

MTUBATUBA



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**CONSOLIDATED BUDGET IMPLEMENTATION REPORTS IN TERMS  
OF SEC71 OF THE MFMA AND REGULATION 28 OF THE MBRR  
FOR THE PERIOD ENDED**

**31 March 2016**

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## **EXECUTIVE SUMMARY**

### **Purpose**

The Purpose of this report is to comply with section 71 of the Municipal Finance Management Act (MFMA, Act no 56 of 2003) and other requirements as introduced in the Government Gazette No:32141 of 17 April 2009 regarding Municipal Budget and Reporting Regulation (MBRR), which requires that specific financial particulars be reported on and in the prescribe format.

### **Background**

Section 71(1) of the MFMA state that the Accounting Office of a Municipality must by no later than 10 working days after the end of each month submit to the mayor of the municipality and other provincial treasury a statement in the prescribe format on the state of the municipal budget.

Section 71(4) further state that the statement must be in a format of a sign document and in an electronic format.

Section 71(6) state that the Provincial Treasury must by no later than 22 working days after the end of each month submit to National Treasury a consolidated statement in a prescribe format on the state of the municipal budget per municipality and per municipal entity.

Section 71(7) state that the provincial treasury must within 30 days of each quarter, make public as may be prescribe, a consolidate statement in a prescribe format on the state of municipal budget per municipality and per municipal entity. The MEC for finance must submit such consolidated statement to the provincial legislature no later than 45 days after the end of each quarter.

The Monthly Budget Statement and supporting tables of Mtubatuba Municipality is prepared in accordance with the Municipal Budget and Reporting Regulations. This report is based upon financial information available at the time of preparation. The financial results for the month ended 31 March 2016 are summarised below.

**Table C1 Monthly budget Statement Summary**

**KZN275 Mtubatuba - Table C1 Monthly Budget Statement Summary - M09 March**

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	21,378	25,482	26,100	2,401	21,653	19,575	2,078	11%	26,100
Service charges	4,857	7,472	5,760	423	3,715	4,320	(605)	-14%	5,760
Investment revenue	761	2,128	3,324	181	1,491	2,493	(1,002)	-40%	3,324
Transfers recognised - operational	91,532	125,711	124,711	30,286	123,968	93,533	30,435	33%	124,711
Other own revenue	13,802	6,567	12,114	916	7,921	9,085	(1,165)	-13%	12,114
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>132,330</b>	<b>167,361</b>	<b>172,009</b>	<b>34,207</b>	<b>158,747</b>	<b>129,007</b>	<b>29,740</b>	<b>23%</b>	<b>172,009</b>
Employee costs	41,571	46,146	45,754	3,401	32,087	34,302	(2,215)	-6%	45,754
Remuneration of Councillors	7,209	11,022	11,219	933	8,670	8,414	255	3%	11,219
Depreciation & asset impairment	16,287	16,520	16,520	-	9,152	12,390	(3,238)	-26%	16,520
Finance charges	1,151	442	442	120	145	331	(187)	-56%	442
Materials and bulk purchases	6,526	12,619	20,383	468	16,878	15,242	1,637	11%	20,383
Transfers and grants	-	147	147	-	58	111	(53)	-48%	147
Other expenditure	39,392	48,360	53,720	3,382	41,331	43,463	(2,132)	-5%	53,720
<b>Total Expenditure</b>	<b>112,137</b>	<b>135,257</b>	<b>148,185</b>	<b>8,305</b>	<b>108,320</b>	<b>114,253</b>	<b>(5,933)</b>	<b>-5%</b>	<b>148,185</b>
<b>Surplus/(Deficit)</b>	<b>20,193</b>	<b>32,104</b>	<b>23,824</b>	<b>25,902</b>	<b>50,427</b>	<b>14,754</b>	<b>35,673</b>	<b>242%</b>	<b>23,824</b>
Transfers recognised - capital	29,525	30,000	23,500	2,703	16,016	17,625	(1,609)	-9%	23,500
Contributions & Contributed assets	8,510	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>66,443</b>	<b>32,379</b>	<b>34,064</b>	<b>105%</b>	<b>47,324</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>66,443</b>	<b>32,379</b>	<b>34,064</b>	<b>105%</b>	<b>47,324</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>31,915</b>	<b>48,250</b>	<b>42,022</b>	<b>3,752</b>	<b>19,066</b>	<b>31,517</b>	<b>(12,451)</b>	<b>-40%</b>	<b>42,022</b>
Capital transfers recognised	29,525	30,000	23,500	3,142	12,572	17,625	(5,053)	-29%	23,500
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2,390	18,250	18,522	609	6,494	13,892	(7,398)	-53%	18,522
<b>Total sources of capital funds</b>	<b>31,915</b>	<b>48,250</b>	<b>42,022</b>	<b>3,752</b>	<b>19,066</b>	<b>31,517</b>	<b>(12,451)</b>	<b>-40%</b>	<b>42,022</b>
<b>Financial position</b>									
Total current assets	35,212	74,866	96,322		104,058				96,322
Total non current assets	353,284	351,031	371,605		364,953				371,605
Total current liabilities	21,658	19,502	16,036		38,680				16,036
Total non current liabilities	6,849	9,816	6,423		5,353				6,423
<b>Community wealth/Equity</b>	<b>359,988</b>	<b>396,579</b>	<b>445,469</b>		<b>424,978</b>				<b>445,469</b>
<b>Cash flows</b>									
Net cash from (used) operating	46,258	74,240	59,928	52,240	91,944	90,499	(1,445)	-2%	59,928
Net cash from (used) investing	(31,954)	(48,250)	(42,022)	(3,582)	(32,912)	(31,517)	1,395	-4%	(42,022)
Net cash from (used) financing	(1,354)	(1,250)	(1,250)	-	-	(938)	(938)	100%	(1,250)
<b>Cash/cash equivalents at the month/year end</b>	<b>13,844</b>	<b>29,483</b>	<b>29,839</b>	<b>-</b>	<b>72,215</b>	<b>71,228</b>	<b>(987)</b>	<b>-1%</b>	<b>29,839</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	3,360	5,391	1,458	2,126	2,111	791	42,810	14,512	72,560
<b>Creditors Age Analysis</b>									
Total Creditors	2,503	220	828	259	52	54	232	-	4,148

Table C1 summarises the Revenue and Expenditure Operational, Capital Expenditure and Source of Funding, Financial Position, Cash Flow, Aged Debtors and Aged Creditors.

**Table C2 Monthly budget statement (Financial Performance) standard Classifications.**

KZN275 Mtubatuba - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M09 March

Description	Ref	2014/15	Budget Year 2015/16							
		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 - Standard</b>										
<i><b>Governance and administration</b></i>		<b>126,560</b>	<b>108,310</b>	<b>113,925</b>	<b>32,404</b>	<b>123,204</b>	<b>85,443</b>	37,761	44%	<b>113,925</b>
Executive and council		-	22,338	22,338	-	22,338	16,754	5,585	33%	22,338
Budget and treasury office		126,560	73,309	78,924	32,404	99,627	59,193	40,434	68%	78,924
Corporate services		-	12,663	12,663	-	1,239	9,497	(8,258)	-87%	12,663
<i><b>Community and public safety</b></i>		<b>10,968</b>	<b>27,513</b>	<b>29,836</b>	<b>1,307</b>	<b>27,161</b>	<b>22,377</b>	4,784	21%	<b>29,836</b>
Community and social services		7,187	19,152	19,633	1,108	19,682	14,725	4,957	34%	19,633
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,780	8,361	10,203	198	7,479	7,652	(173)	-2%	10,203
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>29,525</b>	<b>43,762</b>	<b>36,272</b>	<b>2,913</b>	<b>21,915</b>	<b>27,204</b>	(5,289)	-19%	<b>36,272</b>
Planning and development		-	4,286	4,296	4	4,235	3,222	1,013	31%	4,296
Road transport		29,525	39,476	31,976	2,909	17,680	23,982	(6,302)	-26%	31,976
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>3,275</b>	<b>17,776</b>	<b>15,477</b>	<b>286</b>	<b>2,474</b>	<b>11,607</b>	(9,133)	-79%	<b>15,477</b>
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3,275	17,776	15,477	286	2,474	11,607	(9,133)	-79%	15,477
<i><b>Other</b></i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	2	<b>170,328</b>	<b>197,361</b>	<b>195,509</b>	<b>36,910</b>	<b>174,754</b>	<b>146,632</b>	<b>28,122</b>	<b>19%</b>	<b>195,509</b>
<b>Expenditure - Standard</b>										
<i><b>Governance and administration</b></i>		<b>65,918</b>	<b>77,462</b>	<b>83,674</b>	<b>4,340</b>	<b>49,323</b>	<b>62,755</b>	(13,433)	-21%	<b>83,674</b>
Executive and council		16,941	22,338	27,282	1,980	19,063	20,461	(1,398)	-7%	27,282
Budget and treasury office		38,203	41,911	41,374	1,759	20,303	31,030	(10,727)	-35%	41,374
Corporate services		10,774	13,213	15,018	601	9,956	11,264	(1,307)	-12%	15,018
<i><b>Community and public safety</b></i>		<b>25,983</b>	<b>26,526</b>	<b>28,382</b>	<b>2,051</b>	<b>23,623</b>	<b>21,286</b>	2,337	11%	<b>28,382</b>
Community and social services		17,148	18,165	18,388	1,237	15,914	13,791	2,123	15%	18,388
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		8,835	8,361	9,994	814	7,709	7,496	213	3%	9,994
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i><b>Economic and environmental services</b></i>		<b>10,038</b>	<b>18,871</b>	<b>20,427</b>	<b>703</b>	<b>22,761</b>	<b>15,320</b>	7,441	49%	<b>20,427</b>
Planning and development		2,353	4,286	3,138	295	1,959	2,354	(394)	-17%	3,138
Road transport		7,685	14,585	17,289	408	20,802	12,967	7,835	60%	17,289
Environmental protection		-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>10,161</b>	<b>12,398</b>	<b>15,702</b>	<b>1,211</b>	<b>11,300</b>	<b>11,777</b>	(476)	-4%	<b>15,702</b>
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10,161	12,398	15,702	1,211	11,300	11,777	(476)	-4%	15,702
<i><b>Other</b></i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	3	<b>112,100</b>	<b>135,257</b>	<b>148,185</b>	<b>8,305</b>	<b>107,007</b>	<b>111,139</b>	<b>(4,132)</b>	<b>-4%</b>	<b>148,185</b>
<b>Surplus/ (Deficit) for the year</b>		<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>67,747</b>	<b>35,493</b>	<b>32,254</b>	<b>91%</b>	<b>47,324</b>

Table C2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile „whole of government“ reports.

**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) - M09 March

Vote Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	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>										
Vote 1 - Executive and council	1	-	22,338	22,338	-	22,338	16,754	5,585	33.3%	22,338
Vote 2 - Budget and Treasury		126,560	73,309	78,924	32,404	99,627	59,193	40,434	68.3%	78,924
Vote 3 - Corporate Services		-	12,663	12,663	-	1,239	9,497	(8,258)	-87.0%	12,663
Vote 4 - Community Services		3,958	16,429	16,910	157	17,120	12,682	4,438	35.0%	16,910
Vote 5 - Libraries and archives		3,229	2,723	2,723	952	2,562	2,043	520	25.4%	2,723
Vote 6 - Planning and Economic Development		-	4,286	4,296	4	4,235	3,222	1,013	31.4%	4,296
Vote 7 - Roads		29,525	39,476	31,976	2,909	17,680	23,982	(6,302)	-26.3%	31,976
Vote 8 - Licences and permits		3,780	8,361	10,203	198	7,479	7,652	(173)	-2.3%	10,203
Vote 9 - Solid Waste		3,275	17,776	15,477	286	2,474	11,607	(9,133)	-78.7%	15,477
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>	<b>2</b>	<b>170,328</b>	<b>197,361</b>	<b>195,509</b>	<b>36,910</b>	<b>174,754</b>	<b>146,632</b>	<b>28,122</b>	<b>19.2%</b>	<b>195,509</b>
<b>Expenditure by Vote</b>										
Vote 1 - Executive and council	1	16,941	22,338	27,282	1,980	19,063	20,461	(1,398)	-6.8%	27,282
Vote 2 - Budget and Treasury		38,203	41,911	41,374	1,759	20,303	31,030	(10,727)	-34.6%	41,374
Vote 3 - Corporate Services		10,774	13,213	15,018	601	9,956	11,264	(1,307)	-11.6%	15,018
Vote 4 - Community Services		15,024	15,883	14,578	1,033	13,382	10,934	2,449	22.4%	14,578
Vote 5 - Libraries and archives		2,124	2,282	3,810	204	2,532	2,857	(326)	-11.4%	3,810
Vote 6 - Planning and Economic Development		2,353	4,286	3,138	295	1,959	2,354	(394)	-16.7%	3,138
Vote 7 - Roads		7,685	14,585	17,289	408	20,802	12,967	7,835	60.4%	17,289
Vote 8 - Licences and permits		8,835	8,361	9,994	814	7,709	7,496	213	2.8%	9,994
Vote 9 - Solid Waste		10,161	12,398	15,702	1,211	11,300	11,777	(476)	-4.0%	15,702
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>	<b>2</b>	<b>112,100</b>	<b>135,257</b>	<b>148,185</b>	<b>8,305</b>	<b>107,007</b>	<b>111,139</b>	<b>(4,132)</b>	<b>-3.7%</b>	<b>148,185</b>
<b>Surplus/ (Deficit) for the year</b>	<b>2</b>	<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>67,747</b>	<b>35,493</b>	<b>32,254</b>	<b>90.9%</b>	<b>47,324</b>

Table C3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

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

KZN275 Mtubatuba - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M09 March

Description	Ref	2014/15	Budget Year 2015/16							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		21,378	25,482	26,100	2,401	21,653	19,575	2,078	11%	26,100
Property rates - penalties & collection charges		-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		3,275	5,778	3,478	286	2,474	2,609	(134)	-5%	3,478
Service charges - other		1,582	1,694	2,282	138	1,241	1,711	(471)	-28%	2,282
Rental of facilities and equipment		239	262	186	10	156	140	16	11%	186
Interest earned - external investments		761	2,128	3,324	181	1,491	2,493	(1,002)	-40%	3,324
Interest earned - outstanding debtors		6,730	3,262	6,955	692	5,741	5,216	525	10%	6,955
Dividends received		-	-	-	-	-	-	-	-	-
Fines		1,282	202	1,304	0	5	978	(974)	-100%	1,304
Licences and permits		2,504	2,468	3,208	198	1,780	2,406	(626)	-26%	3,208
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		91,532	125,711	124,711	30,286	123,968	93,533	30,435	33%	124,711
Other revenue		3,047	373	461	15	240	345	(106)	-31%	461
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>132,330</b>	<b>167,361</b>	<b>172,009</b>	<b>34,207</b>	<b>158,747</b>	<b>129,007</b>	<b>29,740</b>	<b>23%</b>	<b>172,009</b>
<b>Expenditure By Type</b>										
Employee related costs		41,571	46,146	45,754	3,401	32,087	34,302	(2,215)	-6%	45,754
Remuneration of councillors		7,209	11,022	11,219	933	8,670	8,414	255	3%	11,219
Debt impairment		8,077	8,617	8,517	70	4,938	6,388	(1,450)	-23%	8,517
Depreciation & asset impairment		16,287	16,520	16,520	-	9,152	12,390	(3,238)	-26%	16,520
Finance charges		1,151	442	442	120	145	331	(187)	-56%	442
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		6,526	12,619	20,383	468	16,878	15,242	1,637	11%	20,383
Contracted services		10,339	13,904	16,612	1,454	11,457	12,534	(1,078)	-9%	16,612
Transfers and grants		-	147	147	-	58	111	(53)	-48%	147
Other expenditure		20,939	25,840	28,591	1,858	24,936	24,541	395	2%	28,591
Loss on disposal of PPE		37	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>112,137</b>	<b>135,257</b>	<b>148,185</b>	<b>8,305</b>	<b>108,320</b>	<b>114,253</b>	<b>(5,933)</b>	<b>-5%</b>	<b>148,185</b>
<b>Surplus/(Deficit)</b>										
Transfers recognised - capital		29,525	30,000	23,500	2,703	16,016	17,625	(1,609)	(0)	23,500
Contributions recognised - capital		-	-	-	-	-	-	-	-	-
Contributed assets		8,510	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>66,443</b>	<b>32,379</b>			<b>47,324</b>
Taxation		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>66,443</b>	<b>32,379</b>			<b>47,324</b>
Attributable to minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>66,443</b>	<b>32,379</b>			<b>47,324</b>
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>28,605</b>	<b>66,443</b>	<b>32,379</b>			<b>47,324</b>

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 Type. There were no material variances in the income components of Service Charge: Refuse. The following income components have the variances:

### **Property Rates**

- Property Rates has a variance of 11 percent and a rand value of R2 078 000. The Municipality has billed more than the budget for this line item. This is because of new valuation roll that has been implemented. There is an improvement in this line item due adjustment that has been made.

### **Service Charge: Other**

- Service Charge Refuse has a variance of 28 percent and a rand value of R471 000. This is also a result of the new valuation roll that has been implemented. Service charge other relate to security service that the municipality provides to St Lucia residents hence the cost of providing this service outweigh the benefit that the municipality obtain. The Municipality has adjusted upwards the Service Charge-Other hence there is improvement in this line item.

### **Rentals of Facilities and Equipment**

- Rental of Facilities and Equipment has a variance of 11 percent and a rand value of R16 000. The Municipality has adjusted rentals downwards due to low performance in this line item and there is an improvement in this variance. Rentals of facilities includes hire of community halls, rentals of billboards and rental of staff housing.

### **Interest Earned-External Investments**

- Interest Earned- External Investments has a high variance of 40 percent and a rand value of R1 002 000. The Municipality has also adjusted upwards due to positive cash flow position and the anticipated revenue to be collected through revenue enhancement strategies. The Municipality will monitor the performance in this line item.

### **Interest Earned-Outstanding debtors**

- Interest Earned- Outstanding debtors has a variance of 10 percent and a rand value of R525 000. The municipality has adjusted upwards in this line item hence there is improvement in this line because the variance is not high. This is because of increase in prior years debtors which also do not come forward to settle their accounts or pay the interest due. The municipality will be conducting data cleansing to determine whether those people that are not paying are falling on working class or indigent.

### **Fines**

- Fines has a variance of 100 percent and a rand value of R974 000. Income from fines is from the combination of traffic fines and library fines. The municipality has received less income from Fines. The Municipality has adjusted upwards traffic fine due to schedules of fine from testing station. The Municipality will raised those fine to accounting system. Once the traffic fines are raised, the variance will materialized.



**Licence and Permits**

- Licence and permits has a variance of 26 percent and a rand value of R626 000. The Municipality has adjusted upwards for licence and permits because of prior collection rate and trends.

**Transfers Recognised-Operating**

- Transfers recognised operating has a variance of 33 percent and a rand value of R30 435 000. This is because of because of once off receipts and quarterly receipts. The Municipality has receive the operational grant of Equitable share, Energy Efficiency and Demand Management Grant, Extended Public Works Program grant, Provincialization of libraries Grant and Capital grant of Municipal Infrastructure Grant. The municipality will ensure that grants are spend as budgeted.

**Other Revenue**

- Other Revenue has a variance of 31 percent and rand of R106 000. Other revenue is a combination of building plan fees, burial fees, rates clearance certificate, sale of documents and search fees. All of the above mention items are non-recurring transaction and the income receipt from other revenue is fluctuating on the month to month basis.

There were no material variance in the expenditure component of Employee Related Cost, Remuneration of councillors, Contracted services and Other Expenditure. The following expenditure components has the variances.

**Debt Impairment**

- Debt impairment has a variance of 23 percent and a rand value of R1 450 000. This is because the municipality has not yet assign a person who will cater for impairment using the correct procedure and policy on month to month basis. The municipality will assign a person within finance to cater for debt impairment. The Municipal has also not recruited a Revenue manager to oversee the revenue section.

**Depreciation and Assets Impairment**

- Depreciation and Assets Impairment has a variance of 26 percent and a rand value of R3 238 000. The Municipality is still having problems in running depreciation on the month to month basis due to system error. The Municipal will engage the service provider of the system to get the advice on the error which is recurring.

**Finance Charges**

- Finance charges has a variance of 56 percent and a rand value of R187 000. The most contributing factors on this item is finance leases, operational leases and DBSA Loan. The interest on the above is treated as the year-end

procedure. The municipality will assign a person to treat finance charges on the month to month. The major contributor to most of the above material variance is the shortage of staff within finance side and lack of capacitation or training to the existing finance staff.

### **Other Material**

- Other Material has a variance of 11 percent and a rand value of R1 637 000. Other Material variance relate to repairs and maintenance that must be done internally. Currently there is Manager Operation who will ensure that facilities are repaired as budgeted. The Municipality has also awarded services providers that will be repairing municipal facilities.

### **Transfers and Grants**

- Transfers and Grants has a variance of 48 percent and a rand value of R53 000. Transfers and Grants relate to free basic electricity provided to Mtubatuba residents. The Municipality will now allocate Eskom accounts with free basic electricity to the relevant vote and reclassify those previous invoice incorrectly raised.

**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) - M09 March

Vote Description	Ref	2014/15	Budget Year 2015/16							
		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>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate Services		857	900	1,603	358	1,473	1,202	271	23%	1,603
Vote 4 - Community Services		150	8,000	3,500	-	1,383	2,625	(1,242)	-47%	3,500
Vote 5 - Libraries and archives		-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 7 - Roads		28,208	27,200	27,982	3,142	11,778	20,987	(9,209)	-44%	27,982
Vote 8 - Licences and permits		-	5,000	737	-	384	553	(168)	-30%	737
Vote 9 - Solid Waste		2,701	7,150	8,200	251	4,047	6,150	(2,103)	-34%	8,200
<b>Total Capital single-year expenditure</b>	4	31,915	48,250	42,022	3,752	19,066	31,517	(12,451)	-40%	42,022
<b>Total Capital Expenditure</b>		31,915	48,250	42,022	3,752	19,066	31,517	(12,451)	-40%	42,022

The Municipality has improvement in the expenditure of capital projects on all department with capital projects. Most of the project we late registered on MIG Municipal Information System in order to be approved thus delaying the project implementation. This was because of the change in project prioritization as at the end of the last financial year. The Municipality is finalizing the SCM processes for the reminder of capital project.

**Table C6 Monthly Budget Statement- Financial Position**

**KZN275 Mtubatuba - Table C6 Monthly Budget Statement - Financial Position - M09 March**

Description	Ref	2014/15	Budget Year 2015/16			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash		13,485	4,743	9,839	36,383	9,839
Call investment deposits		360	24,740	20,000	35,832	20,000
Consumer debtors		19,707	45,383	66,483	27,706	66,483
Other debtors		-	-	-	658	-
Current portion of long-term receivables		1,660	-	-	3,479	-
Inventory		-	-	-	-	-
<b>Total current assets</b>		<b>35,212</b>	<b>74,866</b>	<b>96,322</b>	<b>104,058</b>	<b>96,322</b>
<b>Non current assets</b>						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		45,832	25,684	45,832	45,832	45,832
Investments in Associate		-	-	-	-	-
Property, plant and equipment		306,109	325,347	325,347	318,575	325,347
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		322	-	262	381	262
Other non-current assets		1,021	-	165	165	165
<b>Total non current assets</b>		<b>353,284</b>	<b>351,031</b>	<b>371,605</b>	<b>364,953</b>	<b>371,605</b>
<b>TOTAL ASSETS</b>		<b>388,495</b>	<b>425,896</b>	<b>467,927</b>	<b>469,011</b>	<b>467,927</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		697	750	750	624	750
Consumer deposits		654	-	-	-	-
Trade and other payables		18,072	10,185	6,769	25,931	6,769
Provisions		2,235	8,566	8,517	12,125	8,517
<b>Total current liabilities</b>		<b>21,658</b>	<b>19,502</b>	<b>16,036</b>	<b>38,680</b>	<b>16,036</b>
<b>Non current liabilities</b>						
Borrowing		902	1,250	1,250	(546)	1,250
Provisions		5,948	8,566	5,173	5,899	5,173
<b>Total non current liabilities</b>		<b>6,849</b>	<b>9,816</b>	<b>6,423</b>	<b>5,353</b>	<b>6,423</b>
<b>TOTAL LIABILITIES</b>		<b>28,508</b>	<b>29,318</b>	<b>22,459</b>	<b>44,033</b>	<b>22,459</b>
<b>NET ASSETS</b>	2	<b>359,988</b>	<b>396,579</b>	<b>445,469</b>	<b>424,978</b>	<b>445,469</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		359,988	337,062	394,693	358,535	394,693
Reserves			59,516	50,776	66,443	50,776
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>359,988</b>	<b>396,579</b>	<b>445,469</b>	<b>424,978</b>	<b>445,469</b>

The statement of financial position being presented is as run to the financial system however there are system. The community wealth or Equity has decrease by 4.5 percent when compared to the adjustment budget. The decrease is insignificant.

**Table C7 Monthly Budget Statement- Cash Flow**

KZN275 Mtubatuba - Table C7 Monthly Budget Statement - Cash Flow - M09 March

Description	Ref	Budget Year 2015/16								
		2014/15 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>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		14,268	16,865	21,360	1,861	14,451	16,020	(1,569)	-10%	21,360
Service charges		2,957	4,965	3,552	164	2,517	2,664	(147)	-6%	3,552
Other revenue		4,983	3,306	2,948	224	2,085	2,211	(126)	-6%	2,948
Government - operating		91,532	125,711	124,711	32,673	126,711	126,711	-		124,711
Government - capital		29,525	30,000	23,500	24,491	30,000	30,000	-		23,500
Interest		761	2,128	2,431	181	1,730	1,823	(93)	-5%	2,431
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(96,617)	(108,146)	(117,984)	(7,233)	(85,347)	(88,488)	(3,141)	4%	(117,984)
Finance charges		(1,151)	(442)	(442)	(120)	(145)	(331)	(187)	56%	(442)
Transfers and Grants		-	(147)	(147)	-	(58)	(111)	(53)	48%	(147)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>46,258</b>	<b>74,240</b>	<b>59,928</b>	<b>52,240</b>	<b>91,944</b>	<b>90,499</b>	<b>(1,445)</b>	<b>-2%</b>	<b>59,928</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		(31,954)	(48,250)	(42,022)	(3,582)	(32,912)	(31,517)	1,395	-4%	(42,022)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(31,954)</b>	<b>(48,250)</b>	<b>(42,022)</b>	<b>(3,582)</b>	<b>(32,912)</b>	<b>(31,517)</b>	<b>1,395</b>	<b>-4%</b>	<b>(42,022)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		(1,354)	(1,250)	(1,250)	-	-	(938)	(938)	100%	(1,250)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1,354)</b>	<b>(1,250)</b>	<b>(1,250)</b>	<b>-</b>	<b>-</b>	<b>(938)</b>	<b>(938)</b>	<b>100%</b>	<b>(1,250)</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>12,949</b>	<b>24,740</b>	<b>16,656</b>	<b>48,658</b>	<b>59,032</b>	<b>58,045</b>			<b>16,656</b>
Cash/cash equivalents at beginning:		895	4,743	13,183		13,183	13,183			13,183
Cash/cash equivalents at month/year end:		13,844	29,483	29,839		72,215	71,228			29,839

The above table reflect the statement of Cash flow of the municipality. The Municipality's Cash flow position has increase by 67 percent in March when compared to the previous month closing cash balance. This is because of transfer receipts of equitable share, MIG, EEDMG, Provincialization of Libraries, EPWP.

**PART 2- SUPPORTING DOCUMENTS**

The following tables support the monthly budget statements

**Table SC8 Expenditure on Councillor and Staff Benefits.**

KZN275 Mtubatuba - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M09 March

Summary of Employee and Councillor remuneration	Ref	2014/15		Budget Year 2015/16						
		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	
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		7,209	7,503	7,717	537	6,237	5,788	449	8%	7,717
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	2,501	2,572	319	1,810	1,929	(119)	-6%	2,572
Cellphone Allowance		-	1,018	930	77	622	697	(75)	-11%	930
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>		<b>7,209</b>	<b>11,022</b>	<b>11,219</b>	<b>933</b>	<b>8,670</b>	<b>8,414</b>	<b>255</b>	<b>3%</b>	<b>11,219</b>
<b>% increase</b>	4		<b>52.9%</b>	<b>55.6%</b>						<b>55.6%</b>
<b>Senior Managers of the Municipality</b>										
Basic Salaries and Wages	3	4,430	2,924	2,924	100	1,132	2,193	(1,061)	-48%	2,924
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	625	625	-	60	469	(408)	-87%	625
Motor Vehicle Allowance		-	808	808	30	300	606	(306)	-50%	808
Cellphone Allowance		-	120	120	4	38	90	(52)	-58%	120
Housing Allowances		-	554	554	15	144	415	(271)	-65%	554
Other benefits and allowances		-	741	741	23	60	556	(496)	-89%	741
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>		<b>4,430</b>	<b>5,771</b>	<b>5,771</b>	<b>173</b>	<b>1,734</b>	<b>4,328</b>	<b>(2,595)</b>	<b>-60%</b>	<b>5,771</b>
<b>% increase</b>	4		<b>30.3%</b>	<b>30.3%</b>						<b>30.3%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		37,141	22,263	27,688	2,032	17,868	20,766	(2,898)	-14%	27,688
Pension and UIF Contributions		-	6,877	5,791	374	5,040	4,344	696	16%	5,791
Medical Aid Contributions		-	4,125	2,719	374	3,280	2,039	1,241	61%	2,719
Overtime		-	2,032	3,485	136	1,339	2,614	(1,274)	-49%	3,485
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		-	2,492	4,684	149	1,013	3,513	(2,500)	-71%	4,684
Cellphone Allowance		-	124	124	0	3	93	(90)	-97%	124
Housing Allowances		-	1,587	299	33	704	224	479	214%	299
Other benefits and allowances		-	1,855	963	130	1,107	723	384	53%	963
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
<b>Sub Total - Other Municipal Staff</b>		<b>37,141</b>	<b>41,354</b>	<b>45,754</b>	<b>3,228</b>	<b>30,354</b>	<b>34,315</b>	<b>(3,962)</b>	<b>-12%</b>	<b>45,754</b>
<b>% increase</b>	4		<b>11.3%</b>	<b>23.2%</b>						<b>23.2%</b>
<b>Total Parent Municipality</b>		<b>48,780</b>	<b>58,148</b>	<b>62,744</b>	<b>4,334</b>	<b>40,757</b>	<b>47,058</b>	<b>(6,301)</b>	<b>-13%</b>	<b>62,744</b>

The above table depict the councillors and staff benefits. There were no variance material variance in councillor and staff benefits. As explained under table C4 on page nine.

## MTUBATUBA LOCAL MUNICIPALITY-MONTHLY BUDGET STATEMENT-2015/16

### Table SC3 Aged Debtors

AD : AGE ANALYSIS OF DEBTORS (All values in Rand)  
 Save File as : Muncde\_AD\_ccyy\_Mnn.XLS (e.g.: GT411\_AD\_2005\_M10)  
 Change Year End (ccyy) to Financial Year End (e.g.: 2005 for year 2004/2005) and Month End (Mnn) to Active Month (M01=July...M12=June)(e.g.: M10)  
 Change Muncde to your own municipal code (e.g.: GT411)  
 To Save File press the following keys at the same time with Caps Lock off: Ctrl Shift S

Year End	Month End	Mun	Item	Detail	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	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy
2016	M09	KZN275	1100	Debtors Age Analysis By Income Source											
			1200	Trade and Other Receivables from Exchange Transactions - Water	0	0	0	0	0	0	0	0	0	0	0
			1300	Trade and Other Receivables from Exchange Transactions - Electricity	0	0	0	0	0	0	0	0	0	0	0
			1400	Receivables from Non-exchange Transactions - Property Rates	2,583,312	4,145,675	1,121,481	1,634,796	1,623,637	608,166	32,919,099	11,159,016	55,795,082	0	0
			1500	Receivables from Exchange Transactions - Waste Water Management	0	0	0	0	0	0	0	0	0	0	0
			1600	Receivables from Exchange Transactions - Waste Management	594,146	953,457	257,934	375,993	373,427	139,875	7,571,192	2,566,506	12,832,530	0	0
			1700	Receivables from Exchange Transactions - Property Rental Debtors	0	0	0	0	0	0	0	0	0	0	0
			1810	Interest on Arrear Debtor Accounts	0	0	0	0	0	0	0	0	0	0	0
			1820	Recoverable unauthorised, irregular or fruitless and wasteful Expenditure	0	0	0	0	0	0	0	0	0	0	0
			1900	Other	182,062	292,166	79,038	115,215	114,428	42,862	2,320,025	786,449	3,932,245	0	0
			2000	Total By Income Source	3,359,520	5,391,198	1,458,453	2,126,004	2,111,492	790,903	42,810,316	14,511,971	72,559,857	0	0
			2100	Debtors Age Analysis By Customer Group											
			2200	Organs of State	224,851	360,830	97,614	142,293	141,321	52,934	2,865,275	971,280	4,856,398	0	0
			2300	Commercial	474,841	762,002	206,141	300,493	298,442	111,788	6,050,893	2,051,150	10,255,750	0	0
			2400	Households	2,284,861	3,666,635	991,916	1,445,927	1,436,058	537,905	29,115,945	9,869,811	49,349,058	0	0
			2500	Other	374,967	601,731	162,782	237,291	235,671	88,276	4,778,203	1,619,730	8,098,651	0	0
			2600	Total By Customer Group	3,359,520	5,391,198	1,458,453	2,126,004	2,111,492	790,903	42,810,316	14,511,971	72,559,857	0	0

- The percentage of debtors sitting from 90 days to over a year is 66 percent. Long outstanding debtors are as a result of no write-off of long outstanding debtors and no revenue manager. A single reason alone as mention above has much impact on long outstanding debtors.

### Table SC4 Aged Creditors

AC : AGE ANALYSIS OF CREDITORS (All values in Rand)  
 Save File as : Muncde\_AC\_ccyy\_Mnn.XLS (e.g.: GT411\_AC\_2005\_M10)  
 Change Year End (ccyy) to Financial Year End (e.g.: 2005 for year 2004/2005) and Month End (Mnn) to Active Month (M01=July...M12=June)(e.g.: M10)  
 Change Muncde to your own municipal code (e.g.: GT411)  
 If (and only if) Creditors per function not available, list top 10 creditors by name  
 To Save File press the following keys at the same time with Caps Lock off: Ctrl Shift S

Year End	Month End	Mun	Item	Detail	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
2016	M09	KZN275	0100	Bulk Electricity	0	0	0	0	0	0	0	0	0
			0200	Bulk Water	0	0	0	0	0	0	0	0	0
			0300	PAYE deductions	0	0	0	0	0	0	0	0	0
			0400	VAT (output less input)	0	0	0	0	0	0	0	0	0
			0500	Pensions / Retirement deductions	0	0	0	0	0	0	0	0	0
			0600	Loan repayments	0	0	0	0	0	0	0	0	0
			0700	Trade Creditors	2,502,716	220,297	827,675	259,090	51,761	53,636	232,368	0	4,147,543
			0800	Auditor General	0	0	0	0	0	0	0	0	0
			0900	Other	0	0	0	0	0	0	0	0	0
			1000	Total	2,502,716	220,297	827,675	259,090	51,761	53,636	232,368	0	4,147,543

- The percentage of creditors sitting at more than 90 days is 14 percent. The Municipality is trying by all mean to settle those creditors sitting at more than 90 days. There is improvement in settling long outstanding creditors when compared to prior years and months.

### Table SC5 Investment Portfolio Analysis

KZN275 Mtubatuba - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M09 March

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							
<b>R thousands</b>									
<b>Municipality</b>									
7000/7001-MONEY MARKET 1		0	Call Account	-	0	0.0%	54	-	54
7000/7003-MONEY MARKET 2		0	Call Account	-	104	0.0%	20,451	15,000	35,555
7000/7004-MONEY MARKET 3		0	Call Account	-	0	0.0%	31	-	32
7000/7002-Fixed Deposits		0	Fixed deposit	-	-	0.0%	192	-	192
<b>Municipality sub-total</b>					104		20,728	15,000	35,832

- The municipality has invested more cash when compared to the adjustment budget. This is because of the continued positive cash flow and the anticipated revenue. The variance to date is 42 percent. Interest from investment will be used to fund other project and improve service delivery of Mtubatuba communities.



**Table SC6 Transfers and Grants Receipts**

KZN275 Mtubatuba - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M09 March

Description	Ref	2014/15	Budget Year 2015/16							
		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>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		87,579	122,993	121,993	31,722	123,993	121,993	-		121,993
Local Government Equitable Share		81,379	116,487	116,487	29,122	116,487	116,487	-		116,487
Finance Management		1,800	1,800	1,800	-	1,800	1,800	-		1,800
Municipal Systems Improvement		934	930	930	-	930	930	-		930
Energy Efficiency and Demand Management		1,500	2,000	1,000	2,000	3,000	1,000	-		1,000
EPWP Incentive	3	1,064	1,000	1,000	600	1,000	1,000	-		1,000
		121	-	-	-	-	-	-		-
		149	-	-	-	-	-	-		-
		147	-	-	-	-	-	-		-
Municipal Infrastructure Grant Operational		484	776	776	-	776	776	-		776
<b>Provincial Government:</b>		3,953	2,718	2,718	951	2,718	2,718	-		2,718
Community Library Service		251	340	340	-	340	340	-		340
Provincialisation Of Libraries		3,702	2,378	2,378	951	2,378	2,378	-		2,378
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	91,532	125,711	124,711	32,673	126,711	124,711	-		124,711
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		29,525	30,000	23,500	24,491	30,000	23,500	6,500	27.7%	23,500
Municipal Infrastructure Grant (MIG)		29,040	30,000	23,500	24,491	30,000	23,500	6,500	27.7%	23,500
National Electrification Programme		485	-	-	-	-	-	-		-
<b>Provincial Government:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
<b>District Municipality:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
<b>Other grant providers:</b>		-	-	-	-	-	-	-		-
<i>[insert description]</i>		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	29,525	30,000	23,500	24,491	30,000	23,500	6,500	27.7%	23,500
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	121,057	155,711	148,211	57,164	156,711	148,211	6,500	4.4%	148,211

- The Municipality has received the following grants this month
  1. Equitable Share R29 122 000
  2. Municipal Infrastructure Grant R24 491 000
  3. Energy Efficiency Grant R2 000 000
  4. Extended Public works Grant R600 000
  5. Provincialization of Libraries R951 200

The total amount received is R57 164 200. The Municipality has received the full amount from MIG and EEDMG despite the letter that was sent to the municipality by national COGTA to withhold those grants. A special adjustment relating to these grants will be made as result.

**Table SC7 (1) Transfers and Grant Expenditure**

KZN275 Mtubatuba - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M09 March

Description	Ref	2014/15	Budget Year 2015/16							
		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>		87,579	122,993	121,993	5,260	71,132	91,495	(20,363)	-22.3%	121,993
Local Government Equitable Share		81,379	116,487	116,487	5,051	68,125	87,365	(19,241)	-22.0%	116,487
Finance Management		1,800	1,800	1,800	-	1,326	1,350	(24)	-1.8%	1,800
Municipal Systems Improvement		934	930	930	2	582	698	(116)	-16.6%	930
Energy Efficiency and Demand Management		1,500	2,000	1,000	-	-	750	(750)	-100.0%	1,000
EPWP Incentive		1,064	1,000	1,000	138	697	750	(53)	-7.1%	1,000
		121	-	-	-	-	-	-	-	-
		149	-	-	-	-	-	-	-	-
		147	-	-	-	-	-	-	-	-
#REF!		484	776	776	69	402	582	(180)	-30.9%	776
<b>Provincial Government:</b>		3,953	2,718	2,718	203	2,532	2,039	493	24.2%	2,718
Community Library Service		251	340	340	30	273	255	18	7.2%	340
Provincialisation Of Libraries		3,702	2,378	2,378	173	2,258	1,784	475	26.6%	2,378
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>		-	-	-	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants:</b>		91,532	125,711	124,711	5,463	73,664	93,533	(19,870)	-21.2%	124,711
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		29,525	30,000	23,500	2,772	16,580	17,625	(1,045)	-5.9%	23,500
Municipal Infrastructure Grant (MIG)		29,040	30,000	23,500	2,772	16,580	17,625	(1,045)	-5.9%	23,500
National Electrification Programme		485	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		29,525	30,000	23,500	2,772	16,580	17,625	(1,045)	-5.9%	23,500
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		121,057	155,711	148,211	8,235	90,244	111,158	(20,914)	-18.8%	148,211

- The performance in terms of the grant expenditure has improved in the past three month especially on conditional grants. The municipality will also ensure that grants are spent as budgeted.

### Table SC12 Capital Expenditure Trend

KZN275 Mtubatuba - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M09 March

Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	2,660	4,021	-	219	219	4,021	3,801	94.5%	0%
August	2,660	4,021	-	613	832	8,042	7,209	89.6%	2%
September	2,660	4,021	-	408	1,240	12,062	10,822	89.7%	3%
October	2,660	4,021	-	1,623	2,863	16,083	13,221	82.2%	6%
November	2,660	4,021	-	643	3,506	20,104	16,598	82.6%	7%
December	2,660	4,021	-	4,585	8,091	24,125	16,034	66.5%	17%
January	2,660	4,021	-	5,455	13,546	28,146	14,599	51.9%	28%
February	2,660	4,021	-	3,663	17,209	32,167	14,957	46.5%	36%
March	2,660	4,021	-	3,752	20,961	36,187	15,227	42.1%	43%
April	2,660	4,021	-	-	-	40,208	-	-	-
May	2,660	4,021	-	-	-	44,229	-	-	-
June	2,660	4,021	-	-	-	48,250	-	-	-
<b>Total Capital expenditure</b>	<b>31,915</b>	<b>48,250</b>	<b>-</b>	<b>20,961</b>					

- There is an improvement in the expenditure on Capital project in the last three months as depicted by the above table.

MTUBATUBA



UMASIPALA . MUNICIPALITY . MUNISIPALITEIT

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



52 Mtubatuba 3935



(035) 550 0069



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### Quality certificate

I, ....., the municipal manager of

....., hereby certify that (mark as appropriate)

The monthly budget statement

Quarterly report on the implementation of the budget and financial state of affairs of the municipality

Mid-year budget and performance assessment

For the month of ..... of has been prepared in accordance with the Municipal Finance Management Act and regulations made under the Act.

Municipal Manager of ..... (Name and demarcation code)

Signature .....

Date .....