

REPORT TO THE uMGUNGUNDLOVU DISTRICT MUNICIPAL COUNCIL



File Reference : 5/1/1/1	Author : Sinegugu Ncube
Report Number: 03	Designation : Chief Financial Officer

For consideration

1 st Level – MANCO	: 16/10/2017
2 nd Level – Portfolio Committee	: 17/10/2017
3 rd Level – EXCO	: 26/10/2017
4 th Level – MPAC	: 27/10/2017
5 th Level – Council	: 3/11/2017

SUBJECT: PRELIMINARY MONTHLY IN YEAR MONITORING FINANCIAL REPORT FOR THE PERIOD AND QUARTER ENDED 30 SEPTEMBER 2017

DATE : 10 OCTOBER 2017

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 30 September 2017 the ten working day reporting limit expired on **13 OCTOBER 2017**.

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
- (b) information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act; and
- (c) consistent with the monthly budget statement for September, December, March and June as applicable; and
- (d) **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 third month of the 2017/18 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 30 September 2017 is R 107.7 million.
 - 3.2 Cash &Cash Equivalent for the period ending 30 September 2017 is R 247.7 million.
 - 3.3 Capital Expenditure for the period ending 30 September 2017 is R 54.5 million.
 - 3.4 Trade Payables for the period ending 30 September 2017 is R 39.6 million.
 - 3.5 Trade Receivables for the period ending 30 September 2017 R 441.3 million.
 - 3.5 Conditional Grants for the period ending 30 September 2017 is R 86.4 million.

4. FINANCIAL RATIOS

Summary of financial performance	
Actual revenue to budgeted revenue	32%
Actual opex to Budgeted expenditure	19%
Actual Capex to Budgeted Capex	27%
Employee related cost to total opex	36%
Grant utilisation %	28%
Cash coverage ratio	3 months
Debt to revenue ratio	1:01
Creditors age analysis	R 1 749 589 outstanding for longer than 30 days
Debt collection rate	average 58%

5. EXECUTIVE SUMMARY

5.1. Operating Budget

Summary financial performance report for the period ending 30 September 2017 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:

TABLE 1

DC22 uMgungundlovu - Table C1 Monthly Budget Statement Summary - M03 September									
Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	124 372	228 996	-	13 512	39 652	57 249	(17 597)	-31%	228 996
Investment revenue	9 439	12 000	-	2 097	2 990	3 000	(10)	-0%	12 000
Transfers and subsidies	450 415	462 884	-	1 486	193 954	115 721	78 233	68%	462 884
Other own revenue	50 307	20 150	-	3 041	3 102	5 038	(1 936)	-38%	20 150
Total Revenue (excluding capital transfers and contributions)	634 532	724 030	-	20 137	239 698	181 008	58 691	32%	724 030
Employee costs	193 546	228 194	-	16 696	50 640	57 048	(6 409)	-11%	228 194
Remuneration of Councillors	10 312	11 086	-	873	1 724	2 771	(1 047)	-38%	11 086
Depreciation & asset impairment	29 884	46 713	-	3 893	10 900	11 678	(779)	-7%	46 713
Finance charges	21 279	23 019	-	84	84	5 755	(5 670)	-99%	23 019
Materials and bulk purchases	111 963	111 034	-	12 090	29 670	27 758	1 912	7%	111 034
Transfers and subsidies	4 271	-	-	-	-	-	-	-	-
Other expenditure	274 387	318 305	-	3 425	47 669	79 576	(31 907)	-40%	318 305
Total Expenditure	645 641	738 351	-	37 062	140 688	184 588	(43 900)	19%	738 351
Surplus/(Deficit)	(11 108)	(14 321)	-	(16 925)	99 011	(3 580)	102 591	-2866%	(14 321)
Transfers and subsidies - capital (monetary allocations)	169 865	166 766	-	8 528	8 692	41 692	(33 000)	-79%	166 766
Contributions & Contributed assets	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	158 757	152 445	-	(8 397)	107 703	38 111	69 591	183%	152 445
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	158 757	152 445	-	(8 397)	107 703	38 111	69 591	183%	152 445

The revenue raised as at 30 September 2017 was R 239 698 million against the budget of R724 030 million for the year and R 181 008 for the period. This reflects a revenue rate against the year budget of **33%** and 132.42% for the year to date budget. The operating expenditure as at 30 September 2017 was R140 688 million vs a year to date budget of R184 588 million reflecting **19%** spending and 76.22% against the full year budget. The operating surplus for the period was R99 011 million.

The major operating revenue variances against year to date budget are:

Transfers recognised operational- grants received. Receipt of R 190 700 million of Equitable Share and RSC Levy Replacement grants received in July as one tranche in advance from the National Treasury which is meant to last until end November.

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

5.2 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:

TABLE 2

Funding Source	Budget	YTD Budget	Expenditure to date	% to Budget	% to YTD Budget
MIG	103 768 000.00	25 942 000	3 128 693.05	3.02	12.06
WSIG	62 998 000.00	15 749 500	28 762 819.74	45.66	182.63
DBSA / RESERVES	34 278 000.00	8 569 500	22 632 557.17	66.03	264.11
Operational Assets	1 950 000.00	487 500	0.00	0.00	0.00
	202 994 000.00	50 748 500.00	54 524 069.96	26.86	

CAPITAL BUDGET 2017/2018								
Project Name	Funding Source	Contract Award amount	Contract Expenditure in prior years	Contract Current Year exp	Contract Balance	Budget 2017/2018	Total Current Year Expenditure as at 30.06.2018	% spent to date
Infrastructure Assets								
Manvayu Water	MIG	54 305 462,70	0,00	482 456,74	53 823 005,96	26 272 666,67	678 099,03	3%
Manzamyama Water	MIG				0,00	26 272 666,67		0%
Nkanyezini Water	MIG	96 913 098,94		1 021 722,41	95 891 376,53	26 272 666,67	1 256 853,11	5%
Maqongqo Water	MIG				0,00	24 950 000,00		0%
Ephatheni Water	MIG	6 677 036,84	5 998 490,10	160 717,49	517 829,25	0,00	414 401,40	
Impendle WWTW	MIG					0,00	63 647,65	
Impendle Bulk	MIG					0,00	143 959,50	
Retentions - MIG	MIG					0,00	571 732,36	
Retention - Other	Reserves					0,00	0,00	
Umswathi Regional Bulk	WSIG		18 130 636,34			62 998 000,00	28 762 819,69	74%
Hilton AC Pipes	DBSA	150 453 169,00	116 817 585,88	14 407 944,48	19 227 638,64	32 327 639,00	15 776 398,32	49%
Merrivale AC Pipes	DBSA	70 804 644,00	53 379 586,44	5 587 935,26	11 837 122,30	0,00	6 378 055,28	
Boreholes - Drought	DWS					0,00	0,00	
Rural Roads Asset Management	DOT					2 526 000,00	478 103,57	19%
						201 619 639,01	54 524 069,91	27%

The total capital budget for the 2017/ 2018 financial year is R202.994 million and the MIG allocation is R 103 768. The cumulative capital expenditure for the period amounts to R 54.5 million or 27% to the total budget or 107.4 of the year to date budget. The municipality anticipates to spend in full the MIG allocation by the end of the financial year. The projects on the pipeline are as follows:

1. The Nkanyezini Project is due to resume after the finalisation and settlement to the land owner and Mazibuyemasisweni Trust. The land purchased from the Trust also needs to be sub divided before it can be transferred to the district at the deeds office. The total budget for the project is R97 million expected to be completed over a period of 18 months.
2. The Manyavu Project with a budget of R54 million has been awarded and a site handover has been done. Expenditure is expected to resume during the month of September 2017 and the project is expected to be completed in 14 months.
3. Maqongqo water supply scheme phase 5 project has also been awarded at R19 million.
4. The Umswathi regional bulk water supply scheme (secondary) is at BEC for submission to BAC

5. Hilton AC pipe replacement project which was awarded in the 2014/2015 financial year is funded by the DBSA loan and the funds are currently 66% spent.

5.3 Employee costs and councillors allowances

Section 66 of the MFMA requires that the accounting officer of a municipality must report to Council in a prescribed format all expenditure incurred by the municipality on staff salaries, wages and benefits in a manner that discloses expenditure per type such as salaries, contributions for pensions etc. As at 30 September 2017, **15.55%** of the councillor's allowances budget was spent and **22.19 %** spent of the employee costs budget. As at 30 September 2017 the total salary cost represented **35.99%** of total operating expenditure for the period which is within the norm of 25%-40% to total operating expenses. The combined expenditure on councillor's allowances and employee costs amounted to **37.22%** of the total operating expenditure which is within the norm of 25%-40% as set by National Treasury circular 71.

Summary of Employee and Councillor remuneration	Ref	2016/17	Budget Year 2017/18						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands								%	
	1	A	B	C					D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages			11 086		873	1 724	2 771	(1 047)	-38%
Sub Total - Councillors		-	11 086	-	873	1 724	2 771	(1 047)	-38%
Senior Managers of the Municipality	3								
Basic Salaries and Wages			7 461		342	1 025	1 865	(840)	-45%
Pension and UIF Contributions			9				2	(2)	-100%
Medical Aid Contributions								-	
Overtime								-	
Performance Bonus			1 054				263	(263)	-100%
Motor Vehicle Allowance					61	184		184	#DIV/0!
Cellphone Allowance					7	22		22	#DIV/0!
Housing Allowances								-	
Other benefits and allowances			137		10	30	34	(4)	-13%
Payments in lieu of leave								-	
Long service awards					1	4		4	#DIV/0!
Post-retirement benefit obligations	2							-	
Sub Total - Senior Managers of Municipality		-	8 660	-	421	1 264	2 165	(901)	-42%
Other Municipal Staff									
Basic Salaries and Wages			115 133		9 196	28 018	28 783	(766)	-3%
Pension and UIF Contributions			20 679		2 165	6 593	5 170	1 423	28%
Medical Aid Contributions			10 959		776	2 356	2 740	(383)	-14%
Overtime			14 147		927	2 553	3 537	(984)	-28%
Performance Bonus			9 216		42	353	2 304	(1 951)	-85%
Motor Vehicle Allowance			19 157		1 491	4 427	4 789	(362)	-8%
Cellphone Allowance			956		143	410	239	171	72%
Housing Allowances			976		83	255	244	11	5%
Other benefits and allowances			18 073		954	2 784	4 518	(1 734)	-38%
Payments in lieu of leave					36	35	-	35	#DIV/0!
Long service awards			1 239		160	691	310	381	123%
Post-retirement benefit obligations	2		9 000		300	901	2 250	(1 349)	-60%
Sub Total - Other Municipal Staff		-	219 534	-	16 275	49 375	54 883	(5 508)	-10%
Total Parent Municipality		-	239 280	-	17 570	52 364	59 820	(7 456)	-12%
TOTAL SALARY, ALLOWANCES & BENEFITS		-	239 280	-	17 570	52 364	59 820	(7 456)	-12%
TOTAL MANAGERS AND STAFF		-	228 194	-	16 696	50 640	57 048	(6 409)	-11%

5.4 Conditional Grants

As at the end of August 2017, **R118 million** of conditional grants had been received since 1 July 2017 R32,1 million was spent as at 30 September 2017. Overall capital utilisation is at 28% and equally for operating and capital grants.

Table 4

Grants Register as at 31 August 2017						
Description	opening balance	receipts	Total receipts	expenditure	Balance	% spent to date
Operating Grants						
FMG	-	1 250 000	1 250 000	875 000	375 000	70%
PTP	308 817		308 817		308 817	0%
RRAMS	-	1 768 000	1 768 000	294 177	1 473 823	17%
EPWP	-	357 000	357 000	608 319	251 319	170%
Corridor development	4 000 095	-	4 000 095		4 000 095	0%
SETA Grants	910 776	-	910 776	637 923	272 853	
Total operating grants	5 219 688	3 375 000	8 594 688	2 415 419	6 179 269	28%
Capital Grants						
WSIG	- 18 130 636	31 499 000	31 499 000	28 762 820	2 736 180	91%
MIG	- 183 451 373	61 507 000	61 507 000	977 139	60 529 861	1,6%
ORIO Grant	11 550 860	-	11 550 860		11 550 860	
Total capital grants	- 201 582 009	93 006 000	104 556 860	29 739 958	74 816 902	28%
Total Grants	- 196 362 321	96 381 000	113 151 548	32 155 378	81 247 489	28%
Total Grants excluding WSIG and MG	16 770 548					

5.5 Cash and cash equivalents

An amount of **R 385 00** was accrued in investment interest income for the month of September. The cash in bank as at 30 September 2017 amounted to **R 182.9 million** and investments amounted to **R 64 7 million** with a total cash and cash equivalents of **R247 million**. The average interest rate on investment is at 7.92%. The cash coverage ratio as at 30 September 2017 is 3.3 **months** based on average of R 48 million per month fixed operating expenditure. This indicates that the municipality as at 30 September 2017 had sufficient cash to operate for a period of 3.3 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. See below extract from SC 5.

Table 5

DC22 uMgungundlovu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September									
Investments by maturity	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
Name of institution & investment ID		Yrs/Months				(%)			
R thousands									
Municipality									
Nedbank		4 months	Short term	06/01/2018	157	7.8%	30 793	-636	30 157
Std Bank		4 months	Short term	09/10/2017	209	8.3%	30 577	209	30 787
FNB		1 year	Long term	07/09/2018	18	7.6%	4 054	-285	3 768
Municipality sub-total					385		65 424	-712	64 712

Account Name	Account Number						Market Value at the end of the month	Change in market value	Market Value at the end of the month
Main Account	50940026773						32 979 376.24	18 147 380.97	51 126 757.21
Salaries Account	50940092196						57 374.82	110 302.57	167 677.39
Water Services Account	62023616462						3 037 861.86	0.00	3 037 861.86
NSTD Call Account	62215748289						124 186 090.66	0.00	124 186 090.66
Mandela Race Account	62411577193						705 015.02	0.00	705 015.02
UMDM MIG (DBSA) Account	62400041985						82 214.14	0.00	82 214.14
Public Sector Account	62597807125						3 667 377.15	18 839.27	3 686 216.42
							164 715 309.89	18 276 522.81	182 991 832.70
Total Cash							230 139 309.89	17 564 522.81	247 703 832.70

5.6 Borrowings

As at 30 September 2017 the borrowings were sitting as **R224.8 million**. In relation to the internally generated operating revenue, the debt revenue ratio is 1:1 based on actual revenue received vs debt book.

Table 6

LOANS REGISTER: DEVELOPMENT BANK OF SOUTH AFRICA (DBSA) AS AT 30 September 2017

Agreement Number	Project Description	Interest Rate %	Opening Balance at 01/09/2017	Loan Amount Paid in the current year	Add: Interest Accrued	Less: Interest paid	Less :Capital Repayments	Closing Balance at 30/09/2017
13851	uMDM Ifrastructure Development Programme	11	1464 726.01	0.00	13 831.1	84 369.73	437 879.20	956 308.18
12007869	uMgungundlovu Various Water Projects	10.889	221928 192.72	0.00	1950 156.09	0.00	0.00	223 878 348.81
			223 392 918.73	0.00	1 963 987.19	84 369.73	437 879.20	224 834 656.99

5.7 Creditors Age Analysis

A total R1 749 589 or **4.42%** of invoices remained outside the compliance period of 30 days as at 30 September 2017. None of the bulk services, 3rd party and statutory invoices were outstanding for longer than 30 days as at 30 September 2017. The balance of trade payables as at 30 September 2017 was **R 39 614 million**.

Table 7

Description	Budget Year 2017/18								
	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	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00			
Trade Creditors	37 811	1010	292	50	82	369			39 614
Total By Customer Type									
	95.44%	2.55%	0.74%	0.13%	0.21%	0.93%			100%

5.8. Debtors age analysis

The debtor book value as at 30 September 2017 amounted to **R 441 million**. The collection rate for the month of September was 54% and the average collection for the period is 58%

Table 8

R thousands	NT Code	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
Debtors Age Analysis By Income Source											
Trade and Other Receivables from Exchange Transactions - Water	1200	33 960	8 695	398 685						441 310	398 685
Total By Income Source	2000									441 310	398 685
2016/17 - totals only										-	-
Debtors Age Analysis By Customer Group											
Organs of State	2200	2 299	429	6 610						9 338	-
Commercial	2300	3 338	638	14 990						18 967	14 990
Households	2400	15 954	6 317	332 499						354 770	332 499
Other	2500	12 369	1 281	44 586						58 235	44 586
Total By Customer Group	2600	33 960	8 665	398 685						441 310	398 685

6 IN-YEAR BUDGET STATEMENT TABLES: SEPTEMBER 2017 REPORT

The preliminary financial results for the period ended 30 September 2017 (i.e. 03RD month of the 2017/18 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
- (f) Table C6: Consolidated Monthly Budget Statement – Financial Position
- (g) Table C7: Consolidated Monthly Budget Statement – Cash Flow

Part 2

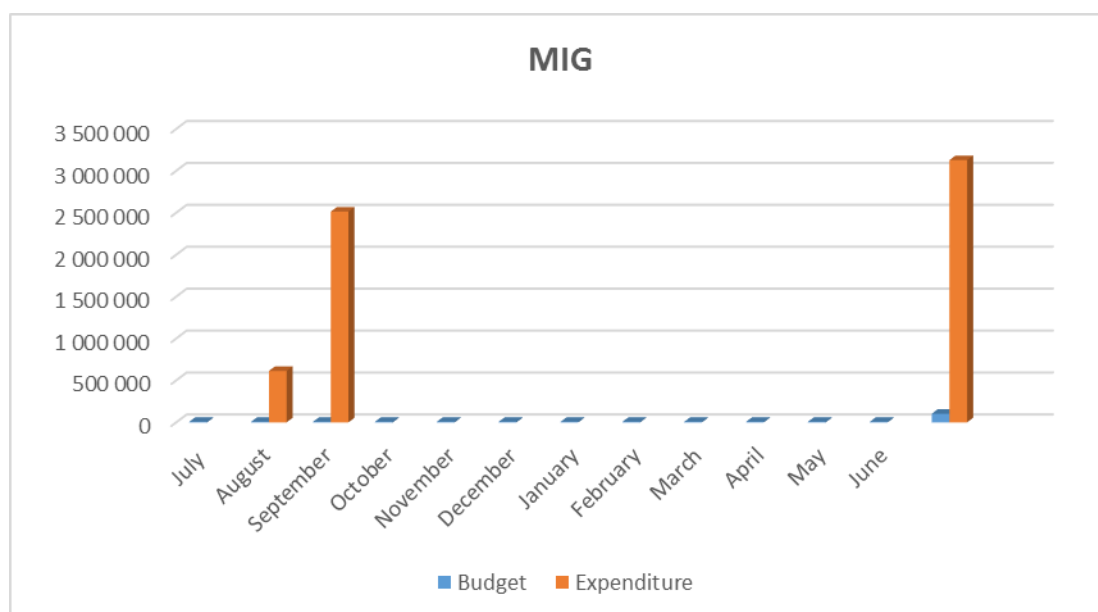
- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) Table SC6: Monthly Budget Statement – Transfers and grant receipts
- (g) Table SC7: Monthly Budget Statement – Transfers and grant expenditures
- (gb) Table SC7 (1): Monthly Budget Statement-Approved Roll overs

- (h) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits
- (i) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts
- (j) Table SC10: Monthly Budget Statement – Parent Municipality Financial Performance (Revenue and Expenditure)
- (k) Table SC11: Monthly Budget Statement – Summary of Municipal Entities
- (l) Table SC12: Monthly Budget Statement – Capital Expenditure Trend
- (m) Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class
- (n) Table SC13b: Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class
- (m) Table SC13c: Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class
- (p) Municipal manager's quality certification

7 IN-YEAR BUDGET STATEMENT CHARTS: September 2017 REPORT

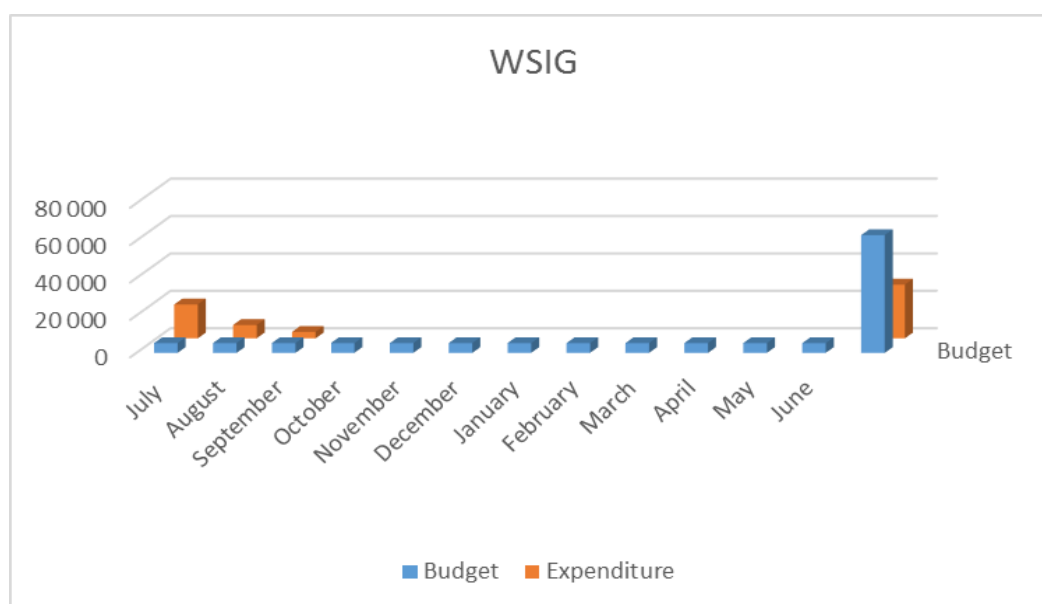
MIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET

	Budget	Expenditure
July	8 647	
August	8 647	614 000
September	8 647	2 514 693
October	8 647	
November	8 647	
December	8 647	
January	8 647	
February	8 647	
March	8 647	
April	8 647	
May	8 647	
June	8 647	
	103 764	3 128 693

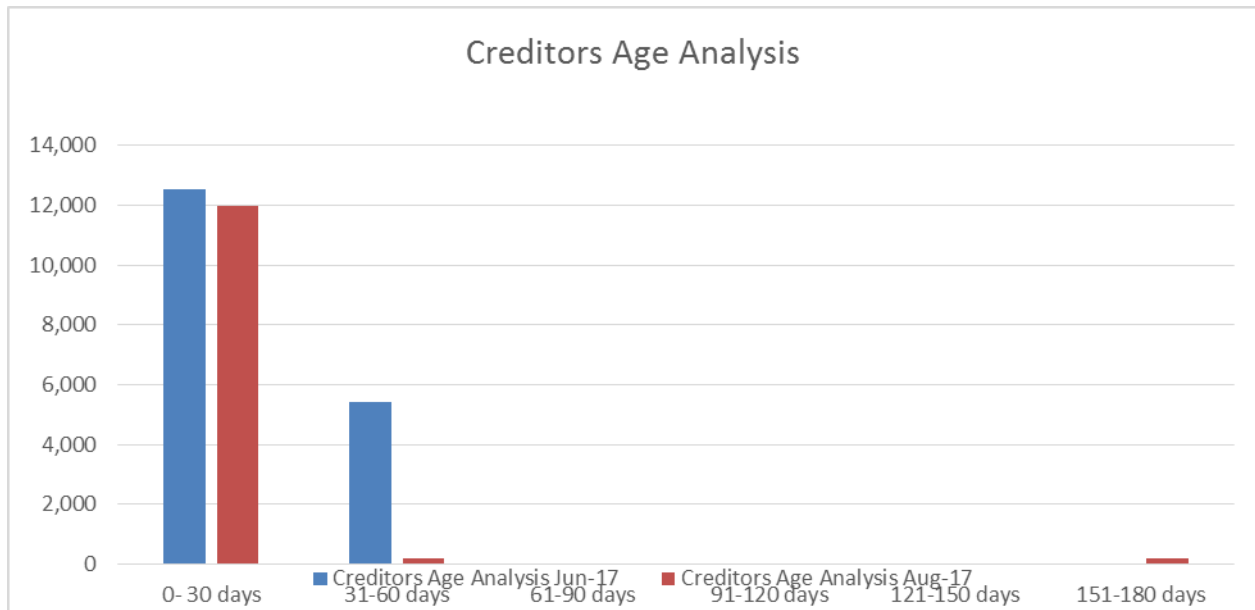


SWIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET

	Budget	Expenditure
July	5 250	18 131
August	5 250	7 147
September	5 250	3 485
October	5 250	
November	5 250	
December	5 250	
January	5 250	
February	5 250	
March	5 250	
April	5 250	
May	5 250	
June	5 250	
	63 000	28 763



CREDITORS AGE ANALYSIS



Creditors Age Analysis		
	Aug-17	Sep-17
0- 30 days	11,950	37,811
31-60 days	198	957
61-90 days	14	292
91-120 days	0	50
121-150 days	0	82
151-180 days	0	369

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 30 SEPTEMBER 2017**

REPORT CHECKED AND PASSED FOR SUBMISSION TO: **Finance Committee**

	COMPREHENSIVE NESS (FACTS, COMMENTS, RECOMMENDATIO NS 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, **Sinegugu Ncube**, Acting 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 **September 2017 and 2017 /2018 FIRST QUARTER** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Ms. S Ncube_____

Acting Municipal Manager: uMgungundlovu District Municipality

Signature: _____

Date: _____

Print name: Cllr T E Maphumulo_____

Mayor: uMgungundlovu District Municipality

Signature: _____

Date: _____