

REPORT ON S71 OF THE MFMA FOR THE PERIOD ENDING 28 FEBRUARY 2017

1. PART 1 – MONTHLY REPORT

1.1 PURPOSE

To table the monthly expenditure report in terms of s71 of the MFMA for the period ending 28 February 2017 to Finance and Corporate Services Committee.

LEGAL FRAMEWORK

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

1.2 Executive Summary or Background

Legislative Requirements

In terms of the section 71 of the MFMA the accounting officer 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 the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a)* Actual revenue, per revenue source;
- (b)* actual borrowings;
- (c)* actual expenditure, per vote;
- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;

- (f)* actual expenditure on those allocations, excluding expenditure on—
 - (i) its share of the local government equitable share; and
 - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g)* when necessary, an explanation of—
 - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
 - (ii) any material variances from the service delivery and budget implementation plan; and
 - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

DELIBERATION

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Finance and Corporate Services Committee on the progress made thus far in terms of implementing the 2016/2017 budget for the period ending 28 February 2017.

1.3 Resolutions

This report will be tabled to Executive committee and therefore the resolution will be available once it tabled to council in terms of Sec 52 (d) of the MFMA.

Revenue by Source

The original approved revenue for the 2016/17 budget amounts to R686, 5m. The year to date actual revenue for the period ended 28 February 2017 amounted to R547m which is 120% of the Year to Date (YTD) budget. The year to date revenue is largely constituted of the Operational & Capital grant receipts with the Water & Sanitation Revenue contributing to the balance.

Borrowings

The balance of borrowings amounts to R19m at the end of February 2017 for ABSA loan.

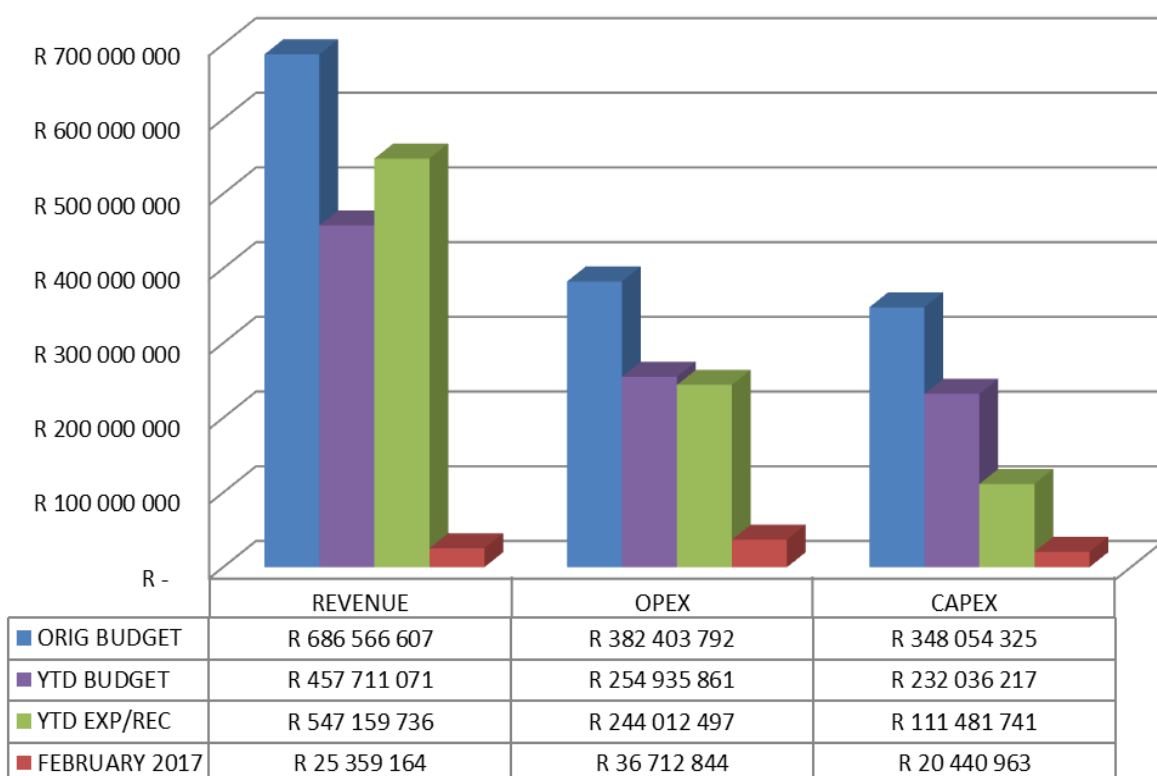
Operating expenditure by vote & type

The total operating budget for the current year amounts to R382, 4m. The YTD Operating expenditure for the month ended 28 February amounted to R244m against a year to date (YTD) budget of R254, 9m. The actual YTD expenditure represented 96% of the planned.

Capital expenditure

The total capital budget for the current year amounts to R348m. The YTD expenditure on capital amounts to R111, 4million, or 48% of the planned expenditure. Capital expenditure is mainly funded by means of national grants in the form of Municipal Infrastructure Grant.

Chart 1: Budget vs. Expenditure Summary

BUDGET SUMMARY FEBRUARY 2017**Cash flows**

The municipality started the year with a positive cashbook balance of R5, 8 million and the closing cash and cash equivalents as at the end of February 2017 was R104, 9million. Refer to Supporting Table C6 for more detail on the cash position.

Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2016/2017 first quarter have been received as per payment schedule. Total grants receipts amounted to R543million, being made up of R207million operational and R336million capital grants. Operational grants are largely defined by the Equitable Share while capital grants are largely constituted of the Municipal Infrastructure Grant.

1.4 Monthly Budget Statement Tables

Monthly Budget Statements Summary

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table C1 Monthly Budget Statement Summary - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	55 822	60 553	15 565	33 547	40 369	(6 822)	-17%	60 553
Investment revenue	3 375	3 500	588	3 722	2 333	1 389	60%	3 500
Transfers recognised - operational	260 403	277 632	-	199 623	185 088	14 535	8%	277 632
Other own revenue	9 098	9 109	1 537	12 023	6 073	5 950	98%	9 109
Total Revenue (excluding capital transfers and contributions)	328 699	350 794	17 690	248 915	233 863	15 053	6%	350 794
Employee costs	116 031	125 313	11 012	89 732	83 542	6 190	7%	125 313
Remuneration of Councillors	7 321	7 906	489	3 599	5 271	(1 672)	-32%	7 906
Depreciation & asset impairment	30 000	31 874	3 352	26 882	21 250	5 633	27%	31 874
Finance charges	1 114	1 926	-	1 010	1 284	(274)	-21%	1 926
Materials and bulk purchases	9 852	10 709	1 551	4 431	7 140	(2 709)	-38%	10 709
Transfers and grants	18 096	20 000	-	13 333	13 333	0	0%	20 000
Other expenditure	204 636	184 675	20 309	105 026	123 117	(18 090)	-15%	184 675
Total Expenditure	387 050	382 404	36 713	244 012	254 936	(10 923)	-4%	382 404
Surplus/(Deficit)	(58 351)	(31 610)	(19 023)	4 903	(21 073)	25 976	-123%	(31 610)
Transfers recognised - capital	244 290	335 772	7 669	298 244	223 848	74 396	33%	335 772
Contributions & Contributed assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	185 939	304 163	(11 354)	303 147	202 775	100 372	49%	304 163
Surplus/ (Deficit) for the year	185 939	304 163	(11 354)	303 147	202 775	100 372	49%	304 163
Capital expenditure & funds sources								
Capital expenditure	250 238	348 054	20 441	111 482	232 036	(120 554)	-52%	348 054
Capital transfers recognised	244 290	335 772	19 999	110 589	223 848	(113 259)	-51%	335 772
Internally generated funds	5 948	12 282	442	892	8 188	(7 296)	-89%	12 282
Total sources of capital funds	250 238	348 054	20 441	111 482	232 036	(120 554)	-52%	348 054
Financial position								
Total current assets	65 577	96 627		170 804				96 627
Total non current assets	1 572 358	1 914 112		1 739 102				1 914 112
Total current liabilities	108 886	60 999		98 077				60 999
Total non current liabilities	31 018	29 859		44 373				29 859
Community wealth/Equity	1 498 031	1 919 882		1 767 456				1 919 882
Cash flows								
Net cash from (used) operating	263 590	329 265	(11 430)	199 109	219 510	20 401	9%	329 265
Net cash from (used) investing	(276 912)	(310 943)	(4 467)	(98 532)	(207 295)	(108 763)	52%	(310 943)
Net cash from (used) financing	(2 694)	(2 822)	-	(1 453)	(1 881)	(428)	23%	178
Cash/cash equivalents at the month/year end	9 855	35 377	-	104 942	30 210	(74 732)	-247%	24 319
Debtors & creditors analysis								
	0-30 Days	31-60 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis								
Total By Income Source	19 202	5 257	3 898	3 083	3 100	15 720	124 805	178 980
Creditors Age Analysis								
Total Creditors	385	-	-	-	-	-	-	385

Financial Performance

Table C2 provides the statement of financial performance by standard classification.

DC43 Harry Gwala - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue - Standard								
<i>Governance and administration</i>	255 059	274 973	2 028	209 463	183 315	26 147	14%	274 973
Executive and council	-	-	-	-	-	-	-	-
Budget and treasury office	255 059	274 973	2 028	209 463	183 315	26 147	14%	274 973
Corporate services	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	1 100	400	-	-	267	(267)	-100%	400
Planning and development	1 100	400	-	-	267	(267)	-100%	400
<i>Trading services</i>	316 829	411 194	23 331	337 697	274 129	63 568	23%	411 194
Electricity	-	-	-	-	-	-	-	-
Water	56 539	60 550	15 662	34 188	40 367	(6 178)	-15%	60 550
Waste water management	260 290	350 644	7 669	303 509	233 763	69 746	30%	350 644
Waste management	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-
Total Revenue - Standard	572 988	686 567	25 359	547 160	457 711	89 449	20%	686 567
Expenditure - Standard								
<i>Governance and administration</i>	131 608	143 616	10 735	73 050	95 744	(22 695)	-24%	143 616
Executive and council	24 484	29 224	1 412	13 158	19 482	(6 324)	-32%	29 224
Budget and treasury office	63 444	64 031	3 315	23 305	42 688	(19 383)	-45%	64 031
Corporate services	43 680	50 362	6 007	36 587	33 574	3 013	9%	50 362
<i>Economic and environmental services</i>	52 428	58 937	3 149	33 937	39 291	(5 354)	-14%	58 937
Planning and development	52 428	58 937	3 149	33 937	39 291	(5 354)	-14%	58 937
<i>Trading services</i>	203 013	179 851	22 829	137 025	119 900	17 125	14%	179 851
Electricity	-	-	-	-	-	-	-	-
Water	159 142	146 344	18 413	93 320	97 563	(4 242)	-4%	146 344
Waste water management	43 872	33 506	4 415	43 705	22 338	21 367	96%	33 506
Waste management	-	-	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-	-	-
Total Expenditure - Standard	387 050	382 404	36 713	244 012	254 936	(10 923)	-4%	382 404
Surplus/ (Deficit) for the year	185 939	304 163	(11 354)	303 147	202 775	100 372	49%	304 163

This table assess the revenue by department and then the expenditure for the period ending 28 February 2017. Revenue receipts in February have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of February is 5%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has largest expenditure by 15% in the period ending 28 February 2017. This being largely attributable to the backlog demand of operations and maintenance of water schemes in the District.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Mayor	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager Admin	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Administration	255 059	274 973	2 028	209 463	183 315	26 147	14,3%	274 973
Vote 4 - Corporate services admin	-	-	-	-	-	-	-	-
Vote 5 - Social economic & development planning admin	1 100	400	-	-	267	(267)	-100,0%	400
Vote 6 - Infrastructure services admin	260 290	350 644	7 669	303 509	233 763	69 746	29,8%	350 644
Vote 7 - Water services admin	56 539	60 550	15 662	34 188	40 367	(6 178)	-15,3%	60 550
Total Revenue by Vote	572 988	686 567	25 359	547 160	457 711	89 449	19,5%	686 567
Expenditure by Vote								
Vote 1 - Mayor	12 024	12 382	611	5 178	8 255	(3 076)	-37,3%	12 382
Vote 2 - Municipal Manager Admin	12 460	16 841	801	7 980	11 227	(3 248)	-28,9%	16 841
Vote 3 - Budget & Treasury Administration	63 444	64 031	3 315	23 305	42 688	(19 383)	-45,4%	64 031
Vote 4 - Corporate services admin	43 680	50 362	6 007	36 587	33 574	3 013	9,0%	50 362
Vote 5 - Social economic & development planning admin	52 428	58 937	3 149	33 937	39 291	(5 354)	-13,6%	58 937
Vote 6 - Infrastructure services admin	43 872	34 982	4 415	43 705	23 321	20 384	87,4%	34 982
Vote 7 - Water services admin	159 142	144 869	18 413	93 320	96 579	(3 259)	-3,4%	144 869
Total Expenditure by Vote	387 050	382 404	36 713	244 012	254 936	(10 923)	-4,3%	382 404
Surplus/ (Deficit) for the year	185 939	304 163	(11 354)	303 147	202 775	100 372	49,5%	304 163

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 28 February 2017.

DC43 Harry Gwala - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Service charges - water revenue	38 329	40 714	10 895	23 483	27 143	(3 659)	-13%	40 714
Service charges - sanitation revenue	16 461	17 449	4 669	10 064	11 633	(1 568)	-13%	17 449
Service charges - refuse revenue	-	-	-	-	-	-	-	-
Service charges - other	1 032	2 391	-	-	1 594	(1 594)	-100%	2 391
Rental of facilities and equipment	-	-	-	-	-	-	-	-
Interest earned - external investments	3 375	3 500	588	3 722	2 333	1 389	60%	3 500
Interest earned - outstanding debtors	8 000	8 500	1 381	10 666	5 667	5 000	88%	8 500
Transfers recognised - operational	260 403	277 632	-	199 623	185 088	14 535	8%	277 632
Other revenue	1 098	609	157	1 357	406	950	234%	609
Gains on disposal of PPE	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)	328 699	350 794	17 690	248 915	233 863	15 053	6%	350 794
Expenditure By Type								
Employee related costs	116 031	125 313	11 012	89 732	83 542	6 190	7%	125 313
Remuneration of councillors	7 321	7 906	489	3 599	5 271	(1 672)	-32%	7 906
Debt impairment	24 692	25 394	-	-	16 929	(16 929)	-100%	25 394
Depreciation & asset impairment	30 000	31 874	3 352	26 882	21 250	5 633	27%	31 874
Finance charges	1 114	1 926	-	1 010	1 284	(274)	-21%	1 926
Bulk purchases	9 852	10 709	1 551	4 431	7 140	(2 709)	-38%	10 709
Other materials	-	-	-	-	-	-	-	-
Contracted services	53 356	44 923	3 191	15 714	29 949	(14 235)	-48%	44 923
Transfers and grants	18 096	20 000	-	13 333	13 333	0	0%	20 000
Other expenditure	126 589	114 358	17 119	89 312	76 239	13 074	17%	114 358
Loss on disposal of PPE	-	-	-	-	-	-	-	-
Total Expenditure	387 050	382 404	36 713	244 012	254 936	(10 923)	-4%	382 404
Surplus/(Deficit)	(58 351)	(31 610)	(19 023)	4 903	(21 073)	25 976	(0)	(31 610)
Transfers recognised - capital	244 290	335 772	7 669	298 244	223 848	74 396	0	335 772
Contributions recognised - capital	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	185 939	304 163	(11 354)	303 147	202 775			304 163
Surplus/(Deficit) after taxation	185 939	304 163	(11 354)	303 147	202 775			304 163
Surplus/(Deficit) attributable to municipality	185 939	304 163	(11 354)	303 147	202 775			304 163
Surplus/ (Deficit) for the year	185 939	304 163	(11 354)	303 147	202 775			304 163

Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

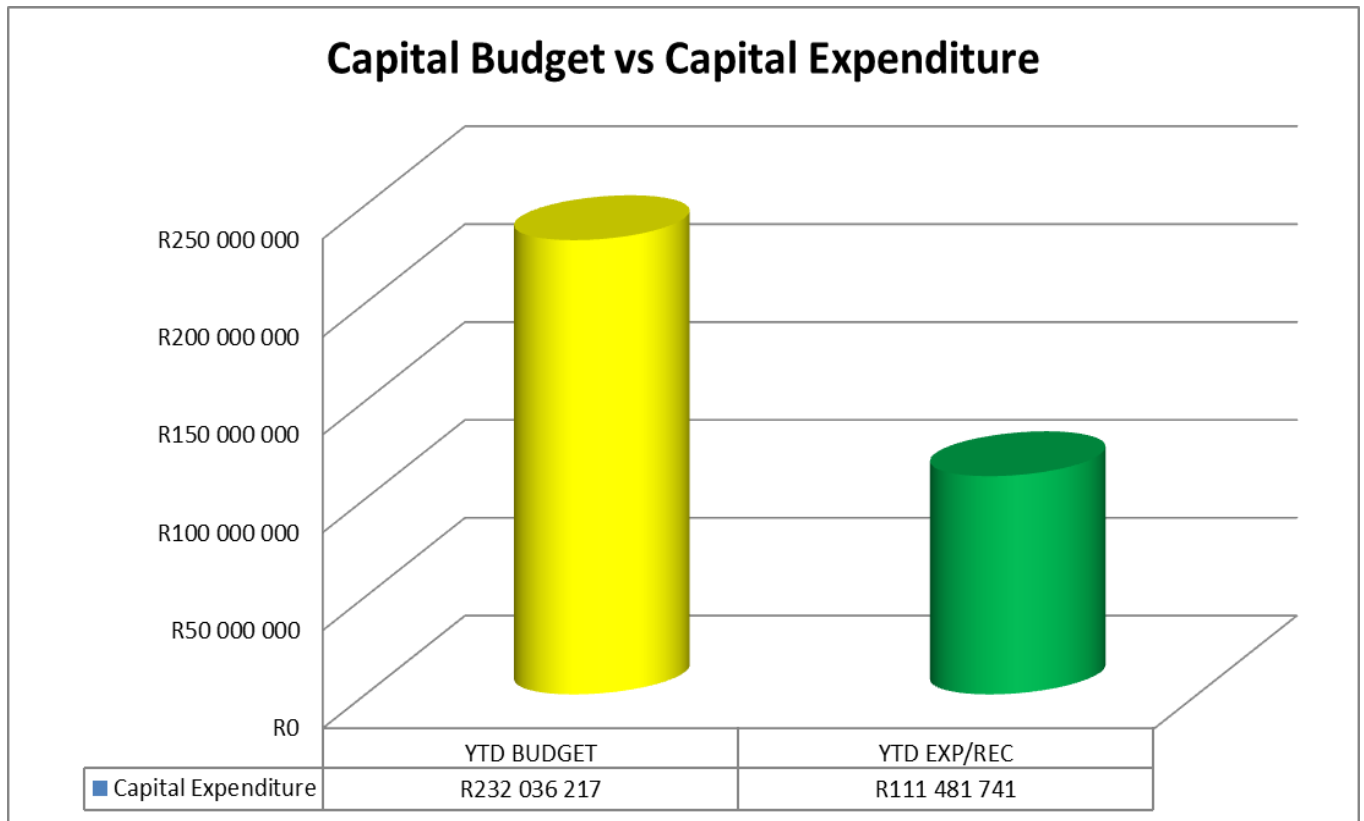
DC43 Harry Gwala - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M08 February

Vote Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Multi-Year expenditure appropriation								
Vote 1 - Mayor	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager Admin	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Administration	-	-	-	-	-	-	-	-
Vote 4 - Corporate services admin	1 643	4 624	442	892	3 082	(2 190)	-71%	4 624
Vote 5 - Social economic & development planning admin	400	1 117	-	-	744	(744)	-100%	1 117
Vote 6 - Infrastructure services admin	244 590	337 272	19 999	110 589	224 848	(114 259)	-51%	337 272
Vote 7 - Water services admin	3 605	5 042	-	-	3 361	(3 361)	-100%	5 042
Total Capital Multi-year expenditure	250 238	348 054	20 441	111 482	232 036	(120 554)	-52%	348 054
Total Capital Expenditure	250 238	348 054	20 441	111 482	232 036	(120 554)	-52%	348 054
Capital Expenditure - Standard Classification								
Governance and administration	1 643	4 624	442	892	3 082	(2 190)	-71%	4 624
Executive and council	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-
Corporate services	1 643	4 624	442	892	3 082	(2 190)	-71%	4 624
Community and public safety	-	-	-	-	-	-	-	-
Economic and environmental services	400	1 117	-	-	744	(744)	-100%	1 117
Planning and development	400	1 117	-	-	744	(744)	-100%	1 117
Trading services	248 195	342 314	19 999	110 589	228 210	(117 620)	-52%	342 314
Electricity	-	-	-	-	-	-	-	-
Water	3 605	5 042	-	-	3 361	(3 361)	-100%	5 042
Waste water management	244 590	337 272	19 999	110 589	224 848	(114 259)	-51%	337 272
Total Capital Expenditure - Standard Classification	250 238	348 054	20 441	111 482	232 036	(120 554)	-52%	348 054
Funded by:								
National Government	244 290	335 772	19 999	110 589	223 848	(113 259)	-51%	335 772
Provincial Government	-	-	-	-	-	-	-	-
Transfers recognised - capital	244 290	335 772	19 999	110 589	223 848	(113 259)	-51%	335 772
Internally generated funds	5 948	12 282	442	892	8 188	(7 296)	-89%	12 282
Total Capital Funding	250 238	348 054	20 441	111 482	232 036	(120 554)	-52%	348 054

As alluded to above, the capital expenditure programme for the month ending 28 February 2017 was R111, 4m which represents 48% of capital expenditure against year to date budget and thus shows a great improvement on expenditures reflected on National grant funding.

The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

Chart 1: 2016/2017 CAPEX YTD BUDGET & YTD ACTUAL



As at 28 February 2017, the year to date actual expenditure was R111, 4m against a YTD budget of R232million. In monetary terms, these figures represent 48% per cent performance against the capital development programme as at 28 February 2017.

Table C6 displays the financial position of the municipality as at 28 February 2017.

DC43 Harry Gwala - Table C6 Monthly Budget Statement - Financial Position - M08 February

Description	2015/16	Budget Year 2016/17		
	Audited Outcome	Original Budget	YearTD actual	Full Year Forecast
R thousands				
<u>ASSETS</u>				
Current assets				
Cash	9 855	35 377	104 942	35 377
Consumer debtors	39 061	48 078	58 947	48 078
Other debtors	12 065	12 789	6 723	12 789
Current portion of long-term receivables	4 246	-	-	-
Inventory	349	384	192	384
Total current assets	65 577	96 627	170 804	96 627
Non current assets				
Property, plant and equipment	1 571 174	1 912 816	1 738 794	1 912 816
Biological assets	-	-	-	-
Intangible assets	1 184	1 296	307	1 296
Other non-current assets	-	-	-	-
Total non current assets	1 572 358	1 914 112	1 739 102	1 914 112
TOTAL ASSETS	1 637 935	2 010 739	1 909 905	2 010 739
<u>LIABILITIES</u>				
Current liabilities				
Bank overdraft	-	-	-	-
Borrowing	3 592	3 330	2 463	3 330
Consumer deposits	1 415	1 593	1 414	1 593
Trade and other payables	95 710	51 770	91 538	51 770
Provisions	8 169	4 305	2 661	4 305
Total current liabilities	108 886	60 999	98 077	60 999
Non current liabilities				
Borrowing	16 683	12 353	16 924	12 353
Provisions	14 334	17 506	27 449	17 506
Total non current liabilities	31 018	29 859	44 373	29 859
TOTAL LIABILITIES	139 904	90 858	142 450	90 858
NET ASSETS	1 498 031	1 919 882	1 767 456	1 919 882
<u>COMMUNITY WEALTH/EQUITY</u>				
Accumulated Surplus/(Deficit)	1 498 031	1 919 882	1 767 456	1 919 882
Reserves				
TOTAL COMMUNITY WEALTH/EQUITY	1 498 031	1 919 882	1 767 456	1 919 882

Table C7 below display the Cash Flow Statement for the period ending 28 February 2017.

DC43 Harry Gwala - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates, penalties & collection charges	-	-	-	-	-	-		-
Service charges	30 746	32 408	2 257	17 118	21 605	(4 487)	-21%	32 408
Other revenue	2 034	305	157	1 357	203	1 153	568%	305
Government - operating	260 403	277 632	3 000	202 524	185 088	17 436	9%	277 632
Government - capital	244 290	335 772	-	340 540	223 848	116 692	52%	335 772
Interest	8 294	3 500	1 968	14 505	2 333	12 172	522%	3 500
Payments								
Suppliers and employees	(262 968)	(298 426)	(18 812)	(362 593)	(198 951)	163 642	-82%	(298 426)
Finance charges	(1 114)	(1 926)	-	(1 010)	(1 284)	(274)	21%	(1 926)
Transfers and Grants	(18 096)	(20 000)	-	(13 333)	(13 333)	0	0%	(20 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	263 590	329 265	(11 430)	199 109	219 510	20 401	9%	329 265
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-	-
Payments								
Capital assets	(276 912)	(310 943)	(4 467)	(98 532)	(207 295)	(108 763)	52%	(310 943)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(276 912)	(310 943)	(4 467)	(98 532)	(207 295)	(108 763)	52%	(310 943)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Increase (decrease) in consumer deposits	151	178			119	(119)	-100%	178
Payments								
Repayment of borrowing	(2 845)	(3 000)	-	(1 453)	(2 000)	(547)	27%	
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2 694)	(2 822)	-	(1 453)	(1 881)	(428)	23%	178
NET INCREASE/ (DECREASE) IN CASH HELD	(16 016)	15 500	(15 897)	99 123	10 333			18 500
Cash/cash equivalents at beginning:	25 871	19 877		5 819	19 877			5 819
Cash/cash equivalents at monthly/year end:	9 855	35 377		104 942	30 210			24 319

The billing vs Collection ratio for the month of February was 28% (Dec: 35%) showing a decrease in collection by 7% as compared to previous month

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 28 February 2017.

Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

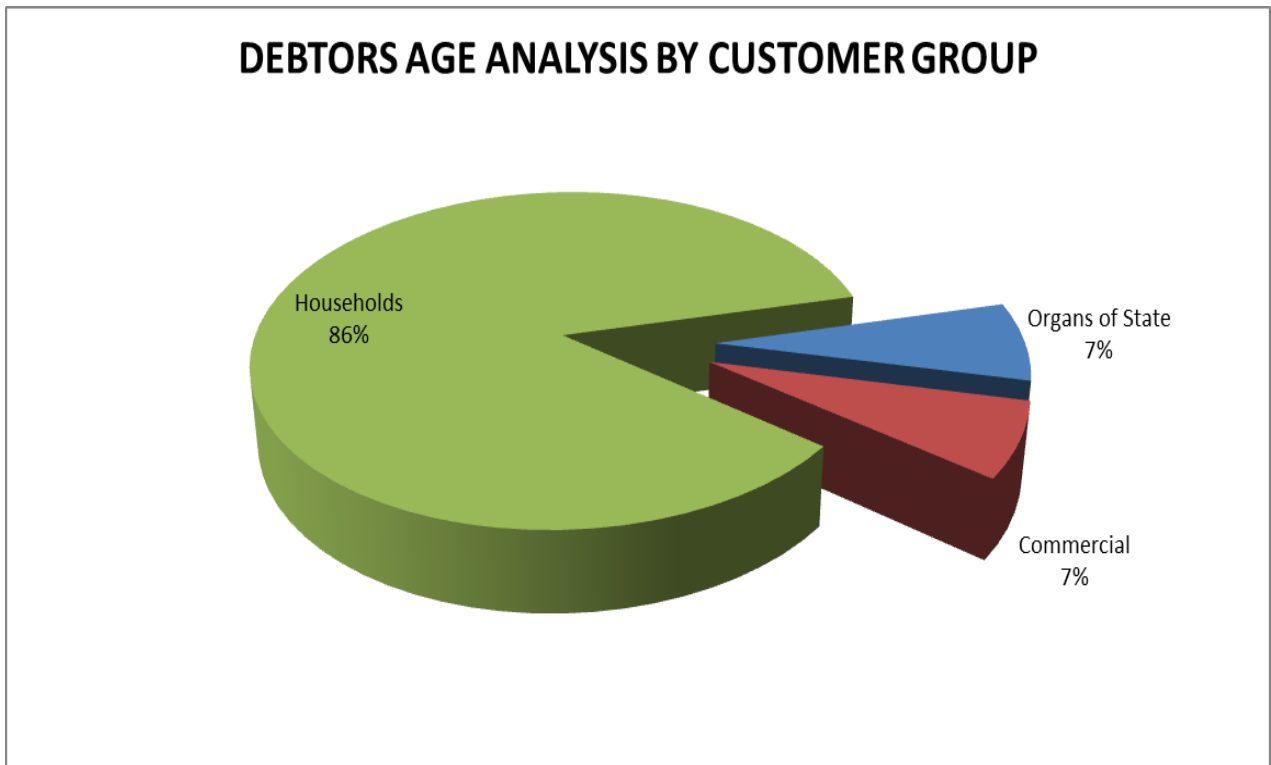
Description	Budget Year 2016/17									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	12 326	3 374	2 513	2 502	1 979	1 990	10 091	80 115	114 891	96 677
Receivables from Exchange Transactions - Waste Water Management	4 815	1 318	982	977	773	777	3 942	31 298	44 884	37 768
Interest on Arrear Debtor Accounts	2 060	564	420	418	331	333	1 687	13 392	19 205	16 160
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Income Source	19 202	5 257	3 916	3 898	3 083	3 100	15 720	124 805	178 980	150 605
2015/16 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State	2 621	1 548	751	240	400	353	1 848	7 148	14 909	9 989
Commercial	8 289	680	255	273	176	178	993	8 779	19 624	10 400
Households	8 292	3 029	2 910	3 384	2 507	2 568	12 879	108 878	144 447	130 216
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	19 202	5 257	3 916	3 898	3 083	3 100	15 720	124 805	178 980	150 605

The municipal consumer debt is currently increasing citing rigorous actions to ensure that this trend is prevented from continuing as it has a direct negative impact on municipal cash flows.

Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 86%
- ✓ Government 7%
- ✓ Business 7%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

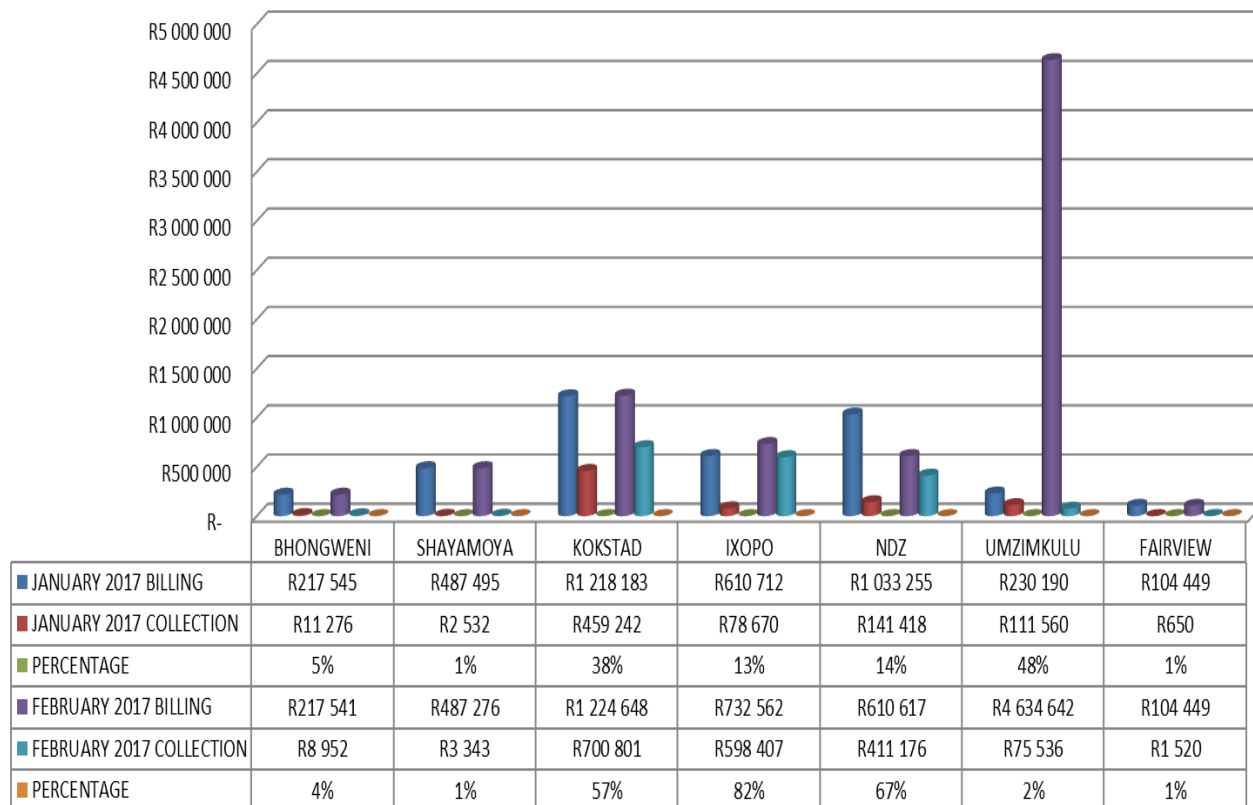
The table that follows below unpacks the revenue receipts per Local Municipality in the District

REVENUE RECEIPTS**Revenue receipts per Area**

AREA	AMOUNT		
		FEBRUARY 2017	JANUARY 2016
Unallocated receipts	R 457 198,11	20%	42%
Bhongweni	R 8 952, 50	0%	1%
Shayamoya	R 3 342,72	0%	0%
Kokstad	R 700 800,79	31%	33%
Ixopo	R 598 406,85	27%	6%
NDZ	R 411 176,22	18%	10%
Umzimkulu	R 75 536,13	3%	8%
Fairview	R 1 519,70	0%	0%
TOTAL RECEIPTS INCL VAT	R 2 256 932,92	100%	100%

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for February is R2, 2million. It is evident from the figures presented above that the largest percentage receipts of the revenue per local municipality as was the previous month in February is from Kokstad at 31% followed by Ixopo at 27%. These statistics confirm dependency on Kokstad as the greatest contributor to the District Municipality's revenue. The Unallocated receipts for the month of February amounting to 20% which still need to be allocated according to the local municipalities.

BILLING VS COLLECTION



2.2 Creditors Analysis

Table SC presents the aged creditors as at 28 February 2017.

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	Budget Year 2016/17								Total
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands									
Creditors Age Analysis By Customer Type									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	385								385
Auditor General									-
Other									-
Total By Customer Type	385	-	-	-	-	-	-	-	385

2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 28 February 2017.

Cash and Bank Balances (Investments)

DC43 Harry Gwala - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

Investments by maturity Name of institution & investment ID	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
R thousands	Yrs/Months							
Municipality								
FIRST NATIONAL BANK		CALL ACCOUNT		102		20 530	(8 967)	11 666
FIRST NATIONAL BANK		CALL ACCOUNT		187		40 667	(13 961)	26 893
FIRST NATIONAL BANK		ADMIN CALL		0		9	5 598	5 607
INVESTEC		FIXED DEPOSIT		58		11 550	-	11 608
FIRST NATIONAL BANK		FIXED DEPOSIT		176		32 327	(1 859)	30 643
FIRST NATIONAL BANK		CALL ACCOUNT		11		2 127	3 000	5 137
FIRST NATIONAL BANK		CALL ACCOUNT		0		6	-	6
FIRST NATIONAL BANK		CALL ACCOUNT		47		10 879	-	10 926
FIRST NATIONAL BANK		FIXED DEPOSIT		4		1 278	(250)	1 032
Municipality sub-total				584		119 372	(16 439)	103 517
TOTAL INVESTMENTS AND INTEREST				584		119 372	(16 439)	103 517

2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
RECEIPTS:								
Operating Transfers and Grants								
National Government:	259 223	277 232	3 000	205 524	184 821	20 800	11,3%	277 232
Local Government Equitable Share	241 033	260 069	-	194 179	173 379	20 800	12,0%	260 069
Finance Management	1 250	1 250	-	1 250	833	-	-	1 250
Municipal Systems Improvement	940	1 041	-	-	694	-	-	1 041
Municipal Infrastructure Grant (PMU)	9 460	4 777	-	-	3 184	-	-	4 777
Energy Efficiency And Demand Side Management Grant	-	8 000	-	-	5 333	-	-	8 000
Water Services Operating Subsidy	-	-	-	-	-	-	-	-
Rural Roads Asset Management Grant	2 040	2 095	-	2 095	1 397	-	-	2 095
Rural Household Infrastructure Grant	4 500	-	-	-	-	-	-	-
Energy Efficiency and Demand Management Grant	-	-	3 000	8 000	-	-	-	-
Other transfers and grants [insert description]	-	-	-	-	-	-	-	-
Provincial Government:	1 180	400	-	-	267	(267)	-100,0%	400
Infrastructure Sport Facilities	-	-	-	-	-	-	-	-
LG Seta	80	-	-	-	-	-	-	-
Dev elopment Planning Shared Services	1 100	400	-	-	267	(267)	-100,0%	400
						-		
Total Operating Transfers and Grants	260 403	277 632	3 000	205 524	185 088	20 533	11,1%	277 632
Capital Transfers and Grants								
National Government:	244 290	335 772	-	327 540	223 848	66 873	29,9%	335 772
Municipal Infrastructure Grant (MIG)	183 324	186 290	-	191 067	124 194	66 873	53,8%	186 290
Regional Bulk Infrastructure	14 000	60 000	-	48 000	40 000	-	-	60 000
Municipal Water Infrastructure Grant	43 500	86 118	-	86 118	57 412	-	-	86 118
Expanded public works programme incentive grant	3 466	3 364	-	2 355	2 243	-	-	3 364
						-		
Total Capital Transfers and Grants	244 290	335 772	-	327 540	223 848	66 873	29,9%	335 772
TOTAL RECEIPTS OF TRANSFERS & GRANTS	504 693	613 404	3 000	533 064	408 936	87 406	21,4%	613 404

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original 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:	259 223	277 232	176 225	178 001	184 821	154	0,1%	277 232
Local Government Equitable Share	241 033	260 069	173 379	173 379	173 379	-		260 069
Finance Management	1 250	1 250	61	286	833			1 250
Municipal Systems Improvement	940	1 041	-	-	694			1 041
Municipal Infrastructure Grant (PMU)	9 460	4 777	-	-	3 184			4 777
Energy Efficiency And Demand Side Management Grant	-	8 000	2 785	2 785	5 333			8 000
Water Services Operating Subsidy	-	-	-	-	-	-		-
Rural Roads Asset Management Grant	2 040	2 095	-	1 551	1 397	154	11,0%	2 095
Rural Household Infrastructure Grant	4 500	-	-	-	-	-		-
Energy Efficiency and Demand Management Grant	-	-	-	-	-	-		-
Other transfers and grants [insert description]	-	-	-	-	-	-		-
Provincial Government:	1 180	400	-	-	267	-		400
Infrastructure Sport Facilities	-	-	-	-	-	-		-
LG Seta	80	-	-	-	-	-		-
Development Planning Shared Services	1 100	400	-	-	267	-		400
[insert description]	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	260 403	277 632	176 225	178 001	185 088	154	0,1%	277 632
Capital expenditure of Transfers and Grants								
National Government:	244 290	335 772	21 901	125 164	223 848	(33 104)	-14,8%	335 772
Municipal Infrastructure Grant (MIG)	183 324	186 290	16 741	91 089	124 194	(33 104)	-26,7%	186 290
Regional Bulk Infrastructure	14 000	60 000	590	7 505	40 000			60 000
Municipal Water Infrastructure Grant	43 500	86 118	4 210	25 901	57 412			86 118
Expanded public works programme incentive grant	3 466	3 364	361	668	2 243			3 364
Rural Household Infrastructure Grant	-	-	-	-	-			-
Total capital expenditure of Transfers and Grants	244 290	335 772	21 901	125 164	223 848	(33 104)	-14,8%	335 772
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	504 693	613 404	198 127	303 165	408 936	(32 950)	-8,1%	613 404

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 28 February 2017.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

Summary of Employee and Councillor remuneration R thousands	2015/16	Budget Year 2016/17						Full Year Forecast
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
	A	B						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	621	5 361	331	2 440	3 574	(1 134)	-32%	5 361
Pension and UIF Contributions	311	399	25	182	266	(84)	-32%	399
Medical Aid Contributions	771	94	6	43	63	(20)	-32%	94
Motor Vehicle Allowance	621	1 178	73	536	785	(249)	-32%	1 178
Cellphone Allowance	2 636	259	16	118	172	(55)	-32%	259
Housing Allowances	1 618	-	-	-	-	-	-	-
Other benefits and allowances	742	616	38	280	411	(130)	-32%	616
Sub Total - Councillors	7 321	7 906	489	3 599	5 271	(1 672)	-32%	7 906
% increase		8,0%						8,0%
Senior Managers of the Municipality								
Basic Salaries and Wages	5 551	5 995	463	3 772	3 996	(225)	-6%	5 995
Pension and UIF Contributions	3	3	0	2	2	0	7%	3
Medical Aid Contributions	5	6	0	4	4	0	7%	6
Performance Bonus	-	-	64	521	-	521	#DIV/0!	-
Motor Vehicle Allowance	3 049	3 293	289	2 358	2 195	163	7%	3 293
Cellphone Allowance	143	154	14	110	103	8	7%	154
Housing Allowances	-	-	-	-	-	-	-	-
Other benefits and allowances	4	5	0	3	3	0	7%	5
Post-retirement benefit obligations	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	8 755	9 455	831	6 770	6 303	467	7%	9 455
% increase		8,0%						8,0%
Other Municipal Staff								
Basic Salaries and Wages	77 494	83 693	7 355	59 929	55 795	4 134	7%	83 693
Pension and UIF Contributions	13 103	14 151	1 244	10 133	9 434	699	7%	14 151
Medical Aid Contributions	1 811	1 955	172	1 400	1 304	97	7%	1 955
Overtime	1 618	1 747	154	1 251	1 165	86	7%	1 747
Performance Bonus	7 180	7 755	681	5 553	5 170	383	7%	7 755
Motor Vehicle Allowance	3 300	3 564	313	2 552	2 376	176	7%	3 564
Cellphone Allowance	563	608	53	435	405	30	7%	608
Housing Allowances	49	53	5	38	35	3	7%	53
Other benefits and allowances	2 158	2 331	205	1 669	1 554	115	7%	2 331
Sub Total - Other Municipal Staff	107 276	115 858	10 181	82 961	77 239	5 723	7%	115 858
% increase		8,0%						8,0%
Total Parent Municipality	123 351	133 219	11 501	93 330	88 813	4 518	5%	133 219
		8,0%						8,0%
TOTAL SALARY, ALLOWANCES & BENEFITS	123 351	133 219	11 501	93 330	88 813	4 518	5%	133 219
% increase		8,0%						8,0%
TOTAL MANAGERS AND STAFF	116 031	125 313	11 012	89 732	83 542	6 190	7%	125 313

2.6 Material Variances to the SDBIP

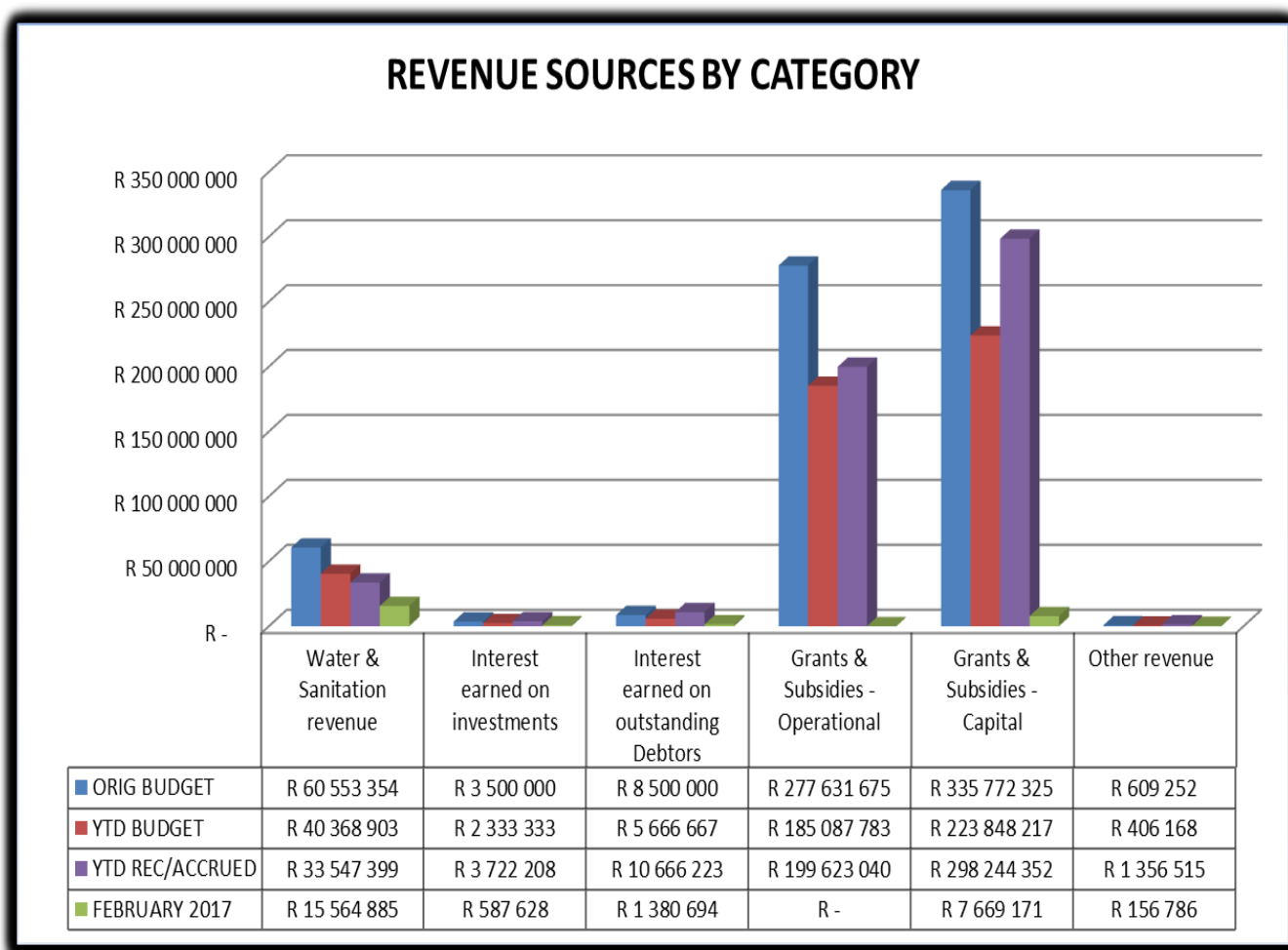
The following section analyses material variances between the actual targets as at 28 February 2017 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

REVENUE

The chart displays a comparison between the 201617 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to "performance" rather that "cash movements" in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

Chart 3: Revenue Analysis



Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 28 February 2017 was R33, 5million against a year to date **budget** of R40, 3million.

Interest Earned on External Investments

The year to date actual interest earned on external investments as at 28 February 2017 is R 3, 7m against year to date budget of R2, 3m. Interest earned is over performed by 60%.

Transfers Recognised – Operational

The YTD operational grants revenue for February R199, 6million against a year to date budget of R185million and is largely attributable to the YTD equitable share.

One Operational grant received namely:

- Energy Efficiency Demand Management Grant- R3 000 000

Transfers Recognised – Capital

The year to date actual for capital expenditure is R298, 2m (against a YTD budget of R223, 8million) represent the conditions met in capital expenditures against the conditional grant allocation received. No Capital grant received in the month of February 2017.

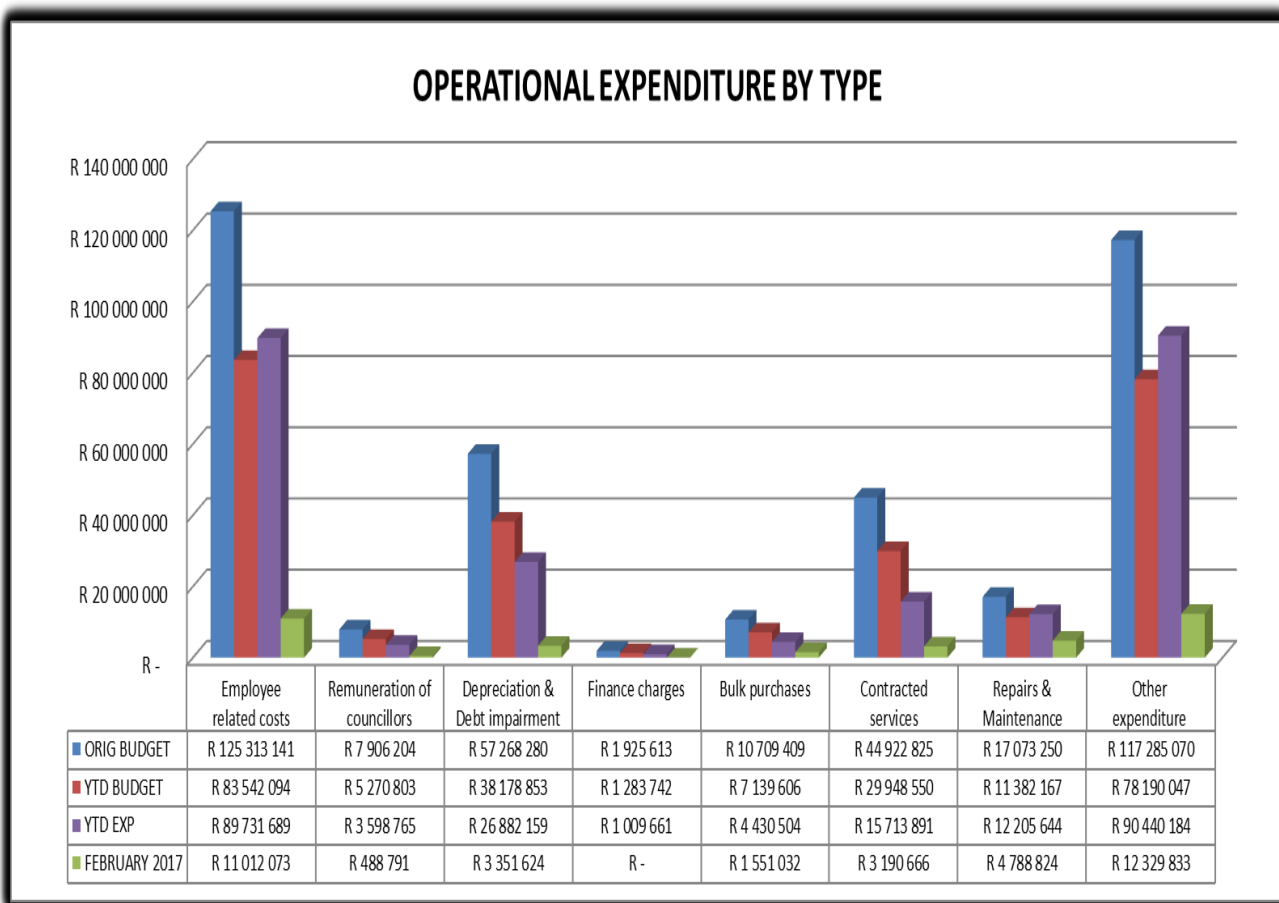
Other Revenue

The YTD performance of other revenue is R 1, 3m against YTD budget of R 406 168k of YTD budget.

OPERATIONAL EXPENDITURE

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.

Chart 4: 2016/17 Financial year Opex



Employee Related Costs

The YTD budget for employee related costs is R83, 5million against a YTD actual of R89, 7million which is 107% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor’s expenditure as at 28 February 2017 was R3, 5m against a YTD budget of R5, 2m representing an expenditure performance of 68%.

Finance Charges

As at 28 February 2017, year to date budget for finance charges is R1, 2m against year to actual of R1m.

Bulk Purchases

The YTD budget for bulk purchases was at R7m against a YTD expenditure of R4, 4m representing over performance by 62%.

Other Expenditure

The YTD budget for other expenditure was at R70million against a YTD expenditure of R90, 4million. The other expenditure for the month of February is over performed by 16%.

Actual and revised targets for cash receipts

DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M08 February

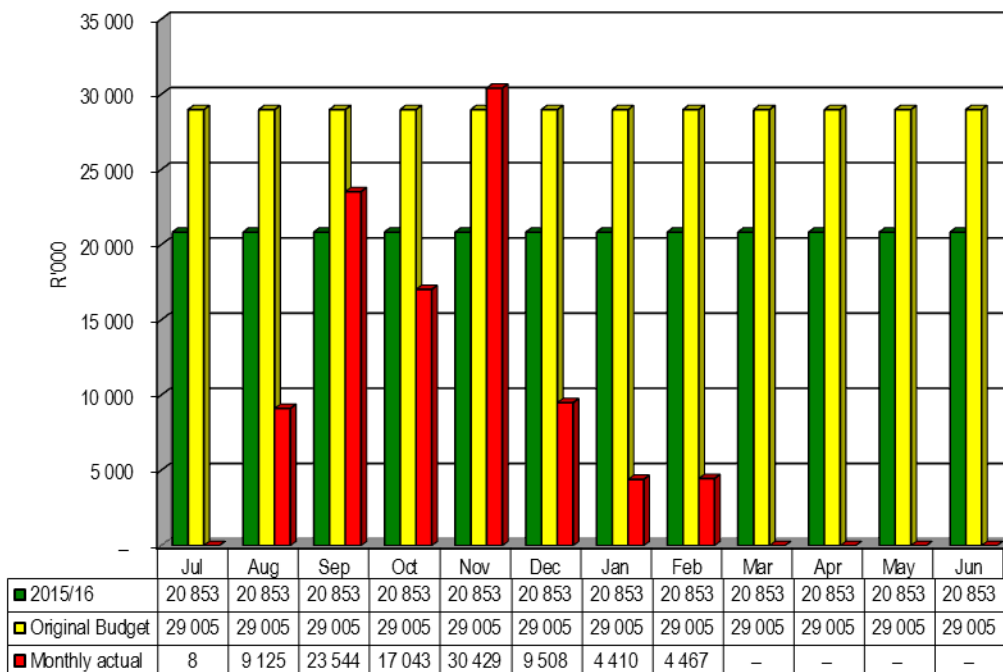
Description	Budget Year 2016/17												2016/17 Medium Term Revenue & Expenditure Framework			
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19	
R thousands																
Cash Receipts By Source																
Property rates													-	-	-	-
Property rates - penalties & collection charges													-	-	-	-
Service charges - electricity revenue													-	-	-	-
Service charges - water revenue	1 393	1 104	1 470	2 138	1 845	1 490	964	1 580				11 003	22 985	23 305	24 703	
Service charges - sanitation revenue	597	473	630	916	791	639	413	677				4 287	9 422	9 988	10 587	
Interest earned - external investments	183	102	700	734	414	334	700	588				(256)	3 500	3 710	3 933	
Interest earned - outstanding debtors	1 303	1 311	1 322	1 312	1 325	1 356	1 357	1 381				(10 666)	-	-	-	-
Agency services													-	-	-	-
Transfer receipts - operating	108 362	1 250	1 095	2 000	-	86 817		3 000				75 108	277 632	294 948	317 863	317 863
Other revenue	(158)	131	658	242	107	31	189	157				(1 052)	305	323	342	342
Cash Receipts by Source	111 681	4 371	5 876	7 342	4 481	90 665	3 623	7 382	-	-	-	78 424	313 844	332 273	357 428	357 428
Other Cash Flows by Source																
Transfer receipts - capital	172 835	841		61 059	-	78 581	27 224					(4 768)	335 772	401 643	373 080	373 080
Contributions & Contributed assets													178			
Increase in consumer deposits													178	178	200	226
Change in non-current investments													-	-	-	-
Total Cash Receipts by Source	284 516	5 212	5 876	68 401	4 481	169 246	30 847	7 382	-	-	-	73 834	649 794	734 117	730 733	730 733
Cash Payments by Type																
Employee related costs	10 685	11 568	10 613	10 810	10 884	12 785	11 374	11 012				35 581	125 313	135 338	146 165	146 165
Remuneration of councillors	497	432	378	393	491	498	421	489				4 307	7 906	8 539	9 222	9 222
Interest paid					1 010							916	1 926	1 595	1 229	1 229
Bulk purchases - Water & Sewer		599			949	628	703	1 551				6 279	10 709	11 641	12 654	12 654
Contracted services	1 026	1 238	237	1 819	4 690	3 003	310	1 217				31 163	44 923	46 016	50 272	50 272
Grants and subsidies paid - other municipalities	6 667						6 667					(13 333)				
Grants and subsidies paid - other												20 000	20 000	22 218	23 551	23 551
General expenses	107 026	37 235	27 895	(6 831)	14 941	62 853	3 347	4 543				(141 433)	109 575	109 032	114 494	114 494
Cash Payments by Type	125 902	51 071	39 123	6 191	33 164	79 768	22 821	18 812	-	-	-	(56 500)	320 352	334 380	357 588	357 588
Other Cash Flows/Payments by Type																
Capital assets	8	9 125	23 544	17 043	30 429	9 508	4 410	4 467				212 411	310 943	365 496	340 017	340 017
Repayment of borrowing					1 453							1 547	3 000	3 330	3 697	3 697
Total Cash Payments by Type	125 909	60 196	62 666	23 234	65 046	89 276	27 231	23 279	-	-	-	157 457	634 294	703 206	701 302	701 302
NET INCREASE/(DECREASE) IN CASH HELD	158 606	(54 984)	(56 790)	45 167	(60 566)	79 970	3 616	(15 897)	-	-	-	(83 623)	15 500	30 910	29 431	29 431
Cash/cash equivalents at the monthly year beginning:	5 819	164 425	109 442	52 651	97 819	37 253	117 223	120 839	104 942	104 942	104 942	104 942	104 942	5 819	21 319	52 229
Cash/cash equivalents at the monthly year end:	164 425	109 442	52 651	97 819	37 253	117 223	120 839	104 942	104 942	104 942	104 942	21 319	21 319	52 229	81 661	81 661

Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M08 February

Month	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	20 853	29 005	8	8	29 005	28 997	100,0%	0%
August	20 853	29 005	9 125	9 132	58 009	48 877	84,3%	3%
September	20 853	29 005	23 544	32 676	87 014	54 338	62,4%	9%
October	20 853	29 005	17 043	49 718	116 018	66 300	57,1%	14%
November	20 853	29 005	30 429	80 147	145 023	64 875	44,7%	23%
December	20 853	29 005	9 508	89 656	174 027	84 372	48,5%	26%
January	20 853	29 005	4 410	94 065	203 032	108 967	53,7%	27%
February	20 853	29 005	4 467	98 532	232 036	133 504	57,5%	28%
March	20 853	29 005			261 041	-		
April	20 853	29 005			290 045	-		
May	20 853	29 005			319 050	-		
June	20 853	29 005			348 054	-		
Total Capital expenditure	250 238	348 054	98 532					

Chart C1 2016/17 Capital Expenditure Monthly Trend: actual v target



Capital Expenditure on New Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M08 February

Description	2015/16	Budget Year 2016/17						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	232 188	331 272	19 977	109 673	220 848	111 175	50,3%	331 272
Infrastructure - Road transport	-	500	-	-	333	333	100,0%	500
<i>Roads, Pavements & Bridges</i>	-	500	-	-	333	333	100,0%	500
<i>Street Lighting</i>	-	-	-	-	-	-	-	-
Infrastructure - Water	203 688	297 107	19 133	87 919	198 071	110 152	55,6%	297 107
<i>Reticulation</i>	203 688	297 107	19 133	87 919	198 071	110 152	55,6%	297 107
Infrastructure - Sanitation	28 500	33 666	844	21 754	22 444	689	3,1%	33 666
<i>Reticulation</i>	-	-	-	-	-	-	-	-
<i>Sewerage purification</i>	28 500	33 666	844	21 754	22 444	689	3,1%	33 666
Other	-	-	-	-	-	-	-	-
Other assets	9 950	10 533	181	262	7 022	6 759	96,3%	10 533
General vchicles	-	4 642	-	-	3 095	3 095	100,0%	4 642
Specialised vehicles	-	-	-	-	-	-	-	-
Plant & equipment	4 600	2 600	-	-	1 733	1 733	100,0%	2 600
Computers - hardware/equipment	-	-	-	-	-	-	-	-
Furniture and other office equipment	1 450	1 791	181	262	1 194	931	78,0%	1 791
Other Buildings	600	-	-	-	-	-	-	-
Other	3 300	1 500	-	-	1 000	1 000	100,0%	1 500
Intangibles	1 100	1 250	261	630	833	203	24,4%	1 250
Computers - software & programming	1 100	1 250	261	630	833	203	24,4%	1 250
Total Capital Expenditure on new assets	243 238	343 054	20 419	110 566	228 703	118 137	51,7%	343 054
Specialised vehicles	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-

2.7 Municipal Manager's Quality's Certificate

Quality Certificate

I, Adelaide Nomnandi Dlamini, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement

For the month of February 2017 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Adelaide Nomnandi Dlamini

Municipal Manager of: Harry Gwala District Municipality

Signed _____

Date _____