

Budgeting for Financial Performance

Description	REF	Medium Term Revenue & Expenditure Framework		
		2009/2010	2010/2011	2011/2012
		Budget Year	Budget Year+1	Budget Year+2
		R	R	R
Operating Revenue				
Property Rates	A	1,000,000	1,040,000	1,080,000
Service Charges	A	5,432,000	6,137,800	7,039,360
Rental of facilities and equipment	A	10,000	10,000	10,000
Interest earned - external investments	D	300,000	300,000	300,000
Interest earned - outstanding debtors	D	520,000	520,000	480,000
Fines	B	-	-	-
Licences and permits	B	80,000	82,000	84,000
Government grants and subsidies - Operating	E	11,176,900	13,851,730	15,209,070
Government grants and subsidies - Capital	F	14,383,000	7,378,000	6,334,000
Other revenue	B	159,700	161,900	205,150
Public contributions, donated & contributed PPE	B,L	-	-	-
Gains on disposal of PPE	B	-	-	-
		33,061,600	29,481,430	30,741,580
Operating Expenditure				
Employee related cost		7,893,110	8,503,269	9,151,140
Remuneration of Councillors		966,210	1,043,500	1,126,980
Administrative Expenditure		4,867,770	5,492,370	5,580,980
Bad & Doubtful debts	M	-	-	-
Collection costs		-	-	-
Depreciation		-	-	-
Repairs & Maintenance	N	889,000	2,183,350	2,369,630
Finance Charges		-	-	-
Bulk Purchases		2,420,000	3,000,000	3,750,000
Contracted Services		500,000	750,000	790,000
Grants & Subsidies		-	-	-
		17,536,090	20,972,489	22,768,730
Operating Surplus/(Deficit)		15,525,510	8,508,941	7,972,850

Budgeting for Cash Flow

Description	REF	Medium Term Revenue & Expenditure Framework		
		2009/2010 Budget Year	2010/2011 Budget Year+1	2011/2012 Budget Year+2
		R	R	R
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Cash receipts from ratepayers and other	A,B	6,681,700	7,431,700	8,418,510
Cash receipts from government - operating	E	11,176,900	13,851,730	15,209,070
Cash receipts from government - capital	F	14,383,000	7,378,000	6,334,000
Interest Received	D	820,000	820,000	780,000
		33,061,600	29,481,430	30,741,580
Payments				
Cash paid to suppliers and employees		17,536,090	20,972,489	22,768,730
Finance charges paid		-	-	-
		17,536,090	20,972,489	22,768,730
NET CASH FROM/USED OPERATING ACTIVITIES		15,525,510	8,508,941	7,972,850
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE		-	-	-
Decrease in current/non-current debtors	C	-1,020,000	-1,020,000	-1,500,000
Decrease in inventory		-	-	-
Decrease in non-current receivables	C	-	-	-
		-1,020,000	-1,020,000	-1,500,000
Payments				
Increase in inventory		-	-	-
Increase in long term investments		-	-	-
Purchase of Property, Plant & Equipment	I,J	14,457,000	7,457,520	6,419,500
		14,457,000	7,457,520	6,419,500
NET CASH FROM/USED INVESTING ACTIVITIES		-15,477,000	-8,477,520	-7,919,500
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Borrowing long term/refinancing	K	-	-	-
Increase in consumer deposits		-	-	-
		-	-	-
Payments				
Repayment of borrowing	K	-	-	-
		-	-	-
NET CASH FROM/USED FINANCING ACTIVITIES		-	-	-
NET INCREASE/(DECREASE) IN CASH HELD		48,510	31,421	53,350
Cash/cash equivalent at the year begin:		-	-	-
Cash/cash equivalent at the year end:		48,510	31,421	53,350

Reconciliation of reserves and commitments backed by cash/investments

Description	REF	Medium Term Revenue & Expenditure Framework		
		2009/2010 Budget Year	2010/2011 Budget Year+1	2011/2012 Budget Year+2
		R	R	R
Reserves to be backed by cash	G	-	-	-
Capital budget creditors unpaid at year end	J	-	-	-
Total commitments		-	-	-
Total cash and investments available				
Cash/cash equivalents at year end		48,510	31,421	53,350
Long term investments held	H	-	-	-
Cash and investments available		48,510	31,421	53,350

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