500,000)	(13,500,000)	(40,000,000)	-	(40,000,000)	(40,721,576)	(721,576)	102 %	154 %
Finance charges	(3,350,200)	1,455,000	(1,905,200)	-	(1,905,200)	(2,042,079)	(136,879)	107 %	61 %
Materials and bulk purchases	(23,827,855)	(145,000)	(23,972,855)	-	(23,972,855)	(23,580,252)	392,603	98 %	99 %
Transfers and grants	(2,334,074)	628,601	(1,705,473)	-	(1,705,473)	(1,587,562)	117,911	93 %	68 %
Other expenditure	(63,955,032)	1,198,220	(62,756,812)	-	(62,756,812)	(44,504,165)	18,252,647	71 %	70 %
Total expenditure	(181,716,980)	(18,761,396)	(200,478,376)	-	(200,478,376)	(178,873,711)	21,604,665	89 %	98 %
Total revenue (excluding capital transfers and contributions)	218,661,578	(2,443,492)	216,218,086	-	216,218,086	222,769,414	6,551,328	103 %	102 %
Total expenditure	(181,716,980)	(18,761,396)	(200,478,376)	-	(200,478,376)	(178,873,711)	21,604,665	89 %	98 %
Surplus/(Deficit)	36,944,598	(21,204,888)	15,739,710	-	15,739,710	43,895,703	28,155,993	279 %	119 %
Surplus/(Deficit)	36,944,598	(21,204,888)	15,739,710	-	15,739,710	43,895,703	28,155,993	279 %	119 %
Surplus (Deficit) after capital transfers and contributions	36,944,598	(21,204,888)	15,739,710	-	15,739,710	43,895,703	28,155,993	279 %	119 %
Surplus/(Deficit) for the year	36,944,598	(21,204,888)	15,739,710	-	15,739,710	43,895,703	28,155,993	279 %	119 %

Capital Expenditure and Funds Sources

Ephraim Mogale Local Municipality

Annual Financial Statements for the year ended 30 June 2015

Appropriation Statement

Figures in Rand

	Original budget	Budget adjustments (i.t.o. s31 of the MFMA)	Final adjustments and budget (i.t.o. s28 and budget MFMA)	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. council approved policy)	Final budget	Actual outcome	Unauthorised expenditure	Variance as % of final budget	Actual outcome as % of original budget
Cash Flows										
Net cash from (used) operating	-	-	-	-	-	-	78,719,531	-	78,719,531	DIV/0 %
Net cash from (used) investing	-	-	-	-	-	-	(45,046,439)	-	(45,046,439)	DIV/0 %
Net cash from (used) financing	-	-	-	-	-	-	(1,551,279)	-	(1,551,279)	DIV/0 %
Net increase/(decrease) in cash and cash equivalents	-	-	-	-	-	-	32,121,813	-	32,121,813	DIV/0 %
Cash and cash equivalents at the beginning of the year	-	-	-	-	-	-	49,745,011	-	49,745,011	DIV/0 %
Net increase / (decrease) in cash and cash equivalents	-	-	-	-	-	-	32,121,813	-	(32,121,813)	DIV/0 %
Cash and cash equivalents at the beginning of the year	-	-	-	-	-	-	49,745,011	-	(49,745,011)	DIV/0 %
Cash and cash equivalents at year end	-	-	-	-	-	-	81,866,824	-	(81,866,824)	DIV/0 %