

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 May 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 May 2016 are summarised below.

**Table C1 Monthly budget Statement Summary**

KZN275 Mtubatuba - Table C1 Monthly Budget Statement Summary - M11 May

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	2,399	26,452	23,925	2,527	11%	26,100
Service charges	4,857	7,472	5,760	263	4,401	5,280	(879)	-17%	5,760
Investment revenue	761	2,128	3,324	173	1,823	3,047	(1,224)	-40%	3,324
Transfers recognised - operational	91,532	125,711	124,711	479	127,573	114,318	13,255	12%	124,711
Other own revenue	13,802	6,567	12,114	949	9,792	11,104	(1,313)	-12%	12,114
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>132,330</b>	<b>167,361</b>	<b>172,009</b>	<b>4,264</b>	<b>170,041</b>	<b>157,675</b>	<b>12,366</b>	<b>8%</b>	<b>172,009</b>
Employee costs	41,571	46,146	45,754	3,950	39,987	41,941	(1,954)	-5%	45,754
Remuneration of Councillors	7,209	11,022	11,219	933	10,537	10,284	252	2%	11,219
Depreciation & asset impairment	16,287	16,520	16,520	2,708	14,563	15,143	(580)	-4%	16,520
Finance charges	1,151	442	442	0	31	405	(374)	-92%	442
Materials and bulk purchases	6,526	12,619	20,383	(1,042)	14,269	18,684	(4,415)	-24%	20,383
Transfers and grants	-	147	147	11	80	135	(55)	-41%	147
Other expenditure	39,392	48,360	53,720	4,653	48,830	49,244	(414)	-1%	53,720
<b>Total Expenditure</b>	<b>112,137</b>	<b>135,257</b>	<b>148,185</b>	<b>11,213</b>	<b>128,297</b>	<b>135,836</b>	<b>(7,540)</b>	<b>-6%</b>	<b>148,185</b>
<b>Surplus/(Deficit)</b>	<b>20,193</b>	<b>32,104</b>	<b>23,824</b>	<b>(6,950)</b>	<b>41,744</b>	<b>21,839</b>	<b>19,906</b>	<b>91%</b>	<b>23,824</b>
Transfers recognised - capital	29,525	30,000	23,500	6,504	19,782	21,542	(1,760)	-8%	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>(446)</b>	<b>61,526</b>	<b>43,380</b>	<b>18,146</b>	<b>42%</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>(446)</b>	<b>61,526</b>	<b>43,380</b>	<b>18,146</b>	<b>42%</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>7,965</b>	<b>36,324</b>	<b>38,520</b>	<b>(2,196)</b>	<b>-6%</b>	<b>42,022</b>
Capital transfers recognised	29,525	30,000	23,500	6,631	24,334	21,542	2,793	13%	23,500
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	2,390	18,250	18,522	1,334	11,990	16,979	(4,989)	-29%	18,522
<b>Total sources of capital funds</b>	<b>31,915</b>	<b>48,250</b>	<b>42,022</b>	<b>7,965</b>	<b>36,324</b>	<b>38,520</b>	<b>(2,196)</b>	<b>-6%</b>	<b>42,022</b>
<b>Financial position</b>									
Total current assets	35,212	74,866	96,322		70,661				96,322
Total non current assets	353,284	351,031	371,605		383,093				371,605
Total current liabilities	21,658	19,502	16,036		29,027				16,036
Total non current liabilities	6,849	9,816	6,423		4,687				6,423
<b>Community wealth/Equity</b>	<b>359,988</b>	<b>396,579</b>	<b>445,469</b>		<b>420,040</b>				<b>445,469</b>
<b>Cash flows</b>									
Net cash from (used) operating	46,258	74,240	59,928	(5,123)	73,379	72,745	(634)	-1%	59,928
Net cash from (used) investing	(31,954)	(48,250)	(42,022)	(7,677)	(47,988)	(35,019)	12,969	-37%	(42,022)
Net cash from (used) financing	(1,354)	(1,250)	(1,250)	-	(991)	(1,042)	(51)	5%	(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>37,584</b>	<b>49,868</b>	<b>12,284</b>	<b>25%</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	3,412	5,476	1,481	2,159	2,145	803	43,483	14,740	73,700
<b>Creditors Age Analysis</b>									
Total Creditors	5,475	789	112	83	231	22	290	-	7,002

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) - M11 May

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>1</b>									
<b>Revenue - Standard</b>										
<i>Governance and administration</i>		126,560	108,310	113,925	3,581	130,497	104,431	26,066	25%	113,925
Executive and council		-	22,338	22,338	-	22,338	20,477	1,862	9%	22,338
Budget and treasury office		126,560	73,309	78,924	3,581	106,920	72,347	34,573	48%	78,924
Corporate services		-	12,663	12,663	-	1,239	11,607	(10,369)	-89%	12,663
<i>Community and public safety</i>		10,968	27,513	29,836	359	28,070	27,350	720	3%	29,836
Community and social services		7,187	19,152	19,633	183	20,228	17,997	2,231	12%	19,633
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		3,780	8,361	10,203	176	7,842	9,353	(1,510)	-16%	10,203
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		29,525	43,762	36,272	6,702	28,371	33,249	(4,879)	-15%	36,272
Planning and development		-	4,286	4,296	2,001	6,236	3,938	2,298	58%	4,296
Road transport		29,525	39,476	31,976	4,702	22,134	29,311	(7,177)	-24%	31,976
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		3,275	17,776	15,477	125	2,885	14,187	(11,302)	-80%	15,477
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		3,275	17,776	15,477	125	2,885	14,187	(11,302)	-80%	15,477
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>2</b>	<b>170,328</b>	<b>197,361</b>	<b>195,509</b>	<b>10,768</b>	<b>189,823</b>	<b>179,217</b>	<b>10,606</b>	<b>6%</b>	<b>195,509</b>
<b>Expenditure - Standard</b>										
<i>Governance and administration</i>		65,918	77,462	83,674	5,946	61,153	76,701	(15,548)	-20%	83,674
Executive and council		16,941	22,338	27,282	3,142	24,990	25,008	(18)	0%	27,282
Budget and treasury office		38,203	41,911	41,374	1,440	23,330	37,926	(14,596)	-38%	41,374
Corporate services		10,774	13,213	15,018	1,364	12,832	13,767	(935)	-7%	15,018
<i>Community and public safety</i>		25,983	26,526	28,382	2,820	27,893	26,017	1,877	7%	28,382
Community and social services		17,148	18,165	18,388	2,156	18,760	16,855	1,904	11%	18,388
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		8,835	8,361	9,994	664	9,134	9,161	(28)	0%	9,994
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		10,038	18,871	20,427	1,674	28,004	18,725	9,279	50%	20,427
Planning and development		2,353	4,286	3,138	232	2,462	2,877	(414)	-14%	3,138
Road transport		7,685	14,585	17,289	1,442	25,541	15,848	9,693	61%	17,289
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		10,161	12,398	15,702	774	11,247	14,394	(3,147)	-22%	15,702
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		10,161	12,398	15,702	774	11,247	14,394	(3,147)	-22%	15,702
<i>Other</i>		-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>3</b>	<b>112,100</b>	<b>135,257</b>	<b>148,185</b>	<b>11,213</b>	<b>128,297</b>	<b>135,836</b>	<b>(7,540)</b>	<b>-6%</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>(446)</b>	<b>61,526</b>	<b>43,380</b>	<b>18,146</b>	<b>42%</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) - M11 May**

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>	1									
Vote 1 - Executive and council		-	22,338	22,338	-	22,338	20,477	1,862	9.1%	22,338
Vote 2 - Budget and Treasury		126,560	73,309	78,924	3,581	106,920	72,347	34,573	47.8%	78,924
Vote 3 - Corporate Services		-	12,663	12,663	-	1,239	11,607	(10,369)	-89.3%	12,663
Vote 4 - Community Services		3,958	16,429	16,910	182	17,547	15,501	2,046	13.2%	16,910
Vote 5 - Libraries and archives		3,229	2,723	2,723	0	2,681	2,496	185	7.4%	2,723
Vote 6 - Planning and Economic Development		-	4,286	4,296	2,001	6,236	3,938	2,298	58.4%	4,296
Vote 7 - Roads		29,525	39,476	31,976	4,702	22,134	29,311	(7,177)	-24.5%	31,976
Vote 8 - Licences and permits		3,780	8,361	10,203	176	7,842	9,353	(1,510)	-16.1%	10,203
Vote 9 - Solid Waste		3,275	17,776	15,477	125	2,885	14,187	(11,302)	-79.7%	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>	2	<b>170,328</b>	<b>197,361</b>	<b>195,509</b>	<b>10,768</b>	<b>189,823</b>	<b>179,217</b>	<b>10,606</b>	<b>5.9%</b>	<b>195,509</b>
<b>Expenditure by Vote</b>	1									
Vote 1 - Executive and council		16,941	22,338	27,282	3,142	24,990	25,008	(18)	-0.1%	27,282
Vote 2 - Budget and Treasury		38,203	41,911	41,374	1,440	23,330	37,926	(14,596)	-38.5%	41,374
Vote 3 - Corporate Services		10,774	13,213	15,018	1,364	12,832	13,767	(935)	-6.8%	15,018
Vote 4 - Community Services		15,024	15,883	14,578	1,917	15,746	13,363	2,383	17.8%	14,578
Vote 5 - Libraries and archives		2,124	2,282	3,810	238	3,013	3,492	(479)	-13.7%	3,810
Vote 6 - Planning and Economic Development		2,353	4,286	3,138	232	2,462	2,877	(414)	-14.4%	3,138
Vote 7 - Roads		7,685	14,585	17,289	1,442	25,541	15,848	9,693	61.2%	17,289
Vote 8 - Licences and permits		8,835	8,361	9,994	664	9,134	9,161	(28)	-0.3%	9,994
Vote 9 - Solid Waste		10,161	12,398	15,702	774	11,247	14,394	(3,147)	-21.9%	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>	2	<b>112,100</b>	<b>135,257</b>	<b>148,185</b>	<b>11,213</b>	<b>128,297</b>	<b>135,836</b>	<b>(7,540)</b>	<b>-5.6%</b>	<b>148,185</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>58,228</b>	<b>62,104</b>	<b>47,324</b>	<b>(446)</b>	<b>61,526</b>	<b>43,380</b>	<b>18,146</b>	<b>41.8%</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) - M11 May

Description	Ref	2014/15	Budget Year 2015/16							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
<b>R thousands</b>										
<b>Revenue By Source</b>										
Property rates		21,378	25,482	26,100	2,399	26,452	23,925	2,527	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	125	2,885	3,188	(304)	-10%	3,478
Service charges - other		1,582	1,694	2,282	138	1,516	2,092	(575)	-28%	2,282
Rental of facilities and equipment		239	262	186	17	190	171	19	11%	186
Interest earned - external investments		761	2,128	3,324	173	1,823	3,047	(1,224)	-40%	3,324
Interest earned - outstanding debtors		6,730	3,262	6,955	743	7,146	6,375	771	12%	6,955
Dividends received		-	-	-	-	-	-	-	-	-
Fines		1,282	202	1,304	0	5	1,196	(1,190)	-100%	1,304
Licences and permits		2,504	2,468	3,208	176	2,143	2,941	(798)	-27%	3,208
Agency services		-	-	-	-	-	-	-	-	-
Transfers recognised - operational		91,532	125,711	124,711	479	127,573	114,318	13,255	12%	124,711
Other revenue		3,047	373	461	13	307	422	(115)	-27%	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>4,264</b>	<b>170,041</b>	<b>157,675</b>	<b>12,366</b>	<b>8%</b>	<b>172,009</b>
<b>Expenditure By Type</b>										
Employee related costs		41,571	46,146	45,754	3,950	39,987	41,941	(1,954)	-5%	45,754
Remuneration of councillors		7,209	11,022	11,219	933	10,537	10,284	252	2%	11,219
Debt impairment		8,077	8,617	8,517	101	5,214	7,807	(2,593)	-33%	8,517
Depreciation & asset impairment		16,287	16,520	16,520	2,708	14,563	15,143	(580)	-4%	16,520
Finance charges		1,151	442	442	0	31	405	(374)	-92%	442
Bulk purchases		-	-	-	-	-	-	-	-	-
Other materials		6,526	12,619	20,383	(1,042)	14,269	18,684	(4,415)	-24%	20,383
Contracted services		10,339	13,904	16,612	961	13,745	15,228	(1,483)	-10%	16,612
Transfers and grants		-	147	147	11	80	135	(55)	-41%	147
Other expenditure		20,939	25,840	28,591	3,592	29,872	26,209	3,663	14%	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>11,213</b>	<b>128,297</b>	<b>135,836</b>	<b>(7,540)</b>	<b>-6%</b>	<b>148,185</b>
<b>Surplus/(Deficit)</b>										
Transfers recognised - capital		20,193	32,104	23,824	(6,950)	41,744	21,839	19,906	0	23,824
Contributions recognised - capital		29,525	30,000	23,500	6,504	19,782	21,542	(1,760)	(0)	23,500
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>(446)</b>	<b>61,526</b>	<b>43,380</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>(446)</b>	<b>61,526</b>	<b>43,380</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>(446)</b>	<b>61,526</b>	<b>43,380</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>(446)</b>	<b>61,526</b>	<b>43,380</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. The following income components has variances:

### **Property Rates**

- Property Rates reflect a favourable variance of 11 percent which equals to R2 527 000, this is due to the implementation of new valuation roll.

### **Service Charge: Refuse**

- Service Charge Refuse reflect an adverse variance of 10 percent which amounts to R304 000. This is also because of new valuation roll.

### **Services Charge: Other**

- Services charge other has an adverse variance of 28 percent. Service charge other relate to security service rendered to St Lucia residents hence the cost of providing this service outweighs the benefit that the municipality obtain.

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

- Rental of Facilities and Equipment reflect a favourable variance of 11 percent which amounts to R19 000 which means actual revenue is higher than budget. Rentals of facilities includes hire of community halls, rentals of billboards and rental of staff housing.

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

- Interest Earned- External Investments reflect an unfavourable variance of 40 percent and a rand value of R1 224 000. This relates to interest earned on primary account as well as investments.

### **Interest Earned- Outstanding Debtors**

- Interest Earned outstanding debtors has a positive variance of 12 percent and a rand value of R 771 000. This is as a result of increase in debtors from the past financial years.

### **Fines**

- Fines reflect an adverse variance of 100 percent and a rand value of R1 190 000, this is due to Traffic fines being accounted for at year end. Fines include both traffic and library fines.

### **Licence and Permits**

- Licence and permits reflect an adverse variance of 27 percent and a rand value of R798 000 due to less than anticipated number of license and permit applications received compared to the budget.



### **Transfers Recognised-Operating**

- Transfers recognised operating reflect a favourable variance 12 percent and a rand value of R13 255 000. This is due to once off receipts and quarterly receipts. The Municipality has received all conditional and operational grants and will ensure that grants are spend as budgeted.

### **Other Revenue**

- Other Revenue reflect an adverse variance of 27 percent and a rand value of R115 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, Depreciation and Assets Impairment. The following expenditure components has the variances.

### **Debt Impairment**

- Debt impairment reflect a favourable variance of 33 percent which amounts to R2 593 000. The Municipality will perform impairment at year end.

### **Finance Charges**

- Finance charges reflect a favourable variance of 92 percent and a rand value of R374 000. The most contributing factors on this item is finance leases, operational leases. The interest on the above is accounted for at year-end. The municipality will assign a person to treat finance charges on the month to month. The Municipality has settled the DBSA loan in this month and interest portion.

### **Other Material**

- Other Material reflect a favourable variance of 24 percent and a rand value of R4 415 000. Other Material variance relate to repairs and maintenance that must be done internally. Currently there is Manager Operation who is ensuring that facilities are repaired as budgeted. The Municipality has also awarded services providers that will be repairing municipal facilities.

### **Contracted Services**

- Contracted Services has a favourable variance of 10 percent and a rand value of R1 483 000. This is because of late appointment of Nordale dumpsite service provider last year which resulted in cost savings.

**Transfers and Grants**

- Transfers and Grants reflect a favourable variance of 41 percent and a rand value of R55 000. Transfers and Grants relate to free basic electricity provided to Mtubatuba residents.

**Other Expenditure**

- Other Expenditure has an adverse variance of 14 percent a rand value of R3 663 000. This is because of excess expenditure in different votes.

**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) - M11 May**

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
R thousands	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	547	2,251	1,469	782	53%	1,603
Vote 4 - Community Services		150	8,000	3,500	-	1,383	3,208	(1,825)	-57%	3,500
Vote 5 - Libraries and archives		-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Economic Development		-	-	-	-	-	-	-	-	-
Vote 7 - Roads		28,208	27,200	27,982	7,212	27,952	25,650	2,302	9%	27,982
Vote 8 - Licences and permits		-	5,000	737	51	435	676	(241)	-36%	737
Vote 9 - Solid Waste		2,701	7,150	8,200	155	4,302	7,517	(3,215)	-43%	8,200
<b>Total Capital single-year expenditure</b>	4	31,915	48,250	42,022	7,965	36,324	38,520	(2,196)	-6%	42,022
<b>Total Capital Expenditure</b>		31,915	48,250	42,022	7,965	36,324	38,520	(2,196)	-6%	42,022

The Municipality has improvement in the expenditure of capital projects on all department with capital projects. Most of the project were registered late on MIG Municipal Information System in order to be approved thus delaying the project implementation, owing to reprioritization of projects.

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

**KZN275 Mtubatuba - Table C6 Monthly Budget Statement - Financial Position - M11 May**

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	6,439	9,839
Call investment deposits		360	24,740	20,000	31,145	20,000
Consumer debtors		19,707	45,383	66,483	31,591	66,483
Other debtors		-	-	-	1,485	-
Current portion of long-term receivables		1,660	-	-	-	-
Inventory		-	-	-	-	-
<b>Total current assets</b>		<b>35,212</b>	<b>74,866</b>	<b>96,322</b>	<b>70,661</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	336,905	325,347
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		322	-	262	191	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>383,093</b>	<b>371,605</b>
<b>TOTAL ASSETS</b>		<b>388,495</b>	<b>425,896</b>	<b>467,927</b>	<b>453,753</b>	<b>467,927</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		-	-	-	-	-
Borrowing		697	750	750	624	750
Consumer deposits		654	-	-	3,598	-
Trade and other payables		18,072	10,185	6,769	20,683	6,769
Provisions		2,235	8,566	8,517	4,122	8,517
<b>Total current liabilities</b>		<b>21,658</b>	<b>19,502</b>	<b>16,036</b>	<b>29,027</b>	<b>16,036</b>
<b>Non current liabilities</b>						
Borrowing		902	1,250	1,250	-	1,250
Provisions		5,948	8,566	5,173	4,687	5,173
<b>Total non current liabilities</b>		<b>6,849</b>	<b>9,816</b>	<b>6,423</b>	<b>4,687</b>	<b>6,423</b>
<b>TOTAL LIABILITIES</b>		<b>28,508</b>	<b>29,318</b>	<b>22,459</b>	<b>33,714</b>	<b>22,459</b>
<b>NET ASSETS</b>	2	<b>359,988</b>	<b>396,579</b>	<b>445,469</b>	<b>420,040</b>	<b>445,469</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated Surplus/(Deficit)		359,988	337,062	394,693	358,513	394,693
Reserves			59,516	50,776	61,526	50,776
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>359,988</b>	<b>396,579</b>	<b>445,469</b>	<b>420,040</b>	<b>445,469</b>

The statement of financial position being presented is as run to the financial system however there are system errors that the service provider is working on. The community wealth or Equity has decrease by 6 percent from R 445 469 000 to R420 040 000 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 - M11 May

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>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges		14,268	16,865	21,360	1,013	16,772	17,800	(1,028)	-6%	21,360
Service charges		2,957	4,965	3,552	96	2,712	2,960	(248)	-8%	3,552
Other revenue		4,983	3,306	2,948	207	2,516	2,456	60	2%	2,948
Government - operating		91,532	125,711	124,711	-	126,711	126,711	-		124,711
Government - capital		29,525	30,000	23,500	-	30,000	19,583	10,417	53%	23,500
Interest		761	2,128	2,431	173	2,060	2,025	35	2%	2,431
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(96,617)	(108,146)	(117,984)	(6,600)	(107,042)	(98,320)	8,722	-9%	(117,984)
Finance charges		(1,151)	(442)	(442)	(0)	(270)	(348)	(78)	22%	(442)
Transfers and Grants		-	(147)	(147)	(11)	(80)	(123)	(43)	35%	(147)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>46,258</b>	<b>74,240</b>	<b>59,928</b>	<b>(5,123)</b>	<b>73,379</b>	<b>72,745</b>	<b>(634)</b>	<b>-1%</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)	(7,677)	(47,988)	(35,019)	12,969	-37%	(42,022)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(31,954)</b>	<b>(48,250)</b>	<b>(42,022)</b>	<b>(7,677)</b>	<b>(47,988)</b>	<b>(35,019)</b>	<b>12,969</b>	<b>-37%</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)	-	(991)	(1,042)	(51)	5%	(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>(991)</b>	<b>(1,042)</b>	<b>(51)</b>	<b>5%</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>(12,800)</b>	<b>24,401</b>	<b>36,685</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		37,584	49,868			29,839

The above table reflect the statement of Cash flow of the municipality. The Municipality's Cash flow position has decrease by 25 percent in May when compared to the previous month closing cash balance. This is because of spending in all conditional and operational grants as the municipality is approaching the year end.

**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 - M11 May

Summary of Employee and Councillor remuneration	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
R thousands		A	B	C					D	
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		7,209	7,503	7,717	597	7,471	7,074	397	6%	7,717
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		-	2,501	2,572	258	2,321	2,358	(37)	-2%	2,572
Cellphone Allowance		-	1,018	930	77	745	852	(107)	-13%	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>10,537</b>	<b>10,284</b>	<b>252</b>	<b>2%</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>	3									
Basic Salaries and Wages		4,430	2,924	2,924	152	1,761	2,680	(919)	-34%	2,924
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	6	11	-	11	#DIV/0!	11
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	625	625	-	60	573	(512)	-89%	625
Motor Vehicle Allowance		-	808	808	40	380	740	(360)	-49%	808
Cellphone Allowance		-	120	120	4	46	110	(64)	-58%	120
Housing Allowances		-	554	554	15	173	508	(335)	-66%	554
Other benefits and allowances		-	741	741	4	86	679	(593)	-87%	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>220</b>	<b>2,518</b>	<b>5,291</b>	<b>(2,773)</b>	<b>-52%</b>	<b>5,782</b>
<b>% increase</b>	4		<b>30.3%</b>	<b>30.3%</b>						<b>30.5%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		37,141	22,263	27,688	2,052	22,999	22,381	618	3%	27,688
Pension and UIF Contributions		-	6,877	5,791	280	5,320	5,309	12	0%	5,791
Medical Aid Contributions		-	4,125	2,719	207	3,487	2,493	995	40%	2,719
Overtime		-	2,032	3,485	173	1,778	2,031	(253)	-12%	3,485
Performance Bonus		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		-	2,492	4,684	358	1,445	3,165	(1,720)	-54%	4,684
Cellphone Allowance		-	124	124	0	3	114	(110)	-97%	124
Housing Allowances		-	1,587	299	32	768	274	494	180%	299
Other benefits and allowances		-	1,855	963	627	1,668	883	785	89%	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>3,730</b>	<b>37,469</b>	<b>36,649</b>	<b>819</b>	<b>2%</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>4,884</b>	<b>50,523</b>	<b>52,225</b>	<b>(1,701)</b>	<b>-3%</b>	<b>62,755</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.to Council Policy
2016	M10	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	2,625,689	4,213,579	1,139,878	1,661,614	1,650,272	618,143	33,459,112	11,342,072	56,710,359	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	606,310	972,977	263,215	383,691	381,072	142,738	7,726,199	2,619,051	13,095,253	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	180,327	289,380	78,285	114,117	113,338	42,453	2,297,909	778,952	3,894,761	0	0
			2000	<b>Total By Income Source</b>	<b>3,412,326</b>	<b>5,475,936</b>	<b>1,481,378</b>	<b>2,159,422</b>	<b>2,144,682</b>	<b>803,334</b>	<b>43,483,220</b>	<b>14,740,075</b>	<b>73,700,373</b>	<b>0</b>	<b>0</b>
			2100	Debtors Age Analysis By Customer Group											
			2200	Organs of State	118,330	189,891	51,370	74,883	74,373	27,857	1,507,881	511,146	2,555,731	0	0
			2300	Commercial	497,217	797,909	215,855	314,653	312,506	117,055	6,336,025	2,147,805	10,739,025	0	0
			2400	Households	2,296,759	3,685,728	997,081	1,453,456	1,443,536	540,706	29,267,560	9,921,207	49,606,033	0	0
			2500	Other	500,020	802,408	217,072	316,430	314,267	117,716	6,371,754	2,159,917	10,799,584	0	0
			2600	<b>Total By Customer Group</b>	<b>3,412,326</b>	<b>5,475,936</b>	<b>1,481,378</b>	<b>2,159,422</b>	<b>2,144,682</b>	<b>803,334</b>	<b>43,483,220</b>	<b>14,740,075</b>	<b>73,700,373</b>	<b>0</b>	<b>0</b>

- The percentage of debtors sitting from 90 days to over a year is 86 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	M11	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	5,474,660	788,717	112,108	82,687	231,321	22,425	289,897	0	7,001,815
			0800	Auditor General	0	0	0	0	0	0	0	0	0
			0900	Other	0	0	0	0	0	0	0	0	0
			1000	<b>Total</b>	<b>5,474,660</b>	<b>788,717</b>	<b>112,108</b>	<b>82,687</b>	<b>231,321</b>	<b>22,425</b>	<b>289,897</b>	<b>0</b>	<b>7,001,815</b>

- The percentage of creditors sitting at more than 90 days is 9 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.

**Table SC5 Investment Portfolio Analysis**

KZN275 Mtubatuba - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May

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	-	154	0.0%	35,713	(5,000)	30,867
7000/7004-MONEY MARKET 3		0	Call Account	-	0	0.0%	32	-	32
7000/7002-Fixed Deposits		0	Fixed deposit	-	-	0.0%	192	-	192
<b>Municipality sub-total</b>					155		35,990	(5,000)	31,145

- 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 55 percent. Interest from investment will be used to fund other project and improve service delivery for Mtubatuba communities.



**Table SC6 Transfers and Grants Receipts**

KZN275 Mtubatuba - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M11 May

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
R thousands										
<b>RECEIPTS:</b>										
<b>Operating Transfers and Grants</b>										
National Government:		87,579	122,993	121,993	-	121,993	121,864	129	0.1%	121,993
Local Government Equitable Share		81,379	116,487	116,487	-	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	-	1,000	1,000	-		1,000
EPWP Incentive	3	1,064	1,000	1,000	-	1,000	1,000	-		1,000
		121	-	-	-	-	-	-		-
		149	-	-	-	-	-	-		-
		147	-	-	-	-	-	-		-
Municipal Infrastructure Grant Operational		484	776	776	-	776	647	129	20.0%	776
Provincial Government:		3,953	2,718	2,718	-	2,718	2,718	-		2,718
Community Library Service		251	340	340	-	340	340	-		340
Provincialisation Of Libraries		3,702	2,378	2,378	-	2,378	2,378	-		2,378
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Total Operating Transfers and Grants</b>	5	<b>91,532</b>	<b>125,711</b>	<b>124,711</b>	<b>-</b>	<b>124,711</b>	<b>124,582</b>	<b>129</b>	<b>0.1%</b>	<b>124,711</b>
<b>Capital Transfers and Grants</b>										
National Government:		29,525	30,000	23,500	-	32,000	25,500	6,500	25.5%	25,500
Municipal Infrastructure Grant (MIG)		29,040	30,000	23,500	-	30,000	23,500	6,500	27.7%	23,500
National Electrification Programme		485	-	-	-	2,000	2,000	-		2,000
Provincial Government:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]		-	-	-	-	-	-	-		-
<b>Total Capital Transfers and Grants</b>	5	<b>29,525</b>	<b>30,000</b>	<b>23,500</b>	<b>-</b>	<b>32,000</b>	<b>25,500</b>	<b>6,500</b>	<b>25.5%</b>	<b>25,500</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	<b>121,057</b>	<b>155,711</b>	<b>148,211</b>	<b>-</b>	<b>156,711</b>	<b>150,082</b>	<b>6,629</b>	<b>4.4%</b>	<b>150,211</b>

- The Municipality has receive all grants as per national treasury transfer schedule and an additional grant for National Electrification Program was receive in March to the value of two million.

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

KZN275 Mtubatuba - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M11 May

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	7,563	72,225	111,827	(39,601)	-35.4%	121,993
Local Government Equitable Share		81,379	116,487	116,487	7,066	68,125	106,780	(38,655)	-36.2%	116,487
Finance Management		1,800	1,800	1,800	257	1,743	1,650	93	5.6%	1,800
Municipal Systems Improvement		934	930	930	8	872	853	20	2.3%	930
Energy Efficiency and Demand Management		1,500	2,000	1,000	17	86	917	(830)	-90.6%	1,000
EPWP Incentive		1,064	1,000	1,000	155	997	917	80	8.8%	1,000
		121	-	-	-	-	-	-	-	-
		149	-	-	-	-	-	-	-	-
		147	-	-	-	-	-	-	-	-
#REF!		484	776	776	59	402	711	(309)	-43.5%	776
<b>Provincial Government:</b>		3,953	2,718	2,718	238	2,712	2,492	221	8.9%	2,718
Community Library Service		251	340	340	208	334	312	23	7.3%	340
Provincialisation Of Libraries		3,702	2,378	2,378	31	2,378	2,180	198	9.1%	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	7,801	74,938	114,318	(39,381)	-34.4%	124,711
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		29,525	30,000	23,500	6,487	22,735	22,875	(140)	-0.6%	25,500
Municipal Infrastructure Grant (MIG)		29,040	30,000	23,500	4,487	20,735	21,542	(807)	-3.7%	23,500
National Electrification Programme		485	-	-	2,000	2,000	1,333	667	50.0%	2,000
<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	6,487	22,735	22,875	(140)	-0.6%	25,500
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		121,057	155,711	148,211	14,288	97,673	137,193	(39,520)	-28.8%	150,211

- The performance in terms of the grant expenditure has improved in the past four months 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 - M11 May

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	-	7,399	28,360	40,208	11,849	29.5%	0
May	2,660	4,021	-	7,965	36,324	44,229	7,905	17.9%	0
June	2,660	4,021	-	-	-	48,250	-	-	-
<b>Total Capital expenditure</b>	<b>31,915</b>	<b>48,250</b>	<b>-</b>	<b>36,324</b>					

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

MTUBATUBA



UMASIPALA . MUNICIPALITY . MUNISIPALITEIT

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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 .....