

PROJECTED CASH FLOW STATEMENT FOR THE 2015/16 FINANCIAL YEAR

Projected Cash Flow Statement as at 31 December 2015

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

Table C7 Consolidated Monthly Budget Statement - Cash Flow – M06 December 2015

Description	2014/15	Budget Year 2015/16						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Ratepayers and other	6,229,130	6,547,926	707,456	3,871,949	3,641,249	230,700	6%	6,547,926
Government - operating	1,173,071	1,355,719	13,841	707,921	870,834	(162,912)	-19%	1,355,719
Government - capital	999,637	1,093,822	282,392	664,406	512,140	152,266	30%	1,093,822
Interest	83,294	70,045	6,035	49,421	41,564	7,857	19%	70,045
Dividends						–		
Payments								
Suppliers and employees	(6,873,176)	6,889,818)	(652,805)	(4,171,922)	(3,823,143)	348,780	-9%	(6,889,818)
Finance charges	(208,860)	(168,361)	(4,480)	(84,953)	(85,452)	(499)	1%	(168,361)
Transfers and Grants	(23,392)	(27,993)	17,401	(10,960)	(12,162)	(1,202)	10%	(27,993)
NET CASH FROM/(USED) OPERATING ACTIVITIES	1,379,705	1,981,340	369,840	1,025,862	1,145,029	119,167	10%	1,981,340
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Proceeds on disposal of PPE			–			–		
Decrease (Increase) in non-current debtors			–			–		
Decrease (increase) other non-current receivables	(6,208)		–			–		
Decrease (increase) in non-current investments			–			–		
Payments								
Capital assets	(1,435,786)	(1,596,933)	(127,315)	(719,384)	(876,530)	(157,146)	18%	(1,596,933)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(1,441,994)	(1,596,933)	(127,315)	(719,384)	(876,530)	(157,146)	18%	(1,596,933)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans			–			–		
Borrowing long term/refinancing						–		
Increase (decrease) in consumer deposits	11,505					–		
Payments								
Repayment of borrowing	(111,777)	(104,093)	(15,000)	(60,254)	(60,254)	(0)	0%	(104,093)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(100,272)	(104,093)	(15,000)	(60,254)	(60,254)	(0)	0%	(104,093)
NET INCREASE/ (DECREASE) IN CASH HELD	(162,561)	280,314	227,525	246,224	208,245			280,314
Cash/cash equivalents at beginning:	1,608,097	914,561		1,445,536	914,561			914,561
Cash/cash equivalents at month/year end:	1,445,536	1,194,875		1,691,760	1,122,806			1,194,875

The significant variances are discussed below:

Payments: Capital

- The variance is mainly attributable to Capital Projects being delayed due to the tender evaluation processes taking longer than anticipated and protest actions on sites in some instances. Further no spending has been incurred on IPTS projects.

Receipts: Ratepayer and Other and Payments: Suppliers and Employees

- The variances are mainly affected by VAT claimed back from SARS and VAT paid over to SARS

Government Operating and Capital Grants

- As the time schedule of payments in respect of these grants was not available at the time of preparing the budget, variances have arisen. However the grants received are in accordance with the grants as allocated in the DORA.

Interest

- Due to the higher investment portfolio than anticipated and interest rates being slightly higher than anticipated in the budget, the interest earned on external investments was higher than anticipated in the Budget.