



**UTHUKELA**  
UMKHANDLU WESIFUNDA  
DISTRKSMUNISIPALITEIT  
DISTRICT MUNICIPALITY

## **SECTION 71 REPORT**

**OCTOBER 2019**

**Table of Contents**

**PART 1 -- MONTHLY IN-YEAR MONITORING BUDGET**

- 1.1 MAYOR'S REPORT .....
- 1.2 COUNCIL RESOLUTIONS .....
- 1.3 EXECUTIVE SUMMARY .....
- 1.4 IN- YEAR BUDGET TABLES .....

**PART 2 -- SUPPORTING DOCUMENTATION .....**

- 2.1 DEBTORS AGE ANALYSIS .....
- 2.2 CREDITORS AGE ANALYSIS .....
- 2.3 COUNCILLOR ALLOWANCES AND EMPLOYEE BENEFITS .....
- 2.4 INVESTMENTS AND BANK BALANCES .....
- 2.5 ALLOCATION OF GRANT RECIEPTS .....
- 2.6 ALLOCATION OF GRANT EXPENDITURE .....
- 2.7 MUNICIPAL MANAGERS QUALITY CERTIFICATE .....

# **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 :
2. Monthly Budget statements and supporting documents for the months of October 2019.

## **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 Municipality has to embark on implementing revenue collection strategies to optimize the collection of debt owed by consumers.

The municipality is also embarking on assuring that all grants are spent during the 2019/20 financial year.

# 1.4 In - Year Budget tables

## TABLE 1: C4 – Monthly Budget Statements – Financial Performance

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 Octo

Description	Budget Year 2020/21						
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>							
<b>Revenue By Source</b>							
Property rates					-		
Service charges - electricity revenue					-		
Service charges - water revenue	245,710	16,446	83,715	81,903	1,812	2%	245,710
Service charges - sanitation revenue	17,281	1,808	5,966	5,760	206	4%	17,281
Service charges - refuse revenue					-		
Rental of facilities and equipment					-		
Interest earned - external investments	6,283	629	2,039	2,094	(55)	-3%	6,283
Interest earned - outstanding debtors	67,008	5,508	21,389	22,336	(947)	-4%	67,008
Dividends received					-		
Fines, penalties and forfeits	53			18	(18)	-100%	53
Licences and permits					-		
Agency services					-		
Transfers and subsidies	449,659	1,083	183,391	149,886	33,504	22%	449,659
Other revenue	3,655	255	1,641	1,218	422	35%	3,655
Gains on disposal of PPE					-		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>789,649</b>	<b>25,729</b>	<b>298,141</b>	<b>263,216</b>	<b>34,925</b>	<b>13%</b>	<b>789,649</b>
<b>Expenditure By Type</b>							
Employee related costs	291,843	25,364	100,197	97,281	2,916	3%	291,843
Remuneration of councillors	7,956	556	2,145	2,652	(506)	-19%	7,956
Debt impairment	168,789	-	-	56,263	(56,263)	-100%	168,789
Depreciation & asset impairment	58,644		15,812	19,548	(3,736)	-19%	58,644
Finance charges	-	-	-	-	-		-
Bulk purchases	4,208		354	1,403	(1,049)	-75%	4,208
Other materials	8,950	290	847	2,983	(2,136)	-72%	8,950
Contracted services	57,787	2,690	7,852	19,262	(11,411)	-59%	57,787
Transfers and subsidies					-		
Other expenditure	75,279	7,389	27,628	25,093	2,535	10%	75,279
Loss on disposal of PPE					-		
<b>Total Expenditure</b>	<b>673,456</b>	<b>36,289</b>	<b>154,835</b>	<b>224,485</b>	<b>(69,650)</b>	<b>-31%</b>	<b>673,456</b>
<b>Surplus/(Deficit)</b>	<b>116,193</b>	<b>(10,561)</b>	<b>143,306</b>	<b>38,731</b>	<b>104,575</b>	<b>0</b>	<b>116,193</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	296,937	11,777	78,955	98,979	(20,024)	(0)	296,937
Transfers and subsidies - capital (in-kind - all)					-		
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>413,130</b>	<b>1,216</b>	<b>222,261</b>	<b>137,710</b>			<b>413,130</b>
Taxation					-		
<b>Surplus/(Deficit) after taxation</b>	<b>413,130</b>	<b>1,216</b>	<b>222,261</b>	<b>137,710</b>			<b>413,130</b>
Attributable to minorities							
<b>Surplus/(Deficit) attributable to municipality</b>	<b>413,130</b>	<b>1,216</b>	<b>222,261</b>	<b>137,710</b>			<b>413,130</b>
Share of surplus/ (deficit) of associates							
<b>Surplus/ (Deficit) for the year</b>	<b>413,130</b>	<b>1,216</b>	<b>222,261</b>	<b>137,710</b>			<b>413,130</b>

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Capital grant transfers recognised R 78million at the end of October 2019.
- Total operating expenditure is at R 154 million at the end of October 2019.
- The Service charged – Water R83 million has been billed at the end of October 2019.
- The Service charges – Sanitation R5 million has been billed at the end of October 2019.

## Table 2: C5 – Monthly Budget Statements – Capital Expenditure

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

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

Vote Description	Budget Year 2020/21						
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>							
<b>Single Year expenditure appropriation</b>							
105 - MUNICIPAL MANAGER	-	-	-	-	-		-
200 - CORPORATE SERVICES	-	-	-	-	-		-
300 - BUDGET AND TREASURY	-	-	-	-	-		-
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)	-	-	-	-	-		-
408 - WSA& HEALTH SERVICES	-	-	-	-	-		-
500 - WATER, SANITATION AND TECHNICAL SERVICES	296,937	11,777	78,955	98,979	(20,024)	-20%	296,937
<b>Total Capital single-year expenditure</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20%</b>	<b>296,937</b>
<b>Total Capital Expenditure</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20%</b>	<b>296,937</b>
<b>Capital Expenditure - Functional Classification</b>							
<b>Trading services</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20%</b>	<b>296,937</b>
Energy sources					-		
Water management	296,937	11,777	78,955	98,979	(20,024)	-20%	296,937
Waste water management					-		
Waste management					-		
<b>Other</b>					-		
<b>Total Capital Expenditure - Functional Classification</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20%</b>	<b>296,937</b>
<b>Funded by:</b>							
National Government	296,937	11,777	78,955	98,979	(20,024)	-20%	296,937
Provincial Government					-		
District Municipality					-		
Other transfers and grants					-		
<b>Transfers recognised - capital</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20%</b>	<b>296,937</b>
<b>Borrowing</b>					-		
<b>Internally generated funds</b>					-		
<b>Total Capital Funding</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20%</b>	<b>296,937</b>

- As depicted above capital expenditure amounting to R78 million recorded at the month of October 2019.

**Table 3: SC13 Repairs and maintenance per asset class**

DC23 Uthukela - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M04

Description	Budget Year 2020/21						
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands						%	
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>							
<b>Infrastructure</b>	31,784	629	1,591	10,349	8,759	84.6%	31,784
Water Supply Infrastructure	31,784	629	1,591	10,349	8,759	84.6%	31,784
Dams and Weirs					-		
Boreholes					-		
Reservoirs	11,078	363	363	3,693	3,330	90.2%	11,078
Pump Stations	18,720	267	1,228	6,240	5,012	80.3%	18,720
Water Treatment Works	736	-	-	0	0	100.0%	736
Bulk Mains	1,249	-	-	416	416	100.0%	1,249
<b>Other assets</b>	105	150	156	35	(121)	-344.9%	105
Operational Buildings	105	150	156	35	(121)	-344.9%	105
Municipal Offices	105	150	156	35,066.67	(121)	-344.9%	105
<b>Computer Equipment</b>	158	(18)	60	53	(7)	-14.1%	158
Computer Equipment	158	(18)	60	53	(7)	-14.1%	158
<b>Furniture and Office Equipment</b>	-	-	-	-	-		-
Furniture and Office Equipment							
<b>Machinery and Equipment</b>	660	1,512	1,551	220	(1,331)	-605.3%	660
Machinery and Equipment	660	1,512	1,551	219,893.25	(1,331)	-605.3%	660
<b>Transport Assets</b>	12,125	105	1,269	4,042	2,773	68.6%	12,125
Transport Assets	12,125	105	1,269	4,041,790.43	2,773	68.6%	12,125
<b>Total Capital Expenditure on new assets</b>	44,832	2,378	4,627	14,698	10,072	68.5%	44,832

➤ Plant and Equipment refers to the purification plants and equipment.

**Table 4: C2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

Description	Ref	Budget Year 2020/21								
		2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	774,357	-	24,688	296,435	258,119	38,316	15%	774,925
Executive and council		-	67,286	-	-	-	22,429	(22,429)	-100%	67,286
Finance and administration		-	707,071	-	24,688	296,435	235,690	60,745	26%	707,639
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	53	-	-	-	18	(18)	-100%	53
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	53	-	-	-	18	(18)	-100%	53
<i>Economic and environmental services</i>		-	550	-	38	38	183	(145)	-79%	550
Planning and development		-	550	-	38	38	183	(145)	-79%	550
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	14,690	-	1,002	1,668	4,897	(3,229)	-66%	14,690
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	14,690	-	1,002	1,668	4,897	(3,229)	-66%	14,690
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	789,649	-	25,729	298,141	263,216	34,925	13%	790,217
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	379,609	-	10,377	40,794	126,536	(85,742)	-68%	379,609
Executive and council		-	56,978	-	4,369	14,701	18,993	(4,292)	-23%	56,978
Finance and administration		-	322,631	-	6,009	26,093	107,544	(81,451)	-76%	322,631
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	24,597	-	1,746	7,321	8,199	(878)	-11%	24,597
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	24,597	-	1,746	7,321	8,199	(878)	-11%	24,597
<i>Economic and environmental services</i>		-	22,995	-	1,911	7,698	7,665	33	0%	22,995
Planning and development		-	22,995	-	1,911	7,698	7,665	33	0%	22,995
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	246,056	-	22,255	99,023	82,019	17,004	21%	246,056
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	246,056	-	22,255	99,023	82,019	17,004	21%	246,056
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	673,256	-	36,289	154,835	224,419	(69,583)	-31%	673,256
<b>Surplus/ (Deficit) for the year</b>		-	116,393	-	(10,561)	143,306	38,798	104,508	269%	116,961



**Table 5: 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) - M04 October

Vote Description	Ref	2019/20	Budget Year 2020/21							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
105 - MUNICIPAL MANAGER		-	67,286	-	-	-	22,429	(22,429)	-100.0%	67,286
200 - CORPORATE SERVICES		-	568	-	-	(2,046)	189	(2,235)	-1180.3%	568
300 - BUDGET AND TREASURY		-	706,503	-	24,688	298,481	235,501	62,980	26.7%	707,071
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	550	-	38	38	183	(145)	-79.3%	550
408 - WSA& HEALTH SERVICES		-	53	-	-	-	18	(18)	-100.0%	53
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	14,690	-	1,002	1,668	4,897	(3,229)	-65.9%	14,690
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	-	<b>789,649</b>	-	<b>25,729</b>	<b>298,141</b>	<b>263,216</b>	<b>34,925</b>	<b>13.3%</b>	<b>790,217</b>
<b>Expenditure by Vote</b>	1									
105 - MUNICIPAL MANAGER		-	56,978	-	4,369	14,701	18,993	(4,292)	-22.6%	56,978
200 - CORPORATE SERVICES		-	42,873	-	2,203	12,108	14,291	(2,183)	-15.3%	42,873
300 - BUDGET AND TREASURY		-	279,758	-	3,805	13,985	93,253	(79,268)	-85.0%	279,758
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	22,995	-	1,911	7,698	7,665	33	0.4%	22,995
408 - WSA& HEALTH SERVICES		-	24,597	-	1,746	7,321	8,199	(878)	-10.7%	24,597
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	246,056	-	22,255	99,023	82,019	17,004	20.7%	246,056
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	-	<b>673,256</b>	-	<b>36,289</b>	<b>154,835</b>	<b>224,419</b>	<b>(69,583)</b>	<b>-31.0%</b>	<b>673,256</b>
<b>Surplus/ (Deficit) for the year</b>	2	-	<b>116,393</b>	-	<b>(10,561)</b>	<b>143,306</b>	<b>38,798</b>	<b>104,508</b>	<b>269.4%</b>	<b>116,961</b>

## Part 2 – Supporting Documentation

### 2.1.1 Table 6: SC3 Debtors Age Analysis

- The Municipality has a total amount of R 1 billion of outstanding debt.

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	Budget Year 2020/21									
	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	Total over 90 days
<b>R thousands</b>										
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transactions - Water	27,036	20,587	19,952	21,511	17,180	16,703	16,600	925,962	1,065,532	997,957
Trade and Other Receivables from Exchange Transactions - Electricity									-	-
Receivables from Non-exchange Transactions - Property Rates									-	-
Receivables from Exchange Transactions - Waste Water Management									-	-
Receivables from Exchange Transactions - Waste Management									-	-
Receivables from Exchange Transactions - Property Rental Debtors									-	-
Interest on Arrear Debtor Accounts									-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure									-	-
Other	(17)	(5)	49	17	218	12	67	947	1,289	1,261
<b>Total By Income Source</b>	<b>27,019</b>	<b>20,582</b>	<b>20,002</b>	<b>21,528</b>	<b>17,398</b>	<b>16,715</b>	<b>16,667</b>	<b>926,910</b>	<b>1,066,821</b>	<b>999,218</b>
<b>2019/20 - totals only</b>									-	-
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	2,561	1,420	1,069	953	844	845	668	21,613	29,976	24,925
Commercial	3,875	1,877	1,321	1,153	1,081	1,033	1,060	50,534	61,934	54,861
Households	20,600	17,290	17,562	19,405	15,255	14,824	14,872	853,815	973,622	918,171
Other	(17)	(5)	49	17	218	12	67	947	1,289	1,261
<b>Total By Customer Group</b>	<b>27,019</b>	<b>20,582</b>	<b>20,002</b>	<b>21,528</b>	<b>17,398</b>	<b>16,715</b>	<b>16,667</b>	<b>926,910</b>	<b>1,066,821</b>	<b>999,218</b>

- collection rate for 31 October 2019

**Bank Balances**

The following reflects bank balances at 31 October 2019

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER 2019
FNB MAIN ACCO	3,127,267.21	23,236,358.21	2,532,976.52	6,615,611.83
FNB WATER AC	0	0	0	0
	<b>3,127,267.21</b>	<b>23,236,358.21</b>	<b>2,532,976.52</b>	<b>6,615,611.83</b>
<b>Total cash held</b>	<b>6,615,611.83</b>			

**MENTS VS BILLING AS AT 31 OCTOBER 2019**

MONTH	BILLING	MONTHS	RECIEPTS	RECOVERY RATE
June 2019	22,110,925.41	July 2019	10,015,313.04	45%
July 2019	23,159,953.17	August 2019	8,895,211.21	38.41%
August 2019	24,236,017.66	September 2019	7,829,937.71	32.31%
September 2019	24,031,427.68	October 2019	10,180,333.70	42.36%
October 2019	18,254,144.00			0.00%
	<b>111,792,467.92</b>		<b>36,920,795.66</b>	<b>33%</b>

**TOTALS**

BILLING - JUNE 2019 - OCTOBER	111,792,467.92	
RECIEPTS - JUNE 2019- OCTOBER	36,920,795.66	
DIFFERENCE	<b>74,871,672.26</b>	33%

## 2.2 Table 8: SC4 Aged Creditors

### DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2020/21					Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	
R thousands							
<b>Creditors Age Analysis By Customer Type</b>							
Bulk Electricity	0100						-
Bulk Water	0200						-
PAYE deductions	0300						-
VAT (output less input)	0400						-
Pensions / Retirement deductions	0500						-
Loan repayments	0600						-
Trade Creditors	0700	7,632	3,702	953	14,524	20,577	47,388
Auditor General	0800						-
Other	0900						-
<b>Total By Customer Type</b>	<b>1000</b>	<b>7,632</b>	<b>3,702</b>	<b>953</b>	<b>14,524</b>	<b>20,577</b>	<b>47,388</b>

➤ The list of top ten outstanding creditors.

### TOP CREDITORS AGE ANALYSIS 31 OCTOBER 2019

CREDITORS NAME	AMOUNT
AUTOZONE	2,639,926.92
LADYSMITH TRADING	308,560.70
MGAZI ENGINEERING	302,452.19
MGAZI ENGINEERING	220,704.55
NJO PROJECTS	189,000.00
MAHLABAKUVALIWE TRADING(PTY)LTD	187,000.00
ONGIDI TRADING ENTERPRISE	156,600.00
NYAMEZELA	141,199.91
LUNASIS IDEAS	139,036.00
LUNASIS IDEAS	139,035.00

## 2.4.1 Table 10: Investments and Bank Balances

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

Investments by maturity Name of institution & investment ID	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands					
<b>Municipality</b>					
FNB	1,065	4	(704)	-	364
NEDBANK	186	1	-	-	187
INVESTEC	31,362	84	(47,001)	15,555	0
ABSA	31,897	171	(38,052)	31,902	25,918
STANDARD	20,294	12	(20,193)	-	113
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>84,803</b>		<b>(105,950)</b>	<b>47,457</b>	<b>26,583</b>

### Bank Balances

The following reflects bank balances at 31 October 2019

DESCRIPTION	JULY	AUGUST	SEPTEMBER	OCTOBER 2019
FNB MAIN ACCO	3,127,267.21	23,236,358.21	2,532,976.52	6,615,611.83
FNB WATER AC	0	0	0	0
	<b>3,127,267.21</b>	<b>23,236,358.21</b>	<b>2,532,976.52</b>	<b>6,615,611.83</b>
<b>Total cash held</b>	<b>6,615,611.83</b>			

**Table 12: SC6 Grant Receipts**

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October							
Description	Budget Year 2020/21						
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands							
<b>RECEIPTS:</b>							
<b>Operating Transfers and Grants</b>							
<b>National Government:</b>	<b>441,473</b>	<b>3,175</b>	<b>187,119</b>	<b>93,547</b>	<b>88,889</b>	<b>95.0%</b>	<b>441,473</b>
Local Government Equitable Share	365,123	-	180,170	91,281	88,889	97.4%	365,123
RSC Levy Replacement	67,286	-	-	-	-	-	67,286
Finance Management	2,010	-	2,010	503	-	-	2,010
EPWP Incentive	7,054	3,175	4,939	1,764	-	-	7,054
<b>Provincial Government:</b>	<b>1,118</b>	<b>82</b>	<b>792</b>	<b>327</b>	<b>465</b>	<b>142.3%</b>	<b>1,118</b>
Development Planning	550	-	550	138	413	300.0%	550
Nodal Plant Grant	-	-	-	-	-	-	-
Raset Program	-	-	-	-	-	-	-
Massification Fleet Support	-	-	-	-	-	-	-
Lg Seta	568	82	242	189	53	27.8%	568
<b>Total Operating Transfers and Grants</b>	<b>442,591</b>	<b>3,257</b>	<b>187,911</b>	<b>93,874</b>	<b>89,354</b>	<b>95.2%</b>	<b>442,591</b>
<b>Capital Transfers and Grants</b>							
<b>National Government:</b>	<b>296,937</b>	<b>-</b>	<b>95,845</b>	<b>24,745</b>	<b>49,089</b>	<b>198.4%</b>	<b>296,937</b>
Municipal Infrastructure Grant (MIG)	178,937	-	64,000	14,911	49,089	329.2%	178,937
Regional Bulk Infrastructure	10,000	-	-	833	-	-	10,000
Rural Road Asset Management	-	-	1,845	-	-	-	-
Water Services Infrastructure Grant	108,000	-	30,000	9,000	-	-	108,000
<b>Total Capital Transfers and Grants</b>	<b>296,937</b>	<b>-</b>	<b>95,845</b>	<b>24,745</b>	<b>49,089</b>	<b>198.4%</b>	<b>296,937</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>739,528</b>	<b>3,257</b>	<b>283,756</b>	<b>118,618</b>	<b>138,443</b>	<b>116.7%</b>	<b>739,528</b>

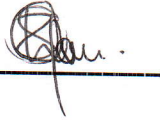
**Table 13: SC7 Grant Expenditure**

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

Description	Budget Year 2020/21						
	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>							
<b>EXPENDITURE</b>							
<b>Operating expenditure of Transfers and Grants</b>							
<b>National Government:</b>	<b>441,473</b>	<b>1,045</b>	<b>183,353</b>	<b>147,158</b>	<b>36,195</b>	<b>24.6%</b>	<b>441,473</b>
Local Government Equitable Share	365,123	-	180,170	121,708	58,462	48.0%	365,123
RSC Levy Replacement	67,286	-	-	22,429	(22,429)	-100.0%	67,286
Finance Management	2,010	43	251	670	(419)	-62.5%	2,010
EPWP Incentive	7,054	1,002	2,932	2,351	580	24.7%	7,054
<b>Provincial Government:</b>	<b>1,118</b>	<b>722</b>	<b>722</b>	<b>373</b>	<b>349</b>	<b>93.6%</b>	<b>1,118</b>
Development Planning	550	-	-	183	(183)	-100.0%	550
Raset Program	-	-	-	-	-	-	-
Massification Fleet Support	-	722	722	-	722	#DIV/0!	-
Lg Seta	-	-	-	-	-	-	-
Other transfers and grants [insert description]	568	-	-	189	(189)	-100.0%	568
<b>Total operating expenditure of Transfers and Grants:</b>	<b>442,591</b>	<b>1,766</b>	<b>184,074</b>	<b>147,530</b>	<b>36,544</b>	<b>24.8%</b>	<b>442,591</b>
<b>Capital expenditure of Transfers and Grants</b>							
<b>National Government:</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20.2%</b>	<b>296,937</b>
Municipal Infrastructure Grant (MIG)	178,937	10,392	59,331	59,646	(315)	-0.5%	178,937
Regional Bulk Infrastructure	10,000	-	-	3,333	(3,333)	-100.0%	10,000
Rural Road Asset Management	-	-	453	-	453	#DIV/0!	-
Water Services Infrastructure Grant	108,000	1,385	19,171	36,000	(16,829)	-46.7%	108,000
<b>Total capital expenditure of Transfers and Grants</b>	<b>296,937</b>	<b>11,777</b>	<b>78,955</b>	<b>98,979</b>	<b>(20,024)</b>	<b>-20.2%</b>	<b>296,937</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>739,528</b>	<b>13,543</b>	<b>263,030</b>	<b>246,509</b>	<b>16,520</b>	<b>6.7%</b>	<b>739,528</b>

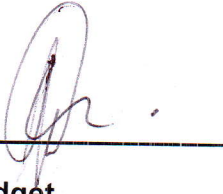
- R78 million was spent in capital grants
- R184 million has been spent in operating grants

**Prepared by:**



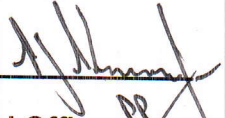
**Budget Officer**

**Reviewed by:**

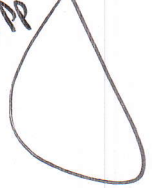


**Accountant Budget**

**Approved by:**



**Chief Financial Officer**



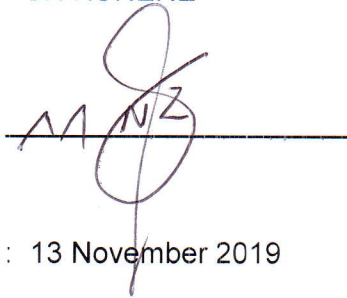


## 2.7. Municipal Manager's quality certificate

I **Sifiso Nicholas Kunene**, Municipal Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for and October 2019 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name : SN KUNENE

Signature

A handwritten signature in black ink, appearing to be 'SN KUNENE', is written over a horizontal line. The signature is stylized and somewhat cursive.

Date : 13 November 2019