


MTUBATUBA



UMASIPALA . MUNICIPALITY . MUNISIPALITEIT

Physical Address: Lot 105 Inkosi Mtubatuba Road, Mtubatuba, 3935

 52 Mtubatuba 3935



(035) 550 0069



Fax (035) 550 0060

**CONSOLIDATED BUDGET IMPLEMENTATION REPORTS IN TERMS
OF S71 OF THE MFMA FOR THE PERIOD ENDED**

30 SEPTEMBER 2013

EXECUTIVE SUMMARY

This report is based upon financial information available at the time of preparation. The provisional financial results for the month ended 31 September 2014 are summarised below. The following table summarises the revenue and expenditure operational, capital expenditure and source of funding, balance sheet, cash flow, aged debtors and aged creditors.

Table C1 Monthly budget Statement Summary

KZN275 Mtubatuba - Table C1 Monthly Budget Statement Summary - M03 September

Description	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									
Financial Performance									
Property rates	-	23,585	-	1,768	5,329	5,696	(568)	-10%	23,585
Service charges	-	5,692	-	461	1,355	1,423	(68)	-5%	5,692
Investment revenue	-	424	-	63	190	106	84	79%	424
Transfers recognised - operational	-	90,448	-	456	40,493	22,612	17,881	79%	90,448
Other own revenue	-	15,806	-	1,057	2,858	3,952	(1,093)	-28%	15,806
Total Revenue (excluding capital transfers and contributions)	-	135,956	-	3,806	50,226	33,989	16,237	48%	135,956
Employee costs	-	43,017	-	3,929	10,016	10,754	(738)	-7%	43,017
Remuneration of Councilors	-	10,502	-	775	2,037	2,625	(588)	-22%	10,502
Depreciation & asset impairment	-	7,791	-	-	1,150	1,948	(798)	-41%	7,791
Finance charges	-	541	-	1	7	135	(128)	-95%	541
Materials and bulk purchases	-	10,348	-	574	3,345	2,587	758	29%	10,348
Transfers and grants	-	-	-	316	829	-	829	#DIV/0!	-
Other expenditure	-	35,531	-	4,707	7,343	8,883	(1,539)	-17%	35,531
Total Expenditure	-	107,729	-	10,302	24,728	26,932	(2,204)	-8%	107,729
Surplus/(Deficit)	-	28,226	-	(6,497)	25,498	7,057	18,441	261%	28,226
Transfers recognised - capital	-	30,148	-	1,005	3,519	7,537	(4,018)	-53%	30,148
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	58,374	-	(5,492)	29,016	14,593	14,423	99%	58,374
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	58,374	-	(5,492)	29,016	14,593	14,423	99%	58,374
Capital expenditure & funds sources									
Capital expenditure	-	45,807	-	1,005	3,025	11,452	(8,426)	-74%	45,807
Capital transfers recognised	-	30,148	-	1,005	2,960	7,537	(4,577)	-61%	30,148
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	15,659	-	-	65	3,915	(3,849)	-98%	15,659
Total sources of capital funds	-	45,807	-	1,005	3,025	11,452	(8,426)	-74%	45,807
Financial position									
Total current assets	-	49,049	-	-	79,856	-	-	-	49,049
Total non current assets	-	332,122	-	-	330,490	-	-	-	332,122
Total current liabilities	-	18,974	-	-	31,250	-	-	-	18,974
Total non current liabilities	-	1,212	-	-	5,233	-	-	-	1,212
Community wealth/Equity	-	360,986	-	-	373,862	-	-	-	360,986
Cash flows									
Net cash from (used) operating	-	57,652	-	(5,912)	39,606	14,413	(25,193)	-175%	57,652
Net cash from (used) investing	-	(41,382)	-	(845)	(6,310)	(10,346)	(4,035)	39%	(41,382)
Net cash from (used) financing	-	(1,700)	-	(446)	211	(425)	(636)	150%	(1,700)
Cash/cash equivalents at the month/year end	-	92,163	-	-	33,931	81,236	47,304	58%	14,995
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	2,473	3,969	1,074	1,565	1,554	582	31,515	10,683	53,415
Creditors Age Analysis									
Total Creditors	3,431	1,356	988	442	22	18	791	-	7,048

Table C2 Monthly budget statement (Financial Performance) standard Classifications

KZN275 Mtabatuba - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M03 September

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>		-	118,604	-	2,800	34,439	19,767	14,672	74%	118,604
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		-	118,604	-	2,800	34,439	19,767	14,672	74%	118,604
Corporate services		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	11,324	-	435	449	1,887	(1,438)	-76%	11,324
Community and social services		-	6,342	-	218	183	1,057	(874)	-83%	6,342
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	4,982	-	217	266	830	(584)	-68%	4,982
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	32,141	-	261	18	5,357	(5,339)	-100%	32,141
Planning and development		-	58	-	27	18	10	8	84%	58
Road transport		-	32,083	-	234	-	5,347	(5,347)	-100%	32,083
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	4,034	-	310	286	672	(387)	-58%	4,034
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4,034	-	310	286	672	(387)	-58%	4,034
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	-	166,103	-	3,806	35,192	27,684	7,508	27%	166,103
Expenditure - Standard										
<i>Governance and administration</i>		-	62,482	-	5,861	2,980	10,414	(7,434)	-71%	62,482
Executive and council		-	23,065	-	1,435	1,453	3,844	(2,391)	-62%	23,065
Budget and treasury office		-	28,155	-	2,640	1,126	4,693	(3,567)	-76%	28,155
Corporate services		-	11,262	-	1,786	402	1,877	(1,475)	-79%	11,262
<i>Community and public safety</i>		-	26,750	-	2,648	1,635	4,458	(2,824)	-63%	26,750
Community and social services		-	17,332	-	1,439	982	2,889	(1,907)	-66%	17,332
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	9,418	-	1,209	653	1,570	(917)	-58%	9,418
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	60,906	-	1,113	562	10,151	(9,589)	-94%	60,906
Planning and development		-	4,213	-	178	142	702	(560)	-80%	4,213
Road transport		-	56,693	-	935	420	9,449	(9,029)	-96%	56,693
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	10,386	-	680	12	2,597	(2,585)	-100%	10,386
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	10,386	-	680	12	2,597	(2,585)	-100%	10,386
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	-	160,525	-	10,302	5,189	27,620	(22,431)	-81%	160,525
Surplus/ (Deficit) for the year		-	5,579	-	(6,497)	30,003	64	29,939	46612%	5,579

Table C3 Monthly Budget Statement (Financial Performance) Revenue and Expenditure by Municipal Vote

KZN275 Mtubatuba - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M03 September

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										
Revenue by Vote	1									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	118,604	-	2,800	34,439	19,767	14,672	74.2%	118,604
Vote 3 - Corpora		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	4,039	-	189	183	673	(490)	-72.8%	4,039
Vote 5 - Libraries and archives		-	2,303	-	29	0	384	(383)	-99.9%	2,303
Vote 6 - Planning and Development		-	58	-	27	18	10	8	83.6%	58
Vote 7 - Roads		-	32,083	-	234	-	5,347	(5,347)	-100.0%	32,083
Vote 8 - Public Safety		-	4,982	-	217	266	830	(564)	-68.0%	4,982
Vote 9 - Solid Waste		-	4,034	-	310	286	672	(387)	-57.5%	4,034
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]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	-	166,103	-	3,806	35,192	27,684	7,508	27.1%	166,103
Expenditure by Vote	1									
Vote 1 - Executive and council		-	23,065	-	1,435	1,453	3,844	(2,391)	-62.2%	23,065
Vote 2 - Budget and Treasury		-	28,165	-	2,640	1,128	4,693	(3,567)	-76.0%	28,165
Vote 3 - Corpora		-	11,262	-	1,786	402	1,877	(1,475)	-78.6%	11,262
Vote 4 - Community and Social Services		-	15,211	-	1,237	818	2,535	(1,717)	-67.7%	15,211
Vote 5 - Libraries and archives		-	2,121	-	202	163	354	(190)	-53.7%	2,121
Vote 6 - Planning and Development		-	4,213	-	178	142	702	(560)	-79.8%	4,213
Vote 7 - Roads		-	56,693	-	935	420	9,449	(9,029)	-95.6%	56,693
Vote 8 - Public Safety		-	9,418	-	1,209	653	1,570	(917)	-58.4%	9,418
Vote 9 - Solid Waste		-	10,386	-	680	554	1,731	(1,177)	-68.0%	10,386
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]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	-	160,525	-	10,302	5,731	26,754	(21,023)	-78.6%	160,525
Surplus/ (Deficit) for the year	2	-	5,579	-	(6,497)	29,461	930	28,531	3068.7%	5,579

Table C4 Monthly Budget Statement (Financial Performance) Revenue and Expenditure.

KZN275 Mtubatuba - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2013/14	Budget Year 2014/15							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
Revenue By Source										
Property rates		-	23,585	-	1,768	5,329	5,896	(568)	-10%	23,585
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		-	4,034	-	461	910	1,009	(98)	-10%	4,034
Service charges - other		-	1,658	-	-	445	414	31	7%	1,658
Rental of facilities and equipment		-	817	-	18	86	204	(118)	-58%	817
Interest earned - external investments		-	424	-	63	190	106	84	79%	424
Interest earned - outstanding debtors		-	4,311	-	523	1,534	1,078	456	42%	4,311
Dividends received		-	-	-	-	-	-	-	-	-
Fines		-	1,745	-	2	3	436	(433)	-99%	1,745
Licences and permits		-	3,240	-	217	716	810	(94)	-12%	3,240
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		-	90,448	-	456	40,493	22,612	17,881	79%	90,448
Other revenue		-	1,269	-	297	520	317	203	64%	1,269
Gains on disposal of PPE		-	4,425	-	-	-	1,106	(1,106)	-100%	4,425
Total Revenue (excluding capital transfers and contributions)		-	135,956	-	3,806	50,226	33,989	16,237	48%	135,956
Expenditure By Type										
Employee related costs		-	43,017	-	3,929	10,016	10,754	(738)	-7%	43,017
Remuneration of councillors		-	10,502	-	775	2,037	2,625	(588)	-22%	10,502
Debt impairment		-	5,159	-	172	337	1,290	(952)	-74%	5,159
Depreciation & asset impairment		-	7,791	-	-	1,150	1,948	(798)	-41%	7,791
Finance charges		-	541	-	1	7	135	(128)	-95%	541
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		-	10,348	-	574	3,345	2,587	758	29%	10,348
Contracted services		-	11,632	-	1,571	1,932	2,908	(976)	-34%	11,632
Transfers and grants		-	-	-	316	829	-	829	#DIV/0!	-
Other expenditure		-	18,740	-	2,963	5,074	4,685	389	8%	18,740
Loss on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Expenditure		-	107,729	-	10,302	24,728	26,932	(2,204)	-8%	107,729
Surplus/(Deficit)										
Transfers recognised - capital		-	28,226	-	(6,497)	25,498	7,057	18,441	0	28,226
Contributions recognised - capital		-	30,148	-	1,005	3,519	7,537	(4,018)	(0)	30,148
Contributed assets		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		-	58,374	-	(5,492)	29,016	14,593			58,374
Taxation		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation		-	58,374	-	(5,492)	29,016	14,593			58,374
Attributable to minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		-	58,374	-	(5,492)	29,016	14,593			58,374
Share of surplus/ (deficit) of associates		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		-	58,374	-	(5,492)	29,016	14,593			58,374

The Statement of financial Performance shown in Table C4, is prepared on the similar basis to the prescribed budget format, detailing revenue by source and expenditure by input type. There were no material variances in the income components of property rates, services charges for refuse and security services and licence and permits. The following income components has the variances

- Rentals of facilities and equipment have a variance of 58% and a rand value of R118 000. Rentals of facilities hasn't generated much funds in this first quarter. Maybe this is caused by wear and tear in facilities of facilities like community halls. The

municipality will consider adjusting this component in the mid-year budget. We will check the performance in the next quarter

- Interest earned- external investments have a variance of 79% and a rand value of R84 000. The municipality has much funds sitting on current bank account which generate interest. The municipality will consider adjusting the investment components in the mid-year report.
- Interest earned-outstanding debtors have a variance of 42% and a rand value of R456 thousand rand. Currently the municipality has charged more interest than the one budgeted for. Maybe this is due to change in property rate according to the valuation roll. The municipality will investigate and adjust if the situation is resurfacing in the next three months.
- Transfers recognised operational has a variance of 79% and a rand value of R17, 881 000. This is as a result of the once of receipts of transfers like FMG, MSIG, and Quarterly receipts of Equitable share, EPWP, and library support grant. The municipality will not concern itself about these transfers but would rather ensure that funds are spent in the budgeted items.
- Gains on disposal of PPE has a variance of 100% and a rand value of R1,106 million. The municipality hasn't yet sold those vacant sites that will yield the budget profit. The municipality will consider the sale of those sites or else will adjust in the mid-year budget.

There were no material variance in the expenditure components of employee related cost and other expenditure.

- Remuneration of councillors has a variance of 22% and a rand value of R588 thousand rand. The municipality will investigate and adjust where necessary.
- Debt impairment has a variance of 74% and a rand value of R952. This is because the municipality doesn't prepare for impairment of the month to month basis but we perform it on mid-year assessment and annually basis. The municipality will consider preparing for debt impairment on the month to month.
- Depreciation has a variance of 41% and a rand value of R798 thousand rand. The municipality will also consider depreciation on the monthly basis.
- Finance charges has a variance of 95% and a rand value of R128 thousand rand. The municipality hasn't borrowed much to the institution that why the finance charges are low. The municipality will consider adjusting the components in mid-year budget.
- Other material has a variance of 29% and a rand value of R758 thousand rand. High value in repairs and maintenance is the result of the vacant contracted services.
- Contracted services has a variance of 34% and a rand value of R976 thousand rand. This is because of the expired contract of some of the service providers. The municipality will consider appointing service providers in those vacant contracts.

Table C5 Monthly Budget statement- Capital Expenditure (Municipal Vote, standard Classification and Funding.

KZN275 Mtubatuba - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M03
September

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									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Libraries and archives		-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 7 - Roads		-	-	-	-	-	-	-	-	-
Vote 8 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 9 - Solid Waste		-	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate		-	1,077	-	15	14	269	(256)	-95%	1,077
Vote 4 - Community and Social Services		-	2,000	-	-	-	500	(500)	-100%	2,000
Vote 5 - Libraries and archives		-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 7 - Roads		-	41,700	-	840	3,012	10,425	(7,413)	-71%	41,700
Vote 8 - Public Safety		-	580	-	-	-	145	(145)	-100%	580
Vote 9 - Solid Waste		-	450	-	150	-	113	(113)	-100%	450
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]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	-	45,807	-	1,005	3,025	11,452	(8,426)	-74%	45,807
Total Capital Expenditure		-	45,807	-	1,005	3,025	11,452	(8,426)	-74%	45,807
Capital Expenditure - Standard Classification										
<i>Governance and administration</i>		-	1,077	-	15	14	269	(256)	-95%	1,077
Executive and council		-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-
Corporate services		-	1,077	-	15	14	269	(256)	-95%	1,077
<i>Community and public safety</i>		-	2,580	-	-	-	645	(645)	-100%	2,580
Community and social services		-	2,000	-	-	-	500	(500)	-100%	2,000
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	580	-	-	-	145	(145)	-100%	580
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	41,700	-	840	3,012	10,425	(7,413)	-71%	41,700
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	41,700	-	840	3,012	10,425	(7,413)	-71%	41,700
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	450	-	150	-	113	(113)	-100%	450
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	450	-	150	-	113	(113)	-100%	450
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard Classification	3	-	45,807	-	1,005	3,025	11,452	(8,426)	-74%	45,807
Funded by:										
National Government		-	28,048	-	990	2,960	7,012	(4,052)	-58%	28,048
Provincial Government		-	2,100	-	-	-	525	(525)	-100%	2,100
District Municipality		-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	15	-	-	-	-	-
Transfers recognised - capital		-	30,148	-	1,005	2,960	7,537	(4,577)	-61%	30,148
Public contributions & donations	5	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	15,659	-	-	65	3,915	(3,849)	-98%	15,659
Total Capital Funding		-	45,807	-	1,005	3,025	11,452	(8,426)	-74%	45,807

The municipality hasn't yet spend the funds for capital project for other departments as it the start of the financial year. It has only spend an insignificant portion of capital project on corporate services and road departments. The percentage spending on capital projects is 21% instead of 25% as reflected in the supporting table SC12. The municipal will pull out the socks regarding the spending in capital project as it is the major determinant of service delivery.

Table C6 Monthly Budget Statement- Financial Position

KZN275 Mtubatuba - Table C6 Monthly Budget Statement - Financial Position - M03 September

Description	Ref	2013/14	Budget Year 2014/15			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		--	8,708	--	26,085	8,708
Call investment deposits		--	8,500	--	356	8,500
Consumer debtors		--	31,841	--	38,596	31,841
Other debtors		--	--	--	14,818	--
Current portion of long-term receivables		--	--	--	--	--
Inventory		--	--	--	--	--
Total current assets		--	49,049	--	79,856	49,049
Non current assets						
Long-term receivables		--	--	--	--	--
Investments		--	--	--	--	--
Investment property		--	25,684	--	25,684	25,684
Investments in Associate		--	--	--	--	--
Property, plant and equipment		--	306,438	--	304,806	306,438
Agricultural		--	--	--	--	--
Biological assets		--	--	--	--	--
Intangible assets		--	--	--	--	--
Other non-current assets		--	--	--	--	--
Total non current assets		--	332,122	--	330,490	332,122
TOTAL ASSETS		--	381,171	--	410,346	381,171
LIABILITIES						
Current liabilities						
Bank overdraft		--	--	--	--	--
Borrowing		--	1,700	--	--	1,700
Consumer deposits		--	--	--	49	--
Trade and other payables		--	13,483	--	7,048	13,483
Provisions		--	3,791	--	24,154	3,791
Total current liabilities		--	18,974	--	31,250	18,974
Non current liabilities						
Borrowing		--	1,212	--	--	1,212
Provisions		--	--	--	5,233	--
Total non current liabilities		--	1,212	--	5,233	1,212
TOTAL LIABILITIES		--	20,185	--	36,484	20,185
NET ASSETS	2	--	360,986	--	373,862	360,986
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		--	360,986	--	318,510	360,986
Reserves		--	--	--	55,352	--
TOTAL COMMUNITY WEALTH/EQUITY	2	--	360,986	--	373,862	360,986

Under current assets, Cash has a variance of 66.61%. The reason is that cash is volatile rather than stable. The high variance is as a result of transfers and grants. Investment deposit has a variance of 95.81%. The municipality hasn't keep much cash as investments when compared to the budget. The municipality will consider adjusting their investment portfolio. Consumer debtors has a variance of 17.5%. The municipality will adjust when the situation still exist.

Under non-current assets, there were no material variances in investment property and property plant and equipment.

Under current liabilities, trade and other payables has a variance of 47.73%. The municipality is improving in paying the creditors' that why there is a reduced creditor's balance in the Statement of financial position. Provisions have increased by 84.30%, the municipality will investigate the variance.

The above table reflect the statement of financial position. It show that the community wealth or equity for the municipality to date has risen by 3.44% from R360986 million to R373862 million.

Table C7 Monthly Budget Statement- Cash Flow

KZN275 Mtubatuba - Table C7 Monthly Budget Statement - Cash Flow - M03 September

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									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		-	36,348	-	1,828	9,093	9,087	6	0%	36,348
Government - operating		-	90,448	-	-	40,493	22,612	17,881	79%	90,448
Government - capital		-	30,148	-	-	3,519	7,537	(4,018)	-53%	30,148
Interest		-	424	-	63	190	106	84	79%	424
Dividends		-	-	-	-	-	-	-	-	-
Payments										
Suppliers and employees		-	(94,538)	-	(7,803)	(23,892)	(23,635)	258	-1%	(94,538)
Finance charges		-	(541)	-	-	(7)	(135)	(128)	95%	(541)
Transfers and Grants		-	(4,637)	-	-	(829)	(1,159)	(330)	28%	(4,637)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	57,652	-	(5,912)	28,567	14,413	(14,154)	-98%	57,652
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	4,425	-	-	-	1,106	(1,106)	-100%	4,425
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-
Payments										
Capital assets		-	(45,807)	-	(845)	(6,310)	(11,452)	(5,141)	45%	(45,807)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(41,382)	-	(845)	(6,310)	(10,346)	(4,035)	39%	(41,382)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	211	-	211	#DIV/0!	-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-	-	-
Payments										
Repayment of borrowing		-	(1,700)	-	(446)	-	(425)	(425)	100%	(1,700)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(1,700)	-	(446)	211	(425)	(636)	150%	(1,700)
NET INCREASE/ (DECREASE) IN CASH HELD		-	14,570	-	(7,203)	22,468	3,643			14,570
Cash/cash equivalents at beginning:		-	77,593	-		424	77,593			424
Cash/cash equivalents at monthly year end:		-	92,163	-		22,892	81,236			14,935

The above table reflect the statement of cash flow for the municipality. The municipality cash flow position have decrease by 21.41% in September when compared to the previous month closing cash balance. The variance were explained is table C4 (monthly budget statement -Income Statement)

Table SC8 Expenditure on Councillor and Staff Benefits.

KZN275 Mtubatuba - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

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	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	7,146	-	250	1,017	1,787	(769)	-43%	7,146
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	2,379	-	-	471	595	(124)	-21%	2,379
Cellphone Allowance		-	976	-	-	148	244	(96)	-39%	976
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		-	10,502	-	250	1,636	2,625	(989)	-38%	10,502
% increase	4		#DIV/0!							#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages		-	3,478	-	225	450	870	(419)	-48%	3,478
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	329	-	-	-	822	(822)	-100%	329
Motor Vehicle Allowance		-	411	-	92	195	103	92	90%	411
Cellphone Allowance		-	102	-	10	20	26	(6)	-22%	102
Housing Allowances		-	218	-	43	85	54	31	57%	218
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	4,538	-	370	751	1,874	(1,123)	-60%	4,538
% increase	4		#DIV/0!							#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages		-	13,000	-	3,033	2,209	3,250	(1,041)	-32%	13,000
Pension and UIF Contributions		-	4,704	-	-	220	1,176	(956)	-81%	4,704
Medical Aid Contributions		-	2,181	-	-	-	545	(545)	-100%	2,181
Overtime		-	645	-	38	325	161	164	101%	645
Performance Bonus		-	2,307	-	16	7	577	(570)	-99%	2,307
Motor Vehicle Allowance		-	2,907	-	178	201	727	(525)	-72%	2,907
Cellphone Allowance		-	120	-	0	-	30	(30)	-100%	120
Housing Allowances		-	617	-	5	10	154	(144)	-93%	617
Other benefits and allowances		-	1,496	-	38	350	374	(24)	-6%	1,496
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		-	27,977	-	3,308	3,323	6,994	(3,671)	-52%	27,977
% increase	4		#DIV/0!							#DIV/0!
Total Parent Municipality		-	43,017	-	3,929	5,710	11,494	(5,784)	-50%	43,017

The above table summarises the councillor and staff benefits. The variance in councillor benefits is 38% and amount to R989 000. This shows an improvement in salaries payment since we have pay less than what we should have paid by now. We will investigate and adjust if the variance still re-occur in the next three months.

The variance to senior management benefits is 60% and amount to R1 123 000 in rand value. It also shows an improvement to payments. We will also adjust in the mid-year budget if these saving continues.

The variance to other municipal staff is 52% and R3671 000 in rand value. This also shows and improvement.

The above improvement is as a result of cost cutting in travelling allowance, overtime, training and other cost savings related to council and staff benefits. Although some other cost

measures are detrimental to the success of the municipality, we will investigate the impact and adjust where necessary.

PART 2- SUPPORTING DOCUMENTS

The following tables support the monthly budget statements

Table SC3 Aged Debtors

KZN275 Mtubatuba - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2014/15									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts Lto Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 Days-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	1,655	2,977	605	1,174	1,155	437	23,644	8,015	40,074	34,456	-	-
Receivables from Exchange Transactions - Waste Water Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1500	480	770	213	304	302	113	6,119	2,074	12,363	8,513	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1920	-	-	-	-	-	-	-	-	-	-	-	-
Other	1930	138	221	60	87	68	52	1,753	594	2,911	2,563	-	-
Total By Income Source	2000	2,473	3,969	1,474	1,565	1,554	582	31,515	10,633	53,415	45,859	-	-
2013/14 - total only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	134	215	58	65	84	32	1,707	579	2,893	2,453	-	-
Commercial	2300	343	560	152	221	219	82	4,443	1,508	7,541	6,453	-	-
Households	2400	1,747	2,633	776	1,131	1,123	421	22,772	7,719	38,569	33,155	-	-
Other	2500	233	325	88	123	123	43	2,587	477	4,354	3,767	-	-
Total By Customer Group	2600	2,473	3,969	1,474	1,565	1,554	582	31,515	10,633	53,415	45,859	-	-

Table SC4 Aged Creditors

KZN275 Mtubatuba - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description	NT Code	Budget Year 2014/15									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	3,431	1,356	881	437	-	18	791	-	6,915	-	-
Auditor General	0800	-	-	107	5	22	-	-	-	134	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	3,431	1,356	988	442	22	18	791	-	7,048	-	-

Table SC5 Investment Portfolio Analysis

KZN275 Mtubatuba - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
R thousands									
Municipality									
7000/7001-MONEY MARKET 1		0	Call Account		-		51	0	51
7000/7003-MONEY MARKET 3		0	Call Account		-		83	0	83
7000/7004-MONEY MARKET 4		0	Call Account		-		30	0	30
7000/7002-MONEY MARKET 2		0	Fixed deposit		-		192	-	192
							-		
Municipality sub-total					-		355	0	356

Table SC6 Transfers and Grants Receipts

KZN275 Mubabata - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

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:			88,148	-	-	35,241	22,037	11,529	52.3%	88,148
Local Government Equitable Share			81,379	-	-	32,212	20,345	11,867	58.3%	81,379
Finance Management			1,800	-	-	1,800	450			1,800
Municipal Systems Improvement			934	-	-	934	234			934
			1,500	-	-	-	375			1,500
	3									
EPWP Incentive			1,059	-	-	295	265	30	11.5%	1,059
Municipal Infrastructure grant operational			1,476	-	-	-	369	(369)	-100.0%	1,476
Provincial Government:			2,300	-	-	1,380	575			2,300
Art and Culture			-	-	-	-	-			-
Provincialisation of Libraries			2,300	-	-	1,380	575			2,300
Department of sport										
	4									
Other transfers and grants [insert description]										
District Municipality: [insert description]										
Other grant providers: [insert description]										
Total Operating Transfers and Grants	5		90,448	-	-	36,621	22,612	11,529	51.0%	90,448
Capital Transfers and Grants										
National Government:			28,048	-	-	13,294	7,012	6,282	89.6%	28,048
Municipal Infrastructure Grant (MIG)			28,048	-	-	13,294	7,012	6,282	89.6%	28,048
National Electrification Program										
Corridor development										
Other capital transfers [insert description]										
Provincial Government:			2,100	-	-	-	350	(350)	-100.0%	2,100
DSR-Sport Facilities (Infrastructure)			2,100	-	-	-	350	(350)	-100.0%	2,100
District Municipality: [insert description]										
Other grant providers: [insert description]										
Total Capital Transfers and Grants	5		30,148	-	-	13,294	7,362	5,932	80.6%	30,148
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5		120,596	-	-	49,915	29,974	17,461	58.3%	120,596

Table SC7 (1) Transfers and Grant Expenditure

KZN275 Mthabata - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2013/14		Budget Year 2014/15						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		65,559	88,148	-	9,285	6,349	22,037	(15,688)	-71.2%	88,148
Local Government Equitable Share		60,744	81,379	-	8,995	6,172	20,345	(14,173)	-69.7%	81,379
Finance Management		1,850	1,800	-	48	84	450	(366)	-81.3%	1,800
Municipal Systems Improvement		890	934	-	134	-	234	(234)	-100.0%	934
		1,000	1,059	-	108	93	265	(171)	-64.7%	1,059
		-	1,500	-	-	-	375	(375)	-100.0%	1,500
Municipal infrastructure grant operational		1,275	1,476	-	-	-	369	(369)	-100.0%	1,476
Provincial Government:		2,455	2,300	-	-	87	575	(488)	-84.6%	2,300
Art and Culture		240	-	-	-	-	-	-	-	-
Department of sport		2,215	2,300	-	-	87	575	(488)	-84.6%	2,300
		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		68,014	90,448	-	9,285	6,437	22,612	(16,175)	-71.5%	90,448
Capital expenditure of Transfers and Grants										
National Government:		33,498	28,048	-	845	5,949	7,012	(1,063)	-15.2%	28,048
Municipal Infrastructure Grant (MIG)		25,498	28,048	-	845	4,682	7,012	(2,430)	-34.7%	28,048
		8,000	-	-	-	1,367	-	1,367	#DIV/0!	-
		-	-	-	-	-	-	-	-	-
Other capital transfers [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		570	2,100	-	-	-	350	(350)	-100.0%	2,100
		570	2,100	-	-	-	350	(350)	-100.0%	2,100
		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		34,068	30,148	-	845	5,949	7,362	(1,413)	-19.2%	30,148
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		102,082	120,596	-	10,130	12,385	29,974	(17,589)	-58.7%	120,596

Table SC12 Capital Expenditure Trend

KZN275 Mtubatuba - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	-	45,807	-	2,420	2,420	45,807	43,387	94.7%	6%
August	-	-	-	606	3,025	45,807	42,782	93.4%	7%
September				1,005	4,030	45,807	41,777	91.2%	9%
October						45,807	-		
November						45,807	-		
December						45,807	-		
January						45,807	-		
February						45,807	-		
March						45,807	-		
April						45,807	-		
May						45,807	-		
June						45,807	-		
Total Capital expenditure	-	45,807	-	4,030					