



**UTHUKELA DISTRICT
MUNICIPALITY
SECTION 71 REPORT
DECEMBER
2013**

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Part 1 – Annual Budget

1.1 Mayor's Report

The Monthly section 71 report is a report that gives a clear view on the state or performance of the Municipality for that month as well as the year to date performance. Among the impacts that are challenging the Municipality, is the cash flow challenge currently being experienced by the municipality due to among other things declining collection, historic expenditure patterns, high water losses and high rate of indigents within the municipal boundaries.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the Uthukela District Municipality. Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

1.2 Council Resolutions

1. The Council of Uthukela District Municipality, acting in terms of section 71 of the Municipal Finance Management Act, (Act 56 of 2003) to note :

1. Monthly Budget statements and supporting documents for the December 2013.

1.3 Executive Summary

As per Municipal Finance Management Act the municipality needs to prepare section 71 report in a prescribed format as per national treasury regulations.

The District has to embark on implementing revenue collection strategies to optimize the collection of debt owed by consumers.

There is a functionally IFC committee to ensure that all expenditure are curbed at the minimal but not affecting the service delivery based on the cash flow.

The municipality is also embarking on assuring that all grants are spent during the 2013/2014 financial year.

TABLE 1: C4 – Monthly Budget Statements – Financial Performance

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	Budget Year 2013/14								
		2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates										
Property rates - penalties & collection charges										
Service charges - electricity revenue										
Service charges - water revenue										
Service charges - sanitation revenue	104 240	123 813	123 813	8 068	55 397	61 907	(6 509)	-11%	123 813	
Service charges - refuse revenue	13 047	15 075	15 075	1 221	6 760	7 538	(777)	-10%	15 075	
Service charges - other	-									
Rental of facilities and equipment										
Interest earned - external investments	9 789	9 109	9 109	-	4 344	4 555	(210)	-5%	9 109	
Interest earned - outstanding debtors	29 447	17 790	17 790	2 876	16 358	8 895	7 463	84%	17 790	
Dividends received										
Fines										
Licences and permits										
Agency services										
Transfers recognised - operational	279 412	277 744	277 744	571	111 335	138 872	(27 537)	-20%	277 744	
Other revenue	5 076	275	275	8	1 173	138	1 035	753%	275	
Gains on disposal of PPE	32 687									
Total Revenue (excluding capital transfers and contributions)	473 698	443 806	443 806	12 744	195 367	221 903	(26 536)	-12%	443 806	
Expenditure By Type										
Employee related costs	119 882	158 358	158 358	7 398	65 231	79 179	(13 948)	-18%	158 358	
Remuneration of councillors	4 792	5 612	5 612	366	2 252	2 806	(554)	-20%	5 612	
Debt impairment	244 001	20 180	20 180	-	-	10 090	(10 090)	-100%	20 180	
Depreciation & asset impairment	32 001	35 936	35 936	-	-	17 968	(17 968)	-100%	35 936	
Finance charges	2 432	3 339	3 339	28	750	1 670	(920)	-55%	3 339	
Bulk purchases	42 251	45 563	45 563	1 904	20 304	22 782	(2 478)	-11%	45 563	
Other materials	16 088	18 898	18 898	1 517	6 827	9 449	(2 622)	-28%	18 898	
Contracted services	45 289	40 103	40 103	5 165	29 214	20 052	9 162	46%	40 103	
Transfers and grants	6 500	6 000	6 000	34	1 377	3 000	(1 623)	-54%	6 000	
Other expenditure	136 139	45 053	45 053	6 981	14 364	22 527	(8 162)	-36%	45 053	
Loss on disposal of PPE	2 168									
Total Expenditure	651 545	379 042	379 042	23 392	140 319	189 521	(49 202)	-26%	379 042	
Surplus/(Deficit)										
Transfers recognised - capital	(177 847)	64 764	64 764	(10 648)	55 048	32 382	22 666	0	64 764	
Contributions recognised - capital	216 573	193 847	193 874	8 037	108 531	96 937	11 594	0	193 874	
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions	38 727	258 611	258 638	(2 611)	163 579	129 319			258 638	
Taxation										
Surplus/(Deficit) after taxation	38 727	258 611	258 638	(2 611)	163 579	129 319			258 638	
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	38 727	258 611	258 638	(2 611)	163 579	129 319			258 638	
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year	38 727	258 611	258 638	(2 611)	163 579	129 319			258 638	

The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.

Contracted services has an R29 214 000 spending which is high when compared by the year to date Budget of R20 052 000 .

The other revenue includes an amount of R1 150 000 that was received due to the investigations that the municipality was undergoing.

The amount under transfers and grants is for the Jojo tanks that were bought, and there is no subsidy that has been made to indigents.

The Debt impairment and the depreciation there is still no movements on these to line items.

Table 2 : C5 – Monthly Budget Statements – Capital Expenditure

2.1 The following table provides a breakdown of budgeted capital expenditure by vote:

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - A - M06 December

Vote Description	Ref	2012/13	Budget Year 2013/14							Full Year Forecast
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	
Capital expenditure - Municipal Vote										
Capital expenditure - Municipal Vote										
Expenditure of single-year capital appropriation										
Vote 9 - MUNICIPAL MANGER	1	-	800	800	18	341	400	-	-	
9.1 - COUNCIL			800	800	18	341	400	(59)	-15%	800
9.2 - MUNICIPAL MANGER								(59)	-15%	800
Vote 10 - TREASURY		28	160	160	-	54	80	-	-	
10.1 - BUDGET AND TREASURY		28	160	160	-	54	80	(26)	-33%	160
Vote 11 - CORPORATE SERVICES		114	160	160	0	0	80	-	-	
11.1 - CORPORATE SERVICES		114	160	160	0	0	80	(80)	-100%	160
Vote 12 - WATER SERVICES		100,760	191,784	191,784	8,019	108,477	95,892	-	-	
12.1 - TECHNICAL SERVICES		96,913	176,259	176,259	7,722	108,180	88,130	12,585	13%	191,784
12.2 - WATER ADMIN SERVICES		3,847	15,525	15,525	297	297	7,763	20,051	23%	176,259
12.3 - SANITATION ADMIN SERVICES								(7,465)	-96%	15,525
Vote 13 - SOCIAL AND ECONOMIC SERVICES		564	3,133	3,133	-	-	1,567	-	-	
13.1 - SOCIAL AND ECONOMIC ADMIN SERVICES		397	2,923	2,923	-	-	1,462	(1,567)	-100%	3,133
13.2 - HEALTH SERVICES		167	210	210	-	-	105	(1,462)	-100%	2,923
Total single-year capital expenditure		101,466	196,037	196,037	8,037	108,872	98,019	10,854	0	196,037
Total Capital Expenditure		101,466	196,037	196,037	8,037	108,872	98,019	10,854	0	196,037

2.2

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M06 December

Vote Description	Ref	Budget Year 2013/14								
		2012/13	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1	Audited Outcome								
Single Year expenditure appropriation	2									
Vote 9 - MUNICIPAL MANGER		-	800	800	18	341	400	(59)	-15%	800
Vote 10 - TREASURY		28	160	160	-	54	80	(26)	-33%	160
Vote 11 - CORPORATE SERVICES		114	160	160	0	0	80	(80)	-100%	160
Vote 12 - WATER SERVICES		100 760	191 784	191 784	8 019	108 477	95 892	12 585	13%	191 784
Vote 13 - SOCIAL AND ECONOMIC SERVICES		564	3 133	3 133	-	-	1 567	(1 567)	-100%	3 133
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	101 466	196 037	196 037	8 037	108 872	98 019	10 854	11%	196 037
Total Capital Expenditure		101 466	196 037	196 037	8 037	108 872	98 019	10 854	11%	196 037
Capital Expenditure - Standard Classification										
Governance and administration		142	1 120	1 120	18	395	560	(165)	-29%	1 120
Executive and council			800	800	18	341	400	(59)	-15%	800
Budget and treasury office		28	160	160	-	54	80	(26)	-33%	160
Corporate services		114	160	160	-	0	80	(80)	-100%	160
Community and public safety		564	2 678	2 678	-	-	1 339	(1 339)	-100%	2 678
Community and social services		397	2 468	2 468	-	-	1 234	(1 234)	-100%	2 468
Sport and recreation										
Public safety										
Housing										
Health		167	210	210	-	-	105	(105)	-100%	210
Economic and environmental services		2 948	2 454	2 454	-	1 090	1 227	(137)	-11%	2 454
Planning and development			455	455	-	-	228	(228)	-100%	455
Road transport		2 948	1 999	1 999	-	1 090	1 000	91	9%	1 999
Environmental protection										
Trading services		97 812	189 785	189 785	8 019	107 387	94 893	12 495	13%	189 785
Electricity										
Water		97 812	189 785	189 785	8 019	107 387	94 893	12 495	13%	189 785
Waste water management										
Waste management										
Other										
Total Capital Expenditure - Standard Classification	3	101 466	196 037	196 037	8 037	108 872	98 019	10 854	11%	196 037
Funded by:										
National Government		96 913	191 379	191 379	8 019	108 477	95 690	12 788	13%	191 379
Provincial Government			2 468	2 468	-	-	1 234	(1 234)	-100%	2 468
District Municipality										
Other transfers and grants										
Transfers recognised - capital		96 913	193 847	193 847	8 019	108 477	96 924	11 554	12%	193 847
Public contributions & donations	5									
Borrowing	6		750	750	-	-	375	(375)	-100%	750
Internally generated funds		4 553	1 440	1 440	18	395	720	(325)	-45%	1 440
Total Capital Funding		101 466	196 037	196 037	8 037	108 872	98 019	10 854	11%	196 037

The major spending on the capital expenditure is from Technical services, some other departments have not spent their capital budget, Only R395 000 have been spent from the municipal internally generated funds. And from the total of R196 037 000 budgeted grant amounts only R8 037 000 have been spent. These excludes unspent grants

Table 3: Repairs and maintenance per asset class

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	16,497	16,497	1,104	5,508	8,249	2,741	33.2%	18,297
Infrastructure - Road transport		-	200	200	-	-	100	100	100.0%	2,000
Roads, Pavements & Bridges			200	200	-	-	100	100	100.0%	2,000
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	11,297	11,297	1,104	5,508	5,649	141	2.5%	11,297
Dams & Reservoirs			7,247	7,247	752	2,946	3,624	678	18.7%	7,247
Water purification			50	50	-	12	25	13	52.4%	50
Reticulation			4,000	4,000	352	2,550	2,000	(550)	-27.5%	4,000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	5,000	5,000	-	-	2,500	2,500	100.0%	5,000
Waste Management										
Transportation										
Gas										
Other			5,000	5,000	-	-	2,500	2,500	100.0%	5,000
Other assets		-	2,545	2,545	413	1,319	1,273	(46)	-3.6%	2,475
General vehicles			2,155	2,155	408	1,311	1,078	(234)	-21.7%	2,155
Specialised vehicles										
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs			160	160	2	4	80	76	95.5%	160
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land			230	230	3	4	115	111	96.5%	160
Surplus Assets - (Investment or Inventory)										
Other										
Total Repairs and Maintenance Expenditure		-	19,042	19,042	1,517	6,827	9,521	2,694	28.3%	20,772

The Municipality has only spent R6 827 000 only on repairs and maintenance

1.4 Annual Budget Tables

The following pages present the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2013/14 budget and MTREF as approved by the Council.

Table 4: Table C1 - Budget Summary

DC23 Uthukela - Table C1 Monthly Budget Statement Summary - M06 December

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	117 286	138 888	138 888	9 289	62 157	69 444	(7 287)	-10%	138 888
Investment revenue	9 789	9 109	9 109	-	4 344	4 555	(210)	-5%	9 109
Transfers recognised - operational	279 412	277 744	277 744	571	111 335	138 872	(27 537)	-20%	277 744
Other own revenue	67 210	18 065	18 065	2 884	17 530	9 033	8 498	94%	18 065
Total Revenue (excluding capital transfers and contributions)	473 698	443 806	443 806	12 744	195 367	221 903	(26 536)	-12%	443 806
Employee costs	119 882	158 358	158 358	7 398	65 231	79 179	(13 948)	-18%	158 358
Remuneration of Councillors	4 792	5 612	5 612	366	2 252	2 806	(554)	-20%	5 612
Depreciation & asset impairment	32 001	35 936	35 936	-	-	17 968	(17 968)	-100%	35 936
Finance charges	2 432	3 339	3 339	28	750	1 670	(920)	-55%	3 339
Materials and bulk purchases	58 339	64 461	64 461	3 420	27 130	32 231	(5 100)	-16%	64 461
Transfers and grants	6 500	6 000	6 000	34	1 377	3 000	(1 623)	-54%	6 000
Other expenditure	427 598	105 336	105 336	12 146	43 578	52 668	(9 090)	-17%	105 336
Total Expenditure	651 545	379 042	379 042	23 392	140 319	189 521	(49 202)	-26%	379 042
Surplus/(Deficit)	(177 847)	64 764	64 764	(10 648)	55 048	32 382	22 666	70%	64 764
Transfers recognised - capital	216 573	193 847	193 874	8 037	108 531	96 937	11 594	12%	193 874
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	38 727	258 611	258 638	(2 611)	163 579	129 319	34 260	26%	258 638
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	38 727	258 611	258 638	(2 611)	163 579	129 319	34 260	26%	258 638
Capital expenditure & funds sources									
Capital expenditure									
Capital transfers recognised	101 466	196 037	196 037	8 037	108 872	98 019	10 854	11%	196 037
Public contributions & donations	96 913	193 847	193 847	8 019	108 477	96 924	11 554	12%	193 847
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	4 553	1 440	1 440	18	395	720	(375)	-100%	750
Total sources of capital funds	101 466	196 037	196 037	8 037	108 872	98 019	10 854	11%	196 037
Financial position									
Total current assets	201 914	364 338	364 338	-	781 298	-	-	-	364 338
Total non current assets	812 489	1 063 469	1 063 469	-	776 677	-	-	-	1 063 469
Total current liabilities	252 619	184 701	184 701	-	416 263	-	-	-	184 701
Total non current liabilities	13 230	19 098	19 098	-	12 996	-	-	-	19 098
Community wealth/Equity	748 554	1 224 008	1 224 008	1 128 715	-	-	-	-	1 224 008
Cash flows									
Net cash from (used) operating	163 444	236 302	236 302	(17 618)	67 002	118 151	(51 149)	-43%	236 302
Net cash from (used) investing	(101 466)	(196 037)	(196 037)	(8 037)	(108 873)	(81 682)	(27 191)	33%	(196 037)
Net cash from (used) financing	(1 609)	(4 285)	(4 285)	-	(1 708)	(2 143)	434	-20%	(4 285)
Cash/cash equivalents at the month/year end	148 773	145 098	145 098	-	211 252	143 444	67 808	47%	290 811
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	15 397	14 359	12 344	12 655	14 220	496 388	-	-	565 363
Creditors Age Analysis									
Total Creditors	261	243	-	-	291	-	-	-	795

Table 5: Table C2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M06 December

Description	Ref	2012/13	Budget Year 2013/14							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Standard										
<i>Governance and administration</i>		323 008	281 618	281 618	44	110 860	140 809	(29 949)	-21%	40 211
Executive and council		285 910	40 211	40 211	-	37 743	20 106	17 638	88%	40 211
Budget and treasury office		4 411	241 407	241 407	44	73 117	120 704	(47 586)	-39%	-
Corporate services		32 687	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		1 007	890	890	-	-	445	(445)	-100%	890
Planning and development		1 007	890	890	-	-	445	(445)	-100%	890
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		366 255	355 145	355 145	20 738	193 036	177 573	15 463	9%	355 145
Electricity		-	-	-	-	-	-	-	-	-
Water		353 208	332 935	332 935	19 517	186 275	166 468	19 808	12%	332 935
Waste water management		13 047	22 210	22 210	1 221	6 760	11 105	(4 345)	-39%	22 210
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	690 271	637 653	637 653	20 781	303 896	318 827	(14 931)	-5%	396 246
Expenditure - Standard										
<i>Governance and administration</i>		100 203	79 058	79 058	6 775	30 807	39 529	(8 722)	-22%	61 058
Executive and council		39 883	31 437	31 437	2 423	8 621	15 719	(7 098)	-45%	13 437
Budget and treasury office		27 645	25 646	25 646	1 134	8 913	12 823	(3 910)	-30%	25 646
Corporate services		32 675	21 975	21 975	3 218	13 273	10 988	2 285	21%	21 975
<i>Community and public safety</i>		17 343	17 722	17 722	956	4 205	8 861	(4 656)	-53%	17 722
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		17 343	17 722	17 722	956	4 205	8 861	(4 656)	-53%	17 722
Planning and development		40 584	20 514	20 514	599	3 915	10 257	(6 342)	-62%	20 514
Road transport		40 584	20 514	20 514	599	3 915	10 257	(6 342)	-62%	20 514
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		493 414	261 748	261 748	15 063	101 392	130 874	(29 482)	-23%	233 772
Electricity		-	-	-	-	-	-	-	-	-
Water		482 772	233 772	233 772	14 661	100 841	116 886	(16 045)	-14%	233 772
Waste water management		10 642	27 976	27 976	401	551	13 988	(13 437)	-96%	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	651 544	379 042	379 042	23 392	140 318	189 521	(49 203)	-26%	333 066
Surplus/ (Deficit) for the year		38 727	258 611	258 611	(2 611)	163 578	129 306	34 272	27%	63 180

1. Table C2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification.

Table 6 :Table C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC23 Uthukela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	Budget Year 2013/14								
		2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 10 - TREASURY		285 910	40 211	40 211	-	37 743	20 106	17 638	87.7%	-
Vote 11 - CORPORATE SERVICES		4 411	241 407	241 407	44	73 063	120 704	(47 641)	-39.5%	-
Vote 12 - WATER SERVICES		32 687	-	-	-	-	-	-	-	-
Vote 13 - SOCIAL AND ECONOMIC SERVICES		366 255	355 145	355 145	20 738	193 036	177 573	15 464	8.7%	-
Vote 14 - [NAME OF VOTE 14]		1 007	890	890	-	-	445	(445)	-100.0%	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	690 271	637 653	637 653	20 781	303 842	318 827	(14 985)	-4.7%	-
Expenditure by Vote	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 10 - TREASURY		39 883	31 437	31 437	2 423	8 621	15 719	(7 098)	-45.2%	-
Vote 11 - CORPORATE SERVICES		27 645	25 646	25 646	1 134	8 919	12 823	(3 904)	-30.4%	-
Vote 12 - WATER SERVICES		32 675	21 975	21 975	3 218	13 273	10 988	2 285	20.8%	-
Vote 13 - SOCIAL AND ECONOMIC SERVICES		493 414	261 748	261 748	15 063	101 387	130 874	(29 487)	-22.5%	-
Vote 14 - [NAME OF VOTE 14]		57 928	38 236	38 236	1 555	8 119	19 118	(10 999)	-57.5%	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	651 544	379 042	379 042	23 392	140 319	189 521	(49 202)	-26.0%	-
Surplus/ (Deficit) for the year	2	38 727	258 611	258 611	(2 611)	163 523	129 306	34 217	26.5%	-

Explanatory notes to Table C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table C3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the District.

Part 2 – Supporting Documentation

1. DEBTOR'S AGE ANALYSIS

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2013/14									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	15 397	14 359	12 336	12 655	14 220	491 949				560 916	518 824	
Trade and Other Receivables from Exchange Transactions - Electricity	1300												
Receivables from Non-exchange Transactions - Property Rates	1400												
Receivables from Exchange Transactions - Waste Water Management	1500												
Receivables from Exchange Transactions - Waste Management	1600												
Receivables from Exchange Transactions - Property Rental Debtors	1700												
Interest on Arrear Debtor Accounts	1810												
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820												
Other	1900	-	-	7	-	-	4 439				4 447	4 439	
Total By Income Source	2000	15 397	14 359	12 344	12 655	14 220	496 388	-	-	565 363	523 263	-	-
2012/13 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 493	1 744	1 146	1 178	1 163	2 354				9 078	4 695	
Commercial	2300	495	394	296	188	1 967	2 005				5 344	4 160	
Households	2400	13 406	12 219	10 895	11 285	11 025	487 589				546 420	509 899	
Other	2500	3	2	7	4	65	4 440				4 520	4 509	
Total By Customer Group	2600	15 397	14 360	12 344	12 655	14 220	496 388	-	-	565 362	523 262	-	-

There R523 262 000 outstanding debtors, of which R9 078 000 is the amounts owed to us by the government departments, R5 344 000 owed by businesses and R 546 420 000 owed by households inclusive on the amount owed by household is the indigent amount that om needs to be taken out on some households whom are indigent hence the municipality have not implement the indigent policy

2. CREDITORS AGE ANALYSIS

Description R thousands	NT Code	Budget Year 2013/14								Total	Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100										-	
Bulk Water	0200										-	
PAYE deductions	0300										-	
VAT (output less input)	0400										-	
Pensions / Retirement deductions	0500										-	
Loan repayments	0600										-	
Trade Creditors	0700	504	-	-	-	291					-	
Auditor General	0800										-	1 728
Other	0900										-	
Total By Customer Type	1000	504	-	-	-	291	-	-	-	795	1 728	

- Creditors that are over 30 days are under investigations.
- There is a decrease on the outstanding creditors when comparing prior year outstanding creditors and the current year of R933 000 in the same period (December).

3. SALARIES AND ALLOWANCES

DC23 Uthukela - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration R thousands	Ref	Budget Year 2013/14								
		2012/13 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C					D	
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4,792	2,848	2,848	265	1,641	1,424	217	15%	2,848
Pension and UIF Contributions			814	814		0	407	(407)	-100%	814
Medical Aid Contributions			407	407		3	204	(201)	-99%	407
Motor Vehicle Allowance			1,214	1,214	86	518	607	(89)	-15%	1,214
Cellphone Allowance			328	328	15	91	164	(73)	-45%	328
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		4,792	5,611	5,611	366	2,252	2,806	(553)	-20%	5,611
% increase	4		17.1%	17.1%						17.1%
Senior Managers of the Municipality										
Basic Salaries and Wages		3,282	6,015	6,015	351	2,255	3,008	(753)	-25%	6,015
Pension and UIF Contributions			50	50	11	36	25	11	44%	50
Medical Aid Contributions			120	120	11	64	60	4	7%	120
Overtime										
Performance Bonus			303	303						
Motor Vehicle Allowance			700	700	54	135	350	(215)	-61%	700
Cellphone Allowance		336								
Housing Allowances										
Other benefits and allowances		32								
Payments in lieu of leave		79	80	80						80
Long service awards										
Post-retirement benefit obligations	2									
Sub Total - Senior Managers of Municipality		3,729	7,268	7,268	428	2,490	3,443	(952)	-28%	7,268
% increase	4		94.9%	94.9%						94.9%
Other Municipal Staff										
Basic Salaries and Wages		98,924	102,691	102,691	6,493	38,348	51,346	(12,997)	-25%	102,691
Pension and UIF Contributions		9,948	19,852	17,982	883	6,078	8,991	(2,913)	-32%	17,982
Medical Aid Contributions		3,088	4,432	4,432	280	1,497	2,216	(719)	-32%	4,432
Overtime			5,249	5,249	1,369	8,034	2,625	5,410	206%	5,249
Performance Bonus		3,292	9,293	9,293	(2,558)	5,707	4,647	1,061	23%	9,293
Motor Vehicle Allowance			7,271	7,271	404	2,532	3,636	(1,103)	-30%	7,271
Cellphone Allowance		42								
Housing Allowances			1,167	1,167	41	207	21	(21)	-100%	42
Other benefits and allowances		938	355	355	3	49	584	(377)	-65%	1,167
Payments in lieu of leave		2,633	784	784	75	344	392	(48)	-12%	784
Long service awards										
Post-retirement benefit obligations	2									
Sub Total - Other Municipal Staff		118,823	151,137	149,267	6,971	62,796	74,634	(11,837)	-16%	149,267
% increase	4		27.2%	25.6%						25.6%
Total Parent Municipality		127,344	164,016	162,146	7,765	67,539	80,882	(13,343)	-16%	162,146
			28.8%	27.3%						27.3%
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES & BENEFITS		127,344	164,016	162,146	7,765	67,539	80,882	(13,343)	-16%	162,146
% increase	4		28.8%	27.3%						27.3%
TOTAL MANAGERS AND STAFF		122,552	158,405	156,535	7,398	65,286	78,076	(12,790)	-16%	156,535

4. INVESTMENTS

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
FNB UTDM MWI 7448700168		32 DAYS			8	4.9%	8 256		8 264
FNB UTDM RBIG - 74448701124		32 DAYS			17	4.9%	18 543		18 560
FNB-UTDM RTSP- 74448697232		32 DAYS			1	4.9%	910		911
FNB UTDM MIG 74448698347		32 DAYS			74	4.9%	79 706		79 781
FNB UTDM EPWP 74448699204		32 DAYS			4	4.9%	4 442		4 446
FNB MONEY MARKET		BUSINESS MONEY			1	3.4%	225		226
DDA - 62402906484							51 167		51 167
74448702164							13 066		13 066
Municipality sub-total					105		176 315	-	176 420
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				105		176 315	-	176 420

5. GRANTS RECEIPTS

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2012/13	Budget Year 2013/14								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
RECEIPTS:											
Operating Transfers and Grants	1.2										
National Government:											
Local Government Equitable Share		265,307	277,744	277,744	-	111,067	138,872	(29,978)	-21.6%	-	
Finance Management		253,183	269,199	269,199	-	104,622	134,600	(29,978)	-22.3%	-	
Municipal Systems Improvement		1,250	1,100	1,100	-	1,100	550				
EPWP Incentive		1,000	445	445	-	445	223				
Water Services Operating Subsidy		2,874	1,000	1,000	-	700	500				
	3	7,000	6,000	6,000	-	4,200	3,000				
Provincial Government:											
Data Cleansing Grant		22,772	-	-	-	-	-	-	-	-	
Councillors Training Grant		2,800	-	-	-	-	-	-	-	-	
KZN Projects Grants		200	-	-	-	-	-	-	-	-	
	4	19,772	-	-	-	-	-	-	-	-	
Other transfers and grants (insert description)											
District Municipality:											
[insert description]											
Other grant providers:											
[insert description]											
Total Operating Transfers and Grants	5	288,079	277,744	277,744	-	111,067	138,872	(29,978)	-21.6%	-	
Capital Transfers and Grants											
National Government:											
Municipal Infrastructure Grant (MIG)		214,945	191,379	191,379	-	169,238	95,690	73,549	76.9%	-	
		182,858	174,260	174,260	-	157,105	87,130	69,975	80.3%	-	
RRAM		1,776	1,999	1,999	-	1,999	1,000	1,000	100.0%	-	
FMG			150	150	-	150	75	75	100.0%	-	
MSIG			445	445	-	445	223	223	100.0%	-	
Municipal Water Infrastructure Grant		30,311	14,525	14,525	-	9,539	7,263	2,277	31.3%	-	
Provincial Government:											
Infrastructure Sport facilities		-	2,468	2,468	-	-	1,234	(1,234)	-100.0%	-	
			2,468	2,468	-	-	1,234	(1,234)	-100.0%	-	
District Municipality:											
[insert description]											
Other grant providers:											
[insert description]											
Total Capital Transfers and Grants	5	214,945	193,847	193,847	-	169,238	96,924	72,315	74.6%	-	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	503,024	471,591	471,591	-	280,305	235,796	42,337	18.0%	-	

6. GRANTS EXPENDITURE

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2012/13	Budget Year 2013/14							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:										
Local Government Equitable Share		262,964	277,744	277,744	571	111,335	138,872	(27,537)	-19.8%	277,744
Finance Management		253,183	269,199	269,199	-	104,622	134,600	(29,978)	-22.3%	269,199
Municipal Systems Improvement		1,319	1,100	1,100	44	751	550	201	36.6%	1,100
EPWP Incentive		1,007	445	445	-	-	223	(223)	-100.0%	445
Water Services Operating Subsidy		454	1,000	1,000	527	1,762	500	1,262	252.4%	1,000
		7,000	6,000	6,000	-	4,200	3,000	1,200	40.0%	6,000
Provincial Government:										
Data Cleansing Grant		13,087	-	-	-	-	-	-	-	-
KZN Projects Grants		3,092								
		9,995								
Other transfers and grants [insert description]										
District Municipality:										
		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:										
		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		276,052	277,744	277,744	571	111,335	138,872	(27,537)	-19.8%	277,744
Capital expenditure of Transfers and Grants										
National Government:										
Municipal Infrastructure Grant (MIG)		219,934	191,379	191,379	8,019	108,532	95,690	12,842	13.4%	191,379
RRAM		187,952	174,260	174,260	7,722	107,090	87,130	19,960	22.9%	174,260
FMG		3,361	1,999	1,999	-	1,091	1,000	91	9.1%	1,999
MSIG		-	150	150	-	54	75	(21)	-28.0%	150
Rural Households Infrastructure		-	445	445	-	-	223	(223)	-100.0%	445
Municipal WATER Infrastructure Grant Driefontein		28,621	14,525	14,525	297	297	-	-	-	14,525
							7,263	(6,965)	-95.9%	
Provincial Government:										
		-	2,468	2,468	-	-	1,028	(1,028)	-100.0%	-
		-	2,468	2,468	-	-	1,028	(1,028)	-100.0%	-
District Municipality:										
		-	-	-	-	-	-	-	-	-
Other grant providers:										
		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		219,934	193,847	193,847	8,019	108,532	96,718	11,814	12.2%	191,379
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		495,985	471,591	471,591	8,590	219,867	235,590	(15,723)	-6.7%	469,123

1.5 Municipal manager's quality certificate

I **Sifiso Nicholas Kunene**, Municipal Manager of Uthukela District Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name _____

Municipal Manager of Uthukela District Municipality (DC23)

Signature _____

Date 24/01/2014