

Harry Gwala District Municipality

MFMA s71 report for the period ending 31 May 2014.

6/13/2014

Budget & Treasury Office

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1. PART 1 – MONTHLY REPORT

1.1 Mayors Report

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

1.2 Executive Summary

Legislative Requirements

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

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

DELIBERATION

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Finance & Corporate services committee and Executive committee on the progress made thus far in terms of implementing the 2013/2014 budget for the period ending 31 May 2014.

1.3 Resolutions

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

1.4 Monthly Budget Statement Tables

Monthly Budget Statements Summary

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

DC43 Sisonke - Table C1 Consolidated Monthly Budget Statement Summary - M10 April									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Service charges	41 037	44 748	42 748	4 344	39 280	23 989	15 292	64%	42 748
Investment revenue	2 753	2 000	2 500	821	3 121	1 206	1 915	159%	7 679
Transfers recognised - operational	217 640	220 563	220 607	1	220 825	164 341	56 484	34%	220 607
Other own revenue	6 567	500	29 722	755	6 140	250	5 890	2356%	29 722
Total Revenue (excluding capital transfers and contributions)	267 997	267 811	295 577	5 920	269 366	189 786	79 580	42%	300 756
Employee costs	81 571	90 434	94 837	8 012	80 337	45 753	34 584	76%	94 837
Remuneration of Councillors	4 622	6 181	6 162	447	4 358	3 090	1 267	41%	6 162
Depreciation & asset impairment	18 000	20 000	25 000	-	335	9 500	(9 165)	-96%	25 000
Finance charges	3 680	3 500	3 521	-	1 541	1 250	291	23%	3 521
Materials and bulk purchases	9 422	7 800	9 598	501	5 471	3 900	1 571	40%	9 598
Transfers and grants	9 569	12 000	13 768	3 745	12 732	6 000	6 732		13 768
Other expenditure	149 206	115 081	184 045	11 063	91 059	55 520	35 539	64%	184 045
Total Expenditure	276 070	254 996	336 932	23 768	195 832	125 013	70 819	57%	336 932
Surplus/(Deficit)	(8 072)	12 816	(41 355)	(17 848)	73 534	64 773	8 761	14%	(36 175)
Transfers recognised - capital	178 591	210 486	236 103	-	152 761	150 300	2 461	2%	236 103
Surplus/(Deficit) after capital transfers & contributions	170 519	223 302	194 748	(17 848)	226 295	215 073	11 222	5%	199 928
Surplus/ (Deficit) for the year	170 519	223 302	194 748	(17 848)	226 295	215 073	11 222	5%	199 928
Capital expenditure & funds sources									
Capital expenditure	148 388	227 234	210 496	10 663	178 872	150 300	28 572	19%	227 234
Capital transfers recognised	148 388	210 486	186 885	10 663	176 793	150 300	26 494	18%	210 486
Internally generated funds	-	16 748	23 611	-	2 079	-	2 079	#DIV/0!	16 748
Total sources of capital funds	148 388	227 234	210 496	10 663	178 872	150 300	28 572	19%	227 234
Financial position									
Total current assets	26 042	63 318	71 256		135 830				71 256
Total non current assets	1 083 502	1 517 343	1 336 519		1 129 654				1 336 519
Total current liabilities	81 782	34 740	39 863		59 066				39 863
Total non current liabilities	38 018	33 101	33 101		34 356				33 101
Community wealth/Equity	989 745	1 512 820	1 334 811		1 172 063				1 334 811
Cash flows									
Net cash from (used) operating	167 559	253 556	210 347	(30 285)	255 367	197 206	58 161	29%	253 556
Net cash from (used) investing	(148 471)	(226 772)	(16 194)	(23 067)	(199 753)	(137 426)	(62 327)	45%	(226 772)
Net cash from (used) financing	(2 652)	(2 482)	-	(486)	(2 268)	(1 297)	(971)	75%	-
Cash/cash equivalents at the month/	19 970	54 303	214 339	-	73 532	88 483	(14 951)	-17%	46 970
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	5 826	4 730	3 234	3 303	3 063	2 539	12 049	56 717	91 461
Creditors Age Analysis									
Total Creditors	2 058	-	-	-	-	-	-	-	2 058

Financial Performance

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

DC43 Sisonke - Table C2 Consolidated Monthly Budget Statement - Financial Performance (standard classification) - M11 May									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue - Standard									
Governance and administration	214 469	220 696	221 867	880	226 171	165 797	60 374	36%	220 696
Budget and treasury office	214 469	220 696	220 898	880	226 128	165 797	60 331	36%	220 696
Corporate services	-	-	969	-	44	-	44	#DIV/0!	-
Economic and environmental services	90	-	6 831	-	3 171	-	3 171	#DIV/0!	-
Planning and development	90	-	6 831	-	3 171	-	3 171	#DIV/0!	-
Trading services	229 276	255 601	302 982	4 270	197 934	174 288	23 646	14%	56 748
Water	44 642	56 748	48 957	4 270	44 207	23 989	20 218	84%	56 748
Waste water management	184 635	198 853	254 025	-	153 727	150 300	3 427	2%	-
Total Revenue - Standard	443 835	476 297	531 680	5 150	427 276	340 086	87 191	26%	277 444
Expenditure - Standard									
Governance and administration	100 756	121 481	130 147	6 948	79 154	59 557	19 598	33%	121 481
Executive and council	12 415	18 956	18 718	1 244	16 095	9 293	6 801	73%	18 956
Budget and treasury office	54 930	63 431	66 283	2 788	28 156	31 097	(2 942)	-9%	63 431
Corporate services	33 411	39 094	45 146	2 916	34 904	19 166	15 738	82%	39 094
Economic and environmental services	35 122	45 047	48 030	1 418	38 580	22 084	16 496	75%	45 047
Planning and development	35 122	33 047	48 030	1 418	25 848	14 646	11 202	76%	33 047
Environmental protection	-	12 000	-	-	12 732	7 438	5 293	71%	12 000
Trading services	140 192	88 467	158 754	66 976	153 440	43 372	110 068	254%	88 467
Water	34 630	78 651	101 232	33 940	110 936	38 559	72 377	188%	78 651
Waste water management	105 562	9 816	57 522	33 036	42 504	4 813	37 691	783%	9 816
Total Expenditure - Standard	276 070	254 996	336 932	75 342	271 174	125 013	146 161	117%	254 996
Surplus/ (Deficit) for the year	167 766	221 302	194 748	(70 192)	156 102	215 073	(58 970)	-27%	22 449

This table assess the revenue by department and then the expenditure for the period ending 31 May 2014. Revenue receipts in May have largely constituted of service charges which is water and sanitation. The overall budgeted revenue cash receipt for the month of May is 26%.

Expenditure by standard classification presents the expenditures by the departments. Waste Water Management (Water Services) has largest expenditure by 37% in the period ending 31 May 2014. This being largely attributable to the backlog demand of operations and maintenance of water schemes in the District.

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

DC43 Sisonke - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M11 May

Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-
Vote 2 - Finance	214 469	220 696	220 898	880	226 128	165 797	60 331	36.4%	220 696
Vote 3 - Corporate Services	-	-	969	-	44	-	44	#DIV/0!	-
Vote 4 - Economic &Community Services	90	-	6 831	-	3 171	-	3 171	#DIV/0!	-
Vote 5 - Infrastructure Services	184 635	198 853	254 025	-	153 727	150 300	3 427	2.3%	198 853
Vote 6 - Water Services	44 642	56 748	48 957	4 270	44 207	23 989	20 218	84.3%	56 748
Total Revenue by Vote	443 835	476 297	531 680	5 150	427 276	340 086	87 191	25.6%	476 297
Expenditure by Vote									
Vote 1 - Executive & Council	12 415	18 956	18 718	1 244	16 095	9 293	6 801	73.2%	18 956
Vote 2 - Finance	54 930	63 431	66 283	2 788	28 156	31 097	(2 942)	-9.5%	63 431
Vote 3 - Corporate Services	33 411	39 094	45 146	2 916	34 904	19 166	15 738	82.1%	39 094
Vote 4 - Economic &Community Services	35 122	45 047	48 030	1 418	38 580	22 084	16 496	74.7%	45 047
Vote 5 - Infrastructure Services	34 630	9 816	57 522	33 036	42 504	4 813	37 691	783.2%	78 651
Vote 6 - Water Services	105 562	78 651	101 232	33 940	110 936	38 559	72 377	187.7%	9 816
Total Expenditure by Vote	276 070	254 996	336 932	75 342	271 174	125 013	146 161	116.9%	254 996
Surplus/ (Deficit) for the year	167 766	221 302	194 748	(70 192)	156 102	215 073	(58 970)	-27.4%	221 302

Statement of financial Performance

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

DC43 Sisonke - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M11 May									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Revenue By Source									
Service charges - water revenue	26 799	30 697	30 697	2 947	30 443	15 971	14 472	91%	30 697
Service charges - sanitation revenue	11 485	12 052	12 052	1 263	13 047	8 018	5 029	63%	12 052
Interest earned - external investments	2 753	2 000	2 500	312	3 433	1 206	2 226	185%	2 500
Interest earned - outstanding debtors			5 179	541	5 098	-	5 098	#DIV/0!	5 179
Transfers recognised - operational	217 640	220 563	220 607	1	220 826	164 341	56 485	34%	220 607
Other revenue	6 567	500	24 543	86	1 669	250	1 419	568%	24 543
Total Revenue (excluding capital transfers and contributions)	265 244	265 811	295 577	5 150	274 516	189 786	84 730	45%	295 577
Expenditure By Type									
Employee related costs	81 571	90 434	94 837	8 068	88 404	45 753	42 652	93%	94 837
Remuneration of councillors	4 622	6 181	6 162	445	4 803	3 090	1 713	55%	6 162
Debt impairment	8 000	12 000	12 000	-	-	5 622	(5 622)	-100%	12 000
Depreciation & asset impairment	18 000	20 000	25 000	(19 939)	(19 604)	9 500	(29 104)	-306%	25 000
Finance charges	3 680	3 500	3 521	-	1 541	1 250	291	23%	3 521
Bulk purchases	9 422	7 800	9 598	1 359	6 830	3 900	2 930	75%	9 598
Contracted services	17 492	36 317	34 999	2 547	23 993	16 999	6 994	41%	34 999
Transfers and grants	9 569	12 000	13 768	-	12 732	6 000	6 732	112%	13 768
Other expenditure	123 714	66 763	137 045	82 862	152 474	32 898	119 576	363%	137 045
Total Expenditure	276 070	254 996	336 932	75 342	271 174	125 013	146 161	117%	336 932
Surplus/(Deficit)	(10 825)	10 816	(41 355)	(70 192)	3 341	64 773	(61 432)	(0)	(41 355)
Transfers recognised - capital	178 591	210 486	236 103	-	152 761	150 300	2 461	0	236 103
Surplus/(Deficit) after capital transfers & contributions	167 766	221 302	194 748	(70 192)	156 102	215 073			194 748
Surplus/(Deficit) after taxation	167 766	221 302	194 748	(70 192)	156 102	215 073			194 748
Surplus/(Deficit) attributable to municipality	167 766	221 302	194 748	(70 192)	156 102	215 073			194 748
Surplus/ (Deficit) for the year	167 766	221 302	194 748	(70 192)	156 102	215 073			194 748

Capital Expenditure

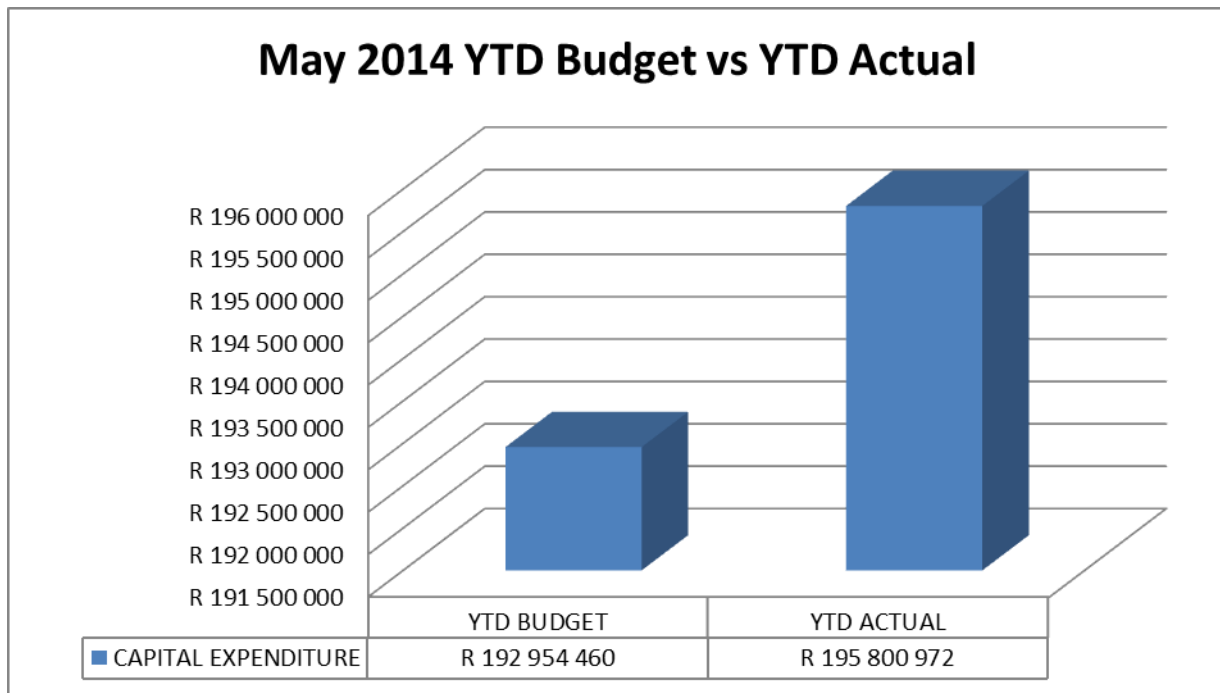
Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Sisonke - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding - M11 May)									
Vote Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Multi-Year expenditure appropriation									
Vote 2 - Finance	136	130	200	-	-	130	(130)	-100%	130
Vote 3 - Corporate Services	368	3 256	2 433	92	2 593	1 628	965	59%	3 256
Vote 4 - Economic &Community Services	-	-	409	-	-	-	-	-	-
Vote 5 - Infrastructure Services	147 884	223 248	205 332	16 837	193 208	148 242	44 967	30%	223 248
Vote 6 - Water Services	-	600	2 122	-	-	300	(300)	-100%	600
Total Capital Multi-year expenditure	148 388	227 234	210 496	16 929	195 801	150 300	45 501	30%	227 234
Total Capital Expenditure	148 388	227 234	210 496	16 929	195 801	150 300	45 501	30%	227 234
Capital Expenditure - Standard Classification									
Governance and administration	504	3 386	2 633	92	2 593	1 758	835	47%	3 386
Budget and treasury office	136	130	200	-	-	130	(130)	-100%	130
Corporate services	368	3 256	2 433	92	2 593	1 628	965	59%	3 256
Community and public safety	-	-	409	-	-	-	-	-	-
Community and social services	-	-	409	-	-	-	-	-	-
Trading services	147 884	223 848	207 454	16 837	193 208	148 542	44 667	30%	223 848
Water	-	600	2 122	-	-	300	(300)	-100%	600
Waste water management	147 884	223 248	205 332	16 837	193 208	148 242	44 967	30%	223 248
Total Capital Expenditure - Standard Classification	148 388	227 234	210 496	16 929	195 801	150 300	45 501	30%	227 234
Funded by:									
National Government	128 865	210 486	183 268	16 664	185 382	137 822	47 561	35%	210 486
Provincial Government	19 523	-	3 617	265	8 340	9 835	(1 496)	-15%	-
District Municipality	-	-	-	-	-	2 642	(2 642)	-100%	-
Transfers recognised - capital	148 388	210 486	186 885	16 929	193 722	150 300	43 422	29%	210 486
Internally generated funds	-	16 748	23 611	-	2 079	-	2 079	#DIV/0!	16 748
Total Capital Funding	148 388	227 234	210 496	16 929	195 801	150 300	45 501	30%	227 234

As alluded to above, the capital expenditure programme for the month ending 31 May was R16, 9 million which represents 9% of capital expenditure against year to date budget and thus shows the 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: 2013/2014 CAPEX YTD BUDGET & YTD ACTUAL



As at 31 May 2014, the year to date actual expenditure was R195, 8million against a YTD budget of R192, 9million. In monetary terms, these figures represent 101% per cent performance against the capital development programme as at 31 May 2014.

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

DC43 Sisonke - Table C6 Consolidated Monthly Budget Statement - Financial Position - M11					
Description	2012/13	Budget Year 2013/14			
	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands					
ASSETS					
Current assets					
Cash	19 970	54 303	56 960	55 872	56 960
Consumer debtors	5 957	2 505	7 786	18 915	7 786
Other debtors		6 510	6 510	549	6 510
Inventory	116	–	–	116	–
Total current assets	26 042	63 318	71 256	75 452	71 256
Non current assets					
Property, plant and equipment	1 083 316	1 516 798	1 335 034	1 088 805	1 335 034
Intangible assets	186	545	1 484	656	1 484
Total non current assets	1 083 502	1 517 343	1 336 519	1 089 462	1 336 519
TOTAL ASSETS	1 109 545	1 580 661	1 407 775	1 164 914	1 407 775
LIABILITIES					
Current liabilities					
Borrowing	3 333	3 174	3 174	568	3 174
Consumer deposits	949	1 012	1 135	1 108	1 135
Trade and other payables	71 899	30 555	35 555	24 197	35 555
Provisions	5 600	–	–	6 925	–
Total current liabilities	81 782	34 740	39 863	32 798	39 863
Non current liabilities					
Borrowing	30 591	25 384	25 384	24 987	25 384
Provisions	7 427	7 717	7 717	9 369	7 717
Total non current liabilities	38 018	33 101	33 101	34 356	33 101
TOTAL LIABILITIES	119 800	67 841	72 964	67 153	72 964
NET ASSETS	989 745	1 512 820	1 334 811	1 097 760	1 334 811
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	989 745	1 512 820	1 334 811	1 097 760	1 334 811
TOTAL COMMUNITY WEALTH/EQUITY	989 745	1 512 820	1 334 811	1 097 760	1 334 811

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

DC43 Sisonke - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M11 May									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	30 752	30 424	30 424	2 920	31 836	24 103	7 733	32%	30 424
Government - operating	231 660	220 563	220 607	133	226 893	172 266	54 627	32%	220 563
Government - capital	168 745	210 486	236 103	2 990	241 937	198 938	42 999	22%	210 486
Interest	2 456	2 000	2 500	853	8 080	5 365	2 715	51%	2 000
Payments									
Suppliers and employees	(264 286)	(194 417)	(261 997)	(20 517)	(251 994)	(193 052)	58 942	-31%	(194 417)
Finance charges	(1 768)	(3 500)	(3 521)	-	(1 541)	(1 427)	114	-8%	(3 500)
Transfers and Grants	-	(12 000)	(13 768)	-	(13 464)	(8 987)	4 476	-50%	(12 000)
NET CASH FROM/(USED) OPERATING ACTIVITIES	167 559	253 556	210 347	(13 620)	241 747	197 206	44 541	23%	253 556
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(148 471)	(226 772)	(16 194)	(16 929)	(203 793)	(137 426)	66 367	-48%	(226 772)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(148 471)	(226 772)	(16 194)	(16 929)	(203 793)	(137 426)	66 367	-48%	(226 772)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Increase (decrease) in consumer deposits		12	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	(2 652)	(2 494)	-	-	(2 268)	(1 297)	971	-75%	-
NET CASH FROM/(USED) FINANCING ACTIVITIES	(2 652)	(2 482)	-	-	(2 268)	(1 297)	971	-75%	-
NET INCREASE/ (DECREASE) IN CASH HELD	16 436	24 303	194 153	(30 549)	35 686	58 483			26 784
Cash/cash equivalents at beginning:	3 535	30 000	20 186		20 186	30 000			20 186
Cash/cash equivalents at month/year end:	19 970	54 303	214 339		55 872	88 483			46 970

There has been an increase in collection levels signalled by a collection ratio of 58% (April 2014: 57%). The interest earned on outstanding debtors for the period ending 31 May is R 541 102.

PART 2 – SUPPORTING DOCUMENTATION

2.1 Debtors Analysis

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

Table 2.1.1: Debtors Age Analysis by Income Source

DC43 Sisonke - Supporting Table SC3 Monthly Budget Statement - aged debtors - M11 May										
Description	Budget Year 2013/14									
	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	3 671	3 002	2 804	2 666	2 304	1 623	9 416	38 998	64 483	55 007
Receivables from Exchange Transactions - Waste Water Management	1 434	1 173	1 095	1 042	900	634	3 679	15 235	25 191	21 489
Interest on Arrear Debtor Accounts	614	502	469	446	385	271	1 574	6 519	10 779	9 195
Total By Income Source	5 719	4 677	4 367	4 153	3 589	2 528	14 669	60 751	100 453	85 690
Debtors Age Analysis By Customer Group										
Organs of State	2 018	1 675	1 470	942	636	255	861	5 001	12 858	7 695
Commercial	785	419	464	474	468	219	1 409	5 773	10 010	8 342
Households	2 915	2 583	2 434	2 738	2 485	2 053	12 400	49 977	77 585	69 653
Total By Customer Group	5 719	4 677	4 367	4 153	3 589	2 528	14 669	60 751	100 453	85 690

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: 76%
- ✓ Government 13%
- ✓ Business 10%
- ✓ Other 2%

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

2.2 Creditors Analysis

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

DC43 Sisonke - Supporting Table SC4 Monthly Budget Statement - aged creditors - M11 May									
Description	Budget Year 2013/14								
	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
R thousands									
Creditors Age Analysis By Customer Type									
Bulk Water	537								537
PAYE deductions	1 135								1 135
Trade Creditors	560								560
Auditor General	222								222
Total By Customer Type	2 454	-	-	-	-	-	-	-	2 454

2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 31 May 2014.

Cash and Bank Balances (Investments)

DC43 Sisonke - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M11 May									
Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands									
Municipality									
FIRST NATIONAL BANK	62095523281		MONEY MARKET		89		23 793	(12 804)	11 077
FIRST NATIONAL BANK	62138538692		CALL ACCOUNT		35		12 988	(12 344)	679
FIRST NATIONAL BANK	62032587331		CALL ACCOUNT		78		21 281	(3 500)	17 859
INVESTEC	50006688425		FIXED DEPOSIT		47		10 883		10 930
FIRST NATIONAL BANK	62398395204		CALL ACCOUNT		32		8 076	(2 207)	5 901
FIRST NATIONAL BANK	62414264797		CALL ACCOUNT		10		3 459		3 469
FIRST NATIONAL BANK	62434151239		CALL ACCOUNT		10		3 523		3 533
FIRST NATIONAL BANK	62434147072		CALL ACCOUNT		2		902		904
FIRST NATIONAL BANK	62434145331		CALL ACCOUNT		3		1 271		1 274
Municipality sub-total					306		86 176	(30 855)	55 627
TOTAL INVESTMENTS AND INTEREST	2				306		86 176	(30 855)	55 627

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 - M11 May									
Description	2012/13			Budget Year 2013/14					
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	217 200	220 310	220 310	-	222 700	166 171	54 014	32.5%	220 010
Local Government Equitable Share	203 556	216 056	216 056	-	216 056	162 042	54 014	33.3%	216 056
Finance Management	1 250	1 250	1 250	-	1 250	1 250			1 250
Municipal Systems Improvement	1 000	890	890	-	890	890			890
WATER SERVICES OPERATING SUBSIDY GRANT	9 618	-	-	-	-	-			-
WATER SERVICES OPERATING SUBSIDY	-	300	300	-	2 690	175			
Rural Transport Services and Infrastructure Grant	1 776	1 814	1 814	-	1 814	1 814	-		1 814
Provincial Government:	600	253	297	133	3 794	253	3 541	1399.5%	253
Infrastructure Sport Facilities		253	253	-	-	253	(253)	-100.0%	253
District Growth Development Summit	400								
Accredited Councillors Training	200								
Ig sela			44	133	177		177	#DIV/0!	
Disaster management Cogta					3 000		3 000	#DIV/0!	
Cogta ubuhlebezwe-Water Infra					617		617	#DIV/0!	
Total Operating Transfers and Grants	217 800	220 563	220 607	133	226 494	166 424	57 555	34.6%	220 263
Capital Transfers and Grants									
National Government:	173 813	210 486	232 486	2 990	238 827	177 328	18 877	10.6%	210 486
Municipal Infrastructure Grant (MIG)	165 717	173 618	173 618	-	174 508	156 452	18 056	11.5%	173 618
Regional Bulk Infrastructure	302	15 429	37 429	2 990	42 881	8 929			15 429
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT	-	5 000	5 000	-	5 000	2 422			5 000
MUNICIPAL WATER INFRASTRUCTURE GRANT	-	13 700	13 700	-	13 700	7 607			13 700
Expanded public works programme incentive grant	4 594	2 739	2 739	-	2 739	1 918	821	42.8%	2 739
Farmers Market	3 200	-	-	-	-	-	-		-
Provincial Government:	21 420	-	3 617	-	-	-	-	-	-
ACIP Grant	620	-	-	-	-	-	-		-
Massification	20 800	-	-	-	-	-	-		-
Disaster Management Grant			3 000						
Ubuhebezwe Grant			617						
Total Capital Transfers and Grants	195 233	210 486	236 103	2 990	238 827	177 328	18 877	10.6%	210 486
TOTAL RECEIPTS OF TRANSFERS & GRANTS	413 033	431 049	456 710	3 124	465 321	343 752	76 432	22.2%	430 749

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 - M11 May									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
EXPENDITURE									
Operating expenditure of Transfers and Grants									
National Government:	213 282	220 310	220 310	18 127	201 226	164 341	36 885	22.4%	217 246
Local Government Equitable Share	203 556	216 056	216 056	18 005	198 051	162 441	35 610	21.9%	216 056
Finance Management	1 250	1 250	1 250	122	922	600	322	53.7%	
Municipal Systems Improvement	1 000	890	890	-	499	400	99	24.6%	890
WATER SERVICES OPERATING SUBSIDY GRANT	5 700	-	-	-	-	-	-	-	-
WATER SERVICES OPERATING SUBSIDY		300	300	-	617	300	317	105.7%	300
Rural Transport Services and Infrastructure Grant	1 776	1 814	1 814	-	1 137	600	537	89.5%	-
Provincial Government:	90	253	297	-	-	-	-	-	253
Infrastructure Sport Facilities		253	253	-	-	-	-	-	253
Accredited Councillors Training	90								
Ig seta			44						
Total operating expenditure of Transfers and Grants:	213 372	220 563	220 607	18 127	201 226	164 341	36 885	22.4%	217 499
Capital expenditure of Transfers and Grants									
National Government:	172 982	210 486	232 486	17 962	202 767	146 293	54 630	37.3%	195 057
Municipal Infrastructure Grant (MIG)	165 717	173 618	173 618	11 898	153 067	113 124	39 943	35.3%	173 618
Regional Bulk Infrastructure	302	15 429	37 429	1 529	30 705	15 429	15 276	99.0%	
ENERGY EFFICIENCY AND DEMAND SIDE MANAGEMENT GRANT		5 000	5 000	2 383	4 361	2 500	1 861	74.4%	5 000
MUNICIPAL WATER INFRASTRUCTURE GRANT		13 700	13 700	2 152	11 249	13 700	(2 451)	-17.9%	13 700
Expanded public works programme incentive grant	3 763	2 739	2 739	0	3 385	1 540			2 739
Farmers Market	3 200								
Provincial Government:	1 125	-	3 617	-	-	4 006	(4 006)	-100.0%	-
ACIP Grant	620								
Massification	505			-	-	4 006	(4 006)	-100.0%	
Disaster Management Grant			3 000	182	1 732				
Ubuhlebezwe Grant			617	-	617				
Total capital expenditure of Transfers and Grants	174 107	210 486	236 103	17 962	202 767	150 300	50 623	33.7%	195 057
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	387 479	431 049	456 710	36 089	403 994	314 641	87 508	27.8%	412 556

2.5 Councillor and Staff Benefits

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

DC43 Sisonke - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M11 May									
Summary of Employee and Councillor remuneration	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	A	B	C					%	D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	3 894	3 370	-	302	3 257	697	2 560	367%	3 370
Pension and UIF Contributions	-	441	-	22	242	73	170	233%	441
Medical Aid Contributions	-	104	-	5	57	17	40	233%	104
Motor Vehicle Allowance	498	1 301	-	66	715	215	501	233%	1 301
Cellphone Allowance	180	286	-	15	157	47	110	233%	286
Other benefits and allowances	50	680	-	35	374	112	262	233%	680
Sub Total - Councillors	4 622	6 181	-	445	4 803	1 162	3 641	313%	6 181
% increase		33.7%							33.7%
Senior Managers of the Municipality									
Basic Salaries and Wages	2 127	3 801	-	339	3 716	1 001	2 715	271%	3 801
Pension and UIF Contributions	7	2	-	0	2	1	2	271%	2
Medical Aid Contributions	47	4	-	0	4	1	3	271%	4
Performance Bonus	-	525	-	47	513	138	375	271%	525
Motor Vehicle Allowance	754	2 376	-	212	2 323	626	1 697	271%	2 376
Cellphone Allowance	65	111	-	10	109	29	79	271%	111
Housing Allowances	277	-	-	-	-	-	-	-	-
Other benefits and allowances	2	3	-	0	3	1	2	271%	3
Sub Total - Senior Managers of Municipality	3 279	6 823	-	609	6 670	1 796	4 874	271%	6 823
% increase		108.1%							108.1%
Other Municipal Staff									
Basic Salaries and Wages	53 145	60 398	-	5 388	59 043	15 902	43 141	271%	60 398
Pension and UIF Contributions	8 267	10 212	-	911	9 983	2 689	7 294	271%	10 212
Medical Aid Contributions	3 206	1 411	-	126	1 379	372	1 008	271%	1 411
Overtime	4 674	1 261	-	112	1 233	332	901	271%	1 261
Performance Bonus	3 301	5 596	-	499	5 471	1 473	3 997	271%	5 596
Motor Vehicle Allowance	3 950	2 572	-	229	2 515	677	1 837	271%	2 572
Cellphone Allowance	307	439	-	39	429	116	313	271%	439
Housing Allowances	218	38	-	3	37	10	27	271%	38
Other benefits and allowances	22	1 682	-	150	1 645	443	1 202	271%	1 682
Payments in lieu of leave	1 054	-	-	-	-	-	-	-	-
Long service awards	167	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	78 311	83 611	-	7 459	81 734	22 013	59 721	271%	83 611
% increase		6.8%							6.8%
Total Parent Municipality	86 212	96 615	-	8 513	93 208	24 971	68 236	273%	96 615
		12.1%							12.1%
TOTAL SALARY, ALLOWANCES & BENEFITS	86 212	96 615	-	8 513	93 208	24 971	68 236	273%	96 615
% increase		12.1%							12.1%
TOTAL MANAGERS AND STAFF	81 590	90 434	-	8 068	88 404	23 809	64 595	271%	90 434

2.6 Material Variances to the SDBIP

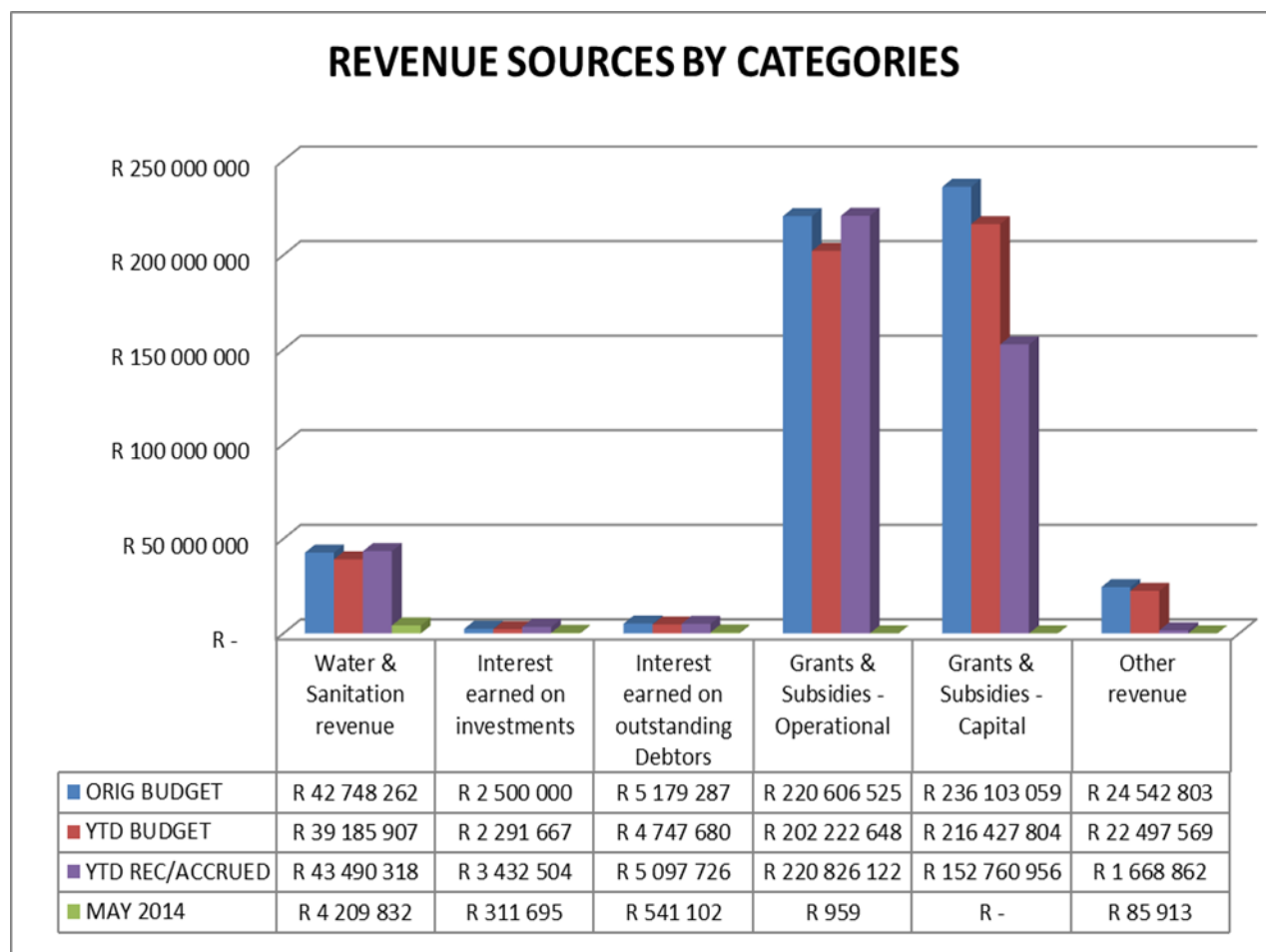
The following section analyses material variances between the actual targets as at 31 May 2014 and the budget for the same period. This report analyses each major component under following headings;

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

REVENUE

The chart displays a comparison between the 2013/14 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to “performance” rather than “cash movements” in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

Chart 3: Revenue Analysis



Water & Sanitation Charges

The year to date **actual** water & sanitation charges (**billing**) as at 31 May 2014 was R4, 2million against a year to date **budget** of R39, 1million.

Interest Earned on External Investments

The actual interest earned on external investments as at 31 May 2014 is R 311 695 against year to date budget of R 2, 2m. This represent 14% of monthly received against year to date budget.

Transfers Recognised - Operational

There is no operational grants revenue received for the period ending 31 May 2014.

Transfers Recognised – Capital

The expenditure trends on grant funded expenditure had resulted in a positive way as expected against the set targets. The expenditure for the month ending 31 May was R16, 9m and YTD actual was R195, 8million (against a YTD budget of R192, 9 million) represent the conditions met in capital expenditures against the conditional grant allocation received. This amount represents 101% performance in Conditional Capital grant funding expenditures.

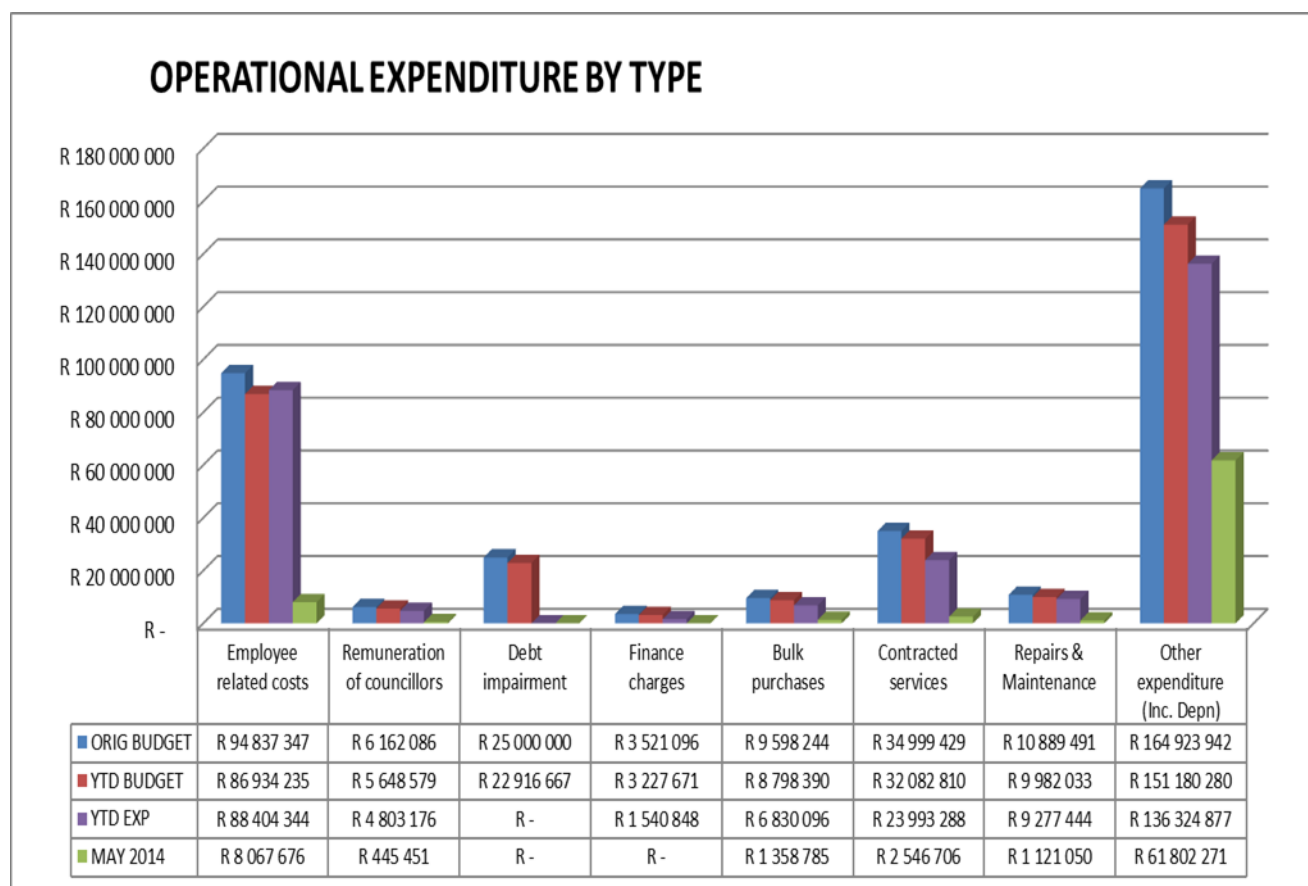
Other Revenue

The YTD performance of other revenue is R85 913 against YTD budget of R22, 4m 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: 2013/14 Financial year Opex



Employee Related Costs

The YTD budget for employee related costs is R86, 9million against a YTD actual of R88, 4million which is 102% of the YTD budget.

Remuneration of Councillors

The remuneration of councillor’s expenditure as at 31 May 2014 was R445 451 against a YTD budget of R5, 6million.

Finance Charges

As at 31 May 2014, the finance charges YTD budget is R3, 2m against YTD movement of R 1, 5m and there were no movements.

Bulk Purchases

The YTD expenditure on Bulk Water purchases is R6, 8m against a YTD budget of R8, 7m and the expenditure for the month ending 31 May was R1, 3m.

Other Expenditure

The YTD budget for other expenditure was at R151million against a YTD expenditure of R136million.

Performance assessment

The Performance Assessment Report will be available on the last quarter of 2013/2014 financial year in terms of mid-term performance assessment in accordance with the Municipal Finance Management Act.

Actual and revised targets for cash receipts

DC43 Sisonke - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M11 May													2013/14 Medium Term Revenue & Expenditure Framework			
Description	Budget Year 2013/14												Budget Year	Budget Year	Budget Year	
	July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	2013/14	+1 2014/15	+2 2015/16	
R thousands	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget				
Cash Receipts By Source																
Service charges - water revenue	2 287	842	1 731	929	4 214	1 494	1 469	3 045	1 158	1 979	2 044	(245)	20 947	22 622	18 054	
Service charges - sanitation revenue	980	361	742	398	1 806	640	629	1 305	496	848	876	(105)	8 977	9 695	7 738	
Interest earned - external investments	5	379	46	277	191	262	383	303	3	821	312	(982)	2 000	2 000	2 000	
Interest earned - outstanding debtors	428	442	352	443	437	453	465	498	511	527	541	(5 098)				
Transfer receipts - operating	94 047	1 869	-	-	72 019	4 331	-	-	54 494	-	133	(6 330)	220 563	242 058	252 948	
Other revenue	69	278	242	303	85	59	67	129	103	228	-	(1 062)	500	500	500	
Cash Receipts by Source	97 816	4 172	3 112	2 351	78 751	7 239	3 014	5 280	56 766	4 402	3 906	(13 822)	252 987	276 876	281 240	
Other Cash Flows by Source																
Transfer receipts - capital	89 209	5 671	13 621	7 158	79 880	-	-	3 399	40 009	-	2 990	(31 451)	210 486	243 163	274 050	
Total Cash Receipts by Source	187 025	9 843	16 733	9 509	158 631	7 239	3 014	8 679	96 775	4 402	6 897	(45 273)	463 473	520 039	555 290	
Cash Payments by Type																
Employee related costs	7 713	7 945	8 152	7 847	7 638	8 339	8 500	8 110	8 082	8 012	8 068	2 029	90 434	98 831	105 730	
Remuneration of councillors	340	340	481	414	405	424	425	431	650	447	445	1 378	6 181	6 576	7 037	
Interest paid	-	-	0	-	208	1 427	-	-	114	-	-	1 751	3 500	2 800	2 500	
Bulk purchases - Water & Sewer	-	478	529	1 278	650	459	512	352	835	501	1 359	847	7 800	8 221	8 665	
Grants and subsidies paid - other	4 000	-	-	-	-	4 255	-	732	732	3 745	-	(1 464)	12 000	12 672	13 382	
General expenses	29 402	1 854	19 993	14 960	9 584	7 057	5 140	20 335	(6 659)	18 687	8 098	(74 766)	53 685	54 805	57 765	
Cash Payments by Type	42 153	11 605	30 655	27 179	19 901	25 622	15 755	30 996	8 328	34 687	20 517	(57 082)	209 917	221 829	232 779	
Other Cash Flows/Payments by Type																
Capital assets	12 069	24 855	21 379	18 085	19 502	37 466	4 070	16 194	23 067	10 663	16 929	22 493	226 772	252 706	285 691	
Repayment of borrowing	-	-	-	-	-	1 297	-	-	486	-	-	711	2 494	2 735	2 997	
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	(12)	(12)	(14)	(17)	
Total Cash Payments by Type	54 223	36 460	52 034	45 264	39 002	64 386	19 825	47 190	31 880	45 351	37 445	(33 890)	439 170	477 256	521 449	
NET INCREASE/(DECREASE) IN CASH HELD	132 802	(26 617)	(35 301)	(35 755)	119 629	(57 146)	(16 811)	(38 511)	64 894	(40 949)	(30 549)	(11 383)	24 303	42 783	33 841	
Cash/cash equivalents at the month/year beginning:	20 186	152 988	126 371	91 070	55 315	174 944	117 797	100 986	62 475	127 369	86 421	55 872	20 186	44 489	87 272	
Cash/cash equivalents at the month/year end:	152 988	126 371	91 070	55 315	174 944	117 797	100 986	62 475	127 369	86 421	55 872	44 489	44 489	87 272	121 113	

Parent Municipal financial performance

DC43 Sisonke - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M11 May

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Service charges - water revenue	26 799	30 697	30 697	2 947	30 443	15 971	14 472	91%	30 697
Service charges - sanitation revenue	11 485	12 052	12 052	1 263	13 047	8 018	5 029	63%	12 052
Interest earned - external investments	2 753	2 000	2 500	312	3 433	1 206	2 226	185%	2 500
Interest earned - outstanding debtors			5 179	541	5 098	-	5 098	#DIV/0!	5 179
Transfers recognised - operational	217 640	220 563	220 607	1	220 826	164 341	56 485	34%	220 607
Other revenue	6 567	500	24 543	86	1 669	250	1 419	568%	24 543
Total Revenue (excluding capital transfers and contributions)	265 244	265 811	295 577	5 150	274 516	189 786	84 730	45%	295 577
Expenditure By Type									
Employee related costs	81 571	90 434	94 837	8 068	88 404	45 753	42 652	93%	94 837
Remuneration of councillors	4 622	6 181	6 162	445	4 803	3 090	1 713	55%	6 162
Debt impairment	8 000	12 000	12 000	-	-	5 622	(5 622)	-100%	12 000
Depreciation & asset impairment	18 000	20 000	25 000	(19 939)	(19 604)	9 500	(29 104)	-306%	25 000
Finance charges	3 680	3 500	3 521	-	1 541	1 250	291	23%	3 521
Bulk purchases	9 422	7 800	9 598	1 359	6 830	3 900	2 930	75%	9 598
Contracted services	17 492	36 317	34 999	2 547	23 993	16 999	6 994	41%	34 999
Transfers and grants	9 569	12 000	13 768	-	12 732	6 000	6 732	112%	13 768
Other expenditure	123 714	66 763	137 045	82 862	152 474	32 898	119 576	363%	137 045
Total Expenditure	276 070	254 996	336 932	75 342	271 174	125 013	146 161	117%	336 932
Surplus/(Deficit)	(10 825)	10 816	(41 355)	(70 192)	3 341	64 773	(61 432)	-95%	(41 355)
Transfers recognised - capital	178 591	210 486	236 103	-	152 761	150 300	2 461	2%	236 103
Surplus/(Deficit) after capital transfers & contributions	167 766	221 302	194 748	(70 192)	156 102	215 073	(58 970)	-27%	194 748
Surplus/(Deficit) after taxation	167 766	221 302	194 748	(70 192)	156 102	215 073	(58 970)	-27%	194 748

Capital Expenditure Trend

DC43 Sisonke - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M11 May

Month	2012/13	Budget Year 2013/14							
	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	7 595	18 898	-	12 069	12 069	18 898	6 828	36.1%	5%
August	8 947	18 898	-	24 855	36 925	37 795	871	2.3%	16%
September	8 497	18 898	-	13 839	50 764	56 693	5 929	10.5%	22%
October	10 497	18 898	-	18 085	68 849	75 591	6 742	8.9%	30%
November	14 172	18 898	-	19 502	88 350	94 488	6 138	6.5%	39%
December	19 194	18 898	-	37 466	125 817	113 386	(12 431)	-11.0%	55%
January	11 905	18 898	-	4 070	129 886	132 283	2 397	1.8%	57%
February	7 877	18 898	-	16 194	146 080	151 181	5 101	3.4%	64%
March	4 980	18 898	-	23 067	169 147	170 079	932	0.5%	74%
April	11 806	18 898	-	10 663	179 810	188 976	9 166	4.9%	0
May	24 362	18 898	-	16 929	196 739	207 874	11 135	5.4%	0
June	18 556	19 360	-	-	-	227 234	-	-	-
Total Capital expenditure	148 388	227 234	-	196 739					

Capital Expenditure on New Assets by Asset Class

DC43 Sisonke - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M11 May									
Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	136 252	217 762	-	16 655	186 923	143 153	(43 770)	-30.6%	217 762
Infrastructure - Electricity	2 935	580	-	2 383	5 396	1 109	(4 287)	-386.5%	580
<i>Transmission & Reticulation</i>	2 935	580	-	2 383	5 396	1 109	(4 287)	-386.5%	580
Infrastructure - Water	96 364	166 970	-	9 637	129 298	104 565	(24 733)	-23.7%	166 970
<i>Reticulation</i>	96 364	166 970	-	9 637	129 298	104 565	(24 733)	-23.7%	166 970
Infrastructure - Sanitation	36 953	50 012	-	4 635	52 229	37 479	(14 750)	-39.4%	50 012
<i>Sewerage purification</i>	36 953	50 012	-	4 635	52 229	37 479	(14 750)	-39.4%	50 012
Infrastructure - Other	-	200	-	-	-	-	-	-	200
<i>Other</i>	-	200	-	-	-	-	-	-	200
Community	6 157	2 000	-	182	1 732	297	(1 435)	-483.9%	2 000
Other	6 157	2 000	-	182	1 732	297	(1 435)	-483.9%	2 000
Other assets	808	4 252	-	92	5 458	5 281	(176)	-3.3%	4 252
General vehicles	277	2 739	-	-	5 006	5 006	-	-	2 739
Furniture and other office equipment	230	798	-	92	436	260	(176)	-67.9%	798
Other Buildings	301	700	-	-	-	-	-	-	700
Other	-	15	-	-	15	15	-	-	15
Intangibles	385	572	-	-	62	6	(56)	-904.0%	572
Computers - software & programming	385	572	-	-	62	6	(56)	-904.0%	572
Total Capital Expenditure on new assets	143 601	224 587	-	16 929	194 175	148 737	(45 438)	-30.5%	224 587
Specialised vehicles	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conservancy	-	-	-	-	-	-	-	-	-
Ambulances	-	-	-	-	-	-	-	-	-

Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Sisonke - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M11 May

Description	2012/13	Budget Year 2013/14							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	4 787	2 647	-	-	547	492	(55)	-11.1%	2 647
Infrastructure - Water	2 402	1 378	-	-	547	492	(55)	-11.1%	1 378
<i>Reticulation</i>	2 402	1 378	-	-	547	492	(55)	-11.1%	1 378
Infrastructure - Sanitation	2 385	1 269	-	-	-	-	-		1 269
<i>Sewerage purification</i>	2 385	1 269	-	-	-	-	-		1 269
Intangibles	-	-	-	-	1 079	1 071	(9)	-0.8%	-
Computers - software & programming					1 079	1 071	(9)	-0.8%	
Total Capital Expenditure on renewal of existing assets	4 787	2 647	-	-	1 626	1 563	(63)	-4.0%	2 647
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 May 2014 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Adelaide Nomnandi Dlamini

Municipal Manager of: Harry Gwala District Municipality

Signed _____

Date _____