

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

30 NOVEMBER 2022

MFMA S71 REPORT

2022/2023 FINANCIAL YEAR

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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

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement 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	YTD ACTUAL
Total Revenue By Source (Excluding Capital Transfers)	688 934 986	256 528 664
Total Operating Expenditure	626 160 559	265 295 520
Surplus/(Deficit)	62 774 427	-8 766 856

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 November 2022** is **R256.5 million** which is **37%** of the total operating revenue budget, the year-to-date budget is **R287.05 million** which is above year-to date actual, a variance of **R30.5 million** or **11%** is observed, this variance is a result of equitable share which is not received monthly but in trenches three times a year as per approved transfer schedule. Operating revenue comprises of equitable share and other 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 and partly service charges for its operations. Service charges revenue recognized from trading services is only **R23.4 million** which

is **9%** of the total generated operating revenue. No amount has been recognized relating to the proposed flat rate of **R50**.

Operating Expenditure Performance

Total Operating Expenditure as at **30 November 2022** is **R265.2 million** which is **42%** of the operating expenditure budget, the year-to-date budget is **R261.7 million** which is below year-to-date actual, a variance of **R3.6 million** or **1%** is observed, there are line items such as inventory and debt impairment has either slow or no movement in previous months, on the other hand other expenditure is moving almost twice the year to date budget. Operating expenditure is explained by source in Section 1.5 Operating Expenditure Performance.

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL
Total Capital Expenditure	332 161 738	98 751 542
Total Capital Financing	332 161 738	98 751 542

Total Capital Expenditure as at **30 November 2022** is **R98.7 million** which is **30%** of the capital budget, the year-to-date budget is **R138.9 million** which is above year-to-date actual, a variance of **R40.1 million** or **29%** is observed. This may indicate that capital grants are not spent in a required pace. Capital expenditure is explained by source in Section 1.6 Capital Expenditure and Funding.

Major Variances between actuals and year to date budget`

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.

On Revenue there seem to be major variances between year-to-date budget and year to date actual, these variances are on interest on investments, Service charges, Fines, Penalties and forfeits, transfers and subsidies and other revenue. The variance on service charges, this is due to the delay in flat rate implementation, investment is low due to prioritization of payments of liabilities, transfers and subsidies variance is a result of grants which are not received monthly but in trenches as per approved transfer schedule.

Major variances on expenditure are on inventory consumed, debt impairment and other expenditure.

1.4. OPERATING REVENUE PERFORMANCE

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

Description	Ref	2021/22	Budget Year 2022/23							
		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		38 486	68 000	68 000	3 310	16 918	28 333	(11 415)	-40%	68 000
Service charges - sanitation revenue		12 513	12 500	12 500	1 228	6 514	5 208	1 306	25%	12 500
Service charges - refuse revenue								-		
Rental of facilities and equipment		195	183	183	19	87	76	11	14%	183
Interest earned - external investments		3 705	6 000	6 000	119	1 463	2 500	(1 037)	-41%	6 000
Interest earned - outstanding debtors		288	85	85	18	73	35	38	106%	85
Dividends received								-		
Fines, penalties and forfeits		209	150	150	13	28	62	(34)	-55%	150
Licences and permits		-	-	-	7	24	-	24	#DIV/0!	-
Agency services								-		
Transfers and subsidies		537 979	601 306	601 306	26	231 022	250 544	(19 523)	-8%	601 306
Other revenue		1 085	711	711	94	400	296	104	35%	711
Gains		40	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		594 501	688 935	688 935	4 835	256 529	287 056	(30 528)	-11%	688 935

The year-to-date actual indicates operating revenue of **R256.5 million** for **five months**, the year-to-date budget is **R287.05 million**. A variance of **R30.5 million** or **11%** is observed. The total revenue to-date represents **37%** of the operating revenue 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 funded, and cash backed. Each line item on the face of financial performance is explained below:

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R16.9 million**, which is below year-to-date budget of **R28.3 million**. A variance of **R11.4 million** or **40%** is observed. No amount has been recognized relating to the proposed flat rate of **R50 to date**, this is causing under billing of the variance mentioned above.

The municipality may have to adjust downward revenue projection in the adjustment budget. The municipality must fast track the billing of **R50** flat rate to ensure that the budget target is met.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R6.5 million** which is above year to date budget of **R5.2 million**. A variance of **R1.3 million** or **25%** is observed.

The billing is above the target, the municipality may have to adjust upwards in the adjustment budget.

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 **R87 thousand** which is above year-to-date budget of **R76 thousand**. A variance of **R11 thousand** or **14%** is observed.

The billing is above the target, the municipality may have to adjust upwards in the adjustment budget.

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments. The year-to-date actual is **R1.4 million**, which is below year-to-date budget of **R2.5 million**. A variance of **R1 million** or **41%** is observed, Investment is low due to prioritization of payments of liabilities.

The interest on investment is below target, the municipality may have to revise its investment strategy to ensure budget target is met or may have to adjust downwards in the adjustment budget.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R73 thousand**, which is above to year-to-date budget of **R35 thousand**. variance of **R38 thousand** or **106%** is observed. This is due to low collection rate on businesses which are charged interest as per the municipal policy.

Interest earned on outstanding debtors is above target, the municipality must improve collection to ensure less consumers are charged interest. The municipality may have to adjust upwards 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 **R28 thousand**, which is below the year-to-date budget of **R62 thousand**. A variance of **R34 thousand** or **55%** is observed. This is a positive indication that less consumers are illegally connected.

Municipality must keep up disconnection of illegal connections. The municipality may have to adjust upwards in the adjustment budget.

Licences and permits

This amount is for health certificates issued, the year-to-date actual is **R24 thousand**, the year-to-date budget is **R24 thousand**. A variance of **R24 thousand** or is observed.

There was no allocated budget in this revenue stream, the budget will be allocated in the adjustment budget.

Transfers and subsidies

Transfers and subsidies (grants) are amounts gazetted as per Division of Revenue act (DoRA), 2022; and provincial gazette, 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 year to date actual is **R231.02 million**, which is below year-to-date budget of **R250.5 million**. A variance of **R19.5 million** or **8%** is observed.

This variance is mainly a result of equitable share which is not received monthly but in trenches three times a year as per approved transfer schedule.

Transfers and subsidies depend on the transfer schedule and cannot be benchmarked against the year-to-date budget.

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 **R400 thousand**, which is above year-to-date budget of **R269 thousand**. A variance of **R104 thousand** or **35%** is observed.

The other revenue depends on the sale of tender documents and skills development levy refund which are seasonal and cannot be benchmarked against the year-to-date budget.

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November										
Description	Ref	2021/22	Budget Year 2022/23							
		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		263 669	268 152	268 152	23 387	112 951	111 731	1 221	1%	268 152
Remuneration of councillors		8 616	8 771	8 771	755	3 807	3 655	153	4%	8 771
Debt impairment		20 001	14 000	14 000	–	–	5 833	(5 833)	-100%	14 000
Depreciation & asset impairment		101 119	80 000	80 000	6 667	33 333	33 334	(0)	0%	80 000
Finance charges		399	–	88	88	88	11	77	700%	88
Bulk purchases - electricity		–	–	–	–	–	–	–	–	–
Inventory consumed		22 023	33 320	34 615	1 311	9 315	14 193	(4 878)	-34%	34 615
Contracted services		318 040	106 388	116 545	7 514	42 428	47 014	(4 586)	-10%	116 545
Transfers and subsidies		11 295	3 070	1 317	126	504	660	(155)	-24%	1 317
Other expenditure		131 178	112 460	105 746	11 725	62 868	45 267	17 601	39%	105 746
Losses		2 627	–	–	–	–	–	–	–	–
Total Expenditure		878 966	626 161	629 234	51 572	265 296	261 696	3 599	1%	629 234

The year-to-date actual indicates spending of **R265.3 million** for **five months**, the year-to-date budget is **R261.6 million** which is below year-to date actual, a variance of **R3.6 million** or **1%** is observed. The total expenditure to-date represents **42%** of the approved operational budget.

Employee Related Costs

Employee related costs year to date actual is **R112.9 million**, which is above the year-to-date budget of **R111.7 million**, a variance of **R1.2 million** or **1%** is observed. Employee related cost is a little bit above year-to-date budget, this variance is caused by overtime, standby allowance, acting allowance and long service bonus.

The above variance is not major therefore does not warrant remedy

Remuneration of Councillors

Remuneration of Councillors year to date actual is **R3.8 million**, which is above the year-to-date budget is **R3.6 million**, a variance of **R153 thousand** or **4%** is observed. The upper limits have been effected therefore the municipality back paid councillors.

The revised budget allocation is recommended in the next adjustment budget.

Debt impairment

Debt impairment is the amount for provision for non-collection as per council policy. provision for non-collection assessment and calculation is done at year end. National treasury recommend that the assessment and calculations be done monthly.

Municipality calculate debt impairment once 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 **R33.3 million**, which is equal to year-to-date budget of **R33.3 million**. A variance of **R0 million** or **0%** is observed.

Bulk purchases - electricity

The Municipality does not incur bulk purchases electricity since the Municipality does not sell electricity. The purchase of electricity is under section **other expenditure** below.

Inventory Consumed

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable stores (cleaning materials, stationery, water stock and materials and supplies), the year-to-date actual is **R9.3 million**, which is below the year-to-date budget of **R14.1 million**, a variance of **R4.8 million** or **34%** is observed. The variance may be caused by non-payments of bulk water and late capturing of requisition.

It is recommended that the municipality record all expenditure relating to bulk water and consumable stores in time.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R42.4 million** which is below the year-to-date budget of **R47 million**, a variance of **R4.5 million** or **10%** is observed.

The municipality need to review SLA and reconcile it with the budget for contracted services and adjust in the next adjustment if need be.

Transfers and subsidies paid

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support businesses. The year-to-date actual is **R504 thousand**, which is below the year-to-date budget of **R660 thousand**, a variance of **R155 thousand** or **24%** is observed.

This expenditure item is seasonal therefore expenditure cannot be benchmarked.

Other expenditure

Other expenditure year to date actual is **R62.8 million**, which is above the year-to-date budget of **R45.2 million**, a variance of **R17.6 million** or **39%** is observed. Other expenditure includes monthly cost of electricity for water supply plants and other seasonal/once off expenditure items.

It is recommended that the municipality monitor closely this expenditure item and implement strategies to reduce costs.

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL
Finance Management grant	1 200 000	195 716
EPWP Incentive	8 517 000	10 624 834
Art centre Subsidies (Indonsa Grant)	1 911 000	1 037 624
Aviation Strategy	500 000	-
Municipal Systems Improvement Grant	2 787 000	-
Total Operating Grant Expenditure	14 915 000	11 858 173

Summary of Revenue and Operational Expenditure Performance

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

Description	Ref	2021/22	Budget Year 2022/23							
		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		38 486	68 000	68 000	3 310	16 918	28 333	(11 415)	-40%	68 000
Service charges - sanitation revenue		12 513	12 500	12 500	1 228	6 514	5 208	1 306	25%	12 500
Service charges - refuse revenue								-		
Rental of facilities and equipment		195	183	183	19	87	76	11	14%	183
Interest earned - external investments		3 705	6 000	6 000	119	1 463	2 500	(1 037)	-41%	6 000
Interest earned - outstanding debtors		288	85	85	18	73	35	38	106%	85
Dividends received								-		
Fines, penalties and forfeits		209	150	150	13	28	62	(34)	-55%	150
Licences and permits		-	-	-	7	24	-	24	#DIV/0!	-
Agency services								-		
Transfers and subsidies		537 979	601 306	601 306	26	231 022	250 544	(19 523)	-8%	601 306
Other revenue		1 085	711	711	94	400	296	104	35%	711
Gains		40	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		594 501	688 935	688 935	4 835	256 529	287 056	(30 528)	-11%	688 935
Expenditure By Type										
Employee related costs		263 669	268 152	268 152	23 387	112 951	111 731	1 221	1%	268 152
Remuneration of councillors		8 616	8 771	8 771	755	3 807	3 655	153	4%	8 771
Debt impairment		20 001	14 000	14 000	-	-	5 833	(5 833)	-100%	14 000
Depreciation & asset impairment		101 119	80 000	80 000	6 667	33 333	33 334	(0)	0%	80 000
Finance charges		399	-	88	88	88	11	77	700%	88
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		22 023	33 320	34 615	1 311	9 315	14 193	(4 878)	-34%	34 615
Contracted services		318 040	106 388	116 545	7 514	42 428	47 014	(4 586)	-10%	116 545
Transfers and subsidies		11 295	3 070	1 317	126	504	660	(155)	-24%	1 317
Other expenditure		131 178	112 460	105 746	11 725	62 868	45 267	17 601	39%	105 746
Losses		2 627	-	-	-	-	-	-		-
Total Expenditure		878 966	626 161	629 234	51 572	265 296	261 696	3 599	1%	629 234
Surplus/(Deficit)		(284 466)	62 774	59 701	(46 738)	(8 767)	25 360	(34 127)	(0)	59 701
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		611 248	372 306	372 306	21 209	107 582	155 127	(47 545)	(0)	372 306
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)		24 307	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007
Taxation								-		
Surplus/(Deficit) after taxation		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007

1.6. CAPITAL EXPENDITURE AND FUNDING

The Capital Expenditure Report reflected has been prepared based on the format required by National Treasury and is categorized by municipal vote. The capital expenditure is funded from Government Grants and internally Generated Funds

The summary report indicates the following: -

	APPROVED BUDGET	YTD ACTUAL
Total Capital Expenditure	332 161 738	98 751 542
Total Capital Financing	332 161 738	98 751 542

The capital expenditure amounts to **R98.7 million** which is **29%** of the capital budget, after a period of **five months**.

CAPITAL EXPENDITURE BY SOURCE	APPROVED BUDGET	YTD ACTUAL
Municipal Infrastructure Grant (MIG)	225 678 261	65 357 229
Regional Bulk Infrastructure (RBIG)	13 258 261	8 961 777
Water services infrastructure Grant (WSIG)	82 608 696	18 768 201
Rural Roads Asset Managemnt Systems Grant	2 199 130	-
Kwamajomela Manuafacturing Centre Grant	-	1 302 978
Indonsa Grant	26 087	-
Other Assets	8 391 303	4 361 357
Total Operating Expenditure	332 161 738	98 751 542

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	YTD ACTUAL
Municipal Infrastructure Grant (MIG)	259 530 000	74 434 341
Regional Bulk Infrastructure (RBIG)	15 247 000	10 214 154
Water services infrastructure Grant (WSIG)	95 000 000	21 435 550
Rural Roads Asset Managemnt Systems Grant	2 529 000	-
Kwamajomela Manuafacturing Centre Grant	-	1 498 424
Indonsa Grant	26 087	-
Total Capital Grant Expenditure	372 332 087	107 582 469

Overall capital grant expenditure is sitting at **29%** of the approved capital budget, **MIG** is sitting at **29%**, **RBIG** at **67%**, **WSIG** at **23%**, **RAMS** at **0%**, **KwaMajomela Manufacturing Centre** at **91%** and **Indonsa Art Centre** at **0%**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

Vote Description	Ref	2021/22	Budget Year 2022/23							
		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		6 594	-	-	-	-	-	-		-
Vote 02 - Corporate Services		3 746	3 261	3 318	65	65	1 374	(1 309)	-95%	3 318
Vote 03 - Finance		2 918	478	478	20	20	199	(179)	-90%	478
Vote 04 - Community Development		7 451	26	2 657	687	1 942	538	1 404	261%	2 657
Vote 05 - Planning & Wsa		464 144	327 657	327 632	17 873	96 725	136 518	(39 794)	-29%	327 632
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	348	548	-	-	170	(170)	-100%	548
Vote 08 - Water Distribution		-	391	191	-	-	138	(138)	-100%	191
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Total Capital Expenditure		484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Capital Expenditure - Functional Classification										
Governance and administration		13 258	3 652	3 709	85	85	1 537	(1 452)	-94%	3 709
Executive and council		6 594	-	-	-	-	-	-		-
Finance and administration		6 664	3 652	3 709	85	85	1 537	(1 452)	-94%	3 709
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		485	70	1 273	-	639	239	400	167%	1 273
Community and social services		485	70	1 273	-	639	239	400	167%	1 273
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		6 965	6 112	7 515	687	4 940	2 858	2 082	73%	7 515
Planning and development		6 965	6 112	7 515	687	4 940	2 858	2 082	73%	7 515
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		464 144	322 284	322 284	17 873	93 087	134 285	(41 198)	-31%	322 284
Energy sources		-	-	-	-	-	-	-		-
Water management		464 144	322 284	322 284	17 873	93 087	134 285	(41 198)	-31%	322 284
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	43	43	-	-	18	(18)	-100%	43
Total Capital Expenditure - Functional Classification	3	484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Funded by:										
National Government		464 144	323 744	323 719	17 873	93 087	134 888	(41 801)	-31%	323 719
Provincial Government		7 451	26	1 428	687	1 303	322	981	304%	1 428
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		471 595	323 770	325 147	18 560	94 390	135 210	(40 820)	-30%	325 147
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		13 258	8 391	9 678	85	4 361	3 727	634	17%	9 678
Total Capital Funding		484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825

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 28 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's 2022/2023 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 **the period being reported**.

MBRR Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M05 November

Description	2021/22	Budget Year 2022/23							
	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	50 999	80 500	80 500	4 538	23 432	33 542	(10 109)	-30%	80 500
Investment revenue	3 705	6 000	6 000	119	1 463	2 500	(1 037)	-41%	6 000
Transfers and subsidies	537 979	601 306	601 306	26	231 022	250 544	(19 523)	-8%	601 306
Other own revenue	1 817	1 129	1 129	151	612	470	142	30%	1 129
Total Revenue (excluding capital transfers and contributions)	594 501	688 935	688 935	4 835	256 529	287 056	(30 528)	-11%	688 935
Employee costs	263 669	268 152	268 152	23 387	112 951	111 731	1 221	1%	268 152
Remuneration of Councillors	8 616	8 771	8 771	755	3 807	3 655	153	4%	8 771
Depreciation & asset impairment	101 119	80 000	80 000	6 667	33 333	33 334	(0)	-0%	80 000
Finance charges	399	–	88	88	88	11	77	700%	88
Inventory consumed and bulk purchases	22 023	33 320	34 615	1 311	9 315	14 193	(4 878)	-34%	34 615
Transfers and subsidies	11 295	3 070	1 317	126	504	660	(155)	-24%	1 317
Other expenditure	471 845	232 848	236 291	19 239	105 296	98 114	7 182	7%	236 291
Total Expenditure	878 966	626 161	629 234	51 572	265 296	261 696	3 599	1%	629 234
Surplus/(Deficit)	(284 466)	62 774	59 701	(46 738)	(8 767)	25 360	(34 127)	-135%	59 701
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	611 248	372 306	372 306	21 209	107 582	155 127	### ### ..	-31%	372 306
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)	24 307	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	351 089	435 080	432 007	(25 528)	98 816	180 487	(81 672)	-45%	432 007
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	351 089	435 080	432 007	(25 528)	98 816	180 487	(81 672)	-45%	432 007
Capital expenditure & funds sources									
Capital expenditure	484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Capital transfers recognised	471 595	323 770	325 147	18 560	94 390	135 210	(40 820)	-30%	325 147
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	13 258	8 391	9 678	85	4 361	3 727	634	17%	9 678
Total sources of capital funds	484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Financial position									
Total current assets	1 446 071	338 914	338 914		59 282				338 914
Total non current assets	4 601 310	4 188 965	4 191 628		4 666 728				4 191 628
Total current liabilities	355 836	224 332	224 332		271 057				224 332
Total non current liabilities	42 112	33 904	33 904		41 810				33 904
Community wealth/Equity	4 378 271	3 834 563	3 834 563		4 414 058				3 834 563
Cash flows									
Net cash from (used) operating	466 705	549 645	549 645	(84 027)	45 218	229 019	183 801	80%	549 645
Net cash from (used) investing	(505 782)	(332 162)	(332 162)	(18 645)	(98 752)	(138 401)	(39 649)	29%	(332 162)
Net cash from (used) financing	–	–	–	(86)	(346)	–	346	#DIV/0!	–
Cash/cash equivalents at the month/year end	(19 019)	290 159	290 159	–	(51 058)	163 294	214 353	131%	220 304
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	6 663	4 538	4 062	3 483	3 293	3 008	22 515	142 273	189 834
Creditors Age Analysis									
Total Creditors	5 421	3 515	269	654	–	–	–	–	9 860

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		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>		530 987	594 535	594 535	223	230 787	247 723	(16 936)	-7%	594 535
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		530 987	594 535	594 535	223	230 787	247 723	(16 936)	-7%	594 535
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		2 011	2 011	2 011	42	78	838	(760)	-91%	2 011
Community and social services		2 011	1 911	1 911	38	64	796	(732)	-92%	1 911
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	100	100	4	14	42	(28)	-66%	100
<i>Economic and environmental services</i>		9 606	5 316	5 316	790	1 498	2 215	(717)	-32%	5 316
Planning and development		9 606	5 316	5 316	790	1 498	2 215	(717)	-32%	5 316
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		686 941	458 879	458 879	24 989	131 748	191 200	(59 452)	-31%	458 879
Energy sources		–	–	–	–	–	–	–	–	–
Water management		674 336	446 379	446 379	23 748	125 205	185 991	(60 786)	-33%	446 379
Waste water management		12 605	12 500	12 500	1 241	6 543	5 208	1 334	26%	12 500
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	511	500	500	–	–	208	(208)	-100%	500
Total Revenue - Functional	2	1 230 055	1 061 241	1 061 241	26 044	364 111	442 184	(78 073)	-18%	1 061 241
Expenditure - Functional										
<i>Governance and administration</i>		255 470	225 404	229 736	21 853	101 245	95 036	6 209	7%	229 736
Executive and council		61 104	47 846	52 761	4 895	27 441	21 134	6 308	30%	52 761
Finance and administration		194 366	177 558	176 975	16 958	73 804	73 903	(99)	0%	176 975
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		24 796	25 580	26 535	2 415	11 623	10 874	749	7%	26 535
Community and social services		13 211	13 202	14 157	1 251	6 316	5 717	599	10%	14 157
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		11 586	12 378	12 378	1 164	5 307	5 157	149	3%	12 378
<i>Economic and environmental services</i>		24 502	23 962	23 236	1 845	6 931	9 777	(2 846)	-29%	23 236
Planning and development		24 502	23 962	23 236	1 845	6 931	9 777	(2 846)	-29%	23 236
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		566 315	337 266	335 829	24 787	141 490	140 209	1 281	1%	335 829
Energy sources		–	–	–	–	–	–	–	–	–
Water management		558 489	332 231	330 794	24 262	139 147	138 111	1 037	1%	330 794
Waste water management		7 826	5 035	5 035	526	2 342	2 098	245	12%	5 035
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>		7 882	13 948	13 898	671	4 007	5 801	(1 794)	-31%	13 898
Total Expenditure - Functional	3	878 966	626 161	629 234	51 572	265 296	261 696	3 599	1%	629 234
Surplus/ (Deficit) for the year		351 089	435 080	432 007	(25 528)	98 816	180 487	(81 672)	-45%	432 007

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) - M05 November

Vote Description	Ref	2021/22	Budget Year 2022/23							
		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		448	850	850	–	36	354	(318)	-89.8%	850
Vote 03 - Finance		530 539	594 185	594 185	223	230 751	247 577	(16 826)	-6.8%	594 185
Vote 04 - Community Development		10 481	2 011	2 011	832	1 576	838	739	88.1%	2 011
Vote 05 - Planning & Wsa		603 289	383 610	383 610	20 419	108 214	159 837	(51 623)	-32.3%	383 610
Vote 06 - Technical Services		9 612	–	–	–	–	–	–	–	–
Vote 07 - Water Purification		–	–	–	–	–	–	–	–	–
Vote 08 - Water Distribution		63 082	68 085	68 085	3 328	16 991	28 369	(11 377)	-40.1%	68 085
Vote 09 - Waste Water		12 605	12 500	12 500	1 241	6 543	5 208	1 334	25.6%	12 500
Vote 10 - .		–	–	–	–	–	–	–	–	–
Vote 11 - .		–	–	–	–	–	–	–	–	–
Vote 12 - .		–	–	–	–	–	–	–	–	–
Vote 13 - .		–	–	–	–	–	–	–	–	–
Vote 14 - *		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	1 230 055	1 061 241	1 061 241	26 044	364 111	442 184	(78 073)	-17.7%	1 061 241
Expenditure by Vote	1									
Vote 01 - Council		61 104	47 846	52 761	4 895	27 441	21 134	6 308	29.8%	52 761
Vote 02 - Corporate Services		124 394	98 375	97 970	9 305	45 253	40 931	4 323	10.6%	97 970
Vote 03 - Finance		70 809	79 473	80 112	7 757	24 036	33 220	(9 183)	-27.6%	80 112
Vote 04 - Community Development		43 410	49 413	48 751	3 682	23 240	20 447	2 794	13.7%	48 751
Vote 05 - Planning & Wsa		62 982	23 285	23 310	2 078	8 177	9 715	(1 538)	-15.8%	23 310
Vote 06 - Technical Services		29 532	5 992	6 112	717	3 684	2 518	1 166	46.3%	6 112
Vote 07 - Water Purification		48 620	36 762	36 762	4 153	21 348	15 318	6 031	39.4%	36 762
Vote 08 - Water Distribution		430 289	279 979	278 421	18 459	109 773	116 318	(6 545)	-5.6%	278 421
Vote 09 - Waste Water		7 826	5 035	5 035	526	2 342	2 098	245	11.7%	5 035
Vote 10 - .		–	–	–	–	–	–	–	–	–
Vote 11 - .		–	–	–	–	–	–	–	–	–
Vote 12 - .		–	–	–	–	–	–	–	–	–
Vote 13 - .		–	–	–	–	–	–	–	–	–
Vote 14 - *		–	–	–	–	–	–	–	–	–
Vote 15 - Other		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	878 966	626 161	629 234	51 572	265 296	261 696	3 599	1.4%	629 234
Surplus/ (Deficit) for the year	2	351 089	435 080	432 007	(25 528)	98 816	180 487	(81 672)	-45.3%	432 007

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) - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		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		38 486	68 000	68 000	3 310	16 918	28 333	(11 415)	-40%	68 000
Service charges - sanitation revenue		12 513	12 500	12 500	1 228	6 514	5 208	1 306	25%	12 500
Service charges - refuse revenue								-		
Rental of facilities and equipment		195	183	183	19	87	76	11	14%	183
Interest earned - external investments		3 705	6 000	6 000	119	1 463	2 500	(1 037)	-41%	6 000
Interest earned - outstanding debtors		288	85	85	18	73	35	38	106%	85
Dividends received								-		
Fines, penalties and forfeits		209	150	150	13	28	62	(34)	-55%	150
Licences and permits		-	-	-	7	24	-	24	#DIV/0!	-
Agency services								-		
Transfers and subsidies		537 979	601 306	601 306	26	231 022	250 544	(19 523)	-8%	601 306
Other revenue		1 085	711	711	94	400	296	104	35%	711
Gains		40	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		594 501	688 935	688 935	4 835	256 529	287 056	(30 528)	-11%	688 935
Expenditure By Type										
Employee related costs		263 669	268 152	268 152	23 387	112 951	111 731	1 221	1%	268 152
Remuneration of councillors		8 616	8 771	8 771	755	3 807	3 655	153	4%	8 771
Debt impairment		20 001	14 000	14 000	-	-	5 833	(5 833)	-100%	14 000
Depreciation & asset impairment		101 119	80 000	80 000	6 667	33 333	33 334	(0)	0%	80 000
Finance charges		399	-	88	88	88	11	77	700%	88
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		22 023	33 320	34 615	1 311	9 315	14 193	(4 878)	-34%	34 615
Contracted services		318 040	106 388	116 545	7 514	42 428	47 014	(4 586)	-10%	116 545
Transfers and subsidies		11 295	3 070	1 317	126	504	660	(155)	-24%	1 317
Other expenditure		131 178	112 460	105 746	11 725	62 868	45 267	17 601	39%	105 746
Losses		2 627	-	-	-	-	-	-		-
Total Expenditure		878 966	626 161	629 234	51 572	265 296	261 696	3 599	1%	629 234
Surplus/(Deficit)		(284 466)	62 774	59 701	(46 738)	(8 767)	25 360	(34 127)	(0)	59 701
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		611 248	372 306	372 306	21 209	107 582	155 127	(47 545)	(0)	372 306
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)		24 307	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007
Taxation								-		
Surplus/(Deficit) after taxation		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		351 089	435 080	432 007	(25 528)	98 816	180 487			432 007

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) - M05 November

Vote Description	Ref	2021/22	Budget Year 2022/23							
		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		6 594	-	-	-	-	-	-		-
Vote 02 - Corporate Services		3 746	3 261	3 318	65	65	1 374	(1 309)	-95%	3 318
Vote 03 - Finance		2 918	478	478	20	20	199	(179)	-90%	478
Vote 04 - Community Development		7 451	26	2 657	687	1 942	538	1 404	261%	2 657
Vote 05 - Planning & Wsa		464 144	327 657	327 632	17 873	96 725	136 518	(39 794)	-29%	327 632
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	348	548	-	-	170	(170)	-100%	548
Vote 08 - Water Distribution		-	391	191	-	-	138	(138)	-100%	191
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - .		-	-	-	-	-	-	-		-
Vote 13 - .		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Total Capital Expenditure		484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Capital Expenditure - Functional Classification										
Governance and administration		13 258	3 652	3 709	85	85	1 537	(1 452)	-94%	3 709
Executive and council		6 594	-	-	-	-	-	-		-
Finance and administration		6 664	3 652	3 709	85	85	1 537	(1 452)	-94%	3 709
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		485	70	1 273	-	639	239	400	167%	1 273
Community and social services		485	70	1 273	-	639	239	400	167%	1 273
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		6 965	6 112	7 515	687	4 940	2 858	2 082	73%	7 515
Planning and development		6 965	6 112	7 515	687	4 940	2 858	2 082	73%	7 515
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		464 144	322 284	322 284	17 873	93 087	134 285	(41 198)	-31%	322 284
Energy sources		-	-	-	-	-	-	-		-
Water management		464 144	322 284	322 284	17 873	93 087	134 285	(41 198)	-31%	322 284
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	43	43	-	-	18	(18)	-100%	43
Total Capital Expenditure - Functional Classification	3	484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825
Funded by:										
National Government		464 144	323 744	323 719	17 873	93 087	134 888	(41 801)	-31%	323 719
Provincial Government		7 451	26	1 428	687	1 303	322	981	304%	1 428
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		471 595	323 770	325 147	18 560	94 390	135 210	(40 820)	-30%	325 147
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		13 258	8 391	9 678	85	4 361	3 727	634	17%	9 678
Total Capital Funding		484 853	332 162	334 825	18 645	98 752	138 938	(40 186)	-29%	334 825

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 - M05 November

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1 809 057	240 335	240 335	(49 290)	240 335
Call investment deposits		(480 000)	—	—	—	—
Consumer debtors		32 918	67 333	67 333	46 060	67 333
Other debtors		81 540	28 773	28 773	59 831	28 773
Current portion of long-term receivables		—	—	—	—	—
Inventory		2 556	2 473	2 473	2 681	2 473
Total current assets		1 446 071	338 914	338 914	59 282	338 914
Non current assets						
Long-term receivables		—	—	—	—	—
Investments		—	—	—	—	—
Investment property		—	—	—	—	—
Investments in Associate		—	—	—	—	—
Property, plant and equipment		4 593 488	4 188 952	4 191 614	4 658 906	4 191 614
Biological		—	—	—	—	—
Intangible		15	13	13	15	13
Other non-current assets		7 807	—	—	7 807	—
Total non current assets		4 601 310	4 188 965	4 191 628	4 666 728	4 191 628
TOTAL ASSETS		6 047 381	4 527 879	4 530 542	4 726 010	4 530 542
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Borrowing		902	—	—	556	—
Consumer deposits		3 621	3 633	3 633	3 618	3 633
Trade and other payables		348 935	218 944	218 944	264 505	218 944
Provisions		2 378	1 755	1 755	2 378	1 755
Total current liabilities		355 836	224 332	224 332	271 057	224 332
Non current liabilities						
Borrowing		1 092	—	—	1 092	—
Provisions		41 020	33 904	33 904	40 718	33 904
Total non current liabilities		42 112	33 904	33 904	41 810	33 904
TOTAL LIABILITIES		397 948	258 236	258 236	312 867	258 236
NET ASSETS	2	5 649 433	4 269 643	4 272 306	4 413 143	4 272 306
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		4 378 271	3 834 563	3 834 563	4 414 058	3 834 563
Reserves		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	4 378 271	3 834 563	3 834 563	4 414 058	3 834 563

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 Councilors 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 30 November 2022 indicate bank overdraft of **R49.2 million**

Call Investments Deposits

Call investments as at 30 November 2022 is **R0**

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R46 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R189.8 million**. Consumer debtors amounts to **R184.6 million** and the balance of **R5.2 million** is for shared services casted in Other Debtors.

Gross Consumer debtors	R184.6 million
Less Impairment	(R138.6 million)
Net Consumer Debtors	R46 million

Classification of Consumer Debtors per Service type

Water Debtors	R37.3 million
Sanitation Debtors	R8.1 million
Property Rentals Debtors	R55.7 thousand
Other Consumer debtors	R29.5 thousand
Total	R46 million

➤ Water Debtors

Net Water debtors after considering provision for bad debts amount to **R37.3 million**. Water debtors are amounts owed by consumers for water services billed.

Gross Water Debtors	R143.2 million
Less Impairment	(105.9 million)
Net Water Debtors	R37.3 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R8.1 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R40.8 million
Less Impairment	(R32.7 million)
Net Sanitation Debtors	R8.1 million

➤ **Property Rentals Debtors**

These are debtors accumulated from property rentals amounts to **R55.7 thousand**

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R29 thousand**, these are sundry debtors.

Gross Other Debtors	R29 thousand
Less Impairment	(R0 thousand)
Net Other Debtors	R29 thousand

Classification of Consumer Debtors per Customer group

Households	R157.3 million
Commercial/Businesses	R11.9 million
Organs of State (excl shared services of R5 mill)	R15.2 million
Total	R184.4 million

Only household consumer debtors are impaired as per council policy. The breakdown is as per below:

Gross Households debtors	R157.3 million
Less Impairment	(R138.6 million)
Net Household debtors	R18.7 million

Other debtors

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R59.8 million**.

VAT Receivable	R32.8 million
Deposits Made	R16.7 million
Refunds & under/over banking	R7.2 million
Overpayments/Accrued Income/UIFW Expenditure	R2.3 million
Prepaid Expenses	R564 thousand
Insurance claims	R15.2 thousand
Salary advance	R125.7 thousand
Total	R59.8 million

➤ VAT Receivable

VAT Receivable amount to **R32.8 million**, this is the amount raised when input VAT is recognized less output VAT collected as per VAT reconciliation.

➤ Deposits Made

Deposits made amount to **R16.6 million**, this amount include Eskom deposits, Federal Air Deposits and Stowell Deposits.

Eskom Deposits	R16.2 million
Stowell Deposit	R200 thousand
Vryheid office	R2 thousand
Andrew Miller & Associates	R200 thousand

Eskom deposits are amounts held by Eskom as security for all accounts the Municipality has with Eskom. Security deposits are paid when the Municipality opens a new electricity account with Eskom.

Stowell Deposit is the amount paid as a security deposit when Stowell was first contracted, and the deposit for office space rented in Vryheid.

Andrew Miller & Associates is the amount paid as a security deposit when they were first contracted.

➤ **Refunds & under/over banking**

Refunds & under/over banking amount to **R7.2 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

Shared services debtors	R5.2 million
under/over banking	R2 million

Shared services debtors are debtors for the five local municipalities under the district, The District Municipality pays for the shared service on behalf of the Local municipalities, then recover these monies from the respective municipalities. Under/over banking is the unidentified debit orders pending their finalization.

➤ **Overpayments/Accrued Income/UIFW Expenditure**

Overpayments/Accrued Income/UIFW Expenditure amount to **R2.27 million**, these are payments made by the Municipality to be recovered and income expected to be received by the Municipality.

Overpayments	R906.9 thousand
Fruitless Expenditure to be recovered	R1.33 million
Accrued Income – Asset Disposal	R36.9 thousand

Overpayments include an amount of R4.7 million which has been provided for impairment because they are likely to be irrecoverable, those amounts are for Department of Water and sanitation amounting to R2.7 million, Amanzi Ichweba amounting to R1.4 million, BP Drakensburg amounting to R136.8 thousand, Tracker amounting to R134.2 thousand, World Focus amounting to R284.2 thousand. The balance for overpayments of R785.3 thousand is for Enduneni Constructors (R783 thousand), human resources (R116.8 thousand), Water purification – Ulundi (R4.7 thousand) and Lindani Catering (R1.9 thousand).

Fruitless expenditure to be recovered amounting to R1.33 million resulted from a claim of standing time due to consultant negligence.

Accrued Income – Asset Disposal is the amount of R36.9 thousand to be received from the actioner of assets disposed by the Municipality.

➤ **Prepaid Expense**

Prepaid Expense amounts to **R564 thousand**. Prepaid expense is made up of prepaid electricity

➤ **Insurance Claims**

Insurance Claims amounts to **R15.9 thousand**. This amount consists of an outstanding claim.

➤ **Salary advance**

Salary advance amounts to **R125.7 thousand**. This amount consists of advanced employee costs

Inventory

The current level of inventory is **R2.6 million**. Inventories include water stock and consumable stores.

NON-CURRENT ASSETS

Long term receivables

The Municipality does not have long term receivables as per MSCOA classification.

Property plant and equipment

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment include current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R4.6 billion**.

Opening balance	R4.6 billion
Additions	R98.7 million
Depreciation	(R33.3 million)
Closing Balance	R4.6 billion

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R14.8 thousand**.

Opening balance	R14.8 thousand
Additions	R 0
Depreciation	(R0)
Closing Balance	R14.8 thousand

Other non-current assets

Other non-current assets comprise of heritage assets of **R7.8 million**

CURRENT LIABILITIES

Borrowings

This is the current portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R643 thousand**.

Opening balance	R901.7 thousand
Payment	(R345.6 thousand)
Closing Balance	R556.08 thousand

Consumer deposits

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

Trade and other payables

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R264.5 million**.

Trade Creditors	(R291 thousand)
Unspent Conditional Grants	R127.8 million
Retention	R41.7 million
Sessions	R500 thousand
Department of Water & Sanitation	R21.7 million
Output VAT	R8.6 million
Leave accrued	R19.07 million
Bonus	R5.4 million
Employee related cost	R1.8 million
Advance Payments	R3.4 million
Fleet Suspense account	(R1.8 million)
Salary Suspense Accounts	R9.9 million
Other Suspense account	(R55.9 thousand)
Water tankers	R22.1 million
Unallocated Deposits	(R 467 hundred)
Other trade creditors	R63.9 thousand
Zanamanzi	R5.3 million

Closing Balance	R264.5 million
------------------------	-----------------------

Current Provisions

Current provisions amount to **R2.3 million**, this provision is for post-retirement benefit (Medical aid) and long service awards that is paid in the current financial year.

Post Retirement benefit (Medical aid)	R 405 thousand
Long service awards	R1.9 million

NON-CURRENT LIABILITIES

Borrowings

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R1 million**.

Non-current Provisions

Non-current Provisions amounts to **R40.7 million**, this provision is for post-retirement benefit (Medical aid) and Long Service award.

Post Retirement benefit (Medical aid)	R27.1 million
Long Service award	R13.5 million

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R4.5 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		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		46 532	60 574	60 574	2 130	11 258	25 239	(13 981)	-55%	60 574
Other revenue		1 070 817	80 905	80 905	(18 647)	237 736	33 710	204 026	605%	80 905
Transfers and Subsidies - Operational		536 834	601 306	601 306	-	232 022	250 544	(18 522)	-7%	601 306
Transfers and Subsidies - Capital		636 186	372 306	372 306	5 247	232 017	155 128	76 890	50%	372 306
Interest		3 705	6 000	6 000	119	576	2 500	(1 924)	-77%	6 000
Dividends								-		
Payments										
Suppliers and employees		(1 827 370)	(571 446)	(571 446)	(72 876)	(668 392)	(238 103)	430 290	-181%	(571 446)
Finance charges								-		
Transfers and Grants		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		466 705	549 645	549 645	(84 027)	45 218	229 019	183 801	80%	549 645
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(505 782)	(332 162)	(332 162)	(18 645)	(98 752)	(138 401)	(39 649)	29%	(332 162)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(505 782)	(332 162)	(332 162)	(18 645)	(98 752)	(138 401)	(39 649)	29%	(332 162)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	(86)	(346)	-	346	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	(86)	(346)	-	346	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(39 077)	217 483	217 483	(102 759)	(53 880)	90 618			217 483
Cash/cash equivalents at beginning:		20 058	72 676	72 676	(52 111)	2 821	72 676			2 821
Cash/cash equivalents at month/year end:		(19 019)	290 159	290 159		(51 058)	163 294			220 304

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 are met.

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R60.5 million** on service charges, the estimated collection amount is based on the 65% collection rate. The collection rate is also based on previous years actual collection and initiatives the Municipality has taken to improve collection. The Municipality has collected **R11.2 million** to date, which is **19%** of the budgeted collection. From the year-to-date billing of **R23 million** on table C4 **55%** has been collected to date.

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 has replaced and installed new meters to ensure billing is accurate and not estimated.
- Municipality has adopted an indigent policy and is in a process to write off indigent households.
- The municipality has adopted a flat rate of R50 to unmetered households

Other Revenue

Other revenue includes receipts from tender fees, hall hiring, fines and forfeits, and office space rental receipts. The population of other revenue is higher than expected and not credible, the Municipality is a continuous engagement with the system vendor to resolve population of this line item. Other revenue on table C4 is **R400 thousand**.

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 to date are **R232 million**. This amount includes FMG, Equitable share and EPWP which were received thus far under Transfers and subsidies – Operational.

Equitable share	R228.6 million
Finance Management Grant	R1.2 million
Expanded public works program	R2.1 million
TOTAL	R232 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 to date, Transfers and subsidies Capital are **R232.01 million**. This amount includes RBIG, MIG, RRAMS and WSIG which were RECEIVED thus far under Transfers and subsidies - Capital

Municipal Infrastructure Grant	R 165 million
Regional Bulk Infrastructure Grant	R 15.2 million
Water services Infrastructure grant	R 50 million
Rural Road asset Management grant	R 1.7 million
TOTAL	R232.01 million

Interest

Interest on investment is budgeted at **R6 million**, this estimate is based on previous year interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R576 thousand**. Interest on investment revenue on table C4 is **R1.4 million**, the difference does not populate because of the system technicality and will be corrected.

The interest on investment is below target, the municipality may have to revise its investment strategy to ensure budget target is met.

Payments - Suppliers and employees

The municipality is expecting to spend 100% of what has been budgeted on Table C4 and year-end creditors but excluding non-cash items such as depreciation and debt impairment.

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R98.7 million**, the capital expenditure is excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed.

Cash and cash equivalents at the end

Cash and cash equivalents are 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 2022

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

Description	NT Code	Budget Year 2022/23											
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts I.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	5 227	3 542	3 046	2 613	2 481	2 326	14 105	109 861	143 201	131 386	–	105 905
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	1 396	869	787	783	800	574	3 516	32 102	40 827	37 774	–	32 710
Receivables from Exchange Transactions - Waste Management	1600									–	–		
Receivables from Exchange Transactions - Property Rental Debtors	1700	22	9	9	6	0	–	9	–	56	15	–	–
Interest on Arrear Debtor Accounts	1810	18	16	15	12	11	25	212	239	549	500	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	–	102	204	69	–	83	4 673	71	5 202	4 896	–	–
Total By Income Source	2000	6 663	4 538	4 062	3 483	3 293	3 008	22 515	142 273	189 834	174 571	–	138 614
2021/22 - totals only													
										–	–		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 548	1 466	1 020	1 063	1 034	538	7 274	5 516	20 458	15 425	–	–
Commercial	2300	894	513	404	277	252	353	1 485	7 817	11 995	10 184	–	–
Households	2400	3 221	2 559	2 638	2 143	2 007	2 117	13 756	128 940	157 381	148 963	–	138 614
Other	2500									–	–		
Total By Customer Group	2600	6 663	4 538	4 062	3 483	3 293	3 008	22 515	142 273	189 834	174 571	–	138 614

Total debtors' amount to **R189.8 million**, which is an increase of **R2.8 million** from the closing balance of **R186.9 million** in November 2022. The debtors over 90 days amount to **R174.5 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2. CREDITORS ANALYSIS

Creditors age analysis as at 30 November 2022

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

Description	NT Code	Budget Year 2022/23								Total
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	
R thousands										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	5 421	3 515	269	654	–	–	–	–	9 860
Bulk Water	0200									–
PAYE deductions	0300									–
VAT (output less input)	0400									–
Pensions / Retirement deductions	0500									–
Loan repayments	0600									–
Trade Creditors	0700									–
Auditor General	0800									–
Other	0900									–
Total By Customer Type	1000	5 421	3 515	269	654	–	–	–	–	9 860

2.3. INVESTMENT PORTFOLIO

Investments as at 30 November 2022

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

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	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														
Municipality														
Zululand District Municipality		30	Call Account	Yes	Variable	0.0615	N/A	N/A	N/A	25 000	126	–	–	25 000
Zululand District Municipality		91	Call Account	Yes	Variable	0.061	N/A	N/A	N/A	25 000	380	–	25 000	50 000
Zululand District Municipality		30	Short term	Yes	Variable	0.06425	N/A	N/A	N/A	50 000	132		25 000	75 000
Zululand District Municipality		62	Short term	Yes	Variable	0.06425	N/A	N/A	N/A	75 000	273		25 000	100 000
Zululand District Municipality		0	Balance b/d	Yes	Variable	Available	N/A	N/A	N/A	100 000	–	50 000	–	50 000
Zululand District Municipality-ABSA		30	Call Account	Yes	Variable	0.0505	N/A	N/A	N/A	50 000	42		10 000	60 000
Zululand District Municipality		0	Balance b/d	Yes	Variable	Available	N/A	N/A	N/A	60 000	–	–		60 000
Zululand District Municipality-Std Bank		0	Short term	Yes	Variable	Available	N/A	N/A	N/A	60 000	–	25 000		35 000
Zululand District Municipality		0	Call account	Yes	Variable	Available	N/A	N/A	N/A	35 000	–	10 000		25 000
Zululand District Municipality		0	Balance b/d	Yes	Variable	Available	N/A	N/A	N/A	25 000	–	25 000	–	–
Zululand District Municipality		30	Call account	Yes	Variable	0.0505	N/A	N/A	N/A	–	125		30 000	30 000
Zululand District Municipality		3	Call account	Yes	Variable	0.0505	N/A	N/A	N/A	30 000	–	10 000	–	20 000
Zululand District Municipality		23	Call account	Yes	Variable	0.0505	N/A	N/A	N/A	20 000	–	20 000	–	–
Municipality sub-total										30 000	1 077	140 000	140 000	–
Entities														
														–
														–
														–
														–
														–
Entities sub-total										–		–	–	–
TOTAL INVESTMENTS AND INTERES	2									30 000	1 077	140 000	140 000	–

2.4. ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		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:		535 457	598 895	598 895	26	231 022	249 540	(18 518)	-7.4%	598 895
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		524 645	586 391	586 391	-	228 692	244 330	(15 638)	-6.4%	586 391
Expanded Public Works Programme Integrated Grant		9 612	8 517	8 517	-	2 130	3 549	(1 419)	-40.0%	8 517
Local Government Financial Management Grant		1 200	1 200	1 200	26	200	500	(300)	-60.1%	1 200
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	2 787	2 787	-	-	1 161	(1 161)	-100.0%	2 787
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		2 522	2 411	2 411	-	-	1 005	(1 005)	-100.0%	2 411
Capacity Building and Other Grants		2 522	2 411	2 411	-	-	1 005	(1 005)	-100.0%	2 411
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	537 979	601 306	601 306	26	231 022	250 544	(19 523)	-7.8%	601 306
Capital Transfers and Grants										
National Government:		603 289	372 306	372 306	20 419	106 084	155 127	(49 043)	-31.6%	372 306
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		269 111	259 530	259 530	16 150	74 434	108 138	(33 703)	-31.2%	259 530
Regional Bulk Infrastructure Grant		222 531	15 247	15 247	1 460	10 214	6 353	3 861	60.8%	15 247
Rural Road Asset Management Systems Grant		1 647	2 529	2 529	-	-	1 054	(1 054)	-100.0%	2 529
Water Services Infrastructure Grant		110 000	95 000	95 000	2 809	21 436	39 583	(18 148)	-45.8%	95 000
Provincial Government:		32 266	-	-	790	1 498	-	1 498	-	-
Infrastructure Grant		32 266	-	-	790	1 498	-	1 498	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	635 555	372 306	372 306	21 209	107 582	155 127	(47 545)	-30.6%	372 306
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 173 534	973 612	973 612	21 236	338 604	405 672	(67 068)	-16.5%	973 612

Grants are received as per transfer schedule and have been received as such, Grants are recognized as revenue as when the condition is been met.

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<u>EXPENDITURE</u>										
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		765 037	551 382	554 455	45 531	234 092	230 402	3 691	1.6%	554 455
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		674 775	541 665	544 713	42 871	223 272	226 348	(3 076)	-1.4%	544 713
Expanded Public Works Programme Integrated Grant		24 299	8 517	8 517	2 635	10 625	3 549	7 076	199.4%	8 517
Local Government Financial Management Grant		1 200	1 200	1 200	25	196	500	(304)	-60.9%	1 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		41 379	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		1 022	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		1 433	–	25	–	–	6	(6)	-100.0%	25
Water Services Infrastructure Grant		20 929	–	–	–	–	–	–	–	–
Provincial Government:		1 866	2 381	2 381	8	1 038	1 129	(91)	-8.1%	2 381
Capacity Building and Other Grants		1 866	2 381	2 381	8	1 038	1 129	(91)	-8.1%	2 381
District Municipality:		–	–	–	–	–	–	–	–	–
								–		
Other grant providers:		–	–	–	–	–	–	–	–	–
								–		
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Total operating expenditure of Transfers and Grants:		766 903	553 763	556 836	45 539	235 130	231 531	3 599	1.6%	556 836
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		464 144	323 744	323 719	17 873	93 087	134 888	(41 801)	-31.0%	323 719
Municipal Infrastructure Grant		194 381	225 678	225 678	14 131	65 357	94 033	(28 675)	-30.5%	225 678
Regional Bulk Infrastructure Grant		194 437	13 258	13 258	1 270	8 962	5 524	3 437	62.2%	13 258
Rural Road Asset Management Systems Grant		–	2 199	2 174	–	–	911	(911)	-100.0%	2 174
Water Services Infrastructure Grant		75 326	82 609	82 609	2 473	18 768	34 420	(15 652)	-45.5%	82 609
Provincial Government:		7 451	26	1 428	687	1 303	322	981	304.2%	1 428
Infrastructure Grant		7 451	26	1 428	687	1 303	322	981	304.2%	1 428
District Municipality:		–	–	–	–	–	–	–	–	–
								–		
Other grant providers:		–	–	–	–	–	–	–	–	–
								–		
Total capital expenditure of Transfers and Grants		471 595	323 770	325 147	18 560	94 390	135 210	(40 820)	-30.2%	325 147
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 238 498	877 534	881 983	64 100	329 520	366 741	(37 221)	-10.1%	881 983

All conditional grants actual year-to-date expenditure are below year-to-date budget on average this is since the financial year has just begun, though EPWP and RBIG year-to-date actual expenditure is above year to year-to-date budget.

Roll-overs Expenditure

The Municipality has two rolled over grants:

- Rural Road Asset Management Subsidy
- KwaMajomela manufacturing grant

ROLLED OVER GRANTS FROM 2021/2022	APPROVED BUDGET	YTD ACTUAL
Rural Road Asset Management Subsidy	768 977	-
Kwamajomela Manufacturing Centre Grant	1 641 817	1 498 424
Total Operating Grant Expenditure	2 410 795	1 498 424

The municipality has only KwaMajomela Manufacturing Centre Grant approved to be rolled over so far and expenditure amount above is inclusive of VAT as per **MFMA circular no. 58**.

The municipality is in a process to pay back Rural Road Asset Management Subsidy

DC26 Zululand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M05 November

Description	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	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:		1 642	790	1 406	(236)	-14.4%
Other Departments		1 642	790	1 406	(236)	-14.4%
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		1 642	790	1 406	(236)	-14.4%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		1 642	790	1 406	(236)	-14.4%

2.5. COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		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		—	—	—	—	—	—	—		—
Pension and UIF Contributions		514	661	661	44	215	276	(61)	-22%	661
Medical Aid Contributions		44	—	—	6	22	—	22	#DIV/0!	—
Motor Vehicle Allowance		1 727	1 805	1 805	157	779	752	27	4%	1 805
Cellphone Allowance		649	653	653	58	286	272	14	5%	653
Housing Allowances		—	—	—	—	—	—	—		—
Other benefits and allowances		5 682	5 652	5 652	490	2 506	2 355	151	6%	5 652
Sub Total - Councillors		8 616	8 771	8 771	755	3 807	3 655	153	4%	8 771
% increase	4		1.8%	1.8%						1.8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		5 121	6 555	6 555	430	1 945	2 731	(786)	-29%	6 555
Pension and UIF Contributions		11	55	55	1	4	23	(19)	-83%	55
Medical Aid Contributions		48	57	57	—	—	24	(24)	-100%	57
Overtime		—	—	—	—	—	—	—		—
Performance Bonus		—	—	—	—	—	—	—		—
Motor Vehicle Allowance		1 210	1 592	1 592	109	493	664	(170)	-26%	1 592
Cellphone Allowance		191	210	210	17	76	87	(12)	-13%	210
Housing Allowances		—	—	—	—	—	—	—		—
Other benefits and allowances		203	225	225	70	131	94	37	39%	225
Payments in lieu of leave		354	—	—	—	185	—	185	#DIV/0!	—
Long service awards		—	—	—	—	—	—	—		—
Post-retirement benefit obligations		—	—	—	—	—	—	—		—
Sub Total - Senior Managers of Municipality		7 138	8 695	8 695	627	2 834	3 623	(789)	-22%	8 695
% increase	4		21.8%	21.8%						21.8%
Other Municipal Staff										
Basic Salaries and Wages		172 378	185 935	185 935	16 245	76 914	77 473	(559)	-1%	185 935
Pension and UIF Contributions		22 997	25 886	25 886	2 092	10 248	10 786	(538)	-5%	25 886
Medical Aid Contributions		13 624	13 597	13 597	1 223	6 002	5 665	336	6%	13 597
Overtime		7 099	4 619	4 619	522	2 571	1 925	647	34%	4 619
Performance Bonus		11 678	12 786	12 786	1 009	5 489	5 328	162	3%	12 786
Motor Vehicle Allowance		8 704	9 561	9 561	865	4 186	3 984	202	5%	9 561
Cellphone Allowance		663	670	670	64	329	279	50	18%	670
Housing Allowances		1 379	1 379	1 379	117	762	575	188	33%	1 379
Other benefits and allowances		8 505	524	524	327	1 506	219	1 288	589%	524
Payments in lieu of leave		3 223	—	—	154	1 055	—	1 055	#DIV/0!	—
Long service awards		2 506	—	—	143	1 054	—	1 054	#DIV/0!	—
Post-retirement benefit obligations		3 775	4 500	4 500	—	—	1 875	(1 875)	-100%	4 500
Sub Total - Other Municipal Staff		256 532	259 457	259 457	22 760	110 118	108 108	2 010	2%	259 457
% increase	4		1.1%	1.1%						1.1%
Total Parent Municipality		272 286	276 923	276 923	24 142	116 759	115 385	1 374	1%	276 923

The municipality has no entity hence no board member fees have been budgeted and incurred

2.6. MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M05 November

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Service charges – Water revenue	40%	This is the amounts billed on customers for water used, the year-to-date actual is R16.9 million, which is below year-to-date budget of R28.3 million. A variance of R11.4 million or 40% is observed. No amount has been recognized relating to the proposed flat rate of R50 to date, this is causing under billing of the variance mentioned above.	The municipality may have to adjust downward revenue projection in the adjustment budget. The municipality must fast track the billing of R50 flat rate to ensure that the budget target is met.
	Service charges – Sanitation revenue	25%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R6.5 million which is above year to date budget of R5.2 million. A variance of R1.3 million or 25% is observed.	The billing is above the target, the municipality may have to adjust upwards in the adjustment budget.
	Rent of facilities	14%	Rental of facilities is amounts billed to WSSA, Avis and Waphatha Group for office space used. The year-to-date actual is R87 thousand which is above year-to-date budget of R76 thousand. A variance of R11 thousand or 14% is observed.	The billing is above the target, the municipality may have to adjust upwards in the adjustment budget.
	Interest on investment	41%	Interest on investment is interest received when the Municipality makes cash investments. The year-to-date actual is R1.4 million, which is below year-to-date budget of R2.5 million. A variance of R1 million or 41% is observed, Investment is low due to prioritization of payments of liabilities.	The interest on investment is below target, the municipality may have to revise its investment strategy to ensure budget target is met or may have to adjust downwards in the adjustment budget.
	Interest earned - outstanding debtors	106%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R73 thousand, which is above year-to-date budget of R35 thousand. variance of R38 thousand or 106% is observed. This is due to low collection rate on businesses which are charged interest as per the municipal policy.	Interest earned on outstanding debtors is above target, the municipality must improve collection to ensure less consumers are charged interest. The municipality may have to adjust upwards in the adjustment budget.
	Fines, penalties and forfeits	55%	Fines, penalties and forfeits are mainly amounts charged on illegal connections, the year-to-date actual is R28 thousand, which is below the year-to-date budget of R62 thousand. A variance of R34 thousand or 55% is observed. This is a positive indication that less consumers are illegally connected.	Municipality must keep up disconnection of illegal connections. The municipality may have to adjust upwards in the adjustment budget.
	Licences and permits	0%	This amount is for health certificates issued, the year-to-date actual is R24 thousand, the year-to-date budget is R24 thousand. A variance of R24 thousand or is observed.	There was no allocated budget in this revenue stream, the budget will be allocated in the adjustment budget.
	Transfers and subsidies	8%	Transfers and subsidies year to date actual is R231.02 million, which is below year-to-date budget of R250.5 million. A variance of R19.5 million or 8% is observed. This variance is mainly a result of equitable share which is not received monthly but in trenches three times a year as per approved transfer schedule.	Transfers and subsidies depend on the transfer schedule and cannot be benchmarked against the year-to-date budget.
	Other revenue	35%	Other revenue includes amounts for tender fees and any other revenue the Municipality may be entitled to receive, the year-to-date actual is R400 thousand, which is above year-to-date budget of R269 thousand. A variance of R104 thousand or 35% is observed.	The other revenue depends on the sale of tender documents and skills development levy refund which are seasonal and cannot be benchmarked against the year-to-date budget.

DC26 Zululand - Supporting Table SC1 Material variance explanations - M05 November

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
2	Expenditure By Type			
	Employee Related Costs	1%	Employee related costs year to date actual is R112.9 million, which is above the year-to-date budget of R111.7 million, a variance of R1.2 million or 1% is observed. Employee related cost is a little bit above year-to-date budget, this variance is caused by overtime, standby allowance, acting allowance and long service bonus.	The above variance is not major therefore does not warrant remedy
	Remuneration of Councilors	4%	Remuneration of Councilors year to date actual is R3.8 million, which is above the year-to-date budget is R3.6 million, a variance of R153 thousand or 4% is observed. The upper limits have been effected therefore the municipality back paid councilors.	The revised budget allocation is recommended in the next adjustment budget
	Debt impairment	0%	Debt impairment is the amount for provision for non-collection as per council policy. provision for non-collection assessment and calculation is done at year end. National treasury recommend that the assessment and calculations be done monthly.	Municipality calculate debt impairment once at year end.
	Depreciation	0%	This is non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R33.3 million, which is equal to year-to-date budget of R33.3 million. A variance of R0 million or 0% is observed.	
	Bulk purchases - electricity	0%	The Municipality does not incur bulk purchases electricity since the Municipality does not sell electricity. The purchase of electricity is under section other expenditure below.	
	Inventory Consumed	34%	Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable stores (cleaning materials, stationery, water stock and materials and supplies), the year-to-date actual is R9.3 million, which is below the year-to-date budget of R14.1 million, a variance of R4.8 million or 34% is observed. The variance may be caused by non-payments of bulk water and late capturing of requisition.	It is recommended that the municipality record all expenditure relating to bulk water and consumable stores in time.
	Contracted services	10%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R42.4 million which is below the year-to-date budget of R47 million, a variance of R4.5 million or 10% is observed.	The municipality need to review SLA and reconcile it with the budget for contracted services and adjust in the next adjustment if need be.
	Transfers and subsidies paid	24%	Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support businesses. The year-to-date actual is R504 thousand, which is below the year-to-date budget of R660 thousand, a variance of R155 thousand or 24% is observed.	This expenditure item is seasonal therefore expenditure cannot be benchmarked.
	Other expenditure	39%	Other expenditure year to date actual is R62.8 million, which is above the year-to-date budget of R45.2 million, a variance of R17.6 million or 39% is observed. Other expenditure includes monthly cost of electricity for water supply plants and other seasonal/once off expenditure items.	It is recommended that the municipality monitor closely this expenditure item and implement strategies to reduce costs.
3	Capital Expenditure			
4	Financial Position			
5	Cash Flow			
6	Measureable performance			
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 - M05 November

Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	40 404	27 680	27 680	5 503	5 503	27 680	22 178	80.1%	2%
August	40 404	27 680	27 680	14 273	19 776	55 360	35 585	64.3%	6%
September	40 404	27 680	27 683	32 995	52 771	83 044	30 273	36.5%	16%
October	40 404	27 680	27 910	27 335	80 106	110 954	30 847	27.8%	24%
November	40 404	27 680	27 984	18 645	98 752	138 938	40 186	28.9%	30%
December	40 404	27 680	27 984	–		166 921	–		
January	40 404	27 680	27 984	–		194 905	–		
February	40 404	27 680	27 984	–		222 889	–		
March	40 404	27 680	27 984	–		250 873	–		
April	40 404	27 680	27 984	–		278 857	–		
May	40 404	27 680	27 984	–		306 841	–		
June	40 404	27 680	27 984	–		334 825	–		
Total Capital expenditure	484 853	332 162	334 825	98 752					

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 - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		464 144	327 657	327 632	17 873	96 725	136 518	39 794	29.1%	327 632
Roads Infrastructure		-	6 112	6 087	-	3 637	2 541	(1 096)	-43.1%	6 087
Roads		-	6 112	6 087	-	3 637	2 541	(1 096)	-43.1%	6 087
Road Structures								-		
Road Furniture								-		
Capital Spares								-		
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection								-		
Storm water Conveyance								-		
Attenuation								-		
Electrical Infrastructure		-	-	-	-	-	-	-		-
Power Plants								-		
HV Substations								-		
HV Switching Station								-		
HV Transmission Conductors								-		
MV Substations								-		
MV Switching Stations								-		
MV Networks								-		
LV Networks								-		
Capital Spares								-		
Water Supply Infrastructure		464 144	321 545	295 632	14 343	79 521	123 180	43 659	35.4%	295 632
Dams and Weirs								-		
Boreholes		8 702	-	52 000	3 555	9 637	20 595	10 959	53.2%	52 000
Reservoirs		-	-	21 304	-	2 727	9 569	6 842	71.5%	21 304
Pump Stations		-	-	-	-	-	-	-		-
Water Treatment Works		74 910	-	34 783	2 010	12 292	14 493	2 201	15.2%	34 783
Bulk Mains		220 648	321 545	124 803	4 975	38 440	52 001	13 561	26.1%	124 803
Distribution		159 884	-	62 742	3 803	16 425	26 143	9 718	37.2%	62 742
Distribution Points		-	-	-	-	-	380	380	100.0%	-
PRV Stations								-		
Capital Spares								-		
Sanitation Infrastructure		-	-	25 913	3 531	13 566	10 797	(2 769)	-25.6%	25 913
Pump Station								-		
Reticulation		-	-	25 913	3 531	13 566	10 797	(2 769)	-25.6%	25 913
Waste Water Treatment Works								-		
Outfall Sewers								-		
Toilet Facilities								-		
Capital Spares								-		
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Landfill Sites								-		
Waste Transfer Stations								-		
Waste Processing Facilities								-		
Waste Drop-off Points								-		
Waste Separation Facilities								-		
Electricity Generation Facilities								-		
Capital Spares								-		
Rail Infrastructure		-	-	-	-	-	-	-		-
Rail Lines								-		
Rail Structures								-		
Rail Furniture								-		
Drainage Collection								-		
Storm water Conveyance								-		
Attenuation								-		
MV Substations								-		
LV Networks								-		
Capital Spares								-		
Coastal Infrastructure		-	-	-	-	-	-	-		-
Sand Pumps								-		
Piers								-		
Revetments								-		
Promenades								-		
Capital Spares								-		

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M05 November

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Information and Communication Infrastructure		—	—	—	—	—	—	—		—
Data Centres		—	—	—	—	—	—	—		—
Core Layers		—	—	—	—	—	—	—		—
Distribution Layers		—	—	—	—	—	—	—		—
Capital Spares		—	—	—	—	—	—	—		—
Community Assets		6 965	—	1 428	687	1 303	317	(986)	-310.7%	1 428
Community Facilities		6 965	—	1 428	687	1 303	317	(986)	-310.7%	1 428
Halls		—	—	—	—	—	—	—		—
Centres		6 965	—	1 428	687	1 303	317	(986)	-310.7%	1 428
Crèches		—	—	—	—	—	—	—		—
Clinics/Care Centres		—	—	—	—	—	—	—		—
Fire/Ambulance Stations		—	—	—	—	—	—	—		—
Testing Stations		—	—	—	—	—	—	—		—
Museums		—	—	—	—	—	—	—		—
Galleries		—	—	—	—	—	—	—		—
Theatres		—	—	—	—	—	—	—		—
Libraries		—	—	—	—	—	—	—		—
Cemeteries/Crematoria		—	—	—	—	—	—	—		—
Police		—	—	—	—	—	—	—		—
Parks		—	—	—	—	—	—	—		—
Public Open Space		—	—	—	—	—	—	—		—
Nature Reserves		—	—	—	—	—	—	—		—
Public Ablution Facilities		—	—	—	—	—	—	—		—
Markets		—	—	—	—	—	—	—		—
Stalls		—	—	—	—	—	—	—		—
Abattoirs		—	—	—	—	—	—	—		—
Airports		—	—	—	—	—	—	—		—
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—		—
Capital Spares		—	—	—	—	—	—	—		—
Sport and Recreation Facilities		—	—	—	—	—	—	—		—
Indoor Facilities		—	—	—	—	—	—	—		—
Outdoor Facilities		—	—	—	—	—	—	—		—
Capital Spares		—	—	—	—	—	—	—		—
Heritage assets		6 594	—	—	—	—	—	—		—
Monuments		—	—	—	—	—	—	—		—
Historic Buildings		—	—	—	—	—	—	—		—
Works of Art		6 594	—	—	—	—	—	—		—
Conservation Areas		—	—	—	—	—	—	—		—
Other Heritage		—	—	—	—	—	—	—		—
Investment properties		—	—	—	—	—	—	—		—
Revenue Generating		—	—	—	—	—	—	—		—
Improved Property		—	—	—	—	—	—	—		—
Unimproved Property		—	—	—	—	—	—	—		—
Non-revenue Generating		—	—	—	—	—	—	—		—
Improved Property		—	—	—	—	—	—	—		—
Unimproved Property		—	—	—	—	—	—	—		—
Other assets		—	391	191	—	—	138	138	100.0%	191
Operational Buildings		—	391	191	—	—	138	138	100.0%	191
Municipal Offices		—	391	191	—	—	138	138	100.0%	191
Pay/Enquiry Points		—	—	—	—	—	—	—		—
Building Plan Offices		—	—	—	—	—	—	—		—
Workshops		—	—	—	—	—	—	—		—
Yards		—	—	—	—	—	—	—		—
Stores		—	—	—	—	—	—	—		—
Laboratories		—	—	—	—	—	—	—		—
Training Centres		—	—	—	—	—	—	—		—
Manufacturing Plant		—	—	—	—	—	—	—		—
Depots		—	—	—	—	—	—	—		—
Capital Spares		—	—	—	—	—	—	—		—
Housing		—	—	—	—	—	—	—		—
Staff Housing		—	—	—	—	—	—	—		—
Social Housing		—	—	—	—	—	—	—		—
Capital Spares		—	—	—	—	—	—	—		—
Biological or Cultivated Assets		—	—	—	—	—	—	—		—
Biological or Cultivated Assets		—	—	—	—	—	—	—		—
Intangible Assets		—	—	—	—	—	—	—		—
Servitudes		—	—	—	—	—	—	—		—
Licences and Rights		—	—	—	—	—	—	—		—
Water Rights		—	—	—	—	—	—	—		—
Effluent Licences		—	—	—	—	—	—	—		—
Solid Waste Licences		—	—	—	—	—	—	—		—
Computer Software and Applications		—	—	—	—	—	—	—		—
Load Settlement Software Applications		—	—	—	—	—	—	—		—
Unspecified		—	—	—	—	—	—	—		—
Computer Equipment		6 572	2 609	2 609	—	—	1 087	1 087	100.0%	2 609
Computer Equipment		6 572	2 609	2 609	—	—	1 087	1 087	100.0%	2 609
Furniture and Office Equipment		92	1 043	1 301	65	65	475	410	86.4%	1 301
Furniture and Office Equipment		92	1 043	1 301	65	65	475	410	86.4%	1 301
Machinery and Equipment		485	461	1 664	20	659	402	(257)	-64.0%	1 664
Machinery and Equipment		485	461	1 664	20	659	402	(257)	-64.0%	1 664
Transport Assets		—	—	—	—	—	—	—		—
Transport Assets		—	—	—	—	—	—	—		—
Land		—	—	—	—	—	—	—		—
Land		—	—	—	—	—	—	—		—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—		—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—		—
Total Capital Expenditure on new assets	1	484 853	332 162	334 825	18 645	98 752	138 938	40 186	28.9%	334 825

2.10. OTHER SUPPORTING DOCUMENTS

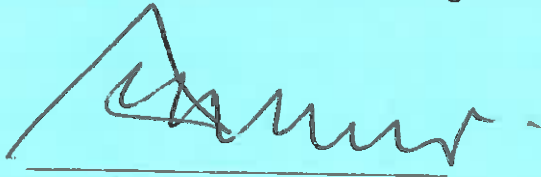
No other financial information outside of information contained in Schedule C is available

2.11. IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality does not have any entities.

2.12. MUNICIPAL MANAGERS QUALITY CERTIFICATION

I, **R.N. Hlongwa**, Municipal Manager of Zululand District Municipality, hereby certify that the Monthly Budget Statement has been prepared in accordance with the Municipal Finance Management Act, and the regulations made under the Act.



Date: 12.12.2022

R.N. Hlongwa
Municipal Manager
Zululand District Municipality (DC26)