

**FINANCE COMMITTEE**

**REPORT TO FINANCE COMMITTEE ON SEC 71 REPORTS AS PER MFMA SEPTEMBER 2017**

**Date** : 04 October 2017

**Levels** : 1<sup>st</sup> Level: Finance Committee – 13 Oct 2017

**1. Author** : Budget Manager: MP

**2. PURPOSE**

Report to Finance Committee Sec 71 reports as per MFMA

**3. LEGAL / STATUTORY REQUIREMENTS**

Municipal Finance Management Act

**4. AUTHORITY**

Finance Committee

**5. BACKGROUND AND REASONING**

The Municipal Manager, as Accounting Officer of the Municipality, is required by Section 71(1) of the Municipal Finance Management Act to submit a report in a prescribed format to the Mayor within 10 working days after the end of each month on the state of the Municipality's budget.

This report is a summary of the main budget issues arising from the monitoring process. It compares the progress of the budget to the projections contained in the Service Delivery and Budget Implementation Plan (SDBIP). Section 54 of the MFMA requires the Mayor to consider the Section 71 report and take appropriate action to ensure that the approved budget is implemented in accordance with the SDBIP.

***Actual Revenue***

Actual revenue received as a percentage of total budgeted revenue is as follows

Rates	11%
Refuse	15%
Traffic fines	16%
Drivers Licences	16%

Licence Commission	18%
Interest	24%

**Actual Expenditure**

Electrification Expenditure	18%
Internal Funded	0%
Overall Capital Expenditure	12%
Operating Expenditure	14%

**Actual Borrowings**

There are no borrowings

**Debtors**

Debtors by customer group as at 30 September 2017 are as follows:

Government	8 475 167
Business	12 211 425
Household	9 065 107
Other	104

**29 751 803**

**Creditors**

We have managed to pay creditors within 30 days.

**6. STAFF IMPLICATIONS**

None

**7. FINANCIAL IMPLICATIONS**

None

**8. OTHER PARTIES CONSULTED**

Office of the Municipal Manager

**9. RECOMMENDATIONS:**

1. That the Finance Committee notes the Section 71 report as per MFMA- report September 2017

**Monthly Budget Monitoring Report – September 2017**

To The Mayor

In accordance with Section 71(1) of the Municipal Finance Management Act, I submit the required statement on the state of Ubuhlebezwe Municipality's budget reflecting the particulars up until the end of June 2017.

Section 54(1) of the MFMA requires the Mayor of a municipality to take certain actions on the receipt of this report to ensure that the approved budget is implemented in accordance with the projections contained in the Service Delivery and Budget Implementation Plan.

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**G.M. Sineke**  
**Municipal Manager**  
**September 2017**