

**UTHUKELA**

**UMKHANDLU WESIFUNDA  
DISTRKSMUNISIPALITEIT  
DISTRICT MUNICIPALITY**

## **SECTION 71 REPORT**

**NOVEMBER 2018**

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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 :
2. Monthly Budget statements and supporting documents for the months of November 2018.

## **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 2018/19 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) - M05 November

Description	Ref	2017/18	Budget Year 2018/19							
		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 Source</b>										
Property rates										
Service charges - electricity revenue							-			
Service charges - water revenue							-			
Service charges - sanitation revenue		260 645	260 645	36 608	128 793	108 602	20 190	19%	260 645	
Service charges - refuse revenue		31 019	31 019	1 451	7 185	12 925	(5 739)	-44%	31 019	
Service charges - other		-	-							
Rental of facilities and equipment										
Interest earned - external investments		6 572	6 572	203	1 420	2 738	(1 318)	-48%	6 572	
Interest earned - outstanding debtors		50 456	50 456	4 832	22 375	21 023	1 352	6%	50 456	
Dividends received										
Fines, penalties and forfeits		50	50	12	12	21	(9)	-42%	50	
Licences and permits										
Agency services										
Transfers and subsidies										
Other revenue		405 533	405 533	624	153 848	168 972	(15 124)	-9%	405 533	
Gains on disposal of PPE		4 098	4 098	217	1 243	1 708	(464)	-27%	4 098	
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	758 374	758 374	43 947	314 877	315 989	(1 113)	0%	758 374
<b>Expenditure By Type</b>										
Employee related costs		271 837	271 837	34 197	122 044	113 265	8 779	8%	271 837	
Remuneration of councillors		8 156	8 156	577	2 765	3 398	(633)	-19%	8 156	
Debt impairment		136 628	136 628	-	-	56 929	(56 929)	-100%	136 628	
Depreciation & asset impairment		86 634	86 634	-	-	36 097	(36 097)	-100%	86 634	
Finance charges		561	561	66	108	234	(126)	-54%	561	
Bulk purchases		6 586	6 586	-	-	2 744	(2 744)	-100%	6 586	
Other materials		16 023	16 023	6	2 678	6 676	(3 998)	-60%	16 023	
Contracted services		117 869	117 869	4 468	20 227	49 112	(28 885)	-59%	117 869	
Transfers and subsidies		1 000	1 000	-	323	417	(93)	-22%	1 000	
Other expenditure		74 815	74 815	3 017	29 844	31 173	(1 329)	-4%	74 815	
Loss on disposal of PPE										
<b>Total Expenditure</b>		-	720 109	720 109	42 330	177 990	300 045	(122 055)	-41%	720 109
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (primary and secondary)		-	38 265	38 265	1 617	136 886	15 944	120 943	0	38 265
(National / Provincial and District)			407 804	407 804	3 559	87 050	169 918	(82 868)	(0)	407 804
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	446 069	446 069	5 177	223 936	185 862			446 069
Taxation										
<b>Surplus/(Deficit) after taxation</b>		-	446 069	446 069	5 177	223 936	185 862			446 069
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		-	446 069	446 069	5 177	223 936	185 862			446 069
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		-	446 069	446 069	5 177	223 936	185 862			446 069

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Capital grant transfers recognised R87 million at the end of November 2018.
- Total operating expenditure is at R 177 million at the end of November 2018.
- The Service charged – Water R128 million has been billed at the end of November 2018.
- The Service charges – Sanitation R7 million has been billed at the end of November 2018.

**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) - M05 November									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted 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	-	27	27	-	10	11	(1)	-11%	27
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV	-	-	-	-	-	-	-	-	-
408 - WSA& HEALTH SERVICES	-	-	-	-	-	-	-	-	-
500 - WATER, SANITATION AND TECHNICAL SERVICE	-	407 804	407 804	3 559	87 050	169 918	(82 868)	-49%	407 804
<b>Total Capital single-year expenditure</b>	-	407 831	407 831	3 559	87 060	169 930	(82 870)	-49%	407 831
<b>Total Capital Expenditure</b>	-	407 831	407 831	3 559	87 060	169 930	(82 870)	-49%	407 831
<b>Capital Expenditure - Functional Classification</b>									
<b>Governance and administration</b>									
Executive and council	-	27	27	-	10	11	(1)	-11%	27
Finance and administration	-	27	27	-	10	11	(1)	-11%	27
Internal audit	-	-	-	-	-	-	-	-	-
<b>Trading services</b>									
Energy sources	-	407 804	407 804	3 559	87 050	169 918	(82 868)	-49%	407 804
Water management	-	407 804	407 804	3 559	87 050	169 918	(82 868)	-49%	407 804
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-	-
<b>Other</b>									
<b>Total Capital Expenditure - Functional Classification</b>	-	407 831	407 831	3 559	87 060	169 930	(82 870)	-49%	407 831
<b>Funded by:</b>									
National Government	-	407 804	407 804	3 559	87 050	169 918	(82 868)	-49%	407 804
Provincial Government	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	-	407 804	407 804	3 559	87 050	169 918	(82 868)	-49%	407 804
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	27	27	-	10	11	(1)	-11%	27
<b>Total Capital Funding</b>	-	407 831	407 831	3 559	87 060	169 930	(82 870)	-49%	407 831

➤ As depicted above capital expenditure amounting to R87 million recorded at the month of November 2018.

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

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	28 579	28 579	935	3 452	11 908	8 456	71.0%	28 579
Water Supply Infrastructure	-	28 579	28 579	935	3 452	11 908	8 456	71.0%	28 579
Reservoirs		10 530	10 530	830	1 899	4 388	2 488	56.7%	10 530
Pump Stations		15 795	15 795	105	1 553	6 581	5 028	76.4%	15 795
Water Treatment Works		1 000	1 000	-	-	417	417	100.0%	1 000
Bulk Mains		1 254	1 254	-	-	523	523	100.0%	1 254
<b>Other assets</b>	-	316	316	-	36	132	96	72.7%	316
Operational Buildings	-	316	316	-	36	132	96	72.7%	316
Municipal Offices		316	316		36	132	96	72.7%	316
<b>Computer Equipment</b>	-	250	250	-	-	104	104	100.0%	250
Computer Equipment		250	250			104	104	100.0%	250
<b>Furniture and Office Equipment</b>	-	-	-	-	-	-	-	-	-
Furniture and Office Equipment									
<b>Machinery and Equipment</b>	-	627	627	-	-	261	261	100.0%	627
Machinery and Equipment		627	627			261	261	100.0%	627
<b>Transport Assets</b>	-	11 685	11 685	720	4 185	4 869	683	14.0%	11 685
Transport Assets		11 685	11 685	720	4 185	4 869	683	14.0%	11 685
<b>Total Repairs and Maintenance Expenditure</b>	-	41 457	41 457	1 655	7 674	17 274	9 600	55.6%	41 457

➤ 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) - M05 November

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		-	406 468	406 468	381	158 785	169 362	(10 577)	-6%	406 468
Executive and council		-	62 083	62 083	-	-	25 868	(25 868)	-100%	62 083
Finance and administration		-	344 385	344 385	381	158 785	143 494	15 291	11%	344 385
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	50	50	-	-	21	(21)	-100%	50
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	50	50	-	-	21	(21)	-100%	50
<i>Economic and environmental services</i>		-	300	300	7	300	125	175	140%	300
Planning and development		-	300	300	7	300	125	175	140%	300
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	759 360	759 360	47 120	242 842	316 400	(73 558)	-23%	759 360
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	728 340	728 340	45 669	235 657	303 475	(67 819)	-22%	728 340
Waste water management		-	31 019	31 019	1 451	7 185	12 925	(5 740)	-44%	31 019
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	-	1 166 178	1 166 178	47 507	401 927	485 908	(83 981)	-17%	1 166 178
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		-	388 824	388 824	15 564	74 739	146 610	(71 871)	-49%	388 824
Executive and council		-	63 551	63 551	5 103	18 909	11 080	7 829	71%	63 551
Finance and administration		-	325 273	325 273	10 460	55 830	135 530	(79 701)	-59%	325 273
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	24 993	24 993	2 487	8 751	10 414	(1 663)	-16%	24 993
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	24 993	24 993	2 487	8 751	10 414	(1 663)	-16%	24 993
<i>Economic and environmental services</i>		-	22 932	22 932	2 386	9 380	9 555	(175)	-2%	22 932
Planning and development		-	22 932	22 932	2 386	9 380	9 555	(175)	-2%	22 932
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	283 360	283 360	21 894	85 120	118 067	(32 946)	-28%	283 360
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	282 244	282 244	21 894	85 120	117 602	(32 481)	-28%	282 244
Waste water management		-	1 116	1 116	-	-	465	(465)	-100%	1 116
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	-	720 109	720 109	42 330	177 990	284 646	(106 655)	-37%	720 109
<b>Surplus/ (Deficit) for the year</b>		-	446 069	446 069	5 177	223 936	201 262	22 674	11%	446 069



**Table 5: C3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	Ref	2017/18	Budget Year 2018/19							
		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		-	62 083	62 083	-	-	25 868	(25 868)	-100.0%	62 083
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		-	344 385	344 385	381	158 785	143 494	15 291	10.7%	344 385
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	300	300	7	300	125	175	140.0%	300
408 - WSA& HEALTH SERVICES		-	50	50	-	-	21	(21)	-100.0%	50
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	759 360	759 360	47 120	242 842	316 400	(73 558)	-23.2%	759 360
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	-	1 166 178	1 166 178	47 507	401 927	485 908	(83 981)	-17.3%	1 166 178
<b>Expenditure by Vote</b>	1									
105 - MUNICIPAL MANAGER		-	63 551	63 551	5 103	18 909	26 480	(7 570)	-28.6%	63 551
200 - CORPORATE SERVICES		-	48 051	48 051	5 164	15 963	20 021	(4 058)	-20.3%	48 051
300 - BUDGET AND TREASURY		-	277 222	277 222	5 297	39 867	115 509	(75 642)	-65.5%	277 222
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	22 932	22 932	2 386	9 380	9 555	(175)	-1.8%	22 932
408 - WSA& HEALTH SERVICES		-	24 993	24 993	2 487	8 751	10 414	(1 663)	-16.0%	24 993
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	283 360	283 360	21 894	85 120	118 067	(32 946)	-27.9%	283 360
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	-	720 109	720 109	42 330	177 990	300 045	(122 055)	-40.7%	720 109
<b>Surplus/ (Deficit) for the year</b>	2	-	446 069	446 069	5 177	223 936	185 862	38 074	20.5%	446 069

## Part 2 – Supporting Documentation

### 2.1.1 Table 6: SC3 Debtors Age Analysis

- The Municipality has a total amount of R 930 million of outstanding debt.

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November									
Description	Budget Year 2018/19							Total	Total over 90
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days			
<b>R thousands</b>									
<b>Debtors Age Analysis By Income Source</b>									
Trade and Other Receivables from Exchange Transactions - Water	-	32 870	65 920	21 299	19 784	790 744	930 617	831 826	
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	5	44	19	22	6	-	95	27	
<b>Total By Income Source</b>	<b>5</b>	<b>32 915</b>	<b>65 938</b>	<b>21 320</b>	<b>19 790</b>	<b>790 744</b>	<b>930 711</b>	<b>831 853</b>	
<b>2017/18 - totals only</b>									
<b>Debtors Age Analysis By Customer Group</b>									
Organs of State	-	2 999	6 516	1 733	2 320	24 999	38 567	29 051	
Commercial	-	8 562	19 903	3 252	1 061	33 266	66 044	37 579	
Households	-	21 310	39 500	16 314	16 403	732 479	826 005	765 196	
Other	5	44	19	22	6	-	95	27	
<b>Total By Customer Group</b>	<b>5</b>	<b>32 915</b>	<b>65 938</b>	<b>21 320</b>	<b>19 790</b>	<b>790 744</b>	<b>930 711</b>	<b>831 853</b>	

- The collection rate for 30 November 2018

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 30 NOVEMBER 2018				
MONTH	BILLING	MONTHS	RECIPTS	RECOVERY RATE
June 2018	27 665 055.03	July 2018	7 368 004.69	27%
July 2018	28 747 599.55	August 2018	10 205 364.11	35%
August 2018	20 935 908.76	September 2018	10 652 597.97	51%
September 2018	23 556 281.37	October 2018	17 966 279.90	76%
October 2018	24 678 929.20	November 2018	9 642 803.08	39%
Novemebr 2018	38 059 371.57			0%
	<b>135 978 090.45</b>		<b>55 835 049.75</b>	<b>41%</b>
<b>TOTALS</b>				
BILLING - JULY 2018- NOVEMBER 2018	135 978 090.45			
RECIPTS - JULY 2018- NOVEMBER 2018	55 835 049.75			
DIFFERENCE	80 143 040.70		41%	

## 2.2 Table: 8 SC4 Aged Creditors

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	Budget Year 2018/19					
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	Total
<b>R thousands</b>						
<b>Creditors Age Analysis By Customer Type</b>						
Bulk Electricity						-
Bulk Water						-
PAYE deductions						-
VAT (output less input)						-
Pensions / Retirement deductions						-
Loan repayments						-
Trade Creditors	3 109	10 183	12 047	8 872	20 772	54 983
Auditor General						-
Other						-
<b>Total By Customer Type</b>	<b>3 109</b>	<b>10 183</b>	<b>12 047</b>	<b>8 872</b>	<b>20 772</b>	<b>54 983</b>

➤ The list of top ten outstanding creditors.

Payee	Current	30days	60days	90days	120+	Total Amount
BIG MAC PLANT & CIVIL		578709.90	717 600.60	478 400.40	1 412 052.16	3 186 763.06
APHIGUGU TRADING			343 861.50	432 577.10	1 280 015.66	2 056 454.26
AFROSTRUCTURE			2 032 444.30			2 032 444.30
PHEKAPHANSI TRADING					1 797 098.67	1 797 098.67
R AND D MRAZANA			628 729.56	1 139 909.81		1 768 639.37
LUNASIS IDEAS				417 105.00	1 234 233.00	1 651 338.00
MGAZI ENGINEERING SUPPLIES	194 199.35		1 160 778.09		72 246.45	1 427 223.89
SHEPSTONE AND WYLIE				1 391 826.16		1 391 826.16
MAXODE		149 500.00	149 500.00	1 033 614.54		1 332 614.54
SIVEST			194 000.00	200 466.77	896 400.51	1 290 867.28

### 2.4.1 Table 10: Investments and Bank Balances

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio	
Investments by maturity Name of institution & investment ID	Market value at end of the month
R thousands	
<b>Municipality</b>	
FNB	5 861
NEDBANK	-
INVESTEC	6 684
ABSA	275
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>12 820</b>

#### Bank Balances

The following reflects bank balances at 30 November 2018

DESCRIPTION	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER
FNB MAIN ACCOUNT 62252306280	5 795 619.61	8 902 089.70	4 817 803.95	7 634 668.42
FNB WATER ACCOUNT 62253072385	0.00	0.00	0	0
	<b>5 795 619.61</b>	<b>8 902 089.70</b>	<b>4 817 803.95</b>	<b>7 634 668.42</b>
<b>Total cash held</b>	<b>7 634 668.42</b>			

**Table 12: SC6 Grant Receipts**

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	-	405 233	405 233	-	153 948	168 847	11 100	6.6%	405 233
Local Government Equitable Share		335 399	335 399	-	150 850	139 750	11 100	7.9%	335 399
RSC Levy Replacement		56 441	56 441			23 517			56 441
Finance Management		1 545	1 545		1 545	644			1 545
EPWP Incentive		6 206	6 206		1 553	2 586			6 206
Special Support For Councillors		5 642	5 642			2 351			5 642
<b>Provincial Government:</b>	-	300	300	-	-	125	(125)	-100.0%	300
Shared Services		300	300			125	(125)	-100.0%	300
<b>Total Operating Transfers and Grants</b>	-	405 533	405 533	-	153 948	168 972	10 975	6.5%	405 533
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	-	407 804	407 804	25 000	114 742	169 918	(7 014)	-4.1%	407 804
Municipal Infrastructure Grant (MIG)		180 033	180 033		68 000	75 014	(7 014)	-9.3%	180 033
Regional Bulk Infrastructure		142 283	142 283			59 285			142 283
Rural Road Asset management		2 488	2 488		1 742	1 037			2 488
Water Services Infrastructure Grant		83 000	83 000	25 000	45 000	34 583			83 000
<b>Total Capital Transfers and Grants</b>	-	407 804	407 804	25 000	114 742	169 918	(7 014)	-4.1%	407 804
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANT</b>	-	813 337	813 337	25 000	268 690	338 890	3 962	1.2%	813 337

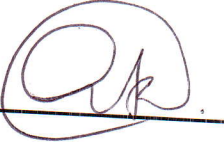
**Table 13: SC7 Grant Expenditure**

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	-	405 233	405 233	617	153 841	168 847	(15 006)	-8.9%	405 233
Local Government Equitable Share		335 399	335 399	-	150 850	139 750	11 100	7.9%	335 399
RSC Levy Replacement		56 441	56 441	-		23 517	(23 517)	-100.0%	56 441
Finance Management		1 545	1 545	152	973	644	329	51.1%	1 545
EPWP Incentive		6 206	6 206	465	2 018	2 586	(568)	-22.0%	6 206
Special Support For Councillors		5 642	5 642			2 351	(2 351)	-100.0%	5 642
<b>Provincial Government:</b>	-	300	300	7	300	125	175	140.0%	300
Shared Services		300	300	7	300	125	175	140.0%	300
<b>Total operating expenditure of Transfers and Grants</b>	-	405 533	405 533	624	154 141	168 972	(14 831)	-8.8%	405 533
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	-	407 804	407 804	3 559	87 050	169 918	(71 437)	-42.0%	407 804
Municipal Infrastructure Grant (MIG)		180 033	180 033	948	67 603	75 014	(7 411)	-9.9%	180 033
Regional Bulk Infrastructure		142 283	142 283	-	2 663	59 285	(56 622)	-95.5%	142 283
Rural Road Asset management		2 488	2 488	-	-	1 037	(1 037)	-100.0%	2 488
Water Services Infrastructure Grant		83 000	83 000	2 611	16 784	34 583	(6 368)	-18.4%	83 000
<b>Total capital expenditure of Transfers and Grants</b>	-	407 804	407 804	3 559	98 481	169 918	(71 437)	-42.0%	407 804
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	-	813 337	813 337	4 183	252 622	338 890	(86 268)	-25.5%	813 337

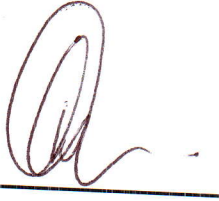
- R87 million was spent in capital grants
- R153 million has been spent in operating grants

Prepared by:



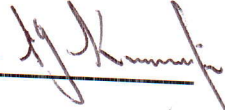
**Budget Officer**

Reviewed by:

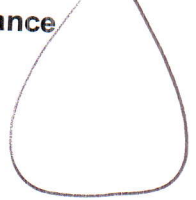


**Accountant: Budget**

Approved by:



**Senior Manager Finance**



## 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 November 2018 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 'Sifiso', written over a horizontal line.

Date : 10 December 2018