



SECTION 71 REPORT

AUGUST

2014

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	Debtor's Age Analysis Table
2.2	CREDITORS AGE ANALYSIS TABLE
2.3	Councillors Allowances and Employee Benefits
2.4	Investment Portfolio
2.5	Allocation Of grants Reciepts
2.6	Allocation Of grants Expenditure
2.7	MUNICIPAL MANAGER'S 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 :

1. Monthly Budget statements and supporting documents for the month of August 2014.

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 2014/15 financial year.

TABLE 1: C4 – Monthly Budget Statements – Financial Performance

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2013/14	Budget Year 2014/15							
		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			134 908	134 908	17 776	26 954	22 466	4 479	20%	134 908
Service charges - sanitation revenue			16 598	16 598	1 317	2 764	2 756	(3)	0%	16 598
Service charges - refuse revenue								-		
Service charges - other								-		
Rental of facilities and equipment								-		
Interest earned - external investments			9 471	9 471	-	713	1 578	(665)	-55%	9 471
Interest earned - outstanding debtors			35 660	35 660	1 747	3 562	6 943	(2 381)	-40%	35 660
Dividends received								-		
Fines								-		
Licences and permits								-		
Agency services								-		
Transfers recognised - operational			306 828	306 828	-	113 397	51 138	62 259	122%	306 828
Other revenue			1 372	1 372	112	143	239	(56)	-38%	1 372
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)			504 836	504 836	20 952	147 543	84 139	63 403	75%	504 836
Expenditure By Type										
Employee related costs			160 321	160 321	9 448	20 061	26 720	(6 659)	-26%	160 321
Remuneration of councillors			4 619	4 619	406	711	770	(59)	-8%	4 619
Debt impairment			30 452	30 452	-	-	5 075	(5 075)	-100%	30 452
Depreciation & asset impairment			44 689	44 689	-	-	7 448	(7 448)	-100%	44 689
Finance charges			1 311	1 311	21	21	219	(198)	-90%	1 311
Bulk purchases			6 085	6 085	-	1 000	1 014	(14)	-1%	6 085
Other materials			54 450	54 450	1 761	1 766	9 075	(7 289)	-80%	54 450
Contracted services			37 658	37 658	1 961	3 739	6 275	(2 537)	-40%	37 658
Transfers and grants			11 900	11 900	0	0	1 963	(1 963)	-100%	11 900
Other expenditure			115 103	115 103	6 081	16 843	19 151	(2 340)	-12%	115 103
Loss on disposal of PPE								-		
Total Expenditure			466 587	466 587	19 677	44 161	77 765	(33 603)	-43%	466 587
Surplus/(Deficit)			38 249	38 249	1 274	103 381	6 375	97 006	0	38 249
Transfers recognised - capital			209 225	209 225	24 013	30 562	34 871	(4 308)	(0)	209 225
Contributions recognised - capital								-		
Contributed assets								-		
Surplus/(Deficit) after capital transfers & contributions			247 474	247 474	25 287	133 944	41 246			247 474
Taxation								-		
Surplus/(Deficit) after taxation			247 474	247 474	25 287	133 944	41 246			247 474
Attributable to minorities										
Surplus/(Deficit) attributable to municipality			247 474	247 474	25 287	133 944	41 246			247 474
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year			247 474	247 474	25 287	133 944	41 246			247 474

- The transfers recognized are reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Total expenditure to date is at R44 161 000 which is 43% less, when compared with the year to date budget expenditure, this is due to the fact that there are no movements in the non -cash items (depreciation and Debt impairment).
- Employees related costs amounting to R 1 227 623.98 in respect of company 3, were not included in the August 2014. These amounts will be costed in September 2014 this was due to the system error. This will be included in September 2014 report.

Table 2: C5 – Monthly Budget Statements – Capital Expenditure

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M02 August

Vote Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Single Year expenditure appropriation	2									
Vote 9 - MUNICIPAL MANGER		-	2 210	2 210	233	745	358	377	102%	2 210
Vote 10 - TREASURY		-	600	600	7	417	100	317	317%	600
Vote 11 - CORPORATE SERVICES		-	1 500	1 500	543	521	253	571	228%	1 500
Vote 12 - WATER SERVICES		-	43 321	43 321	6 629	6 629	7 223	(591)	-8%	43 321
Vote 13 - SOCIAL AND ECONOMIC SERVICES		-	17 586	17 586	1 195	1 552	2 931	(1 375)	-47%	17 586
Vote 14 - TECHNICAL SERVICES		-	212 258	212 258	24 013	30 562	35 374	(4 814)	-14%	212 258
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	277 475	277 475	32 720	40 726	46 246	(5 520)	-12%	277 475
Total Capital expenditure		-	277 475	277 475	32 720	40 726	46 246	(5 520)	-12%	277 475
Capital Expenditure - Standard Classification										
Governance and administration		-	4 310	4 310	883	1 794	718	986	137%	4 310
Executive and council		-	2 210	2 210	233	465	368	97	26%	2 210
Budget and treasury office		-	500	500	7	417	100	317	317%	500
Corporate services		-	1 500	1 500	643	821	250	571	228%	1 500
Community and public safety		-	17 586	17 586	1 196	1 552	2 931	(1 375)	-47%	17 586
Community and social services		-	17 586	17 586	1 196	1 552	2 931	(1 375)	-47%	17 586
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	2 315	2 315	248	248	385	(138)	-36%	2 315
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	2 315	2 315	248	248	385	(138)	-36%	2 315
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	253 264	253 264	30 394	36 943	42 211	(5 268)	-12%	253 264
Electricity		-	-	-	-	-	-	-	-	-
Water		-	253 264	253 264	30 394	36 943	42 211	(5 268)	-12%	253 264
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	-	277 475	277 475	32 720	40 447	46 246	(5 799)	-13%	277 475
Funded by:										
National Government		-	209 225	209 225	24 013	30 562	34 871	(4 308)	-12%	209 225
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	209 225	209 225	24 013	30 562	34 871	(4 308)	-12%	209 225
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	58 250	58 250	8 707	9 885	11 375	(1 490)	-13%	58 250
Total Capital Funding		-	277 475	277 475	32 720	40 447	46 246	(5 798)	-13%	277 475

- The major spending on the capital expenditure is from Technical services.
- R40 447 000 has been spent on capital

Table 3: Repairs and maintenance per asset class

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M02 August

Description	Ref	Budget Year 2014/15								
		2013/14 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		-	40 575	40 575	1 506	1 491	5 966	4 115	73.4%	40 575
Infrastructure - Road transport		-	1 575	1 575	-	-	263	213	100.0%	1 575
Roads, Pavements & Bridges		-	1 575	1 575	-	-	263	213	100.0%	1 575
Storm water		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation		-	-	-	-	-	-	-	-	-
Transmission & Retulation		-	-	-	-	-	-	-	-	-
Street Lighting		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	15 000	15 000	1 506	1 421	1 333	(157)	-11.8%	15 000
Dam & Reservoirs		-	5 000	5 000	577	577	1 000	323	32.3%	6 000
Water purification		-	2 000	2 000	-	-	333	333	100.0%	2 000
Retulation		-	7 000	7 000	929	843	-	(86)	-1.2%	7 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Retulation		-	-	-	-	-	-	-	-	-
Sewerage purification		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	24 000	24 000	-	-	4 000	4 000	100.0%	24 000
Waste Management		-	-	-	-	-	-	-	-	-
Transportation		-	-	-	-	-	-	-	-	-
Gas		-	-	-	-	-	-	-	-	-
Other		-	24 000	24 000	-	-	4 000	4 000	100.0%	24 000
Community		-	-	-	-	-	-	-	-	-
Parks & gardens		-	-	-	-	-	-	-	-	-
Sportfields & clubs		-	-	-	-	-	-	-	-	-
Swimming pools		-	-	-	-	-	-	-	-	-
Community halls		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Recreational facilities		-	-	-	-	-	-	-	-	-
Fire, safety & emergency		-	-	-	-	-	-	-	-	-
Security and policing		-	-	-	-	-	-	-	-	-
Buses		-	-	-	-	-	-	-	-	-
Clinics		-	-	-	-	-	-	-	-	-
Museums & Art Galleries		-	-	-	-	-	-	-	-	-
Conservancy		-	-	-	-	-	-	-	-	-
Social rental housing		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Housing development		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Other assets		-	13 875	13 875	255	295	1 667	1 372	82.3%	13 875
General vehicles		-	4 550	4 550	252	292	756	466	51.5%	4 550
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	5 000	5 000	-	-	833	833	100.0%	5 000
Computers - hardware/equipment		-	50	50	-	0	8	8	95.2%	50
Furniture and other office equipment		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		-	200	200	2	2	67	64	95.4%	200
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	3 875	3 875	-	-	-	-	-	3 875
Agricultural assets		-	-	-	-	-	-	-	-	-
Livestock		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Livestock		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure		-	54 450	54 450	1 761	1 786	7 262	5 477	75.4%	54 450

➤ R 1 786 000 has been spent on repairs and maintenance

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

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M02 August

Description	Ref	2013/14	Budget Year 2014/15							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue - Standard										
<i>Governance and administration</i>		-	299 336	299 336	6	114 313	49 683	64 424	129%	299 336
Executive and council		-	41 140	41 140	-	-	6 857	(6 857)	-100%	41 140
Budget and treasury office		-	258 196	258 196	6	114 313	43 033	71 280	166%	258 196
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	6 317	6 317	-	-	1 053	(1 053)	-100%	6 317
Planning and development		-	6 317	6 317	-	-	1 053	(1 053)	-100%	6 317
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	408 408	408 408	44 960	63 792	68 068	(4 276)	-6%	408 408
Electricity		-	-	-	-	-	-	-	-	-
Water		-	391 810	391 810	43 543	61 029	65 302	(4 273)	-7%	391 810
Waste water management		-	16 598	16 598	1 317	2 764	2 765	(3)	0%	16 598
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	-	714 061	714 061	44 965	178 105	119 010	59 095	50%	714 061
Expenditure - Standard										
<i>Governance and administration</i>		-	189 666	189 666	5 251	12 398	31 611	(19 213)	-61%	189 666
Executive and council		-	49 743	49 743	870	3 051	8 291	(5 240)	-63%	49 743
Budget and treasury office		-	104 843	104 843	1 306	2 768	17 474	(14 706)	-84%	104 843
Corporate services		-	35 080	35 080	3 076	6 579	5 847	733	13%	35 080
<i>Community and public safety</i>		-	11 099	11 099	1 005	1 848	1 850	(2)	0%	11 099
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	11 099	11 099	1 005	1 848	1 850	(2)	0%	11 099
<i>Economic and environmental services</i>		-	26 939	26 939	1 145	3 600	4 490	(890)	-20%	26 939
Planning and development		-	26 939	26 939	1 145	3 600	4 490	(890)	-20%	26 939
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	238 883	238 883	12 277	26 315	39 814	(13 499)	-34%	238 883
Electricity		-	-	-	-	-	-	-	-	-
Water		-	235 956	235 956	12 275	26 313	39 326	(13 013)	-33%	235 956
Waste water management		-	2 928	2 928	2	2	488	(486)	-100%	2 928
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	-	466 587	466 587	19 678	44 161	77 765	(33 604)	-43%	466 587
Surplus/ (Deficit) for the year		-	247 474	247 474	25 287	133 944	41 246	92 699	225%	247 474

Table 5: 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) - M02 August

Vote Description	Ref	2013/14	Budget Year 2014/15							
		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		-	-	-	-	-	-	-	-	-
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		-	41 140	41 140	-	-	6 857	(6 857)	-100.0%	41 140
Vote 10 - TREASURY		-	258 196	258 196	6	114 313	43 033	71 280	165.6%	258 196
Vote 11 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 12 - WATER SERVICES		-	201 951	201 951	20 547	33 087	33 659	(572)	-1.7%	201 951
Vote 13 - SOCIAL AND ECONOMIC SERVICES		-	717	717	-	-	120	(120)	-100.0%	717
Vote 14 - TECHNICAL SERVICES		-	212 057	212 057	24 013	30 705	35 343	(4 638)	-13.1%	212 057
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	714 051	714 051	44 565	178 105	119 010	59 094	49.7%	714 051
Expenditure by Vote										
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		-	49 743	49 743	870	3 051	8 291	(5 240)	-63.2%	49 743
Vote 10 - TREASURY		-	104 843	104 843	1 304	2 768	17 474	(14 706)	-84.2%	104 843
Vote 11 - CORPORATE SERVICES		-	35 080	35 080	3 075	6 579	5 847	733	12.5%	35 080
Vote 12 - WATER SERVICES		-	231 077	231 077	11 997	25 608	38 513	(12 905)	-33.5%	231 077
Vote 13 - SOCIAL AND ECONOMIC SERVICES		-	38 039	38 039	2 150	5 447	6 340	(893)	-14.1%	38 039
Vote 14 - TECHNICAL SERVICES		-	7 806	7 806	251	707	1 301	(593)	-45.5%	7 806
Vote 15 - (NAME OF VOTE 15)		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	456 585	456 587	19 678	44 161	77 764	(33 604)	-43.2%	456 587
Surplus/ (Deficit) for the year	2	-	247 474	247 474	25 287	133 944	41 246	92 698	224.7%	247 474

Part 2 – Supporting Documentation

1. DEBTOR'S AGE ANALYSIS

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M02 August

Description	MT Credit	Budget Year 2014/15									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i/c Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 yr	Over 1yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	21 541	8 804	5 752	11 917	516 488					565 600	526 403	
Trade and Other Receivables from Exchange Transactions - Electricity	1200										-	-	
Receivables from Non-exchange Transactions - Property Rates	1430										-	-	
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 Area Debt Accounts	1810										-	-	
Recoverable unauthorised, irregular, useless and wasteful expenditure	1820										-	-	
Other	1900	6 309	2 360	5	9	400					9 071	467	
Total By Income Source	2000	27 851	11 163	6 758	11 926	516 874	-	-	-	574 472	528 900	-	-
2013/14 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	931	342	475	526	7 274					4 454	2 709	
Commercial	2300	1 255	690	297	307	14 170					16 143	14 521	
Household	2400	15 466	7 864	5 980	11 062	300 042					344 400	311 163	
Other	2500	6 309	2 360	5	9	400					9 071	467	
Total By Customer Group	2600	27 851	11 163	6 758	11 926	516 874	-	-	-	574 472	528 900	-	-

- The Municipality has a total amount of R574 472 000.00 for outstanding debtors. This includes R8 871 000 for sundry debtors

2. PAYMENTS VS BILLING 31 AUGUST 2014

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 AUGUST 2014				
MONTH	BILLING	MONTHS	PAYMENTS	RECOVERY RATE
JUNE 2014	9 595 581.43	JULY 2014	6 020 425.52	62.74%
JULY 2014	11 685 112.67	AUGUST 2014	6 110 030.11	52.29%
	21 280 694.10		12 130 455.63	57.00%
TOTALS				
BILLING - JUNE 2014 TO JULY 2014			21 280 694.10	
PAYMENTS - JULY 2014			12 130 455.63	
DIFFERENCE			9 150 238.47	

➤ The above illustrates monthly collection rate.

3. CREDITORS AGE ANALYSIS

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description	NT Code	Budget Year 2014/15								
		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	Total
R thousands										
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	419	-	-	-	-	-	-	28 253	28 671
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	419	-	-	-	-	-	-	28 253	28 671

4. INVESTMENTS AND CASH BALANCES

DC23 Uthukela - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

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 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs	Months							
R thousands										
<u>Municipality</u>										
FNB UTOM		32	DAYS			514	4.7%	130 755		130 755
NEOBANK		32	DAYS			3	4.7%	1 215		1 216
ABSA		32	DAYS			472	4.6%	75 242		75 242
										-
										-
CCA - 62402906484										-
74445702164										-
Municipality sub-total						989		207 213	-	207 213
<u>Entities</u>										
Entities sub-total						-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2					989		207 213	-	207 213

Bank Balances

DESCRIPTION	JULY 2014	AUGUST 2014
FNB MAIN ACCOUNT 62252306280	79 896 924.26	9 751 539.98
FNB WATER ACCOUNT 62253072385	0.00	0.00
Total cash held	79 896 924.26	9 751 539.98

5. GRANTS RECEIPTS

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M02 August

Description	Ref	2013/14	Budget Year 2014/15							
		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										
National Government:		-	300 978	300 978	1 787	116 626	55 183	65 782	131.1%	300 978
Local Government Equitable Share			286 962	286 962	-	119 519	47 827	95 262	137.6%	286 962
Finance Management			1 250	1 250	-	1 210	208	-	-	1 250
Municipal Systems Improvement			467	467	467	467	78	-	-	467
EPWP Incentive			3 200	3 200	1 320	1 320	550	-	-	3 200
Water Services Operating Subsidy			9 000	9 000	-	-	1 500	-	-	9 000
	3									
Provincial Government:		-	5 650	5 650	-	-	875	(42)	-4.3%	5 650
Share Services			250	200			42	(42)	-100.0%	200
Small Town Rehabilitation			5 400	5 400			833	-	-	5 400
Other transfers and grants (insert description)										
	4									
Other transfers and grants (insert description)										
District Municipality: (insert description)		-	-	-	-	-	-	-	-	-
Other grant providers: (insert description)		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	-	306 628	306 628	1 787	116 626	51 138	65 720	128.6%	306 628
Capital Transfers and Grants										
National Government:		-	209 045	209 045	2 782	67 178	34 841	33 025	94.8%	209 045
Municipal Infrastructure Grant (MIG)			177 319	177 319	-	64 399	29 553	34 843	117.9%	177 319
Rural Households Infrastructure			4 124	4 124	-	-	687	-	-	4 124
ICRAM			2 135	2 135	2 315	2 315	356	1 959	550.0%	2 135
Rural Households Infrastructure			-	-	-	-	-	-	-	-
MIG			467	467	467	467	78	389	500.0%	467
Regional Bulk Infrastructure			25 000	25 000	-	-	4 167	(4 167)	-100.0%	25 000
Provincial Government: Infrastructure Sport facilities		-	-	-	-	-	-	-	-	-
District Municipality: (insert description)		-	-	-	-	-	-	-	-	-
Other grant providers: (insert description)		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	6	-	209 045	209 045	2 782	67 178	34 841	33 025	94.8%	209 045

➤ An amount of R30 848.35 was received for the LGSETA grant.

GRANTS EXPENDITURE

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M02 August

Description	Ref	2013/14	Budget Year 2014/15							
		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:		-	300 978	300 978	-	113 781	50 163	63 618	128.8%	300 978
Local Government Equitable Share			286 962	286 962	-	113 589	47 827	65 762	137.5%	286 962
Finance Management			1 250	1 250	-	49	208	(159)	-76.4%	1 250
Municipal Systems Improvement			467	467	-	-	79	(76)	-100.0%	467
EPWP Incentive			3 299	3 299	-	143	560	(437)	-74.1%	3 299
Water Services Operating Subsidy			9 000	9 000	-	-	1 500	(1 500)	-100.0%	9 000
Provincial Government:		-	5 850	5 850	-	-	975	(975)	-100.0%	5 850
Share Services			250	250	-	-	42	(42)	-100.0%	250
Small Town Rehabilitation			5 600	5 600	-	-	933	(933)	-100.0%	5 600
Other transfers and grants (insert description)										
District Municipality:		-	-	-	-	-	-	-	-	-
(insert description)										
Other grant providers:		-	-	-	-	-	-	-	-	-
(insert description)										
Total operating expenditure of Transfers and Grants:		-	306 828	306 828	-	113 781	51 138	62 643	122.5%	306 828
Capital expenditure of Transfers and Grants										
National Government:		-	209 045	209 045	24 013	30 562	34 841	(4 278)	-12.3%	209 045
Municipal Infrastructure Grant (MIG)			177 319	177 319	20 702	26 985	29 533	(2 566)	-8.7%	177 319
Rural Road Asset Management Grant			2 135	2 135	248	248	316	(108)	-30.3%	2 135
Rural Households Infrastructure			4 124	4 124	-	-	637	(587)	-100.0%	4 124
MSIG			467	467	-	-	78	(78)	-100.0%	467
Municipal WATER Infrastructure Grant (Waterman)										
Regional Bulk Infrastructure:			25 000	25 000	3 063	3 330	4 167	(837)	-20.1%	25 000
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
(insert description)										
Total capital expenditure of Transfers and Grants		-	209 045	209 045	24 013	31 562	34 841	(4 278)	-12.3%	209 045
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	515 873	515 873	24 013	144 343	85 979	58 364	67.9%	515 873

➤ There is an amount of R 50 382.47 which was spent on finance Management Grant.

1.4 Municipal manager's quality certificate

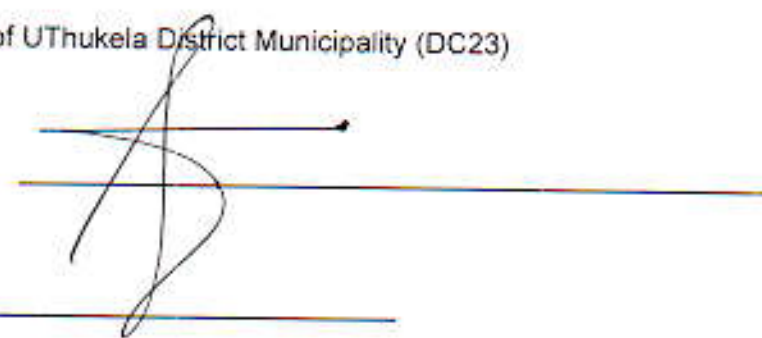
I **Sifiso Nicholas Kunene**, Municipal Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for August 2014 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name: Sifiso Nicholas Kunene

Municipal Manager of UThukela District Municipality (DC23)

Signature

Date

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be 'Sifiso N. Kunene'. The line is a thin, multi-colored horizontal line.

Prepared by: FRABA

Manager: Expenditure

Checked by: [Signature]

Senior Manager: Finance

Reviewed by: _____

Chief Financial Officer