

Harry Gwala District Municipality

MFMA s71 report for the period ending 31 January 2019.

2/14/2019

Budget & Treasury Office

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REPORT ON S71 OF THE MFMA FOR THE PERIOD ENDING 31 JANUARY 2019

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 31 January 2019 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

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 2018/2019 budget for the period ending 31 January 2019.

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 Harry Gwala - Table C1 Monthly Budget Statement Summary - M07 January

Description	2017/18	Budget Year 2018/19						
	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	67 394	59 157	6 155	39 316	34 508	4 807	14%	59 157
Investment revenue	8 716	6 946	589	6 250	4 052	2 198	54%	6 946
Transfers and subsidies	347 365	328 823	-	191 339	191 813	(474)	-0%	328 823
Other own revenue	17 421	14 576	1 329	8 246	8 503	(257)	-3%	14 576
Total Revenue (excluding capital transfers and contributions)	440 896	409 502	8 072	245 151	238 876	6 275	3%	409 502
Employee costs	161 904	166 778	15 124	106 525	83 389	23 136	28%	166 778
Remuneration of Councillors	6 340	6 848	497	3 658	3 424	234	7%	6 848
Depreciation & asset impairment	50 650	41 944	36 871	37 244	20 972	16 272	78%	41 944
Finance charges	1 605	3 954	0	1 041	1 977	(936)	-47%	3 954
Materials and bulk purchases	16 225	15 000	1 146	6 041	7 500	(1 459)	-19%	15 000
Transfers and subsidies	-	-	-	-	-	-	-	-
Other expenditure	218 006	169 616	14 882	95 441	84 808	10 633	13%	169 616
Total Expenditure	454 729	404 141	68 520	249 950	202 071	47 880	24%	404 141
Surplus/(Deficit)	(13 833)	5 361	(60 448)	(4 799)	36 806	(41 605)	-113%	5 361
Transfers and subsidies - capital (monetary allocations)	343 397	341 982	-	-	170 991	(170 991)	-100%	341 982
Contributions & Contributed assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	329 564	347 343	(60 448)	(4 799)	207 797	(212 596)	-102%	347 343
Surplus/ (Deficit) for the year	329 564	347 343	(60 448)	(4 799)	207 797	(212 596)	-102%	347 343
Capital expenditure & funds sources								
Capital expenditure	351 350	349 789	31 972	133 446	204 044	(70 598)	-35%	349 789
Capital transfers recognised	343 397	341 982	12 038	139 232	199 490	(60 257)	-30%	341 982
Internally generated funds	7 953	7 807	190	2 485	4 554	(2 069)	-45%	7 807
Total sources of capital funds	351 350	349 789	12 229	141 718	204 044	(62 326)	-31%	349 789
Financial position								
Total current assets	54 121	72 385		246 017				-
Total non current assets	2 129 037	2 436 371		2 000 896				-
Total current liabilities	176 239	212 563		242 696				-
Total non current liabilities	45 500	33 784		41 926				-
Community wealth/Equity	1 945 150	2 247 140		1 962 291				-
Cash flows								
Net cash from (used) operating	335 448	378 013	(11 330)	177 249	217 172	39 924	18%	378 013
Net cash from (used) investing	(351 550)	(349 789)	(7 229)	(154 657)	(204 044)	(49 387)	24%	(349 789)
Net cash from (used) financing	(3 130)	(3 496)	-	-	(2 156)	(2 156)	100%	(3 496)
Cash/cash equivalents at the month/year end	5 041	67 750	-	119 554	53 995	(65 559)	-121%	121 689
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	55 404	5 910	5 170	4 352	4 457	40 247	80 301	200 810
Creditors Age Analysis								
Total Creditors	6 962	956	1 631	-	-	-	-	9 551

Financial Performance

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

DC43 Harry Gwala - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

Description	2017/18	Budget Year 2018/19						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue - Functional								
<i>Governance and administration</i>	307 943	330 749	719	196 297	192 937	3 360	2%	330 749
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	307 943	330 749	719	196 297	192 937	3 360	2%	330 749
Internal audit	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	341	308	-	326	179	147	82%	-
Planning and development	341	308	-	326	179	147	82%	-
<i>Trading services</i>	476 008	420 428	7 353	48 528	245 250	(196 722)	-80%	420 428
Energy sources	-	-	-	-	-	-	-	-
Water management	71 524	294 299	5 507	36 407	171 675	(135 268)	-79%	294 299
Waste water management	404 484	126 128	1 846	12 121	73 575	(61 454)	-84%	126 128
Waste management	-	-	-	-	-	-	-	-
Total Revenue - Functional	784 293	751 484	8 072	245 151	438 366	(193 214)	-44%	751 177
Expenditure - Functional								
<i>Governance and administration</i>	152 958	147 427	15 484	79 824	85 999	(6 175)	-7%	147 427
Executive and council	21 783	29 498	1 390	11 675	17 207	(5 532)	-32%	29 498
Finance and administration	131 175	117 929	14 093	68 149	68 792	(643)	-1%	117 929
Internal audit	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	41 777	51 538	7 511	42 183	30 064	12 119	40%	51 538
Planning and development	41 777	51 538	7 511	42 183	30 064	12 119	40%	51 538
<i>Trading services</i>	259 994	205 177	45 525	127 943	119 686	8 257	7%	205 177
Energy sources	-	-	-	-	-	-	-	-
Water management	174 092	173 388	28 651	95 439	101 143	(5 704)	-6%	173 388
Waste water management	85 902	31 789	16 874	32 504	18 544	13 961	75%	31 789
Waste management	-	-	-	-	-	-	-	-
Total Expenditure - Functional	454 729	404 141	68 520	249 950	235 749	14 201	6%	404 141
Surplus/ (Deficit) for the year	329 564	347 343	(60 448)	(4 799)	202 617	(207 416)	-102%	347 036

This table assess the revenue by department and then the expenditure for the period ending 31 January 2019. Revenue receipts in January have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of January is 1%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has largest expenditure by 38% in the period ending 31 January 2019. 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) -

Vote Description	2017/18	Budget Year 2018/19						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue by Vote								
Vote 1 - Council	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office	307 943	330 749	719	196 297	192 937	3 360	1,7%	-
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-
Vote 5 - Social Services & Development Planning	341	308	-	326	179	147	82,0%	-
Vote 6 - Infrastructure Services	404 484	351 731	5 507	36 407	205 176	(168 770)	-82,3%	351 731
Vote 7 - Water Services	71 524	68 697	1 846	12 121	40 073	(27 952)	-69,8%	68 697
Vote 8 - NDZ	-	-	-	-	-	-	-	-
Total Revenue by Vote	784 293	751 484	8 072	245 151	438 366	(193 214)	-44,1%	420 428
Expenditure by Vote								
Vote 1 - Council	9 184	15 620	625	4 330	9 112	(4 782)	-52,5%	15 620
Vote 2 - Municipal Manager	12 599	13 878	765	7 345	8 095	(750)	-9,3%	13 878
Vote 3 - Budget & Treasury Office	70 508	64 802	4 513	26 092	37 801	(11 709)	-31,0%	64 802
Vote 4 - Corporate Services	60 668	53 127	9 580	42 057	30 991	11 066	35,7%	53 127
Vote 5 - Social Services & Development Planning	41 777	51 538	7 511	42 183	30 064	12 119	40,3%	51 538
Vote 6 - Infrastructure Services	85 902	31 789	16 874	32 504	18 544	13 961	75,3%	31 789
Vote 7 - Water Services	174 092	173 388	28 651	95 439	101 143	(5 704)	-5,6%	173 388
Vote 8 - NDZ	-	-	-	-	-	-	-	-
Total Expenditure by Vote	454 729	404 141	68 520	249 950	235 749	14 201	6,0%	404 141
Surplus/ (Deficit) for the year	329 564	347 343	(60 448)	(4 799)	202 617	(207 416)	-102,4%	16 287

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 November 2018.

DC43 Harry Gwala - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

Description	2017/18	Budget Year 2018/19						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates						-		
Service charges - electricity revenue						-		
Service charges - water revenue	47 671	41 410	4 308	27 521	24 156	3 365	14%	41 410
Service charges - sanitation revenue	19 723	17 747	1 846	11 795	10 352	1 442	14%	17 747
Interest earned - external investments	8 716	6 946	589	6 250	4 052	2 198	54%	6 946
Interest earned - outstanding debtors	12 606	9 540	926	5 685	5 565	120	2%	9 540
Transfers and subsidies	347 365	328 823	-	191 339	191 813	(474)	0%	328 823
Other revenue	4 815	5 036	403	2 561	2 938	(376)	-13%	5 036
Gains on disposal of PPE			-	-	-	-		
Total Revenue (excluding capital transfers and contributions)	440 896	409 502	8 072	245 151	238 876	6 275	3%	409 502
Expenditure By Type								
Employee related costs	161 904	166 778	15 124	106 525	83 389	23 136	28%	166 778
Remuneration of councillors	6 340	6 848	497	3 658	3 424	234	7%	6 848
Debt impairment	34 098	25 266	-	-	12 633	(12 633)	-100%	25 266
Depreciation & asset impairment	50 650	41 944	36 871	37 244	20 972	16 272	78%	41 944
Finance charges	1 605	3 954	0	1 041	1 977	(936)	-47%	3 954
Bulk purchases	16 225	15 000	1 146	6 041	7 500	(1 459)	-19%	15 000
Contracted services	24 505	34 510	2 065	20 398	17 255	3 143	18%	34 510
Other expenditure	159 403	109 840	12 816	75 043	54 920	20 123	37%	109 840
Loss on disposal of PPE			-	-	-	-		
Total Expenditure	454 729	404 141	68 520	249 950	202 071	47 880	24%	404 141
Surplus/(Deficit)	(13 833)	5 361	(60 448)	(4 799)	36 806	(41 605)	(0)	5 361
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	343 397	341 982	-		170 991	(170 991)	(0)	341 982
Transfers and subsidies - capital (in-kind - all)						-		
Surplus/(Deficit) after capital transfers & contributions	329 564	347 343	(60 448)	(4 799)	207 797			347 343
Taxation						-		
Surplus/(Deficit) after taxation	329 564	347 343	(60 448)	(4 799)	207 797			347 343
Attributable to minorit�es								
Surplus/(Deficit) attributable to municipality	329 564	347 343	(60 448)	(4 799)	207 797			347 343
Share of surplus/ (deficit) of associate								
Surplus/ (Deficit) for the year	329 564	347 343	(60 448)	(4 799)	207 797			347 343

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.

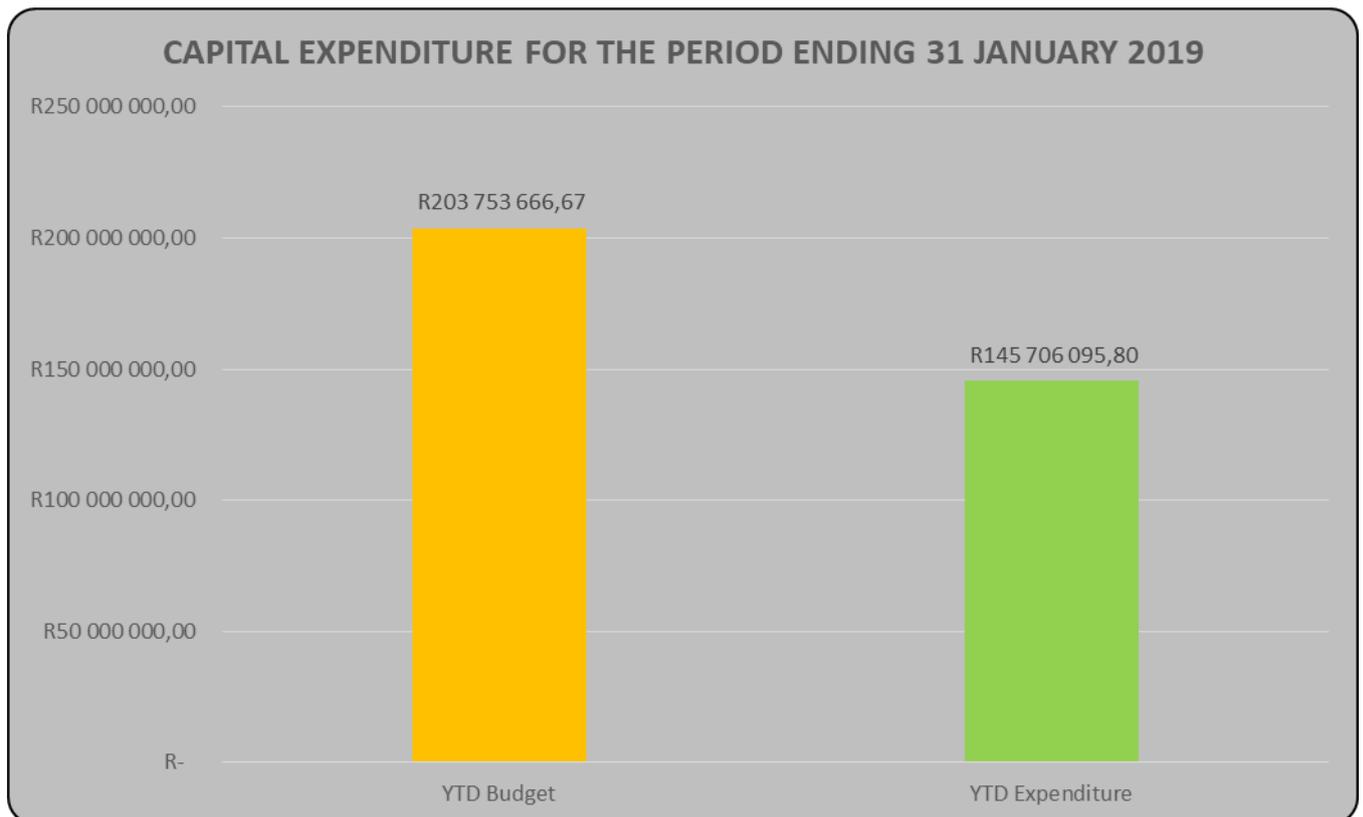
DC43 Harry Gwala - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

Vote Description	2017/18	Budget Year 2018/19						
	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 - Council	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury Office	-	550	-	-	321	(321)	-100%	550
Vote 4 - Corporate Services	6 153	3 760	190	2 263	2 193	70	3%	3 760
Vote 5 - Social Services & Development Planning	300	497	-	-	290	(290)	-100%	497
Vote 6 - Infrastructure Services	349 297	342 482	31 781	131 183	199 781	(68 599)	-34%	342 482
Vote 7 - Water Services	(4 400)	2 500	-	-	1 458	(1 458)	-100%	2 500
Vote 8 - NDZ	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	351 350	349 789	31 972	133 446	204 044	(70 598)	-35%	349 789
Total Capital Expenditure	351 350	349 789	31 972	133 446	204 044	(70 598)	-35%	349 789
Capital Expenditure - Functional Classification								
Governance and administration	6 153	4 310	190	2 263	2 514	(251)	-10%	4 310
Executive and council	-	-	-	-	-	-	-	-
Finance and administration	6 153	4 310	190	2 263	2 514	(251)	-10%	4 310
Internal audit	-	-	-	-	-	-	-	-
Economic and environmental services	300	497	-	222	290	(68)	-23%	497
Planning and development	300	497	-	222	290	(68)	-23%	497
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
Trading services	343 397	342 482	12 038	143 221	199 781	(56 560)	-28%	342 482
Energy sources	-	-	-	-	-	-	-	-
Water management	343 397	342 482	12 038	143 221	199 781	(56 560)	-28%	342 482
Waste water management	-	-	-	-	-	-	-	-
Waste management	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	351 350	349 789	12 229	145 706	204 044	(58 338)	-29%	349 789
Funded by:								
National Government	343 397	341 982	12 038	139 232	199 490	(60 257)	-30%	341 982
Other transfers and grants	-	-	-	-	-	-	-	-
Transfers recognised - capital	343 397	341 982	12 038	139 232	199 490	(60 257)	-30%	341 982
Internally generated funds	7 953	7 807	190	2 485	4 554	(2 069)	-45%	7 807
Total Capital Funding	351 350	349 789	12 229	141 718	204 044	(62 326)	-31%	349 789

As alluded to above, the capital expenditure programme for the period ending 31 January was R12, 2m year to date expenditure is at R141, 4million of capital expenditure against year to date budget of R 203, 7million.

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

Chart 1: 2018/2019 CAPEX YTD BUDGET & YTD ACTUAL



As at 31 January 2019, the year to date actual expenditure was R145, 7million against a YTD budget of R203, 7million. In monetary terms, these figures represent 72% per cent performance against the capital development programme as at 31 January 2019.

Table C6 displays the financial position of the municipality as at 31 January 2019.

DC43 Harry Gwala - Table C6 Monthly Budget Statement - Financial Position - M07 January

Description	2017/18	Budget Year 2018/19		
	Audited Outcome	Original Budget	YearTD actual	Full Year Forecast
R thousands				
<u>ASSETS</u>				
Current assets				
Cash	12 394	28 182	191 659	28 182
Call investment deposits				
Consumer debtors	34 358	38 849	20 531	38 849
Other debtors	7 107	5 174	33 656	5 174
Inventory	263	180	171	180
Total current assets	54 121	72 385	246 017	72 385
Non current assets				
Property, plant and equipment	2 125 417	2 431 162	1 999 549	2 431 162
Agricultural				
Biological				
Intangible	3 619	5 209	1 347	5 209
Other non-current assets				
Total non current assets	2 129 037	2 436 371	2 000 896	2 436 371
TOTAL ASSETS	2 183 158	2 508 756	2 246 913	2 508 756
<u>LIABILITIES</u>				
Current liabilities				
Bank overdraft				
Borrowing	11 604	11 716	6 429	11 716
Consumer deposits	1 794	1 524	1 671	1 524
Trade and other payables	161 822	197 890	233 864	197 890
Provisions	1 019	1 433	732	1 433
Total current liabilities	176 239	212 563	242 696	212 563
Non current liabilities				
Borrowing	19 046	7 330	19 709	7 330
Provisions	26 454	26 454	22 217	26 454
Total non current liabilities	45 500	33 784	41 926	33 784
TOTAL LIABILITIES	221 738	246 347	284 622	246 347
NET ASSETS	1 961 419	2 262 409	1 962 291	2 262 409
<u>COMMUNITY WEALTH/EQUITY</u>				
Accumulated Surplus/(Deficit)	1 945 150	2 262 409	1 962 291	2 262 409
Reserves				
TOTAL COMMUNITY WEALTH/EQUITY	1 945 150	2 262 409	1 962 291	2 262 409

Table C7 below display the Cash Flow Statement for the period ending 31 January 2019.

DC43 Harry Gwala - Table C7 Monthly Budget Statement - Cash Flow - M07 January

Description	2017/18	Budget Year 2018/19						
	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						-		
Service charges	42 411	31 945	4 093	30 291	18 634	11 657	63%	31 945
Other revenue	4 779	2 522	403	2 540	1 471	1 069	73%	2 522
Government - operating	301 213	328 823	-	193 611	191 813	1 798	1%	328 823
Government - capital	343 397	341 982	-	224 467	199 490	24 978	13%	341 982
Interest	8 816	6 946	589	14 472		14 472	#DIV/0!	6 946
Payments								
Suppliers and employees	(361 210)	(332 976)	(16 415)	(288 132)	(194 236)	93 896	-48%	(332 976)
Finance charges	(3 958)	(1 229)	-			-		(1 229)
Transfers and Grants	-	-				-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES	335 448	378 013	(11 330)	177 249	217 172	39 924	18%	378 013
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Decrease (increase) other non-current receivables						-		
Decrease (increase) in non-current investments						-		
Payments								
Capital assets	(351 550)	(349 789)	(7 229)	(154 657)	(204 044)	(49 387)	24%	(349 789)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(351 550)	(349 789)	(7 229)	(154 657)	(204 044)	(49 387)	24%	(349 789)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Short term loans						-		
Borrowing long term/refinancing						-		
Increase (decrease) in consumer deposits	200	200	-			-		200
Payments								
Repayment of borrowing	(3 330)	(3 697)	-		(2 156)	(2 156)	100%	(3 697)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(3 130)	(3 496)	-	-	(2 156)	(2 156)	100%	(3 496)
NET INCREASE/ (DECREASE) IN CASH HELD	(19 232)	24 727	(18 559)	22 592	10 972			24 727
Cash/cash equivalents at beginning:	24 273	43 023		96 962	43 023			96 962
Cash/cash equivalents at month/year end:	5 041	67 750		119 554	53 995			121 689

The billing vs Collection for the month of January was 53% (October: 54%) showing a decrease in collection by 1% 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 January 2019.

Table 2.1.1: Debtors Age Analysis by Income Source

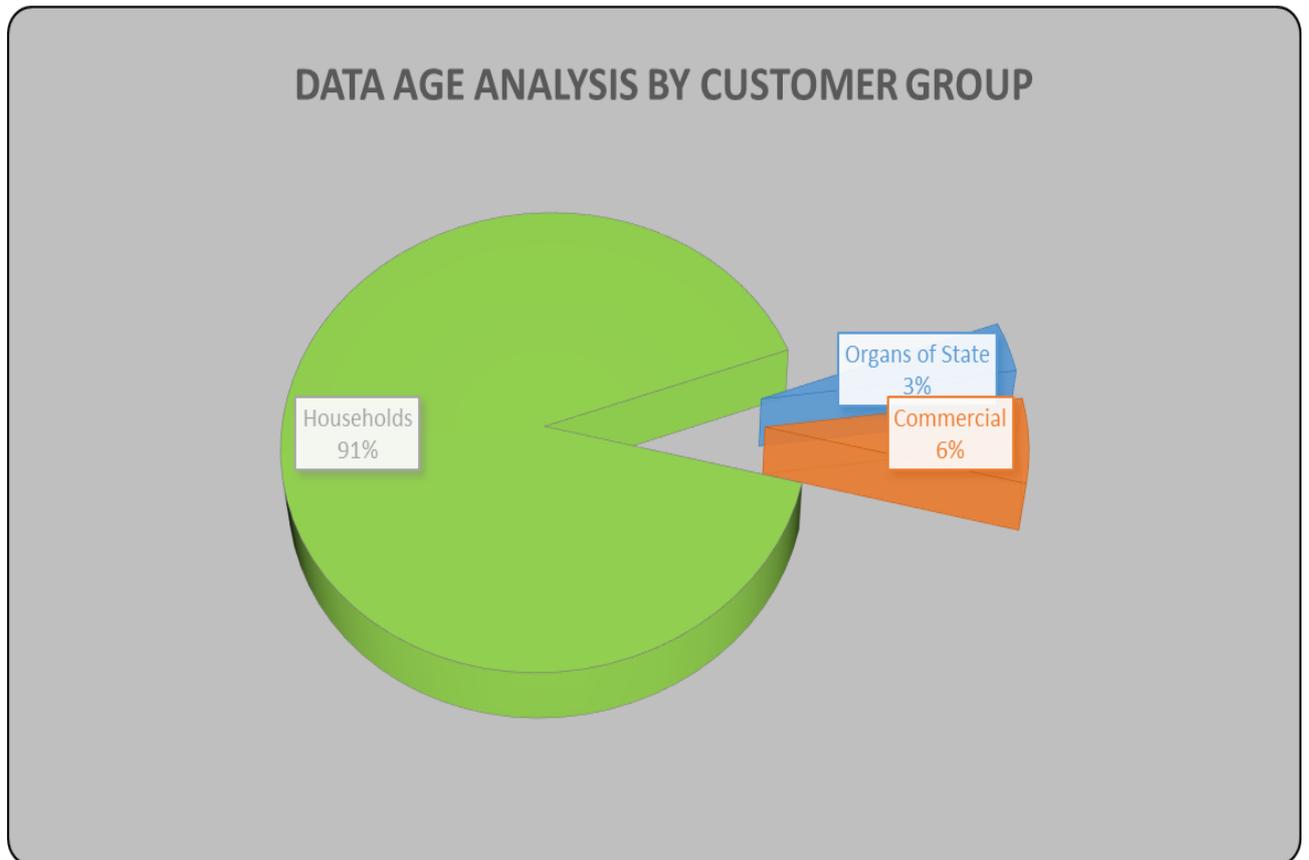
DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description	Budget Year 2018/19								Total	Total over 90 days
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr		
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	35 565	3 794	3 190	3 319	2 794	2 861	25 836	51 547	128 905	86 356
Trade and Other Receivables from Exchange Transactions - Electricity	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	13 894	1 482	1 246	1 296	1 091	1 118	10 093	20 137	50 358	33 736
Receivables from Exchange Transactions - Waste Management	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	5 945	634	533	555	467	478	4 319	8 616	21 547	14 435
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total By Income Source	55 404	5 910	4 969	5 170	4 352	4 457	40 247	80 301	200 810	134 527
2017/18 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State	3 047	739	445	452	180	225	783	1 226	7 098	2 866
Commercial	3 468	781	459	408	320	310	2 162	3 985	11 894	7 186
Households	48 888	4 389	4 065	4 309	3 852	3 922	37 302	75 090	181 818	124 475
Other	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	55 404	5 910	4 969	5 170	4 352	4 457	40 247	80 301	200 810	134 527

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: 91%
- ✓ Government 3%
- ✓ Business 6%

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

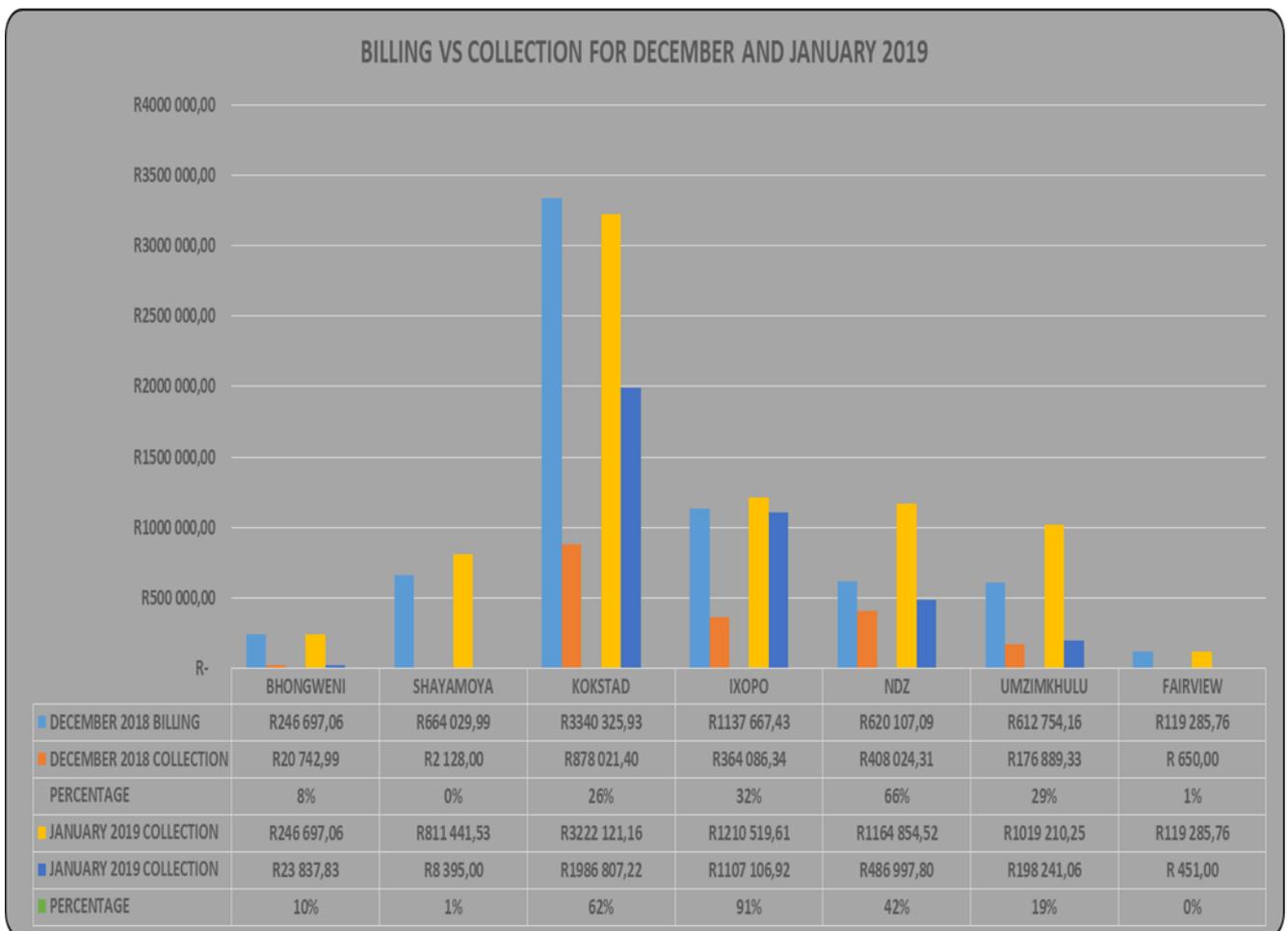
The table that follows below unpacks the revenue receipts per Local Municipality in the District

REVENUE RECEIPTS PER AREA

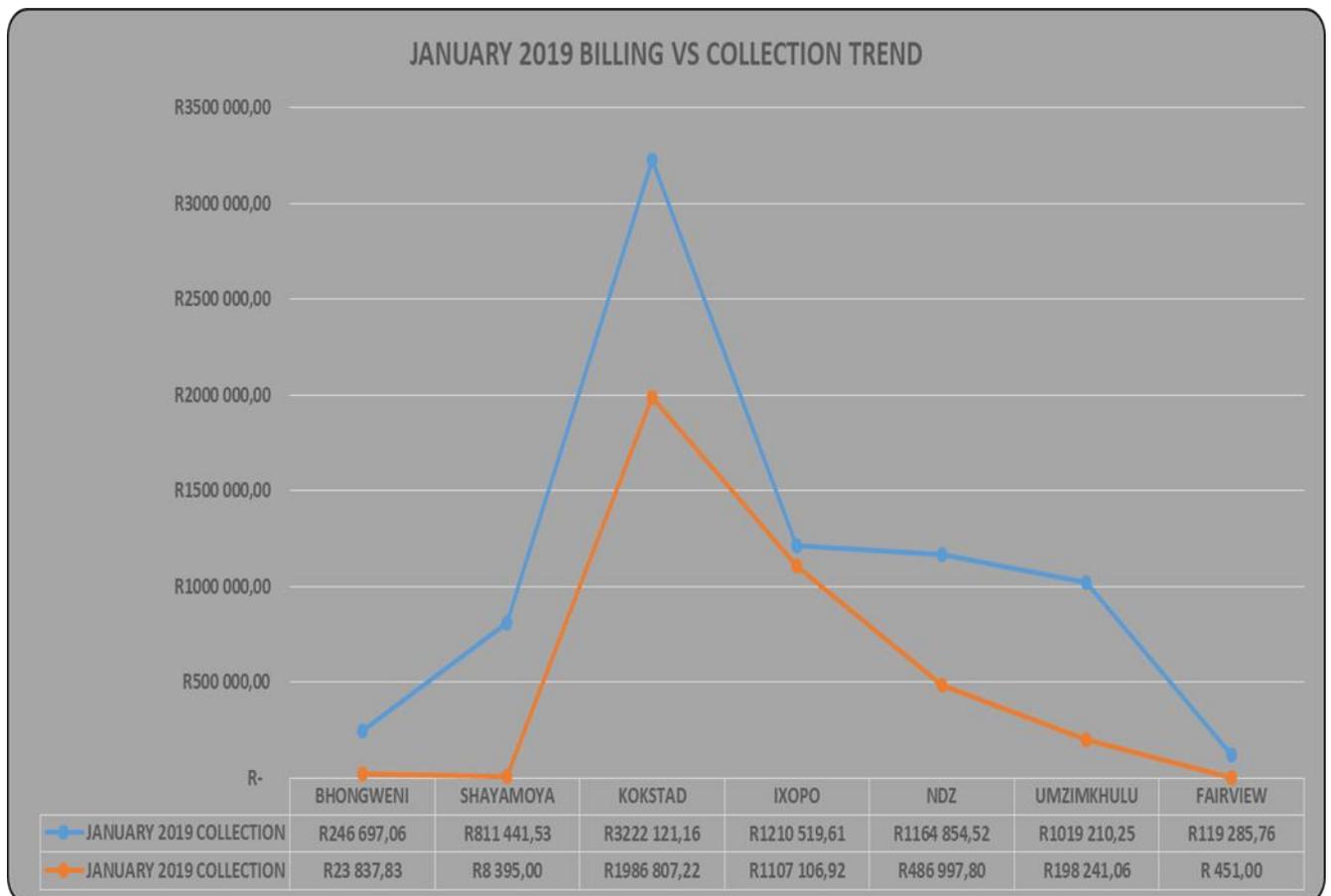
AREA	AMOUNT		
		JANUARY 2019	DECEMBER 2018
Unallocated receipts	R 280 825,31	7%	49%
Bhongweni	R 23 837,83	1%	1%
Shayamoya	R 8 395,00	0%	0%
Kokstad	R 1 986 106,92	49%	24%
Ixopo	R 1 107 106,92	27%	10%
NDZ	R 486 997,80	12	11
Umzimkulu	R 198 241,06	5%	5%
Fairview	R 451,00	0%	0%
TOTAL RECEIPTS INCL VAT	R 4 092 662,14	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 January 2019 is R4million.

**BILLING VS COLLECTION FOR DECEMBER AND JANUARY 2019
(COMPARISON BETWEEN DECEMBER 2019 AND JANUARY 2019)**



BILLING VS COLLECTION TREND FOR JANUARY 2019



Debtors age analysis per service

The municipality’s total outstanding debtors amounted to R 200 809 866 as at 31 January 2019 compared with the R 198 191 776 as at 31 December 2018. Current debt represent 3% of the total outstanding debt compared with the 3% again of December 2018; 30 days and older debt 2% compared with the 3% for December 2018; 60 days and older debt 3% compared with the 3% of December 2018; and 90 days and older debt 2% compared with the 2% of December 2018.

Current debt increased with R 2,618,090 to R 200,809,866 compared with the R 198,191,776 as at 31 December 2018; 30 days + debt Decreased with R 1,192,244K; 60 days + Decreased with R 733,398k and 90 days and older debt as at December 2018 has decreased with R 37,855,445 to R 134,526,844 compared with the R 172,382,289 as at 30 December 2018 because of the adjustment that has been passed in January but the debt increased to R 200, 809,866.

Debtors age analysis per debtor type

Business debtors owes the municipality R 11,571,083 (6%); Municipal debtors R 699,660 (0.01%); domestic debtors R 161,857,134 (81%); Government accounts R 6,268,860 (3%); Indigent debtors R 16, 875, 279 (8%) and other debtors R 3,537,851 (2%) of the total outstanding debt of R 200,809,866. Most of the domestic debt and other debt will be irrecoverable and most probably will have to be written off.

2.2 Creditors Analysis

Table SC presents the aged creditors as at 31 January 2019.

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

Description	Budget Year 2018/19								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	2 192	-	0	38					2 229
PAYE deductions									-
Loan repayments									-
Trade Creditors	3 218	956	-	1 590					5 764
Auditor General	1 552	0	3	3					1 558
Other									-
Total By Customer Type	6 962	956	3	1 631	-	-	-	-	9 551

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 January 2019.

Cash and Bank Balances (Investments)

DC43 Harry Gwala - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

Investments by maturity Name of institution & investment ID R thousands	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								
FIRST NATIONAL BANK	CALL ACCOUNT			89		14 493	(9 185)	5 397
FIRST NATIONAL BANK	CALL ACCOUNT			31		6 674	11 225	17 929
FIRST NATIONAL BANK	ADMIN CALL			34		8 032	-	8 066
INVESTEC	FIXED DEPOSIT			186		33 120	-	33 306
FIRST NATIONAL BANK	FIXED DEPOSIT			105		19 813	(38)	19 880
FIRST NATIONAL BANK	CALL ACCOUNT			4		1 065	-	1 069
FIRST NATIONAL BANK	CALL ACCOUNT			3		1 168	(681)	491
FIRST NATIONAL BANK	CALL ACCOUNT			134		29 597	-	29 730
FIRST NATIONAL BANK	FIXED DEPOSIT			3		817	-	820
FIRST NATIONAL BANK	CURRENT ACCOUNT			-		23 335	-	2 867
Municipality sub-total				589		138 113	1 321	119 554
TOTAL INVESTMENTS AND INTEREST				589		138 113	1 321	119 554

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 - M07 January

Description	2017/18	Budget Year 2018/19						
	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:	347 365	328 823	-	193 611	191 813	4 300	2,2%	328 823
Local Government Equitable Share	285 028	318 074	-	189 290	185 543	3 747	2,0%	318 074
Finance Management	1 250	1 000	-	1 000	583			1 000
Municipal Systems Improvement	-	-	-	-	-			-
Municipal Infrastructure Grant (PMU)	49 148	5 005	-	-	2 920			5 005
Energy Efficiency And Demand Side Management Grant	8 000	-	-	-	-			-
Water Services Operating Subsidy	-	-	-	-	-			-
Rural Roads Asset Management Grant	2 221	2 226	-	1 558	1 299	260	20,0%	2 226
Rural Household Infrastructure Grant	-	-	-	-	-			-
Expanded public works programme incentive grant	1 718	2 518	-	1 763	1 469	294	20,0%	2 518
						-		
						-		
Total Operating Transfers and Grants	347 365	328 823	-	193 611	191 813	4 300	2,2%	328 823
Capital Transfers and Grants								
National Government:	387 544	341 982	-	224 467	199 490	2 311	1,2%	341 982
Municipal Infrastructure Grant (MIG)	199 544	191 582	-	114 067	111 756	2 311	2,1%	191 582
Regional Bulk Infrastructure	90 000	70 000	-	60 000	40 833			70 000
Municipal Water Infrastructure Grant	98 000	80 400	-	50 400	46 900			80 400
Expanded public works programme incentive grant	-	-	-	-	-			-
Rural Household Infrastructure Grant	-	-	-	-	-			-
Drought Relief						-		
						-		
Total Capital Transfers and Grants	387 544	341 982	-	224 467	199 490	2 311	1,2%	341 982
TOTAL RECEIPTS OF TRANSFERS & GRANTS	734 909	670 805	-	418 078	391 303	6 611	1,7%	670 805

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 - M07 January

Description	2017/18	Budget Year 2018/19						
	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:	347 365	328 823	186 399	191 510	191 813	195	0,1%	328 823
Local Government Equitable Share	285 028	318 074	185 543	185 543	185 543	-		318 074
Finance Management	1 250	1 000	50	508	583	(76)	-13,0%	1 000
Municipal Systems Improvement	-	-	-	-	-	-		-
Municipal Infrastructure Grant (PMU)	49 148	5 005	-	3 191	2 920	271	9,3%	5 005
Energy Efficiency And Demand Side Management Grant	8 000	-	-	-	-	-		-
Water Services Operating Subsidy	-	-	-	-	-	-		-
Rural Roads Asset Management Grant	2 221	2 226	592	1 009	1 299			2 226
Rural Household Infrastructure Grant	-	-	-	-	-	-		-
Expanded public works programme incentive grant	1 718	2 518	214	1 259	1 469			2 518
Other transfers and grants [insert description]	-	-	-	-	-	-		-
Total operating expenditure of Transfers and Grants:	347 365	328 823	186 399	191 510	191 813	195	0,1%	328 823
Capital expenditure of Transfers and Grants								
National Government:	387 544	341 982	13 555	160 790	199 490	(26 761)	-13,4%	341 982
Municipal Infrastructure Grant (MIG)	199 544	191 582	4 432	91 841	111 756	(19 916)	-17,8%	191 582
Regional Bulk Infrastructure	90 000	70 000	1 343	33 988	40 833	(6 845)	-16,8%	70 000
Municipal Water Infrastructure Grant	98 000	80 400	7 780	34 961	46 900			80 400
Expanded public works programme incentive grant	-	-	-	-	-	-		-
Rural Household Infrastructure Grant	-	-	-	-	-	-		-
Drought Relief	-	-	-	-	-	-		-
Total capital expenditure of Transfers and Grants	387 544	341 982	13 555	160 790	199 490	(26 761)	-13,4%	341 982
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	734 909	670 805	199 954	352 299	391 303	(26 566)	-6,8%	670 805

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 31 January 2019.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	2017/18	Budget Year 2018/19						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	3 795	4 098	323	2 461	1 366	1 095	80%	4 098
Pension and UIF Contributions	399	431	27	188	144	44	31%	431
Medical Aid Contributions	94	101	6	44	34	10	31%	101
Motor Vehicle Allowance	1 178	1 272	81	554	424	130	31%	1 272
Cellphone Allowance	259	279	18	122	93	28	31%	279
Other benefits and allowances	616	665	42	290	222	68	31%	665
Sub Total - Councillors	6 340	6 847	497	3 658	2 282	1 375	60%	6 847
% increase		8,0%						8,0%
Senior Managers of the Municipality								
Basic Salaries and Wages	4 509	4 870	704	4 839	1 623	3 215	198%	4 870
Pension and UIF Contributions	4	4	0	3	1	1	94%	4
Medical Aid Contributions	6	7	1	5	2	2	94%	7
Motor Vehicle Allowance	3 797	4 101	387	2 658	1 367	1 291	94%	4 101
Cellphone Allowance	178	192	18	124	64	60	94%	192
Other benefits and allowances	5	6	1	4	2	2	94%	6
Sub Total - Senior Managers of Municipality	8 500	9 180	1 111	7 632	3 060	4 572	149%	9 180
% increase		8,0%						8,0%
Other Municipal Staff								
Basic Salaries and Wages	101 821	102 213	10 236	68 561	34 071	34 490	101%	102 213
Pension and UIF Contributions	16 798	18 142	1 662	11 423	6 047	5 375	89%	18 142
Medical Aid Contributions	2 321	2 507	230	1 578	836	743	89%	2 507
Overtime	2 074	2 240	205	1 410	747	664	89%	2 240
Performance Bonus	9 205	9 942	911	6 260	3 314	2 946	89%	9 942
Motor Vehicle Allowance	4 231	4 570	419	2 877	1 523	1 354	89%	4 570
Cellphone Allowance	722	780	71	491	260	231	89%	780
Housing Allowances	63	68	6	43	23	20	89%	68
Other benefits and allowances	2 767	2 988	274	1 882	996	885	89%	2 988
Sub Total - Other Municipal Staff	140 002	143 449	14 014	94 524	47 816	46 708	98%	143 449
% increase		2,5%						2,5%
Total Parent Municipality	154 842	159 475	15 621	105 814	53 158	52 655	99%	159 475
		3,0%						3,0%
Board Members of Entities								
Other benefits and allowances	100							
Board Fees	200	350						350
Sub Total - Board Members of Entities	300	350	-	-	-	-	-	350
% increase		16,7%						16,7%
Senior Managers of Entities								
Basic Salaries and Wages	2 006	2 166						2 166
Motor Vehicle Allowance	288	311						311
Cellphone Allowance	55	59						59
Other benefits and allowances	55	59						59
Sub Total - Senior Managers of Entities	2 404	2 597	-	-	-	-	-	2 597
% increase		8,0%						8,0%
Other Staff of Entities								
Basic Salaries and Wages	10 160	10 973						10 973
Motor Vehicle Allowance	175	189						189
Other benefits and allowances	362	391						391
Sub Total - Other Staff of Entities	10 697	11 553	-	-	-	-	-	11 553
% increase		8,0%						8,0%
Total Municipal Entities	13 402	14 500	-	-	-	-	-	14 500
TOTAL SALARY, ALLOWANCES & BENEFITS	168 244	173 975	15 621	105 814	53 158	52 655	99%	173 975
% increase		3,4%						3,4%
TOTAL MANAGERS AND STAFF	161 604	166 778	15 124	102 156	50 876	51 280	101%	166 778

2.6 Material Variances to the SDBIP

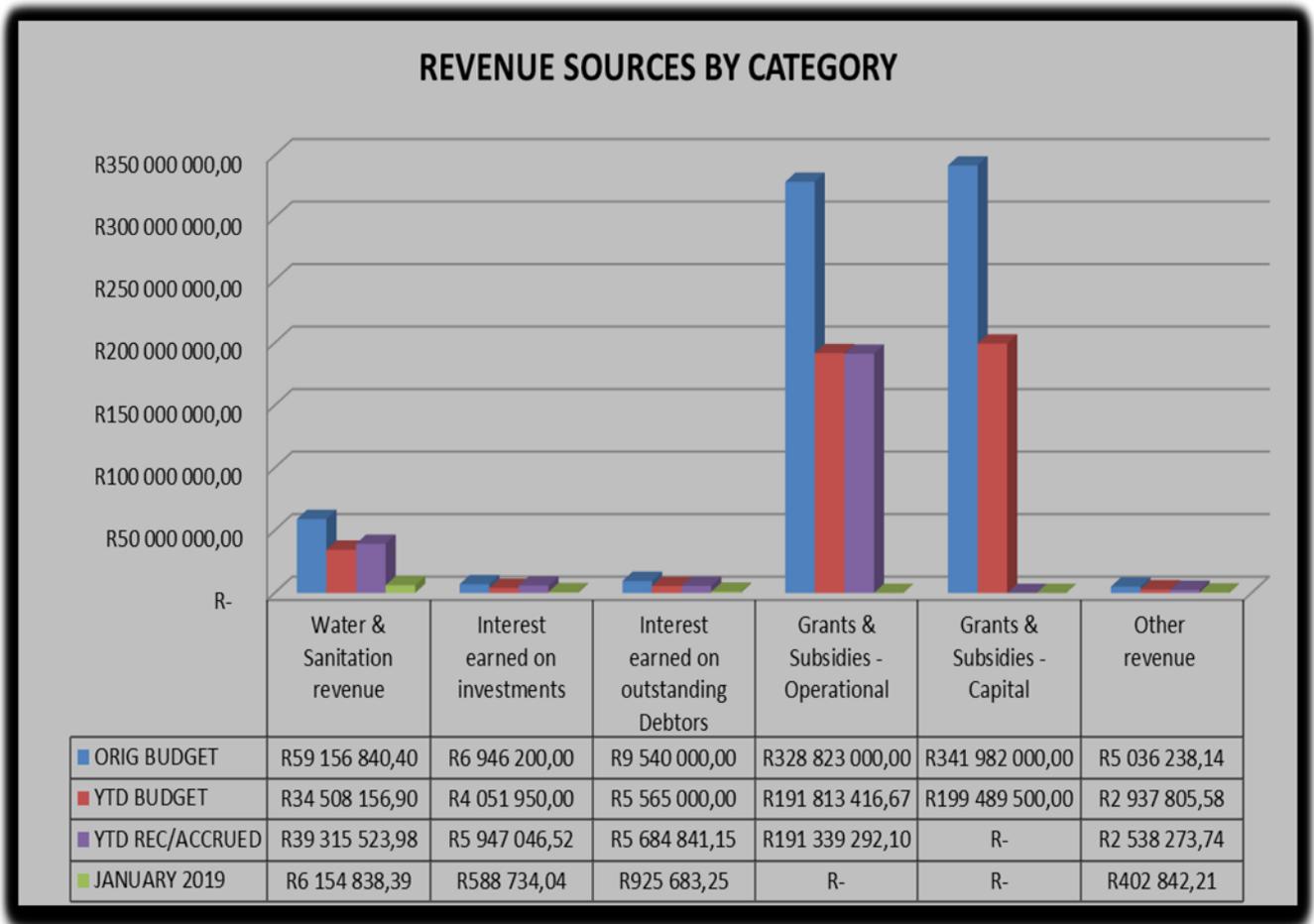
The following section analyses material variances between the actual targets as at 31 January 2019 and the budget for the same period. This report analyses each major component under following headings;

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

REVENUE

The chart displays a comparison between the 201819 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 January 2019 was R39, 3million against a year to date **budget** of R34, 6million.

Interest Earned on External Investments

The year to date actual on interest earned on external investments as at 31 January 2019 is R5, 9m against year to date budget of R4million.

Transfers Recognised – Operational

No Operational grant received for the month of January 2019

Transfers Recognised – Capital

The year to date actual R145, 7million (against a YTD budget of R203, 7million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 72% performance in Conditional Capital grant funding expenditures. No Capital grants received in the month of January 2018

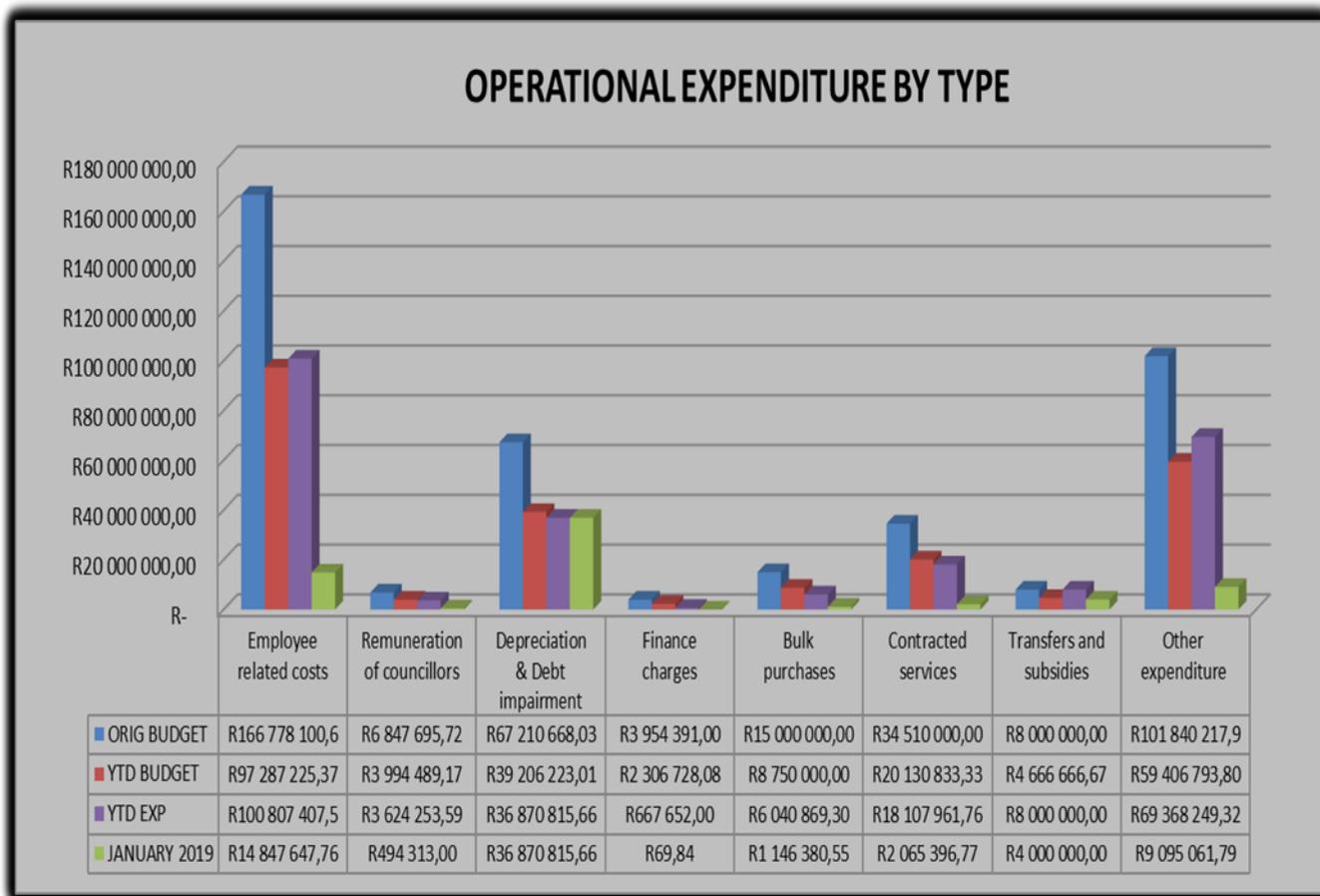
Other Revenue

The YTD performance of other revenue is R2, 5million against YTD budget of R2, 9million 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: 2018/19 Financial year Opex



Employee Related Costs

The Original budget for employee related costs is R166, 7million and the year to date budget is R97, 2million against a YTD actual of R100, 8million which is 104%. Employee related costs over performed by 4% of the planned budget.

Remuneration of Councillors

The remuneration of councillor’s year to date expenditure is at R 3, 6million against a YTD budget of R 3, 9million representing 91% of the year to date budget.

Finance Charges

The original budget for finance charges is R3, 9million and the year to date expenditure is at R 667 652 against a year to date budget of R 2, 3million. The expenditure for finance charges is at 29% of the planned budget as at 31 January 2019.

Bulk Purchases

The original budget for Bulk Water purchases is R15million and the year to date expenditure is at R 6million against a year to date budget of R 8, 7million. The expenditure for bulk water purchases is at 69% of the year to date budget as at 31 January 2019.

Other Expenditure

The YTD budget for other expenditure was at R59, 4million against a YTD expenditure of R 69, 3million for the month of January 2019 representing 117 per cent of the year to date budget.

Performance assessment

The Performance Assessment Report will be available on the second quarter of 2018/2019 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 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January

Description	Budget Year 2018/19												2018/19 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 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21		
R thousands																	
Cash Receipts By Source																	
Property rates												-					
Service charges - electricity revenue												-					
Service charges - water revenue	2 823	2 923	3 900	3 416	2 744	2 532	2 865	1 631	1 677	1 465	1 668	(5 283)	22 361	23 882	25 506		
Service charges - sanitation revenue	1 210	1 253	1 672	1 464	1 176	1 085	1 228	807	789	680	774	(2 555)	9 583	10 235	10 931		
Interest earned - external investments							4 628	731	589	948	475	418	983	(2 124)	6 646	7 098	7 577
Transfer receipts - operating	132 531	3 188	-	-	1 133	56 759		506	126 198	-	103	8 405	328 823	353 324	383 130		
Other revenue	385	1	336	736	397	283	403	69	393	262	424	(1 374)	2 314	2 649	2 790		
Cash Receipts by Source	136 949	7 365	5 908	5 616	10 078	61 390	5 084	3 960	129 532	2 826	3 952	(2 931)	369 728	397 188	429 934		
Other Cash Flows by Source																	
Transfer receipts - capital	129 467	25 000	-	20 000	35 000	15 000		13 720	61 733	-	-	42 062	341 982	343 859	378 480		
Change in non-current investments												-					
Total Cash Receipts by Source	266 416	32 365	5 908	25 616	45 078	76 390	5 084	17 680	191 265	2 826	3 952	39 131	711 710	741 047	808 414		
Cash Payments by Type																	
Employee related costs	13 633	13 781	15 411	14 718	14 339	15 697	14 983	14 567	11 066	13 218	13 086	12 279	166 778	179 780	193 955		
Remuneration of councillors	509	487	532	541	541	526	497	577	577	577	577	906	6 848	7 396	7 987		
Interest paid							0	204	204	204	204	3 130	3 945	4 356	1 668		
Bulk purchases - Water & Sewer	1 300	1 955	1 503	1 106	-	810	1 146	1 136	1 103	1 193	1 152	2 595	15 000	15 810	16 680		
Other materials								-	-	-	-	-					
Contracted services	1 100	3 140	4 252	1 246	3 604	2 901	2 065	3 069	1 856	1 701	1 869	7 706	34 510	46 914	49 494		
Grants and subsidies paid - other municipalities								-	-	-	-	-					
Grants and subsidies paid - other								-	-	-	-	-					
General expenses	24 830	42 079	20 359	1 629	21 245	39 416	(2 277)	4 427	20 100	4 527	5 631	(88 583)	93 384	87 193	110 937		
Cash Payments by Type	41 373	61 442	42 058	19 241	39 729	59 351	16 415	23 979	34 906	21 420	22 520	(61 968)	320 465	341 448	380 720		
Other Cash Flows/Payments by Type																	
Capital assets	28 722	10 900	6 406	25 466	44 154	31 781	7 229	28 499	28 499	28 499	28 499	73 331	341 982	338 858	373 429		
Repayment of borrowing							2 600					3 024	5 624	3 226	5 658		
Other Cash Flows/Payments												-					
Total Cash Payments by Type	70 094	72 341	48 464	44 707	83 883	91 132	26 243	52 478	63 405	49 919	51 018	14 387	668 071	683 532	759 807		
NET INCREASE/(DECREASE) IN CASH HELD	196 322	(39 976)	(42 556)	(19 091)	(38 805)	(14 741)	(21 159)	(34 798)	127 860	(47 093)	(47 067)	24 744	43 639	57 515	48 607		
Cash/cash equivalents at the month/year beginning:	96 962	293 284	253 307	210 751	191 659	152 854	138 113	116 954	82 156	210 016	162 924	115 857	96 962	140 601	198 116		
Cash/cash equivalents at the month/year end:	293 284	253 307	210 751	191 659	152 854	138 113	116 954	82 156	210 016	162 924	115 857	140 601	140 601	198 116	246 723		

Parent Municipal financial performance

DC43 Harry Gwala - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M07 January

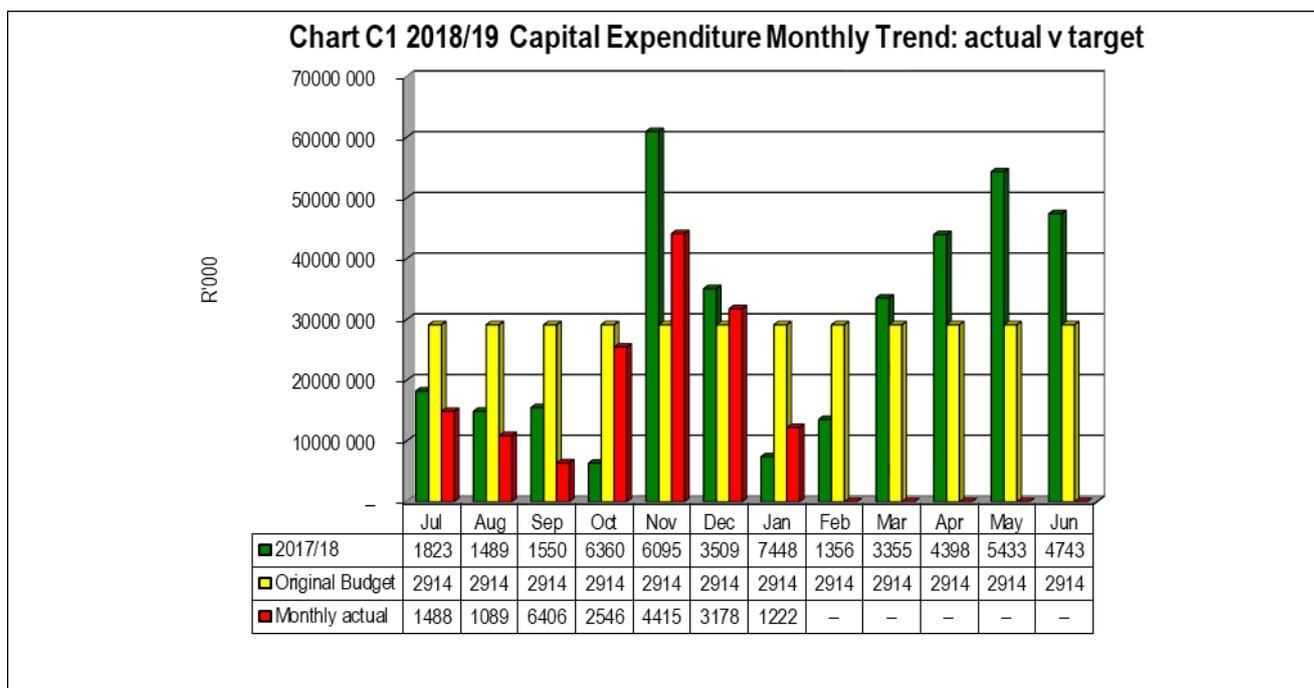
Description	2017/18	Budget Year 2018/19						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Property rates						-		
Service charges - electricity revenue						-		
Service charges - water revenue	47 671	41 410	4 308	27 521	24 156	3 365	14%	41 410
Service charges - sanitation revenue	19 723	17 747	1 846	11 795	10 352	1 442	14%	17 747
Interest earned - external investments	8 716	6 946	589	6 250	4 052	2 198	54%	6 946
Interest earned - outstanding debtors	12 606	9 540	926	5 685	5 565	120	2%	9 540
Transfers and subsidies	347 365	328 823	-	191 339	191 813	(474)	0%	328 823
Other revenue	4 815	5 036	403	2 561	2 938	(376)	-13%	5 036
Gains on disposal of PPE			-	-	-	-		
Total Revenue (excluding capital transfers and contributions)	440 896	409 502	8 072	245 151	238 876	6 275	3%	409 502
Expenditure By Type								
Employee related costs	161 904	166 778	15 124	106 525	83 389	23 136	28%	166 778
Remuneration of councillors	6 340	6 848	497	3 658	3 424	234	7%	6 848
Debt impairment	34 098	25 266	-	-	12 633	(12 633)	-100%	25 266
Depreciation & asset impairment	50 650	41 944	36 871	37 244	20 972	16 272	78%	41 944
Finance charges	1 605	3 954	0	1 041	1 977	(936)	-47%	3 954
Bulk purchases	16 225	15 000	1 146	6 041	7 500	(1 459)	-19%	15 000
Contracted services	24 505	34 510	2 065	20 398	17 255	3 143	18%	34 510
Transfers and subsidies	-	-	-	-	-	-		-
Other expenditure	159 403	109 840	12 816	75 043	54 920	20 123	37%	109 840
Loss on disposal of PPE			-	-	-	-		
Total Expenditure	454 729	404 141	68 520	249 950	202 071	47 880	24%	404 141
Surplus/(Deficit)	(13 833)	5 361	(60 448)	(4 799)	36 806	(41 605)	-113%	5 361
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	343 397	341 982	-	-	199 490	(199 490)	-100%	341 982
Transfers and subsidies - capital (in-kind - all)								
Surplus/(Deficit) after capital transfers & contributions	329 564	347 343	(60 448)	(4 799)	236 295	(241 094)	-102%	347 343
Taxation								
Surplus/(Deficit) after taxation	329 564	347 343	(60 448)	(4 799)	236 295	(241 094)	-102%	347 343

Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M07 January

Month	2017/18	Budget Year 2018/19						
	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	18 231	29 149	14 889	14 889	29 149	14 260	48,9%	4%
August	14 892	29 149	10 900	25 789	58 298	32 509	55,8%	7%
September	15 501	29 149	6 406	32 195	87 447	55 252	63,2%	9%
October	6 361	29 149	25 466	57 661	116 596	58 935	50,5%	16%
November	60 953	29 149	44 154	101 815	145 746	43 931	30,1%	29%
December	35 093	29 149	31 781	133 596	174 895	41 298	23,6%	38%
January	7 449	29 149	12 229	145 825	204 044	58 219	28,5%	42%
February	13 561	29 149			233 193	-		
March	33 559	29 149			262 342	-		
April	43 982	29 149			291 491	-		
May	54 335	29 149			320 640	-		
June	47 433	29 149			349 789	-		
Total Capital expenditure	351 350	349 789	145 825					

CAPITAL EXPENDITURE MONTHLY TREND



DC43 Harry Gwala - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M07 January

Description	2017/18	Budget Year 2018/19						
	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	338 697	320 275	12 038	143 221	160 138	16 917	10,6%	320 275
Roads Infrastructure	-	-	-	-	-	-	-	-
<i>Capital Spares</i>								
Water Supply Infrastructure	280 553	257 732	10 033	111 657	128 866	17 209	13,4%	257 732
<i>Dams and Weirs</i>								
<i>Pump Stations</i>								
<i>Water Treatment Works</i>	280 553	257 732	10 033	111 657	128 866	17 209	13,4%	257 732
<i>Bulk Mains</i>								
<i>Capital Spares</i>								
Sanitation Infrastructure	58 143	62 543	2 005	31 564	31 272	(292)	-0,9%	62 543
<i>Pump Station</i>								
<i>Reticulation</i>								
<i>Waste Water Treatment Works</i>	58 143	62 543	2 005	31 564	31 272	(292)	-0,9%	62 543
<i>Outfall Sewers</i>								
Other assets	-	200	-	-	100	100	100,0%	200
Operational Buildings	-	200	-	-	100	100	100,0%	200
<i>Municipal Offices</i>		200			100	100	100,0%	200
<i>Pay/Enquiry Points</i>								
Intangible Assets	2 100	2 100	-	-	1 050	1 050	100,0%	2 100
Servitudes								
Licences and Rights	2 100	2 100	-	-	1 050	1 050	100,0%	2 100
<i>Computer Software and Applications</i>	2 100	2 100			1 050	1 050	100,0%	2 100
<i>Load Settlement Software Applications</i>								
<i>Unspecified</i>								
Computer Equipment	-	4 510	-	-	-	-		-
Computer Equipment								
Furniture and Office Equipment	1 210	1 210	190	535	605	70	11,5%	1 210
Furniture and Office Equipment	1 210	1 210	190	535	605	70	11,5%	1 210
Machinery and Equipment	3 043	2 000	-	1 728	1 000	(728)	-72,8%	2 000
Machinery and Equipment	3 043	2 000	-	1 728	1 000	(728)	-72,8%	2 000
Transport Assets	1 300	1 300	-	-	650	650	100,0%	1 300
Transport Assets	1 300	1 300			650	650	100,0%	1 300
Total Capital Expenditure on new assets	346 350	327 085	12 229	145 484	163 543	18 059	11,0%	327 085

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 January 2019 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 _____