

**UTHUKELA**  
UMKHANDLU WESIFUNDA  
DISTRKSMUNISIPALITEIT  
DISTRICT MUNICIPALITY

## **SECTION 71 REPORT**

**MARCH 2019**

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# **Part 1 – Annual Budget**

## **1.1 Mayor's Report**

The Monthly section 71 report is a report that gives a clear view on the state or performance of the Municipality for that month as well as the year to date performance. Among the impacts that are challenging the Municipality, is the cash flow challenge currently being experienced by the municipality due to among other things declining collection, historic expenditure patterns, high water losses and high rate of indigents within the municipal boundaries.

Management within local government has a significant role to play in strengthening the link between the citizen and government's overall priorities and spending plans. The goal should be to enhance service delivery aimed at improving the quality of life for all people within the UThukela District Municipality .Budgeting is primarily about the choices that the municipality has to make between competing priorities and fiscal realities. The challenge is to do more with the available resources. We need to remain focused on the effective delivery of the core municipal services through the application of efficient and effective service delivery mechanisms.

## **1.2 Council Resolutions**

1. The Council of UThukela District Municipality, acting in terms of section 71 of the Municipal Finance Management Act, (Act 56 of 2003) to note :
2. Monthly Budget statements and supporting documents for the months of March 2019.

## **1.3 Executive Summary**

As per Municipal Finance Management Act the municipality needs to prepare section 71 report in a prescribed format as per national treasury regulations.

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

The municipality is also embarking on assuring that all grants are spent during the 2018/19 financial year.

# 1.4 In - Year Budget tables

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

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	Budget Year 2018/19								
		2017/18 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue By Source</b>										
Property rates										
Service charges - electricity revenue		151,993	260,645	260,645	21,725	196,719	173,764	22,955	13%	260,645
Service charges - water revenue		17,253	31,019	31,019	1,096	12,215	20,680	(8,464)	-41%	31,019
Service charges - sanitation revenue										
Service charges - refuse revenue										
Service charges - other										
Rental of facilities and equipment										
Interest earned - external investments		4,192	6,572	6,572	629	4,720	4,381	339	8%	6,572
Interest earned - outstanding debtors		43,393	50,456	50,456	4,988	168,924	33,637	135,286	402%	50,456
Dividends received			50	50	-	17	33	(16)	-49%	50
Fines, penalties and forfeits										
Licences and permits										
Agency services		368,613	405,533	405,533	390	244,002	270,355	(26,353)	-10%	405,533
Transfers and subsidies		12,710	4,098	4,098	100,554	117,205	2,732	114,473	4190%	4,098
Other revenue										
Gains on disposal of PPE										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>598,154</b>	<b>758,374</b>	<b>758,374</b>	<b>129,383</b>	<b>743,802</b>	<b>505,583</b>	<b>238,220</b>	<b>47%</b>	<b>758,374</b>
<b>Expenditure By Type</b>										
Employee related costs		253,203	271,837	271,837	22,263	212,615	181,224	31,391	17%	271,837
Remuneration of councillors		6,560	8,156	8,156	538	4,942	5,437	(495)	-9%	8,156
Debt impairment		128,481	136,628	136,628	-	109,469	91,086	18,373	20%	136,628
Depreciation & asset impairment		68,222	86,634	86,634	(26,660)	10,999	57,756	(46,757)	-81%	86,634
Finance charges		2,789	561	561	13	165	374	(209)	-56%	561
Bulk purchases		3,440	6,586	6,586	-	-	4,391	(4,391)	-100%	6,586
Other materials		-	16,023	16,023	133	4,480	10,682	(6,202)	-58%	16,023
Contracted services		88,701	117,869	117,869	13,220	49,075	78,579	(29,504)	-38%	117,869
Transfers and subsidies			1,000	1,000	84	619	667	(48)	-7%	1,000
Other expenditure		141,542	74,815	74,815	50,445	107,183	49,877	57,307	115%	74,815
Loss on disposal of PPE										
<b>Total Expenditure</b>		<b>692,928</b>	<b>720,109</b>	<b>720,109</b>	<b>60,037</b>	<b>499,538</b>	<b>480,073</b>	<b>19,465</b>	<b>4%</b>	<b>720,109</b>
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(94,774)	38,265	38,265	69,346	244,264	25,510	218,754	0	38,265
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		300,959	407,804	407,804	16,848	156,629	271,869	(115,240)	(0)	407,804
Transfers and subsidies - capital (in-kind - all)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>206,185</b>	<b>446,069</b>	<b>446,069</b>	<b>86,194</b>	<b>400,893</b>	<b>297,379</b>			<b>446,069</b>
Taxation										
<b>Surplus/(Deficit) after taxation</b>		<b>206,185</b>	<b>446,069</b>	<b>446,069</b>	<b>86,194</b>	<b>400,893</b>	<b>297,379</b>			<b>446,069</b>
Attributable to minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>206,185</b>	<b>446,069</b>	<b>446,069</b>	<b>86,194</b>	<b>400,893</b>	<b>297,379</b>			<b>446,069</b>
Share of surplus/ (deficit) of associate										
<b>Surplus/ (Deficit) for the year</b>		<b>206,185</b>	<b>446,069</b>	<b>446,069</b>	<b>86,194</b>	<b>400,893</b>	<b>297,379</b>			<b>446,069</b>

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Capital grant transfers recognised R156 million at the end of March 2019.
- Total operating expenditure is at R 743 million at the end of March 2019.
- The Service charged – Water R196 million has been billed at the end of March 2019.
- The Service charges – Sanitation R12 million has been billed at the end of March 2019.

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

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

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M09 March

Vote Description	Ref	2017/18	Budget Year 2018/19							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
<b>Single Year expenditure appropriation</b>	2									
105 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		-	27	27	-	10	18	(8)	-44%	27
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	-	-	-	-	-	-
408 - WSA& HEAL TH SERVICES		-	-	-	-	-	-	-	-	-
500 - WATER, SANITATION AND TECHNICAL SERVICES		-	407,804	407,804	5,086	134,695	271,869	(137,174)	-50%	407,804
<b>Total Capital single-year expenditure</b>	4	-	407,831	407,831	5,086	134,705	271,887	(137,182)	-50%	407,831
<b>Total Capital Expenditure</b>		-	407,831	407,831	5,086	134,705	271,887	(137,182)	-50%	407,831
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	27	27	-	10	18	(8)	-44%	27
Executive and council										
Finance and administration			27	27		10	18	(8)	-44%	27
Internal audit										
<b>Community and public safety</b>		-	-	-	-	-	-	-	-	-
Community and social services										
Sport and recreation										
Public safety										
Housing										
Health										
<b>Economic and environmental services</b>		-	-	-	-	-	-	-	-	-
Planning and development										
Road transport										
Environmental protection										
<b>Trading services</b>		-	407,804	407,804	16,848	156,629	271,869	(115,240)	-42%	407,804
Energy sources										
Water management			407,804	407,804	16,848	156,629	271,869	(115,240)	-42%	407,804
Waste water management										
Waste management										
<b>Other</b>										
<b>Total Capital Expenditure - Functional Classification</b>	3	-	407,831	407,831	16,848	156,639	271,887	(115,248)	-42%	407,831
<b>Funded by:</b>										
National Government		300,959	407,804	407,804	16,848	156,629	271,869	(115,240)	-42%	407,804
Provincial Government										
District Municipality										
Other transfers and grants										
Transfers recognised - capital		300,959	407,804	407,804	16,848	156,629	271,869	(115,240)	-42%	407,804
Public contributions & donations	5									
Borrowing	6		27	27		10	18	(8)	-44%	27
Internally generated funds										
<b>Total Capital Funding</b>		300,959	407,831	407,831	16,848	156,639	271,887	(115,248)	-42%	407,831

➤ As depicted above capital expenditure amounting to R156 million recorded at the month of March 2019.

**Table 3: SC13 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	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								%	
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	18,903	28,579	28,579	1,453	7,902	19,053	11,151	58.5%	28,579
Water Supply Infrastructure	18,903	28,579	28,579	1,453	7,902	19,053	11,151	58.5%	28,579
Dams and Weirs							-		
Boreholes							-		
Reservoirs	6,560	10,530	10,530	1,365	4,094	7,020	2,926	41.7%	10,530
Pump Stations	11,560	15,795	15,795	88	3,522	10,530	7,008	66.6%	15,795
Water Treatment Works	-	1,000	1,000	-	-	667	667	100.0%	1,000
Bulk Mains	782	1,254	1,254	-	286	836	550	65.8%	1,254
<b>Other assets</b>	98	316	316	-	36	211	175	82.9%	316
Operational Buildings	98	316	316	-	36	211	175	82.9%	316
Municipal Offices	98	316	316		36	211	175	82.9%	316
<b>Computer Equipment</b>	-	250	250	-	-	167	167	100.0%	250
Computer Equipment	-	250	250			167	167	100.0%	250
<b>Machinery and Equipment</b>	729	627	627	-	-	418	418	100.0%	627
Machinery and Equipment	729	627	627			418	418	100.0%	627
<b>Transport Assets</b>	12,184	11,685	11,685	505	6,003	7,790	1,787	22.9%	11,685
Transport Assets	12,184	11,685	11,685	505	6,003	7,790	1,787	22.9%	11,685
<b>Total Repairs and Maintenance Expenditure</b>	31,913	41,457	41,457	1,958	13,941	27,638	13,697	49.6%	41,457

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

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

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

Description	Ref	2017/18	Budget Year 2018/19								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
<b>R thousands</b>	1										
<b>Revenue - Functional</b>											
<i>Governance and administration</i>		373,624	406,468	406,468	129,383	417,743	260,632	157,111	60%	406,468	
Executive and council		57,781	62,083	62,083	-	-	31,042	(31,042)	-100%	62,083	
Finance and administration		315,843	344,385	344,385	129,383	417,743	229,590	188,153	82%	344,385	
Internal audit		-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		-	50	50	-	17	33	(16)	-49%	50	
Community and social services		-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	
Health		-	50	50	-	17	33	(16)	-49%	50	
<i>Economic and environmental services</i>		-	300	300	-	511	200	311	155%	300	
Planning and development		-	300	300	-	511	200	311	155%	300	
Road transport		-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		525,489	759,360	759,360	-	325,532	506,240	(180,708)	-36%	759,360	
Energy sources		-	-	-	-	-	-	-	-	-	
Water management		500,082	728,340	728,340	-	315,692	485,560	(169,869)	-35%	728,340	
Waste water management		25,407	31,019	31,019	-	9,840	20,680	(10,839)	-52%	31,019	
Waste management		-	-	-	-	-	-	-	-	-	
<i>Other</i>	4	-	-	-	-	-	-	-	-	-	
<b>Total Revenue - Functional</b>	2	899,113	1,166,178	1,166,178	129,383	743,802	767,105	(23,303)	-3%	1,166,178	
<b>Expenditure - Functional</b>											
<i>Governance and administration</i>		201,828	388,824	388,824	(21,254)	104,960	259,216	(154,256)	-60%	388,824	
Executive and council		50,026	63,551	63,551	4,314	38,886	42,367	(3,481)	-8%	63,551	
Finance and administration		151,802	325,273	325,273	(25,568)	66,074	216,849	(150,775)	-70%	325,273	
Internal audit		-	-	-	-	-	-	-	-	-	
<i>Community and public safety</i>		19,239	24,993	24,993	3,479	14,837	16,662	(1,825)	-11%	24,993	
Community and social services		-	-	-	-	-	-	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	
Health		19,239	24,993	24,993	3,479	14,837	16,662	(1,825)	-11%	24,993	
<i>Economic and environmental services</i>		19,364	22,932	22,932	1,977	16,329	15,288	1,041	7%	22,932	
Planning and development		19,364	22,932	22,932	1,977	16,329	15,288	1,041	7%	22,932	
Road transport		-	-	-	-	-	-	-	-	-	
Environmental protection		-	-	-	-	-	-	-	-	-	
<i>Trading services</i>		452,497	283,360	283,360	75,835	363,412	188,907	174,505	92%	283,360	
Energy sources		-	-	-	-	-	-	-	-	-	
Water management		451,809	282,244	282,244	75,835	363,412	188,162	175,249	93%	282,244	
Waste water management		688	1,116	1,116	-	-	744	(744)	-100%	1,116	
Waste management		-	-	-	-	-	-	-	-	-	
<i>Other</i>		-	-	-	-	-	-	-	-	-	
<b>Total Expenditure - Functional</b>	3	692,928	720,109	720,109	60,037	499,538	480,073	19,465	4%	720,109	
<b>Surplus/ (Deficit) for the year</b>		206,185	446,069	446,069	69,346	244,264	287,032	(42,768)	-15%	446,069	

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

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

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Revenue by Vote</b>	1									
105 - MUNICIPAL MANAGER		57,781	62,083	62,083	-	-	31,042	(31,042)	-100.0%	62,083
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		315,843	344,385	344,385	129,383	417,742	229,590	188,152	82.0%	344,385
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	300	300	-	511	200	311	155.3%	300
408 - WSA& HEALTH SERVICES		-	50	50	-	17	33	(16)	-49.0%	50
500 - WATER, SANITATION AND TECHNICAL SERVICES		525,489	759,360	759,360	-	325,532	506,240	(180,708)	-35.7%	759,360
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	899,113	1,166,178	1,166,178	129,383	743,802	767,105	(23,303)	-3.0%	1,166,178
<b>Expenditure by Vote</b>	1									
105 - MUNICIPAL MANAGER		50,026	63,551	63,551	4,314	38,886	42,367	(3,481)	-8.2%	63,551
200 - CORPORATE SERVICES		46,965	48,051	48,051	7,046	32,468	32,034	433	1.4%	48,051
300 - BUDGET AND TREASURY		104,837	277,222	277,222	(32,614)	33,606	184,814	(151,208)	-81.8%	277,222
405 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		19,364	22,932	22,932	1,977	16,329	15,288	1,041	6.8%	22,932
408 - WSA& HEALTH SERVICES		19,239	24,993	24,993	3,479	14,837	16,662	(1,825)	-11.0%	24,993
500 - WATER, SANITATION AND TECHNICAL SERVICES		452,497	283,360	283,360	75,835	363,412	188,907	174,505	92.4%	283,360
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	692,928	720,109	720,109	60,037	499,538	480,073	19,465	4.1%	720,109
<b>Surplus/ (Deficit) for the year</b>	2	206,185	446,069	446,069	69,346	244,264	287,032	(42,768)	-14.9%	446,069

## Part 2 – Supporting Documentation

### 2.1.1 Table 6: SC3 Debtors Age Analysis

- The Municipality has a total amount of R 932 million of outstanding debt.

#### DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M09 March

Description	NT Code	Budget Year 2018/19								Total
		R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dvs	151-180 Dvs	181 Dvs-1 Yr	
<b>Debtors Age Analysis By Income Source</b>										
Trade and Other Receivables from Exchange Transa	1200		26,072	16,706	19,014	17,474	22,550	19,057	811,927	932,800
Trade and Other Receivables from Exchange Transa	1300									-
Receivables from Non-exchange Transactions - Prop	1400									-
Receivables from Exchange Transactions - Waste Wa	1500									-
Receivables from Exchange Transactions - Waste Ma	1600									-
Receivables from Exchange Transactions - Property	1700									-
Interest on Arrear Debtor Accounts	1810									-
Recoverable unauthorised, irregular, fruitless and was	1820									-
Other	1900	(3)	95	15	(3)	(6)	-			98
<b>Total By Income Source</b>	<b>2000</b>	<b>(3)</b>	<b>26,166</b>	<b>16,722</b>	<b>19,011</b>	<b>17,468</b>	<b>22,550</b>	<b>19,057</b>	<b>811,927</b>	<b>932,898</b>
2017/18 - totals only										-
<b>Debtors Age Analysis By Customer Group</b>										
Organs of State	2200		3,944	1,502	1,216	943	1,280	502	21,534	30,922
Commercial	2300		3,360	(1,200)	2,556	1,965	6,524	3,107	33,666	49,978
Households	2400		18,768	16,404	15,241	14,566	14,746	15,448	756,727	851,900
Other	2500	(3)	95	15	(3)	(6)	-			98
<b>Total By Customer Group</b>	<b>2600</b>	<b>(3)</b>	<b>26,166</b>	<b>16,722</b>	<b>19,011</b>	<b>17,468</b>	<b>22,550</b>	<b>19,057</b>	<b>811,927</b>	<b>932,898</b>

➤ The collection rate for 31 March 2019

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 MARCH 2019				
MONTH	BILLING	MONTHS	RECIEPTS	RECOVERY RATE
June 2018	27,665,055.03	July 2018	7,368,004.69	27%
July 2018	28,747,599.55	August 2018	10,205,364.11	35%
August 2018	20,935,908.76	September 2018	10,652,597.97	51%
September 2018	23,556,281.37	October 2018	17,966,279.90	76%
October 2018	24,678,929.20	November 2018	9,642,803.08	39%
November 2018	38,059,371.57	December 2018	8,366,386.49	22%
December 2018	20,661,189.24	January 2019	9,910,337.88	47.97%
January 2019	26,917,810.53	February 2019	10,487,244.88	38.96%
February 2019	25,010,522.83	March 2019	9,901,865.10	39.59%
March 2019	22,821,199.84			0.00%
	<b>231,388,812.89</b>		<b>94,500,884.10</b>	<b>41%</b>
<b>TOTALS</b>				
BILLING - JULY 2018- MARCH 2019		231,388,812.89		
RECIEPTS - JULY 2018- MARCH 2019		94,500,884.10		
DIFFERENCE		136,887,928.79		41%

## 2.2 Table 8: SC4 Aged Creditors

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

Description	NT Code	Budget Year 2018/19					Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	
<b>R thousands</b>							
<b>Creditors Age Analysis By Customer Type</b>							
Bulk Electricity	0100						-
Bulk Water	0200						-
PAYE deductions	0300						-
VAT (output less input)	0400						-
Pensions / Retirement deductions	0500						-
Loan repayments	0600						-
Trade Creditors	0700	6,566	149	533	579	28,889	36,716
Auditor General	0800						-
Other	0900						-
<b>Total By Customer Type</b>	<b>1000</b>	<b>6,566</b>	<b>149</b>	<b>533</b>	<b>579</b>	<b>28,889</b>	<b>36,716</b>

➤ The list of top ten outstanding creditors.

Payee	120+	Total Amount
BIG MAC PLANT & CIVIL	2708362.66	2708362.66
PHILANABANTU TRADING	2403433.96	2403433.96
APHIGUGU TRADING	2056454.26	2056454.26
PHEKAPHANSI TRADING	1797098.67	1797098.67
MSIZI MAJOLA TRADING	1534104.00	1534104.00
SIZIKHULELE TRADING	1276400.51	1276400.51
LUNASIS IDEAS	1234233.00	1234233.00
SIBABULI	1047384.00	1047384.00
UVALO	968000.00	968000.00
SANDIGO SITHOLE C/F MANUFACTURE	713700.00	713700.00

### 2.4.1 Table 10: Investments and Bank Balances

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

Investments by maturity Name of institution & investment ID	Market value at end of the month	
R thousands		
<b>Municipality</b>		
FNB		50,667
NEDBANK		20,014
INVESTEC		87,998
ABSA		70,758
STANDARD BANK		30,000
<b>TOTAL INVESTMENTS AND INTEREST</b>		<b>259,437</b>

#### Bank Balances

The following reflects bank balances at 31 March 2019

DESCRIPTION	DECEMBER	JANUARY	FEBRUARY	MARCH
FNB MAIN ACCOUNT 62252306280	31,483,823.00	14,277,545.90	7,429,715.70	42,218,623.64
FNB WATER ACCOUNT 62253072385	0.00	0.00	0.00	
	31,483,823.00	14,277,545.90	7,429,715.70	42,218,623.64
<b>Total cash held</b>	<b>42,218,623.64</b>			

**Table 12: SC6 Grant Receipts**

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

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>367,087</b>	<b>405,233</b>	<b>405,233</b>	<b>99,370</b>	<b>344,085</b>	<b>270,155</b>	<b>112,735</b>	<b>41.7%</b>	<b>405,233</b>
Local Government Equitable Share	304,535	335,399	335,399	99,370	336,334	223,599	112,735	50.4%	335,399
RSC Levy Replacement	57,033	56,441	56,441	-	-	37,627			56,441
Finance Management	1,795	1,545	1,545		1,545	1,030			1,545
EPWP Incentive	3,724	6,206	6,206	-	6,206	4,137			6,206
Special Support For Councillors		5,642	5,642			3,761			5,642
<b>Provincial Government:</b>	<b>1,154</b>	<b>300</b>	<b>4,300</b>	<b>-</b>	<b>4,300</b>	<b>2,867</b>	<b>1,100</b>	<b>38.4%</b>	<b>4,300</b>
Shared Services	1,154	300	300		300	200	100	50.0%	300
Health subsidy			1,000	-	1,000	667			1,000
Raset Program			3,000	-	3,000	2,000	1,000	50.0%	3,000
<b>Total Operating Transfers and Grants</b>	<b>368,241</b>	<b>405,533</b>	<b>409,533</b>	<b>99,370</b>	<b>348,385</b>	<b>273,022</b>	<b>113,835</b>	<b>41.7%</b>	<b>409,533</b>
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	<b>300,959</b>	<b>407,804</b>	<b>407,804</b>	<b>103,526</b>	<b>336,014</b>	<b>271,869</b>	<b>60,011</b>	<b>22.1%</b>	<b>407,804</b>
Municipal Infrastructure Grant (MIG)	187,304	180,033	180,033	35,033	180,033	120,022	60,011	50.0%	180,033
Regional Bulk Infrastructure	28,672	142,283	142,283	5,000	45,000	94,855			142,283
Rural Road Asset management	2,483	2,488	2,488	-	2,488	1,659			2,488
Water Services Infrastructure Grant	82,500	83,000	83,000	63,493	108,493	55,333			83,000
<b>Total Capital Transfers and Grants</b>	<b>300,959</b>	<b>407,804</b>	<b>407,804</b>	<b>103,526</b>	<b>336,014</b>	<b>271,869</b>	<b>60,011</b>	<b>22.1%</b>	<b>407,804</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>669,201</b>	<b>813,337</b>	<b>817,337</b>	<b>202,896</b>	<b>684,399</b>	<b>544,891</b>	<b>173,846</b>	<b>31.9%</b>	<b>817,337</b>

**Table 13: SC7 Grant Expenditure**

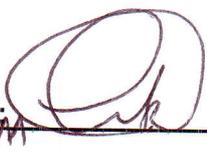
DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>EXPENDITURE</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	367,087	405,233	405,233	99,760	341,546	270,155	71,391	26.4%	405,233
Local Government Equitable Share	304,535	335,399	335,399	99,370	336,334	223,599	112,735	50.4%	335,399
RSC Levy Replacement	57,033	56,441	56,441	-	-	37,627	(37,627)	-100.0%	56,441
Finance Management	1,795	1,545	1,545	-	1,545	1,030	515	50.0%	1,545
EPWP Incentive	3,724	6,206	6,206	390	3,667	4,137	(470)	-11.4%	6,206
Special Support For Councillors	0	5,642	5,642	-	-	3,761	(3,761)	-100.0%	5,642
Other transfers and grants [insert description]									
<b>Provincial Government:</b>	1,154	300	4,300	-	300	2,867	(2,567)	-89.5%	4,300
Shared Services	1,154	300	300	-	300	200	100	50.0%	300
Nodal Plan Grant			1,000	-	-	667	(667)	-100.0%	1,000
Reset Programme			3,000			2,000	(2,000)	-100.0%	3,000
<b>Total operating expenditure of Transfers and Grants</b>	<b>368,241</b>	<b>405,533</b>	<b>409,533</b>	<b>99,760</b>	<b>341,846</b>	<b>273,022</b>	<b>68,824</b>	<b>25.2%</b>	<b>409,533</b>
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	300,959	407,804	407,804	16,848	156,629	271,869	(115,240)	-42.4%	407,804
Municipal Infrastructure Grant (MIG)	187,304	180,033	180,033	7,290	96,875	120,022	(23,147)	-19.3%	180,033
Regional Bulk Infrastructure	28,672	142,283	142,283	2,611	18,065	94,855	(76,790)	-81.0%	142,283
Wural Road Asset Management	2,483	2,488	2,488	-	-	1,659	(1,659)	-100.0%	2,488
Water Services Infrastructure Grant	82,500	83,000	83,000	6,947	41,688	55,333	(13,645)	-24.7%	83,000
<b>Total capital expenditure of Transfers and Grants</b>	<b>300,959</b>	<b>407,804</b>	<b>407,804</b>	<b>16,848</b>	<b>156,629</b>	<b>271,869</b>	<b>(115,240)</b>	<b>-42.4%</b>	<b>407,804</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>669,201</b>	<b>813,337</b>	<b>817,337</b>	<b>116,608</b>	<b>498,475</b>	<b>544,891</b>	<b>(46,416)</b>	<b>-8.5%</b>	<b>817,337</b>

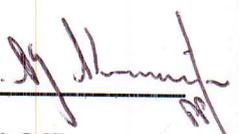
- R156 million was spent in capital grants
- R341 million has been spent in operating grants

Prepared by: 

Budget Officer

Reviewed by: 

Accountant Budget

Approved by: 

Chief Financial Officer

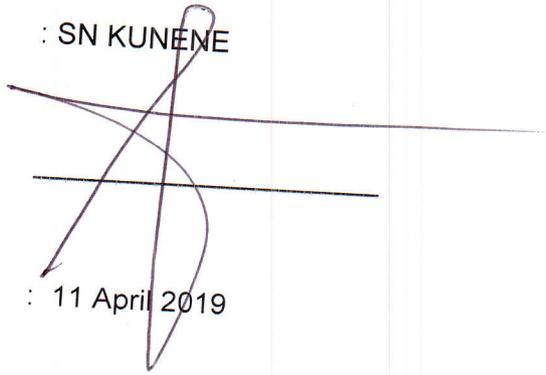


**2.7. Municipal Manager's quality certificate**

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

Print Name : SN KUNENE

Signature

A handwritten signature in dark ink, consisting of several overlapping loops and a long horizontal stroke extending to the right. The signature is written over a horizontal line.

Date : 11 April 2019