



**BUDGET IMPLEMENTATION FOR SECOND QUARTER
ENDING 31 DECEMBER 2020**

MFMA S52(d) REPORT

2020/2021 FINANCIAL YEAR



**ZULULAND DISTRICT MUNICIPALITY
UMKHANDLU WESIFUNDA SASE ZULULAND**

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GLOSSARY

Adjustment Budgets – it is the formal means by which a municipality may revise its budget during a financial year. Prescribed in section 28 of the Municipal Finance Management Act.

Allocations— money received from Provincial or National Government or other municipalities.

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

Budget related policy – policy of a municipality affecting or affected by the budget.

Capital Expenditure – spending on municipal assets such as land, buildings, distribution networks, treatment plants and vehicles. Any capital expenditure must be reflected as an asset on a municipality's balance sheet.

Cash Flow Statements – a statement showing when actual cash will be received and spent by the municipality, and the month end balances of cash and short term investments. Cash receipts and payments do not always coincide with budgeted income and expenditure timings.

CFO – Chief Financial Officer

DORA – Division of Revenue Act. An annual legislation indicating the allocations from National Government and Provincial Government

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

Equitable Share – a general grant paid to municipalities. It is predominantly targeted to assist with free basic services.

FMG – Financial Management Grant

Fruitless and wasteful expenditure – expenditure that was made in vain and would have been avoided had reasonable care been exercised

GRAP – Generally Recognised Accounting Practice. The new standard for municipal accounting and basis upon which AFS are prepared

MSCOA – Municipal Standard Chart of Accounts

IDP –Integrated Development Plan. The main strategic planning document of a municipality

KPI – Key Performance Indicators. Measures of service output and/or outcome

LED – Local Economic Development

MFMA – Municipal Finance Management Act (No. 53 of 2003). The principal piece of legislation relating to municipal finance management

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

MTREF – Medium Term Revenue and Expenditure Framework as prescribed by the MFMA sets out indicative revenue and projected expenditure for the budget year plus two outer financial years to determine the affordability level. Also includes details of the previous three years and current years' financial position.

MWIG – Municipal Water Infrastructure Grant

Operating Expenditure – spending on the day to day expenses of a municipality such as general expenses, salaries & wages, and repairs & maintenance

R & M – Repairs and Maintenance

SCM - Supply Chain Management

SSBIP – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget statements

Strategic Objectives - the main priorities of a municipality as set out in the IDP Budget spending must contribute towards achievement of these strategic objectives

Unauthorised Expenditure – generally spending without or in excess of an approved budget

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1 MAYORS REPORT

1.2 COUNCIL RESOLUTION

The 2nd quarter review be noted.

1.3 EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

The Summary Statement of Financial Performance 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

| | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL |
|---|--------------------|--------------------|--------------------|
| Total Revenue By Source (Excluding Capital Transfers) | 573 928 445 | 635 351 445 | 253 915 574 |
| Total Operating Expenditure | 563 862 195 | 615 985 195 | 324 940 299 |
| Surplus/(Deficit) | 10 066 250 | 19 366 250 | -71 024 725 |

Total operating revenue generated by the Municipality as at 31 December 2020 is **R253 million** which is **40%** of the adjusted operating budget, this amount largely comprises of equitable share and operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Operating revenue is explained by source in Section 1.4 Operating Revenue Performance.

The Municipality is largely dependent on government grants for operating, service charges revenue recognized is only **R15.2 million**, which is **6%** of the total generated operating revenue.

Total Operating Expenditure as at 31 December 2020 is **R324 million** which is **53%** of the adjusted operating budget. Operating expenditure is explained by source in Section 1.5 Operating Expenditure Performance.

Variances between year to date actual and year to date budget are highlighted in Section 1.4 Operating Revenue Performance and 1.5 Operating Expenditure Performance.

Major Variances on Revenue are on Service charges, this due to the fact that there are no meters and most consumers are billed on estimate rather than actual. The municipality has set aside a budget of **R3 million** for the procurement of meters and in addition to that, the Municipality is in a process to secure additional funding for the procurement of meters.

Major variances on expenditure are on contracted services and Other expenditure, this is due to accelerated expenditure in; water provision through water tankers; security services; and Eskom (bulk electricity) which have spent more than 50% of the allocated budget. Some expenditure items

are once off and seasonal, which may indicate high expenditure in the first half of the financial year and lower in the second half of the financial year.

The Mid-year and performance assessment will recommend adjustment on major cost drivers so that expenditure falls within limits of the approved budget.

The Financial Performance indicate a deficit of **R71 million**, this means the Municipality was unable to generate enough revenue to cover expenses as at 31 December 2020.

The Municipality will ensure that stringent measures are taken to generate sufficient revenues to cover expenses as they are incurred.

IN-YEAR BUDGET STATEMENT TABLES

The financial results for the month ended **31 December 2020** are attached, consisting of the prescribed tables:

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

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

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

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

Table C5 reflects the capital Program 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 reflects the performance to date in relation to the financial position of the municipality.

Table C7 indicates the cash flow position and cash/cash equivalent outcome.

1.4 OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
| | | 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 | | | | | | | | - | | |
| Service charges - electricity revenue | | | | | | | | - | | |
| Service charges - water revenue | | 27 255 | 41 368 | 41 368 | 2 931 | 15 232 | 20 684 | (5 452) | -26% | 41 368 |
| Service charges - sanitation revenue | | 10 457 | 11 140 | 11 140 | 892 | 5 058 | 5 570 | (512) | -9% | 11 140 |
| Service charges - refuse revenue | | | | | | | | - | | |
| Rental of facilities and equipment | | 159 | 200 | 200 | 15 | 73 | 100 | (27) | -27% | 200 |
| Interest earned - external investments | | 4 760 | 5 000 | 5 000 | 39 | 1 704 | 2 500 | (796) | -32% | 5 000 |
| Interest earned - outstanding debtors | | 27 | - | - | 6 | 22 | - | 22 | #DIV/0! | - |
| Dividends received | | | | | | | | - | | |
| Fines, penalties and forfeits | | 4 | 100 | 100 | 9 | 11 | 50 | (39) | -78% | 100 |
| Licences and permits | | - | - | - | - | 10 | - | 10 | #DIV/0! | - |
| Agency services | | | | | | | | - | | |
| Transfers and subsidies | | 485 800 | 515 221 | 576 644 | - | 231 630 | 282 180 | (50 550) | -18% | 576 644 |
| Other revenue | | 1 045 | 900 | 900 | 140 | 177 | 450 | (273) | -61% | 900 |
| Gains | | - | - | - | - | - | - | - | | - |
| Total Revenue (excluding capital transfers and contributions) | | 529 507 | 573 928 | 635 351 | 4 031 | 253 916 | 311 533 | (57 618) | -18% | 635 351 |

The year-to-date actual indicates operating revenue of **R 253 million** for six months. The total revenue to-date represents 40% of the operational budget. Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

The sources of funding are important to ensure that the expenditure is actually funded and cash backed. Each line item on the face of financial performance is explained below:

Service charges – Water revenue

Service charges – Water revenue is amounts billed on customers for water used, the year-to-date actual is **R15.2 million**, which is below year-to-date budget of **R20.6 million**. An unfavourable variance of **R5.4 million** is observed.

Service charges – Sanitation revenue

Service charges – Sanitation revenue is amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R5.05 million** which is slightly below year to budget of **R5.5 million**. An unfavourable variance of **R512 thousand** is observed.

Rent of facilities

Rental of facilities is amounts billed to WSSA, Avis and Waphatha Group for office space used. The year-to-date actual is **R73 thousand** which is below year-to-date budget of **R100 thousand**. An unfavourable variance of **R27 thousand** is observed.

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments. The year-to-date actual is **R1.7 million**, which is below year-to-date budget of **R2.5 million**. An unfavourable variance of **R796 thousand** is observed.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears, budgeted amount will be estimated in the adjustment budget.

Fines, penalties and forfeits

Fines, penalties and forfeits are mainly amounts charged on illegal connections, the year-to-date actual is **R10 thousand**, the year-to-date budget is **R50 thousand**. An unfavourable variance of **R39 thousand** is observed. There was over budgeting of fines, penalties and forfeits, mid-year and performance assessment will recommend adjustment to be done on the adjustment budget.

Transfers and subsidies

Transfers and subsidies (grants) include amounts gazetted as per Division of Revenue act (DoRA), 2020, Transfers and subsidies is revenue recognized as operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Transfers and subsidies (Grants) are recognised/recorded as revenue when condition has been met, except for equitable share, which is not a conditional grant.

Transfers and subsidies recognised as revenue year to date actual is **R253 million**, which is below year-to-date budget of **R311 million**.

Other revenue

Other revenue includes amounts for tender fees and any other revenue the Municipality may be entitled to receive, the year-to-date actual is **R177 thousand**, which is below year-to-date budget of **R450 thousand**. An unfavorable variance of **R273 thousand** is observed.

1.5 OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---------------------------------|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|---------------|----------------|--------------------|
| | | 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 | | 219 973 | 223 466 | 225 466 | 18 957 | 113 025 | 112 534 | 491 | 0% | 225 466 |
| Remuneration of councillors | | 8 372 | 8 350 | 8 350 | 699 | 4 278 | 4 175 | 102 | 2% | 8 350 |
| Debt impairment | | 11 751 | 11 000 | 14 723 | — | — | 6 989 | (6 989) | -100% | 14 723 |
| Depreciation & asset impairment | | 77 826 | 62 886 | 62 886 | — | 26 202 | 31 443 | (5 240) | -17% | 62 886 |
| Finance charges | | — | — | — | — | — | — | — | — | — |
| Bulk purchases | | 18 981 | 23 552 | 23 552 | 4 171 | 11 083 | 11 469 | (386) | -3% | 23 552 |
| Other materials | | 14 685 | 8 590 | 7 325 | 2 082 | 4 512 | 3 764 | 747 | 20% | 7 325 |
| Contracted services | | 245 654 | 139 217 | 171 774 | 26 136 | 110 263 | 79 628 | 30 636 | 38% | 171 774 |
| Transfers and subsidies | | 6 401 | 10 852 | 13 251 | 1 741 | 8 282 | 6 386 | 1 896 | 30% | 13 251 |
| Other expenditure | | 102 673 | 75 949 | 88 783 | 9 704 | 47 296 | 42 859 | 4 437 | 10% | 88 783 |
| Losses | | 37 | — | — | — | — | — | — | — | — |
| Total Expenditure | | 706 354 | 563 862 | 616 110 | 63 489 | 324 940 | 299 247 | 25 694 | 9% | 616 110 |

The year-to-date actual indicates spending of **R324 million** for six months. The total expenditure to date represents **53%** of the operational budget.

Employee Related Costs

Employee related costs year to date actual is **R113 million**, the year-to-date budget is **R112 million**, an unfavorable variance of **R491 thousand** is observed.

Remuneration of Councillors

Remuneration of Councillors year to date actual is **R4.2 million**, the year-to-date budget is **R4.1 million**, an unfavorable variance of **R102 thousand** is observed.

Debt impairment

This is the provision for doubtful debts as a result of a non-collection. No provision for doubtful debts has been recorded, Assessment and provision for bad debts is done at year end.

Depreciation

This is non-cash item budgeted for as per the stipulation of the accounting standards. The year to date actual is **R26.2 million**. The year-to-date budget is **R31.4 million**. A favorable variance of **R5.2 million** is observed.

Bulk purchases

Bulk purchases water from the Department of Water and Sanitation and other independent water producers. The year-to-date actual is **R11 million**, the year-to-date budget is **R11.4 million**, a

favorable variance of **R386 thousand** is observed. Bulk water purchases expenditure is based on amount/volume of water extracted for purification.

Other Materials

Other materials year to date actual is **R4.5 million**, the year-to-date budget is **R3.7 million**, an unfavourable variance of **R747 thousand** is observed

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R110 million** which is above year to date budget of **R79.6 million**, an unfavourable variance of **R30.6 million** is observed. (This can be seen as an indication of possible unauthorised expenditure at year end)

Transfers and subsidies paid

Transfers and subsidies year to date actual is **R8.2 million**, the year-to-date budget is **R6.3 million**, an unfavourable variance of **R1.8 million** is observed.

Other expenditure

Other expenditure year to date actual is **R47.2 million**, the year-to-date budget is **R42.8 million**, an unfavourable variance of **R4.4 million** is observed.

Operating Grants Expenditure Performance

Operating grants are allocated and spent as per Division of Revenue Act requirements

| CONDITIONAL OPERATING GRANTS EXPENDITURE | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL |
|---|------------------------|------------------------|-------------------|
| Finance Management | 1 200 000 | 1 200 000 | 364 933 |
| EPWP Incentive | 9 261 000 | 9 261 000 | 4 982 624 |
| Art centre Subsisies (Indonsa Grant) | 1 911 000 | 1 911 000 | 197 001 |
| Total Operating Grant Expenditure | 12 372 000 | 12 372 000 | 5 544 558 |

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | 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 | | | | | | | | - | | |
| Service charges - electricity revenue | | | | | | | | - | | |
| Service charges - water revenue | | 27 255 | 41 368 | 41 368 | 1 521 | 12 301 | 17 237 | (4 936) | -29% | 41 368 |
| Service charges - sanitation revenue | | 10 457 | 11 140 | 11 140 | 927 | 4 166 | 4 642 | (476) | -10% | 11 140 |
| Service charges - refuse revenue | | | | | | | | - | | |
| Rental of facilities and equipment | | 159 | 200 | 200 | 15 | 59 | 83 | (25) | -30% | 200 |
| Interest earned - external investments | | 4 760 | 5 000 | 5 000 | 50 | 1 665 | 2 083 | (419) | -20% | 5 000 |
| Interest earned - outstanding debtors | | 27 | - | - | 5 | 16 | - | 16 | #DIV/0! | - |
| Dividends received | | | | | | | | - | | |
| Fines, penalties and forfeits | | 4 | 100 | 100 | 2 | 2 | 42 | (39) | -94% | 100 |
| Licences and permits | | - | - | - | - | 10 | - | 10 | #DIV/0! | - |
| Agency services | | | | | | | | - | | |
| Transfers and subsidies | | 485 800 | 515 221 | 576 644 | 1 832 | 231 630 | 233 102 | (1 473) | -1% | 576 644 |
| Other revenue | | 1 045 | 900 | 900 | 29 | 37 | 375 | (338) | -90% | 900 |
| Gains | | - | - | - | - | - | - | - | | - |
| Total Revenue (excluding capital transfers and contributions) | | 529 507 | 573 928 | 635 351 | 4 381 | 249 885 | 257 564 | (7 679) | -3% | 635 351 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 219 973 | 223 466 | 225 466 | 20 034 | 94 068 | 93 711 | 356 | 0% | 225 466 |
| Remuneration of councillors | | 8 372 | 8 350 | 8 350 | 717 | 3 579 | 3 479 | 100 | 3% | 8 350 |
| Debt impairment | | 11 751 | 11 000 | 14 723 | - | - | 5 700 | (5 700) | -100% | 14 723 |
| Depreciation & asset impairment | | 77 826 | 62 886 | 62 886 | 10 481 | 26 202 | 26 202 | - | | 62 886 |
| Finance charges | | - | - | - | - | - | - | - | | - |
| Bulk purchases | | 18 981 | 23 552 | 23 552 | 1 398 | 6 911 | 9 455 | (2 543) | -27% | 23 552 |
| Other materials | | 14 685 | 8 590 | 7 700 | - | 2 430 | 3 171 | (741) | -23% | 7 700 |
| Contracted services | | 245 654 | 139 217 | 168 326 | 26 703 | 84 127 | 64 270 | 19 857 | 31% | 168 326 |
| Transfers and subsidies | | 6 401 | 10 852 | 13 202 | 993 | 6 541 | 5 242 | 1 299 | 25% | 13 202 |
| Other expenditure | | 102 673 | 75 949 | 91 780 | 6 042 | 37 592 | 35 205 | 2 387 | 7% | 91 780 |
| Losses | | 37 | - | - | - | - | - | - | | - |
| Total Expenditure | | 706 354 | 563 862 | 615 985 | 66 368 | 261 451 | 246 436 | 15 015 | 6% | 615 985 |
| Surplus/(Deficit) | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | (176 847) | 10 066 | 19 366 | (61 986) | (11 566) | 11 128 | (22 694) | (0) | 19 366 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | 491 852 | 444 068 | 444 068 | 229 301 | 229 301 | 185 028 | 44 273 | 0 | 444 068 |
| Transfers and subsidies - capital (in-kind - all) | | 8 360 | - | - | - | - | - | - | | - |
| Surplus/(Deficit) after capital transfers & contributions | | 323 365 | 454 134 | 463 434 | 167 315 | 217 735 | 196 156 | | | 463 434 |
| Taxation | | - | - | - | - | - | - | - | | - |
| Surplus/(Deficit) after taxation | | 323 365 | 454 134 | 463 434 | 167 315 | 217 735 | 196 156 | | | 463 434 |
| Attributable to minorities | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | 323 365 | 454 134 | 463 434 | 167 315 | 217 735 | 196 156 | | | 463 434 |
| Share of surplus/ (deficit) of associate | | | | | | | | | | |
| Surplus/ (Deficit) for the year | | 323 365 | 454 134 | 463 434 | 167 315 | 217 735 | 196 156 | | | 463 434 |

1.6 CAPITAL EXPENDITURE AND FUNDING

The Capital Expenditure Report reflected has been prepared on the basis of the format required by National Treasury, and is categorized by municipal vote. The capital expenditure is funded from the following sources:

- Government Grants
- Internally Generated Funds

The summary report indicates the following: -

| | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL |
|---------------------------|--------------------|--------------------|-------------|
| Total Capital Expenditure | 454 134 250 | 465 134 250 | 251 269 890 |
| Total Capital Financing | 454 134 250 | 465 134 250 | 251 269 890 |

The capital expenditure amounts to **R 204 million** which is 44 % of the capital budget, after a period of five months.

| CAPITAL EXPENDITURE BY SOURCE | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL |
|--|--------------------|--------------------|--------------------|
| Municipal Infrastructure Grant (MIG) | 223 984 000 | 223 984 000 | 142 639 798 |
| Regional Bulk Infrastructure (RBIG) | 100 000 000 | 100 000 000 | 58 206 533 |
| Water services infrastructure Grant (WSIG) | 105 500 000 | 105 500 000 | 49 590 042 |
| Rural Roads Asset Managemnt Systems Grant | 2 383 000 | 2 383 000 | |
| Sports Infrastructure Grant | 5 588 000 | 5 588 000 | |
| KwaMajomela Manufacturing | 6 613 000 | 6 613 000 | |
| Indonsa Grant | 974 000 | 974 000 | 201 200 |
| Other Assets | 9 092 250 | 20 092 250 | 632 318 |
| Total Operating Expenditure | 454 134 250 | 465 134 250 | 251 269 890 |

Capital Grant Expenditure as per MFMA circular no. 58

In terms of Circular No.58 conditional/capital grants must be reported VAT inclusive, below Grants expenditure is VAT inclusive.

| CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58) | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL |
|---|--------------------|--------------------|--------------------|
| Municipal Infrastructure Grant (MIG) | 223 984 000 | 223 984 000 | 162 988 273 |
| Regional Bulk Infrastructure (RBIG) | 100 000 000 | 100 000 000 | 66 837 250 |
| Water services infrastructure Grant (WSIG) | 105 500 000 | 105 500 000 | 56 685 366 |
| Rural Roads Asset Managemnt Systems Grant | 2 383 000 | 2 383 000 | |
| Sports Infrastructure Grant | 5 588 000 | 5 588 000 | |
| KwaMajomela Manufacturing | 6 613 000 | 6 613 000 | |
| Total Capital Grant Expenditure | 444 068 000 | 444 068 000 | 286 510 888 |

MIG is sitting at 73%, **RBIG** at 67%, **WSIG** at 54% and **RAMS** at 0%

Capital budget summary

| DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| Vote Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Total Capital Expenditure | | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 1 241 | 14 530 | 21 735 | – | 632 | 10 242 | (9 609) | -94% | 21 735 |
| Executive and council | | – | – | 3 500 | – | – | 1 400 | (1 400) | -100% | 3 500 |
| Finance and administration | | 1 241 | 14 530 | 18 235 | – | 632 | 8 842 | (8 209) | -93% | 18 235 |
| Internal audit | | – | – | – | – | – | – | – | – | – |
| Community and public safety | | – | 974 | 847 | 195 | 201 | 443 | (241) | -55% | 847 |
| Community and social services | | – | 974 | 847 | 195 | 201 | 443 | (241) | -55% | 847 |
| Sport and recreation | | – | – | – | – | – | – | – | – | – |
| Public safety | | – | – | – | – | – | – | – | – | – |
| Housing | | – | – | – | – | – | – | – | – | – |
| Health | | – | – | – | – | – | – | – | – | – |
| Economic and environmental services | | – | 8 996 | 7 823 | – | – | 4 087 | (4 087) | -100% | 7 823 |
| Planning and development | | – | 8 996 | 7 823 | – | – | 4 087 | (4 087) | -100% | 7 823 |
| Road transport | | – | – | – | – | – | – | – | – | – |
| Environmental protection | | – | – | – | – | – | – | – | – | – |
| Trading services | | 417 624 | 429 484 | 375 364 | 46 744 | 250 436 | 195 895 | 54 541 | 28% | 375 364 |
| Energy sources | | – | – | – | – | – | – | – | – | – |
| Water management | | 417 624 | 429 484 | 375 364 | 46 744 | 250 436 | 195 895 | 54 541 | 28% | 375 364 |
| Waste water management | | – | – | – | – | – | – | – | – | – |
| Waste management | | – | – | – | – | – | – | – | – | – |
| Other | | – | 150 | 130 | – | – | 68 | (68) | -100% | 130 |
| Total Capital Expenditure - Functional Classification | 3 | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Funded by: | | | | | | | | | | |
| National Government | | 407 237 | 431 867 | 375 537 | 46 744 | 250 436 | 196 218 | 54 219 | 28% | 375 537 |
| Provincial Government | | 8 360 | 13 175 | 11 457 | 195 | 201 | 5 986 | (5 785) | -97% | 11 457 |
| District Municipality | | – | – | – | – | – | – | – | – | – |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | | – | – | – | – | – | – | – | – | – |
| Transfers recognised - capital | | 415 596 | 445 042 | 386 993 | 46 939 | 250 638 | 202 204 | 48 434 | 24% | 386 993 |
| Borrowing | 6 | – | – | – | – | – | – | – | – | – |
| Internally generated funds | | 3 269 | 9 092 | 18 906 | – | 632 | 8 531 | (7 899) | -93% | 18 906 |
| Total Capital Funding | | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |

1.7 IN-YEAR BUDGET TABLES

The following part of in-year reporting presented below focuses on monthly budget statement tables as required in terms of regulation 31 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's 2020/2021 budget, actual financial performance, actual capital expenditure, actual financial position, and actual cashflow as implemented by the Accounting officer in terms of S62 of the MFMA.

Below are tables as per Schedule C for **November 2020**.

Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M06 December

| Description | 2019/20 | Budget Year 2020/21 | | | | | | | |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | – | – | – | – | – | – | – | | – |
| Service charges | 37 712 | 52 507 | 52 507 | 3 823 | 20 290 | 26 254 | (5 964) | -23% | 52 507 |
| Investment revenue | 4 760 | 5 000 | 5 000 | 39 | 1 704 | 2 500 | (796) | -32% | 5 000 |
| Transfers and subsidies | 485 800 | 515 221 | 576 644 | – | 231 630 | 282 180 | (50 550) | -18% | 576 644 |
| Other own revenue | 1 236 | 1 200 | 1 200 | 169 | 293 | 600 | (307) | -51% | 1 200 |
| Total Revenue (excluding capital transfers and contributions) | 529 507 | 573 928 | 635 351 | 4 031 | 253 916 | 311 533 | (57 618) | -18% | 635 351 |
| Employee costs | 219 973 | 223 466 | 225 466 | 18 957 | 113 025 | 112 534 | 491 | 0% | 225 466 |
| Remuneration of Councillors | 8 372 | 8 350 | 8 350 | 699 | 4 278 | 4 175 | 102 | 2% | 8 350 |
| Depreciation & asset impairment | 77 826 | 62 886 | 62 886 | – | 26 202 | 31 443 | (5 240) | -17% | 62 886 |
| Finance charges | – | – | – | – | – | – | – | | – |
| Materials and bulk purchases | 33 666 | 32 142 | 30 877 | 6 253 | 15 595 | 15 233 | 361 | 2% | 30 877 |
| Transfers and subsidies | 6 401 | 10 852 | 13 251 | 1 741 | 8 282 | 6 386 | 1 896 | 30% | 13 251 |
| Other expenditure | 360 116 | 226 166 | 275 280 | 35 840 | 157 559 | 129 476 | 28 083 | 22% | 275 280 |
| Total Expenditure | 706 354 | 563 862 | 616 110 | 63 489 | 324 940 | 299 247 | 25 694 | 9% | 616 110 |
| Surplus/(Deficit) | (176 847) | 10 066 | 19 241 | (59 459) | (71 025) | 12 287 | (83 311) | -678% | 19 241 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 491 852 | 444 068 | 444 068 | – | 229 301 | 222 034 | 7 267 | 3% | 444 068 |
| 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) | 8 360 | – | – | – | – | – | – | | – |
| Surplus/(Deficit) after capital transfers & contributions | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | (76 045) | -32% | 463 309 |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | | – |
| Surplus/ (Deficit) for the year | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | (76 045) | -32% | 463 309 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Capital transfers recognised | 415 596 | 445 042 | 386 993 | 46 939 | 250 638 | 202 204 | 48 434 | 24% | 386 993 |
| Borrowing | – | – | – | – | – | – | – | | – |
| Internally generated funds | 3 269 | 9 092 | 18 906 | – | 632 | 8 531 | (7 899) | -93% | 18 906 |
| Total sources of capital funds | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Financial position | | | | | | | | | |
| Total current assets | 106 612 | 117 837 | 187 261 | | 234 941 | | | | 187 261 |
| Total non current assets | 3 937 998 | 4 624 242 | 4 576 007 | | 4 163 066 | | | | 4 576 007 |
| Total current liabilities | 216 914 | 138 612 | 214 612 | | 412 034 | | | | 214 612 |
| Total non current liabilities | 55 198 | 45 000 | 45 000 | | 55 198 | | | | 45 000 |
| Community wealth/Equity | 3 577 492 | 4 564 843 | 4 499 033 | | 3 735 266 | | | | 4 499 033 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | – | 528 285 | 518 265 | 236 213 | 634 868 | 259 133 | (375 735) | -145% | 518 265 |
| Net cash from (used) investing | – | (439 834) | (450 834) | (46 939) | (251 270) | (225 417) | 25 853 | -11% | (450 834) |
| Net cash from (used) financing | (3 612) | (3 612) | (3 612) | (301) | (301) | (1 806) | (1 505) | 83% | (3 612) |
| Cash/cash equivalents at the month/year end | 8 866 | 111 291 | 76 932 | – | 395 587 | 31 910 | (363 677) | -1140% | 63 819 |
| 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 |
| Debtors Age Analysis | | | | | | | | | |
| Total By Income Source | 8 079 | 3 850 | 3 778 | 9 530 | 4 997 | 2 254 | 10 857 | 101 722 | 145 068 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 1 690 | 3 628 | 3 769 | 14 694 | – | – | – | – | 23 780 |

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|----------|------------------|---------------------|------------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
| | | 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> | | 471 993 | 515 837 | 577 260 | 202 | 228 612 | 282 488 | (53 876) | -19% | 577 260 |
| Executive and council | | - | - | - | - | - | - | - | - | - |
| Finance and administration | | 471 993 | 515 837 | 577 260 | 202 | 228 612 | 282 488 | (53 876) | -19% | 577 260 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 2 507 | 1 911 | 1 911 | - | 10 | 956 | (946) | -99% | 1 911 |
| Community and social services | | 2 507 | 1 911 | 1 911 | - | - | 956 | (956) | -100% | 1 911 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | 10 | - | 10 | #DIV/0! | - |
| <i>Economic and environmental services</i> | | 9 054 | 8 996 | 8 996 | - | - | 4 498 | (4 498) | -100% | 8 996 |
| Planning and development | | 9 054 | 8 996 | 8 996 | - | - | 4 498 | (4 498) | -100% | 8 996 |
| Road transport | | - | - | - | - | - | - | - | - | - |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 546 165 | 491 252 | 491 252 | 3 829 | 254 595 | 245 626 | 8 968 | 4% | 491 252 |
| Energy sources | | - | - | - | - | - | - | - | - | - |
| Water management | | 535 708 | 480 113 | 480 113 | 2 937 | 249 537 | 240 056 | 9 480 | 4% | 480 113 |
| Waste water management | | 10 457 | 11 140 | 11 140 | 892 | 5 058 | 5 570 | (512) | -9% | 11 140 |
| Waste management | | - | - | - | - | - | - | - | - | - |
| <i>Other</i> | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 1 029 719 | 1 017 996 | 1 079 419 | 4 031 | 483 216 | 533 567 | (50 351) | -9% | 1 079 419 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 213 844 | 247 966 | 273 852 | 17 478 | 119 518 | 133 187 | (13 670) | -10% | 273 852 |
| Executive and council | | 40 055 | 36 873 | 42 492 | 4 476 | 24 890 | 20 576 | 4 315 | 21% | 42 492 |
| Finance and administration | | 173 789 | 211 093 | 231 360 | 13 002 | 94 627 | 112 612 | (17 984) | -16% | 231 360 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 18 249 | 22 844 | 22 969 | 2 566 | 8 975 | 11 391 | (2 416) | -21% | 22 969 |
| Community and social services | | 7 397 | 11 158 | 11 283 | 1 636 | 3 517 | 5 557 | (2 039) | -37% | 11 283 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | 10 852 | 11 686 | 11 686 | 931 | 5 457 | 5 834 | (377) | -6% | 11 686 |
| <i>Economic and environmental services</i> | | 25 798 | 20 502 | 21 512 | 1 812 | 9 824 | 10 443 | (619) | -6% | 21 512 |
| Planning and development | | 25 798 | 20 502 | 21 512 | 1 812 | 9 824 | 10 443 | (619) | -6% | 21 512 |
| Road transport | | - | - | - | - | - | - | - | - | - |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 440 701 | 264 596 | 289 123 | 40 939 | 182 908 | 140 096 | 42 812 | 31% | 289 123 |
| Energy sources | | (655) | - | - | - | - | - | - | - | - |
| Water management | | 437 731 | 260 968 | 285 495 | 40 622 | 181 117 | 138 282 | 42 835 | 31% | 285 495 |
| Waste water management | | 3 625 | 3 628 | 3 628 | 317 | 1 791 | 1 814 | (23) | -1% | 3 628 |
| Waste management | | - | - | - | - | - | - | - | - | - |
| <i>Other</i> | | 7 762 | 7 954 | 8 654 | 694 | 3 715 | 4 129 | (414) | -10% | 8 654 |
| Total Expenditure - Functional | 3 | 706 354 | 563 862 | 616 110 | 63 489 | 324 940 | 299 247 | 25 694 | 9% | 616 110 |
| Surplus (Deficit) for the year | | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | (76 045) | -32% | 463 309 |

MBRR Table C2 – Monthly Budget Statement Financial Performance (revenue and expenditure by functional classification)

Table C2 is a view of the actual financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then

classified in terms of each of these functional and the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table C4.

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

| Vote Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|--|-----|------------------|---------------------|------------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
| | | 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 01 - Council | | – | – | – | – | – | – | – | | – |
| Vote 02 - Corporate Services | | 942 | 400 | 400 | – | – | 200 | (200) | -100.0% | 400 |
| Vote 03 - Finance | | 471 647 | 509 849 | 571 272 | 202 | 228 612 | 279 494 | (50 882) | -18.2% | 571 272 |
| Vote 04 - Community Development | | 1 911 | 14 112 | 14 112 | – | 10 | 7 056 | (7 046) | -99.9% | 14 112 |
| Vote 05 - Planning & Wsa | | 507 220 | 441 128 | 441 128 | – | 234 284 | 220 564 | 13 720 | 6.2% | 441 128 |
| Vote 06 - Technical Services | | – | – | – | – | – | – | – | | – |
| Vote 07 - Water Purification | | – | – | – | – | – | – | – | | – |
| Vote 08 - Water Distribution | | 37 542 | 41 368 | 41 368 | 2 937 | 15 253 | 20 684 | (5 431) | -26.3% | 41 368 |
| Vote 09 - Waste Water | | 10 457 | 11 140 | 11 140 | 892 | 5 058 | 5 570 | (512) | -9.2% | 11 140 |
| Vote 10 - . | | – | – | – | – | – | – | – | | – |
| Vote 11 - . | | – | – | – | – | – | – | – | | – |
| Vote 12 - . | | – | – | – | – | – | – | – | | – |
| Vote 13 - . | | – | – | – | – | – | – | – | | – |
| Vote 14 - * | | – | – | – | – | – | – | – | | – |
| Vote 15 - Other | | – | – | – | – | – | – | – | | – |
| Total Revenue by Vote | 2 | 1 029 719 | 1 017 996 | 1 079 419 | 4 031 | 483 216 | 533 567 | (50 351) | -9.4% | 1 079 419 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 01 - Council | | 40 055 | 36 873 | 42 492 | 4 476 | 24 890 | 20 576 | 4 315 | 21.0% | 42 492 |
| Vote 02 - Corporate Services | | 96 963 | 76 116 | 89 437 | 9 673 | 46 699 | 42 682 | 4 016 | 9.4% | 89 437 |
| Vote 03 - Finance | | 76 225 | 132 382 | 137 549 | 2 761 | 46 634 | 67 917 | (21 283) | -31.3% | 137 549 |
| Vote 04 - Community Development | | 35 330 | 42 919 | 45 522 | 4 555 | 18 647 | 22 250 | (3 602) | -16.2% | 45 522 |
| Vote 05 - Planning & Wsa | | 38 981 | 29 958 | 30 968 | 1 253 | 5 589 | 15 211 | (9 622) | -63.3% | 30 968 |
| Vote 06 - Technical Services | | 7 894 | 1 926 | 1 926 | 188 | 1 401 | 962 | 439 | 45.7% | 1 926 |
| Vote 07 - Water Purification | | 47 289 | 37 554 | 37 554 | 4 667 | 26 468 | 18 753 | 7 714 | 41.1% | 37 554 |
| Vote 08 - Water Distribution | | 360 647 | 202 507 | 227 034 | 35 600 | 152 822 | 109 083 | 43 739 | 40.1% | 227 034 |
| Vote 09 - Waste Water | | 3 625 | 3 628 | 3 628 | 317 | 1 791 | 1 814 | (23) | -1.2% | 3 628 |
| Vote 10 - . | | – | – | – | – | – | – | – | | – |
| Vote 11 - . | | – | – | – | – | – | – | – | | – |
| Vote 12 - . | | – | – | – | – | – | – | – | | – |
| Vote 13 - . | | (655) | – | – | – | – | – | – | | – |
| Vote 14 - * | | – | – | – | – | – | – | – | | – |
| Vote 15 - Other | | – | – | – | – | – | – | – | | – |
| Total Expenditure by Vote | 2 | 706 354 | 563 862 | 616 110 | 63 489 | 324 940 | 299 247 | 25 694 | 8.6% | 616 110 |
| Surplus/ (Deficit) for the year | 2 | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | (76 045) | -32.5% | 463 309 |

MBRR Table C3 - Monthly Budget Statement Financial Performance (revenue and expenditure by municipal vote)

Table C3 is a view of the actual financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | 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 | | | | | | | | - | | |
| Service charges - electricity revenue | | | | | | | | - | | |
| Service charges - water revenue | | 27 255 | 41 368 | 41 368 | 2 931 | 15 232 | 20 684 | (5 452) | -26% | 41 368 |
| Service charges - sanitation revenue | | 10 457 | 11 140 | 11 140 | 892 | 5 058 | 5 570 | (512) | -9% | 11 140 |
| Service charges - refuse revenue | | | | | | | | - | | |
| Rental of facilities and equipment | | 159 | 200 | 200 | 15 | 73 | 100 | (27) | -27% | 200 |
| Interest earned - external investments | | 4 760 | 5 000 | 5 000 | 39 | 1 704 | 2 500 | (796) | -32% | 5 000 |
| Interest earned - outstanding debtors | | 27 | - | - | 6 | 22 | - | 22 | #DIV/0! | - |
| Dividends received | | | | | | | | - | | |
| Fines, penalties and forfeits | | 4 | 100 | 100 | 9 | 11 | 50 | (39) | -78% | 100 |
| Licences and permits | | - | - | - | - | 10 | - | 10 | #DIV/0! | - |
| Agency services | | | | | | | | - | | |
| Transfers and subsidies | | 485 800 | 515 221 | 576 644 | - | 231 630 | 282 180 | (50 550) | -18% | 576 644 |
| Other revenue | | 1 045 | 900 | 900 | 140 | 177 | 450 | (273) | -61% | 900 |
| Gains | | - | - | - | - | - | - | - | | - |
| Total Revenue (excluding capital transfers and contributions) | | 529 507 | 573 928 | 635 351 | 4 031 | 253 916 | 311 533 | (57 618) | -18% | 635 351 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 219 973 | 223 466 | 225 466 | 18 957 | 113 025 | 112 534 | 491 | 0% | 225 466 |
| Remuneration of councillors | | 8 372 | 8 350 | 8 350 | 699 | 4 278 | 4 175 | 102 | 2% | 8 350 |
| Debt impairment | | 11 751 | 11 000 | 14 723 | - | - | 6 989 | (6 989) | -100% | 14 723 |
| Depreciation & asset impairment | | 77 826 | 62 886 | 62 886 | - | 26 202 | 31 443 | (5 240) | -17% | 62 886 |
| Finance charges | | - | - | - | - | - | - | - | | - |
| Bulk purchases | | 18 981 | 23 552 | 23 552 | 4 171 | 11 083 | 11 469 | (386) | -3% | 23 552 |
| Other materials | | 14 685 | 8 590 | 7 325 | 2 082 | 4 512 | 3 764 | 747 | 20% | 7 325 |
| Contracted services | | 245 654 | 139 217 | 171 774 | 26 136 | 110 263 | 79 628 | 30 636 | 38% | 171 774 |
| Transfers and subsidies | | 6 401 | 10 852 | 13 251 | 1 741 | 8 282 | 6 386 | 1 896 | 30% | 13 251 |
| Other expenditure | | 102 673 | 75 949 | 88 783 | 9 704 | 47 296 | 42 859 | 4 437 | 10% | 88 783 |
| Losses | | 37 | - | - | - | - | - | - | | - |
| Total Expenditure | | 706 354 | 563 862 | 616 110 | 63 489 | 324 940 | 299 247 | 25 694 | 9% | 616 110 |
| Surplus/(Deficit) | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | (176 847) | 10 066 | 19 241 | (59 459) | (71 025) | 12 287 | (83 311) | (0) | 19 241 |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) | | 491 852 | 444 068 | 444 068 | - | 229 301 | 222 034 | 7 267 | 0 | 444 068 |
| Transfers and subsidies - capital (in-kind - all) | | 8 360 | - | - | - | - | - | - | | - |
| Surplus/(Deficit) after capital transfers & contributions | | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | | | 463 309 |
| Taxation | | - | - | - | - | - | - | - | | - |
| Surplus/(Deficit) after taxation | | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | | | 463 309 |
| Attributable to minorities | | | | | | | | | | |
| Surplus/(Deficit) attributable to municipality | | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | | | 463 309 |
| Share of surplus/ (deficit) of associate | | | | | | | | | | |
| Surplus/ (Deficit) for the year | | 323 365 | 454 134 | 463 309 | (59 459) | 158 276 | 234 321 | | | 463 309 |

MBRR Table C4 - Monthly Budget Statement Financial Performance (revenue and expenditure by source)

Table C4 indicates the actual revenue and expenditure by source, and the calculated surplus which will be used to fund Capital Expenditure on table C5.

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

| Vote Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|------------|-----------------|---------------------|-----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 01 - Council | | - | - | - | - | - | - | - | - | - |
| Vote 02 - Corporate Services | | - | - | - | - | - | - | - | - | - |
| Vote 03 - Finance | | - | - | - | - | - | - | - | - | - |
| Vote 04 - Community Development | | - | - | - | - | - | - | - | - | - |
| Vote 05 - Planning & Wsa | | - | - | - | - | - | - | - | - | - |
| Vote 06 - Technical Services | | - | - | - | - | - | - | - | - | - |
| Vote 07 - Water Purification | | - | - | - | - | - | - | - | - | - |
| Vote 08 - Water Distribution | | - | - | - | - | - | - | - | - | - |
| Vote 09 - Waste Water | | - | - | - | - | - | - | - | - | - |
| Vote 10 - . | | - | - | - | - | - | - | - | - | - |
| Vote 11 - . | | - | - | - | - | - | - | - | - | - |
| Vote 12 - . | | - | - | - | - | - | - | - | - | - |
| Vote 13 - . | | - | - | - | - | - | - | - | - | - |
| Vote 14 - * | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - |
| Total Capital Multi-year expenditure | 4,7 | - | - | - | - | - | - | - | - | - |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 01 - Council | | - | - | 3 500 | - | - | 1 400 | (1 400) | -100% | 3 500 |
| Vote 02 - Corporate Services | | 556 | 7 870 | 7 443 | - | 97 | 3 816 | (3 718) | -97% | 7 443 |
| Vote 03 - Finance | | 686 | 1 222 | 6 063 | - | 535 | 2 555 | (2 020) | -79% | 6 063 |
| Vote 04 - Community Development | | - | 13 175 | 11 457 | 195 | 201 | 5 986 | (5 785) | -97% | 11 457 |
| Vote 05 - Planning & Wsa | | 409 264 | 431 867 | 375 537 | 46 744 | 250 436 | 196 218 | 54 219 | 28% | 375 537 |
| Vote 06 - Technical Services | | - | - | - | - | - | - | - | - | - |
| Vote 07 - Water Purification | | - | - | - | - | - | - | - | - | - |
| Vote 08 - Water Distribution | | 8 360 | - | 1 900 | - | - | 760 | (760) | -100% | 1 900 |
| Vote 09 - Waste Water | | - | - | - | - | - | - | - | - | - |
| Vote 10 - . | | - | - | - | - | - | - | - | - | - |
| Vote 11 - . | | - | - | - | - | - | - | - | - | - |
| Vote 12 - . | | - | - | - | - | - | - | - | - | - |
| Vote 13 - . | | - | - | - | - | - | - | - | - | - |
| Vote 14 - * | | - | - | - | - | - | - | - | - | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | - | - |
| Total Capital single-year expenditure | 4 | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Total Capital Expenditure | | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 1 241 | 14 530 | 21 735 | - | 632 | 10 242 | (9 609) | -94% | 21 735 |
| Executive and council | | - | - | 3 500 | - | - | 1 400 | (1 400) | -100% | 3 500 |
| Finance and administration | | 1 241 | 14 530 | 18 235 | - | 632 | 8 842 | (8 209) | -93% | 18 235 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | - | 974 | 847 | 195 | 201 | 443 | (241) | -55% | 847 |
| Community and social services | | - | 974 | 847 | 195 | 201 | 443 | (241) | -55% | 847 |
| Sport and recreation | | - | - | - | - | - | - | - | - | - |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | - | 8 996 | 7 823 | - | - | 4 087 | (4 087) | -100% | 7 823 |
| Planning and development | | - | 8 996 | 7 823 | - | - | 4 087 | (4 087) | -100% | 7 823 |
| Road transport | | - | - | - | - | - | - | - | - | - |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 417 624 | 429 484 | 375 364 | 46 744 | 250 436 | 195 895 | 54 541 | 28% | 375 364 |
| Energy sources | | - | - | - | - | - | - | - | - | - |
| Water management | | 417 624 | 429 484 | 375 364 | 46 744 | 250 436 | 195 895 | 54 541 | 28% | 375 364 |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - |
| Other | | - | 150 | 130 | - | - | 68 | (68) | -100% | 130 |
| Total Capital Expenditure - Functional Classification | 3 | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |
| Funded by: | | | | | | | | | | |
| National Government | | 407 237 | 431 867 | 375 537 | 46 744 | 250 436 | 196 218 | 54 219 | 28% | 375 537 |
| Provincial Government | | 8 360 | 13 175 | 11 457 | 195 | 201 | 5 986 | (5 785) | -97% | 11 457 |
| District Municipality | | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) | | - | - | - | - | - | - | - | - | - |
| Transfers recognised - capital | | 415 596 | 445 042 | 386 993 | 46 939 | 250 638 | 202 204 | 48 434 | 24% | 386 993 |
| Borrowing | 6 | - | - | - | - | - | - | - | - | - |
| Internally generated funds | | 3 269 | 9 092 | 18 906 | - | 632 | 8 531 | (7 899) | -93% | 18 906 |
| Total Capital Funding | | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | 40 535 | 19% | 405 899 |

MBRR Table C5 - Monthly Budget Statement Capital Expenditure by vote, functional classification and funding source

Table C5 indicates Actual capital Expenditure by Municipal Vote and functional classification, the budgeted amount is funded from grants and own funds, the funding is taken from table B4 surplus.

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | |
|--|-----|------------------|---------------------|------------------|------------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| <u>ASSETS</u> | | | | | | |
| Current assets | | | | | | |
| Cash | | 12 290 | 66 967 | 66 156 | 105 965 | 66 156 |
| Call investment deposits | | – | – | – | – | – |
| Consumer debtors | | 60 931 | 35 404 | 35 404 | 75 684 | 35 404 |
| Other debtors | | 28 890 | 11 467 | 81 702 | 47 412 | 81 702 |
| Current portion of long-term receivables | | – | – | – | – | – |
| Inventory | | 4 501 | 4 000 | 4 000 | 5 880 | 4 000 |
| Total current assets | | 106 612 | 117 837 | 187 261 | 234 941 | 187 261 |
| Non current assets | | | | | | |
| Long-term receivables | | – | 14 300 | 14 300 | – | 14 300 |
| Investments | | – | – | – | – | – |
| Investment property | | | | | | |
| Investments in Associate | | | | | | |
| Property, plant and equipment | | 3 937 983 | 4 608 942 | 4 557 118 | 4 163 051 | 4 557 118 |
| Biological | | | | | | |
| Intangible | | 15 | 1 000 | 1 090 | 15 | 1 090 |
| Other non-current assets | | – | – | 3 500 | – | 3 500 |
| Total non current assets | | 3 937 998 | 4 624 242 | 4 576 007 | 4 163 066 | 4 576 007 |
| TOTAL ASSETS | | 4 044 610 | 4 742 079 | 4 763 268 | 4 398 006 | 4 763 268 |
| <u>LIABILITIES</u> | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | – | – | – | – | – |
| Borrowing | | – | – | – | – | – |
| Consumer deposits | | 3 612 | 3 612 | 3 612 | 3 619 | 3 612 |
| Trade and other payables | | 202 428 | 120 000 | 211 000 | 397 540 | 211 000 |
| Provisions | | 10 874 | 15 000 | – | 10 874 | – |
| Total current liabilities | | 216 914 | 138 612 | 214 612 | 412 034 | 214 612 |
| Non current liabilities | | | | | | |
| Borrowing | | – | – | – | – | – |
| Provisions | | 55 198 | 45 000 | 45 000 | 55 198 | 45 000 |
| Total non current liabilities | | 55 198 | 45 000 | 45 000 | 55 198 | 45 000 |
| TOTAL LIABILITIES | | 272 112 | 183 612 | 259 612 | 467 231 | 259 612 |
| NET ASSETS | 2 | 3 772 499 | 4 558 467 | 4 503 656 | 3 930 775 | 4 503 656 |
| <u>COMMUNITY WEALTH/EQUITY</u> | | | | | | |
| Accumulated Surplus/(Deficit) | | 3 577 492 | 4 564 843 | 4 499 033 | 3 735 266 | 4 499 033 |
| Reserves | | – | – | – | – | – |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 3 577 492 | 4 564 843 | 4 499 033 | 3 735 266 | 4 499 033 |

MBRR Table C6 - Monthly Budget Statement Financial Position

Table A6 is consistent with international standards of good financial management practice, and improves the understanding ability of councillors and management of the impact of the budget on the statement of financial position (balance sheet).

This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth.

CURRENT ASSETS

Cash

Cashbook balance as at 31 December 2020 **R105 million**.

Call Investments Deposits

The Municipality has Investments amounting to **R100 million**

Consumer debtors

Consumer debtors include debtors from water and sanitation services, the current balance as at 30 November 2020 is **R75.6 million**

| | |
|------------------------------------|----------------------|
| Water Debtors | R30.6 million |
| Sanitation Debtors | R6.7 million |
| Eskom Deposits | R14.7 million |
| Department of Water and Sanitation | R16.7 million |
| Other Consumer debtors | R6.8 million |
| Total | R75.6 million |

Water Debtors

Net Water debtors after considering provision for bad debts amount to **R30.6 million**. Water debtors are amounts owed by consumers for water services billed.

Sanitation Debtors

Net Sanitation debtors after considering provision for bad debts amount to **R6.7 million**. Sanitation debtors are amounts owed by consumers for sewer services billed.

Eskom Deposits

Eskom deposits amounting to **R14.7 million**, Eskom Security deposits are amounts paid when the Municipality opens a new electricity account with Eskom.

Department of Water and Sanitation

Department of Water and sanitation debtor amounts to **R16.7 million**, A large portion of this amount arises from the previous agreement to pay **R700 thousand** per month to settle the historic liability which is currently under court review

Other Consumer debtors

Other consumer debtors amount to **R6.8 million**, these are sundry debtors.

Other debtors

Other debtors amount to **R34 million**, Other debtors consist of VAT Receivable.

Inventory

The current level of inventory is **R5.8 million**.

Non-Current Assets

Long term receivables

The long-term receivables budgeted amount consist of Eskom account Deposits of **R14.3 million** by the end of the financial year. As the Municipalities infrastructure program continues, new connections are made and municipality pays security deposits to Eskom, the actual balance of Eskom deposits is mapped under Consumer debtors.

Property plant and equipment

Property plant and equipment includes capital acquisition from table C5, and the carrying amount of all asset owned by the municipality, Capital acquisition as per table C5 is **R251 million**, which are additions to property plant and equipment.

Intangible

The budget of intangible assets is for the acquisition software's and the biometric scanner, current balance of intangible assets is **R15 000**.

CURRENT AND NON-CURRENT LIABILITIES

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance as at 31 December 2020 is **R 3.6 million**

Trade and other payables

Trade and other payables are amounts owed by the municipality to service providers. Trade and other payables as at 31 December 2020 are **R397.5 million**.

| | |
|----------------------------|---------------|
| Retention | R46.7 million |
| Trade Creditors | R25.5 million |
| Unspent Conditional Grants | R325 million |

Non-current Provisions

Non-current Provisions amounts to **R55.1 million**, this provision is for employee benefit provision, leave provision and bonus provision.

| | |
|------------------|---------------|
| Employee benefit | R36.9 million |
| Leave provision | R14.1 million |
| Bonus provision | R4.1 million |

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R 3.7 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | 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 | | | | | | | | - | | |
| Service charges | | - | - | 26 130 | 1 235 | 11 109 | 13 065 | (1 956) | -15% | 26 130 |
| Other revenue | | - | 128 130 | - | 99 976 | 664 185 | - | 664 185 | #DIV/0! | - |
| Transfers and Subsidies - Operational | | - | 515 221 | 576 644 | 212 278 | 446 243 | 288 322 | 157 921 | 55% | 576 644 |
| Transfers and Subsidies - Capital | | - | 444 068 | 444 068 | 50 000 | 336 518 | 222 034 | 114 484 | 52% | 444 068 |
| Interest | | - | 5 000 | 5 000 | 39 | 88 | 2 500 | (2 412) | -96% | 5 000 |
| Dividends | | | | | | | | - | | |
| Payments | | | | | | | | | | |
| Suppliers and employees | | - | (564 134) | (519 725) | (127 315) | (823 276) | (259 862) | 563 413 | -217% | (519 725) |
| Finance charges | | | | | | | | - | | |
| Transfers and Grants | | - | - | (13 852) | - | - | (6 926) | (6 926) | 100% | (13 852) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | - | 528 285 | 518 265 | 236 213 | 634 868 | 259 133 | (375 735) | -145% | 518 265 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | | | | | | | - | | |
| Decrease (increase) in non-current receivables | | - | 14 300 | 14 300 | - | - | 7 150 | (7 150) | -100% | 14 300 |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | | - |
| Payments | | | | | | | | | | |
| Capital assets | | - | (454 134) | (465 134) | (46 939) | (251 270) | (232 567) | 18 703 | -8% | (465 134) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | - | (439 834) | (450 834) | (46 939) | (251 270) | (225 417) | 25 853 | -11% | (450 834) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | | | | | | | - | | |
| Borrowing long term/refinancing | | | | | | | | - | | |
| Increase (decrease) in consumer deposits | | (3 612) | (3 612) | (3 612) | (301) | (301) | (1 806) | 1 505 | -83% | (3 612) |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | | | | | | | - | | |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (3 612) | (3 612) | (3 612) | (301) | (301) | (1 806) | (1 505) | 83% | (3 612) |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (3 612) | 84 838 | 63 819 | 188 973 | 383 297 | 31 910 | | | 63 819 |
| Cash/cash equivalents at beginning: | | 12 478 | 26 452 | 13 113 | | 12 290 | | | | |
| Cash/cash equivalents at month/year end: | | 8 866 | 111 291 | 76 932 | | 395 587 | 31 910 | | | 63 819 |

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

The budgeted cash flow statement is the first measurement in determining if the budget is funded and whether commitments and obligations can be met.

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R26 million** on service charges, the estimated collection amount is based on the 50% collection rate. The collection rate is based on previous years actual collection. The Municipality has collected **R11.1 million** from July 2020 – December 2020, which is 43% of the budgeted collection.

The municipality has also taken the following initiatives to boost collection rate:

- The municipality is not only collecting the current billing but also the debtors from previous financial years.
- The municipality has a revised revenue enhancement strategy
- The municipality has an external debt collector to assist with the collection
- The Municipality is in a process to install new meters to ensure billing is accurate and not estimated.
- Municipality has adopted an indigent policy, and is in a process to finalize indigent register

Other Revenue

Other revenue includes receipts from tender fees, hall hiring, fines and forfeits, and office space rental receipts. The population of other is higher than expected, correction will happen in the next reporting period.

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational are **R446.2 million**.

| | |
|-------------------------------|-----------------|
| Equitable share | R 438.5 million |
| Finance Management Grant | R1.2 million |
| Expanded public works program | R6.48 million |

Transfers and subsidies – Capital

Transfers and subsidies - Capital are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received as scheduled, Transfers and subsidies Capital are **R336.5 million**.

| | |
|-------------------------------------|---------------|
| Municipal Infrastructure Grant | R200 million |
| Regional Bulk Infrastructure Grant | R61 million |
| Water services Infrastructure grant | R73.8 million |
| Rural Road asset Management grant | R1.68 million |

Interest

Interest on investment is budgeted at **R 5 million**, this estimate is based on previous year interest income, the interest includes interest on investments made and interest on bank balance. Interest is **R88 thousand** and has not populated correctly and will be corrected in the next reporting period. Interest on table C4 is **R1.6 million**.

Payments - Suppliers and employees

The municipality is expecting to spend 100% of what has been budgeted on Table C4, but excluding non-cash items such as depreciation and debt impairment. The municipality has made payment to suppliers and employees of **R823 million**. This amount includes 2019-20 year-end creditors payments of **R130 million**, which is the main reason the 2020-2021 budget is unfunded.

Transfers and grants paid

Transfers and grants payments are currently mapping on payments to suppliers and employees.

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure is **R251.2 million**, the capital expenditure has also been included under payments to suppliers and employees, MFMA MSCOA circular number 11 issued 04 December 2020 addresses the duplication. Updates will reflect in the next reporting period.

Cash and cash equivalents at the end

Cash and cash equivalents is the cash available at the end of the reporting period after all expenses have been paid.

PART 2 – SUPPORTING DOCUMENTATION

2.1 DEBTORS ANALYSIS

Debtors age analysis as at 30 November 2020

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

| Description | NT Code | Budget Year 2020/21 | | | | | | | | | | | | 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 | 6 539 | 3 027 | 9 007 | 4 434 | 1 731 | 2 395 | 6 942 | 73 183 | 107 258 | 88 685 | | | | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | | | | | | | | - | - | - | | | | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | | | | | | | | - | - | - | | | | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | 1 599 | 796 | 602 | 590 | 535 | 524 | 2 894 | 26 691 | 34 232 | 31 235 | | | | |
| Receivables from Exchange Transactions - Waste Management | 1600 | | | | | | | | - | - | - | | | | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | | | | | | | | - | - | - | | | | |
| Interest on Arrear Debtor Accounts | 1810 | 9 | 3 | 2 | 2 | 2 | 3 | 7 | 177 | 206 | 192 | | | | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | | | | | | | | - | - | - | | | | |
| Other | 1900 | 30 | 7 | 7 | 7 | 7 | 0 | 0 | 4 | 63 | 19 | | | | |
| Total By Income Source | 2000 | 8 176 | 3 833 | 9 618 | 5 033 | 2 277 | 2 923 | 9 844 | 100 055 | 141 738 | 120 131 | - | - | | |
| 2019/20 - totals only | | | | | | | | | | - | - | | | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | | | |
| Organs of State | 2200 | 1 608 | 1 145 | 795 | 570 | 134 | 232 | 726 | 7 242 | 12 451 | 8 903 | | | | |
| Commercial | 2300 | 1 341 | 495 | 2 213 | 752 | 363 | 439 | 1 661 | 7 936 | 15 230 | 11 182 | | | | |
| Households | 2400 | 5 228 | 2 193 | 6 611 | 3 711 | 1 750 | 2 252 | 7 457 | 84 877 | 114 077 | 100 045 | | | | |
| Other | 2500 | | | | | | | | | - | - | | | | |
| Total By Customer Group | 2600 | 8 176 | 3 833 | 9 618 | 5 033 | 2 277 | 2 923 | 9 844 | 100 055 | 141 738 | 120 131 | - | - | | |

Debtors age analysis as at 31 December 2020

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

| Description | NT Code | Budget Year 2020/21 | | | | | | | | | | | 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 | 6 371 | 3 108 | 2 988 | 8 929 | 4 407 | 1 718 | 7 919 | 74 407 | 109 846 | 97 380 | | 79 247 | |
| Trade and Other Receivables from Exchange Transactions - Electricity | 1300 | | | | | | | | | - | - | | | |
| Receivables from Non-exchange Transactions - Property Rates | 1400 | | | | | | | | | - | - | | | |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | | | | | | | | | - | - | | | |
| Receivables from Exchange Transactions - Waste Management | 1600 | 1 668 | 726 | 781 | 592 | 581 | 530 | 2 927 | 27 134 | 34 938 | 31 764 | | 28 166 | |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | | | | | | | | | - | - | | | |
| Interest on Arrear Debtor Accounts | 1810 | 11 | 3 | 3 | 2 | 2 | 2 | 10 | 177 | 211 | 194 | | | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | | | | | | | | | - | - | | | |
| Other | 1900 | 29 | 13 | 7 | 7 | 7 | 4 | 0 | 4 | 72 | 22 | | 7 | |
| Total By Income Source | 2000 | 8 079 | 3 850 | 3 778 | 9 530 | 4 997 | 2 254 | 10 857 | 101 722 | 145 068 | 129 360 | - | 107 419 | |
| 2019/20 - totals only | | | | | | | | | | | | | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | | |
| Organs of State | 2200 | 2 052 | 798 | 1 143 | 794 | 568 | 133 | 800 | 7 384 | 13 673 | 9 679 | | | |
| Commercial | 2300 | 1 195 | 562 | 481 | 2 203 | 746 | 391 | 1 802 | 8 222 | 15 602 | 13 364 | | | |
| Households | 2400 | 4 832 | 2 489 | 2 154 | 6 533 | 3 683 | 1 730 | 8 255 | 86 116 | 115 793 | 106 317 | | 107 419 | |
| Other | 2500 | | | | | | | | | - | - | | | |
| Total By Customer Group | 2600 | 8 079 | 3 850 | 3 778 | 9 530 | 4 997 | 2 254 | 10 857 | 101 722 | 145 068 | 129 360 | - | 107 419 | |

Consumer Debtors are increasing, they went up from **R141.7 million** as at 30 November 2020 to **R145 million** as at 31 December 2020, a **R4 million** increase is observed. The municipality is not collecting everything it is billing.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 30 November 2020

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

| Description | NT Code | Budget Year 2020/21 | | | | | | | | | Prior year totals for chart (same period) |
|--|-------------|---------------------|--------------|---------------|---------------|----------------|----------------|-------------------|-------------|---------------|---|
| | | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total | |
| R thousands | | | | | | | | | | | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | | |
| Bulk Electricity | 0100 | | | | | | | | | - | |
| Bulk Water | 0200 | | | | | | | | | - | |
| PAYE deductions | 0300 | | | | | | | | | - | |
| VAT (output less input) | 0400 | | | | | | | | | - | |
| Pensions / Retirement deductions | 0500 | | | | | | | | | - | |
| Loan repayments | 0600 | | | | | | | | | - | |
| Trade Creditors | 0700 | 4 581 | 4 476 | 20 078 | 513 | | | | | 29 649 | |
| Auditor General | 0800 | | | | | | | | | - | |
| Other | 0900 | | | | | | | | | - | |
| Total By Customer Type | 1000 | 4 581 | 4 476 | 20 078 | 513 | - | - | - | - | 29 649 | - |

Creditors age analysis as at 31 December 2020

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

| Description | NT Code | Budget Year 2020/21 | | | | | | | | | Prior year totals for chart (same period) |
|--|-------------|---------------------|--------------|--------------|---------------|----------------|----------------|-------------------|-------------|---------------|---|
| | | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total | |
| R thousands | | | | | | | | | | | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | | |
| Bulk Electricity | 0100 | | | | | | | | | - | |
| Bulk Water | 0200 | | | | | | | | | - | |
| PAYE deductions | 0300 | | | | | | | | | - | |
| VAT (output less input) | 0400 | | | | | | | | | - | |
| Pensions / Retirement deductions | 0500 | | | | | | | | | - | |
| Loan repayments | 0600 | | | | | | | | | - | |
| Trade Creditors | 0700 | 1 690 | 3 628 | 3 769 | 14 694 | | | | | 23 780 | |
| Auditor General | 0800 | | | | | | | | | - | |
| Other | 0900 | | | | | | | | | - | |
| Total By Customer Type | 1000 | 1 690 | 3 628 | 3 769 | 14 694 | - | - | - | - | 23 780 | - |

Creditors are increasing, they decreased from **R29.6 million** as at 30 November 2020 to **R23.7 million** as at 31 December 2020, a **R5.9 million** decrease is observed.

2.3 INVESTMENT PORTFOLIO

Investments as at 30 November 2020

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

| Investments by maturity Name of institution & investment ID | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate * | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|--|-----|-------------------------|-----------------------|-----------------------------------|---------------------------------------|--------------------|----------------------------|-------------------------|------------------------------|--------------------|----------------------------|--|----------------------|--------------------|
| R thousands | | Yrs/Months | | | | | | | | | | | | |
| Municipality | | | | | | | | | | | | | | |
| Zululand District Municipality - ABSA Bank - 9358935948 | | N/A | Call Deposit | Yes | Fixed | 5.2 | N/A | N/A | N/A | 75 000 | | (75 000) | | - |
| Zululand District Municipality - Standard Bank - 060344970 | | N/A | Call Deposit | Yes | Fixed | 4.55 | N/A | N/A | N/A | 75 000 | | (75 000) | | - |
| Zululand District Municipality - ABSA Bank - 9359535381 | | N/A | Investment Tracker | Yes | Fixed | 4.75 | N/A | N/A | N/A | 75 000 | | (75 000) | | - |
| Zululand District Municipality - ABSA Bank - 9359534911 | | N/A | Investment Tracker | Yes | Fixed | 4.75 | N/A | N/A | N/A | 35 000 | | (35 000) | | - |
| Municipality sub-total | | | | | | | | | | 260 000 | - | (260 000) | - | - |
| Entities | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | - |
| Entities sub-total | | | | | | | | | | - | | - | - | - |
| TOTAL INVESTMENTS AND INTEREST | 2 | | | | | | | | | 260 000 | | (260 000) | - | - |

Investments as at 31 December 2020

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

| Investments by maturity Name of institution & investment ID | Ref | Period of Investment | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate * | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|--|-----|-------------------------|-----------------------|-----------------------------------|---------------------------------------|--------------------|----------------------------|-------------------------|------------------------------|--------------------|----------------------------|--|----------------------|--------------------|
| R thousands | | Yrs/Months | | | | | | | | | | | | |
| Municipality | | | | | | | | | | | | | | |
| Zululand District Municipality - ABSA Bank - 9358935948 | | N/A | Call Deposit | Yes | Fixed | 5.2 | N/A | N/A | N/A | 75 000 | | (75 000) | | - |
| Zululand District Municipality - Standard Bank - 060344970 | | N/A | Call Deposit | Yes | Fixed | 4.55 | N/A | N/A | N/A | 75 000 | | (75 000) | | - |
| Zululand District Municipality - ABSA Bank - 9359535381 | | N/A | Investment Tracker | Yes | Fixed | 4.75 | N/A | N/A | N/A | 75 000 | | (75 000) | | - |
| Zululand District Municipality - ABSA Bank - 9359534911 | | N/A | Investment Tracker | Yes | Fixed | 4.75 | N/A | N/A | N/A | 35 000 | | (35 000) | | - |
| Zululand District Municipality - ABSA Bank - 9361850333 | | N/A | Investment Tracker | Yes | Fixed | 4.3 | N/A | N/A | N/A | 100 000 | | | | 100 000 |
| Municipality sub-total | | | | | | | | | | 360 000 | - | (260 000) | - | 100 000 |
| Entities | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | - |
| | | | | | | | | | | | | | | - |
| Entities sub-total | | | | | | | | | | - | | - | - | - |
| TOTAL INVESTMENTS AND INTEREST | 2 | | | | | | | | | 360 000 | - | (260 000) | - | 100 000 |

The Municipality has investments amounting to **R100 million**.

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| RECEIPTS: | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 481 439 | 513 310 | 574 733 | – | 231 630 | 281 224 | (49 595) | -17.6% | 574 733 |
| Energy Efficiency and Demand Side Management Grant | | 6 000 | – | – | – | – | – | – | | – |
| Equitable Share | | 464 560 | 502 849 | 564 272 | – | 226 282 | 275 994 | (49 712) | -18.0% | 564 272 |
| Expanded Public Works Programme Integrated Grant | | 8 818 | 9 261 | 9 261 | – | 4 983 | 4 631 | 352 | 7.6% | 9 261 |
| Infrastructure Skills Development Grant | | – | – | – | – | – | – | – | | – |
| Local Government Financial Management Grant | | 1 465 | 1 200 | 1 200 | – | 365 | 600 | (235) | -39.2% | 1 200 |
| Municipal Disaster Relief Grant | | 596 | – | – | – | – | – | – | | – |
| Municipal Infrastructure Grant | | – | – | – | – | – | – | – | | – |
| Municipal Systems Improvement Grant | | – | – | – | – | – | – | – | | – |
| Rural Road Asset Management Systems Grant | | – | – | – | – | – | – | – | | – |
| Water Services Infrastructure Grant | | – | – | – | – | – | – | – | | – |
| Water Services Operating Subsidy Grant [Schedule 5B] | | – | – | – | – | – | – | – | | – |
| WiFi Grant [Department of Telecommunications and Postal Services] | | – | – | – | – | – | – | – | | – |
| Provincial Government: | | 4 361 | 1 911 | 1 911 | – | – | 956 | (956) | -100.0% | 1 911 |
| Art Centres Subsidies | | – | – | – | – | – | – | – | | – |
| Development Planning and Shared Services | | – | – | – | – | – | – | – | | – |
| Environmental Grant | | – | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 4 361 | 1 911 | 1 911 | – | – | 956 | (956) | -100.0% | 1 911 |
| Tourism Events | | – | – | – | – | – | – | – | | – |
| Other transfers and grants [insert description] | | – | – | – | – | – | – | – | | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| [insert description] | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| KwazuluNatal Provincial Planning and Development Commission | | – | – | – | – | – | – | – | | – |
| Total Operating Transfers and Grants | 5 | 485 800 | 515 221 | 576 644 | – | 231 630 | 282 180 | (50 550) | -17.9% | 576 644 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 491 852 | 431 867 | 431 867 | – | 229 301 | 215 933 | 13 367 | 6.2% | 431 867 |
| Expanded Public Works Programme Integrated Grant for Municipalities | | – | – | – | – | – | – | – | | – |
| Municipal Disaster Relief Grant | | – | – | – | – | – | – | – | | – |
| Municipal Infrastructure Grant | | 225 574 | 223 984 | 223 984 | – | 137 316 | 111 992 | 25 324 | 22.6% | 223 984 |
| Municipal Water Infrastructure Grant | | – | – | – | – | – | – | – | | – |
| Regional Bulk Infrastructure Grant | | 163 774 | 100 000 | 100 000 | – | 51 490 | 50 000 | 1 490 | 3.0% | 100 000 |
| Rural Road Asset Management Systems Grant | | 2 504 | 2 383 | 2 383 | – | – | 1 191 | (1 191) | -100.0% | 2 383 |
| Water Services Infrastructure Grant | | 100 000 | 105 500 | 105 500 | – | 40 495 | 52 750 | (12 255) | -23.2% | 105 500 |
| Provincial Government: | | 8 360 | 12 201 | 12 201 | – | – | 6 100 | (6 100) | -100.0% | 12 201 |
| Specify (Add grant description) | | 8 360 | 12 201 | 12 201 | – | – | 6 100 | (6 100) | -100.0% | 12 201 |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| [insert description] | | – | – | – | – | – | – | – | | – |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| [insert description] | | – | – | – | – | – | – | – | | – |
| Total Capital Transfers and Grants | 5 | 500 212 | 444 068 | 444 068 | – | 229 301 | 222 034 | 7 267 | 3.3% | 444 068 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 986 012 | 959 289 | 1 020 712 | – | 460 930 | 504 214 | (43 283) | -8.6% | 1 020 712 |

Grants are received as per transfer schedule and have been received as such.

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

| Description | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | 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: | | 627 604 | 488 940 | 535 640 | 62 700 | 297 574 | 259 867 | 37 707 | 14.5% | 535 640 |
| Energy Efficiency and Demand Side Management Grant | | 5 521 | – | – | – | – | – | – | | – |
| Equitable Share | | 586 521 | 478 359 | 524 959 | 61 728 | 290 891 | 254 545 | 36 346 | 14.3% | 524 959 |
| Expanded Public Works Programme Integrated Grant | | 8 668 | 9 261 | 9 261 | 860 | 5 977 | 4 631 | 1 347 | 29.1% | 9 261 |
| Local Government Financial Management Grant | | 2 306 | 1 200 | 1 200 | 113 | 576 | 594 | (18) | -3.1% | 1 200 |
| Municipal Disaster Relief Grant | | 596 | 120 | 220 | – | 130 | 97 | 33 | 33.3% | 220 |
| Municipal Infrastructure Grant | | 20 430 | – | – | – | – | – | – | | – |
| Rural Road Asset Management Systems Grant | | 2 177 | – | – | – | – | – | – | | – |
| Water Services Infrastructure Grant | | 1 384 | – | – | – | – | – | – | | – |
| Provincial Government: | | 3 577 | 937 | 2 762 | 753 | 950 | 899 | 50 | 5.6% | 2 762 |
| Art Centres Subsidies | | – | – | – | – | – | – | – | | – |
| Development Planning and Shared Services | | – | – | – | – | – | – | – | | – |
| Environmental Grant | | – | – | – | – | – | – | – | | – |
| Specify (Add grant description) | | 3 577 | 937 | 2 762 | 753 | 950 | 899 | 50 | 5.6% | 2 762 |
| Tourism Events | | – | – | – | – | – | – | – | | – |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| KwazuluNatal Provincial Planning and Development Commission | | 3 469 | – | – | – | 120 | – | 120 | | – |
| Total operating expenditure of Transfers and Grants: | | 631 181 | 489 877 | 538 402 | 63 453 | 298 524 | 260 766 | 37 758 | 14.5% | 538 402 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 407 237 | 431 867 | 375 537 | 46 744 | 250 436 | 196 218 | 54 219 | 27.6% | 375 537 |
| Local Government Financial Management Grant | | – | – | – | – | – | – | – | | – |
| Municipal Infrastructure Grant | | 176 939 | 223 984 | 194 769 | 19 239 | 142 640 | 101 767 | 40 873 | 40.2% | 194 769 |
| Regional Bulk Infrastructure Grant | | 143 487 | 100 000 | 86 957 | 13 346 | 58 207 | 45 435 | 12 772 | 28.1% | 86 957 |
| Rural Road Asset Management Systems Grant | | – | 2 383 | 2 072 | – | – | 1 083 | (1 083) | -100.0% | 2 072 |
| Water Services Infrastructure Grant | | 86 811 | 105 500 | 91 739 | 14 159 | 49 590 | 47 934 | 1 656 | 3.5% | 91 739 |
| Provincial Government: | | 8 360 | 13 175 | 11 457 | 195 | 201 | 5 986 | (5 785) | -96.6% | 11 457 |
| Specify (Add grant description) | | 8 360 | 13 175 | 11 457 | 195 | 201 | 5 986 | (5 785) | -96.6% | 11 457 |
| District Municipality: | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| Other grant providers: | | – | – | – | – | – | – | – | | – |
| | | | | | | | | – | | |
| Total capital expenditure of Transfers and Grants | | 415 596 | 445 042 | 386 993 | 46 939 | 250 638 | 202 204 | 48 434 | 24.0% | 386 993 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | 1 046 777 | 934 919 | 925 395 | 110 392 | 549 161 | 462 970 | 86 191 | 18.6% | 925 395 |

Most conditional grant expenditure is on track, the variance between year to date actual and year to date budget is minimal. MIG actual expenditure is above year to date budget with **over R40 million**, the current allocation of MIG might be fully spent before the end of the financial year.

Roll-overs Expenditure

DC26 Zululand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M06 December

| Description | Ref | Budget Year 2020/21 | | | | |
|---|-----|---------------------------|----------------|---------------|--------------|----------------|
| | | Approved Rollover 2019/20 | Monthly actual | YearTD actual | YTD variance | YTD variance % |
| R thousands | | | | | | |
| EXPENDITURE | | | | | | |
| <u>Operating expenditure of Approved Roll-overs</u> | | | | | | |
| National Government: | | - | - | - | - | |
| | | | | | - | |
| Provincial Government: | | - | - | - | - | |
| | | | | | - | |
| District Municipality: | | - | - | - | - | |
| | | | | | - | |
| Other grant providers: | | - | - | - | - | |
| | | | | | - | |
| Total operating expenditure of Approved Roll-overs | | - | - | - | - | |
| <u>Capital expenditure of Approved Roll-overs</u> | | | | | | |
| National Government: | | - | - | - | - | |
| | | | | | - | |
| Provincial Government: | | - | - | - | - | |
| | | | | | - | |
| District Municipality: | | - | - | - | - | |
| | | | | | - | |
| Other grant providers: | | - | - | - | - | |
| | | | | | - | |
| Total capital expenditure of Approved Roll-overs | | - | - | - | - | |
| TOTAL EXPENDITURE OF APPROVED ROLL-OVERS | | - | - | - | - | |

No roll-over expenditure has been incurred.

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

| Summary of Employee and Councillor remuneration | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| | 1 | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | 10 | - | - | - | - | - | - | | - |
| Pension and UIF Contributions | | 429 | 448 | 448 | 41 | 250 | 224 | 26 | 12% | 448 |
| Medical Aid Contributions | | 251 | 267 | 267 | 7 | 41 | 134 | (93) | -69% | 267 |
| Motor Vehicle Allowance | | 1 903 | 1 818 | 1 818 | 160 | 971 | 909 | 62 | 7% | 1 818 |
| Cellphone Allowance | | 658 | 653 | 653 | 56 | 345 | 326 | 18 | 6% | 653 |
| Housing Allowances | | - | - | - | - | - | - | - | | - |
| Other benefits and allowances | | 5 121 | 5 164 | 5 164 | 435 | 2 671 | 2 582 | 89 | 3% | 5 164 |
| Sub Total - Councillors | | 8 372 | 8 350 | 8 350 | 699 | 4 278 | 4 175 | 102 | 2% | 8 350 |
| % increase | 4 | | -0.3% | -0.3% | | | | | | -0.3% |
| Senior Managers of the Municipality | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 6 011 | 6 442 | 6 442 | 416 | 3 506 | 3 221 | 285 | 9% | 6 442 |
| Pension and UIF Contributions | | 2 | 64 | 64 | 1 | 5 | 32 | (27) | -84% | 64 |
| Medical Aid Contributions | | 131 | 144 | 144 | 8 | 65 | 72 | (7) | -10% | 144 |
| Overtime | | - | - | - | - | - | - | - | | - |
| Performance Bonus | | - | - | - | - | - | - | - | | - |
| Motor Vehicle Allowance | | 1 505 | 1 559 | 1 559 | 106 | 899 | 779 | 119 | 15% | 1 559 |
| Cellphone Allowance | | 64 | 68 | 68 | 9 | 42 | 34 | 8 | 22% | 68 |
| Housing Allowances | | - | - | - | - | - | - | - | | - |
| Other benefits and allowances | | 242 | 264 | 264 | 17 | 144 | 132 | 12 | 9% | 264 |
| Payments in lieu of leave | | - | - | - | - | - | - | - | | - |
| Long service awards | | - | - | - | - | - | - | - | | - |
| Post-retirement benefit obligations | 2 | - | - | - | - | - | - | - | | - |
| Sub Total - Senior Managers of Municipality | | 7 954 | 8 541 | 8 541 | 558 | 4 661 | 4 271 | 390 | 9% | 8 541 |
| % increase | 4 | | 7.4% | 7.4% | | | | | | 7.4% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 135 668 | 151 005 | 151 005 | 12 691 | 74 965 | 75 503 | (538) | -1% | 151 005 |
| Pension and UIF Contributions | | 17 879 | 19 733 | 19 733 | 1 651 | 9 365 | 9 867 | (502) | -5% | 19 733 |
| Medical Aid Contributions | | 11 222 | 11 488 | 11 488 | 1 031 | 6 125 | 5 744 | 381 | 7% | 11 488 |
| Overtime | | (2) | - | - | - | 19 | - | 19 | #DIV/0! | - |
| Performance Bonus | | 9 291 | 10 851 | 10 851 | 816 | 4 957 | 5 426 | (468) | -9% | 10 851 |
| Motor Vehicle Allowance | | 6 439 | 6 425 | 6 425 | 572 | 3 394 | 3 213 | 181 | 6% | 6 425 |
| Cellphone Allowance | | 506 | 517 | 517 | 43 | 258 | 258 | 0 | 0% | 517 |
| Housing Allowances | | 1 142 | 1 164 | 1 164 | 103 | 602 | 582 | 20 | 3% | 1 164 |
| Other benefits and allowances | | 12 363 | 9 042 | 11 042 | 1 362 | 7 739 | 5 321 | 2 418 | 45% | 11 042 |
| Payments in lieu of leave | | 5 465 | - | - | 25 | 391 | - | 391 | #DIV/0! | - |
| Long service awards | | 1 429 | - | - | 105 | 548 | - | 548 | #DIV/0! | - |
| Post-retirement benefit obligations | 2 | 10 617 | 4 700 | 4 700 | - | - | 2 350 | (2 350) | -100% | 4 700 |
| Sub Total - Other Municipal Staff | | 212 019 | 214 925 | 216 925 | 18 399 | 108 364 | 108 263 | 101 | 0% | 216 925 |
| % increase | 4 | | 1.4% | 2.3% | | | | | | 2.3% |
| Total Parent Municipality | | 228 345 | 231 817 | 233 817 | 19 655 | 117 302 | 116 709 | 593 | 1% | 233 817 |
| Unpaid salary, allowances & benefits in arrears: | | | 4 801 | 2 401 | | | | | | 2 401 |

| | | | | | | | | | | |
|--|---|---------|---------|---------|--------|---------|---------|-----|----|---------|
| 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 | 2 | | | | | | - | | | |
| 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 | 4 | - | - | - | - | - | - | | | - |
| % increase | 4 | | | | | | | | | |
| Total Municipal Entities | | - | - | - | - | - | - | | | - |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 228 345 | 231 817 | 233 817 | 19 655 | 117 302 | 116 709 | 593 | 1% | 233 817 |
| % increase | 4 | | 1.5% | 2.4% | | | | | | 2.4% |
| TOTAL MANAGERS AND STAFF | | 219 973 | 223 466 | 225 466 | 18 957 | 113 025 | 112 534 | 491 | 0% | 225 466 |

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M06 December

| Ref | Description | Adjusted Budget | YearTD actual | YearTD budget | Variance | % | Reasons for material deviations | Remedial or corrective steps/remarks |
|-----|---|-----------------|---------------|---------------|----------|-------|--|---|
| 1 | Revenue By Source | | | | | | | |
| | Service charges - water revenue | 41 368 | 15 232 | 20 684 | (5 452) | -26% | Service charges – Water revenue is amounts billed on customers for water used, the year-to-date actual is R15.2 million, which is below year-to-date budget of R20.6 million. An unfavourable variance of R5.4 million is observed. | Most of the consumers are billed on estimate, because there are no meters. Challenge is the sources of funds to procure metres, the municipality has appointed a service provider that will assist in finding grant/loan that will be used for the procurement of metres. |
| | Service charges - sanitation revenue | 11 140 | 5 058 | 5 570 | (512) | -9% | Service charges – Sanitation revenue is amounts billed on customers that are connected to the sewer system, the year-to-date actual is R5.05 million which is slightly below year to budget of R5.5 million. An unfavourable variance of R512 thousand is observed. | Sewer charge is fixed, but businesses and government are charged an additional sewer excess if they use more than 40kl of water per month. Since the municipality is facing metering problem sewer access is not accurately charged. Challenge is the sources of funds, the municipality has appointed a service provider that will assist in finding grant/loan that will be used for the procurement of metres. |
| | Rental of facilities and equipment | 200 | 73 | 100 | (27) | -27% | Rental of facilities is amounts billed to WSSA, Avis and Waphatha Group for office space used. The year-to-date actual is R73 thousand which is below year-to-date budget of R100 thousand. An unfavourable variance of R27 thousand is observed. | Budget was overstated, monthly billing per month is R 14 914, adjustment will be done on the adjustment budget. |
| | Interest earned - external investments | 5 000 | 1 704 | 2 500 | (796) | -32% | Interest on investment is interest received when the Municipality makes cash investments. The year-to-date actual is R1.7 million, which is below year-to-date budget of R2.5 million. An unfavourable variance of R796 thousand is observed. | |
| | Interest earned - outstanding debtors | – | 22 | – | 22 | | Interest earned - outstanding debtors is charged on businesses for accounts in arrears, budgeted amount will be estimated in the adjustment budget. | budget allocation will be allocated on the adjustment budget. This interest arise from outstanding debtors from businesses |
| | Fines, penalties and forfeits | 100 | 11 | 50 | (39) | -78% | Fines, penalties and forfeits are mainly amounts charged on illegal connections, the year-to-date actual is R10 thousand, the year-to-date budget is R50 thousand. An unfavourable variance of R39 thousand is observed. There was over budgeting of fines, penalties and forfeits, mid-year and performance assessment will recommend adjustment to be done on the adjustment budget. | there was over budgeting of fines, penalties and forfeits, adjustment will be done on the adjustment budget |
| | Licences and permits | – | 10 | – | 10 | | | Budget allocation for this line item will be inputted in the next |
| | Transfers and subsidies | 576 644 | 231 630 | 282 180 | (50 550) | -18% | Transfers and subsidies (grants) include amounts gazetted as per Division of Revenue act (DoRA), 2020. Transfers and subsidies is revenue recognized as operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Transfers and subsidies (Grants) are recognised/recorded as revenue when condition has been met, except for equitable share, which is not a conditional grant. Transfers and subsidies recognised as revenue year to date actual is R253 million, which is below year-to-date budget of R311 million. | |
| | Other revenue | 900 | 177 | 450 | (273) | -61% | Other revenue includes amounts for tender fees and any other revenue the Municipality may be entitled to receive, the year-to-date actual is R177 thousand, which is below year-to-date budget of R450 thousand. An unfavourable variance of R273 thousand is observed. | Other Revenue comprises a large portion of tender fees sold, so far the municipality has not sold tender documents. During mid-year assessment it will be determined whether an adjustment is required or not |
| 2 | Expenditure By Type | | | | | | | |
| | Employee related costs | 225 466 | 113 025 | 112 534 | 491 | 0% | Employee related costs year to date actual is R113 million, the year-to-date budget is R112 million, an unfavourable variance of R491 thousand is observed. | |
| | Remuneration of councillors | 8 350 | 4 278 | 4 175 | 102 | 2% | Remuneration of Councillors year to date actual is R4.2 million, the year-to-date budget is R4.1 million, an unfavourable variance of R102 thousand is observed. | |
| | Debt impairment | 14 723 | – | 6 989 | (6 989) | -100% | This is the provision for doubtful debts as a result of a non-collection. No provision for doubtful debts has been recorded, Assessment and provision for bad debts is done at year end. | Assessment and provision for bad debts is done at year end |
| | Depreciation & asset impairment | 62 886 | 26 202 | 31 443 | (5 240) | -17% | This is non-cash item budgeted for as per the stipulation of the accounting standards. The year to date actual is R26.2 million. The year-to-date budget is R31.4 million. A favorable variance of R5.2 million is observed. | Estimated depreciation is posted quarterly pending audit outcome where actual depreciation will be posted after AFS have been audited |
| | Finance charges | – | – | – | – | | | |
| | Bulk purchases | 23 552 | 11 083 | 11 469 | (386) | -3% | Bulk purchases water from the Department of Water and Sanitation and other independent water producers. The year-to-date actual is R11 million, the year-to-date budget is R11.4 million, a favorable variance of R306 thousand is observed. Bulk water purchases expenditure is based on amount/volume of water extracted for purification. | Bulk water purchases expenditure is based on amount/volume of water extracted. The midyear and performance assessment will determine whether we need to adjust |
| | Other materials | 7 200 | 4 512 | 3 764 | 747 | 20% | Other materials year to date actual is R4.5 million, the year-to-date budget is R3.7 million, an unfavourable variance of R747 thousand is observed. | |
| | Contracted services | 169 246 | 110 263 | 79 628 | 30 636 | 38% | Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R110 million which is above year to date budget of R79.6 million, an unfavourable variance of R30.6 million is observed. (This can be seen as an indication of possible unauthorised expenditure at year end) | |
| | Transfers and subsidies | 13 202 | 8 282 | 6 386 | 1 896 | 30% | Transfers and subsidies year to date actual is R8.2 million, the year-to-date budget is R6.3 million, an unfavourable variance of R1.8 million is observed. | |
| | Other expenditure | 91 360 | 47 296 | 42 859 | 4 437 | 10% | Other expenditure year to date actual is R47.2 million, the year-to-date budget is R42.8 million, an unfavourable variance of R4.4 million is observed. | |
| 3 | Capital Expenditure | | | | | | | |
| | Vote 01 - Council | 3 500 | – | 1 400 | (1 400) | -100% | Procurement process | |
| | Vote 02 - Corporate Services | 7 443 | 97 | 3 816 | (3 718) | -97% | Procurement process | |
| | Vote 03 - Finance | 6 063 | 535 | 2 555 | (2 020) | -79% | Procurement process for meter | |
| | Vote 04 - Community Development | 11 457 | 201 | 5 986 | (5 785) | -97% | Procurement process for Kwamajomela project | |
| | Vote 05 - Planning & Wea | 375 537 | 250 436 | 196 218 | 54 219 | 28% | Spending on Capital grants is above year to date budget | |
| | Vote 06 - Technical Services | – | – | – | – | | | |
| | Vote 07 - Water Purification | – | – | – | – | | | |
| | Vote 08 - Water Distribution | 1 900 | – | 760 | (760) | -100% | Procurement process | |
| | Vote 09 - Waste Water | – | – | – | – | | | |
| 4 | Financial Position | | | | | | | |
| | Client elected not to populate this sheet | | | | | | | |
| 5 | Cash Flow | | | | | | | |
| | Client elected not to populate this sheet | | | | | | | |
| 6 | Measureable performance | | | | | | | |
| | Client elected not to populate this sheet | | | | | | | |
| 7 | Municipal Entities | | | | | | | |
| | Client elected not to populate this sheet | | | | | | | |

2.7 PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.8 MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.9 CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

| Month | 2019/20 | Budget Year 2020/21 | | | | | | | |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|----------------------------|
| | 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 | 53 369 | 37 845 | 32 908 | 75 | 75 | 32 908 | 32 833 | 99.8% | 0% |
| August | 37 995 | 37 845 | 32 908 | 46 591 | 46 666 | 65 817 | 19 150 | 29.1% | 10% |
| September | 53 687 | 37 845 | 39 932 | 67 762 | 114 429 | 105 748 | (8 680) | -8.2% | 25% |
| October | 24 109 | 37 845 | 39 932 | 42 474 | 156 903 | 145 680 | (11 223) | -7.7% | 35% |
| November | 43 003 | 37 845 | 32 527 | 47 428 | 204 331 | 178 208 | (26 123) | -14.7% | 45% |
| December | 44 104 | 37 845 | 32 527 | 46 939 | 251 270 | 210 735 | (40 535) | -19.2% | 55% |
| January | 10 460 | 37 845 | 32 527 | – | | 243 262 | – | | |
| February | 42 909 | 37 845 | 32 527 | – | | 275 790 | – | | |
| March | 21 893 | 37 845 | 32 527 | – | | 308 317 | – | | |
| April | 27 545 | 37 845 | 32 527 | – | | 340 845 | – | | |
| May | 30 209 | 37 845 | 32 527 | – | | 373 372 | – | | |
| June | 52 360 | 37 845 | 32 527 | – | | 405 899 | – | | |
| Total Capital expenditure | 441 642 | 454 134 | 405 899 | 251 270 | | | | | |

The actual capital expenditure is greater than year-to-date spending

Summary of Capital Expenditure by asset class and sub-class

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

[illegible]

| | | | | | | | | |
|--|---|--------|--------|---|---|-------|-------|--------|
| 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 | - | 12 201 | 10 610 | - | - | 5 544 | 5 544 | 100.0% |
| Community Facilities | - | 6 613 | 5 750 | - | - | 3 005 | 3 005 | 100.0% |
| Halls | | | | | | - | | |
| Centres | - | 6 613 | 5 750 | - | - | 3 005 | 3 005 | 100.0% |
| Crèches | | | | | | - | | |
| Clinics/Care Centres | | | | | | - | | |
| Fire/Ambulance Stations | | | | | | - | | |
| Testing Stations | | | | | | - | | |
| Museums | | | | | | - | | |
| Galleries | | | | | | - | | |
| Theatres | | | | | | - | | |
| Libraries | | | | | | - | | |
| Cemeteries/Crematoria | | | | | | - | | |
| Police | | | | | | - | | |
| Purls | | | | | | - | | |
| Public Open Space | | | | | | - | | |
| Nature Reserves | | | | | | - | | |
| Public Ablution Facilities | | | | | | - | | |
| Markets | | | | | | - | | |
| Stalls | | | | | | - | | |
| Abattoirs | | | | | | - | | |
| Airports | | | | | | - | | |
| Taxi Ranks/Bus Terminals | | | | | | - | | |
| Capital Spares | | | | | | - | | |
| Sport and Recreation Facilities | - | 5 588 | 4 859 | - | - | 2 539 | 2 539 | 100.0% |
| Indoor Facilities | | | | | | - | | |
| Outdoor Facilities | - | 5 588 | 4 859 | - | - | 2 539 | 2 539 | 100.0% |
| Capital Spares | | | | | | - | | |
| Heritage assets | - | - | 3 500 | - | - | 1 400 | 1 400 | 100.0% |
| Monuments | | | | | | - | | |
| Historic Buildings | | | | | | - | | |
| Works of Art | - | - | 3 500 | - | - | 1 400 | 1 400 | 100.0% |
| 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 | 13 | 1 000 | 1 090 | - | - | 564 | 564 | 100.0% | 1 090 | |
| Servitudes | | | | | | | - | | | |
| Licences and Rights | 13 | 1 000 | 1 090 | - | - | 564 | 564 | 100.0% | 1 090 | |
| Water Rights | | | | | | | - | | | |
| Effluent Licenses | | | | | | | - | | | |
| Solid Waste Licenses | | | | | | | - | | | |
| Computer Software and Applications | 13 | 1 000 | 1 090 | - | - | 564 | 564 | 100.0% | 1 090 | |
| Load Settlement Software Applications | | | | | | | - | | | |
| Unspecified | | | | | | | - | | | |
| Computer Equipment | 458 | 5 222 | 6 321 | - | 535 | 3 063 | 2 528 | 82.5% | 6 321 | |
| Computer Equipment | 458 | 5 222 | 6 321 | - | 535 | 3 063 | 2 528 | 82.5% | 6 321 | |
| Furniture and Office Equipment | 82 | 120 | 104 | - | 97 | 55 | (43) | -78.3% | 104 | |
| Furniture and Office Equipment | 82 | 120 | 104 | - | 97 | 55 | (43) | -78.3% | 104 | |
| Machinery and Equipment | 688 | 1 124 | 2 877 | 195 | 201 | 1 271 | 1 069 | 84.2% | 2 877 | |
| Machinery and Equipment | 688 | 1 124 | 2 877 | 195 | 201 | 1 271 | 1 069 | 84.2% | 2 877 | |
| Transport Assets | 8 360 | 2 600 | 2 861 | - | - | 1 421 | 1 421 | 100.0% | 2 861 | |
| Transport Assets | 8 360 | 2 600 | 2 861 | - | - | 1 421 | 1 421 | 100.0% | 2 861 | |
| Land | - | - | - | - | - | - | - | | - | |
| Land | | | | | | | - | | | |
| Zoo's, Marine and Non-biological Animals | - | - | - | - | - | - | - | | - | |
| Zoo's, Marine and Non-biological Animals | | | | | | | - | | | |
| Total Capital Expenditure on new assets | 1 | 418 865 | 454 134 | 405 899 | 46 939 | 251 270 | 210 735 | (40 535) | -19.2% | 405 899 |

2.10 OTHER SUPPORTING DOCUMENTS

No other financial information outside of information contained in Schedule C is available

2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality does not have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

I, **P.M. Manqele**, Municipal Manager of Zululand District Municipality, hereby certify that the Quarterly report on implementation of Budget has been prepared in accordance with the Municipal Finance Management Act, and the regulations made under the Act.

A handwritten signature in black ink, appearing to read 'P.M. Manqele', is written over a horizontal line.

P.M. Manqele
Municipal Manager
Zululand District Municipality (DC26)

Date: 14-01-2021