

**UTHUKELA**

UMKHANDLU WESIFUNDA  
DISTRKSMUNISIPALITEIT  
DISTRICT MUNICIPALITY

## **SECTION 71 REPORT**

**JULY 2022**

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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 July 2022.

### **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 2022/23 financial year.

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Vote Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Budget Year 2022/23				Full Year Forecast
						YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		228,821	262,441	262,441	45,776	45,776	21,870	23,906	109%	262,441
Service charges - sanitation revenue		18,779	19,135	19,135	1,418	1,418	1,595	(176)	-11%	19,135
Service charges - refuse revenue		-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		-	-	-	-	-	-	-	-	-
Interest earned - external investments		3,922	-	6,463	-	-	-	-	-	-
Interest earned - outstanding debtors		36,488	39,376	39,376	3,889	3,889	3,281	607	19%	39,376
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		12	-	-	-	-	-	-	-	-
Licences and permits		-	-	-	-	-	-	-	-	-
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		516,101	576,150	576,150	210,565	210,565	48,012	162,553	339%	576,150
Other revenue		74,269	1,133	1,306	3,859	3,859	94	3,765	3987%	1,133
Gains		319	-	-	-	-	-	-	-	-
		<b>878,710</b>	<b>898,235</b>	<b>904,871</b>	<b>265,508</b>	<b>265,508</b>	<b>74,853</b>	<b>190,655</b>	<b>255%</b>	<b>898,235</b>
<b>Total Revenue (excluding capital transfers and contributions)</b>										
<b>Expenditure By Type</b>										
Employee related costs		366,528	338,166	361,120	25,315	25,315	28,180	(2,866)	-10%	338,166
Remuneration of councillors		6,463	5,920	6,371	567	567	493	74	15%	5,920
Debt impairment		127,571	100,088	100,088	-	-	8,341	(8,341)	-100%	100,088
Depreciation & asset impairment		90,564	14,381	77,983	-	-	1,198	(1,198)	-100%	14,381
Finance charges		3,849	1,085	1,085	-	-	90	(90)	-100%	1,085
Bulk purchases - electricity		-	-	-	-	-	-	-	-	-
Inventory consumed		64,822	83,862	130,162	149	149	6,988	(6,840)	-98%	83,862
Contracted services		158,830	119,767	147,641	1,371	1,371	9,981	(8,610)	-86%	119,767
Transfers and subsidies		-	3,120	3,120	-	-	260	(260)	-100%	3,120
Other expenditure		182,506	44,763	152,858	751	751	3,730	(2,979)	-80%	44,763
Losses		-	-	-	-	-	-	-	-	-
		<b>1,001,132</b>	<b>711,151</b>	<b>980,427</b>	<b>28,153</b>	<b>28,153</b>	<b>59,263</b>	<b>(31,110)</b>	<b>-52%</b>	<b>711,151</b>
<b>Total Expenditure</b>										
<b>Surplus/(Deficit)</b>										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(122,422)	187,084	(75,556)	237,355	237,355	15,590	221,764	0	187,084
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		294,761	263,689	263,689	-	-	21,974	(21,974)	(0)	263,689
Transfers and subsidies - capital (in-kind - all)		-	-	-	-	-	-	-	-	-
		<b>172,339</b>	<b>450,773</b>	<b>188,133</b>	<b>237,355</b>	<b>237,355</b>	<b>37,564</b>			<b>450,773</b>
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>										
Taxation		-	-	-	-	-	-	-	-	-
		<b>172,339</b>	<b>450,773</b>	<b>188,133</b>	<b>237,355</b>	<b>237,355</b>	<b>37,564</b>			<b>450,773</b>
<b>Surplus/(Deficit) after taxation</b>										
Attributable to minorities		-	-	-	-	-	-	-	-	-
		<b>172,339</b>	<b>450,773</b>	<b>188,133</b>	<b>237,355</b>	<b>237,355</b>	<b>37,564</b>			<b>450,773</b>
<b>Surplus/(Deficit) attributable to municipality</b>										
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
		<b>172,339</b>	<b>450,773</b>	<b>188,133</b>	<b>237,355</b>	<b>237,355</b>	<b>37,564</b>			<b>450,773</b>
<b>Surplus/ (Deficit) for the year</b>										

References

1. Material variances to be explained on Table SC1

Total Revenue (excluding capital transfers and contributions) including capi	1,173,471	1,161,924	1,168,560	265,508	265,508	96,827				1,161,924
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DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Multi-Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - MAYOR AND MM		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	-	-	-	-	-	-
Vote 5 - WSA& HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	<b>4,7</b>	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	<b>2</b>									
Vote 1 - MAYOR AND MM		-	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		-	1,150	1,150	-	-	96	(96)	-100%	1,150
Vote 3 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		-	-	-	-	-	-	-	-	-
Vote 5 - WSA& HEALTH SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		0	212,690	263,690	-	-	17,724	(17,724)	-100%	212,690
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	<b>4</b>	0	213,840	264,840	-	-	17,820	(17,820)	-100%	213,840
<b>Total Capital Expenditure</b>		0	213,840	264,840	-	-	17,820	(17,820)	-100%	213,840
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	1,150	1,150	-	-	96	(96)	-100%	1,150
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	1,150	1,150	-	-	96	(96)	-100%	1,150
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>		0	212,690	263,690	-	-	17,724	(17,724)	-100%	212,690
Energy sources		-	-	-	-	-	-	-	-	-
Water management		0	212,690	263,690	-	-	17,724	(17,724)	-100%	212,690
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	<b>3</b>	0	213,840	264,840	-	-	17,820	(17,820)	-100%	213,840
<b>Funded by:</b>										
National Government		0	212,690	263,690	-	-	17,724	(17,724)	-100%	212,690

DC23 Uthukela - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		0	212,690	263,690	-	-	17,724	(17,724)	-100%	212,690
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	1,150	1,150	-	-	96	(96)	-100%	1,150
<b>Total Capital Funding</b>		<b>0</b>	<b>213,840</b>	<b>264,840</b>	<b>-</b>	<b>-</b>	<b>17,820</b>	<b>(17,820)</b>	<b>-100%</b>	<b>213,840</b>

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment
3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations
4. Include expenditure on investment property, intangible and biological assets
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

check balance

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Budget Year 2022/23		YTD variance	YTD variance %	Full Year Forecast
						YearTD actual	YearTD budget			
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		50,260	47,350	47,350	-	-	3,946	3,946	100.0%	47,350
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	272	272	-	-	23	23	100.0%	272
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	272	272	-	-	23	23	100.0%	272
Water Supply Infrastructure		50,260	47,078	47,078	-	-	3,923	3,923	100.0%	47,078
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		-	-	-	-	-	-	-	-	-
Reservoirs		-	-	-	-	-	-	-	-	-
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		-	-	-	-	-	-	-	-	-
Bulk Mains		-	-	-	-	-	-	-	-	-
Distribution		50,260	47,078	47,078	-	-	3,923	3,923	100.0%	47,078
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-

DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	Ref	2021/22 Audited Outcome	Budget Year 2022/23					Full Year Forecast	
			Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget		YTD variance
R thousands	1								
<i>Revelments</i>		-	-	-	-	-	-	-	-
<i>Promenades</i>		-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-
<i>Data Centres</i>		-	-	-	-	-	-	-	-
<i>Core Layers</i>		-	-	-	-	-	-	-	-
<i>Distribution Layers</i>		-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	-	-	-	-	-	-
Community Facilities		-	-	-	-	-	-	-	-
<i>Halls</i>		-	-	-	-	-	-	-	-
<i>Centres</i>		-	-	-	-	-	-	-	-
<i>Crèches</i>		-	-	-	-	-	-	-	-
<i>Clinics/Care Centres</i>		-	-	-	-	-	-	-	-
<i>Fire/Ambulance Stations</i>		-	-	-	-	-	-	-	-
<i>Testing Stations</i>		-	-	-	-	-	-	-	-
<i>Museums</i>		-	-	-	-	-	-	-	-
<i>Galleries</i>		-	-	-	-	-	-	-	-
<i>Theatres</i>		-	-	-	-	-	-	-	-
<i>Libraries</i>		-	-	-	-	-	-	-	-
<i>Cemeteries/Crematoria</i>		-	-	-	-	-	-	-	-
<i>Police</i>		-	-	-	-	-	-	-	-
<i>Parks</i>		-	-	-	-	-	-	-	-
<i>Public Open Space</i>		-	-	-	-	-	-	-	-
<i>Nature Reserves</i>		-	-	-	-	-	-	-	-
<i>Public Ablution Facilities</i>		-	-	-	-	-	-	-	-
<i>Markets</i>		-	-	-	-	-	-	-	-
<i>Stalls</i>		-	-	-	-	-	-	-	-
<i>Abattoirs</i>		-	-	-	-	-	-	-	-
<i>Airports</i>		-	-	-	-	-	-	-	-
<i>Taxi Ranks/Bus Terminals</i>		-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-
<i>Indoor Facilities</i>		-	-	-	-	-	-	-	-
<i>Outdoor Facilities</i>		-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-
<b>Other assets</b>		-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-
<i>Municipal Offices</i>		-	-	-	-	-	-	-	-
<i>Pay/Enquiry Points</i>		-	-	-	-	-	-	-	-
<i>Building Plan Offices</i>		-	-	-	-	-	-	-	-
<i>Workshops</i>		-	-	-	-	-	-	-	-
<i>Yards</i>		-	-	-	-	-	-	-	-
<i>Stores</i>		-	-	-	-	-	-	-	-
<i>Laboratories</i>		-	-	-	-	-	-	-	-
<i>Training Centres</i>		-	-	-	-	-	-	-	-
<i>Manufacturing Plant</i>		-	-	-	-	-	-	-	-



DC23 Uthukela - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Budget Year 2022/23		YTD variance	YTD variance %	Full Year Forecast
						YearTD actual	YearTD budget			
R thousands	1									
<i>Depots</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<i>Housing</i>		-	-	-	-	-	-	-	-	-
<i>Staff Housing</i>		-	-	-	-	-	-	-	-	-
<i>Social Housing</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<i>Water Rights</i>		-	-	-	-	-	-	-	-	-
<i>Effluent Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Solid Waste Licenses</i>		-	-	-	-	-	-	-	-	-
<i>Computer Software and Applications</i>		-	-	-	-	-	-	-	-	-
<i>Load Settlement Software Applications</i>		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		-	-	-	-	-	-	-	-	-
Computer Equipment		-	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-
Furniture and Office Equipment		-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		8,971	-	-	-	-	-	-	-	-
Machinery and Equipment		8,971	-	-	-	-	-	-	-	-
<b>Transport Assets</b>		0	-	-	-	-	-	-	-	-
Transport Assets		0	-	-	-	-	-	-	-	-
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	59,231	47,350	47,350	-	-	3,946	3,946	100.0%	47,350

DC23 Uthukela - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

Description	Ref	2021/22 Audited Outcome	Budget Year 2022/23							Full Year Forecast
			Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		589,093	582,095	588,731	213,915	213,915	48,508	165,407	341%	582,095
Executive and council		319	-	-	-	-	-	-	-	-
Finance and administration		588,774	582,095	588,731	213,915	213,915	48,508	165,407	341%	582,095
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		(187)	-	-	-	-	-	-	-	-
Community and social services		(190)	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		3	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		584,565	579,829	579,829	51,593	51,593	48,319	3,274	7%	579,829
Energy sources		-	-	-	-	-	-	-	-	-
Water management		584,565	579,829	579,829	51,593	51,593	48,319	3,274	7%	579,829
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Functional</b>	2	1,173,471	1,161,924	1,168,560	265,508	265,508	96,827	168,681	174%	1,161,924
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		410,557	261,276	361,583	11,459	11,459	21,773	(10,314)	-47%	261,276
Executive and council		61,890	39,411	60,148	3,285	3,285	3,284	1	0%	39,411
Finance and administration		348,667	221,865	301,435	8,174	8,174	18,489	(10,315)	-56%	221,865
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		47,449	48,695	49,625	3,174	3,174	4,058	(884)	-22%	48,695
Community and social services		12,466	6,648	7,423	760	760	554	206	37%	6,648
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		34,983	42,047	42,203	2,414	2,414	3,504	(1,090)	-31%	42,047
<i>Economic and environmental services</i>		17,770	23,089	23,476	1,061	1,061	1,924	(863)	-45%	23,089
Planning and development		17,770	23,089	23,476	1,061	1,061	1,924	(863)	-45%	23,089
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		525,357	378,091	545,743	12,459	12,459	31,508	(19,048)	-60%	378,091
Energy sources		-	-	-	-	-	-	-	-	-
Water management		525,357	378,091	545,743	12,459	12,459	31,508	(19,048)	-60%	378,091
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Functional</b>	3	1,001,132	711,151	980,427	28,153	28,153	59,263	(31,110)	-52%	711,151
<b>Surplus/ (Deficit) for the year</b>		172,339	450,773	188,133	237,355	237,355	37,564	199,790	532%	450,773

**References**

- Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
- Total Revenue by functional classification must reconcile to Total Operating Revenue shown in the Financial Performance Statement
- Total Expenditure by functional classification must reconcile to total operating expenditure shown in 'Financial Performance Statement'
- All amounts must be classified under a functional classification (modified GFS). The GFS function 'Other' is only for Abbatoirs, Air Transport, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

DC23 Uthukela - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July

Vote Description	Ref	2021/22 Audited Outcome	Budget Year Original Budget	Adjusted Budget	Monthly Actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 1 - MAYOR AND MM		319	-	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		298	562	562	18	18	47	(28)	-60.7%	562
Vote 3 - BUDGET AND TREASURY		588,476	581,533	588,169	213,897	213,897	48,461	165,435	341.4%	581,533
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		(190)	-	-	-	-	-	-	-	-
Vote 5 - WSA& HEALTH SERVICES		3	-	-	-	-	-	-	-	-
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		584,565	579,829	579,829	51,593	51,593	48,319	3,274	6.8%	579,829
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>1,173,471</b>	<b>1,161,924</b>	<b>1,168,560</b>	<b>265,508</b>	<b>265,508</b>	<b>96,827</b>	<b>168,681</b>	<b>174.2%</b>	<b>1,161,924</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - MAYOR AND MM		61,890	39,411	60,148	3,285	3,285	3,284	1	0.0%	39,411
Vote 2 - CORPORATE SERVICES		111,329	55,183	107,847	2,771	2,771	4,599	(1,827)	-39.7%	55,183
Vote 3 - BUDGET AND TREASURY		235,813	161,829	188,523	5,403	5,403	13,486	(8,083)	-59.9%	161,829
Vote 4 - SOCIAL SERVICES(PLANNING&ECONOMIC DEV)		30,235	29,737	30,899	1,821	1,821	2,478	(657)	-26.5%	29,737
Vote 5 - WSA& HEALTH SERVICES		36,508	46,900	47,268	2,414	2,414	3,908	(1,494)	-38.2%	46,900
Vote 6 - 500 - WATER, SANITATION AND TECHNICAL SERVICES		525,357	378,091	545,743	12,459	12,459	31,508	(19,048)	-60.5%	378,091
Vote 7 -		-	-	-	-	-	-	-	-	-
Vote 8 -		-	-	-	-	-	-	-	-	-
Vote 9 -		-	-	-	-	-	-	-	-	-
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>1,001,132</b>	<b>711,151</b>	<b>980,427</b>	<b>28,153</b>	<b>28,153</b>	<b>59,263</b>	<b>(31,110)</b>	<b>-52.5%</b>	<b>711,151</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>172,339</b>	<b>450,773</b>	<b>188,133</b>	<b>237,355</b>	<b>237,355</b>	<b>37,564</b>	<b>199,790</b>	<b>531.9%</b>	<b>450,773</b>

References

1. Insert 'Vote'; e.g. Department, if different to standard classification structure

2. Must reconcile to Monthly Budget Statement - Financial Performance Statement (standard classification)

**Table C4 - Budgeted Statement – Financial Performance ( revenue and  
expenditure)**

**In - Year Budget tables**

- The transfers recognized is reflecting the grants expenditure that has been recognized as income plus unconditional grants.
- Total operating expenditure is at R28 million at the end of July 2022.
- The Service charged – Water R 45 million has been billed at the end of July 2022.
- The Service charges – Sanitation R1 million has been billed at the end of July 2022.

**Table C5 – Monthly Budget Statements – Capital Expenditure**

- As depicted above capital expenditure amounting to zero recorded at the month of July 2022.

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

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

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

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

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description	NT Code	Budget Year 2022/23										Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.e. 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	over 90 days					
<b>R thousands</b>																
<b>Debtors Age Analysis By Income Source</b>																
Trade and Other Receivables from Exchange Transactions - Water	1200	56,718	26,066	19,266	16,683	15,918	16,002	75,689	419,497	645,949	543,799	-	-			
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	1,660	1,211	1,040	988	928	883	4,103	27,348	38,161	34,250	-	-			
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-			
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-			
Interest on Arrear Debtor Accounts	1810	3,911	3,743	3,608	3,473	3,356	3,260	14,607	145,807	181,764	170,503	-	-			
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-			
Other	1900	2,723	532	383	370	256	182	845	10,536	15,828	12,190	-	-			
<b>Total By Income Source</b>	<b>2000</b>	<b>65,012</b>	<b>31,551</b>	<b>24,398</b>	<b>21,514</b>	<b>20,459</b>	<b>20,327</b>	<b>95,254</b>	<b>603,188</b>	<b>881,702</b>	<b>760,741</b>	-	-			
<b>2022/23 - totals only</b>																
<b>Debtors Age Analysis By Customer Group</b>																
Organs of State	2200	5,050	8,708	4,173	1,904	1,152	1,008	6,572	22,628	50,596	32,664	-	-			
Commercial	2300	35,325	3,754	2,228	2,141	1,928	1,749	6,833	42,289	96,225	54,920	-	-			
Households	2400	24,637	19,099	17,998	18,069	17,379	17,570	81,848	538,291	734,881	673,157	-	-			
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-			
<b>Total By Customer Group</b>	<b>2600</b>	<b>65,012</b>	<b>31,551</b>	<b>24,398</b>	<b>21,514</b>	<b>20,459</b>	<b>20,327</b>	<b>95,254</b>	<b>603,188</b>	<b>881,702</b>	<b>760,741</b>	-	-			

## Part 2 – Supporting Documentation

### Table SC3 Debtors Age Analysis

➤ The Municipality has a total amount of R 881 million of outstanding debt.

#### Bank Balances

Bank Balances				
The following reflects bank balances at 31 July 2022				
DESCRIPTION	APRIL 2022	MAY 2022	JUNE 2022	JULY 2022
FNB MAIN ACCO	5,210,551.04	8,131,102.76	9,727,287.91	4,264,365.47
FNB WATER AC	0	0	0	0
	<b>5,210,551.04</b>	<b>8,131,102.76</b>	<b>9,727,287.91</b>	<b>4,264,365.47</b>
<b>Total cash held</b>	<b>4,264,365.47</b>			

#### Collection rate

AYMENTS VS BILLING AS AT 31 JULY 2022				
MONTH	BILLING	MONTHS	RECIEPTS	RECOVERY RATE
June 2022	26,736,737.75	July 2022	7,491,754.17	28.02%
	<b>26,736,737.75</b>		<b>7,491,754.17</b>	<b>28%</b>
<b>TOTALS</b>				
BILLING - JUNE 2022 - JULY 2022	26,736,737.75			
RECIEPTS - JUNE 2022- JULY 2022	7,491,754.17			
DIFFERENCE	<b>19,244,983.58</b>			28%

DC 23 - Uthukela Supporting Table SC5 Monthly Budget Statement - Investment portfolio - M01 July

Investments by maturity Name of Institution & Investment ID R thousands	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
<b>Municipality</b>					
FNB	513	162	(44,000)	80,000	36,675
NEDBANK	729	63	(60)	40,000	40,732
INVESTEC	368	131		40,000	40,499
ABSA	2,087	160		66,000	68,247
STANDARD BANK	1,087	133		40,000	41,220
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>4,783</b>	<b>-</b>	<b>(44,060)</b>	<b>266,000</b>	<b>227,372</b>

DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

Description	NT Code	Budget Year 2022/23								Total	
		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	43,857	7,986	3,593	4,524	281,867					341,828
Auditor General	0800										-
Other	0900										-
<b>Total By Customer Type</b>	<b>1000</b>	<b>43,857</b>	<b>7,986</b>	<b>3,593</b>	<b>4,524</b>	<b>281,867</b>					<b>341,828</b>



**TOP TEN CREDITORS ANALYSIS AS AT 31 JULY 2022**

<b>SUPPLIER</b>	<b>AMOUNT</b>
UMNGENI WATER	214,139,723.48
DEPARTMENT OF WATER AND SANITATION	51,966,935.01
INKOSI LANGALIBALELE	20,248,622.77
GODIDE ENGINEERING	12,651,644.85
TRANS UNION	6,440,754.20
DEVELOPMENT AGENCY	4,500,000.00
LUNASISI IDEAS	3,945,460.00
WASBANK	2,500,000.00
MUNSOFT	2,421,794.81
ALFRED DUMA	2,057,106.80

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

Description	Ref	2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	Budget Year 2022/23		YTD variance	YTD variance %	Full Year Forecast
						YearTD actual	YearTD budget			
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
National Government:		58	33,576	36,238	-	-	2,798	(2,798)	-100.0%	33,576
Expanded Public Works Programme Integrated Grant		-	2,881	2,881	-	-	240	(240)	-100.0%	2,881
Local Government Financial Management Grant		58	2,100	2,100	-	-	175	(175)	-100.0%	2,100
Municipal Infrastructure Grant		-	28,595	28,595	-	-	2,383	(2,383)	-100.0%	28,595
Rural Road Asset Management Systems Grant		-	-	2,662	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	58	33,576	36,238	-	-	2,798	(2,798)	-100.0%	33,576
<b>Capital Transfers and Grants</b>										
National Government:		95,482	263,689	263,689	67,863	67,863	21,974	45,889	208.8%	263,689
Rural Road Asset Management Systems Grant		482	-	-	1,863	1,863	-	1,863	#DIV/0!	-
Municipal Infrastructure Grant		-	182,889	182,889	66,000	66,000	15,241	50,759	333.0%	182,889
Water Services Infrastructure Grant		95,000	80,800	80,800	-	-	6,733	(6,733)	-100.0%	80,800
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	0.0%	-
Other grant providers:		-	-	-	-	-	-	-	0.0%	-
<b>Total Capital Transfers and Grants</b>	5	95,482	263,689	263,689	67,863	67,863	21,974	45,889	208.8%	263,689
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	95,541	297,265	299,927	67,863	67,863	24,772	43,091	173.9%	297,265

**References**

1. Each grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
2. Grant expenditure must be separately listed for each grant received
3. Replacement of RSC levies
4. Housing subsidies for housing where ownership transferred
5. Total recurrent/capital grants and subsidies must reconcile to the 'Financial Performance' Statement

**Table SC6 Grant Receipts**


- **Capital Grants received to date totals to R21 million**

DC23 Uthukela - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

Description	Ref	2021/22	Budget Year 2022/23							
		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>										
National Government:		-	-	-	-	-	-	-	-	-
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		-	-	-	-	-	-	-	-	-
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		99,842	299,927	299,927	-	-	24,994	(24,994)	-100.0%	299,927
Municipal Infrastructure Grant		-	219,127	219,127	-	-	18,261	(18,261)	-100.0%	219,127
Regional Bulk Infrastructure Grant		16,024	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		83,818	80,800	80,800	-	-	6,733	(6,733)	-100.0%	80,800
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>99,842</b>	<b>299,927</b>	<b>299,927</b>	<b>-</b>	<b>-</b>	<b>24,994</b>	<b>(24,994)</b>	<b>-100.0%</b>	<b>299,927</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>99,842</b>	<b>299,927</b>	<b>299,927</b>	<b>-</b>	<b>-</b>	<b>24,994</b>	<b>(24,994)</b>	<b>-100.0%</b>	<b>299,927</b>

References

Prepared by:



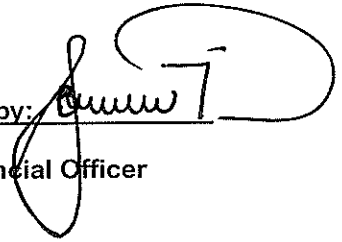
Budget Officer

Reviewed by:



Accountant Budget

Approved by:



Chief Financial Officer

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

I **Mpumelelo Bongani Mnguni**, Municipal Manager of UThukela District Municipality, hereby certify that the Section 71 and supporting documentation for July 2022 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name : M Mnguni

Signature \_\_\_\_\_

Date : 19 September 2022