

SECTION 71 REPORT

JANUARY

2015

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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 month of January 2015.

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.

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) - M07 January

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		118 572	134 908	134 908	7 133	65 669	78 696	(13 028)	-17%	134 908
Service charges - sanitation revenue		14 199	16 598	16 598	1 308	9 558	9 682	(124)	-1%	16 598
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments		10 761	9 471	9 471		4 038	5 524	(1 486)	-27%	9 471
Interest earned - outstanding debtors		33 284	35 660	35 660	1 555	11 579	20 802	(9 223)	-44%	35 660
Dividends received										
Fines										
Licences and permits										
Agency services										
Transfers recognised - operational		257 902	306 828	306 828	47	216 419	178 983	37 436	21%	306 828
Other revenue		2 845	1 372	1 372	31	416	800	(384)	-48%	1 372
Gains on disposal of PPE										
Total Revenue (excluding capital transfers and contributions)		437 563	504 836	504 836	10 074	307 679	294 488	13 191	4%	504 836
Expenditure By Type										
Employee related costs		125 359	160 321	160 321	10 795	80 863	93 521	(12 657)	-14%	160 321
Remuneration of councillors		4 703	4 619	4 619	339	2 638	2 694	(56)	-2%	4 619
Debt impairment		16 028	30 452	30 452			17 764	(17 764)	-100%	30 452
Depreciation & asset impairment		38 999	44 689	44 689			26 069	(26 069)	-100%	44 689
Finance charges		2 549	1 311	1 311		538	765	(227)	-30%	1 311
Bulk purchases		7 232	6 085	6 085	(316)	1 955	3 550	(1 594)	-45%	6 085
Other materials		22 082	54 450	54 450	1 550	9 857	31 762	(21 905)	-69%	54 450
Contracted services		46 772	37 658	37 658	190	13 917	21 967	(8 050)	-37%	37 658
Transfers and grants		83 732	11 900	11 900	226	6 466	6 942	(475)	-7%	11 900
Other expenditure		97 887	115 103	115 103	7 147	64 342	67 143	(2 801)	-4%	115 103
Loss on disposal of PPE		5 421								
Total Expenditure		450 763	466 587	466 587	19 930	180 577	272 176	(91 598)	-34%	466 587
Surplus/(Deficit)		(13 200)	38 249	38 249	(9 856)	127 102	22 312	104 790	0	38 249
Transfers recognised - capital		360 480	209 225	209 225	8 925	133 994	122 048	11 946	0	209 225
Contributions recognised - capital										
Contributed assets										
Surplus/(Deficit) after capital transfers & contributions		347 279	247 474	247 474	(931)	261 096	144 360			247 474
Taxation										
Surplus/(Deficit) after taxation		347 279	247 474	247 474	(931)	261 096	144 360			247 474
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		347 279	247 474	247 474	(931)	261 096	144 360			247 474
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		347 279	247 474	247 474	(931)	261 096	144 360			247 474

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Total expenditure is 34% less, this is due to the fact that there haven't been any movements in the non -cash items (depreciation and Debt impairment).
- The Service charges – water revenue have a billed amount to consumers of R 7 133 000 in January 2015.
- The Service charges – Sanitation revenue have a billed amount to consumers of R 1 308 000 in January 2015.
- Employees related costs spending is R10 795 000 for the month of January 2015.
- Remuneration of Councillors is R 339 000 for the month of 31 January 2015

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) - M07 January

Vote 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	1									
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		351	2 210	2 210	-	914	1 289	(375)	-29%	2 210
Vote 10 - TREASURY		10	600	600	-	483	350	133	38%	600
Vote 11 - CORPORATE SERVICES		19	1 500	1 500	-	821	875	(54)	-6%	1 500
Vote 12 - WATER SERVICES		10 623	43 321	43 321	-	28 839	21 661	7 179	33%	43 321
Vote 13 - SOCIAL AND ECONOMIC SERVICES		3	17 586	17 586	-	2 611	10 259	(7 648)	-75%	17 586
Vote 14 - TECHNICAL SERVICES		414 608	212 258	212 258	8 925	133 994	123 817	10 177	8%	212 258
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	425 614	277 475	277 475	8 925	167 663	158 250	9 412	6%	277 475
Total Capital Expenditure		425 614	277 475	277 475	8 925	167 663	158 250	9 412	6%	277 475
Capital Expenditure - Standard Classification										
Governance and administration		359	4 310	4 310	-	2 218	2 514	(296)	-12%	4 310
Executive and council		330	2 210	2 210	-	914	1 289	(375)	-29%	2 210
Budget and treasury office		10	600	600	-	483	350	133	38%	600
Corporate services		19	1 500	1 500	-	821	875	(54)	-6%	1 500
Community and public safety		-	17 586	17 586	-	2 611	10 259	(7 647)	-75%	17 586
Community and social services		-	17 586	17 586	-	2 611	10 259	(7 647)	-75%	17 586
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		2 002	2 315	2 315	-	846	1 350	(504)	-37%	2 315
Planning and development		3	-	-	-	-	-	-	-	-
Road transport		1 999	2 315	2 315	-	846	1 350	(504)	-37%	2 315
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		423 252	253 264	253 264	8 925	161 987	147 737	14 250	10%	253 264
Electricity		-	-	-	-	-	-	-	-	-
Water		423 252	253 264	253 264	8 925	161 987	147 737	14 250	10%	253 264
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	425 614	277 475	277 475	8 925	167 663	161 860	5 802	4%	277 475
Funded by:										
National Government		344 456	209 225	209 225	8 925	133 994	122 048	11 946	10%	209 225
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		344 456	209 225	209 225	8 925	133 994	122 048	11 946	10%	209 225
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		81 158	68 250	68 250	-	33 669	39 813	(6 143)	-15%	68 250
Total Capital Funding		425 614	277 475	277 475	8 925	167 663	161 860	5 802	4%	277 475

- The major spending on the capital expenditure is from Government grants.
- R167 663 000 has been spent on capital as at 31 January 2015.

Table 3: Repairs and maintenance per asset class

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

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									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		18 623	40 575	40 575	1 478	5 109	20 288	15 179	74.8%	40 575
Infrastructure - Road transport		1 500	1 575	1 575	-	-	788	788	100.0%	1 575
<i>Roads, Pavements & Bridges</i>		1 500	1 575	1 575	-	-	788	788	100.0%	1 575
<i>Storm water</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
<i>Generation</i>		-	-	-	-	-	-	-	-	-
<i>Transmission & Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Street Lighting</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Water		11 164	15 000	15 000	1 478	5 109	7 500	2 391	31.9%	15 000
<i>Dams & Reservoirs</i>		6 014	6 000	6 000	1 478	5 109	3 000	(2 109)	-70.3%	6 000
<i>Water purification</i>		50	2 000	2 000	-	-	1 000	1 000	100.0%	2 000
<i>Reticulation</i>		5 100	7 000	7 000	-	-	3 500	3 500	100.0%	7 000
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>		-	-	-	-	-	-	-	-	-
Infrastructure - Other		5 959	24 000	24 000	-	-	12 000	12 000	100.0%	24 000
<i>Waste Management</i>		-	-	-	-	-	-	-	-	-
<i>Transportation</i>		-	-	-	-	-	-	-	-	-
<i>Gas</i>		-	-	-	-	-	-	-	-	-
<i>Other</i>		5 959	24 000	24 000	-	-	12 000	12 000	100.0%	24 000
Other assets		3 459	13 875	13 875	72	4 749	6 938	2 189	31.6%	13 875
General vehicles		3 126	4 550	4 550	62	1 282	2 275	993	43.7%	4 550
Specialised vehicles		-	-	-	-	-	-	-	-	-
Plant & equipment		-	5 000	5 000	1	2	2 500	2 498	99.9%	5 000
Computers - hardware/equipment		-	-	-	-	-	-	-	-	-
Furniture and other office equipment		53	50	50	-	0	25	25	98.4%	50
Abattoirs		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Civic Land and Buildings		-	-	-	-	-	-	-	-	-
Other Buildings		280	399	399	9	132	200	68	34.1%	399
Other Land		-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)		-	-	-	-	-	-	-	-	-
Other		-	3 876	3 876	-	3 333	1 938	(1 395)	-72.0%	3 876
Total Repairs and Maintenance Expenditure		22 082	54 450	54 450	1 550	9 857	27 225	17 368	63.8%	54 450

- Repairs and Maintenance have a slow spending when compared to the year to date budget.
- Plant and Equipment refers to the purification plants and equipment.
- The total amount spent to date towards repairs and maintenance is R9 857 000.

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

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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									
Revenue - Standard										
<i>Governance and administration</i>		279 380	299 336	299 336	47	214 201	153 096	61 104	40%	299 336
Executive and council		37 743	41 140	41 140	-	-	23 998	(23 998)	-100%	41 140
Budget and treasury office		241 637	258 196	258 196	47	214 201	129 098	85 103	66%	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>		890	6 317	6 317	-	-	3 685	(3 685)	-100%	6 317
Planning and development		890	6 317	6 317	-	-	3 685	(3 685)	-100%	6 317
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		517 773	408 408	408 408	18 953	227 472	238 238	(10 766)	-5%	408 408
Electricity		-	-	-	-	-	-	-	-	-
Water		503 502	391 810	391 810	17 645	217 914	228 556	(10 642)	-5%	391 810
Waste water management		14 270	16 598	16 598	1 308	9 558	9 682	(124)	-1%	16 598
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	798 042	714 061	714 061	19 000	441 673	395 019	46 653	12%	714 061
Expenditure - Standard										
<i>Governance and administration</i>		113 648	189 666	189 666	7 384	41 370	110 639	(69 269)	-63%	189 666
Executive and council		64 054	49 743	49 743	1 120	9 662	29 017	(19 355)	-67%	49 743
Budget and treasury office		23 332	104 843	104 843	4 215	13 164	61 158	(47 994)	-78%	104 843
Corporate services		26 262	35 080	35 080	2 048	18 543	20 463	(1 920)	-9%	35 080
<i>Community and public safety</i>		11 271	11 099	11 099	1 220	8 298	6 474	1 824	28%	11 099
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		11 271	11 099	11 099	1 220	8 298	6 474	1 824	28%	11 099
<i>Economic and environmental services</i>		8 760	26 939	26 939	2 188	9 407	15 714	(6 308)	-40%	26 939
Planning and development		8 760	26 939	26 939	2 188	9 407	15 714	(6 308)	-40%	26 939
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		317 034	238 883	238 883	9 139	121 502	139 349	(17 846)	-13%	238 883
Electricity		-	-	-	-	-	-	-	-	-
Water		314 868	235 956	235 956	8 955	120 231	137 641	(17 410)	-13%	235 956
Waste water management		2 216	2 928	2 928	183	1 271	1 708	(436)	-26%	2 928
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	450 763	466 587	466 587	19 931	180 577	272 176	(91 599)	-34%	466 587
Surplus/ (Deficit) for the year		347 280	247 474	247 474	(931)	261 096	122 843	138 252	113%	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) - M07 January

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	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		37 743	41 140	41 140	-	-	23 998	(23 998)	-100.0%	41 140
Vote 10 - TREASURY		241 637	258 196	258 196	47	214 201	150 614	63 587	42.2%	258 196
Vote 11 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 12 - WATER SERVICES		164 212	201 951	201 951	10 027	93 477	117 805	(24 328)	-20.7%	201 951
Vote 13 - SOCIAL AND ECONOMIC SERVICES		890	717	717	-	-	418	(418)	-100.0%	717
Vote 14 - TECHNICAL SERVICES		353 560	212 057	212 057	8 925	133 995	123 700	10 295	8.3%	212 057
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	798 042	714 061	714 061	18 999	441 673	416 536	25 138	6.0%	714 061
Expenditure by Vote	1									
Vote 1 - COUNCIL		-	-	-	-	-	-	-	-	-
Vote 2 - MUNICIPAL MANGER		-	-	-	-	-	-	-	-	-
Vote 3 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 4 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 5 - TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - PLANNING AND ECONOMIC DEVELOPMENT		-	-	-	-	-	-	-	-	-
Vote 7 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 8 - WATER AND SANITATION SERVICES		-	-	-	-	-	-	-	-	-
Vote 9 - MUNICIPAL MANGER		64 054	49 743	49 743	1 120	9 663	29 017	(19 353)	-66.7%	49 743
Vote 10 - TREASURY		23 332	104 843	104 843	4 215	13 165	61 158	(47 993)	-78.5%	104 843
Vote 11 - CORPORATE SERVICES		26 262	35 080	35 080	2 048	18 542	20 463	(1 921)	-9.4%	35 080
Vote 12 - WATER SERVICES		313 628	231 077	231 077	8 815	117 497	134 795	(17 298)	-12.8%	231 077
Vote 13 - SOCIAL AND ECONOMIC SERVICES		20 031	38 039	38 039	3 408	17 703	22 189	(4 486)	-20.2%	38 039
Vote 14 - TECHNICAL SERVICES		3 456	7 806	7 806	324	4 006	4 553	(547)	-12.0%	7 806
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	450 763	466 587	466 587	19 931	180 578	272 176	(91 598)	-33.7%	466 587
Surplus/ (Deficit) for the year	2	347 279	247 474	247 474	(931)	261 096	144 360	116 736	80.9%	247 474

Part 2 – Supporting Documentation

2.1 DEBTOR'S AGE ANALYSIS

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment											
Description		Budget Year 2014/15									
	NT Code	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
R thousands											
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Tran	1200	(347)	11 782	8 564	10 773	7 286	457 117	-	-	495 175	475 176
Trade and Other Receivables from Exchange Tran	1300	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Pr	1400	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste	1500	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste	1600	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Proper	1700	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and w	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	-	45	21	-	7	5 494	-	-	5 568	5 501
Total By Income Source	2000	(347)	11 827	8 585	10 773	7 293	462 611	-	-	500 742	480 677
2013/14 - totals only											
Debtors Age Analysis By Customer Group											
Organs of State	2200	(1)	825	483	236	426	13 900	-	-	15 869	14 562
Commercial	2300	-	542	335	311	566	2 569	-	-	4 323	3 446
Households	2400	(346)	10 414	7 745	10 226	6 294	440 648	-	-	474 982	457 168
Other	2500	-	45	21	0	7	5 494	-	-	5 568	5 501
Total By Customer Group	2600	(347)	11 827	8 585	10 773	7 293	462 611	-	-	500 742	480 677

The Municipality has a total amount of R500 742 000 for outstanding debtors. This includes an amount of R5 567 518.96 which relates to sundry debtors.

COLLECTION RATE

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 JANUARY 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%
AUGUST 2014	21 035 993.75	SEPTEMBER 2014	6 209 513.43	29.52%
SEPTEMBER 2014	13 957 068.73	OCTOBER 2014	6 735 518.00	48.26%
OCTOBER 2014	8 912 018.19	NOVEMBER 2014	7 560 916.92	84.84%
NOVEMBER 2014	18 632 039.10	DECEMBER 2014	5 699 942.42	30.59%
DECEMBER 2014	9 919 516.35	JANUARY 2015	6 713 751.11	67.68%
	93 737 330.22		45 050 097.51	48.06%

TOTALS

BILLING - JUNE 2014 TO DECEMBER 2014	93 737 330.22
PAYMENTS - July 2014 TO JANUARY 2015	45 050 097.51
DIFFERENCE	48 687 232.71

2.2. CREDITORS AGE ANALYSIS

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

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 deduction	0500									-
Loan repayments	0600									-
Trade Creditors	0700	842	48						33 144	34 034
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	842	48	-	-	-	-	-	33 144	34 034

2.3 SALARIES AND ALLOWANCES

DC23 Uthukela - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	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		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		3 520	3 404	3 404	237	1 818	1 986	(168)	-8%	3 404
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance		1 008	1 034	1 034	79	585	603	(18)	-3%	1 034
Cellphone Allowance		176	181	181	23	235	106	130	123%	181
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		4 703	4 619	4 619	339	2 638	2 694	(56)	-2%	4 619
% increase	4		-1.8%	-1.8%						-1.8%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 429	6 663	6 663	531	3 050	3 887	(837)	-22%	663
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus			666	666	117	821	389	432	111%	6 660
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations										
Sub Total - Senior Managers of Municipality		5 429	7 329	7 329	648	3 871	4 275	(404)	-9%	7 323
% increase	4		35.0%	35.0%						34.9%
Other Municipal Staff										
Basic Salaries and Wages		76 438	104 820	104 820	6 501	49 417	61 145	(11 728)	-19%	104 820
Pension and UIF Contributions		11 508	14 194	14 194	1 033	7 720	8 280	(560)	-7%	14 194
Medical Aid Contributions		3 341	5 020	5 020	320	2 127	2 928	(802)	-27%	5 020
Overtime		15 997	3 135	3 135	1 577	10 070	1 829	8 241	451%	3 135
Performance Bonus										
Motor Vehicle Allowance		5 654	9 965	9 965	463	45	5 813	(5 768)	-99%	9 965
Cellphone Allowance										
Housing Allowances		572	1 490	1 490	60	425	869	(444)	-51%	1 490
Other benefits and allowances		12 183	13 255	13 255	58	6 345	7 732	(1 387)	-18%	13 255
Payments in lieu of leave		(334)	1 113	1 113	135	844	649	195	30%	1 113
Long service awards										
Post-retirement benefit obligations										
Sub Total - Other Municipal Staff		125 359	152 992	152 992	10 147	76 992	89 245	(12 253)	-14%	152 992
% increase	4		22.0%	22.0%						22.0%
Total Parent Municipality		135 491	164 940	164 940	11 134	83 501	96 215	(12 714)	-13%	164 934
Unpaid salary, allowances & benefits in arrears:			21.7%	21.7%						21.7%
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		135 491	164 940	164 940	11 134	83 501	96 215	(12 714)	-13%	164 934
% increase	4		21.7%	21.7%						21.7%
TOTAL MANAGERS AND STAFF		130 788	160 321	160 321	10 795	80 863	93 521	(12 657)	-14%	160 315

2.4. INVESTMENTS AND BANK BALANCES

BANK BALANCES

The following reflects bank balances at 31 January 2014

DESCRIPTION	JANUARY 2015
FNB MAIN ACCOUNT 62252306280	29 592 854.73
FNB WATER ACCOUNT 62253072385	0.00
Total cash held	29 592 854.73

Investments were not included this month, due to not receiving statements from Absa Bank

2.5 GRANTS RECEIPTS

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

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:		267 042	300 978	300 978	-	220 019	175 571	41 849	23.8%	300 978
Local Government Equitable Share		257 902	286 962	286 962	-	209 243	167 395	41 849	25.0%	286 962
Finance Management		1 250	1 250	1 250	-	1 250	729			1 250
Municipal Systems Improvement		-	467	467	-	467	272			467
EPWP Incentive		1 000	3 299	3 299	-	2 309	1 924			3 299
Water Services Operating Subsidy		6 000	9 000	9 000	-	6 750	5 250			9 000
KZN PROJECTS	3	890								
MSIG GRANT										
MSIG GRANT										
Provincial Government:		-	5 850	5 850	-	338	3 413	193	5.6%	5 938
Share Services			250	250		250	146	104	71.4%	250
Small Town Rehabilitation			5 600	5 600			3 267			5 600
LG SETA	4					88		88	#DIV/0!	88
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	267 042	306 828	306 828	-	220 357	178 983	42 041	23.5%	306 916
Capital Transfers and Grants										
National Government:		258 405	209 045	209 045	-	127 199	121 943	13 825	11.3%	209 045
Municipal Infrastructure Grant (MIG)		174 260	177 319	177 319	-	117 261	103 436	13 825	13.4%	177 319
Regional Bulk Infrastructure		63 621	25 000	25 000	-	7 336	14 583			4 124
Rural Households Infrastructure		4 000	4 124	4 124	-	-	2 406			25 000
Rural Road Asst Management		1 999	2 135	2 135	-	2 135	1 245			2 135
Municipal Systems Improvement		-	467	467	-	467	272			467
Municipal Infrastructure Water Grant		14 525								
New Pumps										
Massification										
Provincial Government:		-	-	-	-	-	-	-	-	-
[insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	258 405	209 045	209 045	-	127 199	121 943	13 825	11.3%	209 045
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	525 447	515 873	515 873	-	347 557	300 926	55 866	18.6%	515 961

2.6.GRANTS EXPENDITURE


DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	Budget Year 2014/15								
		2013/14	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		273 926	300 978	300 978	47	216 419	175 571	40 848	23.3%	300 978
Local Government Equitable Share		257 902	286 962	286 962	-	209 243	167 395	41 849	25.0%	286 962
Finance Management		1 581	1 250	1 250	47	561	729	(168)	-23.0%	1 250
Municipal Systems Improvement		-	467	467	-	94	272	(178)	-65.3%	467
EPWP Incentive		3 200	3 299	3 299	-	2 111	1 924	186	9.7%	3 299
Water Services Operating Subsidy		4 448	9 000	9 000	-	4 409	5 250	(841)	-16.0%	9 000
KZN PROJECTS		5 905	-	-	-	-	-	-	-	-
MSIG GRANT		890	-	-	-	-	-	-	-	-
Provincial Government:		-	5 850	5 850	-	-	3 413	(3 413)	-100.0%	5 850
Share Services		-	250	250	-	-	146	(146)	-100.0%	250
LG SETA		-	5 600	5 600	-	-	3 267	(3 267)	-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:		273 926	306 828	306 828	47	216 419	178 983	37 436	20.9%	306 828
Capital expenditure of Transfers and Grants										
National Government:		344 456	209 045	209 045	8 925	133 994	121 943	12 051	9.9%	209 045
Municipal Infrastructure Grant (MIG)		233 809	177 319	177 319	8 925	95 659	103 436	(7 777)	-7.5%	177 319
Regional Bulk Infrastructure		75 274	25 000	25 000	-	37 489	14 583	22 906	157.1%	25 000
Rural Households Infrastructure		-	4 124	4 124	-	-	2 406	(2 406)	-100.0%	4 124
Rural Road Asst Management		1 999	2 135	2 135	-	846	1 245	(399)	-32.1%	2 135
Municipal Systems Improvement		-	467	467	-	-	272	(272)	-100.0%	467
Municipal Infrastructure Water Grant		11 738	-	-	-	-	-	-	-	-
New Pumps		1 234	-	-	-	-	-	-	-	-
Massification		20 402	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		344 456	209 045	209 045	8 925	133 994	121 943	12 051	9.9%	209 045
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		618 381	515 873	515 873	8 972	350 412	300 926	49 486	16.4%	515 873

2.7 EXPENDITURE AGAINST APPROVED ROLL OVERS

DC23 Uthukela - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M07 January

Description	Ref	Budget Year 2014/15				
		Approved Rollover 2013/14	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:						
Local Government Equitable Share		1 600	-	-	1 600	100.0%
Finance Management						
Municipal Systems Improvement						
EPWP Incentive						
Water Services Operating Subsidy						
KZN PROJECTS		1 600	-	-	1 600	100.0%
MSIG GRANT						
Provincial Government:						
Share Services						
LG SETA						
Other transfers and grants [insert description]						
District Municipality:						
[insert description]						
Other grant providers:						
[insert description]						
Total operating expenditure of Approved Roll-overs		1 600	-	-	1 600	100.0%
Capital expenditure of Approved Roll-overs						
National Government:						
Municipal Infrastructure Grant (MIG)		28 600	138	21 777	6 823	23.9%
Municipal Infrastructure Water Grant		21 800	-	17 290	4 510	20.7%
Rural Household Infrastructure Grant		2 800	138	2 657	143	5.1%
Massification		4 000	-	1 830	2 170	54.3%
Provincial Government:						
District Municipality:						
Other grant providers:						
Total capital expenditure of Approved Roll-overs		28 600	138	21 777	6 823	23.9%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		30 200	138	21 777	8 423	27.9%

Prepared by: 

Manager: Expenditure

Checked by: 

Senior Manager: Finance

Reviewed by: 

Chief Financial Officer

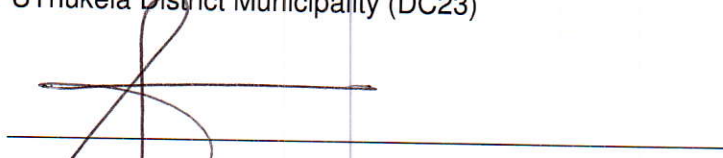
2.8. Municipal Manager's quality certificate

I **Sifiso Nicholas Kunene**, **Municipal** Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for January 2015 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

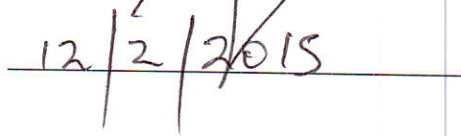
Print Name: Sifiso Nicholas Kunene

Municipal Manager of UThukela District Municipality (DC23)

Signature

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

Date

A handwritten date '12/2/2015' in black ink, written over a horizontal line. The numbers are clearly legible.