

REPORT TO THE uMGUNGUNDLOVU DISTRICT MUNICIPAL COUNCIL



File Reference : 5/1/1/1	Author : Sinegugu Ncube
Report Number:	Designation : Chief Financial Officer

OUT OF COMMITTEE CONSIDERATION

1st Level – MANCO	: 09 March 2015
2nd Level – Portfolio Committee	: 11 March 2015
3rd Level – Audit Committee	: N/A
4th Level – EXCO	: 19 March 2015
5th Level – Council	: 27 March 2015

SUBJECT: PRELIMINARY MONTHLY IN YEAR MONITORING FINANCIAL REPORT FOR THE PERIOD ENDED 31 JANUARY 2015

DATE : 13 February 2015

1. PURPOSE

The purpose of this report is to comply with section 71 of the Municipal Finance Management Act (MFMA) and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009.

2. STRATEGIC OBJECTIVE

To ensure good governance, financial viability and optimal institutional transformation with capacity to execute its mandate.”

3. BACKGROUND

Section 52 (d) and 71 of the MFMA and in terms of Section 28 of the Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 56 of 2003, Municipal Budget and Reporting Regulations” necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

“The Mayor of a municipality-

52(d) must, **within 30 days of the end of each quarter**, submit a report to council on the implementation of the budget and the financial state of the municipality;”

“71(1) 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 treasury a statement in the prescribed format on the state of the municipality’s budget reflecting the following particulars for the month and for the financial year up to the end of that month: ...”.

“28.The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.”

For the reporting period ending 31 January 2015 the ten working day reporting limit expired on **13 February 2015**.

Further, Section 31(1) of the Government Gazette No 32141 of 17 April 2009 prescribes the following:

“31.(1)The mayor’s quarterly report on the implementation of the budget and financial state of affairs of the municipality as required by section 52(d) of the Act must be –

- (a) in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
- (b) consistent with the monthly budget statement for September, December, March and June as applicable; and
- (c) **Submitted to the National Treasury and the relevant Provincial Treasury within five days of tabling of the report in the council.**”

4. RECOMMENDATIONS

- (1) That, in compliance with, Section 52(d) and Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 April 2009, regarding the “Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations” the **preliminary** financial results regarding the operating and capital budgets for the 07th month of the 2014/15 financial year, and supporting documents as required by National Treasury (Schedule C) be submitted to Full Council Committee.
- (2) In order to comply with Section 31(1) of the Government Gazette No 32141 of 17 April 2009 this report be submitted to the National Treasury and the relevant Provincial Treasury **within five days** of tabling of the report in the council, in both a Council approved document and in electronic format.
- (3) That the Committee approves the following:
 - 3.1 Surplus for the period ending 31 January 2015 is R 77 504 million.
 - 3.2 Cash & Cash Equivalent for the period ending 31 January 2015 is R 189 724 million.
 - 3.3 Capital Expenditure for the period ending 31 January 20145 is R 173 779 million
 - 3.4 Trade Payables for the period ending 31 January 2015 is R 17 745 million.
 - 3.5 Trade Receivables for the period ending 31 January 2015 R 421 162 million.
 - 3.6 Conditional Grants for the period ending 31 January 2015 is R 46 129 million.

5. EXECUTIVE SUMMARY

5.1. Operating Budget

Summary financial performance report for the period ending 31 January 2015 The SFP shown in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type. The summary report indicates the following:

Description	Budget Year 2014/15					
	Original Budget	YTD actual Jan '15	YTD budget	YTD variance	% Progress YTD	% YTD Actual vs YTD Budget
R thousands	R'000	R'000	R'000	R'000		
Total Revenue (excluding capital transfers and contributions)	548,480	369,250	319,947	49,303	67%	115%
Total Expenditure	563,718	291,746	328,836	(37,099)	52%	89%
Operating Surplus/(Deficit)	(15,238)	77,504	(8,889)	86,393		
Transfers recognised – capital	139,097	158,764	81,140	73,386	114%	196%
Surplus/(Deficit) after capital transfers & contributions	123,859	267,354	51,608	215,746		
Surplus/ (Deficit) for the year	123,859	267,354	51,608	215,746		

The revenue raised as at 31 January 2015 was R369 250 000 against a budget of R319 947 000 for the period. This reflects a revenue rate against year to date budget of **115%** and **67%** against the annual budget. The operating expenditure as at 31 January 2015 was R291 746 000 vs a year to date budget of R328 836 000 reflecting an expenditure of **89%** against the year to date budget and **52%** against the annual budget. The operating surplus for the period amounted to R77 504 000.

The major operating revenue variances against budget are:

- Service Charges
- Transfers recognised – Grants Received
- Other revenue

The major operating expenditure variances against budget are:

- Employee related costs
- Finance Charges; Depreciation and
- Other expenditure

The reasons for variances per source group are cited in Annexure A, Table C1 of this report.

4.2. Capital Expenditure

The Capital expenditure report shown in Annexure A, Table C5 has been prepared on the basis of the format required to be lodged electronically with National Treasury, and is categorised by municipal vote. The summary report indicates the following:

Description	Budget Year 2014/15						
	Original Budget	Roll over	Total including roll over funds	YTD budget	YTD Actual	Variance	% YTD spent vs Annual Budget
Funding Source	R'000	R'000		R'000	R'000	R'000	
MIG	97,264	-66,591	97,264	56,737	152,074	-95,997	156%
Massification grant	6,104	15,235	21,339	12,447	19,586	-7,139	92%
Water Infrastructure grant	28,611	4,027	32,638	19,038	2,119	16,919	6%
	131,979	-47,329	151,241	88,222	173,779	-72,661	115%

Spending on MIG has accelerated due projects implementation. The municipality overspent the MIG allocation in the previous financial year by an amount of R 66.6 million. This amount was bridge financed by a DBSA loan of R 70 million as MIG front loading. The municipality has received the total MIG allocation amounting to R97.2 million for the current financial year. Of this allocation R 70 million has been paid back to DBSA as it was for front loading in the 2014 financial year as per loan agreement. The MIG funding is currently overspent by R 54 810 757 pending the finalisation of the second tranche of front loading. Massification grant is 92% spent and MWIG 6% spent as at January 2015. The low expenditure against the water infrastructure grant is attributed to the delays in appointment of a contractor due to an objection received during the procurement process. The objection has since been resolved and the service provider appointed in December. The overall expenditure against the total allocation for the financial year is **70%** which is 2% up from December reported expenditure.

4.3. Employee costs and councillors allowances

Only 38% of the budget of councillors allowances was spent as at 31 January 2015. This is mainly due to the annual increments not having been effected on the councillors allowances as council still awaits the national gazette on the determination of councillors allowances. The salary cost was at 49% expenditure as at 31 January 2015 whilst it represented 32% of total operating expenditure for the period which is well below the norm of 40% to total operating expenses. The combined expenditure on councillor's allowances and salary costs amounted to 46% against annual budget. The factors contributing to the slow movement in salaries were Medical Aid contributions, cellphone and vehicle allowances, other benefits and allowances and post-retirement benefit obligations. The main reason for the variance is that the salary increments were prudently estimated above the value which was later determined by the bargaining council whilst medical aid contribution are budgeted on the maximum allowable as per the collective agreement. Performance bonuses indicated a 98% variance from budget as they remained unpaid at the end of the period. See SC 8

Summary of Employee and Councillor remuneration	2013/14	Budget Year 2014/15
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R thousands	Audited Outcome	Original Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	A	B						D
<u>Councillors (Political Office Bearers plus Other)</u>								
Basic Salaries and Wages	9,944	14,878	812	5,703	8,679	(2,976)	-34%	14,878
Pension and UIF Contributions	-	-	-	-	-	-		-
Medical Aid Contributions	-	-	-	-	-	-		-
Motor Vehicle Allowance	-	-	-	-	-	-		-
Cellphone Allowance	-	-	-	-	-	-		-
Housing Allowances	-	-	-	-	-	-		-
Other benefits and allowances	-	-	-	-	-	-		-
Sub Total – Councillors	9,944	14,878	812	5,703	8,679	(2,976)	-34%	14,878
% increase		49.6%						49.6%
<u>Municipal Staff</u>								
Basic Salaries and Wages	91,462	109,678	8,065	61,821	63,979	(2,158)	-3%	109,678
Pension and UIF Contributions	22,634	19,795	1,899	12,017	11,547	471	4%	19,795
Medical Aid Contributions	1,637	13,022	646	3,588	7,596	(4,008)	-53%	13,022
Overtime	7,284	28,177	870	6,526	16,437	(9,911)	-60%	28,177
Performance Bonus	7,702	8,386	8	88	4,892	(4,804)	-98%	8,386
Motor Vehicle Allowance	12,993	12,024	1,166	6,278	7,014	(736)	-10%	12,024
Cellphone Allowance	22	22	2	11	13	(2)	-14%	22
Housing Allowances	592	590	207	533	344	189	55%	590
Other benefits and allowances	2,571	5,753	535	1,848	3,356	(1,508)	-45%	5,753
Payments in lieu of leave	-	-	41	41	-	41		-
Long service awards	4,105	2	131	156	1	155	14896%	2
Post-retirement benefit obligations	6,180	1,391	-	465	811	(347)	-43%	1,391
Sub Total - Other Municipal Staff	157,181	198,840	13,570	93,372	115,990	(22,618)	-19%	198,840
% increase		26.5%						26.5%
Total Parent Municipality	167,126	213,718	14,383	99,075	124,669	(25,594)	-21%	213,718
		27.9%						27.9%
Unpaid salary, allowances & benefits in arrears:								
TOTAL SALARY, ALLOWANCES & BENEFITS	167,126	213,718	14,383	99,075	124,669	(25,594)	-21%	213,718
% increase		27.9%						27.9%

4.4. Conditional Grants

The following were the movements on the conditional grants as at 31 January 2015. To date R131,9 million of conditional grants has been received since 1 July 2014 whilst R195,8 million has been spent as at 31 January 2015. Operating grants indicate a **50%** utilisation of already received money which is up from a 7% utilisation reported in the prior month. This is due to the withdrawal of the materials recovery facility corridor grant by COGTA which was paid in January. Capital grants were **121%** utilised as at the end of the period. The overall conditional grants utilisation at the end of January was **104%** with a balance of R 43.4 million down from prior month balance of R65.9 million. The accelerated utilisation is due to the high performance on implementing MIG and Massification grants projects. See SC6 and SC7(1)

CONDITIONAL GRANTS AS 31 JANUARY 2015						
Operating Grant	Balance as at 30 June 2014	YTD Receipts	Total Received	YTD Expenditure	Balance	%
CORRIDOR DEVELOPMENT GRANT	550,000.00	-	550,000.00	-	550,000.00	0%
MATERIALS RECOVERY FACILITY - CORRIDOR GRANT	19,553,971.77	-	19,553,971.77	19,553,971.77	852,452.77	96%
WATER PURIFICATION GRANT	2,244,800.00	-	2,244,800.00	-	2,244,800.00	0%
SHARED DEPLOYMENT GRANT	800,000.00	-	800,000.00	480,000.00	320,000.00	60%
CAMPERDOWN WASTE WATER WORKS	4,000,095.45	-	4,000,095.45	-	4,000,095.40	0%
NEW WWW & BULK SEWER LINE - CORRIDOR DEVELOPMENT	4,000,000.00	-	4,000,000.00	-	4,000,000.00	0%
IRO MUNICIPAL EXCELLENCE GRANT	262,678.47	-	262,678.47	-	262,678.47	0%
ENERGY SECTOR	150,439.76	-	150,439.76	-	150,439.76	0%
WATER DEMAND MANAGEMENT GRANT	969,333.00	-	969,333.00	-	969,333.00	0%
RURAL ROADS ASSET MANAGEMENT SYSTEMS GRANT	952,180.55	2,303,000.00	3,255,180.55	924,087.07	2,331,093.40	28%
EXPANDED PUBLIC WORKS PROGRAMMES GRANT	1,405,870.89	2,325,000.00	3,730,870.89	156,987.76	3 573 883.1	4%
PTP GRANT	308,816.64	0.00	308,816.64	0.00	308,816.64	0%
DPSS GIS GRANT	1,001,016.98	250,000.00	1,251,016.98	185,342.81	1,065,674.17	15%
ACCREDITED COUNCILLOR TRAINING PROGRAMME	23,020.08	-	23,020.08	-	23,020.08	0%
MSIG	-	934,000.00	934,000.00	637,967.20	296,032.80	68%
FMG	-	1,250,000.00	1,250,000.00	970,191.34	279,808.66	78%
KZN SPORT	633,775.88	-	633,775.88	-	633,775.88	0%
TOTAL OPERATING GRANTS	36,855,999.47	7,062,000.00	43,917,999.47	22,908,547.95	18,288,021.03	50%

MIG	-66,590,950.97	97,264,000.00	97,264,000.00	152,074,756.53	-	156%
MUNICIPAL WATER INFRASTRUCTURE GRANT	4,027,337.75	21,459,000.00	25,486,337.75	2,119,346.00	23,366,991.75	8%
MASSIFICATION GRANT	15,235,290.77	6,104,000.00	21,339,290.00	19,585,971.01	1,753,319.00	92%
TOTAL CAPITAL GRANTS	-47,328,322.45	124,827,000.00	144,089,627.75	173,780,073.54	25,120,310.75	121%

TOTAL	56,118,627.99	131,889,000.00	188,007,627.22	196,688,621.49	43,408,331.78	104%
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4.5. Cash and cash equivalents

An amount of R688 000 was accrued in investment interest income for the month of January. The cash in bank as at 31 January 2015 amounted to **R59 820 000** and investments amounted to **R130,126 000** with a total cash and cash equivalents of **R189 723 000**. The average interest rate on investment is **6.5%** up by 0.1% from 6.4% in the prior month due to the Investec bank investment being reinvested at an interest rate of 0.2% higher than previous. The cash coverage ratio as at 31 January 2015 is 3.5 months based on average operating expenditure for the period. This indicates that the municipality as at 31 January 2014 had sufficient cash to operate for a period of **3.5** months without receiving grants to cover operating costs. The norm as set out in the uniform financial ratios and norms circular 71 is 1 to 3 months. The cash coverage has reduced from 4 months to 3,5 months due to contributions from internal resources to fund the MIG expenditure. Currently R54,8 million has been subsidised to MIG projects. See below extract from SC 5.

Investments by maturity Name of institution & investment ID R thousands	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
	Yrs/Months							
-								
Absa Bank	3 months	Short term	21/02/2015	159	6.2%	30,205	159	30,365
Nedbank	3 months	Short term	03/02/2015	158	6.2%	30,301	158	30,365
Std Bank	3 months	Short term	04/02/2015	160	6.2%	30,291	160	30,451
Investec Bank	3 months	Short term	29/04/2015	160	6.4%	30,327	476	30,011
FNB	1 year	Long term	05/08/2015	22	7.1%	3,857	22	3,880
Ithala Bank	6 months	Short term	03/06/2015	29	6.9%	5,026	29	5,056
TOTAL INVESTMENTS AND INTEREST				688		130,008	1,005	130,126

Cash in bank Account Name	Account Number	Market value at the beginning of the month	change in market value	Market value at the end of the month
Main Account	50940026773	15,165	(811)	14,354
Salaries Account	50940092196	1	68	69
Water Services Account	62023616462	255	164	419
NSTD Call Account	62215748289	77,221	(33,084)	44,137
Mandela Race Account	62411577193	767	2	769
UMDM MIG (Dbsa) Account	62400041985	70	1	71
Public Sector Cheque Account	62243484417			
TOTAL CASH BALANCES		93,479	(33,660)	59,819

TOTAL CASH AND CASH EQUIVALENTS	223,487	33,764	189,723
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4.6. Creditors Age Analysis

The total payments for the month of January amounted to R31 916 514. and the top 20% highest paid creditors amounted to R30 840 929.03 which is 97% of total payments. Only 16% of invoices remained outside the compliance period of 30 days as at 31 January 2015. None of the bulk services, 3rd party and statutory invoices were outstanding for longer than 30 days as at 31 January 2015. The balance of trade payables as at 31 January was R17,745 million.

Description	Budget Year 2014/15								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	-	-	-	-	-	-	-	-	-
Auditor General	-	-	-	-	-	-	-	-	-
Other	14,953	1,610	675	98	17	391	-	-	17,745
Total By Customer Type	14,953	1,610	675	98	17	391	-	-	17,745
	84%	9%	4%	1%	0%	2%			100%

Top 20 highest paid creditors in the month of January 2015

Payee Name	Amount	Description
COGTA	18,701,519.00	Repayment of Grant
Umgeni Water	6,850,661.93	Bulk Water payments
BOSCH STEMELE	1,154,747.78	Mig Project Payments

SIGMA IT AND ION CONSULTING JV	665,058.93	IT Management, Cloud e-mails and upgrading of network points
VELAMPHANDE TRADING ENTERPRISE	570,000.00	Stage, Podium, Sound System for Midmar Music Festival
ILAWU NCAMA UPHUMULE BED AND BREAKFAST	478,900.00	Catering for Disaster Management Workshop & Salga Games
MOHLALENG MEDIA	290,332.92	Retainer Fee Nov & Dec 2014 - Communications Agreement
Talbot & Talbot (Pty) Ltd	277,740.48	Water Quality monitoring
Shane Jayram Coaches	235,200.00	Transport for Salga Games & Senior Citizen and HIV/Aids events
Telkom	226,745.14	Telephone accounts
GEN128 PROJECTS (PTY) LTD	220,239.25	Meter readings
Van Staden & Ass	200,000.00	Management Fee - Mandela Marathon
ROYAL HASKONING DHV(PTY)LTD	184,540.08	Mig Project Payments
UMGENI WATER(ACC-1011871)	144,186.63	Water Quality monitoring
WESBANK	142,987.69	Petro Card - Fuel & Repairs to vehicles
Msunduzi Municipality (Parks & Recrea)	116,561.17	Electricity and Rates
UPPER LOVU WATER USERS ASSOCIATION NPC	109,115.10	Bulk Water payments
SOUTH AFRICAN INSTITUTE OF LEARNING	100,890.00	MFMP Training Sessions
GIVE ME FOUR TRADING AND PROJECTS 142 CC	99,350.00	Business kits for PLWHIV and beverages for SALGA Games
Camelsa Consulting Group (Pty) Ltd	72,152.92	Server Rental, Consultants Fees & disbursements

30,840,929.02

4.7. Debtors age analysis

The debtor book value as at 31 January 2015 amounted to **R421, 2 million** of which 91% (R382,867 million) is over 90 days. The collection rate in the month of January was at 74%, up from the average 58% for the mid- year showing a 1% reduction in the debt over.

Description	Budget Year 2014/15							Total	Total over 90 days
	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys			
R thousands									
2013/14 - totals only							-	-	
Debtors Age Analysis By Customer Group									
Organs of State	1,091	762	1,067	239	43	38,899	42,100	39,180	
Commercial	1,749	683	458	327	221	9,163	12,601	9,711	
Households	12,048	5,107	5,891	4,040	3,030	276,562	306,677	283,631	
Other	6,326	1,349	1,766	1,287	1,040	48,017	59,785	50,344	
Total By Customer Group	21,214	7,900	9,182	5,893	4,334	372,640	421,162	382,867	
	5%	2%	2%	1%	1%	88%		91%	

Top 10 debtors as at 31 January 2015

SUNDRY DEBTORS

These debtors are not water related.

4000164 uMsunduzi Municipality	31,169,580.93	197,537.49	31,367,118.42	A meeting was held on the 14th April with MM and CFO's of both Municipalities and it was agreed that the CFO's must work on the issues and report to MM's on the progress.	This matter is being investigated terms of source documentation.
4000657 KZN Department of Works	1,796,012.47	13,307.92	1,809,320.39	This matter is in respect of the water works takeover of the Appelsbosch Water Plant. The original outstanding debt was R2 552 745. KZN Public works agreed to pay R 808 236 and the balance must be claimed from National Treasury as part of the equitable share. Payment of R808 236.06 was paid by KZN Public Works. Payment was requested from Provincial Treasury however they need to investigate the matter since it dates back to 2008. The Provincial Treasury has advised that they are still in process of collecting the data for the various financial years with regards to the allocation of the equitable share before payment can be effected.	This matter is being investigated terms of source documentation.
4000160 uMzinyathi Municipality	1,343,086.20	8,852.17	1,351,938.37	This matter is in respect of a DBSA loan repayment. A letter has been sent to uMzinyathi on the 31 July 2014 requesting payment. Email sent to uMzinyathi CFO on the 4 th December 2014 Further documentation and reconciliation in terms of payments made is being consolidated in order to recover the outstanding debt.	The account has been reconciled and information has been submitted to the CFO of uMzinyathi Municipality so that payment can be made.
4000456 Prov. Dept. of Social Develop	906,358.59	5,850.08	912,208.67	The matter is in respect of a Womens Day function hosted by the municipality. The municipality paid for the event and the Department of Social Service was to pay back the expenses incurred. Various attempts have been made for payment. Request for appointment with the CFO Ashnie Singh was made. The Department requested information regarding the contract that was signed between the	A meeting request was sent to the CFO of the department so that this matter can be finalised however the assistant manager advised that once the Memorandum of Understanding is received then only payment will be made. The document cannot be located and further investigation is required to recover the outstanding debt.

				<p>municipality and the Department of Social Development.</p> <p>This information has been requested from the office of the MM so that a meeting can be set up to finalise payment.</p>	
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CONSUMER DEBTORS

These debtors are as a result of non-payment for water services rendered.

5922651132 P & G Spars	823,408.05	109.35	823,517.40	<p>Meter on the property has been disconnected.</p> <p>Umgeni Water and Technical Services are investigating the matter.</p>
5922800025 Rainbow Farms (Pty)	0	688,953.57	688,953.57	R 688,953.57 is current consumption which will be paid at the end of February 2015.
5922711490 Richmond Country Club	431,722.89	18.81	431,741.70	<p>Account disconnected on the 15th October 2014.</p> <p>Meter verification was conducted in November and the meter remains disconnected.</p> <p>The file has been sent to the Legal Advisor for legal action.</p>
5922800012 Department of Public Work and Land	0	561,702.94	561,702.94	<p>Payment received R 557,591.28 for December 2014 consumption.</p> <p>R 561,702.94 is current consumption which will be paid at the end of February 2015</p>
5922121582 Inanda Shopping Centre	433,585.41		433,585.41	<p>The meter was verified. The take-on balance from the local municipality is</p> <p>R 350,017.05. Disconnection notice has been sent for the balance.</p>

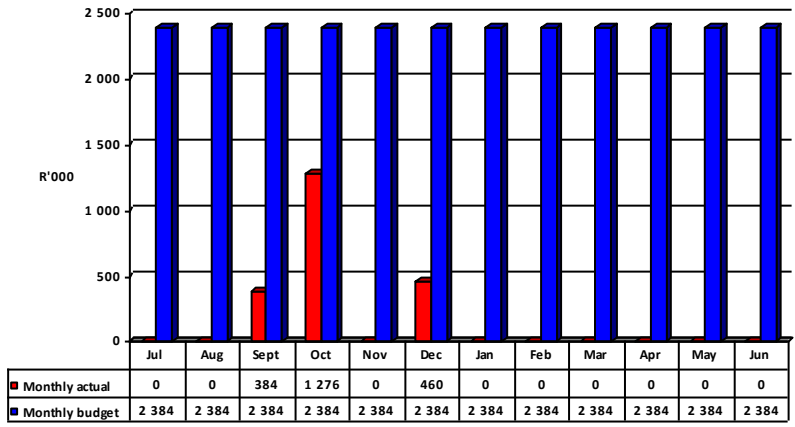
6. IN-YEAR BUDGET STATEMENT TABLES: JANUARY 2015 REPORT

The preliminary financial results for the period ended 31 January 2015 (i.e. 07 month of the 2014/15 financial year) are attached consisting of the following tables, in Annexure A:

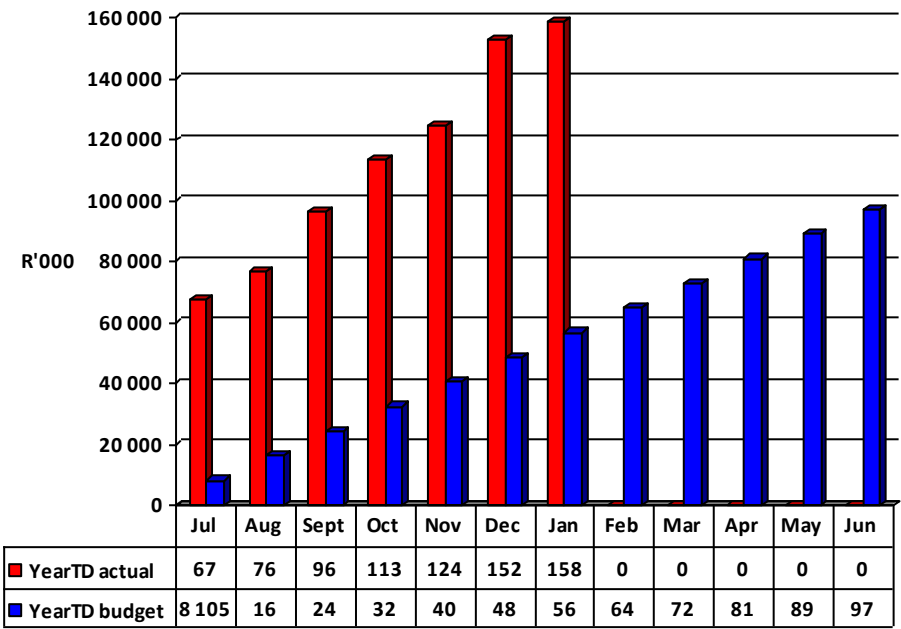
Part 1

- (a) Table C1: Consolidated Monthly Budget Statement – Summary
- (b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)
- (c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)
- (e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure by vote, standard classification and funding

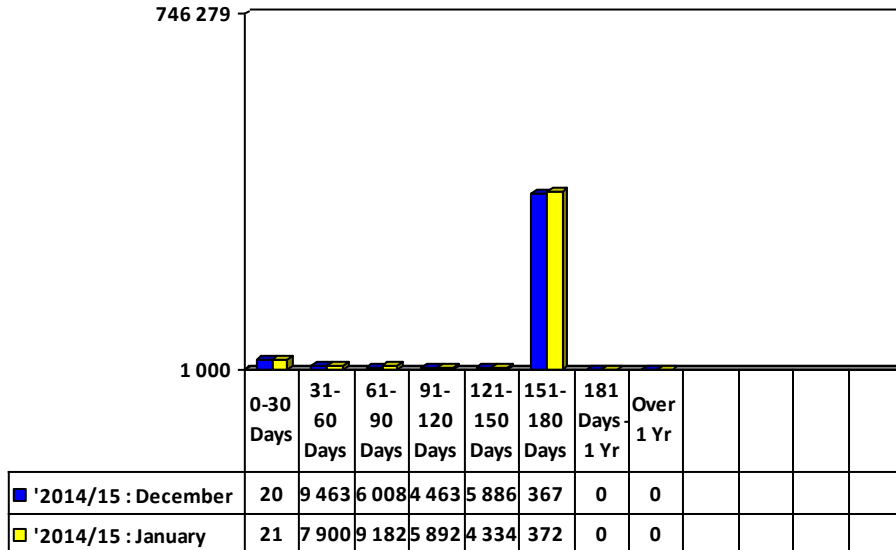
MWIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET



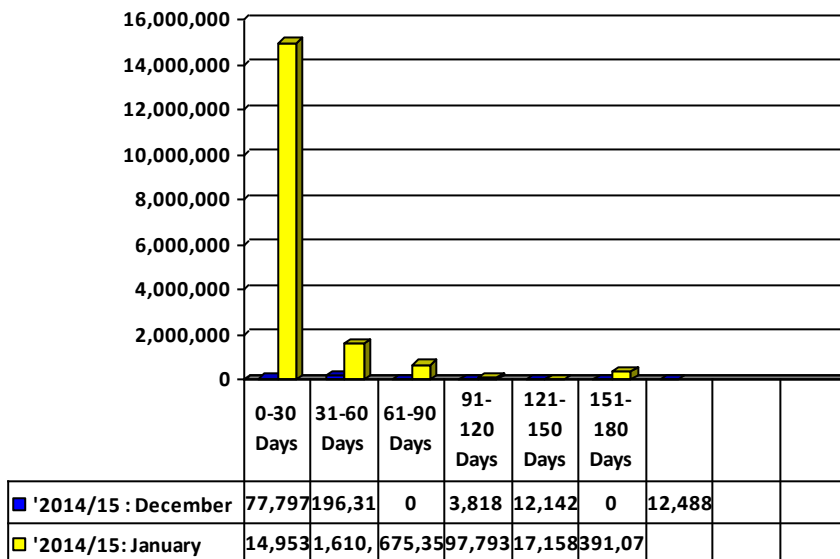
CUMULATIVE CAPITAL EXPENDITURE: YTD ACTUAL VS YTD BUDGET



DEBTORS AGE ANALYSIS



CREDITORS AGE ANALYSIS



8. CONCLUSION

This report meets with the requirements of the MFMA, Sections 52(d) and 71 by submitting the 'In-year report' to Finance Committee on the implementation of the budget and the financial status of the municipality.

ANNEXURES:**Annexure – Schedule C**

REPORT – FLOW COMPLIANCE CHECK

FILE: 5/1/1/1

INITIATOR: Sinegugu Ncube

HEADING (INCLUSIVE OF NAME OF DIVISION/DEPARTMENT):

FINANCIAL SERVICES DEPARTMENT**PRELIMINARY IN-YEAR FINANCIAL REPORT (MONTHLY AND FIRST****QUARTER BUDGET STATEMENT) FOR THE PERIOD ENDING 31 January 2015**REPORT CHECKED AND PASSED FOR SUBMISSION TO: **Finance Committee**

	COMPREHENSIVENESS (FACTS, COMMENTS, RECOMMENDATIONS ANNEXURES) (√)	CORRECTNESS (√)	QUALITY (√)
EXECUTIVE MANAGER: BUDGET OFFICE NONDUMISO MBATHA SIGNATURE: DATE :	(√)	(√)	(√)
EXECUTIVE MANAGER: REVENUE MANAGEMENT: SIBONGILE KHUMALO SIGNATURE: DATE :	(√)	(√)	(√)
EXECUTIVE MANAGER: EXPENDITURE MANAGEMENT: NOMPUMELELO KHUMALO SIGNATURE: DATE :	(√)	(√)	(√)
HEAD OF DEPARTMENT: CHIEF FINANCIAL OFFICER : SINEGUGU NCUBE SIGNATURE : DATE :	(√)	(√)	(√)
EXECUTIVE MANAGER: INTERNAL AUDIT PORTIA NZIMAKWE SIGNATURE: DATE :	(√)	(√)	(√)

Municipal Manager’s quality certification

I, **Terence L Sibusiso Khuzwayo**, the Municipal Manager of the uMgungundlovu District Municipality, hereby certify that -

the monthly **preliminary** report on the implementation of the budget and financial state affairs of the municipality for the month of **January 2015** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mr. T L S Khuzwayo_____

Municipal Manager: uMgungundlovu District Municipality

Signature: _____

Date: _____

Print name: Mr. Y Bhamjee_____

Mayor: uMgungundlovu District Municipality

Signature: _____

Date: _____