



MAKANA
MUNICIPALITY | EASTERN CAPE
MASIPALA WASEMPUMAKOLONI
MUNISIPALITEIT | OOS-KAAP
...a great place to be

SECTION 71 REPORTS

February 2014

TABLE OF CONTENT

Legislative Framework.....	
Report to the Executive Mayor.....	
Recommendations.....	
Municipal Manager Quality Certificate.....	

Part 1- Executive Summary

- Introduction
- Consolidated Performance

Part 2 – Support Documentation

- Debtors Analysis
- Creditor's Analysis
- Allocation and grant receipt and Expenditure
- Capital Programme Performance

Legislative Framework

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including the local government sphere's ability to deliver basic services by facilitating improved financial sustainability and better medium term planning and policy choices on service delivery.

This report has been prepared in terms of the following framework:

- The Municipal Finance Management Act- No.56 of 2003, Section 71 and
- The Municipal Budget and Reporting Regulations

The objective of these Regulations is to secure sound financial management of the budgeting and reporting practices by establishing uniform norms and standards and other requirements for ensuring transparency, accountability and appropriate lines of responsibility.

Report to the Executive Mayor

In accordance with Section 71(1) of the MFMA, the Municipal Manager is required to submit statement on the status of Makana Municipality's budget reflecting the particulars up until the end of February 2014.

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 projects contained in the SDBIP.

Recommendations

- The content of this report and supporting documentation for February 2014 is noted.
- It be noted that the Directors ensure that the budget is implemented in accordance with the SDBIP projections and in accordance with the approved budget.
- It be noted that any material variances will receive remedial or corrective steps.

.....
M. Planga
Acting Municipal Manager

Date.....

QUALITY CERTIFICATE

I, Mandisi Planga, Acting Municipal Manager of Makana Municipality, hereby certify that –

- ✓ The monthly budget statement
- Quarterly report on the implementation of the budget and financial state affairs of the municipality
- Mid- year budget and performance assessment

For the month of February 2014 has been prepared in accordance with the MFMA and regulations made under the Act.

Mandisi Planga
Acting Municipal Manager of Makana Municipality EC104

Signature


Date.....

NATIONAL TREASURY (NT)						
MONTHLY REPORT - FINANCE MANAGEMENT GRANT (FMG) - DIVISION OF REVENUE ACT (DoRA)						
<small>Note - Must be submitted to 012 315 5230 & emailed to fmg@treasury.gov.za. The municipality is required to confirm receipt by calling 012 395 6541/6506/6542 or 012 315 5145/5322 012 395 6506/6542</small>						
<small>Note - Fields highlighted in yellow should be completed. Other fields are automated and reserved for comments. The Municipality is required to provide comments and supporting documentation where necessary.</small>						
Name of Municipality	EC104 Makana					
Financial Year	2013/14					
Month	M08 February					
Section A: Previous Financial Year						
Financial Management Grant Received and Expenditure Incurred	2012/13	Rand	Comment			
Total FMG received		1 500 000.00				
Total FMG expenditure		1 500 000.00				
FMG unspent		0.00	Note - If funds committed, provide supporting documentation by 15 August			
FMG unspent and returned to the National Revenue Fund		0.00				
Total FMG unspent at end of financial year		0.00	Note - This should be monies approved by NT as rollover			
Section B: Current Financial Year						
2013/14		Rand	Comment			
Financial Management Grant Received and Expenditure Incurred						
Total FMG received for current financial year	1 550 000.00					
Total unspent FMG approved for rollover (Refer to Section A: A15)	0.00					
Total FMG received	1 550 000.00					
Total spent year-to-date (See last month's return - Section B: A31)	886 068.25					
Total spending this month	23 856.47					
- Interns Salary and Training	16 357.70					
- Training in support of Minimum Competency Regulations	7 498.77					
- Towards Budget and Treasury Office (BTO) capacity	0.00					
- Towards SCAM Internal Audit (IA)/Audit Committee capacity	0.00					
- Acquisition, Upgrading and Maintenance of Financial Systems	0.00					
- Preparation of compilation of Financial Statements	0.00					
- Towards implementing corrective actions to address audit findings	0.00					
- Preparation of Implementation of Financial Recovery Plans	0.00					
Total FMG spent	909 924.72					
Percentage spent	58.70					
Total FMG unspent for current financial year	640 075.28					
Note - AQ/MM must return any unspent FMG allocations not approved for rollover, to the National Revenue Fund						
Section C: (Current Financial Year)						
Municipality is required to compile and submit the MFMA Support Plan to the National Treasury by 15th June, prior to the commencement of the new financial year and any amendments thereafter, within 30 days						
Performance Information: Institutional	Yes/No	Number	CFO Acting Yes/No	Name of CFO		
Appointment of appropriately skilled CFO consistent with the competency regulations	Yes		Yes	Marius Crouse		
Appointment of appropriately skilled Senior Financial Managers in the BTO	No	0				
Appointment of appropriately skilled Internal Audit personnel	Yes	1				
Number of interns appointed		3				
Section D: (Current Financial Year)						
Performance Information: Outputs	Audit Outcome (2011/12)	Audit Outcome (2012/13)	Audit Action Plan Implemented (Yes/No)	Number of Items on Audit Action Plan completed	Number of Items outstanding this month	Planned completion date
Audit Outcome achieved	Disclaimer					
Audit Action Plan implemented			No	0	0	
Internal Audit Unit (IA) and Audit Committees (AC)	Yes/No	Shared Outsourced Co-Sourced Inhouse	No of Resolutions and recommendations	Number Implemented	Number Outstanding	
Internal Audit Unit established	Yes	Shared				
Audit Committee established	Yes	Shared				
Resolutions and recommendations of IA			0	0	0	
Resolutions and recommendations of AC			0	0	0	
Reporting on Key MFMA Activities	YES	NO				
Budget - Key activities for the month completed	YES		Refer to the budget timetable and the budget process			
In-year reporting - Key activities for the month completed	YES		Refer to financial & non-financial inform. for publishing			
Financial Statements - Key activities for the month completed	NO		Preparation of Trial Balance and all Accounts Reconcile			
Annual Report - Key activities for the month completed	NO		Consolidation of financial & non-financial inform. completed			
Confirmation & Authorization from the Accounting Officer & Chief Financial Officer or Delegatee Name of the Chief Financial Officer - <u>M. Crouse</u> Signature - <u>[Signature]</u> Date - <u>11/3/14</u> Name of the Accounting Officer - <u>M. Venter</u> Signature - <u>[Signature]</u> Date - <u>11/05/2014</u>						

**Neighbourhood Development Partnership Grant (NDPG)
Monthly Report as per the Division of Revenue Act**

The onus is on the municipality to confirm that the return has been received by NT

Municipality

EC104 Makana

Financial Year 2013/14

Month End M08 Feb

Financial Accounting for Grant Funds Received and Expended

	Rand
Received Prior Periods (Since Inception) - See Last Months Form	5 841 000
Received This Month	0
Total NDPG Funds Received	5 841 000
Spent Prior Periods (Since Inception) - See Last Months Form	5 702 189
Spent This Month	0
Total NDPG Funds Spent	5 702 189
Total NDPG funds Received and Not Spent	138 811
Percentage of Funds Spent	97.62%
Funds Currently Committed but Not Spent	138 811
Schedule Transfers Withheld	

Conditions:

- The receiving officer must submit a milestone payment schedule with budgets and time frames for project implementation.
- Obtain a council resolution striving to achieve measurable outputs

(Print Name Below)

I, **MANDISA RANGA**

and that this report has been submitted electronically as required.

, The Accounting Officer or Delegate certify that the above information is correct

Signed

To Save file press the following keys at the same time with Caps Lock off: Ctrl Shift S
Save file as: Muncde_NDPG_ccyy_Mnn.XLS (e.g. GT411_NDPG_2009_M01.xls)
Muncde = Municipality Code, ccyy = Financial Year End, Mnn = M01... M12

Dated

27/02/2014

**Energy Efficiency and Demand Side Management Grant (EEDG)
Monthly Report as per the Division of Revenue Act**

The onus is on the municipality to confirm that the return has been received by NT

Municipality **EC104 Makana**

Financial Year	2013/14
Month End	M08 Feb

Financial Accounting for Grant Funds Received and Expended

	Rand
Received Prior Periods (Since Inception) - See Last Months Form	0
Received This Month	0
Total EEDG Funds Received	0
Spent Prior Periods (Since Inception) - See Last Months Form	0
Spent This Month	0
Total EEDG Funds Spent	0
Total EEDG funds Received and Not Spent	0
Percentage of Funds Spent	0.00%
Funds Currently Committed but Not Spent	0
Scheduled Transfers Withheld	

Conditions:

- Implementation of labour intensive methods in accordance with Expanded Public Works Programme (EPWP) guidelines on EEDSM projects

I, **MANOISI VLAKOTA** (Print Name Below)
and that this report has been submitted electronically as required.

, The Accounting Officer or Delegate certify that the above information is correct

Signature:

Dated

11/08/2014

To Save file press the following keys at the same time with Caps Lock off: Ctrl Shift S
Save file as: **Muncde_EEDG_ccyy_Mnn.XLS** (e.g. GT411_EEDG_2009_M01.xls)
Muncde = Municipality Code, ccyy = Financial Year End, Mnn = M01... M12

**Municipal Infrastructure Grant (MIG)
Monthly Report as per the Division of Revenue Act**

The onus is on the municipality to confirm that the return has been received by NT

Municipality **EC104 Makana**

Financial Year	2013/14
Month End	M08 Feb

Financial Accounting for Grant Funds Received and Expended

	Rand
Received: Prior Periods (Since Inception) - See Last Months Form	17 467 000
Received: This Month	0
Total MIG Funds Received	17 467 000
Spent: Prior Periods (Since Inception) - See Last Months Form	6 190 417
Spent: This Month	1 019 877
Total MIG Funds Spent	7 210 294
Total MIG Funds Received and Not Spent	10 256 706
Percentage of Funds Spent	41.28%
Funds Currently Committed but Not Spent	10 256 706
Scheduled Transfers Withheld	

Conditions:

-Prioritise residential infrastructure for water, sanitation, refuse removal, street lighting, solid waste, connector and bulk infrastructure, and other municipal infrastructure like roads, in line with the MIG policy framework and/or other government sector policies established before the start of the municipal financial year.

-Compliance with Chapter 5 of the Municipal Systems Act (200). Infrastructure investment and delivery must be based on an Integrated Development Plan that provides a medium to long-term framework for sustainable human settlements and is in accordance with the principles of the national Spatial Development Perspective.

-Municipalities must adhere to the labour-intensive construction methods in terms of the Expanded Public Works Programme (EPWP) guidelines.

-Compliance with the Division of Revenue Act, including additional reporting requirements on spending and projects as approved by National Treasury.

(Print Name Below)

I, *Thabang R. Mokoena*
and that this report has been submitted electronically as required.

, The Accounting Officer or Delegate certify that the above information is correct

Signed

Dated

11/08/2014

To Save File press the following keys at the same time with Caps Lock off: Ctrl Shift S
Save file as: *Muncde_MIG_ccyy_Mnn.XLS* (e.g. *GT411_MIG_2009_M01.xls*)
Muncde = Municipality Code, ccyy = Financial Year End, Mnn = M01... M12

**Municipal Systems Improvement Programme Grant (MSIG)
Monthly Report as per the Division of Revenue Act**

The onus is on the municipality to confirm that the return has been received by NT

Municipality EC104 Makana

Financial Year	2013/14
Month End	M08 Feb

Financial Accounting for Grant Funds Received and Expended

	Rand
Received Prior Periods (Since Inception) - See Last Months Form	890 000
Received This Month	0
Total MSIG Funds Received	890 000
Spent Prior Periods (Since Inception) - See Last Months Form	715 502
Spent This Month	3 495
Total MSIG Funds Spent	718 997
Total MSIG Funds Received and Not Spent	171 003
Percentage of Funds Spent	80.79%
Funds Currently Committed but Not Spent	171 003
Scheduled transfers Withheld	0

Conditions:

- Submission of signed (only Municipal Manager) activity plan in a prescribed format with detailed budget and time frames on the implementation of prioritised measurable outputs.
- Submission of monthly expenditure reports by the 10th of every month and in accordance with the Division of Revenue Act.

(Print Name Below)

I, MANOIS KUNICA
and that this report has been submitted electronically as required.

, The Accounting Officer or Delegate certify that the above information is correct

Signed

To Save File, press the following keys at the same time with Caps Lock off: Ctrl Shift S
Save file as: update_MSIG_ccyy_Mnn.XLS (e.g. GT411_MSIG_2009_M01.xls)
Muncde = Municipality Code, ccyy = Financial Year End, Mnn = M01... M12

Dated

11/08/2014

**Expanded Public Works Programme Integrated Grant (PWPG)
Monthly Report as per the Division of Revenue Act**

The onus is on the municipality to confirm that the return has been received by NT

Municipality **EC104 Makana**

Financial Year	2013/14
Month End	M08 Feb

Financial Accounting for Grant Funds Received and Expended

	Rand
Received Prior Periods (Since Inception) - See Last Months Form	700 000
Received This Month	300 000
Total PWPG Funds Received	1 000 000
Spent Prior Periods (Since Inception) - See Last Months Form	448 838
Spent This Month	141 912
Total PWPG Funds Spent	590 750
Total PWPG Funds Received and Not Spent	409 250
Percentage of Funds Spent	59.08%
Funds Currently Committed but Not Spent	409 250
Scheduled Transfers Withheld	0

Conditions

(Print Name Below)

I, M. M. M. M.,
and that this report has been submitted electronically as required.

, The Accounting Officer or Delegate certify that the above information is correct

Signed

Dated

11/08/2014

To Save File press the following keys at the same time with Caps Lock off: Ctrl Shift S
Save file as: Muncde_PWPG_ccyy_Mnn.XLS (e.g. GT000_PWPG_2013_M01.xls)
Muncde = Municipality Code, ccyy = Financial Year End, Mnn = M01... M12

Part 2: Reasons for variance

Reasons for variance	
1	Community Based Planning – R3 495
2	Automotive PMS System –
3	Upgrading Financial System –

Part 3: Progress Information

List of Projects	Amount Budgeted	Progress Details	Remedial Measures if no Progress
Community Base Planning	R290 000	In progress	
Automotive PMS System	R100 000	In progress	
Legal Compliance	R500 000	In progress	

Part 4: Signature



CFO Signature



Name & Surname

11/03/2014

Date (dd / mm / yyyy)