



SECTION 52 REPORT

MARCH

2014

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Part 1 – Annual Budget

1.1 Mayor's Report

The quarterly section 52 report is a report that gives a clear view on the state or performance of the Municipality for the quarter. 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 52 of the Municipal Finance Management Act, (Act 56 of 2003) to note :

1. The Budget statements and supporting documents for the quarter ending 31 March 2014.

1.3 Executive Summary

As per Municipal Finance Management Act the municipality needs to prepare section 52 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) - M09 March

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										
Revenue By Source										
Property rates								-		
Property rates - penalties & collection charges								-		
Service charges - electricity revenue								-		
Service charges - water revenue		104 240	123 813	123 813	10 145	79 477	82 542	(3 065)	-4%	123 813
Service charges - sanitation revenue		13 047	15 075	15 227	1 192	9 154	10 151	(997)	-10%	15 227
Service charges - refuse revenue				-			-	-		
Service charges - other		-		-			-	-		
Rental of facilities and equipment				-			-	-		
Interest earned - external investments		9 789	9 109	8 689	558	6 434	5 792	641	11%	8 689
Interest earned - outstanding debtors		29 447	17 790	35 715	3 008	25 242	23 810	1 432	6%	35 715
Dividends received				-			-	-		
Fines				-			-	-		
Licences and permits				-			-	-		
Agency services				-			-	-		
Transfers recognised - operational		279 412	277 744	277 402	148 644	271 082	184 934	86 148	47%	277 402
Other revenue		5 076	275	1 330	61	1 545	886	659	74%	1 330
Gains on disposal of PPE		32 687						-		
Total Revenue (excluding capital transfers and contributions)		473 698	443 806	462 175	163 607	392 935	308 117	84 818	28%	462 175
Expenditure By Type										
Employee related costs		119 882	158 358	131 693	9 079	94 904	98 770	(3 866)	-4%	131 693
Remuneration of councillors		4 792	5 612	5 612	357	3 313	4 209	(896)	-21%	5 612
Debt impairment		244 001	20 180	70 892			53 169	(53 169)	-100%	70 892
Depreciation & asset impairment		32 001	35 936	35 928			26 946	(26 946)	-100%	35 928
Finance charges		2 432	3 339	1 816	544	1 344	1 362	(19)	-1%	1 816
Bulk purchases		42 251	45 563	67 170	3 514	32 258	50 377	(18 119)	-36%	67 170
Other materials		16 088	18 898	18 623	1 284	11 354	13 967	(2 614)	-19%	18 623
Contracted services		45 289	40 103	50 744	3 327	35 320	38 058	(2 738)	-7%	50 744
Transfers and grants		6 500	6 000	6 000	0	1 462	4 500	(3 038)	-68%	6 000
Other expenditure		136 139	45 053	60 884	4 211	31 200	45 663	(14 462)	-32%	60 884
Loss on disposal of PPE		2 168						-		
Total Expenditure		651 545	379 042	449 362	22 317	211 154	337 021	(125 867)	-37%	449 362
Surplus/(Deficit)										
Transfers recognised - capital		(177 847)	64 764	12 813	141 290	181 781	(28 905)	210 685	(0)	12 813
Contributions recognised - capital		216 573	193 847	332 224	12 711	179 539	249 168	(69 629)	(0)	332 224
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions		38 727	258 611	345 038	154 002	361 320	220 264			345 038
Taxation								-		
Surplus/(Deficit) after taxation		38 727	258 611	345 038	154 002	361 320	220 264			345 038
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		38 727	258 611	345 038	154 002	361 320	220 264			345 038
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		38 727	258 611	345 038	154 002	361 320	220 264			345 038

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Total expenditure is 37% less this is due to the fact that there haven't been any movements in the non -cash items (depreciation and Debt impairment).
- Bulk Purchases is at 48 % spending and which is for bulk electricity only.

- The Service charges – water revenue have a billed amount of R 79 477 000 which has a -4% shortfall amounting to R 3 065 000 when compared to the year to date Budget of
R82 542 000.

 - The Service charges – Sanitation revenue have a billed amount of R 9 154 000 which has a -10% shortfall amounting to R 997 000 when compared to the year to date budget of
R10 151 000

 - The Municipality has received income from Interest earned – external investments amounting to R6 434 000 which is more than what was anticipated which was R 5 792 000 year to date budget.

 - Municipality have received R271 082 000 for operating grants and R 249 168 000 for capital grants

 - Employees related costs spending is at R94 904 000 less than what was anticipated as at 31 March which is R98 770 000 by -4%
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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) - M09 March

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									
Multi-Year expenditure appropriation	2									
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		-	-	-	-	-	-	-	-	-
Vote 11 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 12 - WATER SERVICES		-	-	-	-	-	-	-	-	-
Vote 13 - SOCIAL AND ECONOMIC SERVICES		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
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		-	800	621	-	345	466	(120)	-26%	621
Vote 10 - TREASURY		28	160	67	-	60	51	10	19%	67
Vote 11 - CORPORATE SERVICES		114	160	170	-	4	128	(124)	-97%	170
Vote 12 - WATER SERVICES		100 760	191 784	340 524	12 711	179 359	255 393	(76 033)	-30%	340 524
Vote 13 - SOCIAL AND ECONOMIC SERVICES		564	3 133	3 578	-	-	2 684	(2 684)	-100%	3 578
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	101 466	196 037	344 960	12 711	179 768	258 720	(78 952)	-31%	344 960
Total Capital Expenditure		101 466	196 037	344 960	12 711	179 768	258 720	(78 952)	-31%	344 960
Capital Expenditure - Standard Classification										
Governance and administration		142	1 120	859	-	409	644	(235)	-36%	859
Executive and council		-	800	621	-	345	466	(121)	-26%	621
Budget and treasury office		28	160	67	-	60	51	10	19%	67
Corporate services		114	160	170	-	4	128	(124)	-97%	170
Community and public safety		564	2 678	2 678	-	2 009	2 009	(2 009)	-100%	2 678
Community and social services		397	2 468	2 468	-	-	1 851	(1 851)	-100%	2 468
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		167	210	210	-	-	158	(158)	-100%	210
Economic and environmental services		2 948	2 454	2 899	207	1 587	2 174	(587)	-27%	2 899
Planning and development		-	455	900	-	-	675	(675)	-100%	900
Road transport		2 948	1 999	1 999	207	1 587	1 499	88	6%	1 999
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		97 812	189 785	338 524	12 504	177 772	253 893	(76 121)	-30%	338 524
Electricity		-	-	-	-	-	-	-	-	-
Water		97 812	189 785	338 524	12 504	177 772	253 893	(76 121)	-30%	338 524
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	101 466	196 037	344 960	12 711	179 768	258 720	(78 952)	-31%	344 960
Funded by:										
National Government		96 913	191 379	329 757	12 711	179 413	247 317	(67 904)	-27%	329 756
Provincial Government		-	2 468	2 468	-	-	1 851	(1 851)	-100%	2 468
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		96 913	193 847	332 225	12 711	179 413	249 168	(69 755)	-28%	332 224
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	750	-	-	-	-	-	-	-
Internally generated funds		4 553	1 440	12 735	-	355	9 552	(9 197)	-96%	12 735
Total Capital Funding		101 466	196 037	344 960	12 711	179 768	258 720	(78 952)	-31%	344 960

- The major spending on the capital expenditure is from Technical services, some other departments have not spent their capital budget, Only R355 000 have been spent from the municipal internally generated funds. This is 3% of the budgeted internal generated funds

 - Only 54 % has been spent from grants
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Table 3: Repairs and maintenance per asset class

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M09 March

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		-	16 447	15 115	984	9 025	11 336	2 311	20.4%	16 898
Infrastructure - Road transport		-	200	1 500	508	1 066	1 125	59	5.2%	2 000
<i>Roads, Pavements & Bridges</i>			200	1 500	508	1 066	1 125	59	5.2%	2 000
<i>Storm water</i>										
Infrastructure - Electricity		-	-	-	-	-	-	-		-
<i>Generation</i>										
<i>Transmission & Reticulation</i>										
<i>Street Lighting</i>										
Infrastructure - Water		-	11 247	11 115	476	7 959	8 336	377	4.5%	12 398
<i>Dams & Reservoirs</i>			7 247	6 014	140	4 376	4 511	135	3.0%	7 247
<i>Water purification</i>										50
<i>Reticulation</i>			4 000	5 101	336	3 583	3 825	242	6.3%	5 101
Infrastructure - Sanitation		-	-	-	-	-	-	-		-
<i>Reticulation</i>										
<i>Sewerage purification</i>										
Infrastructure - Other		-	5 000	2 500	-	-	1 875	1 875	100.0%	2 500
<i>Waste Management</i>										
<i>Transportation</i>										
<i>Gas</i>										
<i>Other</i>			5 000	2 500	-	-	1 875	1 875	100.0%	2 500
Community		-	-	-	-	-	-	-		-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses										
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing										
Other										
Heritage assets		-	-	-	-	-	-	-		-
Buildings										
Other										
Investment properties		-	-	-	-	-	-	-		-
Housing development										
Other										
Other assets		-	2 595	3 508	301	2 329	2 631	302	11.5%	2 595
General v ehicles			2 155	3 125	299	2 281	2 344	63	2.7%	2 155
Specialised v ehicles			-	-	-	-	-	-		-
Plant & equipment			50	50	2	24	38	14	36.2%	
Computers - hardware/equipment										
Furniture and other office equipment			160	53	-	16	40	24	59.5%	160
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings			230	280		8	210	202	96.1%	280
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-		-
<i>List sub-class</i>										
Biological assets		-	-	-	-	-	-	-		-
<i>List sub-class</i>										
Intangibles		-	-	-	-	-	-	-		-
Computers - software & programming										
Other										
Total Repairs and Maintenance Expenditure		-	19 042	18 623	1 284	11 354	13 967	2 613	18.7%	19 493

The Municipality has only spent R 11 354 000 only on repairs and maintenance from the budget of R18 623 000 this shows an underspending of 18.7%.

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

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

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									
Revenue - Standard										
<i>Governance and administration</i>		323 008	281 618	282 765	149 236	264 299	188 510	75 789	40%	282 765
Executive and council		285 910	40 211	40 211	-	37 743	26 807	10 936	41%	40 211
Budget and treasury office		4 411	241 407	242 554	149 236	226 556	161 703	64 854	40%	242 554
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	-	-	593	(593)	-100%	890
Planning and development		1 007	890	890	-	-	593	(593)	-100%	890
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		366 255	355 145	510 745	27 082	306 114	340 497	(34 383)	-10%	355 145
Electricity		-	-	-	-	-	-	-	-	-
Water		353 208	332 935	495 518	25 890	295 742	330 345	(34 603)	-10%	332 935
Waste water management		13 047	22 210	15 227	1 192	10 372	10 152	221	2%	22 210
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	690 271	637 653	794 400	176 318	570 414	529 600	40 813	8%	638 800
Expenditure - Standard										
<i>Governance and administration</i>		100 203	79 058	77 929	4 556	47 397	51 953	(4 555)	-9%	61 058
Executive and council		39 883	31 437	29 925	1 280	14 696	19 950	(5 254)	-26%	13 437
Budget and treasury office		27 645	25 646	23 776	1 538	13 997	15 851	(1 853)	-12%	25 646
Corporate services		32 675	21 975	24 228	1 738	18 704	16 152	2 552	16%	21 975
<i>Community and public safety</i>		17 343	17 722	10 237	784	6 785	6 825	(40)	-1%	17 722
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		17 343	17 722	10 237	784	6 785	6 825	(40)	-1%	17 722
<i>Economic and environmental services</i>		40 584	20 514	15 845	665	5 662	10 563	(4 901)	-46%	20 514
Planning and development		40 584	20 514	15 845	665	5 662	10 563	(4 901)	-46%	20 514
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		493 414	261 748	345 351	16 312	151 236	230 234	(78 998)	-34%	254 264
Electricity		-	-	-	-	-	-	-	-	-
Water		482 772	233 772	324 859	15 854	149 740	216 573	(66 833)	-31%	233 772
Waste water management		10 642	27 976	20 492	458	1 496	13 661	(12 165)	-89%	20 492
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	651 544	379 042	449 362	22 317	211 081	299 574	(88 494)	-30%	353 558
Surplus/ (Deficit) for the year		38 727	258 611	345 039	154 001	359 333	230 026	129 307	56%	285 242

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

Table 6: TableC3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

DC23 Uthukela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M09 March

Vote 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										
Revenue by Vote										
Vote 1 - COUNCIL	1	-	-	-	-	-	-	-	-	-
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		285 910	40 211	40 211	-	37 743	30 158	7 585	25.1%	40 211
Vote 10 - TREASURY		4 411	241 407	242 554	149 236	226 556	181 916	44 641	24.5%	242 554
Vote 11 - CORPORATE SERVICES		32 687	-	-	-	-	-	-	-	-
Vote 12 - WATER SERVICES		366 255	355 145	510 745	27 082	306 115	383 059	(76 944)	-20.1%	510 745
Vote 13 - SOCIAL AND ECONOMIC SERVICES		1 007	890	890	-	-	668	(668)	-100.0%	890
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	690 271	637 653	794 400	176 318	570 414	595 800	(25 386)	-4.3%	794 400
Expenditure by Vote										
Vote 1 - COUNCIL	1	-	-	-	-	-	-	-	-	-
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		39 883	31 437	29 925	1 280	14 696	22 444	(7 748)	-34.5%	29 925
Vote 10 - TREASURY		27 645	25 646	23 776	1 538	13 997	17 832	(3 835)	-21.5%	23 776
Vote 11 - CORPORATE SERVICES		32 675	21 975	24 228	1 738	18 704	18 171	533	2.9%	24 228
Vote 12 - WATER SERVICES		493 414	261 748	345 351	16 312	151 237	259 013	(107 776)	-41.6%	345 351
Vote 13 - SOCIAL AND ECONOMIC SERVICES		57 928	38 236	26 082	1 449	12 447	19 561	(7 114)	-36.4%	26 082
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	651 544	379 042	449 362	22 317	211 081	337 021	(125 940)	-37.4%	449 362
Surplus/ (Deficit) for the year	2	38 727	258 611	345 038	154 001	359 333	258 779	100 554	38.9%	345 038

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 - M09 March

Description	NT Code	Budget Year 2013/14										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts to 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	16 182	13 838	15 833	12 015	11 753	522 788				596 389	546 536		
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 Debts	1700										-	-		
Interest on Aneer Debtor Accounts	1810										-	-		
Recoverable unauthorised irregular, fruitless and wasteful expenditure	1820										-	-		
Other	1900	-	-	-	-	-	4 421				4 421	4 421		
Total By Income Source	2000	16 182	13 838	15 833	12 015	11 753	527 189	-	-	-	596 810	550 957	-	-
2012/13 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	567	580	520	198	256	3 568				5 689	4 022		
Commercial	2300	731	159	673	159	293	7 973				9 988	8 425		
Households	2400	14 884	13 089	14 841	11 658	11 205	511 227				576 713	534 089		
Other	2500	-	-	-	-	-	4 421				4 421	4 421		
Total By Customer Group	2600	16 182	13 838	15 834	12 015	11 753	527 189	-	-	-	596 811	550 958	-	-

Below the Table is showing the outstanding Debtors per customer group from January to March 2014

CUSTOMER GROUP	OUTSTANDING DEBTORS AMOUNT		
	JANUARY 2014	FEBRUARY 2014	MARCH 2014
ORGANS OF STATE	9 285 000	4 751 000	5 689 000
COMMERCIAL	5 560 000	10 015 000	9 988 000
HOUSEHOLDS	561 357 000	569 798 000	576 713 000
OTHER	4 448 000	4 425 000	4 421 000
TOTAL	580 650 000	588 999 000	596 811 000

There R596 811 000 outstanding debtors, other debtors of R4 421 000 are sundry debtors. This shows an increase of 3% from January to March 2014 of our outstanding debtors.

PAYMENTS VS BILLING 31 MARCH 2014

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 MARCH 2014

MONTH	BILLING	MONTHS	PAYMENTS	RECOVERY RATE %
JUNE 2013	6 991 628.60	JULY 2013	4 423 551.71	63.27%
JULY 2013	15 948 630.20	AUGUST 2013	5 620 740.21	35.24%
AUGUST 2013	15 157 237.99	SEPTEMBER 2013	5 205 975.57	34.35%
SEPTEMBER 2013	12 395 908.16	OCTOBER 2013	6 077 210.31	49.03%
OCTOBER 2013	13 552 676.22	NOVEMBER 2013	5 790 600.79	42.73%
NOVEMBER 2013	17 128 699.03	DECEMBER 2013	5 660 994.76	33.05%
DECEMBER 2013	13 429 017.00	JANUARY 2014	5 660 994.76	42.15%
JANUARY 2014	18 404 261.00	FEBRUARY 2014	6 387 300.97	34.71%
FEBRUARY 2014	12 830 966.38	MARCH 2014	6 387 300.97	49.78%
MARCH 2014	14 759 644.38			0.00%
	140 598 668.96		51 214 670.05	36.43%

TOTALS

BILLING - JUNE 2013 TO MARCH 2014		140 598 668.96	
PAYMENTS - MARCH 2014		51 214 670.05	
DIFFERENCE		89 383 998.91	36.43%

The above illustrates monthly collection rate for the current financial year.

2. CREDITORS AGE ANALYSIS

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M09 March

Description	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	189	-	-	-	28 747					28 937	
Auditor General	0800										-	
Other	0900										-	
Total By Customer Type	1000	189	-	-	-	28 747	-	-	-	-	28 937	-

CREDITORS AGE ANALYSIS

Analysis	JAN	FEB	MARCH
0-30 Days	553 000.00	992 000.00	189 000.00
30 days more	291 000.00	28 753 000.00	28 747 000.00
Total	824 000.00	29746 000.00	28 937 000.00

Creditors more than 30 days are referring to DWA amount owing as well creditors that are investigated

3. SALARIES AND ALLOWANCES

DC23 Uthukela - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration R thousands	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
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		4 792	2 848	2 848	261	2 414	1 899	516	27%	2 848
Pension and UIF Contributions			814	814		0	543	(543)	-100%	814
Medical Aid Contributions			407	407		-	271	(271)	-100%	407
Motor Vehicle Allowance			1 214	1 214	82	766	809	(44)	-5%	1 214
Cellphone Allowance			328	328	14	133	219	(86)	-39%	328
Housing Allowances								-		
Other benefits and allowances								-		
Sub Total - Councillors		4 792	5 611	5 611	357	3 313	3 741	(428)	-11%	5 611
% increase	4		17.1%	17.1%						17.1%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 282	7 268	7 268	494	3 711	4 845	(1 135)	-23%	6 015
Pension and UIF Contributions							-	-		50
Medical Aid Contributions							-	-		120
Overtime							-	-		
Performance Bonus							-	-		303
Motor Vehicle Allowance		336					-	-		700
Cellphone Allowance							-	-		
Housing Allowances		32					-	-		
Other benefits and allowances		79					-	-		80
Payments in lieu of leave							-	-		
Long service awards							-	-		
Post-retirement benefit obligations							-	-		
Sub Total - Senior Managers of Municipality		3 729	7 268	7 268	494	3 711	4 845	(1 135)	-23%	7 268
% increase	4		94.9%	94.9%						94.9%
Other Municipal Staff										
Basic Salaries and Wages		98 924	102 691	78 936	5 885	57 410	52 624	4 786	9%	78 936
Pension and UIF Contributions		9 948	17 982	12 228	860	8 853	8 152	701	9%	12 228
Medical Aid Contributions		3 088	4 432	3 122	282	2 433	2 081	351	17%	3 122
Overtime			5 249	16 059	960	12 100	10 706	1 394	13%	16 059
Performance Bonus		3 292	305	-			-	-		-
Motor Vehicle Allowance			4 285	5 335	493	3 646	3 557	90	3%	5 335
Cellphone Allowance			62	-			-	-		-
Housing Allowances			1 197	413	45	313	276	38	14%	413
Other benefits and allowances		938	915	7 677	60	5 934	5 118	816	16%	7 677
Payments in lieu of leave		2 633	764	646		504	431	74	17%	646
Long service awards			13 210	-			-	-		-
Post-retirement benefit obligations				-			-	-		-
Sub Total - Other Municipal Staff		118 823	151 092	124 415	8 585	91 194	82 944	8 250	10%	124 415
% increase	4		27.2%	4.7%						4.7%
Total Parent Municipality		127 344	163 971	137 294	9 436	98 217	91 530	6 688	7%	137 294

4. INVESTMENTS AND CASH BALANCES

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March

Investments by maturity Name of institution & investment ID	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							
R thousands									
Municipality									
FNB		32 DAYS		ON CALL	451	5.4%	105 091		105 542
ABSA		32 DAYS		ON CALL	23	4.6%	6 232		6 255
NEDBANK		32 DAYS		ON CALL	25	4.5%	5 907		5 932
INVESTEC		32 DAYS		ON CALL	33	5.0%	7 944		7 977
FNB MONEY MARKET		BUSINESS MONEY			1	3.9%	227		227
FNB DDA - 62402906484				ON CALL	21	5.0%	83 817		83 838
FNB TOA 74448702164				ON CALL	4	5.4%	918		922
Municipality sub-total					558		210 135	-	210 693
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				558		210 135	-	210 693

INVESTMENTS BREAK DOWN PER MONTH

Months	Amounts invested
January	176 420 000.00
February	150 373 288.99
March	210 693 000.00

- The above table shows an increase in investments from R150 373 288.99 (February) to R 210 693 000 (March 2014)

BANK BALANCES

Months	Amounts
January	9 861 313.07
February	4 073 242.16
March	96 866 725.28

5. GRANTS RECIEPTS

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

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:	1,2										
Operating Transfers and Grants											
National Government:		265 307	277 744	277 402	166 377	276 999	208 052	68 948	33.1%	-	
Local Government Equitable Share		253 183	269 199	269 199	164 577	269 199	201 899	67 300	33.3%		
Finance Management		1 250	1 100	1 203	-	1 100	902	198	21.9%		
Municipal Systems Improvement		1 000	445	-	-	-	-	-	-		
EPWP Incentive		2 874	1 000	1 000	-	700	750	(50)	-6.7%		
Water Services Operating Subsidy		7 000	6 000	6 000	1 800	6 000	4 500	1 500	33.3%		
	3										
Provincial Government:		22 772	-	-	-	-	-	-	-	-	
Data Cleansing Grant		2 800									
Councillors Training Grant		200									
KZN Projecs Grants		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	277 402	166 377	276 999	208 052	68 948	33.1%	-	
Capital Transfers and Grants											
National Government:		214 945	191 379	248 457	22 618	242 982	186 343	56 639	30.4%	56 735	
Municipal Infrastructure Grant (MIG)		182 858	174 260	174 260	17 155	174 260	130 695	43 565	33.3%		
RRAM		1 776	1 999	1 999	-	1 999	1 499	500	33.3%		
FMG			150	48	-	48	36	12	33.3%		
MSIG			445	890	-	445	668	(223)	-33.3%		
Municipal Water Infrastructure Grant		30 311	14 525	14 525	-	9 539	10 894	(1 355)	-12.4%		
Regional Bulk Infrastructure				56 735	5 463	56 691	42 551	14 140	33.2%	56 735	
Provincial Government:		-	2 468	2 468	-	-	1 851	(1 851)	-100.0%	-	
Infrastructure Sport facilities			2 468	2 468	-	-	1 851	(1 851)	-100.0%		
District Municipality:		-	-	-	-	-	-	-	-	-	
[insert description]											
Other grant providers:		-	-	-	-	-	-	-	-	-	
[insert description]											
Total Capital Transfers and Grants	5	214 945	193 847	250 925	22 618	242 982	188 194	54 788	29.1%	56 735	
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	503 024	471 591	528 327	188 995	519 981	396 245	123 736	31.2%	56 735	

6. GRANTS EXPENDITURE

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		262 964	277 744	277 402	164 621	271 082	208 051	63 031	30.3%	277 744
Local Government Equitable Share		253 183	269 199	269 199	164 577	269 199	201 899	67 300	33.3%	269 199
Finance Management		1 319	1 100	1 203	44	883	902	(19)	-2.1%	1 100
Municipal Systems Improvement		1 007	445	-	-	-	-	-	-	445
EPWP Incentive		454	1 000	1 000	-	1 000	750	250	33.3%	1 000
Water Services Operating Subsidy		7 000	6 000	6 000	-	-	4 500	(4 500)	-100.0%	6 000
								-		
								-		
Provincial Government:		13 087	-	-	-	-	-	-	-	-
Data Cleansing Grant		3 092						-		
KZN Projecs Grants		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	277 402	164 621	271 082	208 051	63 031	30.3%	277 744
Capital expenditure of Transfers and Grants										
National Government:		219 934	191 379	248 457	12 711	179 539	186 343	(6 803)	-3.7%	248 012
Municipal Infrastructure Grant (MIG)		187 952	174 260	174 260	12 195	138 775	130 695	8 080	6.2%	174 260
RRAM		3 361	1 999	1 999	207	1 587	1 499	88	5.9%	1 999
FMG		-	150	48	-	54	36	18	50.0%	48
MSIG		-	445	890	-	-	668	(668)	-100.0%	445
Municipal WATER Infrastructure Grant Driefontein		-	14 525	14 525	-	2 150	10 894	(8 744)	-80.3%	14 525
Regional Bulk Infrastructure		28 621	-	56 735	309	36 974	42 551	(5 577)	-13.1%	56 735
Provincial Government:		-	2 468	2 468	-	-	1 851	(1 851)	-100.0%	-
		-	2 468	2 468	-	-	1 851	(1 851)	-100.0%	-
District Municipality:		-	-	-	-	-	-	-	-	-
								-		
Other grant providers:		-	-	-	-	-	-	-	-	-
								-		
Total capital expenditure of Transfers and Grants		219 934	193 847	250 925	12 711	179 539	188 194	(8 654)	-4.6%	248 012
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		495 985	471 591	528 327	177 332	450 622	396 245	54 377	13.7%	525 756

The expenditure on capital grants reflects 4% under spending from the 2013/14 allocations

7. EXPENDITURE ON ROLL-OVER GRANTS

DC23 Uthukela - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M09 March

Description	Ref	Budget Year 2013/14				
		Approved Rollover 2012/13	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
Finance Management					-	
Municipal Systems Improvement					-	
EPWP Incentive					-	
Water Services Operating Subsidy					-	
Provincial Government:		-	-	-	-	
Data Cleansing Grant					-	
KZN Projects Grants					-	
Other transfers and grants [insert description]					-	
District Municipality:		-	-	-	-	
[insert description]					-	
Other grant providers:		-	-	-	-	
[insert description]					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
Capital expenditure of Approved Roll-overs						
National Government:		81 300	-	-	81 300	100.0%
Municipal Infrastructure Grant (MIG)		81 300	-	-	81 300	100.0%
RRAM					-	
FMG					-	
MSIG					-	
Municipal Water Infrastructure Grant					-	
Regional Bulk Infrastructure					-	
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		81 300	-	-	81 300	100.0%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		81 300	-	-	81 300	100.0%

REVIEWED BY: _____

DATE: _____

1.5 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 March 2014 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name Sifiso Nicholas Kunene

Municipal Manager of UThukela District Municipality (DC23)

Signature _____

Date _____
