

REPORT ON S71 OF THE MFMA FOR THE PERIOD ENDING 30 JANUARY 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 30 January 2016 to Executive 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 Executive Committee on the progress made thus far in terms of implementing the 2015/2016 budget for the period ending 30 January 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 30 January 2015 amounted to R324, 7m which is 95% 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 January 2016 for ABSA loan. There was no movement in January 2016.

Operating expenditure by vote & type

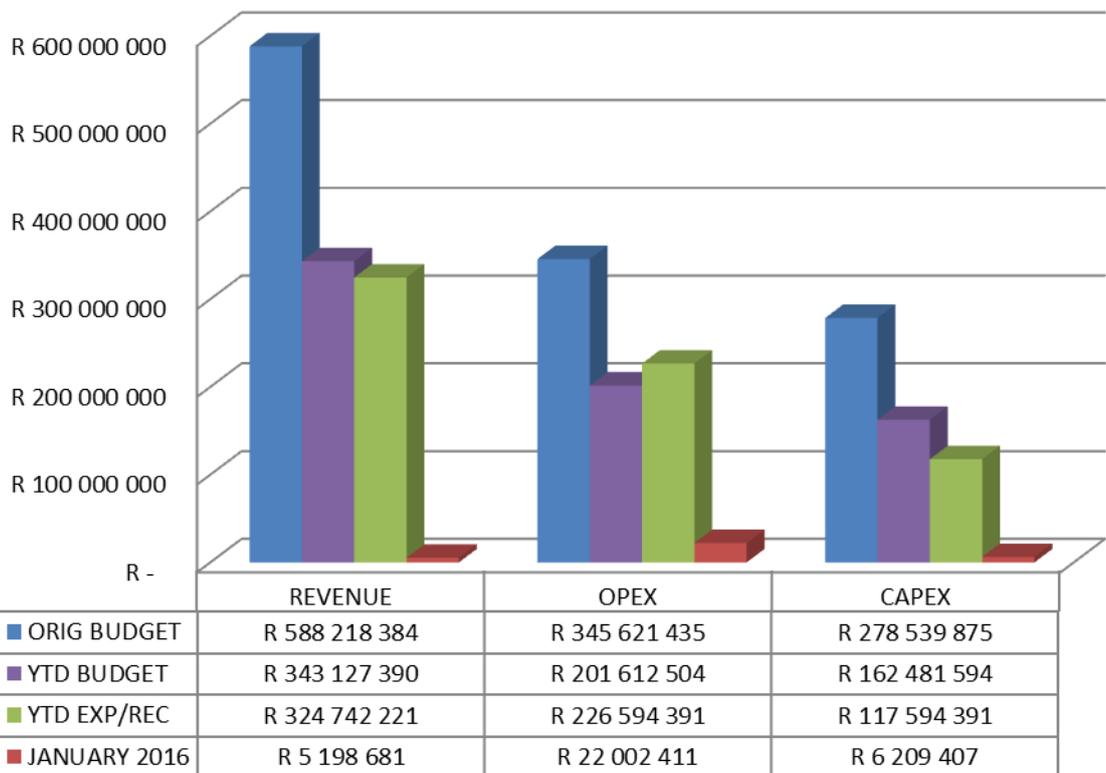
The total operating budget for the current year amounts to R345, 6m. The YTD Operating expenditure for the month ended 30 January amounted to R226, 5m against a year to date (YTD) budget of R201, 6m. The actual YTD expenditure represented 112% of the planned expenditure.

Capital expenditure

The total capital budget for the current year amounts to R278, 5m. The YTD expenditure on capital amounts to R117, 5million, or 72% of the planned expenditure. Capital expenditure is mainly funded by means of national grants in the form of Municipal Infrastructure Grant.

Chart 1: Budget vs. Expenditure Summary

BUDGET SUMMARY JANUARY 2016



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 January 2016 was R42, 3million. 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 second Quarter have been received as per payment schedule. Total grants receipts amounted to R400, 9million, being made up of R188, 4million operational and R211, 6million 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 - M07 January

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								
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	52 603	55 902	4 284	29 573	32 610	(3 036)	-9%	55 902
Investment revenue	3 500	4 375	73	2 055	2 552	(497)	-19%	4 375
Transfers recognised - operational	263 824	249 823	-	178 564	145 730	32 834	23%	249 823
Other own revenue	16 229	7 328	842	6 393	4 275	2 118	50%	7 328
Total Revenue (excluding capital transfers and contributions)	336 155	317 429	5 199	216 585	185 167	31 418	17%	317 429
Employee costs	104 700	114 031	10 494	67 409	66 518	891	1%	114 031
Remuneration of Councillors	6 655	7 321	637	3 510	4 270	(760)	-18%	7 321
Depreciation & asset impairment	35 000	30 000	-	15 000	17 500	(2 500)	-14%	30 000
Finance charges	3 200	2 228	-	1 185	1 300	(115)	-9%	2 228
Materials and bulk purchases	8 009	8 706	747	5 728	5 078	650	13%	8 706
Transfers and grants	21 400	20 000	-	12 096	11 667	429	4%	20 000
Other expenditure	197 317	163 336	10 124	121 666	95 279	26 387	28%	163 336
Total Expenditure	376 281	345 621	22 002	226 594	201 613	24 982	12%	345 621
Surplus/(Deficit)	(40 126)	(28 193)	(16 804)	(10 009)	(16 446)	6 436	-39%	(28 193)
Transfers recognised - capital	252 033	270 790	-	108 157	157 961	(49 804)	-32%	270 790
Contributions & Contributed assets	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	211 907	242 597	(16 804)	98 148	141 515	(43 367)	-31%	242 597
Surplus/ (Deficit) for the year	211 907	242 597	(16 804)	98 148	141 515	(43 367)	-31%	242 597
Capital expenditure & funds sources								
Capital expenditure	264 342	278 540	6 209	117 143	162 482	(45 339)	-28%	278 540
Capital transfers recognised	257 533	270 790	6 062	114 220	157 961	(43 741)	-28%	270 790
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	6 809	7 750	147	2 923	4 521	(1 598)	-35%	7 750
Total sources of capital funds	264 342	278 540	6 209	117 143	162 482	(45 339)	-28%	278 540
Financial position								
Total current assets	41 940	85 442		104 940				85 442
Total non current assets	1 540 924	1 600 660		1 455 077				1 600 660
Total current liabilities	64 952	56 886		181 024				56 886
Total non current liabilities	31 936	31 018		38 134				31 018
Community wealth/Equity	1 485 976	1 598 198		1 340 858				1 598 198
Cash flows								
Net cash from (used) operating	290 047	268 665	(14 098)	171 352	156 721	(14 631)	-9%	268 665
Net cash from (used) investing	(279 846)	(248 610)	(6 209)	(117 143)	(145 023)	(27 880)	19%	(248 610)
Net cash from (used) financing	(3 356)	(3 684)	-	-	(1 842)	(1 842)	100%	(3 684)
Cash/cash equivalents at the month/year end	32 717	42 242	-	80 081	35 728	(44 353)	-124%	42 242
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	-	-	-	-	-	-	-	-
Creditors Age Analysis								
Total Creditors	-	-	-	-	-	-	-	-

Financial Performance

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

DC43 Sisonke - Table C2 Monthly Budget Statement - Financial Performance (standard classification) - M07 January

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 - Standard								
<i>Governance and administration</i>	252 538	249 598	847	186 570	145 599	40 971	28%	249 598
Executive and council	-	-	-	-	-	-	-	-
Budget and treasury office	252 538	249 598	847	186 570	145 599	40 971	28%	249 598
<i>Economic and environmental services</i>	750	1 100	-	-	642	(642)	-100%	1 100
Planning and development	750	1 100	-	-	642	(642)	-100%	1 100
<i>Trading services</i>	334 901	337 520	4 352	138 172	196 887	(58 715)	-30%	337 520
Electricity	-	-	-	-	-	-	-	-
Water	52 600	61 230	4 352	30 015	35 718	(5 703)	-16%	61 230
Waste water management	282 301	276 290	-	108 157	161 169	(53 012)	-33%	276 290
Total Revenue - Standard	588 189	588 218	5 199	324 742	343 127	(18 385)	-5%	588 218
Expenditure - Standard								
<i>Governance and administration</i>	123 447	133 932	10 391	77 811	78 127	(316)	0%	133 932
Executive and council	23 099	28 719	1 565	13 768	16 753	(2 985)	-18%	28 719
Budget and treasury office	58 787	59 527	3 683	37 495	34 724	2 771	8%	59 527
Corporate services	41 561	45 686	5 143	26 548	26 650	(103)	0%	45 686
<i>Economic and environmental services</i>	52 368	54 286	2 154	28 007	31 667	(3 660)	-12%	54 286
Planning and development	52 368	54 286	2 154	28 007	31 667	(3 660)	-12%	54 286
<i>Trading services</i>	200 466	157 403	10 613	121 932	91 818	30 114	33%	157 403
Water	150 528	134 197	9 407	104 113	78 282	25 831	33%	134 197
Waste water management	49 938	23 206	1 206	17 819	13 537	4 282	32%	23 206
Total Expenditure - Standard	376 281	345 621	23 158	227 750	201 613	26 138	13%	345 621
Surplus/ (Deficit) for the year	211 907	242 597	(17 960)	96 992	141 515	(44 523)	-31%	242 597

This table assess the revenue by department and then the expenditure for the period ending 30 January 2015. 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 5%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has largest expenditure by 19% in the period ending 30 January 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) - M07 January

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	847	186 570	145 599	40 971	28,1%	249 598
Vote 4 - Corporate Services	-	-	-	-	-	-	-	-
Vote 5 - Social & Development Planning	750	1 100	-	-	642	(642)	-100,0%	1 100
Vote 6 - Infrastructure Services	282 301	276 290	-	108 157	161 169	(53 012)	-32,9%	276 290
Vote 7 - Water Services	52 600	61 230	4 352	30 015	35 718	(5 703)	-16,0%	61 230
Total Revenue by Vote	588 189	588 218	5 199	324 742	343 127	(18 385)	-5,4%	588 218
Expenditure by Vote								
Vote 1 - Council	10 517	13 164	859	7 016	7 679	(663)	-8,6%	13 164
Vote 2 - Municipal Manager	12 582	15 555	706	6 752	9 074	(2 322)	-25,6%	15 555
Vote 3 - Budget & Treasury Office	58 787	59 527	3 683	37 495	34 724	2 771	8,0%	59 527
Vote 4 - Corporate Services	41 561	45 686	5 143	26 548	26 650	(103)	-0,4%	45 686
Vote 5 - Social & Development Planning	52 368	54 286	2 154	28 007	31 667	(3 660)	-11,6%	54 286
Vote 6 - Infrastructure Services	49 938	23 206	1 206	17 819	13 537	4 282	31,6%	23 206
Vote 7 - Water Services	150 528	134 197	9 407	104 113	78 282	25 831	33,0%	134 197
Total Expenditure by Vote	376 281	345 621	23 158	227 750	201 613	26 138	13,0%	345 621
Surplus/ (Deficit) for the year	211 907	242 597	(17 960)	96 992	141 515	(44 523)	-31,5%	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 30 January 2016.

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

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	2 999	20 701	22 405	(1 704)	-8%	38 409
Service charges - sanitation revenue	15 529	16 461	1 285	8 872	9 602	(730)	-8%	16 461
Service charges - refuse revenue			-	-	-	-		
Service charges - other	839	1 032	-	-	602	(602)	-100%	1 032
Rental of facilities and equipment			-	-	-	-		
Interest earned - external investments	3 500	4 375	73	2 055	2 552	(497)	-19%	4 375
Interest earned - outstanding debtors	6 000	6 360	734	5 581	3 710	1 871	50%	6 360
Transfers recognised - operational	263 824	249 823	-	178 564	145 730	32 834	23%	249 823
Other revenue	10 229	968	108	811	565	246	44%	968
Gains on disposal of PPE						-		
Total Revenue (excluding capital transfers and contributions)	336 155	317 429	5 199	216 585	185 167	31 418	17%	317 429
Expenditure By Type								
Employee related costs	104 700	114 031	10 494	67 409	66 518	891	1%	114 031
Remuneration of councillors	6 655	7 321	637	3 510	4 270	(760)	-18%	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	17 500	(2 500)	-14%	30 000
Finance charges	3 200	2 228	-	1 185	1 300	(115)	-9%	2 228
Bulk purchases	8 009	8 706	747	5 728	5 078	650	13%	8 706
Contracted services	37 057	32 015	2 764	29 058	18 675	10 383	56%	32 015
Transfers and grants	21 400	20 000	-	12 096	11 667	429	4%	20 000
Other expenditure	137 260	106 629	7 360	80 262	62 200	18 062	29%	106 629
Loss on disposal of PPE			-		-	-		
Total Expenditure	376 281	345 621	22 002	226 594	201 613	24 982	12%	345 621
Surplus/(Deficit)	(40 126)	(28 193)	(16 804)	(10 009)	(16 446)	6 436	(0)	(28 193)
Transfers recognised - capital	252 033	270 790		108 157	157 961	(49 804)	(0)	270 790
Surplus/(Deficit) after capital transfers & contributions	211 907	242 597	(16 804)	98 148	141 515			242 597
Surplus/(Deficit) after taxation	211 907	242 597	(16 804)	98 148	141 515			242 597
Attributable to minorities								
Surplus/(Deficit) attributable to municipality	211 907	242 597	(16 804)	98 148	141 515			242 597
Surplus/ (Deficit) for the year	211 907	242 597	(16 804)	98 148	141 515			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.

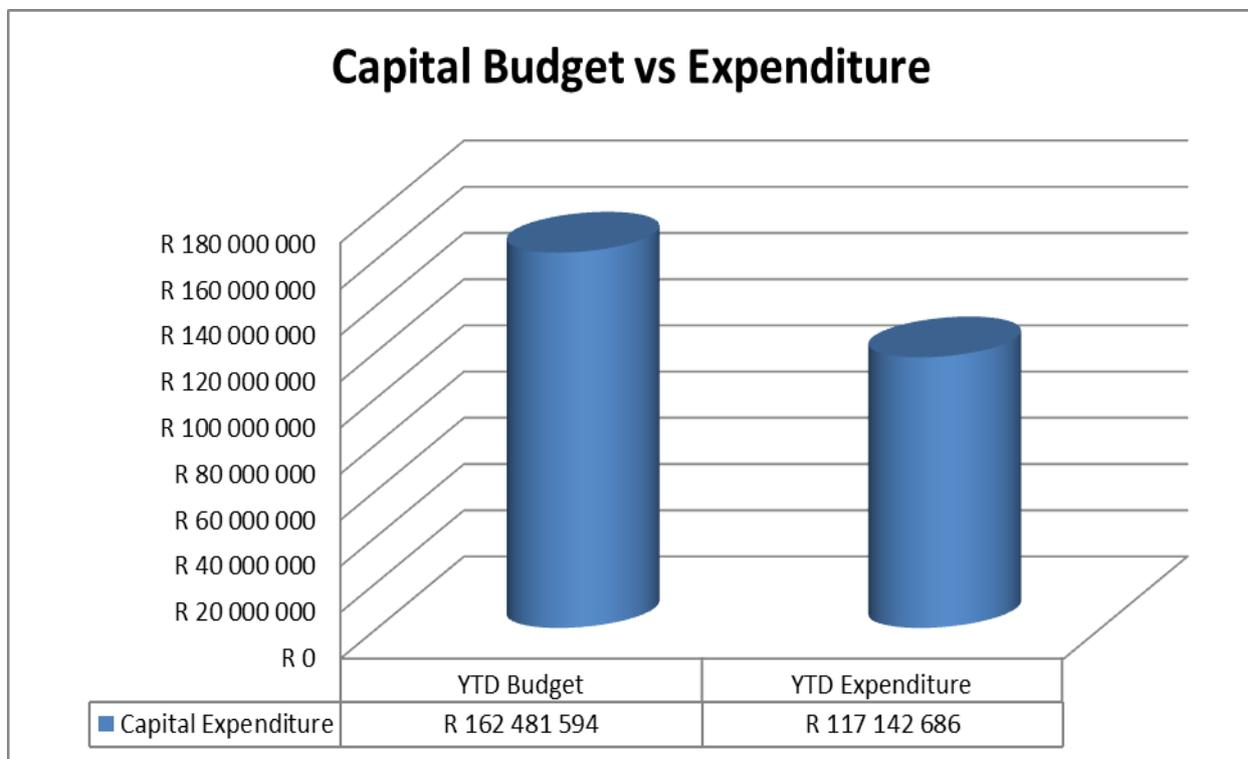
DC43 Sisonke - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) - M07 January

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	80	564	1 546	(982)	-64%	2 650
Vote 5 - Social & Development Planning	800	800	-	400	467	(67)	-14%	800
Vote 6 - Infrastructure Services	257 533	270 790	6 062	112 162	157 961	(45 799)	-29%	270 790
Vote 7 - Water Services	3 905	4 300	67	4 017	2 508	1 509	60%	4 300
Total Capital Multi-year expenditure	264 342	278 540	6 209	117 143	162 482	(45 339)	-28%	278 540
Total Capital Expenditure	264 342	278 540	6 209	117 143	162 482	(45 339)	-28%	278 540
Capital Expenditure - Standard Classification								
Governance and administration	2 104	2 650	80	564	1 546	(982)	-64%	2 650
Executive and council						-		
Budget and treasury office						-		
Corporate services	2 104	2 650	80	564	1 546	(982)	-64%	2 650
Economic and environmental services	800	800	-	400	467	(67)	-14%	800
Planning and development	800	800	-	400	467	(67)	-14%	800
Trading services	261 438	275 090	6 129	116 179	160 469	(44 290)	-28%	275 090
Electricity						-		
Water	3 905	4 300	67	4 017	2 508	1 509	60%	4 300
Waste water management	257 533	270 790	6 062	112 162	157 961	(45 799)	-29%	270 790
Total Capital Expenditure - Standard Classification	264 342	278 540	6 209	117 143	162 482	(45 339)	-28%	278 540
Funded by:								
National Government	257 533	270 790	6 062	114 220	157 961	(43 741)	-28%	270 790
Transfers recognised - capital	257 533	270 790	6 062	114 220	157 961	(43 741)	-28%	270 790
Internally generated funds	6 809	7 750	147	2 923	4 521	(1 598)	-35%	7 750
Total Capital Funding	264 342	278 540	6 209	117 143	162 482	(45 339)	-28%	278 540

As alluded to above, the capital expenditure programme for the month ending 30 January 2016 was R117m which represents 72% of capital expenditure against year to date budget and thus shows a great improvement on expenditures reflected on National grant funding.

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

Chart 1: 2015/2016 CAPEX YTD BUDGET & YTD ACTUAL



As at 30 January 2016, the year to date actual expenditure was R117m against a YTD budget of R162, 4million. In monetary terms, these figures represent 72% per cent performance against the capital development programme as at 30 January 2016.

Table C6 displays the financial position of the municipality as at 30 January 2016.

DC43 Sisonke - Table C6 Monthly Budget Statement - Financial Position - M07 January

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	48 696	52 691
Consumer debtors	307	16 091	29 639	16 091
Other debtors	10 968	12 065	26 342	12 065
Current portion of long-term receivables	–	4 246	–	4 246
Inventory	318	349	263	349
Total current assets	41 940	85 442	104 940	85 442
Non current assets				
Property, plant and equipment	1 539 540	1 599 476	1 454 698	1 599 476
Intangible assets	1 384	1 184	379	1 184
Other non-current assets				
Total non current assets	1 540 924	1 600 660	1 455 077	1 600 660
TOTAL ASSETS	1 582 864	1 686 102	1 560 017	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	1 307	1 415
Trade and other payables	53 128	43 710	173 874	43 710
Provisions	7 293	8 169	2 577	8 169
Total current liabilities	64 952	56 886	181 024	56 886
Non current liabilities				
Borrowing	18 683	16 683	18 683	16 683
Provisions	13 253	14 334	19 451	14 334
Total non current liabilities	31 936	31 018	38 134	31 018
TOTAL LIABILITIES	96 888	87 904	219 159	87 904
NET ASSETS	1 485 976	1 598 198	1 340 858	1 598 198
<u>COMMUNITY WEALTH/EQUITY</u>				
Accumulated Surplus/(Deficit)	1 485 976	1 598 198	1 340 858	1 598 198
TOTAL COMMUNITY WEALTH/EQUITY	1 485 976	1 598 198	1 340 858	1 598 198

Table C7 below display the Cash Flow Statement for the period ending 31 January 2016.

DC43 Sisonke - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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	3 051	20 581	17 935	2 645	15%	30 746
Other revenue	844	581	108	808	339	469	138%	581
Government - operating	263 824	249 823	-	183 089	145 730	37 359	26%	249 823
Government - capital	252 033	270 790	-	186 941	157 961	28 980	18%	270 790
Interest	6 636	7 654	1 982	6 115	4 465	1 650	37%	7 654
Dividends						-		
Payments								
Suppliers and employees	(245 959)	(268 701)	(19 238)	(214 056)	(156 742)	57 313	-37%	(268 701)
Finance charges	(3 200)	(2 228)	-	(29)	(1 300)	(1 271)	98%	(2 228)
Transfers and Grants	(21 400)	(20 000)	-	(12 096)	(11 667)	429	-4%	(20 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	290 047	268 665	(14 098)	171 352	156 721	(14 631)	-9%	268 665
CASH FLOWS FROM INVESTING ACTIVITIES								
Receipts								
Decrease (increase) other non-current receivables						-		
Payments								
Capital assets	(279 846)	(248 610)	(6 209)	(117 143)	(145 023)	(27 880)	19%	(248 610)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(279 846)	(248 610)	(6 209)	(117 143)	(145 023)	(27 880)	19%	(248 610)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts								
Increase (decrease) in consumer deposits	130	151			75	(75)	-100%	151
Payments								
Repayment of borrowing	(3 486)	(3 835)			(1 917)	(1 917)	100%	(3 835)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(3 356)	(3 684)	-	-	(1 842)	(1 842)	100%	(3 684)
NET INCREASE/ (DECREASE) IN CASH HELD	6 846	16 371	(20 307)	54 210	9 857			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		80 081	35 728			42 242

The billing vs Collection ratio for the month of January was 76% (Dec: 49%) showing an increase in collection by 27% as compared to previous month

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 30 January 2016.

Table 2.1.1: Debtors Age Analysis by Income Source

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

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	3 604	1 692	2 340	2 143	2 114	2 150	11 612	60 995	86 650	79 014
Receivables from Exchange Transactions - Waste Water Management	1 408	661	914	837	826	840	4 536	23 828	33 851	30 868
Interest on Arrear Debtor Accounts	602	283	391	358	353	359	1 941	10 196	14 484	13 208
Total By Income Source	5 615	2 636	3 645	3 339	3 293	3 349	18 090	95 019	134 984	123 089
2014/15 - totals only									-	-
Debtors Age Analysis By Customer Group										
Organs of State	1 935	583	661	523	568	699	2 197	6 343	13 509	10 330
Commercial	720	302	294	339	225	246	1 386	7 154	10 666	9 350
Households	2 960	1 751	2 689	2 477	2 499	2 404	14 507	81 522	110 810	103 409
Total By Customer Group	5 615	2 636	3 645	3 339	3 293	3 349	18 090	95 019	134 984	123 089

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: 82%
- ✓ Government 10%
- ✓ Business 8%

DEBTORS AGE ANANLYSIS BY CUSTOMER GROUP



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

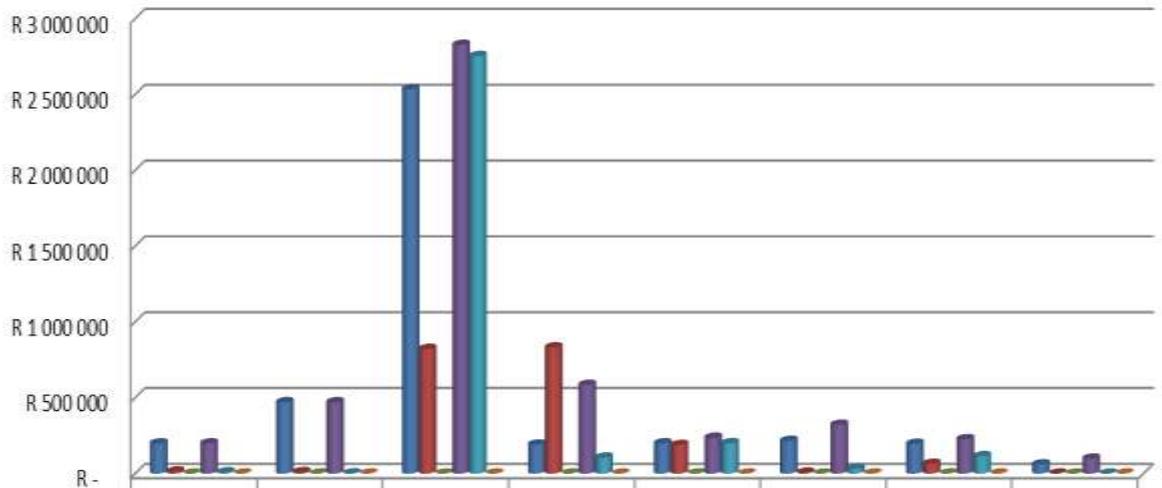
REVENUE RECEIPTS

Revenue receipts per Area

AREA	AMOUNT		
		JANUARY 2016	DECEMBER 2015
Unallocated receipts	R 569 818,06	15%	4%
Bhongweni	R 8 233,70	0%	1%
Shayamoya	R 948,90	0%	0%
Kokstad	R 2 753 022,13	73%	41%
Ixopo	R 105 491,69	3%	41%
Kwasani	R 200 050,17	5%	9%
Ingwe	R 32 704,99	1%	0%
Umzimkulu	R 114 417,44	3%	3%
Fairview	R 260,00	0%	0%
TOTAL RECEIPTS INCL VAT	R 3 784 947,08	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 November is R3, 7million. 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 73% followed by KwaSani at 5%. These statistics confirm dependency on Kokstad as the greatest contributor to the District Municipality's revenue. The Unallocated receipts for the month of January amounting to 15% which still need to be allocated according to the local municipalities.

JANUARY 2016 BILLING VS COLLECTION



	BHONGWE NI	SHAYAMOY A	KOKSTAD	IXOPO	KWASANI	INGWE	UMZIMKUL U	FAIRVIEW
■ DEC 2015 BILLING	R 198 807	R 470 092	R 2 534 039	R 191 171	R 199 485	R 215 163	R 196 332	R 60 609
■ DEC 2015 COLLECTION	R 13 762	R 9 440	R 821 579	R 831 814	R 188 282	R 6 307	R 64 481	R 390
■ PERCENTAGE	7%	2%	32%	435%	94%	3%	33%	1%
■ JAN 2016 BILLING	R 198 928	R 470 092	R 2 826 748	R 584 851	R 236 066	R 321 710	R 226 622	R 98 543
■ JAN 2016 COLLECTION	R 8 234	R 949	R 2 753 022	R 105 492	R 200 050	R 32 705	R 114 417	R 260
■ PERCENTAGE	4%	0%	97%	18%	85%	10%	50%	0%

2.2 Creditors Analysis

Table SC presents the aged creditors as at 30 January 2016.

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

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	169								169
Auditor General									-
Other									-
Total By Customer Type	169	-	-	-	-	-	-	-	169

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 30 January 2016.

Cash and Bank Balances (Investments)

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

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
FIRST NATIONAL BANK	62095523281	N/a	MONEY MARKET	N/a	118	0,4%	29 441	15 281	14 278
FIRST NATIONAL BANK	62138538692	N/a	CALL ACCOUNT	N/a	0	0,3%	42		43
FIRST NATIONAL BANK	62032587331	N/a	CALL ACCOUNT	N/a	0	1,9%	127		128
INVESTEC	50006688425	N/a	FIXED DEPOSIT	N/a	60	0,5%	11 909		11 968
FIRST NATIONAL BANK	62398395204	N/a	CALL ACCOUNT	N/a	1	0,4%	213	1 427	9 662
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	10	0,3%	3 441	1 252	2 199
FIRST NATIONAL BANK	62434147072	N/a	CALL ACCOUNT	N/a	7	0,2%	2 078		2 085
FIRST NATIONAL BANK	62434145331	N/a	CALL ACCOUNT	N/a	4	0,3%	1 296		1 301
Municipality sub-total					201		48 556	17 959	41 673
TOTAL INVESTMENTS AND INTEREST	2				201		48 556	17 959	41 673

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 - M07 January

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	145 088	40 104	27,6%	248 723
Local Government Equitable Share	230 622	241 033		178 141	140 603	37 538	26,7%	241 033
Finance Management	1 250	1 250		1 250	729			1 250
Municipal Systems Improvement	934	940		940	548			940
Municipal Infrastructure Grant (PMU)	18 724	3 460			2 018			3 460
Water Services Operating Subsidy	-	-		942	-			-
Rural Roads Asset Management Grant	2 044	2 040		2 040	1 190	850	71,4%	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	550	630	114,6%	1 100
Development Planning Shared Services	250	1 100		1 100	550	550	100,0%	1 100
Tourism route	500							
LGSETA				80		80	#DIV/0!	
Drought Relief						-		
						-		
Total Operating Transfers and Grants	263 824	249 823	-	186 209	145 638	40 734	28,0%	249 823
Capital Transfers and Grants								
National Government:	267 611	270 790	13 533	214 764	157 961	48 436	30,7%	270 790
Municipal Infrastructure Grant (MIG)	183 882	189 324	-	157 000	110 439	46 561	42,2%	189 324
Regional Bulk Infrastructure	58 200	30 000	2 658	7 338	17 500			30 000
Energy Efficiency And Demand Side Management Grant	-	-	-		-			-
Municipal Water Infrastructure Grant	22 800	43 500	10 875	43 500	25 375			43 500
Expanded public works programme incentive grant	2 729	3 466	-	2 426	2 022			3 466
Rural Household Infrastructure Grant		4 500	-	4 500	2 625	1 875	71,4%	4 500
						-		
Total Capital Transfers and Grants	267 611	270 790	13 533	214 764	157 961	48 436	30,7%	270 790
TOTAL RECEIPTS OF TRANSFERS & GRANTS	531 435	520 613	13 533	400 973	303 599	89 171	29,4%	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 - M07 January

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	–	185 028	145 088	39 940	27,5%	248 723
Local Government Equitable Share	230 622	241 033		178 141	140 603	37 538	26,7%	241 033
Finance Management	1 250	1 250		1 250	729	521	71,4%	1 250
Municipal Systems Improvement	934	940		940	548	392	71,4%	940
Municipal Infrastructure Grant (PMU)	18 724	3 460			2 018	(2 018)	-100,0%	3 460
Water Services Operating Subsidy	4 500	–		942	–	942	#DIV/0!	–
Rural Roads Asset Management Grant	2 044	2 040		2 040	1 190	850	71,4%	2 040
Energy Efficiency and Demand Management Grant	5 000		–		–	–		
Drought Relief				1 716	–	1 716	#DIV/0!	
Provincial Government:	750	1 100	–	80	642	(561)	-87,5%	1 100
Development Planning Shared Services	250	1 100	–		642	(642)	-100,0%	1 100
Tourism route	500				–	–		
LGSETA			–	80		80	#DIV/0!	
Total operating expenditure of Transfers and Grants:	263 824	249 823	–	185 109	145 730	39 378	27,0%	249 823
Capital expenditure of Transfers and Grants								
National Government:	267 611	270 790	13 533	214 764	155 336	54 524	35,1%	270 790
Municipal Infrastructure Grant (MIG)	183 882	189 324		157 000	110 439	46 561	42,2%	189 324
Regional Bulk Infrastructure	58 200	30 000	2 658	7 338	17 500	(10 162)	-58,1%	30 000
Energy Efficiency And Demand Side Management Grant	–	–	–	–	–	–		–
Municipal Water Infrastructure Grant	22 800	43 500	10 875	43 500	25 375	18 125	71,4%	43 500
Expanded public works programme incentive grant	2 729	3 466		2 426	2 022			3 466
Rural Household Infrastructure Grant		4 500		4 500				4 500
Total capital expenditure of Transfers and Grants	267 611	270 790	13 533	214 764	155 336	54 524	35,1%	270 790
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	531 435	520 613	13 533	399 873	301 066	93 903	31,2%	520 613

2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 30 January 2016.

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

Summary of Employee and Councillor remuneration R thousands	2014/15	Budget Year 2015/16						
	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	A	B						D
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	3 351	621	590	3 134	362	2 772	765%	621
Pension and UIF Contributions	441	311	-	145	181	(36)	-20%	311
Medical Aid Contributions	104	771	-	34	450	(416)	-92%	771
Motor Vehicle Allowance	1 301	621	25	453	362	90	25%	621
Cellphone Allowance	286	2 636	23	159	1 538	(1 379)	-90%	2 636
Housing Allowances	-	1 618	-	-	944	(944)	-100%	1 618
Other benefits and allowances	680	742	-	224	433	(209)	-48%	742
Sub Total - Councillors	6 162	7 321	637	4 149	4 270	(121)	-3%	7 321
% increase		18,8%						18,8%
Senior Managers of the Municipality								
Basic Salaries and Wages	3 828	4 159	437	2 829	2 080	750	36%	4 159
Pension and UIF Contributions	2	3	0	1	1	0	15%	3
Medical Aid Contributions	4	4	0	3	2	0	15%	4
Performance Bonus	525	-	60	391	-	391	#DIV/0!	-
Motor Vehicle Allowance	2 376	2 600	273	1 769	1 300	469	36%	2 600
Cellphone Allowance	111	122	13	83	61	22	36%	122
Housing Allowances	-	-	-	-	-	-	-	-
Other benefits and allowances	3	4	0	2	2	0	15%	4
Post-retirement benefit obligations				-	-	-		
Sub Total - Senior Managers of Municipality	6 850	6 892	784	5 078	3 446	1 632	47%	6 892
% increase		0,6%						0,6%
Other Municipal Staff								
Basic Salaries and Wages	71 041	78 009	6 381	40 882	39 005	1 878	5%	78 009
Pension and UIF Contributions	11 674	12 724	1 174	7 601	6 362	1 239	19%	12 724
Medical Aid Contributions	1 613	1 758	162	1 050	879	171	19%	1 758
Overtime	1 441	1 779	145	939	889	49	6%	1 779
Performance Bonus	6 397	6 973	666	4 188	3 486	702	20%	6 973
Motor Vehicle Allowance	2 940	3 205	296	1 915	1 603	312	19%	3 205
Cellphone Allowance	502	547	50	327	273	53	19%	547
Housing Allowances	44	48	4	28	24	5	19%	48
Other benefits and allowances	1 923	2 096	193	1 252	1 048	204	19%	2 096
Post-retirement benefit obligations				-	-	-		
Sub Total - Other Municipal Staff	97 575	107 138	9 072	58 183	53 569	4 613	9%	107 138
% increase		9,8%						9,8%
Total Parent Municipality	110 587	121 351	10 494	67 409	61 286	6 124	10%	121 351
		9,7%						9,7%
TOTAL SALARY, ALLOWANCES & BENEFITS	110 587	121 351	10 494	67 409	61 286	6 124	10%	121 351
% increase		9,7%						9,7%
TOTAL MANAGERS AND STAFF	104 425	114 030	9 857	63 260	57 015	6 245	11%	114 030

2.6 Material Variances to the SDBIP

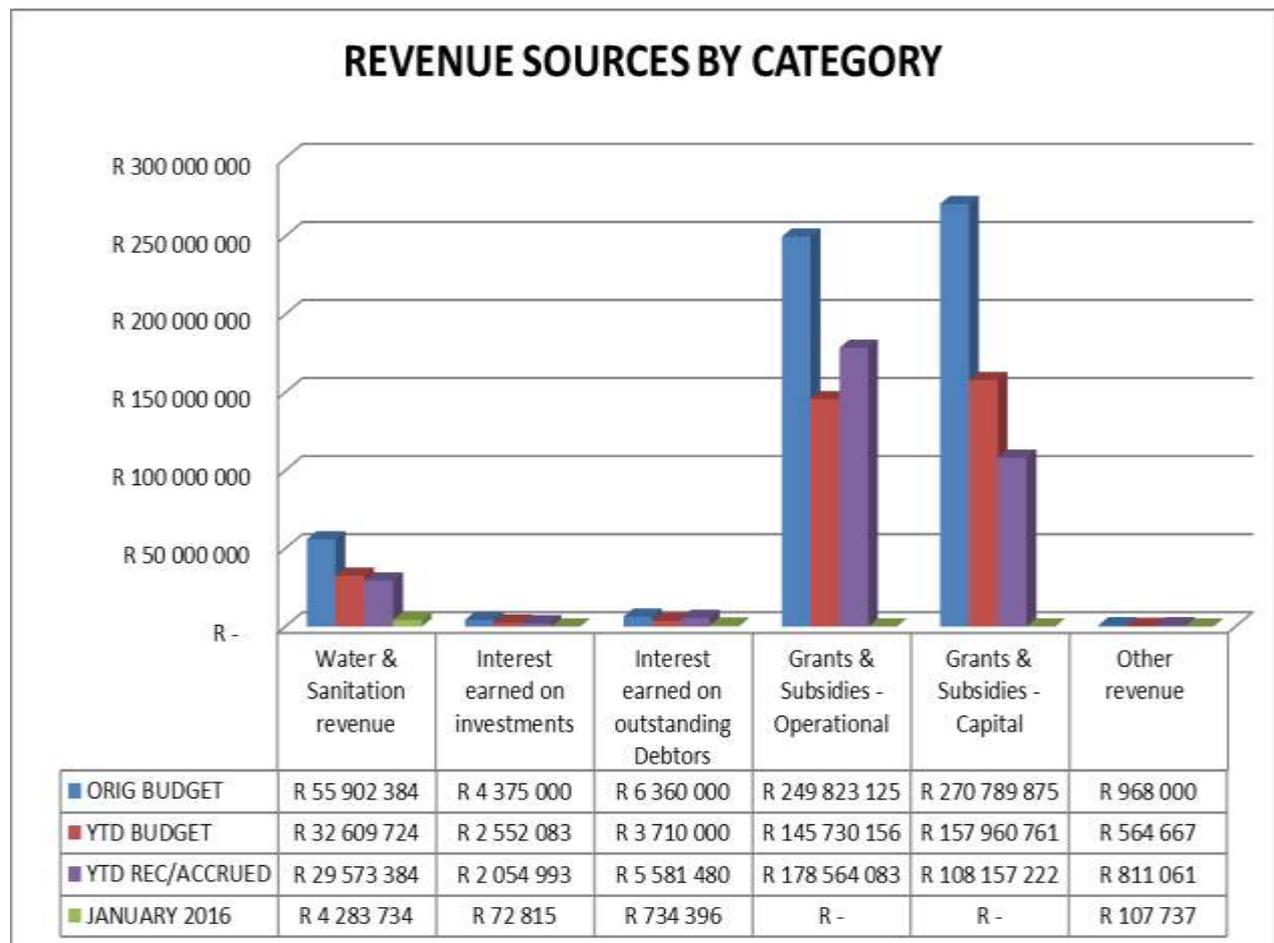
The following section analyses material variances between the actual targets as at 30 January 2016 and the budget for the same period. This report analyses each major component under following headings;

- ✓ 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 30 January 2016 was R29, 5million against a year to date **budget** of R32, 6million.

Interest Earned on External Investments

The year to date actual interest earned on external investments as at 30 January 2016 is R 2m against year to date budget of R2, 5m. This represents 81% of actual against year to date budget.

Transfers Recognised – Operational

The YTD operational grants revenue for January R178, 5million against a year to date budget of R145, 7million and is largely attributable to the YTD equitable share. No Operational Grants Received in the month of January 2016.

Transfers Recognised – Capital

The year to date actual for capital expenditure is R117m (against a YTD budget of R162, 4million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 72% performance in Conditional Capital grant funding expenditures.

Two Capital grant received namely:

- Rural Water Infrastructure Grant- R10 875 000
- Rural Bulk Infrastructure Grant-R 2 657 549

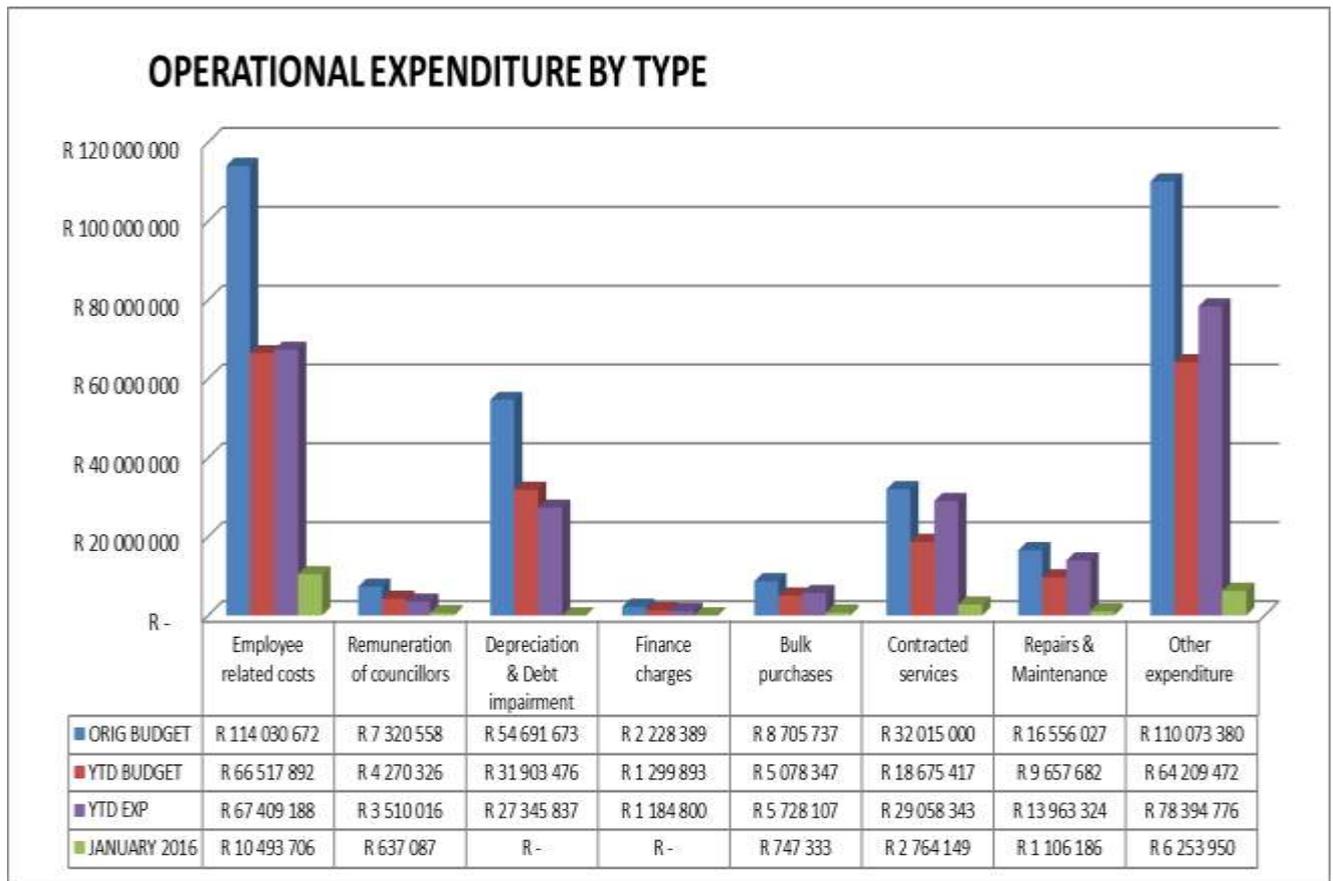
Other Revenue

The YTD performance of other revenue is R 811 061 against YTD budget of R 564 667k 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: 2015/16 Financial year Opex



Employee Related Costs

The YTD budget for employee related costs is R66, 5million against a YTD actual of R67, 4million which is 101% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor’s expenditure as at 30 January 2016 was R3, 5m against a YTD budget of R4, 2m representing an expenditure performance of 82%.

Finance Charges

As at 30 January 2016, year to date budget for finance charges is R1, 2m against year to actual of R1, 1m.

Bulk Purchases

The YTD budget for bulk purchases was at R5, 7m against a YTD expenditure of R5m representing over performance by 13%.

Other Expenditure

The YTD budget for other expenditure was at R78, 3million against a YTD expenditure of R64, 2million. The other expenditure for the month of January is over spent by 22%.

Actual and revised targets for cash receipts

DC43 Sisonke - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M07 January

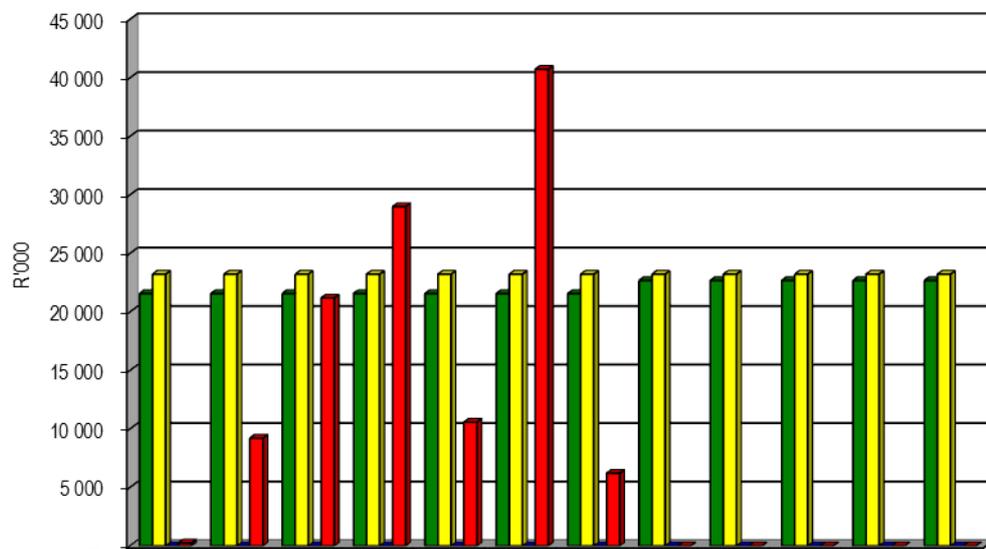
Description	Budget Year 2015/16												2015/16 Medium Term Revenue & Expenditure Framework		
	July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Cash Receipts By Source															
Service charges - water revenue	3 183	3 502	1 560	1 759	1 845	1 409	2 135					5 733	21 125	22 757	24 516
Service charges - sanitation revenue	1 364	1 501	669	754	791	604	915					2 457	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					2 090	4 156	4 571	5 029
Interest earned - outstanding debtors	656	668	680	687	708	724	734					(1 359)	3 498	3 708	3 930
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					(227)	581	613	646
Cash Receipts by Source	105 958	6 307	5 312	4 130	84 171	5 101	3 965	-	-	-	-	73 861	288 804	307 240	329 009
Other Cash Flows by Source															
Transfer receipts - capital	-	123 677	-	59 973	2 250	1 040	1 234					82 615	270 790	321 768	424 117
Increase in consumer deposits	-	-	-	-	-	-	-					151	151	166	166
Total Cash Receipts by Source	105 958	129 984	5 312	64 103	86 421	6 141	5 199	-	-	-	-	156 627	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					46 626	114 030	122 747	131 339
Remuneration of councillors	472	471	474	478	472	506	637					3 811	7 321	7 723	8 133
Interest paid	-	-	29	-	-	-	-					2 199	2 228	1 926	1 595
Bulk purchases - Electricity	-	-	-	-	-	-	-					-	-	-	-
Bulk purchases - Water & Sewer	-	894	1 291	754	765	1 277	747					2 978	8 706	9 463	10 286
Other materials	-	-	-	-	-	-	-					-	-	-	-
Contracted services	2 095	8 367	2 049	5 100	3 478	5 205	2 764					2 957	32 015	33 528	35 067
Grants and subsidies paid - other municipalities	-	-	-	-	-	-	-					-	-	-	-
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	7 360					(58 632)	106 629	108 843	113 645
Cash Payments by Type	23 847	103 501	16 765	43 707	46 282	26 984	22 002	-	-	-	-	7 842	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					132 282	248 610	294 380	385 851
Repayment of borrowing	-	-	569	-	-	-	-					3 266	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	28 212	-	-	-	-	143 390	543 374	603 929	712 774
NET INCREASE/(DECREASE) IN CASH HELD	82 020	17 443	(33 045)	(8 431)	29 731	(61 572)	(23 013)	-	-	-	-	13 238	16 371	25 246	40 518
Cash/cash equivalents at the monthly year beginning	25 871	107 891	125 334	92 288	83 857	113 588	52 017	29 004	29 004	29 004	29 004	29 004	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	29 004	29 004	29 004	29 004	29 004	42 242	42 242	67 487	108 006

Capital Expenditure Trend

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

Month	2014/15	Budget Year 2015/16							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	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				185 696	-		
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	-	117 143					

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



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
■ 2014/15	21 563	21 563	21 563	21 563	21 563	21 563	21 563	22 680	22 680	22 680	22 680	22 680
■ Original Budget	23 212	23 212	23 212	23 212	23 212	23 212	23 212	23 212	23 212	23 212	23 212	23 212
■ Adjusted Budget	-	-	-	-	-	-	-	-	-	-	-	-
■ Monthly actual	254	9 203	21 187	28 990	10 570	40 729	6 209	-	-	-	-	-

Capital Expenditure on New Assets by Asset Class

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

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								
Capital expenditure on new assets by Asset Class/Sub-class								
Infrastructure	258 462	260 490	6 129	110 326	151 952	41 626	27,4%	260 490
Infrastructure - Road transport	-	-	-	-	-	-		-
Infrastructure - Electricity	1 830	-	6 129	5 882	-	(5 882)	#DIV/0!	-
<i>Generation</i>								
<i>Transmission & Reticulation</i>	1 830		6 129	5 882	-	(5 882)	#DIV/0!	
Infrastructure - Water	222 520	231 990	-	93 899	135 327	41 429	30,6%	231 990
<i>Dams & Reservoirs</i>	28 200	-						
<i>Water purification</i>	3 000	-						
<i>Reticulation</i>	191 320	231 990		93 899	135 327	41 429	30,6%	231 990
Infrastructure - Sanitation	34 112	28 500	-	10 546	16 625	6 079	36,6%	28 500
<i>Reticulation</i>	28 169	-						-
<i>Sewerage purification</i>	5 943	28 500		10 546	16 625	6 079	36,6%	28 500
Infrastructure - Other	-	-	-	-	-	-		-
Other assets	18 162	9 950	24	4 974	5 804	831	14,3%	9 950
General vehicles								
Plant & equipment	6 025	4 600	-	4 508	2 683	(1 824)	-68,0%	4 600
Computers - hardware/equipment	1 380	-	-	-	-	-		-
Furniture and other office equipment	2 179	1 450	24	466	846	380	44,9%	1 450
Other Buildings	8 578	600			350	350	100,0%	600
Other		3 300	-	-	1 925	1 925	100,0%	3 300
Intangibles	200	1 100	57	498	642	144	22,5%	1 100
Computers - software & programming	200	1 100	57	498	642	144	22,5%	1 100
Other								
Total Capital Expenditure on new assets	276 825	271 540	6 209	115 797	158 398	42 601	26,9%	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 - M07 January

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	-	6 796	35 544	28 748	80,9%	-
Infrastructure - Water	40 716	48 590	-	6 796	28 344	21 548	76,0%	-
<i>Dams & Reservoirs</i>				-		-		
<i>Water purification</i>	40 716	48 590	-	6 796	28 344	21 548	76,0%	
<i>Reticulation</i>						-		
Infrastructure - Sanitation	27 990	21 600	-	-	7 200	7 200	100,0%	-
<i>Reticulation</i>						-		
<i>Sewerage purification</i>	27 990	21 600			7 200	7 200	100,0%	
Other						-		
Other assets	953	3 486	-	177	2 033	1 856	91,3%	-
General vehicles				20		(20)	#DIV/0!	
Specialised vehicles	-	-	-	-	-	-		-
Plant & equipment						-		
Computers - hardware/equipment	357	150			88	88	100,0%	
Other Buildings	596	3 336		157	1 946	1 789	91,9%	
Total Repairs and Maintenance Expenditure	69 659	73 675	-	6 973	37 577	30 604	81,4%	-
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 January 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_____