

REPORT TO THE EXECUTIVE MAYOR: 14 OCTOBER 2011
OFFICE OF THE ACTING CITY MANAGER

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE
2011/2012 BUDGET FOR THE PERIOD ENDING 30 SEPTEMBER 2011

File No.: 5/1/1/1[10/11]
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Acting Chief Financial Officer

1. PURPOSE

The purpose of the report is for Executive Mayor to note the statement of financial performance and the implementation of the 2011/12 budget of the Municipality for the period ending 30 September 2011, and take cognisance of the collection rate and the expenditure rate on the projects.

2. AUTHORITY

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 8, Section 71 (1), (2) and (3).

4. EXPOSITION OF FACTS

The exposition of facts is in the following order:

- 4.1 Statement of Financial Performance**
- 4.2 Collection Rate**
- 4.3 Operating Projects Expenditure**
- 4.4 Capital Expenditure**
- 4.5 Expenditure on Conditional Grants - DoRA Allocation**
- 4.6 Restructuring Grant Milestones**



BCMM will therefore not be able to roll-over unspent conditional grants to the 2012/13 financial year if there is no written approval from the National Treasury. BCMM will not be able to spend unspent conditional grants that have been rolled over until they are re-appropriated in a National Adjustment Budget passed by Parliament and thereafter by a Municipal Adjustment Budget in terms of Section 28(2) (b) of the MFMA and Regulation 23(3) of the Municipal Budget and Reporting Regulations.

6. FINANCIAL IMPLICATIONS

The low collection rate will impact the Municipality's ability to fully meet its financial obligations. Low expenditure rate on grants will have a negative effect on future grants allocation.

7. RECOMMENDATION

It is recommended that:

- a) The Executive Mayor notes the report on the statement of financial performance and the implementation of the 2011/12 budget for the period ending 30 September 2011.


MS. A. MAGWENTSHU
ACTING CITY MANAGER



ANNEXURE D

Buffalo City Metropolitan Municipality
East London | Bhisho | King William's Town
Province of the Eastern Cape
South Africa

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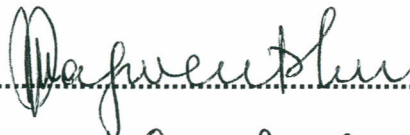
QUALITY CERTIFICATE

I A. MAGWENTSHU The Acting City Manager of Buffalo City Metropolitan Municipality do hereby certify that –

The monthly budget statement (Section 71 Report) for the month of **September 2011** has been prepared in accordance to the Municipal Finance Management Act 2003 and Regulations made under that Act.

Print name: AMANDA MAGWENTSHU

Acting City Manager of Buffalo City Metropolitan Municipality

Signature: 

Date: 13 OCTOBER 2011

