`

ITEM:

TO: COUNCIL

REPORT OF THE CHIEF FINANCIAL OFFICER

QUARTERLY FINANCIAL REPORT SEPTEMBER 2009

PURPOSE OF THE REPORT

The purpose is to comply with the financial reporting requirements per the Municipal Finance Management Act.

STATUTORY/LEGAL REQUIREMENT

Section 52(d) of the Municipal Finance Management Act reads as follows:

"The Mayor of the municipality must, within 30 days of the end of each quarter, submit to the council on the implementation of the budget and the financial state of affairs of the municipality."

BACKGROUND, EXPOSITION, FACTS AND PROPOSALS

The report is discussed per annexures A, B, C, D, E, F. Annexure A and B are based on a baseline as determined on the budget projections in the 2009/10 SDBIP. Annexure C refers to Council`s approved IDP and the expenditure incurred for the period ending 30 September 2009. Annexure D refers to progress on revenue, operating expenditure and expenditure per Council's approved IDP in relation to the approved SDBIP. Annexure E refers to projects rolled-over from the previous financial years. Annexure F refers to Council's investment portfolio.

FINANCIAL REPORTING

DEBTORS

The outstanding debtors as at 30 September 2009 are as follows:

Abattoir

NAME	SEP 2009	JUNE 2009	MARCH 2009
Current	18 189	26 670	23 267
30 – 60 days	4 956	11 606	13 140
60 – 90 days	4550	14 075	20 456
Above 90 days	362 472	348 815	323 369
TOTAL	**390 167**	**401 166**	**380 232**

There are two Abattoir account holders, namely JFC Meat and Major Meat, who lodged disputes against their accounts. Their cases are currently handled by our Legal Division to recover the outstanding amounts above 90 days. The cases were handed over to Sechele Consulting, but their appointment has subsequently been suspended.

CREDITORS

The total creditors outstanding are R54 108. All creditors are current.

STAFF IMPLICATION

None

FINANCIAL IMPLICATION

See Annexures A to F

OTHER PARTIES CONSULTED

Divisional Managers: Budget & Treasury Office

ANNEXURES

Monthly Financial Report for the month ending 30 September 2009.

ANNEXURE A

Annexure A refers to Revenue per revenue source and explanations are attached after Annexure A.

ANNEXURE B

Annexure B refers to Expenditure per vote and explanations are attached after Annexure B.

ANNEXURE C: CAPITAL EXPENDITURE PER IDP

Annexure C refers to the IDP for the current financial year. The report indicates that 0.73% of the funds allocated for the IDP are spent.

ANNEXURE D: REVENUE & EXPENDITURE IN RELATION TO SDBIP

Annexure D refer to the actual operating revenue, operating expenditure and IDP capital expenditure in relation to the projected operating revenue, operating expenditure and IDP capital expenditure in the approved 09/10 SDBIP.

ANNEXURE E: CAPITAL EXPENDITURE ON ROLL OVER

Annexure E refers to the rolled over projects. An amount of R25 989 751 was unspent as at 30 June 2009. The report indicates that 25.84% of the rolled over funds were spent.

ANNEXURE F: INVESTMENT PORTFOLIO

Council's total investment portfolio amounts to R116 000 000 as at 30 September 2009.

AUTHORITY

Municipal Finance Management Act, No 56 of 2003
Municipal Investment Regulation (GNR 308 of 1 April 2005)

RECOMMENDATION

1. That the report by the Chief Financial Officer regarding the quarterly financial report as at 30 September 2009 as contained in the agenda, be noted.