

**FINANCE COMMITTEE**

**REPORT TO FINANCE COMMITTEE ON SEC 71 REPORTS AS PER MFMA – July 2023**

**Date** : 05 August 2023

**Levels** : 1<sup>st</sup> Level: Finance Committee – 11 August 2023

**1. Author** : CFO

**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 billed as a percentage of total budgeted revenue is as follows.

Rates	8%
Refuse	8%
Traffic fines	8%
Drivers Licences	14%
Licence Commission	8%
Interest on Investment	13%

***Actual Expenditure***

Electrification Expenditure	2%
Internal Funded	0.11%
Overall Capital Expenditure	7%
Operating Expenditure	6%

***Actual Borrowings***

There are no borrowings.

**Creditors**

We have managed to pay creditors within 30 days as per the legislation.

**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 July 2023

## **Monthly Budget Monitoring Report – July 2023**

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 July 2023.

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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**M.E Mkhize**  
**Municipal Manager**  
**11 August 2023**