



**uPHONGOLO
MUNICIPALITY
KZN262**

**MID-YEAR BUDGET AND
PERFORMANCE ASSESSMENT
2018/2019**



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MAYOR'S REPORT

EXECUTIVE SUMMARY

INTRODUCTION

“At the core of local government is the provision of services to communities in a sustainable manner. In order to achieve this, there needs to be sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities and the strengthening of the budgetary and financial planning processes of municipalities.

The National Development Plan emphasises the need to reinforce the ability of local government to fulfil its development role and thus play a key role in development initiatives, such as rural development programmes, economic development and job creation. It is therefore crucial that municipalities are transparent and accurate in financial reporting as this promotes accountability of local public services. It is for these reasons that budget outcomes of municipalities must be monitored” (Municipal Finance – 4th Quarter Review Close-out Report 2012/13 : 1)

PURPOSE

The purpose of this report is to comply with Sections 52(d) and 72(1) of the Municipal Finance Management Act (MFMA), and Section 28 of the Municipal Budget and Reporting Regulations as promulgated in the Government Gazette No 32141 of 17 April 2009, which requires that specific financial particulars be reported on and in the formats prescribed.

The report also provides a high level overview of the municipality’s financial viability and sustainability.

BACKGROUND

In terms of Section 72(1)(a) and 52(d) of the Local Government Municipal Finance Management Act, 2003 (Act 56 of 2003) (hereinafter referred to as the MFMA), the Accounting Officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report on such assessment must then be submitted to the Mayor, Provincial Treasury and National Treasury each year in terms of Section 72(1)(b) of the Act.

In terms of Section 54(f), on receipt of the Section 72 report, the mayor must “submit the report the Council by the 31 January of each year”.

Section 52(d) of the Municipal Finance Management Act (MFMA) states:

“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 the month and for the financial year up to the end of that month...".

The mid-year reports and supporting tables of uPhongolo Municipality prepared in accordance with the Municipal Budget and Reporting Regulations are attached as Annexures A and B.

Summary of challenges

- The municipality is still adjusting to create a culture and environment of performance for the entire organisation;
- The municipality is still experiencing ever increasing debtors book and still failing to maximise debt collections
- Vacancies in key positions identified in municipal organogram;
- Local economic development in the community to enable the community to afford and pay for municipal services;
- Legislative compliance to key processes such as procurement of services.

IN-YEAR BUDGET STATEMENT TABLES: DECEMBER 2018 REPORT (ANNEXURE B)

The financial results for the second quarter ended 31 December 2018 are attached, consisting of the prescribed tables in terms of Government Gazette 32141 of 17 April 2009 as reflected in Annexure A, **Pages 26 - 32**.

Table C1 (Page 26) provides a high level summation of the operating and capital budgets, actual to date, financial position and cash flow.

Table C2 (Page 27) is an overview of the budgeted financial performance in relation to revenue and expenditure per standard classification.

Table C3 (Page 28) shows budgeted financial performance in relation to the revenue and expenditure as well as the operating surplus or deficit.

Table C4 (Page 29) is a view of the budgeted financial performance in relation to the revenue by source and expenditure type.

Table C5 (Page 33) reflects the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and funding sources required to fund the capital budget, including information on capital transfers from national and provincial departments.

Table C6 (Page 31) reflects the performance to date in relation to the financial position of the municipality.

Table C7 (Page 32) indicates the cash flow position and cash/cash equivalent outcome.

BUDGET PERFORMANCE ANALYSIS

Summary Statement of Financial Performance (P20 – Table C1)

The Summary Statement of Financial Performance shown in Annexure A, Page 26. Table C1), is prepared in terms of the prescribed budget formats, detailing revenue by source type and expenditure by input type. The summary report indicates the following:

Summary Statement of Financial Performance					
Description	2018/19 Budget	December YTD Budget	December YTD Actual	% of Budget: 2018/19	% of Budget: 2017/18
Total Revenue by Source (Excluding Capital Transfers)	(227 291 321)	(113 645 660)	(141 646 801)	62.3	61.7
Total Operating Expenditure	250 000 001	125 000 000	123 689 705	49.5	41.8
SURPLUS	22 708 680	11 354 340	(17 957 096)	-	-
Capital expenditure recognised	67 471 200	33 735 600	15 741 113	23.33	23.33

Financial Performance

Income and operational expenditure performance

Revenue

The year to date results indicate a total revenue of 62.3% or R141 647 million of budgeted annual revenue of R227 29 million (2018: 61.7% or R128 844 million). This is ahead of the norm of 50% for six months. To-date the equitable share received from national treasury amounts to R89 798 million. Operating grants have contributed 66.5% or R94 184 million (2018: 67.4% or R86 870 million) towards the total revenue received to-date and own revenue has contributed 33.5% (2018: 32.6%) or R47 452 million (2018: R41 974 million).

Financial Performance - Revenue

KZN262 uPhongolo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

R2262 of 2019/20 - Table 04: Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - 1990 December										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates			36 826	–	3 755	15 021	18 413	(3 392)	-18%	36 826
Service charges - electricity revenue			37 385	–	3 760	19 076	18 693	383	2%	37 385
Service charges - water revenue				–	–	–	–	–		
Service charges - sanitation revenue				–	–	–	–	–		
Service charges - refuse revenue			10 523	–	888	5 320	5 262	58	1%	10 523
Service charges - other				–	–	–	–	–		
Rental of facilities and equipment			455	–	102	314	227	87	38%	455
Interest earned - external investments			1 549	–	138	874	774	100	13%	1 549
Interest earned - outstanding debtors			8 096	–	905	5 279	4 048	1 231	30%	8 096
Dividends received			–	–	–	–	–	–		–
Fines, penalties and forfeits			491	–	1	26	246	(220)	-90%	491
Licences and permits			1 566	–	76	645	783	(138)	-18%	1 566
Agency services			790	–	56	371	395	(24)	-6%	790
Transfers and subsidies			128 283	–	42 044	94 184	64 141	30 043	47%	128 283
Other revenue			1 327	–	80	536	664	(127)	-19%	1 327
Gains on disposal of PPE				–	–	–	–	–		
Total Revenue (excluding capital transfers and contributions)		–	227 291	–	51 804	141 647	113 646	28 001	25%	227 291

Items of revenue with major deviations from the budget

Property rates

The total revenue derived from property rates is R15 021 million or 40.8% (2018: 40.5%) of the annual budget and is behind the expected norm of 50% for the first six months. This is attributable to the fact that property rates are billed over a period of ten months starting in September of each year. However, income from property rates is expected to slightly increase due to low developments expected in the year under review.

Service charges - Electricity services

Service charges comprise amount billed for electricity sales and amounts to R19 076 million 51.0% (2018: 47.45%) of annual budget. A year to date decrease of R892 000 or 5% is mainly attributable to electricity distribution losses. However, it is expected that distribution losses will occur during the distribution of electricity it must monitored and be within the norm of 7% to 10%.

Service charges - Refuse

Actual refuse removal revenue billed amounts to R5 320 million or 50.6% (2018: 50.7%) of the annual budget which is slightly ahead of the norm of 50% for six months.

Rental of facilities and equipment

Rental of facilities and equipment to date is above the annual budget, and is sitting at 69.1% or 314 275 (2018: 48.7%).

Interest earned on external investments

Interest earned on External Investments is R874 377 or 56.46% (2018: R636 673 or 39.4%) of the annual budget and is above the norm of 50% for the same period.

Interest earned-outstanding debtors

The proportionate increase of R5 279 million or 65.21% (2018: R4 050 million or 59.3%) in Interest earned-outstanding debtors is attributable to adverse economic conditions that are impacting adversely on payment of debts by consumers or slow response from the implemented revenue enhancement strategy.

Fines

The police fine income to date amount to R25 706 or 5.23% (2018: R57 850 or 12.32%) of the annual budget. The main reasons for under recovery are:

- culture of non-payment of fines
- court limiting the number of cases to be enrolled with excess cases being struck off the roll.
- challenges experienced with the system for recording ticket fines.

Initiatives that should be implemented by the municipality to increase payments of fines are as follows:

- 50% off if fines are paid
- Creation of easy pay points and direct deposits

Licences and Permits

The licences and permits revenue amount to R371 313 or 47.01% (2018: R735 836 or 48.6%) of the annual budget. The decrease is mainly due to the lower number of individuals obtaining licences and permits than anticipated.

Transfers recognised-Operational

The year to date increase in operating grants is mainly attributable to the annual increase in the Grants received this year.

Other Revenue

Other revenue year to date amount to R536 201 or 40.40% (2018: 143 602) and is behind the norm of 50%. The variance is mainly due to seasonal fluctuations.

Financial Performance - Expenditure

KZN262 uPhongolo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

NZNZ2020 of Hongkiao - Table C- Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - 100 December											
Description	Ref	2018/19	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands											
Expenditure By Type											
Employee related costs			89 103	–	7 146	40 927	44 551	(3 624)	-8%	89 103	
Remuneration of councillors			9 864	–	571	3 477	4 932	(1 455)	-30%	9 864	
Debt impairment			15 707	–	1 309	7 854	7 854	0	0	15 707	
Depreciation & asset impairment			12 742	–	1 062	6 371	6 371	(0)	0%	12 742	
Finance charges			2 660	–	64	573	1 330	(757)	-57%	2 660	
Bulk purchases			28 812	–	4 208	16 501	14 406	2 094	15%	28 812	
Other materials			12 930	–	1 770	2 415	6 465	(4 050)	-63%	12 930	
Contracted services			21 998	–	4 734	10 502	10 999	(498)	-5%	21 998	
Transfers and subsidies			2 544	–	–	–	1 272	(1 272)	-100%	2 544	
Other expenditure			53 639	–	9 718	35 070	26 820	8 250	31%	53 639	
Loss on disposal of PPE			–	–	–	–	–	–	–	–	
Total Expenditure			–	250 000	–	30 581	123 690	125 000	(1 310)	-1%	250 000

The year to date results in respect of the operating expenditure indicates a spending of 49.5% (2018: 41.8%) or R123 690 million (2018: R91 302 million) of the annual budget of R250 000 million (2018: R218 296). The norm after six months is 50% of annual budget.

Employee Related Costs

The expenditure on Councillors' remuneration and Employee related costs is at R44 404 or 44,86% of the salaries budget and is behind the norm of 50% for the same period. Employee related cost is currently at 35.9% of the operating expenditure, and is within the norm of 25%-40%.

Debt Impairment

The debt impairment provision is calculated and recognised at year end.

Depreciation & Asset Impairment

The calculation of depreciation and amortisation is done at the end of the financial year due to that the municipality does not possess the Asset Management system. The actual expenditure will show more accurate figures at year end.

Finance charges

The year to date spend on finance charges is R573 412 or 21.55% (2018: R293 323) and is behind the norm of 50%. The finance charges are expected to increase when new additional loans are raised.

Bulk Purchases

The year to date spend on electricity on bulk purchases is 57.27%% (2018: 48.4%) of annual budget and is above the norm of 50% for six months. The actual cost includes a premium that is paid for actual consumption that exceeds the minimum demand.

Other materials

Other materials are underspent to date by R2 415 million or 18.68% (2018: R2 036 million or 16.4%) as this expenditure is dependent on the needs and requirements. However, in view of the anticipated repairs and maintenance planned over the next six months, this expenditure is expected to increase substantially.

Contracted Services

Contracted services are under-spent to date by R10 502 million or 44.74% (2018: R7 810 million or 32.4 %). This expenditure is dependent on needs and requirements. Contracted services include repairs and maintenance.

Repairs and maintenance expressed as a percentage of operating expenditure is 1.95% and is far below the norm set by National Treasury of 8%. Repairs and maintenance include work performed by external contractors as well as own staff. Internal repairs refer to maintenance cost charged out between departments. This expenditure is expected to increase by year end.

Transfers & Grants

Transfers and grants comprises of basic services rendered to the indigent community. Free basic electricity is provided to the indigent households whilst alternative energy is provided to communities that do not have electricity. The year to date spend on transfers and Grants is zero (2018: R102 384 or 1.9%). The under-expenditure may be attributable to the fact that the municipality is not distributing alternative energy as most households have electricity. And free basic electricity was stopped awaiting the finalisation of the accurate indigent register to be implemented.

Other expenditure

General expenses in total is ahead of the year to date budget by R8 250 million (2018: R1 461 behind). This expenditure must be monitored closely by management to ensure that the budget is not exceeded at year end.

Description	Total Budget	YTD Actual
ADVERTISING PUBLICITY & MARKETING & MUNICIPAL	R 406 997,79	R 393 697,50
ADVERTISING RADIO & TV	R 105 200,00	R 129 000,00
ADVERTISING TENDERS	R 8 423,00	R 142 029,42
ADVERTISING CLIENT / CUSTOMER INFORMATION	R 11 964,00	R 15 759,96
ADVERTISING STAFF RECRUITMENT	R 157 950,00	R 177 893,54
ADVERTISING ADVERTIRIAL	R 105 300,00	R 236 819,25
ADVERTISING MEDIA BRIEFING	R 200 070,00	R 22 396,96
ADVERTISING BRIEFING FACILITATOR	R 105 300,00	R -
ADVERTISING TOURISM SIGNS	R 111 723,30	R -
AUDIT COMMITTEE	R 210 600,00	R 34 121,59

AUDIT FEES	R 1 953 359,00	R 982 536,25
BANK CHARGES	R 65 282,84	R 84 857,46
LONG & SHORT TERM LOANS AND BORROWINGS	R 65 282,84	R 14 404,99
FLEET AND OTHER CREDIT / DEBIT CARDS	R 65 282,84	R -
CHARGES: ELECTRICITY	R 566 663,53	R 228 713,15
CHARGES: WATER	R 245 467,80	R 105 277,45
CLEANING MATERIAL INVENTORY CONSUMED MATER	R 295 641,96	R 47 679,51
COMMUNICATIONS STRATEGY	R 5 265,00	R -
EMPLOYEE WELLNESS	R 200 000,00	R 46 002,08
CONSULTING FEES	R 695 208,25	R 56 021,74
CONSULTING FEES AREA BASED PLAN	R 150 000,00	R 557 067,91
CONSULTING FEES SDF	R 150 000,00	R -
CONSULTING FEES PROJECT MANAGEMENT SETA	R -	R 592 726,97
BELGRADE URBAN HOUSING PROJECT	R -	R -
REFUSE BAGS	R 280 000,00	R 5 666,37
ENTERTAINMENT	R 252 650,00	R 29 653,41
PUBLIC PARTICIPATION	R 320 392,30	R 625 026,53
PUBLIC PARTICIPATION IDP ROAD SHOWS CATERING	R 144 168,34	R 2 000,00
PUBLIC PARTICIPATION HANDIG OVER CATERING	R 201 123,00	R -
PUBLIC PARTICIPATION IDP ROAD SHOWS ARTIST &	R 52 650,00	R -
PUBLIC PARTICIPATION IDP ROAD SHOWS INTERIOR	R 73 710,00	R -
PUBLIC PARTICIPATION MAYORAL CUP	R 1 017 600,00	R 792 609,90
PUBLIC PARTICIPATION MAYORAL SCHOOLS TOURNAME	R 190 800,00	R 188 580,00
PUBLIC PARTICIPATION PONGOLA MARATHON & FUN	R 77 922,00	R -
PUBLIC PARTICIPATION SENIOR CITIZEN GOLDEN	R 165 800,00	R -
PUBLIC PARTICIPATION INDEGINEOUS GAMES SECTIO	R 103 800,00	R -
PUBLIC PARTICIPATION CLUB DEVELOPMENT	R 153 703,00	R 37 904,35
PUBLIC PARTICIPATION SPORT COUNCIL VISIT TO	R 175 000,00	R -
YEAR END FUNCTION INTERTAINMENT	R 437 755,95	R 29 895.66
SPORT MATERIAL SPORT COUNCIL TRACKSUIT	R 40 000,00	R -
PUBLIC PARTICIPATION SPORT CODES DEVELOPMENT	R 261 660,00	R 116 850,24
PUBLIC PARTICIPATION IDP ROAD SHOWS HIRING TE	R 15 795,00	R -
PUBLIC PARTICIPATION IDP ROAD SHOWS SOUND SYS	R 6 318,00	R -
PUBLIC PARTICIPATION SOD TURNING INTERIOR DEC	R 215 000,00	R 278 000,00
TRAINING OF WARD VOLUNTEERS	R 50 000,00	R -
AWERENESS CAMPAINS PRINTING FLYERS NEWSLETT	R 203 580,00	R -
BUSINESS BREAKFAST & SER MINARS CATERING	R 102 650,00	R 20 618,39
BUSINESS BREAKFAST SEMIN ARS HIRE CHARGES	R 31 590,00	R 950,00
BUSINESS BREAKFAST SERMI NARS SOUND SYSTEM	R 10 530,00	R -
BUSINESS BREAKFAST SEMIN ARS DECORATION	R 21 060,00	R -
NATIONAL LIBRARY WEEK EN ENTS ;PAMPHETS;CATERING;	R 70 800,00	R -
LIBRARIES CAREER EXPO; PHAMPHLETS;CATERING;TRAS	R 70 800,00	R -
LIBRARY EVENTS;CATERING; TRANSPORT;SOUND;PHAMPHLE	R 305 000,00	R 13 763,74
ANNUAL THUSONG WEEK PHAMPHLETS;CATERING;HIRE	R 28 800,00	R 14 130,43
CMC ATHLETICS SELECTIONS MOBILE TOILETS;TENT HIRI	R 8 800,00	R 3 319,04
KWALUBISI TOURNAMENT;KIT PURCHASE;MEDALS & TROPH	R 50 800,00	R 50 875,00
FEDERATION WORKSHOP;CATE RING;FACILITATION & SOUN	R 43 000,00	R 5 732,61

CLEAN UP CAMPAINS AND AWARENESS;PHAMPHLETS;	R 65 000,00	R 1 935,48
YEAR END AWARD CATERING; TRANSPORT;HIRE CHARGES;	R 200 000,00	R -
COMMUNITY WORK PROGRAMME CWP LRC MEETINGS CATERIN	R 50 000,00	R -
CWP SITE PLAN REVIEWAL CATERING;TRANSPORT;STATI	R 30 000,00	R -
CDW DIARIES	R 1 500,00	R -
CDW AND MANAGERS TRACKSUITS AND BAGS	R 244 342,00	R -
FUEL & OIL	R 1 429 615,71	R 946 344,97
FURNITURE REMOVAL	R 38 721,00	R -
HIRE OF EQUIPMENT	R 2 137 590,00	R 14 379 189,60
IDP PRINTING; PUBLICATIO N & BOOKS	R 263 250,00	R 18 996,40
IDP OUTSOURCED PROFESSIONAL STAFF	R 210 600,00	R 35 600,00
SENIOR CITIZEN	R 336 117,60	R -
INSURANCE	R 1 253 070,00	R 683 279,16
INSURANCE EXCESS PAYMENTS	R 129 403,17	R -
LEGAL COSTS	R 631 800,00	R 1 421 922,55
TERTIARY BOOKS	R 150 000,00	R -
INVENTORY CONSUMED - STANDARD RATED	R 62 786,20	R 11 499,53
PAUPERS BURIAL	R 297 531,47	R 168 933,98
POSTAGE/STAMPS/FRANKING MACHINES	R 5 265,00	R 4 081,53
PROTECTIVE CLOTHING	R 1 207 471,23	R 387 841,52
RENTAL - COMPUTER / PHOT OCOPIER	R 817 106,48	R 598 778,57
SKILLS DEVELOPMENT LEVY	R 720 087,25	R 337 898,97
SKILLS DEVELOPMENT LEVY	R 8 559,12	R -
INVENTORY CONSUMED- CONS UMABLES -STANDARD RATED	R 362 784,33	R 31 622,87
INVENTORY CONSUMED ZERO RATED	R 122 157,48	R 218,91
INVENTORY CONSUMED MATERIAL SUPPLIES	R 335 092,64	R 120 646,84
YOUTH ECONIMIC CENTRE WIFER ROUTER	R 21 060,00	R -
YOUTH ECONOMIC CENTRE CONSUMABLES	R 31 590,00	R -
SUBSTANCE & TRAVELLING DOMESTIC INCIDENTAL COS	R 413 884,65	R 1 148 339,68
SUBSTANCE & TRAVELLING DOMESTIC OWN TRANSPORT	R 2 917 415,69	R 933 505,60
S&T CONFERENCES ;WORKSHO PS MEETINGS FOOD/BEVERAG	R 459 495,74	R 90 593,58
S&T STRATEGIC PLANNING DOMESTIC INCIDENTAL COS	R 220 558,32	R 1 984,00
S&T STRATEGIC PLANNING DOMESTIC OWN TRANSPORT	R 83 713,50	R 70 345,66
S&T STRATEGIC PLANNING DOMESTIC ACCOMMODATION	R 312 741,00	R -
S&T STRATEGIC PLANNING DOMESTIC FOOD & BEVERAGE	R 15 884,93	R -
S&T SPORT EVENT COUNCIL DOMESTIC INCIDENTAL COST	R 23 079,94	R -
S&T CONFERENCE;WORKSHOPS ;MEETINGS ACCOMMODATIONS	R 2 663 687,30	R 963 508,56
S&T SPORT EVENT COUNCIL DOMESTIC OWN TRANSPORT	R 424 596,98	R -
TRAVEL TOLL FEES	R 66 014,68	R 31 080,86
S&T SPORT EVENT COUNCIL DOMESTIC FOOD/BEVERAGE	R 47 000,66	R -
S&T SPORT EVENT COUNCIL DOMESTIC ACCOMMODATION	R 195 569,48	R -
TELEPHONE; FAX TELEGRAPH	R 1 558 961,24	R 651 119,00
TELEFAX	R 31 590,00	R -
MEN SUPPORT PROGRAMMES	R 659 598,00	R 5 452,17
WOMEN'S PROGRAMMES	R 417 500,00	R 218 206,31
TRAINING FEES S&T DOMESTIC INCIDENTAL COST	R 105 132,61	R 39 048,00
TRAINING S&T DOMESTIC OWN TRANSPORT	R 893 614,42	R 162 605,50

TRAINING S&T	DOMESTIC ACCOMMODATION	R 893 614,42	R 436 134,95
TRAINING S&T	DOMESTIC FOOD /BEVERAGE	R 210 265,21	R 79 873,51
REGISTRATION FEES	CONFERENCES;WORKSHOPS &	R 637 134,66	R 184 795,35
CPMD TRAINING S&T	DOMESTIC INCIDENTAL COS	R 92 928,00	R -
CPMD TRAINING S&T	DOMESTIC OWN TRANSPORT	R 214 500,00	R -
CPMD TRAINING S&T	DOMESTIC ACCOMMODATION	R 755 204,00	R 12 447,83
CPMD TRAINING S&T	DOMESTIC FOOD/BEVERAGE	R 209 088,00	R -
MSCOA TRAINING S&T	DOMESTIC INCIDENTAL COST	R 13 277,28	R 2 701,50
MSCOA TRAINING S&T	DOMESTIC OWN TRANSPORT	R 225 711,60	R -
MSCOA TRAINING S&T	DOMESTIC ACCOMMODATION	R 107 622,92	R -
MSCOA TRAINING S&T	DOMESTIC FOOD/ BEVERAGE	R 26 554,55	R -
VEHICLE LICENCES		R 205 746,93	R 54 499,60
WARD UPLIFTMENT		R 1 679 042,16	R 998,00
LED PROJECTS WARD UPLIFT MENT		R 750 000,00	R 356 672,93
WARD COMMITTEE STIPEND		R -	R 1 036 600,00
WARD UPLIFTMENT & TRAINI NG		R 500 000,00	R -
WARD BASE PLANS CATERING		R 30 000,00	R -
WARD COMMITTEE CONFERENCE VENUE; TRANSPORT; CATERI		R 400 000,00	R -
WARD COMMITTEE DIARIES		R 30 000,00	R -
WARD COMMITTEE T SHIRT		R 143 200,00	R -
WARD COMMITTEE TOURNAMEN T;TRANSPORT;CATERING		R 250 000,00	R -
WORKMENS COMPENSATION		R 568 649,48	R -
YOUTH COUNCIL		R 1 868 405,00	R 94 300,00
YOUTH PROGRAMMES		R 350 000,00	R 8 250,00
YOUTH COUNCIL GEAR		R 40 000,00	R -
YOUTH CARRER GUIDANCE		R 50 000,00	R -
SUBSCRIPTION		R 830 869,68	R 853 106,52
PROFESSIONAL FEES		R 453 159,00	R -
PROFESSIONAL FEES	PROFESSIONAL BODIES	R 3 159,00	R -
PROFESSIONAL FEES	HUMAN RESOURCE STRATEGY	R 157 950,00	R -
PROFESSIONAL FEES	EMPLOYMENT EQUITY	R 157 950,00	R -
INDIGENT RELIEF:FBS		R 2 543 659,00	R 87 077,00
TRAVELLING FOR NON	EMPLOYEES	R 52 284,61	R 769 063,07
MAYORAL BURSARY FUND		R 737 100,00	R 4 095,22
POVERTY ALLEVIATION	RELIEF	R 631 800,00	R 235 714,67
SOCIAL ASSISTANCE	CLOTHING	R 631 800,00	R 50 000,00
AGED&PHYSICAL CHALL SUPP		R 500 000,39	R 24 750,00
HIV & AIDS PROGRAMME	SUKUMASAKHE	R 319 000,00	R 13 020,00
HIV & AIDS JUNE 16 EVENT		R 300 000,00	R -
WARDS AIDS COMMUNITY	TRAINING	R 243 243,00	R -
HIV AIDS AWERENESS		R 180 000,00	R -
OPERATION MBO		R 52 650,00	R 12 000,00
DTT AND PROVINCIAL OSS		R 31 590,00	R -
WORLD AIDS COMMEMORATION		R 125 000,00	R -
LAUCH OF 16 DAYS OF ACTI VISM		R 60 200,00	R 4 500,00
ORIENTATION OF WARD	COMMITTEE	R 157 000,00	R -
LAC CATERING		R 50 000,00	R -

EXP.OPER.COST TRAVEL & SUBS: INCIDENTAL COST	R -	R 1 200,00
O/COST:TRAVEL&SUBS DOM: OWN TRANSPORT	R 41 198,63	R 2 400,00
*JOB CREATION EPWP	R 2 534 000,00	R 903 473,62
VULNARABLE WOMAN & CHILD REN	R 1 763 058,87	R 10 000,00
PMU SUPPORT SERVICES	R -	R 379 561,13
MEDICAL EXAMINATION	R 263 250,00	R 7 500,00
TOTAL	R 53 639 223	R 35 069 876,58

STAFF EXPENDITURE REPORT (Annexure B, Page 41 – Table SC8)

The staff Expenditure Report is submitted in terms of Section 66 of the Municipal Finance Management Act, which states that the accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the Council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely:-

- a) Salaries and wages
- b) Contributions for pensions and medical aid
- c) Travel, motor car, accommodation, subsistence and other allowances
- d) Housing benefits and allowances
- e) Overtime payments
- f) Loans and advances; and
- g) Any other type of benefit or allowance related to staff

Cognisance should be taken of the fact that during the adjustments estimate, in terms of the MFMA the budget of employees' salaries cannot be increased unless the adjustment arises due to unforeseen circumstances or correction of fundamental error when preparing the original budget.

EXPENDITURE BY MUNICIPAL VOTE

KZN262 uPhongolo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description		Ref	2018/19		Budget Year 2019/20						
			Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands											
Revenue by Vote		1									
Vote 1 - Executive and Council			-	23 107	-	8 174	17 801	11 553	6 248	54,1%	23 107
Vote 2 - Finance and administration			-	86 164	-	18 497	49 689	43 082	6 607	15,3%	86 164
Vote 3 - Community and Social Services			-	17 058	-	4 203	10 435	8 529	1 906	22,3%	17 058
Vote 4 - Sports and Recreation			-	4 287	-	1 460	3 214	2 144	1 070	49,9%	4 287
Vote 5 - Public Safety			-	9 517	-	2 970	6 731	4 759	1 972	41,4%	9 517
Vote 6 - Housing			-	633	-	2 528	2 792	317	2 475	782,0%	633
Vote 7 - Planning and Development			-	43 927	-	9 918	26 819	21 963	4 855	22,1%	43 927
Vote 8 - Roads Transport			-	10 921	-	3 863	8 414	5 461	2 953	54,1%	10 921
Vote 9 - Energy Sources			-	46 123	-	3 806	19 250	23 061	(3 811)	-16,5%	46 123
Vote 10 - Waste Management			-	14 112	-	1 339	7 947	7 056	891	12,6%	14 112
Vote 11 - Other			-	6 347	-	1 756	4 300	3 173	1 127	35,5%	6 347
Vote 12 -			-	-	-	-	-	-	-	-	-
Vote 13 -			-	-	-	-	-	-	-	-	-
Vote 14 -			-	-	-	-	-	-	-	-	-
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Revenue by Vote		2	-	262 196	-	58 513	157 392	131 098	26 294	20,1%	262 196
Expenditure by Vote		1									
Vote 1 - Executive and Council			-	26 267	-	3 213	14 710	13 134	1 576	12,0%	26 267
Vote 2 - Finance and administration			-	68 109	-	9 412	29 263	34 054	(4 792)	-14,1%	68 109
Vote 3 - Community and Social Services			-	29 220	-	2 225	12 855	14 610	(1 755)	-12,0%	29 220
Vote 4 - Sports and Recreation			-	9 713	-	842	1 844	4 856	(3 013)	-62,0%	9 713
Vote 5 - Public Safety			-	16 469	-	1 686	7 945	8 234	(289)	-3,5%	16 469
Vote 6 - Housing			-	530	-	-	-	265	(265)	-100,0%	530
Vote 7 - Planning and Development			-	21 584	-	(1 905)	8 561	10 792	(2 231)	-20,7%	21 584
Vote 8 - Roads Transport			-	16 005	-	8 368	19 710	8 003	11 708	146,3%	16 005
Vote 9 - Energy Sources			-	35 781	-	4 513	17 692	17 890	(198)	-1,1%	35 781
Vote 10 - Waste Management			-	20 812	-	2 002	9 547	10 406	(859)	-8,3%	20 812
Vote 11 - Other			-	5 511	-	224	1 563	2 755	(1 193)	-43,3%	5 511
Vote 12 -			-	-	-	-	-	-	-	-	-
Vote 13 -			-	-	-	-	-	-	-	-	-
Vote 14 -			-	-	-	-	-	-	-	-	-
Vote 15 -			-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		2	-	250 000	-	30 581	123 690	125 000	(1 310)	-1,0%	250 000
Surplus/ (Deficit) for the year		2	-	12 196	-	27 932	33 703	6 098	27 605	452,7%	12 196

Unauthorised expenditure by end of the financial year would occur either for the municipality as a whole if the Adjusted Budget for "Total Expenditure by Vote" or if any of the individual budgets for any specific vote(s) is overspent.

The table above shows that as at 31 December 2018; Executive and Council (vote 1) and Roads Transport (vote 8) are the only votes overspent during this period. The underlying causes of the over-expenditure will be reviewed in order to determine the corrective action necessary. The correction will be made during the adjustment budget.

Explanations

EXECUTIVE & COUNCIL (VOTE 01)

This vote comprises of Council and Municipal Manager as sub-votes. As at 31 December 2018, this vote is over-spent. The budget will be adjusted during the adjustments budget.

FINANCE & ADMINISTRATION (VOTE 02)

Financial Services vote reflects savings of 14.1% for six months primarily due to non-cash expenditure items such as depreciation and amortisation which is fully charged to this department. In order to avoid unauthorised expenditure at year end, this vote will be

significantly adjusted during the adjustments budget by allocating depreciation and amortisation expenditure departmentally.

COMMUNITY & SOCIAL SERVICES (VOTE 03)

This vote is under-spent by 12%. The under-spending is attributable to projects budgeted for that are not yet implemented.

SPORTS & RECREATION (VOTE 04)

This vote is under-spent at 62% and reasons for underspending will be investigated and corrected by the adjustments budget.

PUBLIC SAFETY (VOTE 05)

This vote shows savings at 3.5%. The expenditure will be revised during the adjustments budget.

HOUSING (VOTE 06)

This vote is under-spent at 100% and reasons for underspending will be investigated and adjusted accordingly.

PLANNING & DEVELOPMENT (VOTE 07)

This vote is under-spent at 20.7% and the under-spending is attributable to projects budgeted for that are not yet implemented. The expenditure will be revised during the adjustments budget.

ROADS TRANSPORT (VOTE 08)

This vote is over-spent at 146.3% as at 31 December 2018. The reason for the over-spending is attributable to the hire of equipment for the maintenance of roads which was not properly budgeted for. The expenditure will be revised during the adjustments budget.

ENERGY SOURCES (VOTE 09)

This vote shows insignificant savings of 1.1% to date. The budget will not be adjusted

WASTE MANAGEMENT (VOTE 10)

This vote reflects an under-expenditure at 8.3% to date. The reason for under-spending will be investigated and adjusted accordingly in the adjustments budget.

OTHER (VOTE 11)

This vote is comprised of Air Transport, Tourism and Licensing and Regulation as sub-votes. As at 31 December 2018, this vote is under-spent at 43.3%. The budget will be adjusted during the adjustments budget.

CAPITAL EXPENDITURE AND FUNDING

The Capital Expenditure Report reflected on **Page 30, Table C5**, has been prepared on the basis of the format required to be lodged electronically with National Treasury, and is categorized by municipal vote. The capital expenditure is funded from three sources, viz:-

- Governments grants
- Borrowings
- Internally generated funds

The summary report indicates the following:-

Capital Budget Performance

Summary Statement of Capital Expenditure and Financing				
Description	2018/19 Original Budget R'000	December YTD Original Budget R'000	December YTD Actual R	% Spent
Total Capital Expenditure	67 471 200	33 735 600	15 741 113	23.33
Total Capital Financing	(67 471 200)	(33 735 600)	(15 741 113)	(23.33)

Capital expenditure reflects a spending for the first six months of (23.33%) when compared with the annual budget of R67 471 million (2018: 34.1%). Furthermore, as is the case in past years there would be an acceleration of spending in the ensuing months. Whilst departments are forecasting 100% expenditure by year-end, more accurate projections will unfold in the months to follow. The low expenditure is primarily due to certain budgeted capital expenditure not yet implemented.

Progressive capital budget v actual

Capital Expenditure Allocations	Ward	Budget Year 2018/19	Actual YTD Spent	YTD Budget Spent
Computer for vacant posts to be filled		1 300 500		-
Extension office buildings		8 000 000	-	-
Furniture and Fittings		200 000	-	-
Transport assets		17 600 400	-	-
MIG - Community hall	9	1 770 000	105 518	-
MIG - Community hall	14	1 270 000	222 417	-
MIG - Community hall	13	1 500 000		-

			-	
Capital Expenditure Allocations	Ward	Budget Year 2018/19	Actual YTD Spent	YTD Budget Spent
MIG - Community hall	11	236 191	-	-
MIG - Community hall	12	86 761	-	-
MIG - Community hall	6	1 164 530	743 068	-
MIG - Community hall	4	1 077 766	968 163	-
MIG - Sportfield Sgungwini	11	1 285 588	751 758	-
MIG - Sportfield	6	1 326 775	108 555	-
MIG-Kwalubisi Sportfield/Thanduku	7	500 000	413 820	-
MIG - Sportfield	13	1 200 000	-	-
MIG - Pongola sub-rank facility phase 2		3 256 001	498 300	-
MIG - Ncotshane sportfield ward	10	6 020 177	7 383 620	-
MIG – Crech	9	37 767	33 129	-
MIG – Crech	13	35 094	30 784	-
MIG – Crech	10	750 000	-	-
MIG – Crech	13	750 000	-	-
MIG – Sportfield	14	20 000	14 185	-
MIG – Sportfield	12	1 226 775	-	-
MIG - Access road	9	278 641	146 173	-
MIG - Access road	14	381 206	501 762	-
MIG - Road tarring	11	500 000	-	-
MIG - Upgrading Magadlela	2	500 000	428 575	-
MIG – Sportfield	15	1 230 028	110 160	-
Plant and Machinery		3 456 000	158 527	-
INEP – Madanyini, Msuzwaneni	9	552 811	-	-
INEP – Kwalubisi, Magombe	7	900 000	-	-
Capital Expenditure Allocations	Ward	Budget Year 2018/19	Actual YTD Spent	YTD Budget Spent
INEP – Ncotshane RDP houses		107 741	-	-
INEP – Magudu		939 448	-	-
INEP – Msibi tribal, Sgqumeni, Esingeni		6 000 000	-	-
Mboloba		2 000 000	-	-
Belgrade Urban Housing			394 075	
KwaShoba Rural Housing Project			838 435	

Manyandeni Housing Project			1 017 173	
DME Eskom Project			601 106	
Pongola Access Road W1 to 14			159 348	
TOTALS		67 471 200,00	15 741 113	23.33

The main areas of capital spend are as follows:

Departments	Notes	Original Budget 2018/19	Actual YTD Spend	YTD % Spend
Finance fleet	1	17 600 400		
Corporate Services	2	1 510 500	-	-
Technical Services – MIG Projects	3	26 404 300	12 731 797	31.26
Technical Services – DOE Projects	4	8 500 000		-
Other Electrical Projects	5	2 000 000	601 106	
Roads	6	3 456 000	158 527	-
Property Services	7	8 000 000	-	-
Housing			2 249 683	
TOTAL		67 471 200	15 741 113	23.33

Notes

1. Municipal fleet is budgeted at R17 600 million, in the sixth month the expenditure is not yet realised as the municipality has not been invoiced as yet. The vehicle fleet has been purchased and delivered to the municipality.
2. Corporate Services Capital Budget for laptops, computers , equipment ,volume licences and other furniture and fittings is set at R 1 510 million and the expenditure is yet realised
3. MIG projects budget amounts to R 26 404 million, the expenditure at the end of the sixth month is R12 731 797 million or 48.22% and is slightly behind the norm of 50% for this period.
4. DOE electricity projects is budgeted at R8 500 000, the expenditure is not yet realised.
5. Other electricity projects are budgeted at R2 000 000 and the expenditure to date is at R601 106 for the sixth month. This amount relates to Retention fees for previous year's electrical projects.
6. Roads yellow equipment / plant and machinery await for SCM processes. The expenditure reflected above of R 158 527 relates to tools and brush cutters bought by the municipality.
7. Property Services capital budget for extension of Municipal Building is budgeted at R8 000 million and expenditure is not yet realised.
8. Housing expenditure of R 2 249 283 is a result of the funding received during the current financial year that was not budgeted for. This expenditure relates to Rural Housing Projects.

UTILISATION OF CONDITIONAL GRANTS

Detailed information on the grants and subsidies for the 2018/19 financial year is reflected on **Table SC7 - 8, Pages 38 - 40.**

A high level summary of the information is as follows:

Description	Grants Actual YTD Received	Grants Actual YTD Utilised	% Utilisation
Total capital grants received	34 470 000	15 665 921	45.44
Total operational grants received	6 372 024	3 322 024	52.13
Total grants received/utilised	40 842 024	18 988 754	46.49

Grants funding from National Departments are received in three tranches during the year.

It can be seen from table **SC7 (Page 38)** that 46.49% of the allocated grants and subsidies excluding the equitable share for the 2018/19 financial year have been spent as at 31 December 2018.

A high level summary of the information is as follows:

Description	Allocations Per DoRA	Actual YTD Utilised	% Utilisation
CAPITAL GRANTS			
Municipal Infrastructure Grant (MIG)	26 404 300	15 236 257	57.70
Integrated National Electrification Programme (INEP)	8 500 000	-	-
Schemes Support Programmes	500 000	-	-
Human Settlement Rural Housing projects		2 528 024	
OPERATING GRANTS			
Financial Management Grant (FMG)	1 970 000	429 664	21.81
Expanded Public Works Programme (EPWP)	2 534 000	794 809	31.36
Provincialisation of Libraries	1 676 000	-	-
Library Community Services	394 000	-	-
Sport facilities	89 000	-	-
Municipal Infrastructure Grant (5%)	1 389 700	-	-
TOTAL	43 457 000	18 988 754	43.68

CONSUMER DEBTORS

Consumer Debtors Age Analysis as at 31 December 2018

KZN262 uPhongolo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description		Budget Year 2019/20											
	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	Actual Bad Debts Written Off against Debtors	Impairment - Ba Debts i.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 097	1 396	237	86	74	84	-	1 408	7 383	1 653	171 076	
Receivables from Non-exchange Transactions - Property Rates	1400	644	2 075	1 691	1 418	27	11 183	162	36 552	53 752	49 342		
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Waste Management	1600	1 022	713	593	572	654	868	-	44 648	49 069	46 742		
Receivables from Exchange Transactions - Property Rental Debtors	1700	90	27	135	26	29	55	-	773	1 136	883		
Interest on Arrear Debtor Accounts	1810	135	-	-	-	-	1 529	43 593	-	45 257	45 122		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	163	161	158	178	158	161	0	13 481	14 460	13 978		
Total By Income Source	2000	6 151	4 372	2 815	2 280	942	13 881	43 755	96 863	171 058	157 720	171 076	-
2018/19 - totals only										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	(1 196)	1 124	899	748	26	5 159	3 683	10 347	20 791	19 963		
Commercial	2300	4 111	1 290	190	159	70	457	392	2 443	9 112	3 520		
Households	2400	2 751	1 577	1 244	1 112	823	5 728	36 906	76 322	126 463	120 891		
Other	2500	485	380	481	261	5	2 537	2 775	7 768	14 692	13 345		
Total By Customer Group	2600	6 151	4 372	2 815	2 280	924	13 881	43 755	96 881	171 058	157 720	-	

The total debtors figure is stated prior to adjustments in respect of the Provision for doubtful debts and impairment.

Analysis of consumer debtors

Of the debtor's amount illustrated above, R171 058 million (49.9%) amounts to debt impairment which has been provided in the previous year. Although the provision is made for doubtful debt, not all debts will be necessarily written off. Some of the debts will be pursued until it is not feasible to recover.

The government debt of R20 791 million the processes to recover is ongoing. The ratification process has commenced. Cogta appointed a firm of consultants to assist the municipality with the recovery of outstanding monies. The recovery process is very slow due to certain properties that are not clearly described by the deeds office thus making it difficult to establish the organs of state to which they belong. However, the investigation is at an advanced stage.

Outstanding Business Debt

Business debt stands at R9 112 million. The profiling of these debtors is performed from time to time in order to establish whether they still exist or not, especially where there are no movements. Where appropriate, business debt will be handed over to the municipality attorneys for litigation.

Amount owed by households

The residential debt amounting to R126 463 million.

It should be noted that individuals with deeds of grant are liable for rates.

Outstanding debt: other

Other debtors comprise mainly amounts owing by farmers – R14 692 million

Collection Rate

The comparative debtors' collection rates for the main areas as at 31 December 2018 are as follows:

Description	YTD Amount Billed	YTD Amount Collected	December 2018	December 2017
	R	R	%	%
Property Rates	15 081 740	14 970 367	99.26	141.45
Electricity	21 937 536	20 304 790	92.55	86.15
Refuse	6 117 587	2 030 376	33.18	30.81
Rental of facilities	204 333	236 074	115.53	117.25
TOTAL	43 341 196	37 541 607	86.61	93.92

The average collection rate of 86.61% has slightly increased from previous year (93.92%) primarily due to the current unfavourable economic climate as well as the culture of non-payment for services.

CREDITORS

Creditors Analysis as at 31 December 2018

KZN262 uPhongolo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2019/20								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	0100	2 768	-		1					2 768
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	1 239	80	-	-					1 320
Auditor General	0800	470	394							865
Other	0900									-
Total By Customer Type	1000	4 477	475	-	1	-	-	-	-	4 953

Outstanding creditors for the period under review amount to R4 953 million. The table above shows that 90.38% of the suppliers' invoices fall within 30 days and 9.59% falls between 91 to 120 days. The municipality's policy is to pay its creditors within 30 days of date of receipt of the creditor's invoices.

BORROWINGS

Section 46 of the Municipal Finance Management Act No. 56 of 2003 permits long term borrowings by municipalities only to finance capital expenditure on infrastructure, property, plant and equipment. The municipality's strategy is to borrow only long term funds at the lowest possible interest rates at minimum risk within the parameters of authorized borrowings.

Schedule of external loans (annuity loans) at 31 December 2018

The UPhongolo municipality loans profile is as follows:

Lender	Nature	Loan Number	Original Amount	Amount Outstanding	Expiry Date
Fleet horizon solution	Loan	Various	8 760 426	5 388 752	31/05/2020
Standard Bank	Loan	Various	6 129 492	985 067	26/03/2019
Total			14 889 919	6 373 819	

The above mentioned loans are secured over certain movables and immovable property.

The municipality is extremely mindful that any borrowing of a long term nature has to be sustainable. The total loans outstanding at 31 December 2018 amounted to R6 373 million, this amount is going to increase in coming months due to additional loan for the new fleet purchased. All loans fully comply with section 46 of the MFMA which requires that only long term loans should be utilised to fund capital expenditure. None of the loans are in arrears. No new loan facilities have been raised in the past six months.

Actual Cash Position

Cash on hand as at 31 December 2018 was R34 133 million. The investments include funds in respect of conditional grants which cannot be used for any other purposes other than that for which they are intended. These investments are as a result of austerity measures adopted by the Municipality in view of the unfavourable economic climate as well as delays in the implementation of the INEP and MIG projects. The cash/cost coverage for the municipality is 3 months. This indicates the municipality ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. **The norm is 1 to 3 months.** The municipality is at the lower end of the range. This is mainly attributable to the ineffective collection process of the consumer debts and expenditure not budgeted during the year.

Electricity Distribution Losses

The purpose of this ratio is to measure the percentage loss of potential revenue from electricity services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), none or inaccurate metering or wastage. **The norm is 7% and 10%.**

Item	Units
Units purchases (kWh)	
Units Sold (kWh)	
Loss in distribution	
% Loss in distribution	%

SUPPLY CHAIN MANAGEMENT POLICY IMPLEMENTATION

According to section 6.2 of the Supply Chain Management Policy of the municipality, the Municipal Manager must for the purposes of oversight:

- (a) within 30 days of the end of each financial year, submit a report on the implementation of the Supply Chain Management policy of the municipal to the Council; and
- (b) whenever there are serious and material problems in the implementation of this policy, **immediately** submit a report **to the Council**.

The Municipal Manager must, within 10 days of the end of each quarter, submit a report on the implementation of the supply chain management policy to the **Mayor**.

The reports must be made public in accordance with section 21A of the Municipal Systems Act.

The implementation of the Supply Chain Management Policy is covered in a separate report.

SERVICE DELIVERY PERFORMANCE ANALYSIS – SDBIP

Performance Framework

Regulation 7(1) of the Local Government: Municipal Planning and Performance Management Regulations, 2001 states that “a Municipality’s Performance Management System entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role players.” This framework, inter alia, reflects the linkage between the IDP, Budget, SDBIP and individual and service provider performance.

The municipality adopted a performance management framework that was approved by Council on 28 August 2013. However, this framework requires to be revised in order to comply with the recommendations made by the Auditor General. Once the revised framework has been work-shopped by all the various role players it will be submitted to Council for approval.

How have we monitored performance?

Early indications are that performance against the output and goals of the Service Delivery and Budget Implementation are on track. Few projects/programs are lagging behind for various reasons, such as:

- The municipality is still adjusting to create a culture and environment of performance for the entire organization.
- Vacancies in key positions.

- Legislative compliance to key processes such as procurement of services.
- Local economic development in the community to enable the community to afford and pay for municipal services.

Copies of the Service Delivery and Implementation Plan are being forwarded to the relevant Standing Committee who will perform an oversight role by monitoring performance of departments and to take the necessary steps to ensure that low achieving areas are brought back on track. A comprehensive report in terms of the MFMA Circular No. 13 on progress against the second quarter service delivery targets is covered in a separate report to Council.

During the recent audit conducted by the Auditor General various aspects of non-compliance with the laws and regulations were highlighted in the management report issued at the end of the audit. The findings included in the audit report.

COMMENTS ON ADJUSTMENT BUDGET

Regulation 23 of the Municipal Budget and Reporting Regulations provides, inter alia for the following:

“An adjustment Budget may be tabled in the Municipal Council at any time after the Mid-year Budget and Performance Assessment has been tabled in the Council, but not later than 28 February of each Year”.

An Adjustment Budget is the revision of an approved annual budget, usually by the utilization of savings in one vote towards spending under another vote. Furthermore, except under certain circumstances only one adjustment budget may be tabled in the Municipal Council during a financial year.

NATIONAL ADJUSTMENT BUDGET

Due to the 2017 Adjusted Estimates of National Expenditure and its proposed adjustments to the allocations made to the Provinces, the municipality anticipates a similar effect on its budget. Accordingly, a report on adjustments to the budget will be submitted for consideration by Council at its meeting to be held before the end of February 2016.

ANNUAL REPORT

The annual report of the 2017/18 financial year is covered in a separate report to Council and will be tabled on Friday, 25th January 2019.

As prescribed in Section 72(1)(a)(iii) of the MFMA the report should indicate actions taken to address problems identified in the past annual report or indicate what system or process will be taken to address such matters for e.g, any matters and/or corrective actions identified in the oversight by Council will be monitored and auctioned for correction in the current financial year.

RECOMMENDATIONS

In-Year Budget Statement Tables

KZN262 uPhongolo - Table C1 Monthly Budget Statement Summary - M06 December

Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Financial Performance</u>									
Property rates	-	36 826	-	3 755	15 021	18 413	(3 392)	-18%	36 826
Service charges	-	47 909	-	4 647	24 396	23 954	442	2%	47 909
Investment revenue	-	1 549	-	138	874	774	100	13%	1 549
Transfers and subsidies	-	128 283	-	42 044	94 184	64 141	30 043	47%	128 283
Other own revenue	-	12 725	-	1 220	7 172	6 363	809	13%	12 725
Total Revenue (excluding capital transfers and contributions)	-	227 291	-	51 804	141 647	113 646	28 001	25%	227 291
Employee costs	-	89 103	-	7 146	40 927	44 551	(3 624)	-8%	89 103
Remuneration of Councillors	-	9 864	-	571	3 477	4 932	(1 455)	-30%	9 864
Depreciation & asset impairment	-	12 742	-	1 062	6 371	6 371	(0)	-0%	12 742
Finance charges	-	2 660	-	64	573	1 330	(757)	-57%	2 660
Materials and bulk purchases	-	41 742	-	5 977	18 916	20 871	(1 955)	-9%	41 742
Transfers and subsidies	-	2 544	-	-	1 272	(1 272)	-	-100%	2 544
Other expenditure	-	91 345	-	15 761	53 425	45 672	7 753	17%	91 345
Total Expenditure	-	250 000	-	30 581	123 690	125 000	(1 310)	-1%	250 000
Surplus/(Deficit)	-	(22 709)	-	21 224	17 957	(11 354)	29 311	-258%	(22 709)
Transfers and subsidies - capital (monetary allocations)	-	-	-	-	-	-	-	-	-
Contributions & Contributed assets	-	34 904	-	6 709	15 756	17 452	(1 696)	-10%	34 904
Surplus/(Deficit) after capital transfers & contributions	-	12 196	-	27 932	33 713	6 098	27 615	453%	12 196
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	12 196	-	27 932	33 713	6 098	27 615	453%	12 196
<u>Capital expenditure & funds sources</u>									
Capital expenditure	-	67 471	-	-	23 125	33 736	(10 611)	-31%	68 615
Capital transfers recognised	-	34 904	-	-	15 583	17 452	(1 870)	-11%	34 904
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	24 600	-	-	-	12 300	(12 300)	-100%	24 600
Internally generated funds	-	7 967	-	-	159	3 983	(3 825)	-96%	7 967
Total sources of capital funds	-	67 471	-	-	15 741	33 736	(17 994)	-53%	67 471
<u>Financial position</u>									
Total current assets	-	73 751	-	-	124 081				73 751
Total non current assets	-	615 380	-	-	461 550				615 380
Total current liabilities	6 374	17 327	-	-	43 708				17 327
Total non current liabilities	-	13 194	-	-	12 843				13 194
Community wealth/Equity	-	658 611	-	-	529 079				658 611
<u>Cash flows</u>									
Net cash from (used) operating	-	44 987	-	27 294	(17 552)	22 493	40 045	178%	44 987
Net cash from (used) investing	-	(43 621)	-	(3 927)	58 417	(21 811)	(80 227)	368%	(43 621)
Net cash from (used) financing	-	1 750	-	(366)	(1 985)	875	2 860	327%	1 750
Cash/cash equivalents at the month/year end	-	4 719	-	-	40 966	3 162	(37 805)	-1196%	5 202
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
<u>Debtors Age Analysis</u>									
Total By Income Source	6 151	4 372	2 815	2 280	942	13 881	43 755	96 863	171 058
<u>Creditors Age Analysis</u>									
Total Creditors	4 477	475	-	1	-	-	-	-	4 953

KZN262 uPhongolo - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		-	109 271	-	26 670	67 490	54 635	12 855	24%	109 271
Executive and council		-	23 107	-	8 174	17 801	11 553	6 248	54%	23 107
Finance and administration		-	86 164	-	18 497	49 689	43 082	6 607	15%	86 164
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	31 496	-	11 161	23 172	15 748	7 424	47%	31 496
Community and social services		-	17 058	-	4 203	10 435	8 529	1 906	22%	17 058
Sport and recreation		-	4 287	-	1 460	3 214	2 144	1 070	50%	4 287
Public safety		-	9 517	-	2 970	6 731	4 759	1 972	41%	9 517
Housing		-	633	-	2 528	2 792	317	2 475	782%	633
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	54 848	-	13 781	35 232	27 424	7 808	28%	54 848
Planning and development		-	43 927	-	9 918	26 819	21 963	4 855	22%	43 927
Road transport		-	10 921	-	3 863	8 414	5 461	2 953	54%	10 921
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	60 235	-	5 145	27 197	30 117	(2 920)	-10%	60 235
Energy sources		-	46 123	-	3 806	19 250	23 061	(3 811)	-17%	46 123
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	14 112	-	1 339	7 947	7 056	891	13%	14 112
<i>Other</i>	4	-	6 347	-	1 756	4 300	3 173	1 127	36%	6 347
Total Revenue - Functional	2	-	262 196	-	58 513	157 392	131 098	26 294	20%	262 196
Expenditure - Functional										
<i>Governance and administration</i>		-	94 376	-	12 626	43 973	47 188	(3 215)	-7%	94 376
Executive and council		-	26 267	-	3 213	14 710	13 134	1 576	12%	26 267
Finance and administration		-	68 109	-	9 412	29 263	34 054	(4 792)	-14%	68 109
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		-	55 931	-	4 753	22 644	27 966	(5 322)	-19%	55 931
Community and social services		-	29 220	-	2 225	12 855	14 610	(1 755)	-12%	29 220
Sport and recreation		-	9 713	-	842	1 844	4 856	(3 013)	-62%	9 713
Public safety		-	16 469	-	1 686	7 945	8 234	(289)	-4%	16 469
Housing		-	530	-	-	-	265	(265)	-100%	530
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		-	37 589	-	6 462	28 271	18 795	9 477	50%	37 589
Planning and development		-	21 584	-	(1 905)	8 561	10 792	(2 231)	-21%	21 584
Road transport		-	16 005	-	8 368	19 710	8 003	11 708	146%	16 005
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		-	56 593	-	6 516	27 239	28 296	(1 057)	-4%	56 593
Energy sources		-	35 781	-	4 513	17 692	17 890	(198)	-1%	35 781
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	20 812	-	2 002	9 547	10 406	(859)	-8%	20 812
<i>Other</i>		-	5 511	-	224	1 563	2 755	(1 193)	-43%	5 511
Total Expenditure - Functional	3	-	250 000	-	30 581	123 690	125 000	(1 310)	-1%	250 000
Surplus/ (Deficit) for the year		-	12 196	-	27 932	33 703	6 098	27 605	453%	12 196

KZN262 uPhongolo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - Executive and Council		–	23 107	–	8 174	17 801	11 553	6 248	54,1%	23 107
Vote 2 - Finance and administration		–	86 164	–	18 497	49 689	43 082	6 607	15,3%	86 164
Vote 3 - Community and Social Services		–	17 058	–	4 203	10 435	8 529	1 906	22,3%	17 058
Vote 4 - Sports and Recreation		–	4 287	–	1 460	3 214	2 144	1 070	49,9%	4 287
Vote 5 - Public Safety		–	9 517	–	2 970	6 731	4 759	1 972	41,4%	9 517
Vote 6 - Housing		–	633	–	2 528	2 792	317	2 475	782,0%	633
Vote 7 - Planning and Development		–	43 927	–	9 918	26 819	21 963	4 855	22,1%	43 927
Vote 8 - Roads Transport		–	10 921	–	3 863	8 414	5 461	2 953	54,1%	10 921
Vote 9 - Energy Sources		–	46 123	–	3 806	19 250	23 061	(3 811)	-16,5%	46 123
Vote 10 - Waste Management		–	14 112	–	1 339	7 947	7 056	891	12,6%	14 112
Vote 11 - Other		–	6 347	–	1 756	4 300	3 173	1 127	35,5%	6 347
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	–	262 196	–	58 513	157 392	131 098	26 294	20,1%	262 196
Expenditure by Vote	1									
Vote 1 - Executive and Council		–	26 267	–	3 213	14 710	13 134	1 576	12,0%	26 267
Vote 2 - Finance and administration		–	68 109	–	9 412	29 263	34 054	(4 792)	-14,1%	68 109
Vote 3 - Community and Social Services		–	29 220	–	2 225	12 855	14 610	(1 755)	-12,0%	29 220
Vote 4 - Sports and Recreation		–	9 713	–	842	1 844	4 856	(3 013)	-62,0%	9 713
Vote 5 - Public Safety		–	16 469	–	1 686	7 945	8 234	(289)	-3,5%	16 469
Vote 6 - Housing		–	530	–	–	–	265	(265)	-100,0%	530
Vote 7 - Planning and Development		–	21 584	–	(1 905)	8 561	10 792	(2 231)	-20,7%	21 584
Vote 8 - Roads Transport		–	16 005	–	8 368	19 710	8 003	11 708	146,3%	16 005
Vote 9 - Energy Sources		–	35 781	–	4 513	17 692	17 890	(198)	-1,1%	35 781
Vote 10 - Waste Management		–	20 812	–	2 002	9 547	10 406	(859)	-8,3%	20 812
Vote 11 - Other		–	5 511	–	224	1 563	2 755	(1 193)	-43,3%	5 511
Vote 12 -		–	–	–	–	–	–	–	–	–
Vote 13 -		–	–	–	–	–	–	–	–	–
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	–	250 000	–	30 581	123 690	125 000	(1 310)	-1,0%	250 000
Surplus/ (Deficit) for the year	2	–	12 196	–	27 932	33 703	6 098	27 605	452,7%	12 196

KZN262 uPhongolo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

R2020/21 financials - Table 04 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - 31st December										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates			36 826	–	3 755	15 021	18 413	(3 392)	-18%	36 826
Service charges - electricity revenue			37 385	–	3 760	19 076	18 693	383	2%	37 385
Service charges - water revenue			–	–	–	–	–	–	–	–
Service charges - sanitation revenue			–	–	–	–	–	–	–	–
Service charges - refuse revenue			10 523	–	888	5 320	5 262	58	1%	10 523
Service charges - other			–	–	–	–	–	–	–	–
Rental of facilities and equipment			455	–	102	314	227	87	38%	455
Interest earned - external investments			1 549	–	138	874	774	100	13%	1 549
Interest earned - outstanding debtors			8 096	–	905	5 279	4 048	1 231	30%	8 096
Dividends received			–	–	–	–	–	–	–	–
Fines, penalties and forfeits			491	–	1	26	246	(220)	-90%	491
Licences and permits			1 566	–	76	645	783	(138)	-18%	1 566
Agency services			790	–	56	371	395	(24)	-6%	790
Transfers and subsidies			128 283	–	42 044	94 184	64 141	30 043	47%	128 283
Other revenue			1 327	–	80	536	664	(127)	-19%	1 327
Gains on disposal of PPE			–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		–	227 291	–	51 804	141 647	113 646	28 001	25%	227 291
Expenditure By Type										
Employee related costs			89 103	–	7 146	40 927	44 551	(3 624)	-8%	89 103
Remuneration of councillors			9 864	–	571	3 477	4 932	(1 455)	-30%	9 864
Debt impairment			15 707	–	1 309	7 854	7 854	0	0%	15 707
Depreciation & asset impairment			12 742	–	1 062	6 371	6 371	(0)	0%	12 742
Finance charges			2 660	–	64	573	1 330	(757)	-57%	2 660
Bulk purchases			28 812	–	4 208	16 501	14 406	2 094	15%	28 812
Other materials			12 930	–	1 770	2 415	6 465	(4 050)	-63%	12 930
Contracted services			21 998	–	4 734	10 502	10 999	(498)	-5%	21 998
Transfers and subsidies			2 544	–	–	–	1 272	(1 272)	-100%	2 544
Other expenditure			53 639	–	9 718	35 070	26 820	8 250	31%	53 639
Loss on disposal of PPE			–	–	–	–	–	–	–	–
Total Expenditure		–	250 000	–	30 581	123 690	125 000	(1 310)	-1%	250 000
Surplus/(Deficit)		–	(22 709)	–	21 224	17 957	(11 354)	29 311	(0)	(22 709)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								–		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)								–		
Transfers and subsidies - capital (in-kind - all)			34 904	–	6 709	15 756	17 452	(1 696)	(0)	34 904
Surplus/(Deficit) after capital transfers & contributions		–	12 196	–	27 932	33 713	6 098			12 196
Taxation								–		
Surplus/(Deficit) after taxation		–	12 196	–	27 932	33 713	6 098			12 196
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		–	12 196	–	27 932	33 713	6 098			12 196
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		–	12 196	–	27 932	33 713	6 098			12 196

KZN262 uPhongolo - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash			5		40 901	5
Call investment deposits			4 719		66	4 719
Consumer debtors			58 332		74 055	58 332
Other debtors			10 695		9 059	10 695
Current portion of long-term receivables			-		-	-
Inventory			-		-	-
Total current assets		-	73 751	-	124 081	73 751
Non current assets						
Long-term receivables			-			-
Investments			-			-
Investment property			92 274		86 510	92 274
Investments in Associate			-			-
Property, plant and equipment			523 035		374 690	523 035
Agricultural			-			-
Biological			-			-
Intangible			-			-
Other non-current assets			71		350	71
Total non current assets		-	615 380	-	461 550	615 380
TOTAL ASSETS		-	689 132	-	585 631	689 132
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft			-			-
Borrowing		6 374	3 250	-	2 511	3 250
Consumer deposits			2 869		2 149	2 869
Trade and other payables			5 000		32 839	5 000
Provisions			6 209		6 209	6 209
Total current liabilities		6 374	17 327	-	43 708	17 327
Non current liabilities						
Borrowing			5 000	-	3 863	5 000
Provisions			8 194		8 980	8 194
Total non current liabilities		-	13 194	-	12 843	13 194
TOTAL LIABILITIES		6 374	30 521	-	56 551	30 521
NET ASSETS	2	(6 374)	658 611	-	529 079	658 611
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)			658 611		529 079	658 611
Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	-	658 611	-	529 079	658 611

KZN262 uPhongolo - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2018/19	Budget Year 2019/20								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands	1										
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates			28 079		2 171	14 970	14 039	931	7%	28 079	
Service charges			45 055		4 120	22 335	22 527	(192)	-1%	45 055	
Other revenue			4 910		536	664	2 455	(1 791)	-73%	4 910	
Government - operating			127 075		42 044	94 184	63 537	30 647	48%	127 075	
Government - capital			34 904		6 709	15 756	17 452	(1 696)	-10%	34 904	
Interest			9 645		138	874	4 822	(3 948)	-82%	9 645	
Dividends			-		-	-	-	-		-	
Payments											
Suppliers and employees			(200 245)		(28 359)	(165 762)	(100 122)	65 640	-66%	(200 245)	
Finance charges			(1 892)		(64)	(573)	(946)	(373)	39%	(1 892)	
Transfers and Grants			(2 544)		-	-	(1 272)	(1 272)	100%	(2 544)	
NET CASH FROM/(USED) OPERATING ACTIVITIES			-	44 987	-	27 294	(17 552)	22 493	40 045	178%	44 987
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE								-			
Decrease (Increase) in non-current debtors					-			-			
Decrease (increase) other non-current receivables								-			
Decrease (increase) in non-current investments					-	72 159		72 159	#DIV/0!		
Payments											
Capital assets			(43 621)		(3 927)	(13 742)	(21 811)	(8 068)	37%	(43 621)	
NET CASH FROM/(USED) INVESTING ACTIVITIES			-	(43 621)	-	(3 927)	58 417	(21 811)	(80 227)	368%	(43 621)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans			-					-		-	
Borrowing long term/refinancing			5 000				2 500	(2 500)	-100%	5 000	
Increase (decrease) in consumer deposits			-		-	-		-		-	
Payments											
Repayment of borrowing			(3 250)		(366)	(1 985)	(1 625)	360	-22%	(3 250)	
NET CASH FROM/(USED) FINANCING ACTIVITIES			-	1 750	-	(366)	(1 985)	875	2 860	327%	1 750
NET INCREASE/ (DECREASE) IN CASH HELD											
			-	3 116	-	23 002	38 880	1 558		3 116	
Cash/cash equivalents at beginning:				1 604			2 087	1 604		2 087	
Cash/cash equivalents at month/year end:			-	4 719	-		40 966	3 162		5 202	

Annexure B

SUPPORTING DOCUMENTATION

KZN262 uPhongolo - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue By Source</u>			
2	<u>Expenditure By Type</u>			
3	<u>Capital Expenditure</u>			
4	<u>Financial Position</u>			
5	<u>Cash Flow</u>			
6	<u>Measureable performance</u>			
7	<u>Municipal Entities</u>			

KZN262 uPhongolo - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2018/19	Budget Year 2019/20			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0,0%	6,2%	0,0%	0,5%	5,0%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0,0%	36,5%	0,0%	0,0%	35,9%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		0,0%	2,0%	0,0%	7,4%	2,0%
Gearing	Long Term Borrowing/ Funds & Reserves		0,0%	0,0%	0,0%	0,0%	0,0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	0,0%	425,6%	0,0%	283,9%	425,6%
Liquidity Ratio	Monetary Assets/Current Liabilities		0,0%	27,3%	0,0%	93,7%	27,3%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		0,0%	30,4%	0,0%	58,7%	30,4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0,0%	0,0%	0,0%	0,0%	0,0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))				0,0%	82,3%	
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2			0,0%	9,4%	
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		0,0%	39,2%	0,0%	28,9%	39,2%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0,0%	0,0%	0,0%	0,0%	0,0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0,0%	6,8%	0,0%	0,4%	5,5%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

KZN262 uPhongolo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2019/20											Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	4 097	1 396	237	86	74	84	-	1 408	7 383	1 653	171 076	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	644	2 075	1 691	1 418	27	11 183	162	36 552	53 752	49 342	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 022	713	593	572	654	868	-	44 648	49 069	46 742	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	90	27	135	26	29	55	-	773	1 136	883	-	-	-
Interest on Arrear Debtor Accounts	1810	135	-	-	-	-	1 529	43 593	-	45 257	45 122	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	163	161	158	178	158	161	0	13 481	14 460	13 978	-	-	-
Total By Income Source	2000	6 151	4 372	2 815	2 280	942	13 881	43 755	96 863	171 058	157 720	171 076	-	-
2018/19 - totals only														
Debtors Age Analysis By Customer Group														
Organs of State	2200	(1 196)	1 124	899	748	26	5 159	3 683	10 347	20 791	19 963	-	-	-
Commercial	2300	4 111	1 290	190	159	70	457	392	2 443	9 112	3 520	-	-	-
Households	2400	2 751	1 577	1 244	1 112	823	5 728	36 906	76 322	126 463	120 891	-	-	-
Other	2500	485	380	481	261	5	2 537	2 775	7 768	14 692	13 345	-	-	-
Total By Customer Group	2600	6 151	4 372	2 815	2 280	924	13 881	43 755	96 881	171 058	157 720	-	-	-

KZN262 uPhongolo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2019/20								
		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
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	2 768	-		1					2 768
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700	1 239	80	-	-					1 320
Auditor General	0800	470	394							865
Other	0900									-
Total By Customer Type	1000	4 477	475	-	1	-	-	-	-	4 953

KZN262 uPhongolo - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
		Yrs/Months							
Municipality									
call investments accounts							65	1	66
primary cheque account							2 022	38 879	40 901
Municipality sub-total					-		2 087	38 880	40 966
Entities									
Entities sub-total					-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2				-		2 087	38 880	40 966

KZN262 uPhongolo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description		Ref	2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2019/20				Full Year Forecast
R thousands						YearTD actual	YearTD budget	YTD variance	YTD variance %		
RECEIPTS:		1,2									
Operating Transfers and Grants											
National Government:			-	124 234	-	40 146	91 022	62 117	29 933	48,2%	124 234
Local Government Equitable Share				119 730		39 910	89 798	59 865	29 933	50,0%	119 730
Finance Management				1 970		67	430	985			1 970
EPWP Incentive				2 534		169	795	1 267			2 534
Other transfers and grants [insert description]		3							-		
									-		
									-		
									-		
									-		
Provincial Government:			-	89	-	-	-	30	(30)	-100,0%	89
Sport and Recreation				89				30	(30)	-100,0%	89
Other transfers and grants [insert description]		4							-		
									-		
									-		
									-		
District Municipality:			-	-	-	-	-	-	-		-
[insert description]									-		
									-		
Other grant providers:			-	-	-	2 070	5 598	5 598	-		2 570
Community library grant(ART & CULTURE)				-		394	394	394	-		394
Provincialisation of Libraries(ART & CULTURE)				-		1 676	1 676	1 676			1 676
Schemes support programmes				-		-	500	500			500
Cogta grant-Imbube						-	500	500			
ZDM tourism subsidy/Human Settlements						-	2 528	2 528			
Total Operating Transfers and Grants		5	-	124 323	-	42 216	96 620	67 745	29 903	44,1%	126 893
Capital Transfers and Grants											
National Government:			-	27 794	-	9 000	24 000	9 265	14 735	159,0%	27 794
Municipal Infrastructure Grant (MIG)				27 794		9 000	24 000	9 265	14 735	159,0%	27 794
Other capital transfers [insert description]									-		
									-		
									-		
									-		
Provincial Government:			-	-	-	-	-	-	-		-
[insert description]									-		
									-		
District Municipality:			-	-	-	-	-	-	-		-
[insert description]									-		
									-		
Other grant providers:			-	8 500	-	8 500	8 500	-	8 500	#DIV/0!	8 500
Integrated Electrification Programme				8 500		8 500	8 500		8 500	#DIV/0!	8 500
Total Capital Transfers and Grants		5	-	36 294	-	17 500	32 500	9 265	23 235	250,8%	36 294
TOTAL RECEIPTS OF TRANSFERS & GRANTS		5	-	160 617	-	59 716	129 120	77 009	53 139	69,0%	163 187

KZN262 uPhongolo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

MUNICIPALITY OF NONGOMA - Supporting Table 001 (7) Monthly Budget Statement - transfers and grant expenditure - first semester										
Description	Ref	2018/19	Budget Year 2019/20							
		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:		-	124 234	-	-	8 209	59 865	(51 656)	-86,3%	124 234
Local Government Equitable Share			119 730		-	8 209	59 865	(51 656)	-86,3%	119 730
Finance Management			1 970					-		1 970
EPWP Incentive			2 534					-		2 534
								-		
								-		
Other transfers and grants [insert description]								-		
Provincial Government:		-	89	-	-	-	-	-		89
Sport and Recreation			89					-		89
								-		
								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
[insert description]								-		
Other grant providers:		-	2 570	-	-	-	-	-		2 570
			2 176					-		2 176
Community library grant(ART & CULTURE)			394					-		394
Total operating expenditure of Transfers and Grants:		-	126 893	-	-	8 209	59 865	(51 656)	-86,3%	126 893
Capital expenditure of Transfers and Grants										
National Government:		-	27 794	-	-	-	13 897	(13 897)	-100,0%	27 794
Municipal Infrastructure Grant (MIG)			27 794				13 897	(13 897)	-100,0%	27 794
								-		
								-		
Other capital transfers [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
Other grant providers:		-	8 500	-	-	-	-	-		8 500
			8 500					-		8 500
								-		
Total capital expenditure of Transfers and Grants		-	36 294	-	-	-	13 897	(13 897)	-100,0%	36 294
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	163 187	-	-	8 209	73 762	(65 553)	-88,9%	163 187

KZN262 uPhongolo - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06 December

Description	Ref	Budget Year 2019/20				
		Approved Rollover 2018/19	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
<u>EXPENDITURE</u>						
<u>Operating expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Local Government Equitable Share					-	
Finance Management					-	
EPWP Incentive					-	
					-	
Other transfers and grants [insert description]					-	
Provincial Government:		-	-	-	-	
Sport and Recreation					-	
					-	
Other transfers and grants [insert description]					-	
District Municipality:		-	-	-	-	
					-	
[insert description]					-	
Other grant providers:		-	-	-	-	
					-	
Community library grant(ART & CULTURE)					-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Municipal Infrastructure Grant (MIG)					-	
					-	
Other capital transfers [insert description]					-	
Provincial Government:		-	-	-	-	
					-	
District Municipality:		-	-	-	-	
					-	
Other grant providers:		-	-	-	-	
					-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		-	-	-	-	

KZN262 uPhongolo - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2018/19	Budget Year 2019/20							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			7 102	-	592	2 367	3 551	(1 184)	-33%	
Pension and UIF Contributions			-	-	-	-	-	-	-	
Medical Aid Contributions			-	-	-	-	-	-	-	
Motor Vehicle Allowance			1 397	-	116	466	698	(233)	-33%	
Cellphone Allowance			1 254	-	105	418	627	(209)	-33%	
Housing Allowances			-	-	-	-	-	-	-	
Other benefits and allowances			111	-	9	37	55	(18)	-33%	
Sub Total - Councillors		-	9 864	-	822	3 288	4 932	(1 644)	-33%	-
% increase	4		#DIV/0!							
Senior Managers of the Municipality	3									
Basic Salaries and Wages			4 646	-	387	1 549	2 323	(774)	-33%	
Pension and UIF Contributions			-	-	-	-	-	-	-	
Medical Aid Contributions			-	-	-	-	-	-	-	
Overtime			-	-	-	-	-	-	-	
Performance Bonus			758	-	63	253	379	(126)	-33%	
Motor Vehicle Allowance			-	-	-	-	-	-	-	
Cellphone Allowance			-	-	-	-	-	-	-	
Housing Allowances			12	-	1	4	6	(2)	-33%	
Other benefits and allowances			201	-	17	67	101	(34)	-33%	
Payments in lieu of leave			-	-	-	-	-	-	-	
Long service awards			-	-	-	-	-	-	-	
Post-retirement benefit obligations			-	-	-	-	-	-	-	
Sub Total - Senior Managers of Municipality	2									
% increase	4	-	5 617	-	468	1 872	2 809	(936)	-33%	-
% increase	4		#DIV/0!							
Other Municipal Staff										
Basic Salaries and Wages			60 925	-	5 077	20 308	30 462	(10 154)	-33%	
Pension and UIF Contributions			13 115	-	1 093	4 372	6 558	(2 186)	-33%	
Medical Aid Contributions			-	-	-	-	-	-	-	
Overtime			2 788	-	232	929	1 394	(465)	-33%	
Performance Bonus			-	-	-	-	-	-	-	
Motor Vehicle Allowance			4 538	-	378	1 513	2 269	(756)	-33%	
Cellphone Allowance			241	-	20	80	121	(40)	-33%	
Housing Allowances			225	-	19	75	113	(38)	-33%	
Other benefits and allowances			1 309	-	109	436	655	(218)	-33%	
Payments in lieu of leave			-	-	-	-	-	-	-	
Long service awards			-	-	-	-	-	-	-	
Post-retirement benefit obligations			-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff	2									
% increase	4	-	83 142	-	6 929	27 714	41 571	(13 857)	-33%	-
% increase	4		#DIV/0!							
Total Parent Municipality		-	98 624	-	8 219	32 875	49 312	(16 437)	-33%	-
Unpaid salary, allowances & benefits in arrears:			#DIV/0!							
Board Members of Entities										
Basic Salaries and Wages			-	-	-	-	-	-	-	
Pension and UIF Contributions			-	-	-	-	-	-	-	
Medical Aid Contributions			-	-	-	-	-	-	-	
Overtime			-	-	-	-	-	-	-	
Performance Bonus			-	-	-	-	-	-	-	
Motor Vehicle Allowance			-	-	-	-	-	-	-	
Cellphone Allowance			-	-	-	-	-	-	-	
Housing Allowances			-	-	-	-	-	-	-	
Other benefits and allowances			-	-	-	-	-	-	-	
Board Fees			-	-	-	-	-	-	-	
Payments in lieu of leave			-	-	-	-	-	-	-	
Long service awards			-	-	-	-	-	-	-	
Post-retirement benefit obligations			-	-	-	-	-	-	-	
Sub Total - Board Members of Entities	2									
% increase	4	-	-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages			-	-	-	-	-	-	-	
Pension and UIF Contributions			-	-	-	-	-	-	-	
Medical Aid Contributions			-	-	-	-	-	-	-	
Overtime			-	-	-	-	-	-	-	
Performance Bonus			-	-	-	-	-	-	-	
Motor Vehicle Allowance			-	-	-	-	-	-	-	
Cellphone Allowance			-	-	-	-	-	-	-	
Housing Allowances			-	-	-	-	-	-	-	
Other benefits and allowances			-	-	-	-	-	-	-	
Payments in lieu of leave			-	-	-	-	-	-	-	
Long service awards			-	-	-	-	-	-	-	
Post-retirement benefit obligations			-	-	-	-	-	-	-	
Sub Total - Senior Managers of Entities	2									
% increase	4	-	-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages			-	-	-	-	-	-	-	
Pension and UIF Contributions			-	-	-	-	-	-	-	
Medical Aid Contributions			-	-	-	-	-	-	-	
Overtime			-	-	-	-	-	-	-	
Performance Bonus			-	-	-	-	-	-	-	
Motor Vehicle Allowance			-	-	-	-	-	-	-	
Cellphone Allowance			-	-	-	-	-	-	-	
Housing Allowances			-	-	-	-	-	-	-	
Other benefits and allowances			-	-	-	-	-	-	-	
Payments in lieu of leave			-	-	-	-	-	-	-	
Long service awards			-	-	-	-	-	-	-	
Post-retirement benefit obligations			-	-	-	-	-	-	-	
Sub Total - Other Staff of Entities	2									
% increase	4	-	-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		-	98 624	-	8 219	32 875	49 312	(16 437)	-33%	-
% increase	4		#DIV/0!							
TOTAL MANAGERS AND STAFF		-	88 760	-	7 397	29 587	44 380	(14 793)	-33%	-

KZN262 uPhongolo - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

Description	Ref	Budget Year 2019/20											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
R thousands	1												
Cash Receipts By Source													
Property rates		2 198	1 236	3 069	3 694	3 069	3 069	3 069	3 069	3 069	3 069	3 069	(31 679)
Service charges - electricity revenue		2 425	3 874	3 115	3 288	3 115	3 115	3 115	3 115	3 115	3 115	3 115	(34 510)
Service charges - water revenue		-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse		323	354	877	887	877	877	877	877	877	877	877	(8 580)
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		30	76	38	79	38	38	38	38	38	38	38	(488)
Interest earned - external investments		108	61	129	56	129	129	129	129	129	129	129	(1 257)
Interest earned - outstanding debtors		-	-	675	806	675	675	675	675	675	675	675	(6 204)
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		-	2	41	4	41	41	41	41	41	41	41	(333)
Licences and permits		143	143	131	120	131	131	131	131	131	131	131	(1 450)
Agency services		77	80	66	75	66	66	66	66	66	66	66	(758)
Transfer receipts - operating		49 888	2 604	10 690	681	10 690	10 690	10 690	10 690	10 690	10 690	10 690	(138 695)
Other revenue		839	926	111	35	111	111	111	111	111	111	111	(2 685)
Cash Receipts by Source		56 030	9 355	18 941	9 726	18 941	18 941	18 941	18 941	18 941	18 941	18 941	(226 639)
Other Cash Flows by Source													
Transfer receipts - capital		15 000	-	-	-	-	17 500	-	-	3 794	-	-	(36 294)
Contributions & Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-
Increase in consumer deposits		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current debtors		-	-	-	-	-	-	-	-	-	-	-	-
Receipt of non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-
Change in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		71 030	9 355	18 941	9 726	18 941	36 441	18 941	18 941	22 735	18 941	18 941	(262 933)
Cash Payments by Type													
Employee related costs		7 425	6 042	7 425	6 671	7 425	7 425	7 425	7 425	7 425	7 425	7 425	(79 540)
Remuneration of councillors		822	550	822	632	822	822	822	822	822	822	822	(8 580)
Interest paid		222	-	222	71	222	222	222	222	222	222	222	(2 066)
Bulk purchases - Electricity		-	2 709	-	7 533	-	-	-	-	-	-	-	(10 242)
Bulk purchases - Water & Sewer		2 401	-	2 401	-	2 401	2 401	2 401	2 401	2 401	2 401	2 401	(21 609)
Other materials		1 078	119	1 078	244	1 078	1 078	1 078	1 078	1 078	1 078	1 078	(10 060)
Contracted services		1 833	1 530	1 833	674	1 833	1 833	1 833	1 833	1 833	1 833	1 833	(18 702)
Grants and subsidies paid - other municipalities		-	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies paid - other		-	-	-	-	-	-	-	-	-	-	-	-
General expenses		4 470	4 444	4 470	5 985	4 470	4 470	4 470	4 470	4 470	4 470	4 470	(50 658)
Cash Payments by Type		18 251	15 393	18 251	21 809	18 251	18 251	18 251	18 251	18 251	18 251	18 251	(201 458)
Other Cash Flows/Payments by Type													
Capital assets		-	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowing		-	-	-	-	-	-	-	-	-	-	-	-
Other Cash Flows/Payments		-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Payments by Type		18 251	15 393	18 251	21 809	18 251	18 251	18 251	18 251	18 251	18 251	18 251	(201 458)
NET INCREASE/(DECREASE) IN CASH HELD		52 779	(6 038)	690	(12 083)	690	18 190	690	690	4 484	690	690	(61 475)
Cash/cash equivalents at the month/year beginning:			52 779	46 742	47 432	35 349	36 039	54 230	54 920	55 610	60 095	60 785	61 475
Cash/cash equivalents at the month/year end:		52 779	46 742	47 432	35 349	36 039	54 230	54 920	55 610	60 095	60 785	61 475	-

KZN262 uPhongolo - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue By Source										
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue								-		
Service charges - sanitation revenue								-		
Service charges - refuse revenue								-		
Service charges - other								-		
Rental of facilities and equipment								-		
Interest earned - external investments								-		
Interest earned - outstanding debtors								-		
Dividends received								-		
Fines, penalties and forfeits								-		
Licences and permits								-		
Agency services								-		
Transfers and subsidies								-		
Other revenue								-		
Gains on disposal of PPE								-		
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-		-
Expenditure By Type										
Employee related costs								-		
Remuneration of councillors								-		
Debt impairment								-		
Depreciation & asset impairment								-		
Finance charges								-		
Bulk purchases								-		
Other materials								-		
Contracted services								-		
Transfers and subsidies								-		
Other expenditure								-		
Loss on disposal of PPE								-		
Total Expenditure		-	-	-	-	-	-	-		-
Surplus/(Deficit)		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)								-		
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-		-
Taxation								-		
Surplus/(Deficit) after taxation		-	-	-	-	-	-	-		-

KZN262 uPhongolo - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - M06 December

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Municipal Entity										
<i>Insert name of municipal entity</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Operating Revenue	1	-	-	-	-	-	-	-		-
Expenditure By Municipal Entity										
<i>Insert name of municipal entity</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Operating Expenditure	2	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the yr/period		-	-	-	-	-	-	-		-
Capital Expenditure By Municipal Entity										
<i>Insert name of municipal entity</i>								-		
								-		
								-		
								-		
								-		
								-		
								-		
Total Capital Expenditure	3	-	-	-	-	-	-	-		-

KZN262 uPhongolo - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
<u>Monthly expenditure performance trend</u>									
July		5 623		2 157	2 157	5 623	3 466	61,6%	3%
August		5 623		2 945	5 102	11 245	6 143	54,6%	8%
September		5 623		0	5 102	16 868	11 766	69,8%	8%
October		5 623		3 154	8 256	22 490	14 235	63,3%	12%
November		5 623		1 560	9 816	28 113	18 297	65,1%	15%
December		5 623		5 925	15 741	33 736	17 994	53,3%	23%
January		5 623				39 358	-		
February		5 623				44 981	-		
March		5 623				50 603	-		
April		5 623				56 226	-		
May		5 623				61 849	-		
June		5 623				67 471	-		
Total Capital expenditure	-	67 471	-	15 741					

KZN262 uPhongolo - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description		Ref	2018/19	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2019/20		YTD		YTD		Full Year
R thousands		1	Outcome	Budget	Budget	actual	YearTD actual	YearTD budget	variance	variance %	Forecast		
Capital expenditure on new assets by Asset Class/Sub-class													
Infrastructure			—	22 654	—	—	4 005	11 327	7 322	64.6%	—		
Roads Infrastructure			—	12 904	—	—	3 404	6 452	3 049	47.2%	—		
Roads			—	12 904	—	—	3 404	6 452	3 049	47.2%	—		
Road Structures			—	—	—	—	—	—	—	—	—		
Road Furniture			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Storm water Infrastructure			—	—	—	—	—	—	—	—	—		
Drainage Collection			—	—	—	—	—	—	—	—	—		
Storm water Conveyance			—	—	—	—	—	—	—	—	—		
Attenuation			—	—	—	—	—	—	—	—	—		
Electrical Infrastructure			—	9 750	—	—	601	4 875	4 274	87.7%	—		
Power Plants			—	9 750	—	—	601	4 875	4 274	87.7%	—		
HV Substations			—	—	—	—	—	—	—	—	—		
HV Switching Station			—	—	—	—	—	—	—	—	—		
HV Transmission Conductors			—	—	—	—	—	—	—	—	—		
MV Substations			—	—	—	—	—	—	—	—	—		
MV Switching Stations			—	—	—	—	—	—	—	—	—		
MV Networks			—	—	—	—	—	—	—	—	—		
LV Networks			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Water Supply Infrastructure			—	—	—	—	—	—	—	—	—		
Dams and Weirs			—	—	—	—	—	—	—	—	—		
Boreholes			—	—	—	—	—	—	—	—	—		
Reservoirs			—	—	—	—	—	—	—	—	—		
Pump Stations			—	—	—	—	—	—	—	—	—		
Water Treatment Works			—	—	—	—	—	—	—	—	—		
Bulk Mains			—	—	—	—	—	—	—	—	—		
Distribution			—	—	—	—	—	—	—	—	—		
Distribution Points			—	—	—	—	—	—	—	—	—		
PRV Stations			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Sanitation Infrastructure			—	—	—	—	—	—	—	—	—		
Pump Station			—	—	—	—	—	—	—	—	—		
Reticulation			—	—	—	—	—	—	—	—	—		
Waste Water Treatment Works			—	—	—	—	—	—	—	—	—		
Outfall Sewers			—	—	—	—	—	—	—	—	—		
Toilet Facilities			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Solid Waste Infrastructure			—	—	—	—	—	—	—	—	—		
Landfill Sites			—	—	—	—	—	—	—	—	—		
Waste Transfer Stations			—	—	—	—	—	—	—	—	—		
Waste Processing Facilities			—	—	—	—	—	—	—	—	—		
Waste Drop-off Points			—	—	—	—	—	—	—	—	—		
Waste Separation Facilities			—	—	—	—	—	—	—	—	—		
Electricity Generation Facilities			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Rail Infrastructure			—	—	—	—	—	—	—	—	—		
Rail Lines			—	—	—	—	—	—	—	—	—		
Rail Structures			—	—	—	—	—	—	—	—	—		
Rail Furniture			—	—	—	—	—	—	—	—	—		
Drainage Collection			—	—	—	—	—	—	—	—	—		
Storm water Conveyance			—	—	—	—	—	—	—	—	—		
Attenuation			—	—	—	—	—	—	—	—	—		
MV Substations			—	—	—	—	—	—	—	—	—		
LV Networks			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Coastal Infrastructure			—	—	—	—	—	—	—	—	—		
Sand Pumps			—	—	—	—	—	—	—	—	—		
Piers			—	—	—	—	—	—	—	—	—		
Revetments			—	—	—	—	—	—	—	—	—		
Promenades			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Information and Communication Infrastructure			—	—	—	—	—	—	—	—	—		
Data Centres			—	—	—	—	—	—	—	—	—		
Core Layers			—	—	—	—	—	—	—	—	—		
Distribution Layers			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Community Assets			—	16 500	—	—	9 487	8 250	(1 237)	-15.0%	—		
Community Facilities			—	10 500	—	—	2 103	5 250	3 147	59.9%	—		
Halls			—	6 500	—	—	2 103	3 250	1 147	35.3%	—		
Centres			—	—	—	—	—	—	—	—	—		
Crèches			—	1 000	—	—	—	500	500	100.0%	—		
Clinics/Care Centres			—	—	—	—	—	—	—	—	—		
Fire/Ambulance Stations			—	3 000	—	—	—	1 500	1 500	100.0%	—		
Testing Stations			—	—	—	—	—	—	—	—	—		
Museums			—	—	—	—	—	—	—	—	—		
Galleries			—	—	—	—	—	—	—	—	—		
Theatres			—	—	—	—	—	—	—	—	—		
Libraries			—	—	—	—	—	—	—	—	—		
Cemeteries/Crematoria			—	—	—	—	—	—	—	—	—		
Police			—	—	—	—	—	—	—	—	—		
Parks			—	—	—	—	—	—	—	—	—		
Public Open Space			—	—	—	—	—	—	—	—	—		
Nature Reserves			—	—	—	—	—	—	—	—	—		
Public Ablution Facilities			—	—	—	—	—	—	—	—	—		
Markets			—	—	—	—	—	—	—	—	—		
Stalls			—	—	—	—	—	—	—	—	—		
Abattoirs			—	—	—	—	—	—	—	—	—		
Airports			—	—	—	—	—	—	—	—	—		
Taxi Ranks/Bus Terminals			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Sport and Recreation Facilities			—	6 000	—	—	7 384	3 000	(4 384)	-146.1%	—		
Indoor Facilities			—	6 000	—	—	7 384	3 000	(4 384)	-146.1%	—		
Outdoor Facilities			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Heritage assets			—	—	—	—	—	—	—	—	—		
Monuments			—	—	—	—	—	—	—	—	—		
Historic Buildings			—	—	—	—	—	—	—	—	—		
Works of Art			—	—	—	—	—	—	—	—	—		
Conservation Areas			—	—	—	—	—	—	—	—	—		
Other Heritage			—	—	—	—	—	—	—	—	—		
Investment properties			—	—	—	—	—	—	—	—	—		
Revenue Generating			—	—	—	—	—	—	—	—	—		
Improved Property			—	—	—	—	—	—	—	—	—		
Unimproved Property			—	—	—	—	—	—	—	—	—		
Non-revenue Generating			—	—	—	—	—	—	—	—	—		
Improved Property			—	—	—	—	—	—	—	—	—		
Unimproved Property			—	—	—	—	—	—	—	—	—		
Other assets			—	5 000	—	—	2 250	2 500	250	10.0%	—		
Operational Buildings			—	5 000	—	—	—	2 500	2 500	100.0%	—		
Municipal Offices			—	5 000	—	—	—	2 500	2 500	100.0%	—		
Pay/Enquiry Points			—	—	—	—	—	—	—	—	—		
Building Plan Offices			—	—	—	—	—	—	—	—	—		
Workshops			—	—	—	—	—	—	—	—	—		
Yards			—	—	—	—	—	—	—	—	—		
Stores			—	—	—	—	—	—	—	—	—		
Laboratories			—	—	—	—	—	—	—	—	—		
Training Centres			—	—	—	—	—	—	—	—	—		
Manufacturing Plant			—	—	—	—	—	—	—	—	—		
Depots			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	—	—	—	—	—		
Housing			—	—	—	—	2 250	—	(2 250)	#DIV/0!	—		
Staff Housing			—	—	—	—	—	—	—	—	—		
Social Housing			—	—	—	—	—	—	—	—	—		
Capital Spares			—	—	—	—	2 250	—	(2 250)	#DIV/0!	—		
Biological or Cultivated Assets			—	—	—	—	—	—	—	—	—		
Biological or Cultivated Assets			—	—	—	—	—	—	—	—	—		
Intangible Assets			—	—	—	—	—	—</					

KZN262 uPhongolo - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class -										
Description	Ref	2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2019/20 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on renewal of existing assets by Asset Class/Sub-class										
Infrastructure										
Roads Infrastructure										
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure										
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure										
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets										
Community Facilities										
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets										
Operational Buildings										
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Dépôts										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets										
Services										
Licences and Rights										
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment										
Computer Equipment										
Furniture and Office Equipment										
Furniture and Office Equipment										
Machinery and Equipment										
Machinery and Equipment										
Transport Assets										
Transport Assets										
Land										
Land										
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on renewal of existing assets	1									

KZN262 uPhongolo - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06										
Description	Ref	2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2019/20 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		—	8 813	—	—	—	4 407	4 407	100,0%	—
Roads Infrastructure		—	5 052	—	—	—	2 526	2 526	100,0%	—
Roads		—	5 052	—	—	—	2 526	2 526	100,0%	—
Road Structures		—	—	—	—	—	—	—	—	—
Road Furniture		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Storm water Infrastructure		—	1 072	—	—	—	536	536	100,0%	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	1 072	—	—	—	536	536	100,0%	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	2 689	—	—	—	1 344	1 344	100,0%	—
Power Plants		—	2 689	—	—	—	1 344	1 344	100,0%	—
HV Substations		—	—	—	—	—	—	—	—	—
HV Switching Station		—	—	—	—	—	—	—	—	—
HV Transmission Conductors		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
MV Switching Stations		—	—	—	—	—	—	—	—	—
MV Networks		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		—	—	—	—	—	—	—	—	—
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		—	—	—	—	—	—	—	—	—
Reservoirs		—	—	—	—	—	—	—	—	—
Pump Stations		—	—	—	—	—	—	—	—	—
Water Treatment Works		—	—	—	—	—	—	—	—	—
Bulk Mains		—	—	—	—	—	—	—	—	—
Distribution		—	—	—	—	—	—	—	—	—
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		—	—	—	—	—	—	—	—	—
Pump Station		—	—	—	—	—	—	—	—	—
Reticulation		—	—	—	—	—	—	—	—	—
Waste Water Treatment Works		—	—	—	—	—	—	—	—	—
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Waste Transfer Stations		—	—	—	—	—	—	—	—	—
Waste Processing Facilities		—	—	—	—	—	—	—	—	—
Waste Drop-off Points		—	—	—	—	—	—	—	—	—
Waste Separation Facilities		—	—	—	—	—	—	—	—	—
Electricity Generation Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Rail Structures		—	—	—	—	—	—	—	—	—
Rail Furniture		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Storm water Conveyance		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
MV Substations		—	—	—	—	—	—	—	—	—
LV Networks		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Piers		—	—	—	—	—	—	—	—	—
Revetments		—	—	—	—	—	—	—	—	—
Promenades		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
Core Layers		—	—	—	—	—	—	—	—	—
Distribution Layers		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		—	—	—	—	—	—	—	—	—
Community Facilities		—	—	—	—	—	—	—	—	—
Halls		—	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Toilet Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Parks		—	—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		—	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		—	—	—	—	—	—	—	—	—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Monuments		—	—	—	—	—	—	—	—	—
Historic Buildings		—	—	—	—	—	—	—	—	—
Works of Art		—	—	—	—	—	—	—	—	—
Conservation Areas		—	—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Other assets		—	2 035	—	—	—	1 018	1 018	100,0%	—
Operational Buildings		—	2 035	—	—	—	1 018	1 018	100,0%	—
Municipal Offices		—	2 035	—	—	—	1 018	1 018	100,0%	—
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—	—
Stores		—	—	—	—	—	—	—	—	—
Laboratories		—	—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		—	—	—	—	—	—	—	—	—
Serviceables		—	—	—	—	—	—	—	—	—
Licences and Rights		—	—	—	—	—	—	—	—	—
Water Rights		—	—	—	—	—	—	—	—	—
Effluent Licences		—	—	—	—	—	—	—	—	—
Solid Waste Licences		—	—	—	—	—	—	—	—	—
Computer Software and Applications		—	—	—	—	—	—	—	—	—
Local Settlement Software Applications		—	—	—	—	—	—	—	—	—
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		—	37	—	—	—	19	19	100,0%	—
Computer Equipment		—	37	—	—	—	19	19	100,0%	—
Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
Furniture and Office Equipment		—	—	—	—	—	—	—	—	—
Machinery and Equipment		—	181	—	—	—	91	91	100,0%	—
Machinery and Equipment		—	181	—	—	—	91	91	100,0%	—
Transport Assets		—	1 863	—	—	—	932	932	100,0%	—
Transport Assets		—	1 863	—	—	—	932	932	100,0%	—
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Total Repairs and Maintenance Expenditure	1	—	12 930	—	—	—	6 465	6 465	100,0%	—

KZN262 uPhongolo - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2019/20 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure										
Roads Infrastructure										
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure										
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure										
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets										
Community Facilities										
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets										
Operational Buildings										
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Dapots										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets										
Servitudes										
Licences and Rights										
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment										
Computer Equipment										
Furniture and Office Equipment										
Furniture and Office Equipment										
Machinery and Equipment										
Machinery and Equipment										
Transport Assets										
Transport Assets										
Land										
Land										
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals										
Total Depreciation	1									

KZN262 uPhongolo - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class -										
Description	Ref	2018/19 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2019/20 YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class										
Infrastructure										
Roads Infrastructure										
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure										
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure										
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains										
Distribution										
Distribution Points										
PRV Stations										
Capital Spares										
Sanitation Infrastructure										
Pump Station										
Reticulation										
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure										
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure										
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure										
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets										
Community Facilities										
Halls										
Centres										
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets										
Operational Buildings										
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets										
Servitudes										
Licences and Rights										
Water Rights										
Effluent Licences										
Solid Waste Licences										
Computer Software and Applications										
Load Settlement Software Applications										
Unspecified										
Computer Equipment										
Computer Equipment										
Furniture and Office Equipment										
Furniture and Office Equipment										
Machinery and Equipment										
Machinery and Equipment										
Transport Assets										
Transport Assets										
Land										
Land										
Zoo's, Marine and Non-biological Animals										
Zoo's, Marine and Non-biological Animals										
Total Capital Expenditure on upgrading of existing assets	1									

Annexure C

MUNICIPAL MANAGER'S QUALITY CERTIFICATION

uPhongolo Municipality

CERTIFICATION

QUALITY CERTIFICATE – December 2018

I, M W NXUMALO, the Municipal Manager of uPhongolo Municipality (KZN262) hereby confirm that:

(Mark as appropriate)

- ✓ the monthly budget statement
- ✓ quarterly report on the implementation of the budget and financial state of affairs of the municipality.
- ✓ mid-year budget and performance assessment

for the quarter ended 31 December 2018 has been prepared in accordance with the Municipal Finance Management Act and Regulations made under that Act.

.....
MR MW NXUMALO
(MUNICIPAL MANAGER)

.....
DATE