

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 January 2018

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2.1. Quality Certificate

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 January 2018 are summarised below.

Table C1 Monthly Budget Statement Summary

KZN275 Mtubatuba - Table C1 Monthly Budget Statement Summary - M07 January

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	31,196	38,099	-	2,268	20,352	22,225	(1,873)	-8%	38,099
Service charges	5,953	7,776	-	575	4,045	4,536	(492)	-11%	7,776
Investment revenue	2,014	3,000	-	178	887	1,750	(863)	-49%	3,000
Transfers and subsidies	131,986	140,480	-	3,237	101,138	103,703	(2,565)	-2%	140,480
Other own revenue	13,314	13,444	-	208	3,539	7,842	(4,303)	-55%	13,444
Total Revenue (excluding capital transfers and contributions)	184,464	202,799	-	6,466	129,961	140,056	(10,095)	-7%	202,799
Employee costs	55,096	67,875	-	5,813	42,583	39,594	2,990	8%	67,875
Remuneration of Councillors	12,442	12,923	-	1,941	7,017	7,539	(521)	-7%	12,923
Depreciation & asset impairment	27,240	21,600	-	-	14,332	12,600	1,732	14%	21,600
Finance charges	2,111	1,421	-	118	829	829	(0)	-0%	1,421
Materials and bulk purchases	4,525	14,510	-	2,114	6,080	8,464	(2,385)	-28%	14,510
Transfers and subsidies	-	850	-	64	483	496	(13)	-3%	850
Other expenditure	101,711	73,225	-	4,264	35,179	42,715	(7,536)	-18%	73,225
Total Expenditure	203,125	192,405	-	14,315	106,503	112,236	(5,733)	-5%	192,405
Surplus/(Deficit)	(18,661)	10,395	-	(7,849)	23,458	27,820	(4,362)	-16%	10,395
Transfers and subsidies - capital (monetary alloc	27,791	47,832	-	2,864	35,285	37,236	(1,951)	-5%	47,832
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	9,129	58,227	-	(4,985)	58,743	65,056	(6,313)	-10%	58,227
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	9,129	58,227	-	(4,985)	58,743	65,056	(6,313)	-10%	58,227
Capital expenditure & funds sources									
Capital expenditure	53,036	55,870	-	2,873	37,584	32,591	4,993	15%	55,870
Capital transfers recognised	45,469	47,832	-	2,864	37,415	27,902	9,513	34%	47,832
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	7,567	8,038	-	10	169	4,689	(4,520)	-96%	8,038
Total sources of capital funds	53,036	55,870	-	2,873	37,584	32,591	4,993	15%	55,870
Financial position									
Total current assets	41,654	66,674	-	-	166,849	-	-	-	66,674
Total non current assets	391,347	392,481	-	-	391,985	-	-	-	392,481
Total current liabilities	33,281	7,545	-	-	91,871	-	-	-	7,545
Total non current liabilities	25,845	25,914	-	-	55,593	-	-	-	25,914
Community wealth/Equity	373,875	425,696	-	-	411,369	-	-	-	425,696
Cash flows									
Net cash from (used) operating	45,303	73,281	-	(9,424)	62,393	73,838	11,445	15%	73,281
Net cash from (used) investing	(54,217)	(52,995)	-	(2,864)	(29,592)	(30,914)	(1,322)	4%	(52,995)
Net cash from (used) financing	329	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	7,575	28,682	-	-	40,377	51,320	10,943	21%	27,861
Debtors & creditors analysis									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	4,404	7,068	1,912	2,787	2,768	1,037	56,122	19,976	96,073
Creditors Age Analysis									
Total Creditors	1,791	577	1,382	760	380	38	644	-	5,573

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

Table C4 Monthly Budget Statement (Financial Performance) Revenue and

KZN275 Mtubatuba - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates		31,196	38,099		2,268	20,352	22,225	(1,873)	-8%	38,099
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-
Service charges - water revenue		-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-
Service charges - refuse revenue		4,012	5,220		394	2,768	3,045	(277)	-9%	5,220
Service charges - other		1,941	2,556		181	1,276	1,491	(215)	-14%	2,556
Rental of facilities and equipment		235	198		19	58	116	(57)	-50%	198
Interest earned - external investments		2,014	3,000		178	887	1,750	(863)	-49%	3,000
Interest earned - outstanding debtors		8,272	7,907		12	205	4,613	(4,407)	-96%	7,907
Dividends received		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1,897	2,710		-	1,619	1,581	39	2%	2,710
Licences and permits		2,506	2,405		143	1,476	1,403	73	5%	2,405
Agency services		-	-	-	-	-	-	-	-	-
Transfers and subsidies		131,986	140,480		3,237	101,138	103,703	(2,565)	-2%	140,480
Other revenue		404	224		33	181	131	50	38%	224
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		184,464	202,799	-	6,466	129,961	140,056	(10,095)	-7%	202,799
Expenditure By Type										
Employee related costs		55,096	67,875		5,813	42,583	39,594	2,990	8%	67,875
Remuneration of councillors		12,442	12,923		1,941	7,017	7,539	(521)	-7%	12,923
Debt impairment		18,622	11,224		-	2,806	6,548	(3,741)	-57%	11,224
Depreciation & asset impairment		27,240	21,600		-	14,332	12,600	1,732	14%	21,600
Finance charges		2,111	1,421		118	829	829	(0)	0%	1,421
Bulk purchases		-	-		-	-	-	-	-	-
Other materials		4,525	14,510		2,114	6,080	8,464	(2,385)	-28%	14,510
Contracted services		23,049	20,610		2,143	15,012	12,023	2,990	25%	20,610
Transfers and subsidies		-	850		64	483	496	(13)	-3%	850
Other expenditure		59,737	41,391		2,121	17,361	24,145	(6,784)	-28%	41,391
Loss on disposal of PPE		304	-		-	-	-	-	-	-
Total Expenditure		203,125	192,405	-	14,315	106,503	112,236	(5,733)	-5%	192,405
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		(18,661)	10,395		(7,849)	23,458	27,820	(4,362)	(0)	10,395
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		27,791	47,832		2,864	35,285	37,236	(1,951)	(0)	47,832
Transfers and subsidies - capital (in-kind - all)		-	-		-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		9,129	58,227	-	(4,985)	58,743	65,056			58,227
Taxation		-	-		-	-	-	-	-	-
Surplus/(Deficit) after taxation		9,129	58,227	-	(4,985)	58,743	65,056			58,227
Attributable to minorities		-	-		-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		9,129	58,227	-	(4,985)	58,743	65,056			58,227
Share of surplus/ (deficit) of associate		-	-		-	-	-	-	-	-
Surplus/ (Deficit) for the year		9,129	58,227	-	(4,985)	58,743	65,056			58,227

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 Property Rates, Service Charge: Refuse, Fines, Penalties and forfeits, licences and permits, Transfers and Subsidies. The following income components has the variances:

Service Charge Other

- Services charge other has an adverse variance of 14 percent and a rand value of R215 000. This relates to billing for security services that the municipality provided to St Lucia residents. The municipality will review this service and monitor its performance after the adjustment budget.

Rentals of Facilities and Equipment

- Rentals of Facilities reflect an adverse variance of 50 percent and a rand value of R57 000. This is because rentals of facilities are booked mostly during holidays. There has been an improvement in rentals when compared to the past six months. The municipality will adjust this line item and monitor performance.

Interest Earned External Investments

- Interest Earned External Investment reflects an adverse variance of 49 percent and a rand value of R863 000. This is because of high expenditure which results in a decrease in funds from investment accounts. The Municipality will adjust this line item and monitor performance.

Interest outstanding debtors

- Interest Earned Outstanding debtors reflect an adverse variance of 96 percent and a rand value of R4 407 000. This is because of system technicalities that the municipality has experienced in the first quarter due to mSCOA implementation. The Municipality will rerun the interest on the financial system and evaluate the performance on this line item.

Other Revenue

- Other Revenue reflects a favourable variance of 38 percent and a rand value of R50 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 mentioned items are non-recurring transactions and the income received from other revenue is fluctuating on a month-to-month basis.

There were no material variance in the expenditure component of Employee Related Cost, Remuneration of councillors, Finance charges and transfers and subsidies. The following expenditure components has the variances.

Debt Impairment

- Debt impairment reflect a favourable variance of 57 percent which amounts to R3 741 000. The Municipality thoroughly reviews and perform debt impairment at year end. The municipality will monitor performance in this line item.

Depreciation and Assets Impairment

- Depreciation and Assets Impairment reflect an adverse variance of 14 percent and a rand value of R1 732 0000. This is because the depreciation on new item which were capitalized at the start of the financial year and the under allocation of depreciation. The municipality will adjust this line item upwards and monitor performance.

Other Materials

- Other Materials reflect a favourable variance of 28 percent and a rand value of R2 385 000. There has been improvement in this variance when compared to the past months. This relates to repairs of storm water upgrade, community hall and other repairs on municipal buildings. The municipality will adjust this line item and monitor performance.

Contracted Services

- Contracted Services reflect an adverse variance of 25 percent and a rand value of R2 990 000. This high expenditure relates to the maintenance of urban road, internal roads, buildings and storm water

Other Expenditure

- Other Expenditure has a favourable variance of 28 percent and a rand value of R6 784 000. This is because of cost cutting measures on other items of an operational nature. The municipality will adjust this line item and monitor performance.

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

KZN275 Mtubatuba - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

Vote Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		1,523	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury		-	300	-	-	-	175	(175)	-100%	300
Vote 3 - Corporate Services		1,150	400	-	10	169	233	(65)	-28%	400
Vote 4 - Community Services		1,700	700	-	-	-	408	(408)	-100%	700
Vote 5 - Libraries and archives		-	-	-	-	-	-	-	-	-
Vote 6 - Planning and Economic Development		-	210	-	-	-	123	(123)	-100%	210
Vote 7 - Roads		47,713	53,360	-	2,864	37,415	31,127	6,289	20%	53,360
Vote 8 - Licences and permits		100	100	-	-	-	58	(58)	-100%	100
Vote 9 - Solid Waste		850	800	-	-	-	467	(467)	-100%	800
Total Capital single-year expenditure	4	53,036	55,870	-	2,873	37,584	32,591	4,993	15%	55,870
Total Capital Expenditure		53,036	55,870	-	2,873	37,584	32,591	4,993	15%	55,870

The municipality has spent more on capital expenditure when compared to the approved budget. The high expenditure is on project funded by Municipal Infrastructure Grant and Integrated National Electrification Program. The Municipality has not yet procured one off asset relating to plant and equipment that was going to be funded internally. The municipality will start the process of procuring those assets in March after the adjustment budget.

Table C6 Monthly Budget Statement- Financial Position

KZN275 Mtubatuba - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		4,205	3,682	-	2,417	3,682
Call investment deposits		3,370	25,000	-	37,960	25,000
Consumer debtors		28,882	34,516	-	96,073	34,516
Other debtors		1,719	1,142	-	13,825	1,142
Current portion of long-term receivables		3,477	2,333	-	16,574	2,333
Inventory		-	-	-	-	-
Total current assets		41,654	66,674	-	166,849	66,674
Non current assets						
Long-term receivables		-	-	-	-	-
Investments		-	-	-	-	-
Investment property		41,634	41,936	-	41,628	41,936
Investments in Associate		-	-	-	-	-
Property, plant and equipment		348,067	350,272	-	349,737	350,272
Agricultural		-	-	-	-	-
Biological assets		-	-	-	-	-
Intangible assets		621	109	-	-	109
Other non-current assets		1,025	165	-	620	165
Total non current assets		391,347	392,481	-	391,985	392,481
TOTAL ASSETS		433,001	459,155	-	558,834	459,155
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Borrowing		-	49	-	-	49
Consumer deposits		1,213	-	-	6	-
Trade and other payables		4,389	4,968	-	21,250	4,968
Provisions		27,679	2,528	-	70,616	2,528
Total current liabilities		33,281	7,545	-	91,871	7,545
Non current liabilities						
Borrowing		-	-	-	-	-
Provisions		25,845	25,914	-	55,593	25,914
Total non current liabilities		25,845	25,914	-	55,593	25,914
TOTAL LIABILITIES		59,126	33,459	-	147,465	33,459
NET ASSETS	2	373,875	425,696	-	411,369	425,696
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		373,875	425,696	-	411,369	425,696
Reserves		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	373,875	425,696	-	411,369	425,696

The above statement of financial position depicts the net decrease in community wealth or Equity by 3 percent when compared to the approved budget. The decrease is insignificant.

Table C7 Monthly Budget Statement- Cash Flow

KZN275 Mtubatuba - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		19,458	25,908		1,528	14,897	15,113	(216)	-1%	25,908
Service charges		2,977	5,288		89	1,869	3,085	(1,216)	-39%	5,288
Other revenue		3,347	3,900		391	2,191	2,275	(84)	-4%	3,900
Government - operating		131,986	140,480		-	105,530	103,703	1,827	2%	140,480
Government - capital		27,791	47,832		-	42,775	37,236	5,539	15%	47,832
Interest		2,014	3,000		-	750	1,750	(1,000)	-57%	3,000
Dividends		-	-		-	-	-	-		-
Payments										
Suppliers and employees		(141,951)	(152,134)		(11,367)	(105,256)	(88,745)	16,511	-19%	(152,134)
Finance charges		(223)	(142)		-	-	(83)	(83)	100%	(142)
Transfers and Grants		(96)	(850)		(64)	(364)	(496)	(132)	27%	(850)
NET CASH FROM/(USED) OPERATING ACTIVITIES		45,303	73,281	-	(9,424)	62,393	73,838	11,445	15%	73,281
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		(185)	-	-	-	-	-	-		-
Decrease (Increase) in non-current debtors		-	-	-	-	-	-	-		-
Decrease (increase) other non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		(54,033)	(52,995)		(2,864)	(29,592)	(30,914)	(1,322)	4%	(52,995)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(54,217)	(52,995)	-	(2,864)	(29,592)	(30,914)	(1,322)	4%	(52,995)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		(49)	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		378	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		329	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		(8,586)	20,286	-	(12,288)	32,801	42,924			20,286
Cash/cash equivalents at beginning:		16,161	8,396			7,575	8,396			7,575
Cash/cash equivalents at month/year end:		7,575	28,682			40,377	51,320			27,861

The above table reflect the statement of Cash flow of the municipality. The Municipality's Cash flow position has a net decrease of 23 percent in January when compared to December closing cash balance. There has been an improvement in spending when compared to the past months due to application of cost cutting measures on other items of an operational nature.

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 - M07 January

Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18							
		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
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		8,859	8,900		1,575	4,386	4,450	(64)	-1%	8,900
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		2,629	2,967		218	2,015	2,560	(545)	-21%	2,967
Cellphone Allowance		954	1,056		148	616	528	88	17%	1,056
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		12,442	12,923	-	1,941	7,017	7,538	(522)	-7%	12,923
% increase	4		3.9%							3.9%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	3,163	7,964		267	775	4,646	(3,870)	-83%	7,964
Pension and UIF Contributions		91	179		-	-	104	(104)	-100%	179
Medical Aid Contributions		-	147		9	41	86	(45)	-52%	147
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	218	-	-	-	127	(127)	-100%	218
Motor Vehicle Allowance		386	613		58	275	357	(82)	-23%	613
Cellphone Allowance		51	-		2	15	-	15	#DIV/0!	-
Housing Allowances		188	163		24	130	95	35	37%	163
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		3,880	9,283	-	360	1,237	5,415	(4,178)	-77%	9,283
% increase	4		139.3%							139.3%
Other Municipal Staff										
Basic Salaries and Wages		27,669	41,198		3,050	26,475	24,032	2,443	10%	41,198
Pension and UIF Contributions		5,767	6,598		572	3,560	3,849	(288)	-7%	6,598
Medical Aid Contributions		2,861	3,487		572	2,479	2,034	445	22%	3,487
Overtime		850	1,001		536	3,063	584	2,479	425%	1,001
Performance Bonus		2,383	-		-	-	-	-	-	-
Motor Vehicle Allowance		2,696	3,324		718	3,583	1,939	1,644	85%	3,324
Cellphone Allowance		4	30		7	38	17	20	117%	30
Housing Allowances		790	612		-	1,005	357	649	182%	612
Other benefits and allowances		8,197	2,343		-	1,143	1,367	(224)	-16%	2,343
Payments in lieu of leave		-	-		-	-	-	-	-	-
Long service awards		-	-		-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-		-	-	-	-	-	-
Sub Total - Other Municipal Staff		51,217	58,592	-	5,453	41,347	34,179	7,168	21%	58,592
% increase	4		14.4%							14.4%
Total Parent Municipality		67,539	80,798	-	7,753	49,600	47,132	2,468	5%	80,798
Unpaid salary, allowances & benefits in arrears:										

The above table depict the councillors and staff benefits. There was no material variance to employee related cost and remuneration to councillors as explained under table C4.

Table SC3 Aged Debtors

KZN275 Mtubatuba - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	NT Code	Budget Year 2017/18									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	2,899	4,652	1,259	1,835	1,822	683	36,943	12,523	62,616	53,806	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1,128	1,810	490	714	709	266	14,376	4,873	24,366	20,938	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	377	605	164	239	237	89	4,803	2,579	9,091	7,946	-	-
Total By Income Source	2000	4,404	7,068	1,912	2,787	2,768	1,037	56,122	19,976	96,073	82,690	-	-
2016/17 - totals only		4,084	6,553	1,773	2,584	2,567	961	55,937	15,637	90,097	77,687	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	282	453	122	178	177	66	3,593	1,218	6,091	5,234	-	-
Commercial	2300	728	1,168	316	461	458	171	9,279	3,145	15,726	13,514	-	-
Households	2400	2,945	4,727	1,279	1,864	1,851	693	37,534	12,723	63,616	54,665	-	-
Other	2500	449	720	195	284	282	106	5,716	2,889	10,640	9,277	-	-
Total By Customer Group	2600	4,404	7,068	1,912	2,787	2,768	1,037	56,122	19,976	96,073	82,690	-	-

- The percentage of debtors sitting from 90 days to a year is 91 percent. Long outstanding debtors are as a result of no write-off of long outstanding debtors arising from the past financial year and a shortage of staff in the collection section. The municipality has started the processes of putting additional resource to the revenue section.

Table SC4 Aged Creditors

KZN275 Mtubatuba - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	NT Code	Budget Year 2017/18									Prior year totals for chart (same period)	
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total		
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	1,791	577	1,382	760	380	38	644	-	5,573	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1,791	577	1,382	760	380	38	644	-	5,573	-	-

- The percentage of creditors sitting at more than 90 days is 33 percent. The Municipality is trying by all means to settle those creditors sitting at more than 90 days.

Table SC5 Investment Portfolio Analysis

KZN275 Mtubatuba - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID R thousands	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							
Municipality									
FNB Fixed Deposit		1 year	Security	0	-	0.0%	192	-	192
FNB Money Market 1		1 year	Call Account	0	6	0.0%	1,384	-	1,390
FNB Money Market 2		1 year	Call Account	0	165	0.0%	40,411	5,000	35,576
FNB Money Market 3		1 year	Call Account	0	0	0.0%	35	-	35
Investec Fixed Deposit		1 year	Call Account	0	1	0.0%	149	-	150
Ithala Corporate Fixed Deposit		1 year	Call Account	0	4	0.0%	487	-	491
Nedbank Limited Investment		1 year	Call Account	0	1	0.0%	126	-	126
Municipality sub-total					178		42,782	5,000	37,960

- The municipal investments have decrease by five million in the month of January 2018.

Table SC6 Transfers and Grants Receipts

KZN275 Mtubatuba - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:		126,073	137,202	-	-	103,703	103,703	-		137,202
Local Government Equitable Share		119,414	132,131			99,099	99,099	-		132,131
Finance Management		1,825	1,900			1,900	1,900			1,900
Municipal Systems Improvement		-	-			-	-			-
Energy Efficiency and Demand Management		914	-			-	-			-
EPWP Incentive		1,408	1,558			1,091	1,091			1,558
Municipal Infrastructure Grant Operational	3	2,512	1,613			1,613	1,613			1,613
		-	-	-		-	-			-
Provincial Government:		2,805	3,278	-	-	1,827	1,827			3,278
Community Library Service		400	376			376	376			376
Provincialisation Of Libraries		2,405	2,902			1,451	1,451			2,902
		-	-	-		-	-			-
Department of Sport Caretakers	4	-	-			-	-			-
District Municipality:		-	-	-		-	-			-
<i>[insert description]</i>										
Other grant providers:		-	-	-		-	-			-
<i>[insert description]</i>										
Total Operating Transfers and Grants	5	128,878	140,480	-	-	105,530	105,530			140,480
Capital Transfers and Grants										
National Government:		41,791	44,640	-	-	35,640	35,640			44,640
Municipal Infrastructure Grant (MIG)		27,791	30,640			23,640	23,640			30,640
National Electrification Programme		14,000	14,000			12,000	12,000			14,000
Energy Efficiency and Demand Management		-	-			-	-			-
Other capital transfers <i>[insert description]</i>										
Provincial Government:		4,000	3,192	-	-	7,135	7,135			3,192
DSR - Sports Facilities (Infrastructure)		4,000	3,192			7,135	7,135			3,192
District Municipality:		-	-	-		-	-			-
<i>[insert description]</i>										
Other grant providers:		-	-	-		-	-			-
<i>[insert description]</i>										
Total Capital Transfers and Grants	5	45,791	47,832	-	-	42,775	42,775			47,832
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	174,669	188,312	-	-	148,305	148,305			188,312

➤ Transfers grant receipts is in line with Treasury transfer's schedule. No grants has been received in the month of January.

Table SC7 (1) Transfers and Grant Expenditure

KZN275 Mtubatuba - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January

Description	Ref	2016/17	Budget Year 2017/18							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		126,073	137,202	-	11,165	78,207	80,034	(1,827)	-2.3%	137,202
Local Government Equitable Share		119,414	132,131		10,791	76,243	77,076	(834)	-1.1%	132,131
Finance Management		1,825	1,900		263	1,276	1,108	168	15.1%	1,900
Municipal Systems Improvement		-	-		-	-	-	-		-
Energy Efficiency and Demand Management		914	-		-	-	-	-		-
EPWP Incentive		1,408	1,558		111	688	909	(220)	-24.3%	1,558
Municipal Infrastructure Grant Operational		2,512	1,613		-	-	941	(941)	-100.0%	1,613
		-	-		-	-	-	-		-
Provincial Government:		2,805	3,278	-	267	2,486	1,912	574	30.0%	3,278
Community Library Service		400	376		37	266	219	46	21.2%	376
Provincialisation Of Libraries		2,405	2,902		230	2,221	1,693	528	31.2%	2,902
District Municipality:		-	-	-	-	-	-	-		-
		-	-		-	-	-	-		-
<i>[insert description]</i>		-	-		-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
		-	-		-	-	-	-		-
<i>[insert description]</i>		-	-		-	-	-	-		-
Total operating expenditure of Transfers and Grants:		128,878	140,480	-	11,432	80,694	81,946	(1,253)	-1.5%	140,480
Capital expenditure of Transfers and Grants										
National Government:		41,791	44,640	-	2,864	31,203	26,040	5,163	19.8%	44,640
Municipal Infrastructure Grant (MIG)		27,791	30,640		2,864	22,238	17,874	4,365	24.4%	30,640
National Electrification Programme		14,000	14,000		-	8,965	8,167	799	9.8%	14,000
Other capital transfers <i>[insert description]</i>		-	-		-	-	-	-		-
Provincial Government:		4,000	3,192	-	-	1,219	1,862	(643)	-34.5%	3,192
DSR - Sports Facilities (Infrastructure)		4,000	3,192		-	1,219	1,862	(643)	-34.5%	3,192
		-	-		-	-	-	-		-
District Municipality:		-	-	-	-	-	-	-		-
		-	-		-	-	-	-		-
Other grant providers:		-	-	-	-	-	-	-		-
		-	-		-	-	-	-		-
Total capital expenditure of Transfers and Grants		45,791	47,832	-	2,864	32,422	27,902	4,520	16.2%	47,832
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		174,669	188,312	-	14,295	113,116	109,849	3,267	3.0%	188,312

- The spending in terms of the capital and operational grant is in line with the budget.

Table SC12 Capital Expenditure Trend

KZN275 Mtubatuba - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	4,420	4,656	-	11,387	11,387	4,656	(6,731)	-144.6%	20%
August	4,420	4,656	-	246	11,633	9,312	(2,322)	-24.9%	21%
September	4,420	4,656	-	6,770	18,403	13,967	(4,436)	-31.8%	33%
October	4,420	4,656	-	637	19,040	18,623	(417)	-2.2%	34%
November	4,420	4,656	-	6,270	25,310	23,279	(2,030)	-8.7%	45%
December	4,420	4,656	-	9,401	34,711	27,935	(6,776)	-24.3%	62%
January	4,420	4,656	-	2,873	37,584	32,591	(4,993)	-15.3%	67%
February	4,420	4,656	-			37,247	-		
March	4,420	4,656	-			41,902	-		
April	4,420	4,656	-			46,558	-		
May	4,420	4,656	-			51,214	-		
June	4,420	4,656	-			55,870	-		
Total Capital expenditure	53,036	55,870	-	37,584					

- The above table depict capital expenditure for the first 7 months starting from July 2018 to January 2018. The municipality has spent 67 percent from the start of the financial year to date as reflected in the above table. The spending pattern for capital expenditure is in line with the budget.

MTUBATUBA



UMASIPALA . MUNICIPALITY . MUNISIPALITEIT

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



52 Mtubatuba 3935



(035) 550 0069



Fax (035) 550 0060

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

MTUBATUBA



UMASIPALA . MUNICIPALITY . MUNISIPALITEIT

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(035) 550 0069



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31 January 2018

Prepared by: Mr V.K Gumede (Accountant: Budget, Compliance and Reporting)

Date:

Signature:

Reviewed by: Mrs N.N Shandu (Chief Financial Officer)

Date:

Signature:

Approved by: Mr J A Mngomezulu (Municipal Manager)

Date:

Signature:

Received by Cllr V.M Gumede (Mayor)

Date:

Signature: