

REPORT ON S71 OF THE MFMA FOR THE PERIOD ENDING 29 FEBRUARY 2016

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 29 February 2016 to Finance and Corporate Services Committee.

LEGAL FRAMEWORK

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

1.2 Executive Summary or Background

Legislative Requirements

In terms of the section 71 of the MFMA the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

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

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

DELIBERATION

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Finance and Corporate Services Committee on the progress made thus far in terms of implementing the 2015/2016 budget for the period ending 29 February 2016.

1.3 Resolutions

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

Revenue by Source

The original approved revenue for the 2015/16 budget amounts to R588, 2m. The year to date actual revenue for the period ended 29 February 2015 amounted to R330, 3m which is 84% of the Year to Date (YTD) budget. The year to date revenue is largely constituted of the Operational & Capital grant receipts with the Water & Sanitation Revenue contributing to the balance.

Borrowings

The balance of borrowings amounts to R20m at the end of February 2016 for ABSA loan. There was no movement in February 2016.

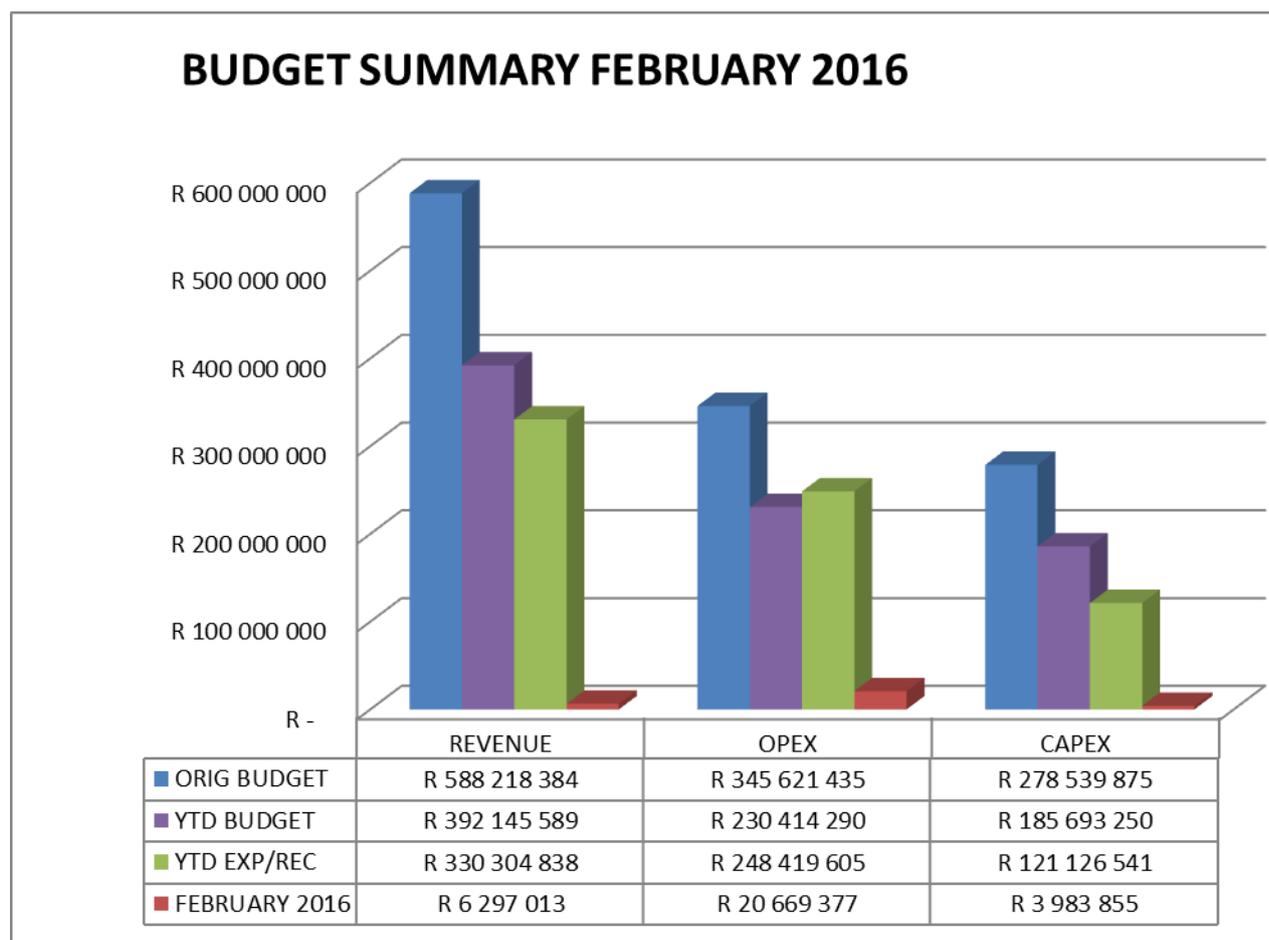
Operating expenditure by vote & type

The total operating budget for the current year amounts to R345, 6m. The YTD Operating expenditure for the month ended 29 February amounted to R248, 4m against a year to date (YTD) budget of R230, 4m. The actual YTD expenditure represented 108% of the planned expenditure.

Capital expenditure

The total capital budget for the current year amounts to R278, 5m. The YTD expenditure on capital amounts to R121million, or 65% of the planned expenditure. Capital expenditure is mainly funded by means of national grants in the form of Municipal Infrastructure Grant.

Chart 1: Budget vs. Expenditure Summary



Cash flows

The municipality started the year with a positive cashbook balance of R25, 8 million and the closing cash and cash equivalents as at the end of February 2016 was R13, 4million. Refer to Supporting Table C6 for more detail on the cash position.

Allocations received (National & Provincial Grants)

All DORA and provincial grants allocations for 2015/2016 third Quarter have been received as per payment schedule. Total grants receipts amounted to R403, 7million, being made up of R189, 7million operational and R214million capital grants. Operational grants are largely defined by the Equitable Share while capital grants are largely constituted of the Municipal Infrastructure Grant.

1.4 Monthly Budget Statement Tables

Monthly Budget Statements Summary

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

DC43 Sisonke - Table C1 Monthly Budget Statement Summary - M08 February

Description	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-		-
Service charges	52 603	55 902	-	3 925	33 499	37 268	(3 770)	-10%	55 902
Investment revenue	3 500	4 375	-	403	2 458	2 917	(459)	-16%	4 375
Transfers recognised - operational	263 824	249 823	-	-	178 564	166 549	12 015	7%	249 823
Other own revenue	16 229	7 328	-	1 969	7 627	4 885	2 742	56%	7 328
Total Revenue (excluding capital transfers and contributions)	336 155	317 429	-	6 297	222 148	211 619	10 529	5%	317 429
Employee costs	104 700	114 031	-	10 346	77 755	66 518	11 237	17%	114 031
Remuneration of Councillors	6 655	7 321	-	510	4 020	4 270	(251)	-6%	7 321
Depreciation & asset impairment	35 000	30 000	-	-	15 000	20 000	(5 000)	-25%	30 000
Finance charges	3 200	2 228	-	-	1 156	1 486	(330)	-22%	2 228
Materials and bulk purchases	8 009	8 706	-	572	6 300	5 804	496	9%	8 706
Transfers and grants	21 400	20 000	-	-	12 096	13 333	(1 237)	-9%	20 000
Other expenditure	197 317	163 336	-	9 242	130 909	106 833	24 075	23%	163 336
Total Expenditure	376 281	345 621	-	20 669	247 235	218 244	28 991	13%	345 621
Surplus/(Deficit)	(40 126)	(28 193)	-	(14 372)	(25 087)	(6 625)	(18 462)	279%	(28 193)
Transfers recognised - capital	252 033	270 790	-	-	108 157	180 527	(72 369)	-40%	270 790
Contributions & Contributed assets	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	211 907	242 597	-	(14 372)	83 070	173 902	(90 832)	-52%	242 597
Surplus/ (Deficit) for the year	211 907	242 597	-	(14 372)	83 070	173 902	(90 832)	-52%	242 597
Capital expenditure & funds sources									
Capital expenditure	264 342	278 540	-	3 984	121 127	185 693	(64 567)	-35%	278 540
Capital transfers recognised	257 533	270 790	-	3 597	117 816	180 527	(62 710)	-35%	270 790
Internally generated funds	6 809	7 750	-	387	3 310	5 167	(1 856)	-36%	7 750
Total sources of capital funds	264 342	278 540	-	3 984	121 127	185 693	(64 567)	-35%	278 540
Financial position									
Total current assets	41 940	85 442	-	-	62 561	-	-	-	85 442
Total non current assets	1 540 924	1 600 660	-	-	1 455 664	-	-	-	1 600 660
Total current liabilities	64 952	56 886	-	-	96 686	-	-	-	56 886
Total non current liabilities	31 936	31 018	-	-	43 424	-	-	-	31 018
Community wealth/Equity	1 485 976	1 598 198	-	-	1 378 115	-	-	-	1 598 198
Cash flows									
Net cash from (used) operating	290 047	268 665	-	(24 888)	131 559	179 110	47 551		268 665
Net cash from (used) investing	(279 846)	(248 610)	-	(3 984)	(114 102)	(165 740)	(51 638)	31%	(248 610)
Net cash from (used) financing	(3 356)	(3 684)	-	-	-	(2 456)	(2 456)	100%	(3 684)
Cash/cash equivalents at the month/year end	32 717	42 242	-	-	43 328	36 785	(6 543)	-18%	42 242
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	5 911	4 203	2 475	3 553	3 243	3 228	18 233	97 749	138 596
Creditors Age Analysis									
Total Creditors	376	-	-	-	-	-	-	-	376

Financial Performance

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

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

Description	2014/15	Budget Year 2015/16						Full Year Forecast
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands								
Revenue - Standard								
<i>Governance and administration</i>	252 538	249 598	2 008	187 844	166 399	21 445	13%	249 598
Executive and council	-	-	-	-	-	-	-	-
Budget and treasury office	252 538	249 598	2 008	187 844	166 399	21 445	13%	249 598
Corporate services	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	750	1 100	-	-	733	(733)	-100%	1 100
Planning and development	750	1 100	-	-	733	(733)	-100%	1 100
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
<i>Trading services</i>	334 901	337 520	4 289	142 461	225 014	(82 553)	-37%	337 520
Electricity	-	-	-	-	-	-	-	-
Water	52 600	61 230	4 289	34 304	40 820	(6 517)	-16%	61 230
Waste water management	282 301	276 290	-	108 157	184 193	(76 036)	-41%	276 290
Total Revenue - Standard	588 189	588 218	6 297	330 305	392 146	(61 841)	-16%	588 218
Expenditure - Standard								
<i>Governance and administration</i>	123 447	133 932	8 565	85 191	89 288	(4 097)	-5%	133 932
Executive and council	23 099	28 719	1 416	15 184	19 146	(3 963)	-21%	28 719
Budget and treasury office	58 787	59 527	3 534	39 844	39 684	160	0%	59 527
Corporate services	41 561	45 686	3 615	30 163	30 457	(295)	-1%	45 686
<i>Economic and environmental services</i>	52 368	54 286	2 081	30 088	36 191	(6 103)	-17%	54 286
Planning and development	52 368	54 286	2 081	30 088	36 191	(6 103)	-17%	54 286
Road transport	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-
<i>Trading services</i>	200 466	157 403	10 024	131 956	104 935	27 021	26%	157 403
Electricity	-	-	-	-	-	-	-	-
Water	150 528	134 197	8 977	113 090	89 465	23 626	26%	134 197
Waste water management	49 938	23 206	1 047	18 866	15 471	3 395	22%	23 206
Total Expenditure - Standard	376 281	345 621	20 669	247 235	230 414	16 821	7%	345 621
Surplus/ (Deficit) for the year	211 907	242 597	(14 372)	83 070	161 731	(78 661)	-49%	242 597

This table assess the revenue by department and then the expenditure for the period ending 29 February 2015. Revenue receipts in February have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of February is 2%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has largest expenditure by 7% in the period ending 29 February 2016. 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 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

Vote Description	2014/15	Budget Year 2015/16						
	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	252 538	249 598	2 008	187 844	166 399	21 445	12,9%	249 598
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-
Vote 5 - Social & Development Planning	750	1 100	-	-	733	(733)	-100,0%	1 100
Vote 6 - Infrastructure Services	282 301	276 290	-	108 157	184 193	(76 036)	-41,3%	276 290
Vote 7 - Water Services	52 600	61 230	4 289	34 304	40 820	(6 517)	-16,0%	61 230
Total Revenue by Vote	588 189	588 218	6 297	330 305	392 146	(61 841)	-15,8%	588 218
Expenditure by Vote								
Vote 1 - Council	10 517	13 164	673	7 688	8 776	(1 088)	-12,4%	13 164
Vote 2 - Municipal Manager	12 582	15 555	743	7 495	10 370	(2 875)	-27,7%	15 555
Vote 3 - Budget & Treasury Office	58 787	59 527	3 534	39 844	39 684	160	0,4%	59 527
Vote 4 - Corporate Services	41 561	45 686	3 615	30 163	30 457	(295)	-1,0%	45 686
Vote 5 - Social & Development Planning	52 368	54 286	2 081	30 088	36 191	(6 103)	-16,9%	54 286
Vote 6 - Infrastructure Services	49 938	23 206	1 047	18 866	15 471	3 395	21,9%	23 206
Vote 7 - Water Services	150 528	134 197	8 977	113 090	89 465	23 626	26,4%	134 197
Total Expenditure by Vote	376 281	345 621	20 669	247 235	230 414	16 821	7,3%	345 621
Surplus/ (Deficit) for the year	211 907	242 597	(14 372)	83 070	161 731	(78 661)	-48,6%	242 597

Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 29 February 2016.

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

Description	2014/15	Budget Year 2015/16						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
Revenue By Source								
Service charges - water revenue	36 235	38 409	2 748	23 449	25 606	(2 157)	-8%	38 409
Service charges - sanitation revenue	15 529	16 461	1 178	10 050	10 974	(925)	-8%	16 461
Service charges - other	839	1 032	-	-	688	(688)	-100%	1 032
Rental of facilities and equipment			-	-	-	-		
Interest earned - external investments	3 500	4 375	403	2 458	2 917	(459)	-16%	4 375
Interest earned - outstanding debtors	6 000	6 360	1 484	6 331	4 240	2 091	49%	6 360
Transfers recognised - operational	263 824	249 823	-	178 564	166 549	12 015	7%	249 823
Other revenue	10 229	968	485	1 296	645	651	101%	968
Gains on disposal of PPE						-		
Total Revenue (excluding capital transfers and contributions)	336 155	317 429	6 297	222 148	211 619	10 529	5%	317 429
Expenditure By Type								
Employee related costs	104 700	114 031	10 346	77 755	66 518	11 237	17%	114 031
Remuneration of councillors	6 655	7 321	510	4 020	4 270	(251)	-6%	7 321
Debt impairment	23 000	24 692	-	12 346	14 403	(2 058)	-14%	24 692
Depreciation & asset impairment	35 000	30 000	-	15 000	20 000	(5 000)	-25%	30 000
Finance charges	3 200	2 228	-	1 156	1 486	(330)	-22%	2 228
Bulk purchases	8 009	8 706	572	6 300	5 804	496	9%	8 706
Other materials			-	-	-	-		
Contracted services	37 057	32 015	2 348	31 407	21 343	10 063	47%	32 015
Transfers and grants	21 400	20 000	-	12 096	13 333	(1 237)	-9%	20 000
Other expenditure	137 260	106 629	6 894	87 156	71 086	16 070	23%	106 629
Loss on disposal of PPE			-	-	-	-		
Total Expenditure	376 281	345 621	20 669	247 235	218 244	28 991	13%	345 621
Surplus/(Deficit)	(40 126)	(28 193)	(14 372)	(25 087)	(6 625)	(18 462)	0	(28 193)
Transfers recognised - capital	252 033	270 790		108 157	180 527	(72 369)	(0)	270 790
Surplus/(Deficit) after capital transfers & contributions	211 907	242 597	(14 372)	83 070	173 902			242 597
Surplus/(Deficit) after taxation	211 907	242 597	(14 372)	83 070	173 902			242 597
Attributable to minorities								
Surplus/(Deficit) attributable to municipality	211 907	242 597	(14 372)	83 070	173 902			242 597
Surplus/ (Deficit) for the year	211 907	242 597	(14 372)	83 070	173 902			242 597

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.

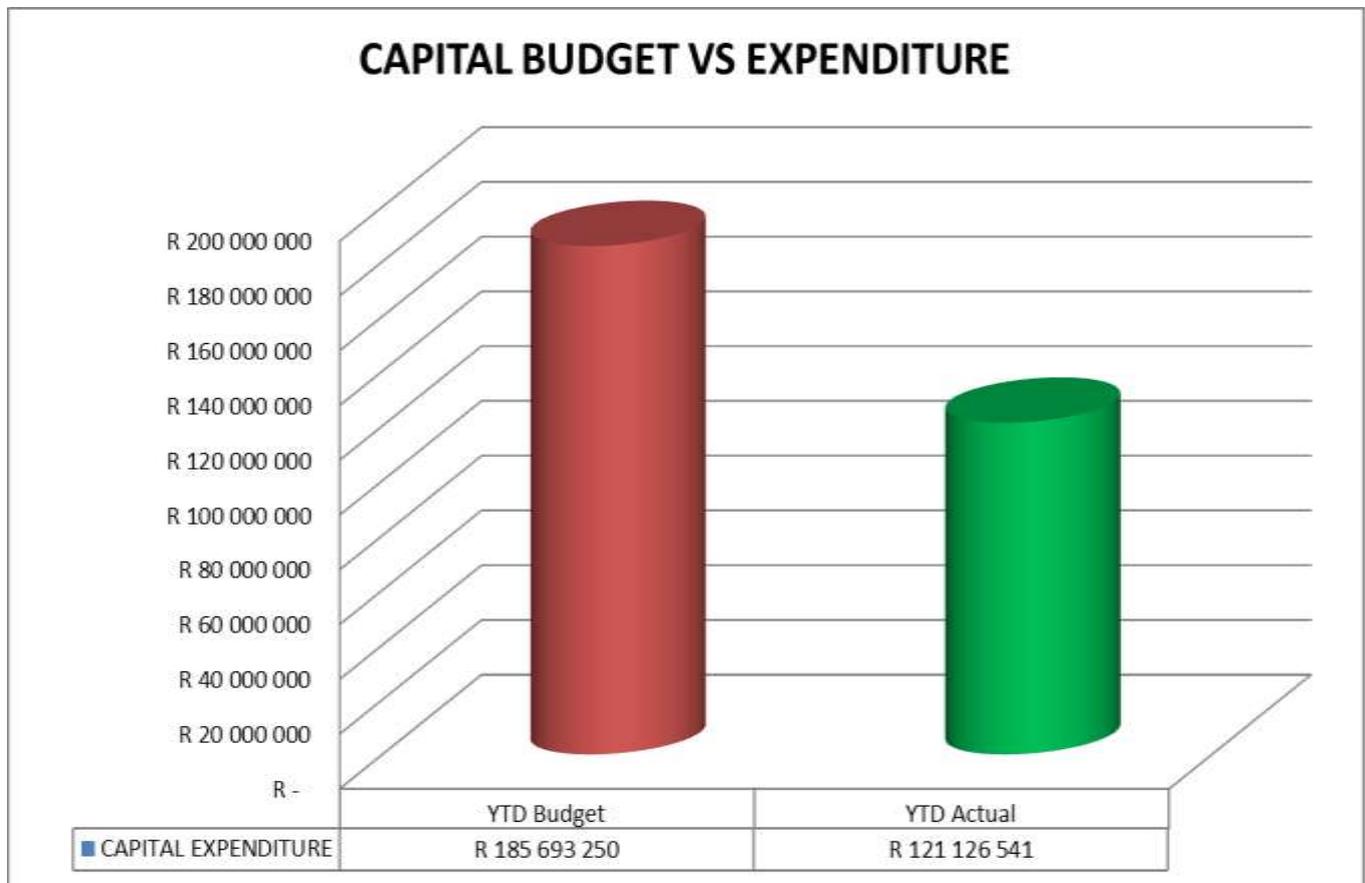
DC43 Sisonke - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M08 February

Vote Description	2014/15	Budget Year 2015/16						
	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	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	2 104	2 650	8	572	1 767	(1 195)	-68%	2 650
Vote 5 - Social & Development Planning	800	800	-	400	533	(134)	-25%	800
Vote 6 - Infrastructure Services	257 533	270 790	3 597	115 759	180 527	(64 768)	-36%	270 790
Vote 7 - Water Services	3 905	4 300	379	4 396	2 867	1 530	53%	4 300
Total Capital Multi-year expenditure	264 342	278 540	3 984	121 127	185 693	(64 567)	-35%	278 540
Total Capital single-year expenditure	-	-	-	-	-	-	-	-
Total Capital Expenditure	264 342	278 540	3 984	121 127	185 693	(64 567)	-35%	278 540
Capital Expenditure - Standard Classification								
Governance and administration	2 104	2 650	8	572	1 767	(1 195)	-68%	2 650
Executive and council	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-
Corporate services	2 104	2 650	8	572	1 767	(1 195)	-68%	2 650
Economic and environmental services	800	800	-	400	533	(134)	-25%	800
Planning and development	800	800	-	400	533	(134)	-25%	800
Trading services	261 438	275 090	3 976	120 155	183 393	(63 238)	-34%	275 090
Water	3 905	4 300	379	4 396	2 867	1 530	53%	4 300
Waste water management	257 533	270 790	3 597	115 759	180 527	(64 768)	-36%	270 790
Total Capital Expenditure - Standard Classification	264 342	278 540	3 984	121 127	185 693	(64 567)	-35%	278 540
Funded by:								
National Government	257 533	270 790	3 597	117 816	180 527	(62 710)	-35%	270 790
Provincial Government	-	-	-	-	-	-	-	-
Transfers recognised - capital	257 533	270 790	3 597	117 816	180 527	(62 710)	-35%	270 790
Internally generated funds	6 809	7 750	387	3 310	5 167	(1 856)	-36%	7 750
Total Capital Funding	264 342	278 540	3 984	121 127	185 693	(64 567)	-35%	278 540

As alluded to above, the capital expenditure programme for the month ending 29 February 2016 was R121m which represents 65% of capital expenditure against year to date budget. The capital expenditure programme has started on a rather slower footing and thus the low 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: 2015/2016 CAPEX YTD BUDGET & YTD ACTUAL



As at 29 February 2016, the year to date actual expenditure was R121m against a YTD budget of R185, 6million. In monetary terms, these figures represent 65% per cent performance against the capital development programme as at 29 February 2016.

Table C6 displays the financial position of the municipality as at 29 February 2016.

DC43 Sisonke - Table C6 Monthly Budget Statement - Financial Position - M08

Description	2014/15	Budget Year 2015/16		
	Audited Outcome	Original Budget	YearTD actual	Full Year Forecast
R thousands				
<u>ASSETS</u>				
Current assets				
Cash	30 347	52 691	7 434	52 691
Consumer debtors	307	16 091	35 138	16 091
Other debtors	10 968	12 065	19 737	12 065
Current portion of long-term receivables	-	4 246	-	4 246
Inventory	318	349	253	349
Total current assets	41 940	85 442	62 561	85 442
Non current assets				
Property, plant and equipment	1 539 540	1 599 476	1 454 807	1 599 476
Agricultural	-	-	-	-
Biological assets	-	-	-	-
Intangible assets	1 384	1 184	857	1 184
Other non-current assets				
Total non current assets	1 540 924	1 600 660	1 455 664	1 600 660
TOTAL ASSETS	1 582 864	1 686 102	1 518 225	1 686 102
<u>LIABILITIES</u>				
Current liabilities				
Bank overdraft	-	-	-	-
Borrowing	3 266	3 592	3 266	3 592
Consumer deposits	1 265	1 415	1 330	1 415
Trade and other payables	53 128	43 710	89 149	43 710
Provisions	7 293	8 169	2 941	8 169
Total current liabilities	64 952	56 886	96 686	56 886
Non current liabilities				
Borrowing	18 683	16 683	20 714	16 683
Provisions	13 253	14 334	22 710	14 334
Total non current liabilities	31 936	31 018	43 424	31 018
TOTAL LIABILITIES	96 888	87 904	140 110	87 904
NET ASSETS	1 485 976	1 598 198	1 378 115	1 598 198
<u>COMMUNITY WEALTH/EQUITY</u>				
Accumulated Surplus/(Deficit)	1 485 976	1 598 198	1 378 115	1 598 198
Reserves				
TOTAL COMMUNITY WEALTH/EQUITY	1 485 976	1 598 198	1 378 115	1 598 198

Table C7 below display the Cash Flow Statement for the period ending 29 February 2016.

DC43 Sisonke - Table C7 Monthly Budget Statement - Cash Flow - M08 February

Description	2014/15	Budget Year 2015/16						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands								
CASH FLOW FROM OPERATING ACTIVITIES								
Receipts								
Property rates, penalties & collection charges						-		
Service charges	37 270	30 746	2 344	19 874	20 498	(623)	-3%	30 746
Other revenue	844	581	485	1 185	387	798	206%	581
Government - operating	263 824	249 823	-	183 089	166 549	16 540	10%	249 823
Government - capital	252 033	270 790	2 754	189 695	180 527	9 168	5%	270 790
Interest	6 636	7 654	1 887	8 002	5 103	2 899	57%	7 654
Dividends						-		
Payments								
Suppliers and employees	(245 959)	(268 701)	(32 358)	(258 161)	(179 134)	79 026	-44%	(268 701)
Finance charges	(3 200)	(2 228)	-	(29)	(1 486)	(1 456)	98%	(2 228)
Transfers and Grants	(21 400)	(20 000)	-	(12 096)	(13 333)	(1 237)	9%	(20 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	290 047	268 665	(24 888)	131 559	179 110	47 551	27%	268 665
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Decrease (increase) other non-current receivables						-		
Payments								
Capital assets	(279 846)	(248 610)	(3 984)	(114 102)	(165 740)	(51 638)	31%	(248 610)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(279 846)	(248 610)	(3 984)	(114 102)	(165 740)	(51 638)	31%	(248 610)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Increase (decrease) in consumer deposits	130	151			101	(101)	-100%	151
Payments								
Repayment of borrowing	(3 486)	(3 835)			(2 556)	(2 556)	100%	(3 835)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(3 356)	(3 684)	-	-	(2 456)	(2 456)	100%	(3 684)
NET INCREASE/ (DECREASE) IN CASH HELD	6 846	16 371	(28 872)	17 457	10 914			16 371
Cash/cash equivalents at beginning:	25 871	25 871		25 871	25 871			25 871
Cash/cash equivalents at month/year end:	32 717	42 242		43 328	36 785			42 242

The billing vs Collection ratio for the month of February was 52% (Jan: 76%) showing a decrease in collection by 24% as compared to previous month

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 29 February 2016.

Table 2.1.1: Debtors Age Analysis by Income Source

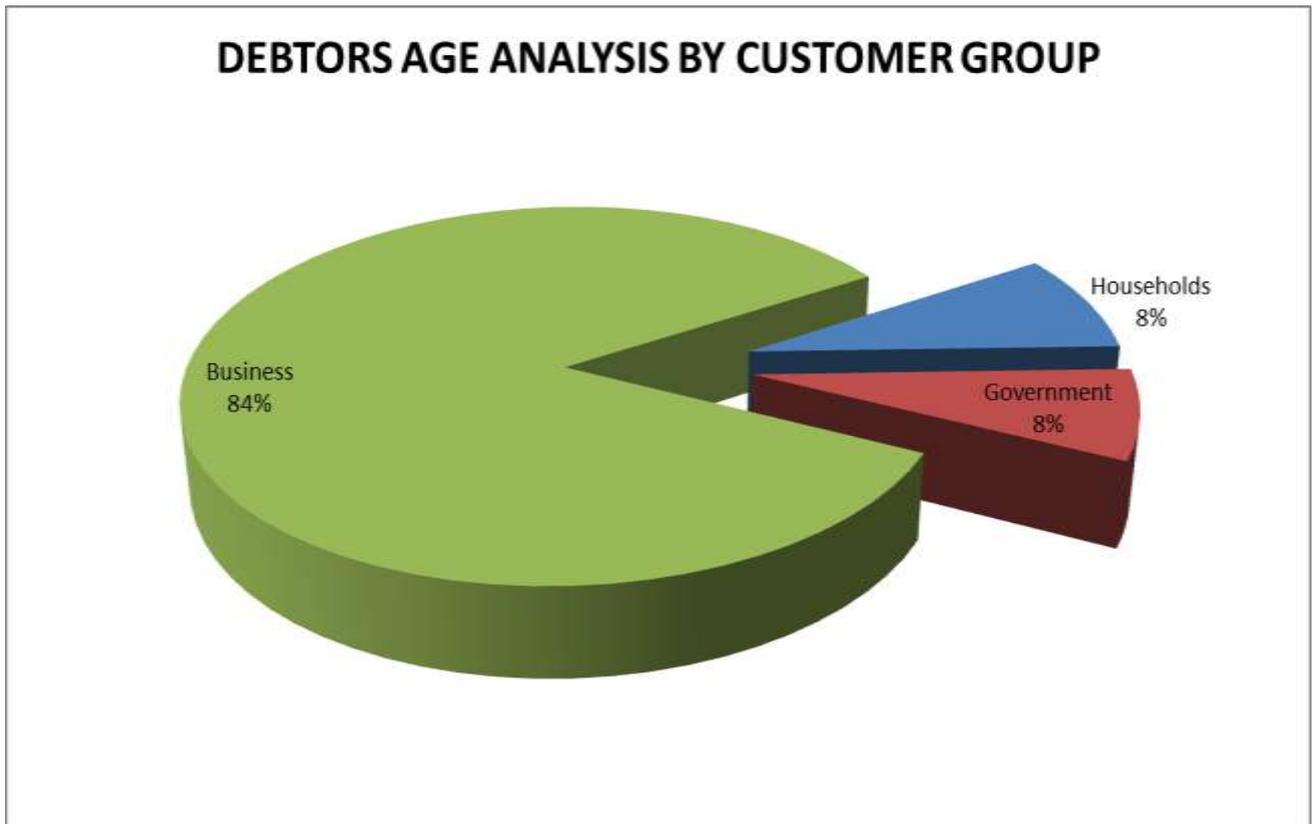
DC43 Sisonke - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February										
Description	Budget Year 2015/16									
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
R thousands										
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	3 795	2 698	1 589	2 281	2 082	2 072	11 704	62 747	88 968	80 886
Receivables from Exchange Transactions - Waste Water Management	1 482	1 054	621	891	813	810	4 572	24 513	34 756	31 599
Interest on Arrear Debtor Accounts	634	451	266	381	348	346	1 956	10 489	14 872	13 521
Total By Income Source	5 911	4 203	2 475	3 553	3 243	3 228	18 233	97 749	138 596	126 006
2014/15 - totals only									-	-
Debtors Age Analysis By Customer Group										
Organs of State	1 760	1 081	562	621	464	536	2 380	6 604	14 009	10 605
Commercial	660	340	239	280	328	220	1 414	7 331	10 812	9 573
Households	3 491	2 782	1 674	2 652	2 451	2 473	14 439	83 813	113 775	105 828
Total By Customer Group	5 911	4 203	2 475	3 553	3 243	3 228	18 233	97 749	138 596	126 006

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: 84%
- ✓ Government 8%
- ✓ Business 8%



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

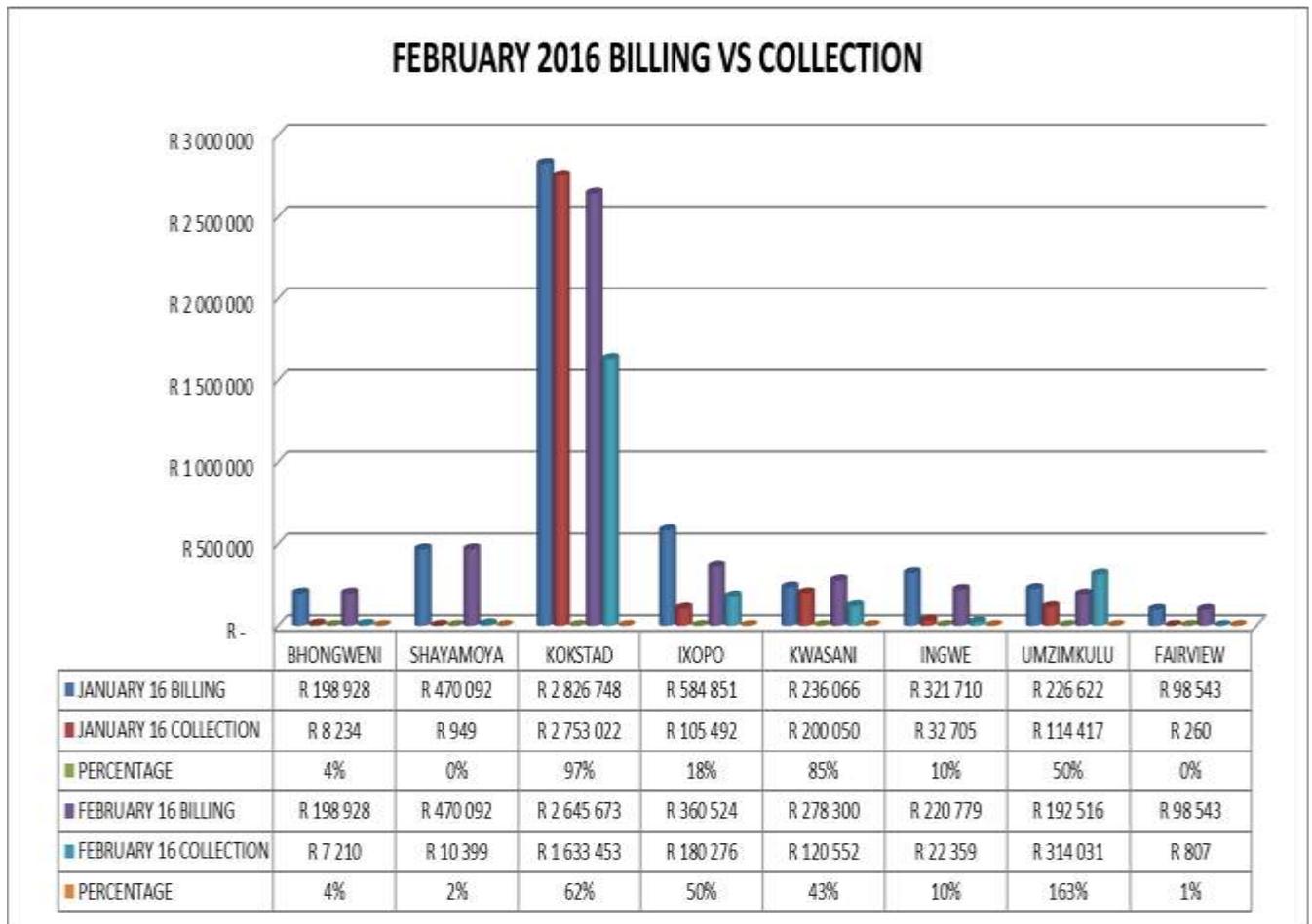
The table that follows below unpacks the revenue receipts per Local Municipality in the District

REVENUE RECEIPTS

Revenue receipts per Area

AREA	AMOUNT		
		FEBRUARY 2016	JANUARY 2016
Unallocated receipts	R 55 177,67	2%	15%
Bhongweni	R 7 209,80	0%	0%
Shayamoya	R 10 399,25	0%	0%
Kokstad	R 1 633 452,53	70%	73%
Ixopo	R 180 276,32	8%	3%
Kwasani	R 120 552,39	5%	5%
Ingwe	R 22 358,99	1%	1%
Umzimkulu	R 314 031,35	13%	3%
Fairview	R 807,20	0%	0%
TOTAL RECEIPTS INCL VAT	R 2 344 265,50	100%	100%

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for February is R2, 3million. It is evident from the figures presented above that the largest percentage receipts of the revenue per local municipality as was the previous month in June is from Kokstad at 70% followed by Umzimkhulu at 13%. These statistics confirm dependency on Kokstad as the greatest contributor to the District Municipality's revenue. The Unallocated receipts for the month of February amounting to 2% which still need to be allocated according to the local municipalities.



2.2 Creditors Analysis

Table SC presents the aged creditors as at 29 February 2016.

DC43 Sisonke - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February									
Description	Budget Year 2015/16								Total
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands									
Creditors Age Analysis By Customer Type									
Bulk Electricity									-
Bulk Water									-
PAYE deductions									-
VAT (output less input)									-
Pensions / Retirement deductions									-
Loan repayments									-
Trade Creditors	376								376
Auditor General									-
Other									-
Total By Customer Type	376	-	-	-	-	-	-	-	376

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 29 February 2016.

Cash and Bank Balances (Investments)

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

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	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
Municipality									
FIRST NATIONAL BANK	62095523281	N/a	MONEY MARKET	N/a	82	0,4%	14 278	(14 101)	260
FIRST NATIONAL BANK	62138538692	N/a	CALL ACCOUNT	N/a	0	0,3%	43	-	43
FIRST NATIONAL BANK	62032587331	N/a	CALL ACCOUNT	N/a	0	1,9%	128	-	128
INVESTEC	50006688425	N/a	FIXED DEPOSIT	N/a	60	0,5%	11 968	-	12 029
FIRST NATIONAL BANK	62398395204	N/a	CALL ACCOUNT	N/a	29	0,4%	9 662	(9 685)	6
FIRST NATIONAL BANK	62414264797	N/a	CALL ACCOUNT	N/a	0	0,4%	9	-	9
FIRST NATIONAL BANK	62434151239	N/a	CALL ACCOUNT	N/a	8	0,3%	2 199	(2 000)	207
FIRST NATIONAL BANK	62434147072	N/a	CALL ACCOUNT	N/a	6	0,2%	2 085	(1 856)	235
FIRST NATIONAL BANK	62434145331	N/a	CALL ACCOUNT	N/a	5	0,3%	1 301	(1 000)	305
Municipality sub-total					191		41 673	(28 642)	13 222
TOTAL INVESTMENTS AND INTEREST	2				191		41 673	(28 642)	13 222

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 - M08 February

Description	2014/15	Budget Year 2015/16						
	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:	263 074	248 723	-	185 028	165 815	19 848	12,0%	248 723
Local Government Equitable Share	230 622	241 033	-	178 141	160 689	17 452	10,9%	241 033
Finance Management	1 250	1 250	-	1 250	833			1 250
Municipal Systems Improvement	934	940	-	940	627			940
Municipal Infrastructure Grant (PMU)	18 724	3 460	-		2 307			3 460
Water Services Operating Subsidy	-	-	-	942	-			-
Rural Roads Asset Management Grant	2 044	2 040	-	2 040	1 360	680	50,0%	2 040
Rural Household Infrastructure Grant	4 500				-			
Energy Efficiency and Demand Management Grant	5 000				-			
Drought Relief			-	1 716	-	1 716	#DIV/0!	
Provincial Government:	750	1 100	-	1 180	733	447	61,0%	1 100
Development Planning Shared Services	250	1 100	-	1 100	733	367	50,0%	1 100
Tourism route	500							
LGSETA				80		80	#DIV/0!	
						-		
Total Operating Transfers and Grants	263 824	249 823	-	186 209	166 549	20 295	12,2%	249 823
Capital Transfers and Grants								
National Government:	267 611	270 790	2 754	200 870	180 527	32 284	17,9%	270 790
Municipal Infrastructure Grant (MIG)	183 882	189 324	-	157 000	126 216	30 784	24,4%	189 324
Regional Bulk Infrastructure	58 200	30 000	2 754	4 319	20 000			30 000
Energy Efficiency And Demand Side Management Grant	-	-	-	-	-			-
Municipal Water Infrastructure Grant	22 800	43 500	-	32 625	29 000			43 500
Expanded public works programme incentive grant	2 729	3 466	-	2 426	2 311			3 466
Rural Household Infrastructure Grant		4 500	-	4 500	3 000	1 500	50,0%	4 500
					-	-		
Total Capital Transfers and Grants	267 611	270 790	2 754	200 870	180 527	32 284	17,9%	270 790
TOTAL RECEIPTS OF TRANSFERS & GRANTS	531 435	520 613	2 754	387 078	347 075	52 579	15,1%	520 613

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 - M08 February

Description	2014/15	Budget Year 2015/16						
	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:	263 074	248 723	20 355	161 384	165 815	(4 431)	-2,7%	248 723
Local Government Equitable Share	230 622	241 033	20 086	160 689	160 689	-		241 033
Finance Management	1 250	1 250	36	346	833	(487)	-58,4%	1 250
Municipal Systems Improvement	934	940	233	349	627	(278)	-44,3%	940
Municipal Infrastructure Grant (PMU)	18 724	3 460			2 307	(2 307)	-100,0%	3 460
Water Services Operating Subsidy	4 500	-			-	-		-
Rural Roads Asset Management Grant	2 044	2 040	-	-	1 360	(1 360)	-100,0%	2 040
Energy Efficiency and Demand Management Grant	5 000		-		-	-		
Drought Relief								
Provincial Government:	750	1 100	-	-	733	(733)	-100,0%	1 100
Development Planning Shared Services	250	1 100	-		733	(733)	-100,0%	1 100
Tourism route	500							
Total operating expenditure of Transfers and Grants:	263 824	249 823	20 355	161 384	166 549	(5 165)	-3,1%	249 823
Capital expenditure of Transfers and Grants								
National Government:	267 611	270 790	3 597	126 256	177 527	(50 489)	-28,4%	270 790
Municipal Infrastructure Grant (MIG)	183 882	189 324	-	93 809	126 216	(32 407)	-25,7%	189 324
Regional Bulk Infrastructure	58 200	30 000	2 103	5 020	20 000	(14 980)	-74,9%	30 000
Energy Efficiency And Demand Side Management Grant	-	-	-	1 098	-	1 098	#DIV/0!	-
Municipal Water Infrastructure Grant	22 800	43 500	1 493	24 800	29 000	(4 200)	-14,5%	43 500
Expanded public works programme incentive grant	2 729	3 466	-	-	2 311			3 466
Rural Household Infrastructure Grant		4 500	-	1 529				4 500
Total capital expenditure of Transfers and Grants	267 611	270 790	3 597	126 256	177 527	(50 489)	-28,4%	270 790
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	531 435	520 613	23 952	287 640	344 075	(55 653)	-16,2%	520 613

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 29 February 2016.

DC43 Sisonke - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February								
Summary of Employee and Councillor remuneration	2014/15	Budget Year 2015/16						
	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	3 351	621	346	2 726	414	2 311	558%	621
Pension and UIF Contributions	441	311	26	203	207	(4)	-2%	311
Medical Aid Contributions	104	771	6	48	514	(466)	-91%	771
Motor Vehicle Allowance	1 301	621	76	599	414	185	45%	621
Cellphone Allowance	286	2 636	17	131	1 758	(1 626)	-93%	2 636
Housing Allowances	-	1 618	-	-	1 079	(1 079)	-100%	1 618
Other benefits and allowances	680	742	40	313	494	(181)	-37%	742
Sub Total - Councillors	6 162	7 321	510	4 020	4 880	(861)	-18%	7 321
% increase		18,8%						18,8%
Senior Managers of the Municipality								
Basic Salaries and Wages	3 828	4 159	435	3 268	2 773	495	18%	4 159
Pension and UIF Contributions	2	3	0	2	2	0	18%	3
Medical Aid Contributions	4	4	0	3	3	1	18%	4
Overtime	-	-	-	-	-	-		-
Performance Bonus	525	-	60	451	-	451	#DIV/0!	-
Motor Vehicle Allowance	2 376	2 600	272	2 043	1 734	310	18%	2 600
Cellphone Allowance	111	122	13	96	81	14	18%	122
Housing Allowances	-	-	-	-	-	-		-
Other benefits and allowances	3	4	0	3	2	0	18%	4
Sub Total - Senior Managers of Municipality	6 850	6 892	781	5 867	4 595	1 272	28%	6 892
% increase		0,6%						0,6%
Other Municipal Staff								
Basic Salaries and Wages	71 041	78 009	6 910	51 930	52 006	(76)	0%	78 009
Pension and UIF Contributions	11 674	12 724	1 168	8 780	8 483	298	4%	12 724
Medical Aid Contributions	1 613	1 758	161	1 213	1 172	41	4%	1 758
Overtime	1 441	1 779	144	1 084	1 186	(102)	-9%	1 779
Performance Bonus	6 397	6 973	640	4 812	4 649	163	4%	6 973
Motor Vehicle Allowance	2 940	3 205	294	2 212	2 137	75	4%	3 205
Cellphone Allowance	502	547	50	377	364	13	4%	547
Housing Allowances	44	48	4	33	32	1	4%	48
Other benefits and allowances	1 923	2 096	192	1 446	1 397	49	4%	2 096
Sub Total - Other Municipal Staff	97 575	107 138	9 565	71 888	71 426	463	1%	107 138
% increase		9,8%						9,8%
Total Parent Municipality	110 587	121 351	10 855	81 775	80 901	874	1%	121 351
		9,7%						9,7%
Unpaid salary, allowances & benefits in arrears:								
TOTAL SALARY, ALLOWANCES & BENEFITS	110 587	121 351	10 855	81 775	80 901	874	1%	121 351
% increase		9,7%						9,7%
TOTAL MANAGERS AND STAFF	104 425	114 030	10 346	77 755	76 020	1 735	2%	114 030

2.6 Material Variances to the SDBIP

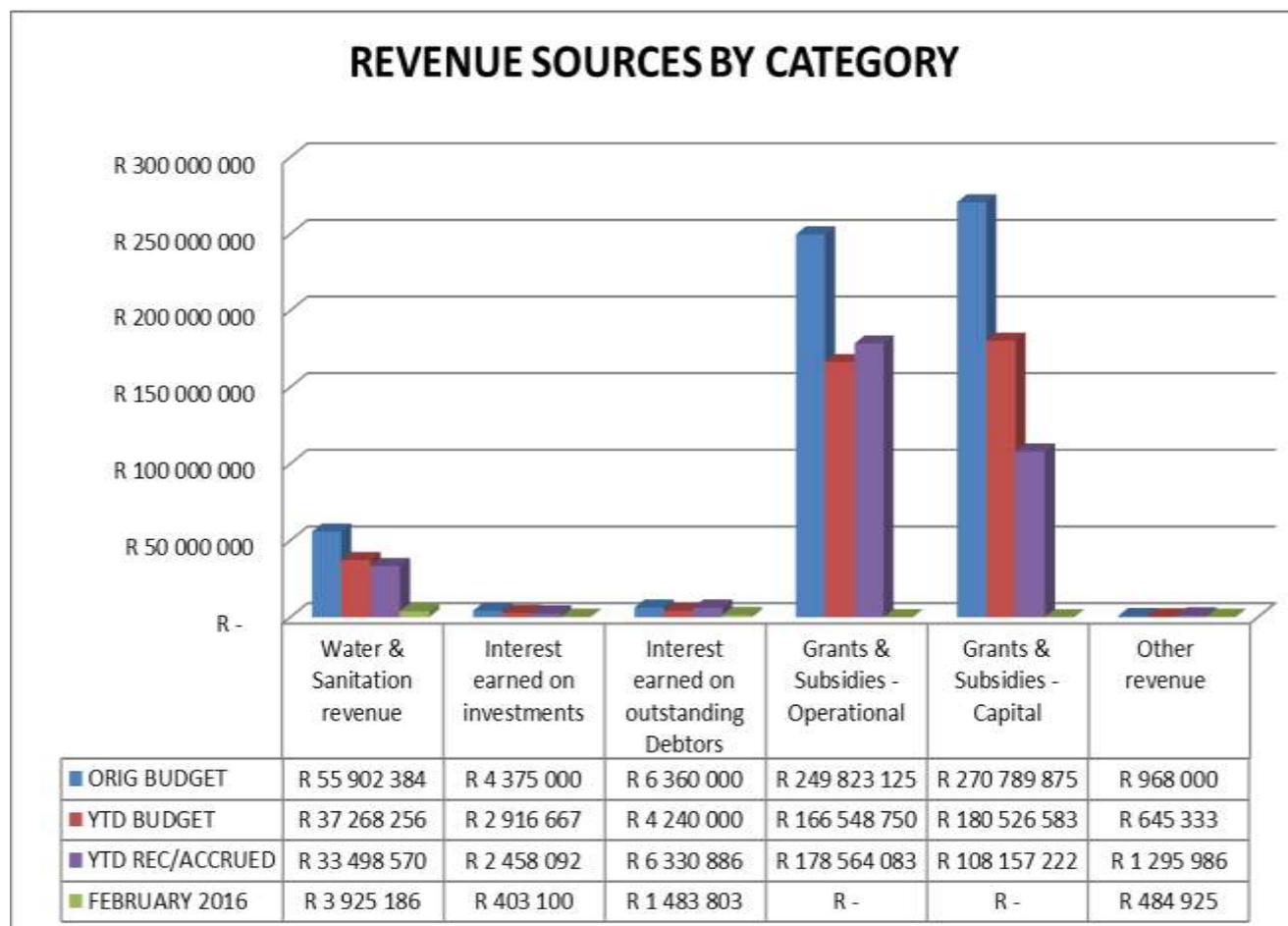
The following section analyses material variances between the actual targets as at 29 February 2016 and the budget for the same period. This report analyses each major component under following headings;

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

REVENUE

The chart displays a comparison between the 201516 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 29 February 2016 was R33, 4million against a year to date **budget** of R37, 2million.

Interest Earned on External Investments

The year to date actual interest earned on external investments as at 29 February 2016 is R 2, 5m against year to date budget of R2, 9m. This represents 84% of actual against year to date budget.

Transfers Recognised – Operational

The YTD operational grants revenue for February R178, 5million against a year to date budget of R166, 5million and is largely attributable to the YTD equitable share. No Operational Grants Received in the month of February 2016.

Transfers Recognised – Capital

The year to date actual for capital expenditure is R108m (against a YTD budget of R180million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 60% performance in Conditional Capital grant funding expenditures.

One Capital grant received namely:

- Rural Bulk Infrastructure Grant-R 2 754 221

Other Revenue

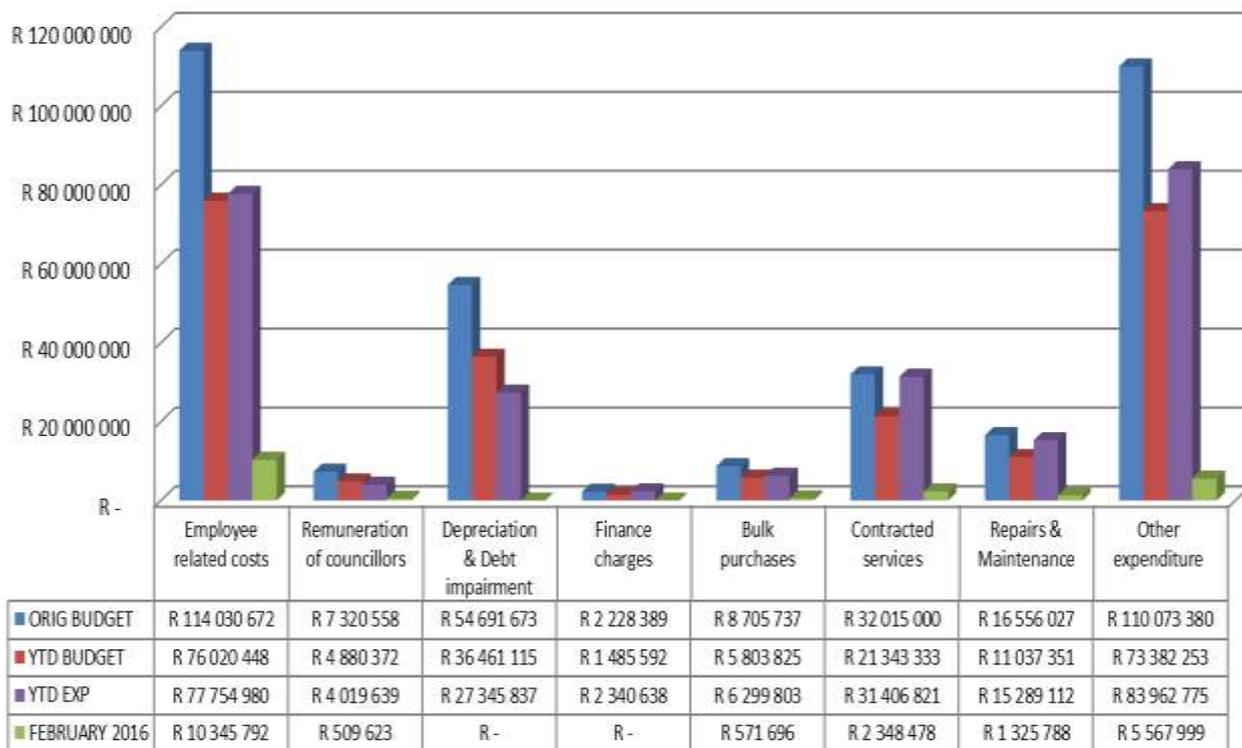
The YTD performance of other revenue is R 1, 2m against YTD budget of R 645 333k. The other revenue shows an over performance of 101%.

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: 2015/16 Financial year Opex

OPERATIONAL EXPENDITURE BY TYPE



Employee Related Costs

The YTD budget for employee related costs is R76million against a YTD actual of R77, 7million representing an expenditure performance of 102%.

Remuneration of Councillors

The remuneration of councillor’s expenditure as at 29 February 2016 was R4m against a YTD budget of R4, 8m representing an expenditure performance of 82%.

Finance Charges

As at 29 February 2016, year to date budget for finance charges is R1, 4m against year to actual of R2, 3m.

Bulk Purchases

The YTD budget for bulk purchases was at R5, 8m against a YTD expenditure of R6, 2m representing over performance by 9%.

Other Expenditure

The YTD budget for other expenditure was at R73, 3million against a YTD expenditure of R83, 9million. The other expenditure for the month of February is over performed by 14%.

Actual and revised targets for cash receipts

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

Description	Budget Year 2015/16												2015/16 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 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Receipts By Source															
Property rates															
Property rates - penalties & collection charges															
Service charges - electricity revenue															
Service charges - water revenue	3 183	3 502	1 560	1 759	1 845	1 409	2 649	1 641				3 578	21 125	22 757	24 516
Service charges - sanitation revenue	1 364	1 501	669	754	791	604	1 135	703				1 533	9 054	9 753	10 507
Service charges - refuse	-	-	-	-	-	-	-	-				-	-	-	-
Service charges - other	-	-	-	63	63	-	-	-				441	568	611	659
Rental of facilities and equipment	-	-	-	-	-	-	-	-				-	-	-	-
Interest earned - external investments	163	534	468	349	280	200	73	403				1 687	4 156	4 571	5 029
Interest earned - outstanding debtors	656	668	680	687	708	724	734	1 484				(2 842)	3 498	3 708	3 930
Dividends received	-	-	-	-	-	-	-	-				-	-	-	-
Fines	-	-	-	-	-	-	-	-				-	-	-	-
Licences and permits	-	-	-	-	-	-	-	-				-	-	-	-
Agency services	-	-	-	-	-	-	-	-				-	-	-	-
Transfer receipts - operating	100 434	-	1 764	442	80 384	2 074	-	-				64 725	249 823	265 226	283 723
Other revenue	158	102	172	76	101	91	108	485				(712)	581	613	646
Cash Receipts by Source	105 958	6 307	5 312	4 130	84 171	5 101	4 700	4 716				68 411	288 804	307 240	329 009
Other Cash Flows by Source															
Transfer receipts - capital	-	123 677	-	59 973	2 250	1 040	13 533	2 754				67 562	270 790	321 768	424 117
Increase in consumer deposits	-	-	-	-	-	-	-	-				151	151	166	166
Change in non-current investments	-	-	-	-	-	-	-	-				-	-	-	-
Total Cash Receipts by Source	105 958	129 984	5 312	64 103	86 421	6 141	18 232	7 470				136 124	559 745	629 174	753 293
Cash Payments by Type															
Employee related costs	8 602	8 905	10 397	9 356	9 308	10 343	10 494	10 346				36 280	114 030	122 747	131 339
Remuneration of councillors	472	471	474	478	472	506	637	510				3 301	7 321	7 723	8 133
Interest paid	-	-	29	-	-	-	-	-				2 199	2 228	1 926	1 595
Bulk purchases - Water & Sewer	-	894	1 291	754	765	1 277	747	572				2 406	8 706	9 463	10 286
Other materials	-	-	-	-	-	-	-	-				-	-	-	-
Contracted services	2 095	8 367	2 049	5 100	3 478	5 205	2 764	2 348				608	32 015	33 528	35 067
Grants and subsidies paid - other	8 144	-	-	-	-	3 952	-	-				7 904	20 000	21 100	22 218
General expenses	4 533	84 865	2 525	28 019	32 258	5 701	5 775	18 583				(75 629)	106 629	108 843	113 645
Cash Payments by Type	23 847	103 501	16 765	43 707	46 282	26 984	20 417	32 358				(22 931)	290 930	305 330	322 284
Other Cash Flows/Payments by Type															
Capital assets	92	9 040	21 024	28 827	10 407	40 729	6 209	3 984				128 299	248 610	294 380	385 851
Repayment of borrowing	-	-	569	-	-	-	1 307	-				1 958	3 835	4 218	4 640
Other Cash Flows/Payments	-	-	-	-	-	-	-	-				-	-	-	-
Total Cash Payments by Type	23 938	112 541	38 357	72 534	56 689	67 712	27 934	36 342				107 326	543 374	603 929	712 774
NET INCREASE/(DECREASE) IN CASH HELD	82 020	17 443	(33 045)	(8 431)	29 731	(61 572)	(9 701)	(28 872)				28 798	16 371	25 246	40 518
Cash/cash equivalents at the monthly year begi	25 871	107 891	125 334	92 288	83 857	113 588	52 017	42 316	13 444	13 444	13 444	13 444	25 871	42 242	67 487
Cash/cash equivalents at the monthly year end:	107 891	125 334	92 288	83 857	113 588	52 017	42 316	13 444	13 444	13 444	13 444	42 242	42 242	67 487	108 006

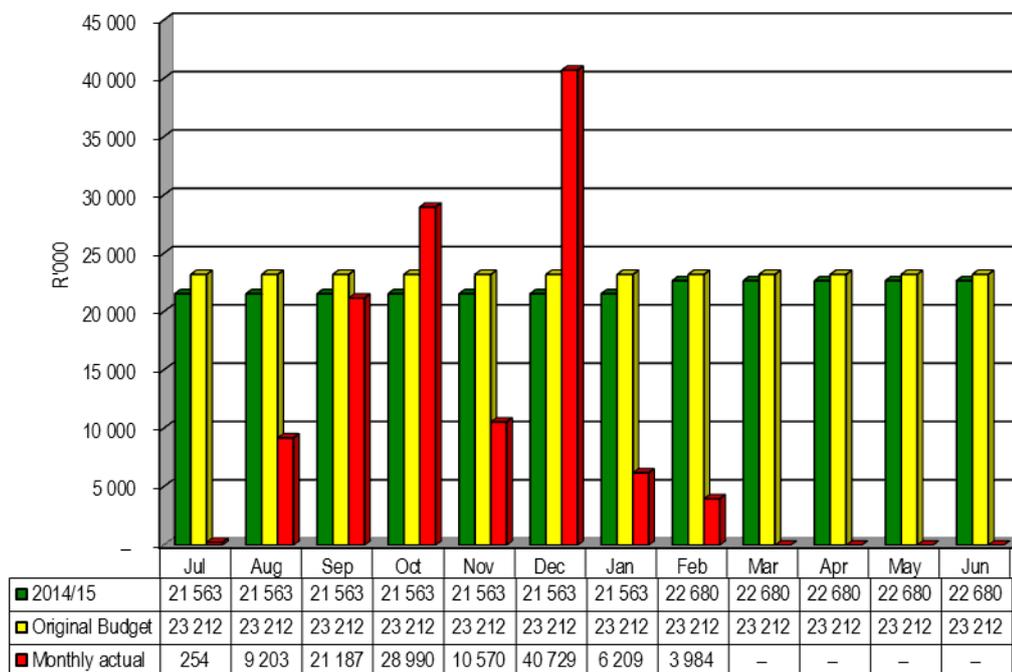
Capital Expenditure Trend

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

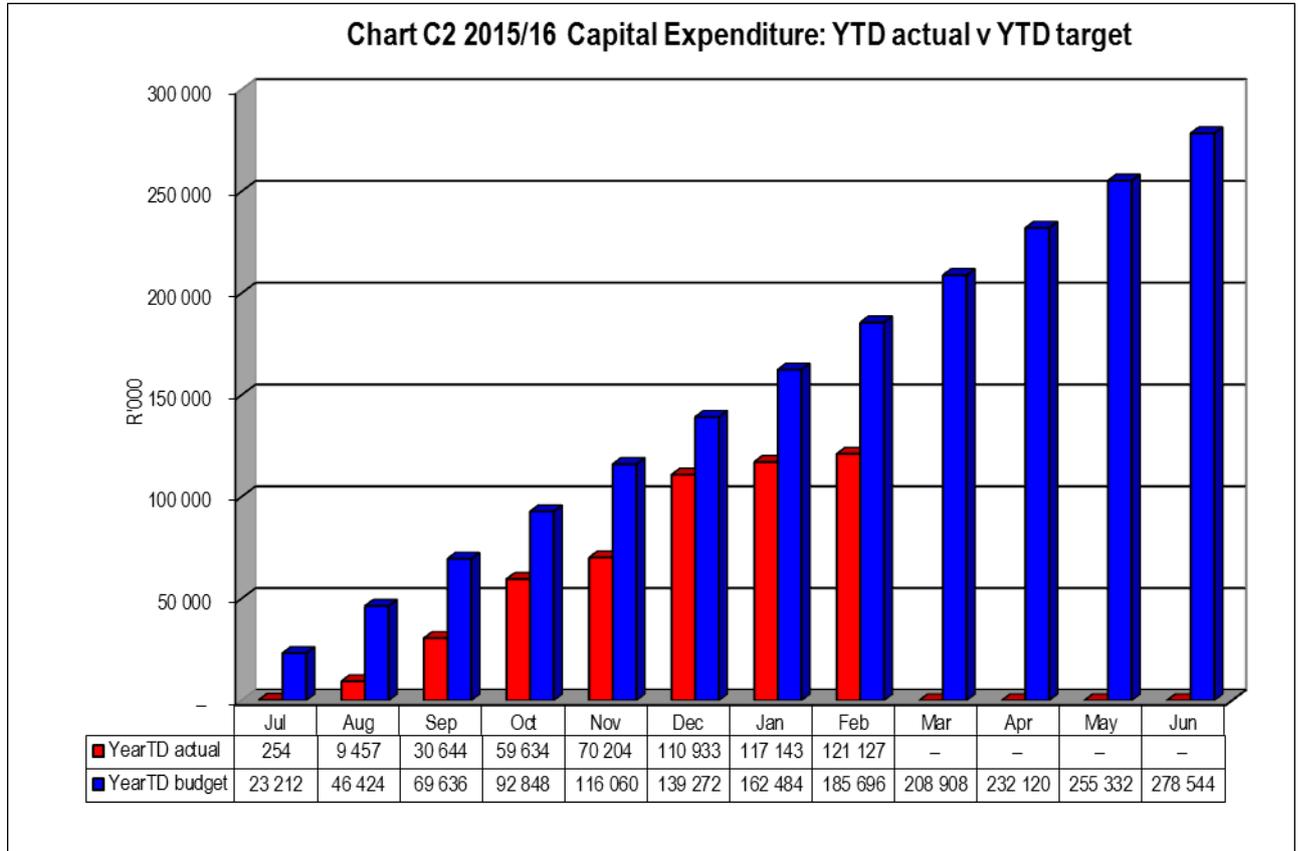
Month	2014/15	Budget Year 2015/16						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands								
Monthly expenditure performance trend								
July	21 563	23 212	254	254	23 212	22 958	98,9%	0%
August	21 563	23 212	9 203	9 457	46 424	36 967	79,6%	3%
September	21 563	23 212	21 187	30 644	69 636	38 992	56,0%	11%
October	21 563	23 212	28 990	59 634	92 848	33 214	35,8%	21%
November	21 563	23 212	10 570	70 204	116 060	45 856	39,5%	25%
December	21 563	23 212	40 729	110 933	139 272	28 339	20,3%	40%
January	21 563	23 212	6 209	117 143	162 484	45 341	27,9%	42%
February	22 680	23 212	3 984	121 127	185 696	64 569	34,8%	43%
March	22 680	23 212			208 908	-		
April	22 680	23 212			232 120	-		
May	22 680	23 212			255 332	-		
June	22 680	23 212			278 544	-		
Total Capital expenditure	264 342	278 544	121 127					

Capital Budget vs Monthly Expenditure

Chart C1 2015/16 Capital Expenditure Monthly Trend: actual v target



YTD Capital Budget vs. YTD Capital Expenditure



Capital Expenditure on New Assets by Asset Class

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

Description	2014/15	Budget Year 2015/16						Full Year Forecast
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	258 462	260 490	3 976	116 993	173 660	56 667	32,6%	260 490
Infrastructure - Electricity	1 830	-	-	1 098	-	(1 098)	#DIV/0!	-
<i>Generation</i>						-		
<i>Transmission & Reticulation</i>	1 830			1 098	-	(1 098)	#DIV/0!	
Infrastructure - Water	222 520	231 990	3 976	105 425	154 660	49 235	31,8%	231 990
<i>Dams & Reservoirs</i>	28 200	-				-		
<i>Water purification</i>	3 000	-				-		
<i>Reticulation</i>	191 320	231 990	3 976	105 425	154 660	49 235	31,8%	231 990
Infrastructure - Sanitation	34 112	28 500	-	10 470	19 000	8 530	44,9%	28 500
<i>Reticulation</i>	28 169	-				-		-
<i>Sewerage purification</i>	5 943	28 500	-	10 470	19 000	8 530	44,9%	28 500
Other assets	18 162	9 950	8	2 597	6 633	4 037	60,9%	9 950
General vehicles						-		
Plant & equipment	6 025	4 600	-	2 457	3 067	610	19,9%	4 600
Computers - hardware/equipment	1 380	-	-	-	-	-		-
Furniture and other office equipment	2 179	1 450	8	140	967	827	85,6%	1 450
Other Buildings	8 578	600			400	400	100,0%	600
Other		3 300	-	-	2 200	2 200	100,0%	3 300
Intangibles	200	1 100	-	1 537	733	(804)	-109,6%	1 100
Computers - software & programming	200	1 100	-	1 537	733	(804)	-109,6%	1 100
Total Capital Expenditure on new assets	276 825	271 540	3 984	121 127	181 027	59 900	33,1%	271 540
Specialised vehicles	-	-	-	-	-	-		-
Refuse						-		
Fire						-		
Conservancy						-		
Ambulances						-		

Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Sisonke - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February

Description	2014/15	Budget Year 2015/16						Full Year Forecast
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands								
Repairs and maintenance expenditure by Asset Class/Sub-class								
Infrastructure	68 706	70 190	1 452	5 344	23 397	18 052	77,2%	-
Infrastructure - Water	40 716	48 590	1 452	5 344	16 197	10 852	67,0%	-
Dams & Reservoirs				-		-		
Water purification	40 716	48 590	1 452	5 344	16 197	10 852	67,0%	
Reticulation						-		
Infrastructure - Sanitation	27 990	21 600	-	-	7 200	7 200	100,0%	-
Reticulation						-		
Sewerage purification	27 990	21 600			7 200	7 200	100,0%	
Other assets	953	3 486	-	177	1 162	985	84,8%	-
General vehicles				20		(20)	#DIV/0!	
Plant & equipment						-		
Computers - hardware/equipment	357	150			50	50	100,0%	
Other Buildings	596	3 336		157	1 112	955	85,9%	
Total Repairs and Maintenance Expenditure	69 659	73 675	1 452	5 521	24 558	19 037	77,5%	-
Specialised vehicles								
Refuse	-	-	-	-	-	-		-
Fire						-		
Conservancy						-		
Ambulances						-		

2.7 Municipal Manager's Quality's Certificate

Quality Certificate

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

- The monthly budget statement

For the month of February 2016 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_____