

Harry Gwala District Municipality

MFMA s71 report for the period ending 31 July 2014.

10/8/2014

Budget & Treasury Office

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1. PART 1 – MONTHLY REPORT

1.1 Mayors Report

This report will be tabled to Executive committee and hence the mayor's report will be available when this report is tabled to Council in terms of Sec 52 (d) of the Municipal Finance Management Act.

1.2 Executive Summary

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 & Corporate services committee and Executive committee on the progress made thus far in terms of implementing the 2014/2015 budget for the period ending 31 July 2014.

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.

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 Sisonke - Table C1 Consolidated Monthly Budget Statement Summary - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Service charges	48 834	46 143	-	3 776	3 776	46 143	(42 367)	-92%	46 143
Investment revenue	3 344	2 600	-	133	133	2 600	(2 467)	-95%	2 600
Transfers recognised - operational	287 073	249 246	-	91 288	91 288	249 246	(157 958)	-63%	249 246
Other own revenue	7 497	7 849	-	645	645	7 849	(7 204)	-92%	7 849
Total Revenue (excluding capital transfers and contributions)	346 747	305 838	-	95 842	95 842	305 838	(209 996)	-69%	305 838
Employee costs	99 949	104 040	-	8 642	8 642	104 040	(95 398)	-92%	104 040
Remuneration of Councillors	5 249	6 655	-	446	446	6 655	(6 209)	-93%	6 655
Depreciation & asset impairment	39 597	20 000	-	-	-	20 000	(20 000)	-100%	20 000
Finance charges	3 510	2 639	-	-	-	2 639	(2 639)	-100%	2 639
Materials and bulk purchases	9 487	5 200	-	435	435	5 200	(4 765)	-92%	5 200
Transfers and grants	14 808	11 578	-	1 283	1 283	11 578	(10 295)	-89%	11 578
Other expenditure	227 729	143 485	-	5 832	5 832	143 485	(137 654)	-96%	143 485
Total Expenditure	400 330	293 597	-	16 638	16 638	293 597	(276 959)	-94%	293 597
Surplus/(Deficit)	(53 582)	12 241	-	79 204	79 204	12 241	66 964	547%	12 241
Transfers recognised - capital	190 609	245 526	-	-	-	245 526	(245 526)	-100%	245 526
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	137 027	257 767	-	79 204	79 204	257 767	(178 563)	-69%	257 767
Surplus/ (Deficit) for the year	137 027	257 767	-	79 204	79 204	257 767	(178 563)	-69%	257 767
Capital expenditure & funds sources									
Capital expenditure	435 731	517 522	-	685	685	258 761	(258 076)	-100%	258 761
Capital transfers recognised	189 721	245 776	-	685	685	245 776	(245 092)	-100%	245 776
Internally generated funds	28 145	12 984	-	-	-	12 984	(12 984)	-100%	12 984
Total sources of capital funds	217 866	258 761	-	685	685	258 761	(258 076)	-100%	258 761
Financial position									
Total current assets	89 156	68 399	-	-	317 349	-	-	-	-
Total non current assets	1 276 948	1 550 342	-	-	1 276 948	-	-	-	-
Total current liabilities	119 214	64 952	-	-	143 228	-	-	-	-
Total non current liabilities	41 121	31 936	-	-	38 159	-	-	-	-
Community wealth/Equity	1 205 767	1 521 854	-	-	1 284 287	-	-	-	-
Cash flows									
Net cash from (used) operating	200 607	277 767	-	149 339	149 339	277 767	128 428	46%	-
Net cash from (used) investing	(185 455)	(258 761)	-	(685)	(685)	(685)	-	-	-
Net cash from (used) financing	(5 863)	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	29 475	19 006	-	-	178 129	277 082	98 954	36%	29 474
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	5 530	5 590	4 185	3 383	2 962	3 185	14 988	60 174	99 996
Creditors Age Analysis									
Total Creditors	2 408	-	-	-	-	-	-	-	2 408

Financial Performance

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

DC43 Sisonke - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue - Standard									
<i>Governance and administration</i>	257 372	243 250	-	92 065	92 065	243 250	(151 185)	-62%	243 250
Executive and council	417	-	-	-	-	-	-	-	-
Budget and treasury office	256 769	243 250	-	92 065	92 065	243 250	(151 185)	-62%	243 250
Corporate services	185	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	555	250	-	-	-	250	(250)	-100%	250
Planning and development	555	250	-	-	-	250	(250)	-100%	250
<i>Trading services</i>	279 430	307 864	-	3 777	3 777	307 864	(304 088)	-99%	307 864
Water	49 615	46 148	-	3 777	3 777	46 148	(42 372)	-92%	46 148
Waste water management	229 815	261 716	-	-	-	261 716	(261 716)	-100%	261 716
Total Revenue - Standard	537 357	551 364	-	95 842	95 842	551 364	(455 522)	-83%	551 364
Expenditure - Standard									
<i>Governance and administration</i>	119 294	123 191	-	5 070	5 070	123 191	(118 121)	-96%	123 191
Executive and council	16 712	17 464	-	1 009	1 009	17 464	(16 455)	-94%	17 464
Budget and treasury office	55 560	61 007	-	1 915	1 915	61 007	(59 092)	-97%	61 007
Corporate services	47 022	44 720	-	2 147	2 147	44 720	(42 574)	-95%	44 720
<i>Community and public safety</i>	-	3 509	-	237	237	3 509	(3 272)	-93%	3 509
Community and social services	-	3 509	-	237	237	3 509	(3 272)	-93%	3 509
<i>Economic and environmental services</i>	67 459	42 970	-	3 049	3 049	42 970	(39 921)	-93%	42 970
Planning and development	67 459	42 970	-	3 049	3 049	42 970	(39 921)	-93%	42 970
<i>Trading services</i>	213 577	123 928	-	8 282	8 282	123 928	(115 646)	-93%	123 928
Water	108 993	97 514	-	7 301	7 301	97 514	(90 213)	-93%	97 514
Waste water management	104 584	26 413	-	981	981	26 413	(25 433)	-96%	26 413
Total Expenditure - Standard	400 330	293 597	-	16 638	16 638	293 597	(276 959)	-94%	293 597
Surplus/ (Deficit) for the year	137 027	257 767	-	79 204	79 204	257 767	(178 563)	-69%	257 767

This table assesses the revenue by department and then the expenditure for the period ending 31 July 2014. Revenue receipts in July have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of July is 87%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has largest expenditure by 84% in the period ending 31 July 2014. 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 Sisonke - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M01 July									
Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 - Executive & Council	417	-	-	-	-	-	-	-	-
Vote 2 - Finance	256 769	243 250	-	92 065	92 065	243 250	(151 185)	-62.2%	243 250
Vote 3 - Corporate Services	185	-	-	-	-	-	-	-	-
Vote 4 - Economic &Community Services	555	250	-	-	-	250	(250)	-100.0%	250
Vote 5 - Infrastructure Services	229 815	261 716	-	-	-	261 716	(261 716)	-100.0%	261 716
Vote 6 - Water Services	49 615	46 148	-	3 777	3 777	46 148	(42 372)	-91.8%	46 148
Total Revenue by Vote	537 357	551 364	-	95 842	95 842	551 364	(455 522)	-82.6%	551 364
Expenditure by Vote									
Vote 1 - Executive & Council	16 712	17 464	-	1 036	1 036	17 464	(16 429)	-94.1%	17 464
Vote 2 - Finance	55 560	61 007	-	1 915	1 915	61 007	(59 092)	-96.9%	61 007
Vote 3 - Corporate Services	47 022	44 720	-	2 147	2 147	44 720	(42 574)	-95.2%	44 720
Vote 4 - Economic &Community Services	67 459	46 478	-	3 259	3 259	46 478	(43 219)	-93.0%	46 478
Vote 5 - Infrastructure Services	104 584	26 413	-	981	981	26 413	(25 433)	-96.3%	26 413
Vote 6 - Water Services	108 993	97 514	-	7 301	7 301	97 514	(90 213)	-92.5%	97 514
Total Expenditure by Vote	400 330	293 597	-	16 638	16 638	293 597	(276 959)	-94.3%	293 597
Surplus/ (Deficit) for the year	137 026	257 767	-	79 204	79 204	257 767	(178 563)	-69.3%	257 767

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 31 July 2014.

DC43 Sisonke - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Service charges - water revenue	34 184	45 313	-	3 700	3 700	45 313	(41 613)	-92%	
Service charges - sanitation revenue	14 650	-	-	-	-	-	-		
Service charges - other	-	830	-	76	76	830	(754)	-91%	
Interest earned - external investments	3 344	2 600	-	133	133	2 600	(2 467)	-95%	
Interest earned - outstanding debtors	5 638	5 179	-	524	524	5 179	(4 655)	-90%	
Transfers recognised - operational	287 073	249 246	-	91 288	91 288	249 246	(157 958)	-63%	
Other revenue	1 859	2 670	-	121	121	2 670	(2 549)	-95%	
Total Revenue (excluding capital transfers and contributions)	346 747	305 838	-	95 842	95 842	305 838	(209 996)	-69%	-
Expenditure By Type									
Employee related costs	99 949	104 040	-	8 642	8 642	104 040	(95 398)	-92%	
Remuneration of councillors	5 249	6 655	-	446	446	6 655	(6 209)	-93%	
Debt impairment	23 206	10 000	-	-	-	10 000	(10 000)	-100%	
Depreciation & asset impairment	39 597	20 000	-	-	-	20 000	(20 000)	-100%	
Finance charges	3 510	2 639	-	-	-	2 639	(2 639)	-100%	
Bulk purchases	9 487	5 200	-	435	435	5 200	(4 765)	-92%	
Contracted services	23 091	33 520	-	1 320	1 320	33 520	(32 200)	-96%	
Transfers and grants	14 808	11 578	-	1 283	1 283	11 578	(10 295)	-89%	
Other expenditure	156 316	99 965	-	4 512	4 512	99 965	(95 454)	-95%	
Loss on disposal of PPE	25 116	-	-	-	-	-	-		
Total Expenditure	400 330	293 597	-	16 638	16 638	293 597	(276 959)	-94%	-
Surplus/(Deficit)	(53 582)	12 241	-	79 204	79 204	12 241	66 964	0	-
Transfers recognised - capital	190 609	245 526	-	-	-	245 526	(245 526)	(0)	
Surplus/(Deficit) after capital transfers & contributions	137 027	257 767	-	79 204	79 204	257 767			-
Surplus/(Deficit) after taxation	137 027	257 767	-	79 204	79 204	257 767			-
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	137 027	257 767	-	79 204	79 204	257 767			-
Surplus/ (Deficit) for the year	137 027	257 767	-	79 204	79 204	257 767			-

Capital Expenditure

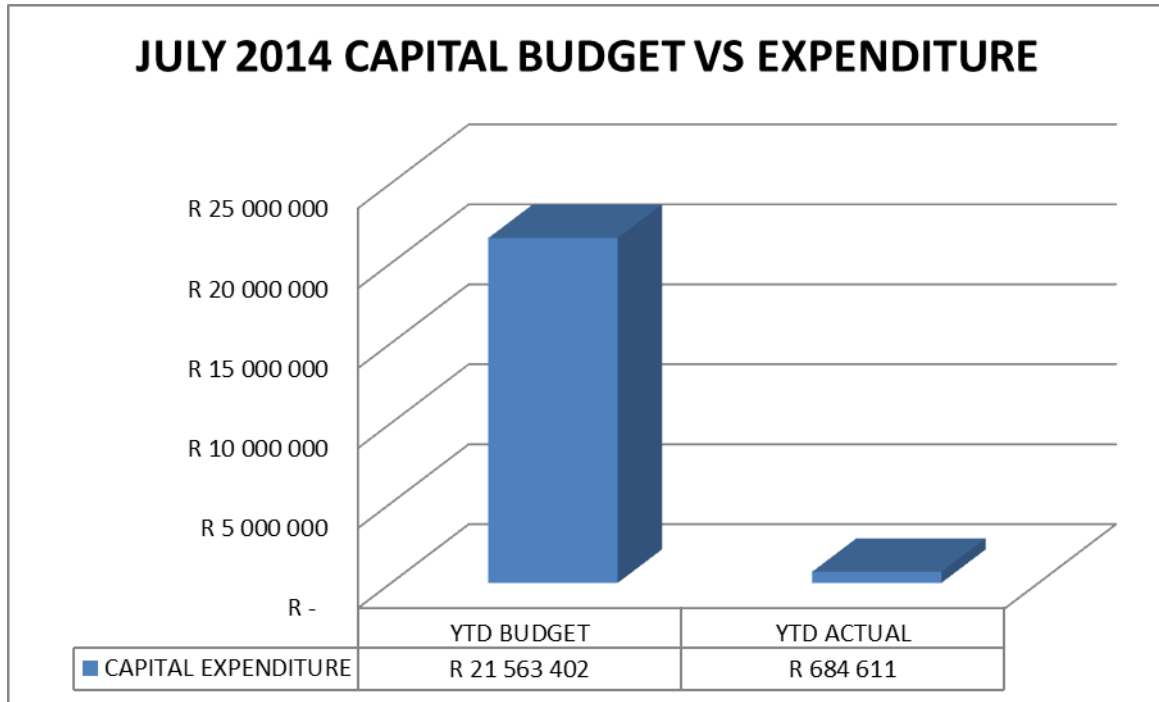
Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Sisonke - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M01 July)									
Vote Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 2 - Finance	141	100	-	-	-	100	(100)	-100%	100
Vote 3 - Corporate Services	9 262	3 609	-	-	-	3 609	(3 609)	-100%	3 609
Vote 4 - Economic &Community Services	957	2 325	-	-	-	2 325	(2 325)	-100%	2 325
Vote 5 - Infrastructure Services	207 505	247 526	-	685	685	247 526	(246 842)	-100%	247 526
Vote 6 - Water Services	-	5 200	-	-	-	5 200	(5 200)	-100%	5 200
Total Capital Multi-year expenditure	217 866	258 761	-	685	685	258 761	(258 076)	-100%	258 761
Single Year expenditure appropriation									
Vote 2 - Finance	141	100	-	-	-	-	-	-	-
Vote 3 - Corporate Services	9 262	3 609	-	-	-	-	-	-	-
Vote 4 - Economic &Community Services	957	2 325	-	-	-	-	-	-	-
Vote 5 - Infrastructure Services	207 505	247 526	-	-	-	-	-	-	-
Vote 6 - Water Services	-	5 200	-	-	-	-	-	-	-
Total Capital single-year expenditure	217 866	258 761	-	-	-	-	-	-	-
Total Capital Expenditure	435 731	517 522	-	685	685	258 761	(258 076)	-100%	258 761
Capital Expenditure - Standard Classification									
Governance and administration	(5 915)	3 709	-	-	-	3 709	(3 709)	-100%	3 709
Budget and treasury office	(141)	100	-	-	-	100	(100)	-100%	100
Corporate services	(5 774)	3 609	-	-	-	3 609	(3 609)	-100%	3 609
Economic and environmental services	-	2 325	-	-	-	2 325	(2 325)	-100%	2 325
Planning and development	-	2 325	-	-	-	2 325	(2 325)	-100%	2 325
Trading services	(142 483)	252 726	-	685	685	252 726	(252 042)	-100%	252 726
Water	-	5 200	-	-	-	5 200	(5 200)	-100%	5 200
Waste water management	(142 483)	247 526	-	685	685	247 526	(246 842)	-100%	247 526
Total Capital Expenditure - Standard Classification	(148 399)	258 761	-	685	685	258 761	(258 076)	-100%	258 761
Funded by:									
National Government	172 242	245 776	-	685	685	245 776	(245 092)	-100%	245 776
Provincial Government	17 479	-	-	-	-	-	-	-	-
Transfers recognised - capital	189 721	245 776	-	685	685	245 776	(245 092)	-100%	245 776
Internally generated funds	28 145	12 984	-	-	-	12 984	(12 984)	-100%	12 984
Total Capital Funding	217 866	258 761	-	685	685	258 761	(258 076)	-100%	258 761

As alluded to above, the capital expenditure programme for the month ending 31 July was R684 611 which represents 3% of capital expenditure against year to date budget and thus shows poor performance 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: 2014/2015 CAPEX YTD BUDGET & YTD ACTUAL



As at 31 July 2014, the year to date actual expenditure was R684 611 against a YTD budget of R21, 5million. In monetary terms, these figures represent 3% per cent performance against the capital development programme as at 31 July 2014.

Table C6 displays the financial position of the municipality as at 31 July 2014.

DC43 Sisonke - Table C6 Consolidated Monthly Budget Statement - Financial Position - M01 July					
Description	2013/14	Budget Year 2014/15			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	29 474	43 807	-	164 857	43 807
Consumer debtors	6 843	13 307	-	101 899	13 307
Other debtors	52 569	10 968	-	50 592	10 968
Inventory	269	318	-	-	318
Total current assets	89 156	68 399	-	317 349	68 399
Non current assets					
Property , plant and equipment	1 275 994	1 548 958	-	1 276 728	1 548 958
Intangible assets	954	1 384	-	219	1 384
Total non current assets	1 276 948	1 550 342	-	1 276 948	1 550 342
TOTAL ASSETS	1 366 104	1 618 742	-	1 594 296	1 618 742
LIABILITIES					
Current liabilities					
Borrowing	3 415	3 266	-	2 639	3 266
Consumer deposits	1 114	1 265	-	1 127	1 265
Trade and other payables	103 844	53 128	-	33 097	53 128
Provisions	10 841	7 293	-	106 365	7 293
Total current liabilities	119 214	64 952	-	143 228	64 952
Non current liabilities					
Borrowing	22 064	18 683	-	30 447	18 683
Provisions	19 058	13 253	-	7 712	13 253
Total non current liabilities	41 121	31 936	-	38 159	31 936
TOTAL LIABILITIES	160 336	96 888	-	181 387	96 888
NET ASSETS	1 205 768	1 521 854	-	1 412 909	1 521 854
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	1 205 767	1 521 854	-	1 284 287	1 521 854
TOTAL COMMUNITY WEALTH/EQUITY	1 205 767	1 521 854	-	1 284 287	1 521 854

Table C7 below display the Cash Flow Statement for the period ending 31 July 2014.

DC43 Sisonke - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	25 462	48 813	-	2 138	2 138	48 813	(46 675)	-96%	48 813
Government - operating	239 824	249 246	-	93 015	93 015	249 246	(156 231)	-63%	249 246
Government - capital	229 812	245 526	-	105 101	105 101	245 526	(140 425)	-57%	245 526
Interest	3 344	7 779	-	657	657	7 779	(7 122)	-92%	7 779
Payments									
Suppliers and employees	(271 119)	(259 380)	-	(50 298)	(50 298)	(259 380)	(209 083)	81%	(259 380)
Finance charges	(3 510)	(2 639)	-	-	-	(2 639)	(2 639)	100%	(2 639)
Transfers and Grants	(23 206)	(11 578)	-	(1 274)	(1 274)	(11 578)	(10 304)	89%	(11 578)
NET CASH FROM/(USED) OPERATING ACTIVITIES	200 607	277 767	-	149 339	149 339	277 767	128 428	46%	277 767
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Decrease (increase) other non-current receivables	-	-	-	-	-	-	-		
Payments									
Capital assets	(185 455)	(258 761)	-	(685)	(685)	(685)	-		(258 761)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(185 455)	(258 761)	-	(685)	(685)	(685)	-		-
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-		
Payments									
Repayment of borrowing	(5 863)	-	-	-	-	-	-		(5 863)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(5 863)	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD	9 289	19 006	-	148 655	148 655	277 082			19 006
Cash/cash equivalents at beginning:	20 186				29 474	-			-
Cash/cash equivalents at month/year end:	29 475	19 006	-		178 129	277 082			19 006

The billing vs Collection ratio for the month of July was 38% (June: 92%) showing a massive reduction in collection by 54% as compared to previous month

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 31 July 2014.

Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Sisonke - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July										
Description	Budget Year 2014/15									
	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	3 550	3 588	2 687	2 171	1 901	2 044	9 621	38 627	64 190	54 365
Receivables from Exchange Transactions - Waste Water Management	1 387	1 402	1 050	848	743	799	3 759	15 090	25 076	21 238
Interest on Arrear Debtor Accounts	593	600	449	363	318	342	1 608	6 457	10 730	9 087
Total By Income Source	5 530	5 590	4 185	3 383	2 962	3 185	14 988	60 174	99 996	84 691
2013/14 - totals only									-	-
Debtors Age Analysis By Customer Group										
Organs of State	1 913	2 589	1 242	648	317	176	754	4 580	12 218	6 474
Commercial	708	427	351	312	309	369	1 340	5 226	9 040	7 555
Households	2 909	2 574	2 593	2 423	2 336	2 640	12 894	50 368	78 737	70 661
Total By Customer Group	5 530	5 590	4 185	3 383	2 962	3 185	14 988	60 174	99 996	84 691

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: 78%
- ✓ Government 12%
- ✓ Business 09%
- ✓ Other 1%

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

2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 July 2014.

DC43 Sisonke - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July									
Description	Budget Year 2014/15								
	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									-
Bulk Water	1 293								1 293
PAYE deductions	1 082								1 082
Trade Creditors	9								9
Auditor General	24								24
Total By Customer Type	2 408	-	-	-	-	-	-	-	2 408

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 31 July 2014.

Cash and Bank Balances (Investments)

DC43 Sisonke - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July									
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
R thousands									
Municipality									
FIRST NATIONAL BANK	62095523281		MONEY MARKET		22		200	42 077	42 299
FIRST NATIONAL BANK	62138538692		CALL ACCOUNT		1		684	93 748	94 433
FIRST NATIONAL BANK	62032587331		CALL ACCOUNT		23		7 823	16 629	24 475
INVESTEC	50006688425		FIXED DEPOSIT		49		10 976		11 024
FIRST NATIONAL BANK	62398395204		CALL ACCOUNT		20		5 471	(5 288)	202
FIRST NATIONAL BANK	62414264797		CALL ACCOUNT		1		2 041	(1 074)	968
FIRST NATIONAL BANK	62434151239		CALL ACCOUNT		1		639		640
FIRST NATIONAL BANK	62434147072		CALL ACCOUNT		0		3		3
FIRST NATIONAL BANK	62434145331		CALL ACCOUNT		0		4	1 250	1 254
Municipality sub-total					117		27 840	147 342	175 300
TOTAL INVESTMENTS AND INTEREST	2				117		27 840	147 342	175 300

2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Sisonke - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	220 010	237 996	-	93 015	93 015	237 996	(141 378)	-59.4%	237 996
Local Government Equitable Share	216 056	230 622		91 288	91 288	230 622	(139 334)	-60.4%	230 622
Finance Management	1 250	1 250		1 250	1 250	1 250			1 250
Municipal Systems Improvement	890	934				934			934
WATER SERVICES OPERATING SUBSIDY GRANT		3 146		477	477	3 146			3 146
Rural Transport Services and Infrastructure Grant	1 814	2 044				2 044	(2 044)	-100.0%	2 044
Provincial Government:	834	11 250	-	-	-	11 250	(11 000)	-97.8%	11 250
LG Sets	185	-				-			-
Government Experts	280	-				-			-
Accredited Councillors Training	137	-				-			-
Development Planning Shared Services	232	250				250			250
Small Town Rehabilitation Programme		11 000				11 000	(11 000)	-100.0%	11 000
Other transfers and grants [insert description]							-		
Total Operating Transfers and Grants	220 844	249 246	-	93 015	93 015	249 246	(152 378)	-61.1%	249 246
Capital Transfers and Grants									
National Government:	243 031	245 526	-	105 101	105 101	245 526	(93 296)	-38.0%	245 526
Municipal Infrastructure Grant (MIG)	173 618	183 882		97 815	97 815	183 882	(86 067)	-46.8%	183 882
Regional Bulk Infrastructure	43 975	28 200		7 286	7 286	28 200			28 200
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMEN	5 000	3 415				3 415			3 415
MUNICIPAL WATER INFRASTRUCTURE GRANT	13 700	22 800				22 800			22 800
Expanded public works programme incentive grant	2 739	2 729				2 729	(2 729)	-100.0%	2 729
Rural Household Infrastructure Grant	4 000	4 500				4 500	(4 500)	-100.0%	4 500
Provincial Government:	5 927	-	-	-	-	-	-		-
Disaster Management Grant	3 000								
Ubuhlebezwe Grant	617								
ACIP - DWA	2 310								
Total Capital Transfers and Grants	248 958	245 526	-	105 101	105 101	245 526	(93 296)	-38.0%	245 526
TOTAL RECEIPTS OF TRANSFERS & GRANTS	469 803	494 772	-	198 116	198 116	494 772	(245 674)	-49.7%	494 772

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 Sisonke - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	279 343	237 996	-	19 429	-	237 996	(237 996)	-100.0%	237 996
Local Government Equitable Share	216 056	230 622		19 219		230 622	(230 622)	-100.0%	230 622
Finance Management	1 250	1 250		71		1 250	(1 250)	-100.0%	1 250
Municipal Systems Improvement	890	934		-		934	(934)	-100.0%	934
WATER SERVICES OPERATING SUBSIDY GRANT	6 235	3 146		-		3 146	(3 146)	-100.0%	3 146
WATER SERVICES OPERATING SUBSIDY	1 000	-		-		-	-		-
Rural Transport Services and Infrastructure Grant	1 620	2 044		139		2 044	(2 044)	-100.0%	2 044
Other transfers and grants [insert description]	52 291								
Provincial Government:	834	11 250	-	-	-	11 250	-		11 250
LG Sela	185	-				-			-
Government Experts	280	-				-			-
Accredited Councillors Training	137	-				-			-
Development Planning Shared Services	232	250				250			250
Small Town Rehabilitation Programme		11 000				11 000			11 000
Total operating expenditure of Transfers and Grants:	280 177	249 246	-	19 429	-	249 246	(237 996)	-95.5%	249 246
Capital expenditure of Transfers and Grants									
National Government:	177 989	245 526	-	771	-	245 526	(242 797)	-98.9%	245 526
Municipal Infrastructure Grant (MIG)	129 036	183 882		771		183 882	(183 882)	-100.0%	183 882
Regional Bulk Infrastructure	29 134	28 200		-		28 200	(28 200)	-100.0%	28 200
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT	4 971	3 415		-		3 415	(3 415)	-100.0%	3 415
MUNICIPAL WATER INFRASTRUCTURE GRANT	10 175	22 800		-		22 800	(22 800)	-100.0%	22 800
Expanded public works programme incentive grant	2 739	2 729		-		2 729			2 729
Rural Household Infrastructure Grant	1 934	4 500		-		4 500	(4 500)	-100.0%	4 500
Provincial Government:	19 516	-	-	-	-	-	-		-
Disaster Management Grant	3 000								
COGTA	2 046								
Massification (COGTA)	12 433								
CoGTA - Ubuhlebezwe Grant	617								
ACIP - DWA	1 097								
Signage Grant -CoGTA	323								
Total capital expenditure of Transfers and Grants	197 505	245 526	-	771	-	245 526	(242 797)	-98.9%	245 526
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	477 682	494 772	-	20 200	-	494 772	(480 793)	-97.2%	494 772

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 31 July 2014.

DC43 Sisonke - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July									
Summary of Employee and Councillor remuneration	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B	C						D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	3 559	4 513		302	302	4 513	(4 210)	-93%	4 513
Pension and UIF Contributions	265	336		23	23	336	(313)	-93%	336
Medical Aid Contributions	62	79		5	5	79	(74)	-93%	79
Motor Vehicle Allowance	782	991		66	66	991	(925)	-93%	991
Cellphone Allowance	172	218		15	15	218	(203)	-93%	218
Other benefits and allowances	409	519		35	35	519	(484)	-93%	519
Sub Total - Councillors	5 249	6 655	-	446	446	6 655	(6 209)	-93%	6 655
% increase		26.8%							26.8%
Senior Managers of the Municipality									
Basic Salaries and Wages	4 277	4 373		361	361	4 373	(4 012)	-92%	4 373
Pension and UIF Contributions	3	3		0	0	3	(2)	-92%	3
Medical Aid Contributions	5	5		0	0	5	(4)	-92%	5
Performance Bonus	591	604		50	50	604	(554)	-92%	604
Motor Vehicle Allowance	2 674	2 734		226	226	2 734	(2 508)	-92%	2 734
Cellphone Allowance	125	128		11	11	128	(117)	-92%	128
Other benefits and allowances	4	4		0	0	4	(4)	-92%	4
Sub Total - Senior Managers of Municipality	7 678	7 850	-	648	648	7 850	(7 202)	-92%	7 850
% increase		2.2%							2.2%
Other Municipal Staff									
Basic Salaries and Wages	66 149	69 485		5 736	5 736	69 485	(63 749)	-92%	69 485
Pension and UIF Contributions	11 492	11 749		970	970	11 749	(10 779)	-92%	11 749
Medical Aid Contributions	1 588	1 623		134	134	1 623	(1 489)	-92%	1 623
Overtime	1 419	1 451		120	120	1 451	(1 331)	-92%	1 451
Performance Bonus	6 298	6 438		532	532	6 438	(5 907)	-92%	6 438
Motor Vehicle Allowance	2 895	2 959		244	244	2 959	(2 715)	-92%	2 959
Cellphone Allowance	494	505		42	42	505	(463)	-92%	505
Housing Allowances	43	44		4	4	44	(40)	-92%	44
Other benefits and allowances	1 893	1 935		160	160	1 935	(1 776)	-92%	1 935
Sub Total - Other Municipal Staff	92 270	96 190	-	7 941	7 941	96 190	(88 249)	-92%	96 190
% increase		4.2%							4.2%
Total Parent Municipality	105 197	110 695	-	9 035	9 035	110 695	(101 660)	-92%	110 695
% increase		5.2%							5.2%
TOTAL SALARY, ALLOWANCES & BENEFITS	105 197	110 695	-	9 035	9 035	110 695	(101 660)	-92%	110 695
% increase		5.2%							5.2%
TOTAL MANAGERS AND STAFF	99 948	104 040	-	8 589	8 589	104 040	(95 451)	-92%	104 040

2.6 Material Variances to the SDBIP

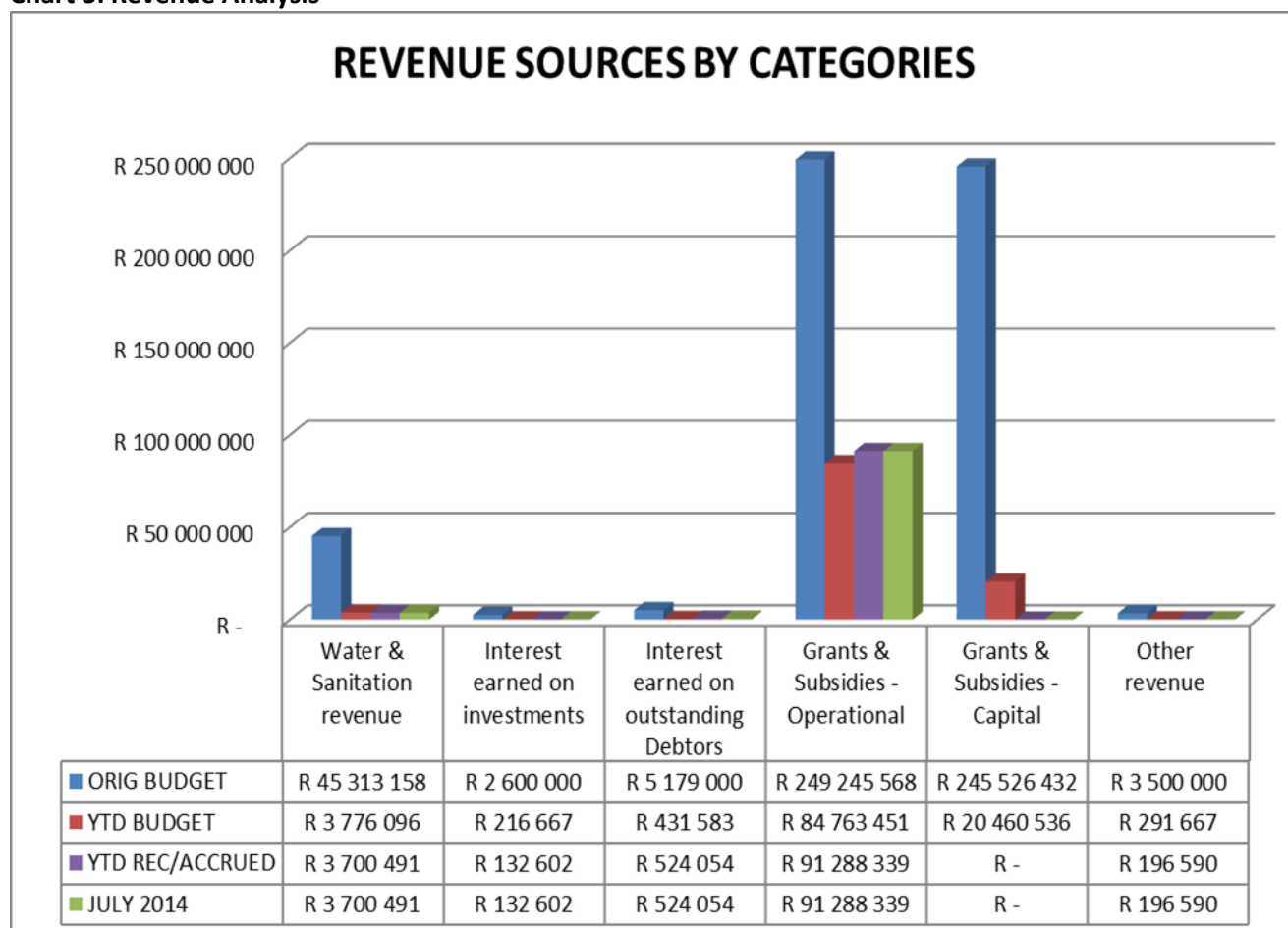
The following section analyses material variances between the actual targets as at 31 July 2014 and the budget for the same period. This report analyses each major component under following headings;

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

REVENUE

The chart displays a comparison between the 2014/15 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 than “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 31 July 2014 was R3, 7million against a year to date **budget** of R3, 7million.

Interest Earned on External Investments

The actual interest earned on external investments as at 31 July 2014 is R 132 602 against year to date budget of R216 667. This represent 61% of monthly received against year to date budget.

Transfers Recognised - Operational

Three operational grants received for the month of July 2014 namely;

- Equitable Share- R91 288 000
- Financial Management Grant- R1 250 000
- Water Services Operating Grant- R 476 755

Transfers Recognised – Capital

The expenditure trends on grant funded expenditure had resulted in a positive way as expected against the set targets. The expenditure for the month ending 31 July was R684 611 and YTD actual was R684 611 (against a YTD budget of R21 5 million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 3% performance in Conditional Capital grant funding expenditures.

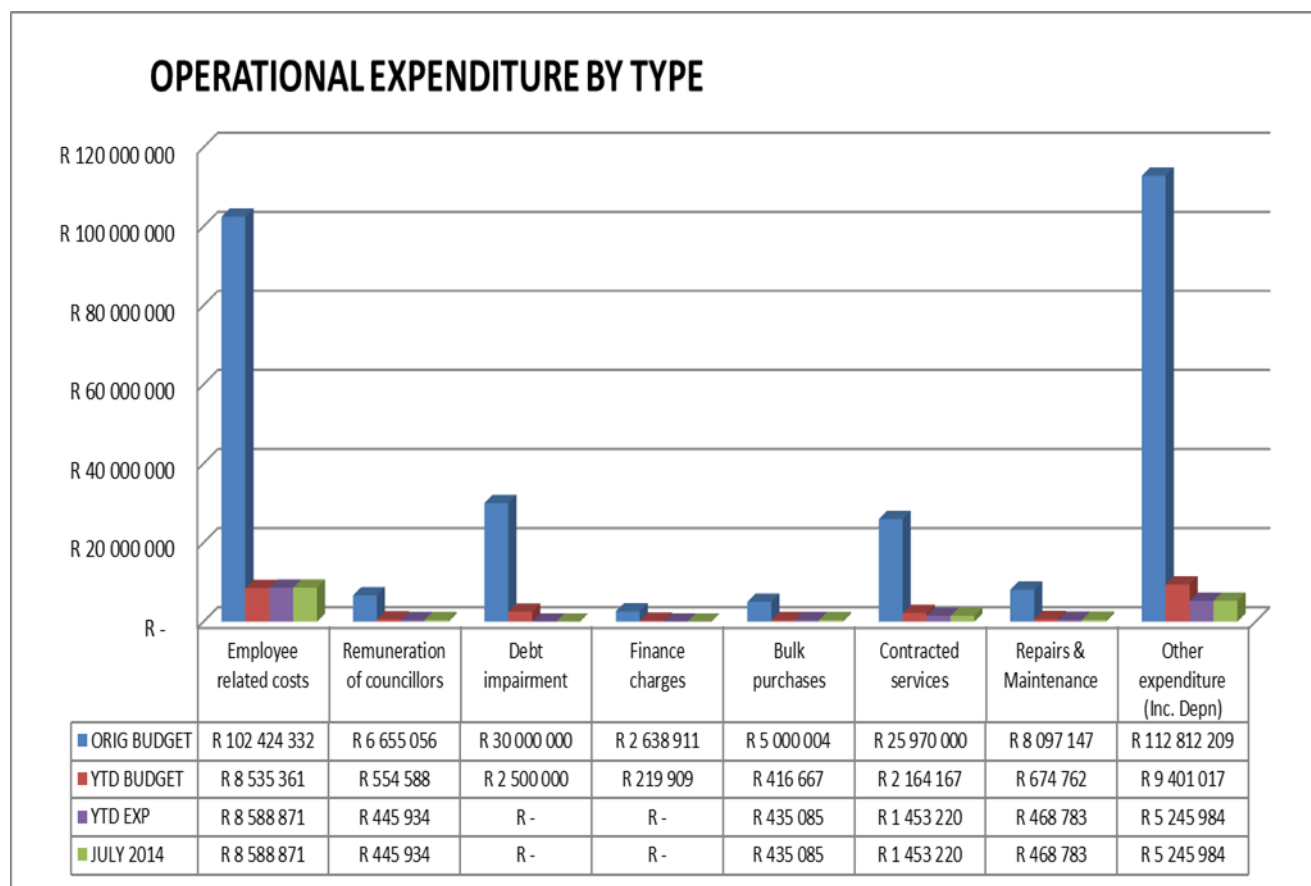
Other Revenue

The YTD performance of other revenue is R196 5920 against YTD budget of R291 667 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: 2014/15 Financial year Opex



Employee Related Costs

The YTD budget for employee related costs is R8, 5million against a YTD actual of R8, 5million which is 101% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor’s expenditure as at 31 July 2014 was R445 934 against a YTD budget of R554 588.

Finance Charges

As at 31 July 2014, the finance charges YTD budget is R219 909 and there was no movement on YTD actual.

Bulk Purchases

The YTD expenditure on Bulk Water purchases is R435 085 against a YTD budget of R416 667 and the expenditure for the month ending 31 July was R435 085. The expenditure for bulk water is more than what was planned.

Other Expenditure

The YTD budget for other expenditure was at R9, 4million against a YTD expenditure of R5, 2million.

Performance assessment

The Performance Assessment Report will be available on the second quarter of 2014/2015 financial year in terms of mid-term performance assessment in accordance with the Municipal Finance Management Act.

Actual and revised targets for cash receipts

DC43 Sisonke - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M01 July													2014/15 Medium Term Revenue & Expenditure Framework			
Description	Budget Year 2014/15												Budget Year	Budget Year	Budget Year	
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	2014/15	+1 2015/16	+2 2016/17	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2014/15	+1 2015/16	+2 2016/17	
Cash Receipts By Source																
Service charges - water revenue	1 359	3 845	3 845	3 845	3 845	3 845	3 845	3 845	3 845	3 845	3 845	3 845	(14 454)	25 358	27 961	30 772
Service charges - sanitation revenue	582	562	1 211	406	1 251	648	698	1 344	673	686	891	1 004	9 956	10 977	12 081	
Interest earned - external investments	133	217	217	217	217	217	217	217	217	217	217	217	301	2 600	2 000	2 000
Interest earned - outstanding debtors	524	432	432	432	432	432	432	432	432	432	432	432	(804)	4 036	4 450	4 898
Transfer receipts - operating	93 015	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	20 770	(51 474)	249 246	256 696	270 860
Other revenue	197	223	223	223	223	223	223	223	223	223	223	223	378	2 800	400	800
Cash Receipts by Source	95 809	26 048	26 687	25 893	26 737	26 135	26 184	26 830	26 160	26 172	26 378	(65 048)	293 995	302 485	321 411	
Other Cash Flows by Source																
Transfer receipts - capital	105 101	20 461	20 461	20 461	20 461	20 461	20 461	20 461	20 461	20 461	20 461	20 461	(64 180)	245 526	273 942	415 606
Total Cash Receipts by Source	200 911	46 509	47 158	46 353	47 198	46 595	46 645	47 291	46 620	46 633	46 838	(129 229)	539 521	576 427	737 017	
Cash Payments by Type																
Employee related costs	8 589	8 535	8 535	8 535	8 535	8 535	8 535	8 535	8 535	8 535	8 535	8 535	8 482	102 424	110 063	119 813
Remuneration of councillors	446	555	555	555	555	555	555	555	555	555	555	555	663	6 655	7 081	7 534
Interest paid	-	208	208	208	208	208	208	208	208	208	208	208	556	2 639	2 259	1 926
Bulk purchases - Water & Sewer	435	417	417	417	417	417	417	417	417	417	417	417	398	5 000	5 295	5 586
Contracted services	1 453	2 164	2 164	2 164	2 164	2 164	2 164	2 164	2 164	2 164	2 164	2 164	2 875	25 970	28 626	30 396
Grants and subsidies paid - other municipalities	1 274	-	-	-	-	-	-	-	-	-	-	-	(1 274)	-	-	-
Grants and subsidies paid - other	-	-	-	-	5 000	-	-	-	5 000	-	-	-	5 000	15 000	15 000	20 000
General expenses	39 375	8 826	8 826	8 826	8 826	8 826	8 826	8 826	8 826	8 826	8 826	8 826	(21 723)	105 909	103 679	111 230
Cash Payments by Type	51 572	20 705	20 705	20 705	25 705	20 705	20 705	20 705	25 705	20 705	20 705	(5 023)	263 598	272 003	296 486	
Other Cash Flows/Payments by Type																
Capital assets		21 563	21 563	21 563	21 563	21 563	21 563	21 563	21 563	21 563	21 563	21 563	42 442	258 761	285 022	417 007
Repayment of borrowing			512			1 176			539				1 259	3 486	3 266	3 000
Total Cash Payments by Type	52 256	42 268	42 780	42 268	47 268	43 444	42 268	42 268	47 807	42 268	42 268	38 679	525 844	560 291	716 493	
NET INCREASE/(DECREASE) IN CASH HELD	148 655	4 240	4 377	4 085	(71)	3 151	4 377	5 023	(1 187)	4 365	4 570	(167 907)	13 677	16 136	20 524	
Cash/cash equivalents at the monthly ear beginning:	29 474	178 129	182 369	186 747	190 831	190 761	193 912	198 289	203 311	202 124	206 489	211 058	29 474	43 151	59 286	
Cash/cash equivalents at the monthly ear end:	178 129	182 369	186 747	190 831	190 761	193 912	198 289	203 311	202 124	206 489	211 058	43 151	43 151	59 286	79 811	

Parent Municipal financial performance

DC43 Sisonke - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M01 July

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Service charges - water revenue	34 184	45 313	-	3 700	3 700	45 313	(41 613)	-92%	45 313
Service charges - sanitation revenue	14 650	-	-	-	-	-	-	-	-
Service charges - other	-	830	-	76	76	830	(754)	-91%	830
Interest earned - external investments	3 344	2 600	-	133	133	2 600	(2 467)	-95%	2 600
Interest earned - outstanding debtors	5 638	5 179	-	524	524	5 179	(4 655)	-90%	5 179
Transfers recognised - operational	287 073	249 246	-	91 288	91 288	249 246	(157 958)	-63%	249 246
Other revenue	1 859	2 670	-	121	121	2 670	(2 549)	-95%	2 670
Total Revenue (excluding capital transfers and contributions)	346 747	305 838	-	95 842	95 842	305 838	(209 996)	-69%	305 838
Expenditure By Type									
Employee related costs	99 949	104 040	-	8 642	8 642	104 040	(95 398)	-92%	104 040
Remuneration of councillors	5 249	6 655	-	446	446	6 655	(6 209)	-93%	6 655
Debt impairment	23 206	10 000	-	-	-	10 000	(10 000)	-100%	10 000
Depreciation & asset impairment	39 597	20 000	-	-	-	20 000	(20 000)	-100%	20 000
Finance charges	3 510	2 639	-	-	-	2 639	(2 639)	-100%	2 639
Bulk purchases	9 487	5 200	-	435	435	5 200	(4 765)	-92%	5 200
Contracted services	23 091	33 520	-	1 320	1 320	33 520	(32 200)	-96%	33 520
Transfers and grants	14 808	11 578	-	1 283	1 283	11 578	(10 295)	-89%	11 578
Other expenditure	156 316	99 965	-	4 512	4 512	99 965	(95 454)	-95%	99 965
Loss on disposal of PPE	25 116	-	-	-	-	-	-	-	-
Total Expenditure	400 330	293 597	-	16 638	16 638	293 597	(276 959)	-94%	293 597
Surplus/(Deficit)	(53 582)	12 241	-	79 204	79 204	12 241	66 964	547%	12 241
Transfers recognised - capital	190 609	245 526	-	-	-	245 526	(245 526)	-100%	245 526
Surplus/(Deficit) after capital transfers & contributions	137 027	257 767	-	79 204	79 204	257 767	(178 563)	-69%	257 767
Surplus/(Deficit) after taxation	137 027	257 767	-	79 204	79 204	257 767	(178 563)	-69%	257 767

Capital Expenditure Trend

DC43 Sisonke - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M01 July

Month	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	12 069	21 563	-	685	685	21 563	20 879	96.8%	0%
August	24 855	21 563	-	-	-	43 127	-	-	-
September	13 839	21 563	-	-	-	64 690	-	-	-
October	13 611	21 563	-	-	-	86 254	-	-	-
November	19 502	21 563	-	-	-	107 817	-	-	-
December	32 992	21 563	-	-	-	129 380	-	-	-
January	4 070	21 563	-	-	-	150 944	-	-	-
February	16 194	21 563	-	-	-	172 507	-	-	-
March	18 593	21 563	-	-	-	194 071	-	-	-
April	10 663	21 563	-	-	-	215 634	-	-	-
May	16 929	21 563	-	-	-	237 197	-	-	-
June	7 291	21 563	-	-	-	258 761	-	-	-
Total Capital expenditure	190 609	258 761	-	685	685	258 761	-	-	-

Capital Expenditure on New Assets by Asset Class

DC43 Sisonke - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M01 July									
Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	(190 609)	233 944	-	685	685	233 944	233 259	99.7%	233 944
Infrastructure - Electricity	-	3 415	-	-	-	3 415	3 415	100.0%	3 415
<i>Generation</i>		3 415				3 415	3 415	100.0%	3 415
Infrastructure - Water	(146 089)	194 351	-	685	685	194 351	193 666	99.6%	194 351
<i>Dams & Reservoirs</i>		28 200				28 200	28 200	100.0%	28 200
<i>Water purification</i>		3 000				3 000	3 000	100.0%	3 000
<i>Reticulation</i>	(146 089)	163 151		685	685	163 151	162 466	99.6%	163 151
Infrastructure - Sanitation	(44 520)	36 178	-	-	-	36 178	36 178	100.0%	36 178
<i>Reticulation</i>	(44 520)	30 235				30 235	30 235	100.0%	30 235
<i>Sewerage purification</i>		5 943				5 943	5 943	100.0%	5 943
Other assets	-	20 037	-	-	-	20 037	20 037	100.0%	20 037
General vehicles		1 100				1 100	1 100	100.0%	1 100
Specialised vehicles	-	-	-	-	-	-	-		-
Plant & equipment		6 025				6 025	6 025	100.0%	6 025
Computers - hardware/equipment		1 380				1 380	1 380	100.0%	1 380
Furniture and other office equipment		2 179				2 179	2 179	100.0%	2 179
Abattoirs		-				-	-		-
Markets		-				-	-		-
Civic Land and Buildings		9 352				9 352	9 352	100.0%	9 352
Intangibles	-	200	-	-	-	200	200	100.0%	200
Computers - software & programming		200				200	200	100.0%	200
Total Capital Expenditure on new assets	(190 609)	254 181	-	685	685	254 181	253 496	99.7%	254 181
Specialised vehicles	-	-	-	-	-	-	-		-
Refuse									
Fire									
Conservancy									
Ambulances									

Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Sisonke - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M01 July

Description	2013/14	Budget Year 2014/15							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	-	4 580	-	-	-	4 580	4 580	100.0%	4 580
Infrastructure - Water	-	4 580	-	-	-	4 580	4 580	100.0%	4 580
<i>Reticulation</i>		4 580				4 580	4 580	100.0%	4 580
Total Capital Expenditure on renewal of existing assets	-	4 580	-	-	-	4 580	4 580	100.0%	4 580
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 July 2014 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 _____