

ZULULAND DISTRICT MUNICIPALITY



QUARTERLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR THE PERIOD ENDED

30 SEPTEMBER 2023

MFMA S52D REPORT

2023/2024 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	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	718 247 500	333 112 039	188 289 492	144 822 547	77%	46%
Total Operating Expenditure	722 102 135	203 039 237	189 303 958	13 735 279	7%	28%
Surplus/(Deficit)	-3 854 635	130 072 802	-1 014 466	131 087 268		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 September 2023** is **R333.1 million** which is **46%** of the approved operating revenue budget. The **R333.1 million** year to date actual is **above** the **three month** baseline projection or year-to-date budget of **R188.2 million**, a variance of **R144.8 million** or **77%** is observed.

The Municipality is largely dependent on government grants and partly service charges for its operations. Service charges revenue recognized from exchange revenue is only **R18.9 million** which is **28%** of the total budgeted service charges revenue.

Major Variances between actuals and year to date budget on Operating Revenue

Reasons for variances can be attributed to Transfers and subsidies which are moving at a pace fast than year to date budget because they cannot be bench marked.

Operating revenue is explained by source in detail on Section 1.4 Operating Revenue Performance.

Operating Expenditure Performance

Total Operating Expenditure as at **30 September 2023** is **R203.09 million** which is **28%** of the approved operating expenditure budget. The **R203.09 million** year to date actual is **above** the **three** month baseline projection or year-to-date budget of **R189.3 million**, a variance of **R13.7 million** or **7%** is observed.

Major Variances between actuals and year to date budget on Operating Expenditure

Reasons for variances can be attributed to inventory consumed which is moving at a slower pace than year to date budget; debt impairment which has no movement yet; depreciation and other expenditure which are moving at a pace slower than year to date budget; transfers and subsidies is seasonal cannot benchmarked with year to date budget. Contracted services is moving at a higher pace and need to be monitored.

Operating expenditure is explained by source in detail on Section 1.5 Operating Expenditure Performance.

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	790 494 351	107 187 839	197 592 037	-90 404 198	-46%	14%
Total Capital Financing	790 494 351	107 187 839	197 592 037	-90 404 198	-46%	14%

Total Capital Expenditure as at **30 September 2023** is **R107.1 million** which is **14%** of the approved capital budget. The **R107.1 million** year to date actual is **below** the **three** month baseline projection or year-to-date budget of **R197.5 million**, a variance of **R90.4 million** or **46%** of the received grants is observed.

Capital expenditure is explained by source in detail on section 1.6 Capital Expenditure and Funding.

Major Variances between actuals and year to date budget on Grants expenditure

Reasons for variances can be attributed to capital grants not being spent at similar pace as year to date budget. **MIG** is at **20%**, **RBIG** is at **17%**, **WSIG** is at **29%** **RRAMG** is at **0%**, **Art Centre Subsidies** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	480 491 843	309 758 780	64
Total non current assets	6 247 524 827	5 087 026 214	81
Total current liabilities	352 992 453	458 765 638	130
Total non current liabilities	128 340 000	44 688 738	35
TOTAL COMMUNITY WEALTH/ EQUITY	5 445 411 852	4 894 506 738	89.9%

The current assets year to date actual is **R309.7 million** which is **64%** of the approved budget. **Non - Current assets** year to date actual is **R5.08 billion** which is **81%** of the approved budget. **Current Liabilities** year to date actual is **R458.7 million** which is **130%** of the approved budget. **Non - Current Liabilities** year to date is **R44.6 million** which is **35%** of the approved budget. **Accumulated surplus** year to date actual is **R4.8 billion** which is **90%** of the approved budget.

Current assets amount to **R309.7 million**, included in current assets is cash investment of **R185.8 million**.

Current liabilities amount to **R458.7 million**, this includes unspent conditional grants amounting to **R224.7 million**.

The Current ratio is 0.67:1 [**309.7 million/458.7 million**], the current ratio norm is **2:1**

Financial Position Framework is explained in detail on section 1.7 In year Budget Tables.

1.4. OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		39 170	51 532	51 532	5 429	15 048	12 883	2 165	17%	51 532
Service charges - Waste Water Management		14 831	16 406	16 406	1 360	3 861	4 101	(240)	-6%	16 406
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		1 426	1 001	1 001	134	179	250	(71)	-28%	1 001
Agency services								-		
Interest								-		
Interest earned from Receivables		75	521	521	37	77	130	(53)	-41%	521
Interest from Current and Non Current Assets		7 433	3 000	3 000	301	875	750			3 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		181	500	500	45	124	125	(1)	0%	500
Licence and permits		88	60	60	8	25	15	10	65%	60
Operational Revenue		563	369	369	21	24	92	(68)	-74%	369
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		910	1 000	1 000	79	163	250	(87)		1 000
Licence and permits								-		
Transfers and subsidies - Operational		658 830	643 859	691 951	61	312 737	169 692	143 044		691 951
Interest								-		
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		2 894	-	-	-	-	-	-		-
Other Gains		4 385	-	-	2	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		730 785	718 248	766 340	7 477	333 112	188 289	144 823	77%	766 340

The year-to-date actual indicates operating revenue of **R333.1 million** for **three month**, The **R333.1 million** year to date actual is **above** the **three month** baseline projection or year-to-date budget of **R188.2 million**, a variance of **R144.8 million** or **77%** is observed. The total revenue to-date represents **46%** 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:

Exchange Revenue

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R15.04 million** which is **29%** of the approved budget. the **R15.04 million** year to date actual is above the three month baseline projection or year-to-date budget of **R12.8 million**. A variance of **R2.1 million** or **17%** is observed.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R3.8 million** which is **24%** of the approved budget. the **R3.8 million** year to date actual is **below** the **three month** baseline projection or year-to-date budget of **R4.1 million**. A variance of **R240 thousand** or **6%** is observed.

Sale of goods and rendering of service

This is the amount on sale of goods and rendering of services, the year-to-date actual is **R179 thousands** which is **18%** of the approved budget. the **R179 thousands** year to date actual is **below** the **three month** baseline projection or year-to-date budget of **R250 thousand**. A variance of **R71 thousand** or **28%** is observed.

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R875 thousand** which is **29%** of the approved budget. The **R875 thousand** year to date actual is **above** the **three month** baseline projection or year-to-date budget of **R750 thousand**. A variance of **R125 thousand** or **17%** is observed.

Reasons for variances can be attributed fact that there was more cash available to be invested.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is **R77 thousand** which is **15%** of the approved budget. The **R77 thousand** year to date actual is **below** the **three month** baseline projection or year-to-date budget of **R130 thousand**. A variance of **R53 thousand** or **41%** is observed.

Reasons for variances can be attributed to businesses slowly adherence to payment terms, the municipality must implement stringent measures to ensure businesses pay on time.

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R124 thousand** which is **25%** of the approved budget. the **R124 thousand** year to date actual is below the three months baseline projection or year-to-date budget of **R125 thousand**. A variance of **R1 thousand** or less than **1%** is observed.

Licences and Permits

Licences and permits year-to-date actual is **R25 thousand** which is **41%** of the approved budget. the **R25 thousand** year to date actual is **above three months** baseline projection or year-to-date budget of **R15 thousand**. A variance of less than **R10 thousand** or **65%** is observed.

Operational revenue

Operational revenue year-to-date actual is **R24 thousand** which is **25%** of the approved budget. the **R25 thousand** year to date actual is **below three month** baseline projection or year-to-date budget of **R68 thousand**. A variance of **R68 thousand** or **74%** is observed.

Non-Exchange Revenue

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is **R163 thousand** which is **16%** of the approved budget. the **R163 thousand** year to date actual is below the three months baseline projection or year-to-date budget of **R250 thousand**. A variance of **R87 thousand** or **35%** is observed.

Reasons for variances can be attributed to a negative indication that more consumers are illegally connected or a negative indication that some illegally connected consumers are not yet discovered. Municipality must keep up the disconnection of illegal connections.

Transfers and subsidies

Transfers and subsidies (grants) are amounts gazetted as per Division of Revenue act (DoRA), 2023; 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 **R312.7 million** which is **49%** of the approved budget. The **R312.7 million** year to date actual is **above three month** baseline projection or year-to-date budget of **R169.6 million**. A variance of **R143.04 million** or **84%** is observed.

Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule.

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		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		286 176	290 728	290 728	25 045	74 984	72 683	2 302	3%	290 728
Remuneration of councillors		9 276	9 486	9 486	785	2 271	2 372	(100)	-4%	9 486
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		51 978	42 130	45 511	68	277	11 352	(11 075)		45 511
Debt impairment		9 369	10 000	10 000	–	–	2 500	(2 500)	-100%	10 000
Depreciation and amortisation		100 249	90 000	90 000	6 667	20 000	22 500	(2 500)	-11%	90 000
Interest		553	1 000	1 000	156	156	250	(94)	-38%	1 000
Contracted services		364 771	128 719	173 813	8 680	65 749	40 086	25 663	64%	173 813
Transfers and subsidies		4 683	6 000	2 599	–	49	641	(591)	-92%	2 599
Irrecoverable debts written off		2 192	–	–	–	28	–	28		–
Operational costs		163 020	144 039	147 808	18 082	39 525	36 921	2 604	7%	147 808
Losses on Disposal of Assets		679	–	–	–	–	–	–		–
Other Losses		309	–	–	–	–	–	–		–
Total Expenditure		993 255	722 102	770 944	59 482	203 039	189 304	13 735	7%	770 944

The year-to-date actual indicate spending of **R203.03 million** for **three months**, which is **28%** of the approved operating expenditure budget. The **R203.03 million** year to date actual is **above** the **three months** baseline projection or year-to-date budget of **R189.3 million**, a variance of **R13.7 million** or **7%** is observed.

Employee Related Costs

Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is **R74.9 million** which is **23%** of the approved budget. The **R74.9 million** year to date actual is **above** the **three months** baseline projection or year-to-date budget of **R72.6 million**. A variance of **R2.3 million** or **3%** is observed.

The municipality will make sure that the salary bill is kept within the limits of the monthly projections.

Remuneration of Councillors

Remuneration of Councilors are amounts paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R2.2 million** which is **24%** of the approved budget. The **R2.2 million** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R2.3 million**. A variance of **R100 thousand** or **4%** is observed.

This is the good indication that the municipality is trying to spend within the budget.

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, materials and suppliers and water inventory. The year-to-date actual is **R277 thousand** which is less than **1%** of the approved budget. the **R277 thousand** year to date actual is below the **three months** baseline projection or year-to-date budget of **R11.3 million**. A variance of **R11.07 million** or **98%** is observed.

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 treasuries recommend that the assessment and calculations be done monthly.

Depreciation

This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R20 million** which is **22%** of the approved budget. The **R20 million** year to date actual is below the three months baseline projection or year-to-date budget of **R22.5 million**. A variance of **R2.5 million** or **11%** is observed.

Finance charges

Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is **R156 thousand** which is **16%** of the approved budget. the **R156 thousand** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R250 thousand**. A variance of **R94 thousand** or **38%** is observed.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R65.7 million** which is **51%** of the approved budget. the **R65.7 million** year to date actual is **above** the **three months** baseline projection or year-to-date budget of **R40.08 million**. A variance of **R25.6 million** or **64%** is observed.

The municipality must review SLAs and try to minimise as low as possible in this line item cost.

Transfers and subsidies paid.

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is **R49 thousand** which is **1%** of the approved budget. The **R49 thousand** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R641 thousand**. A variance of **R591 thousand** or **92%** is observed.

Irrecoverable debt written off

Irrecoverable debt written off year-to-date actual is **R28 thousand** which is **0%** of the approved budget. the **R28 thousand** year to date actual cannot be benchmarked against year to date budget because it has no budget. A variance of **R28 thousand** or **0%** is observed

Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R39.5 million** which is **27%** of the approved budget. The **R39.5 million** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R36.9 million**. A variance of **R2.6 million** or **7%** is observed.

The expenditure being is monitored by the municipality to keep it within the budget.

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	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 000	211 014	300 000	-88 986	-30%	18%
National Skills Fund	47 892 178	47 440 250	11 973 044	35 467 206	296%	99%
EPWP Incentive	7 077 000	3 585 438	1 769 250	1 816 188	103%	51%
Art centre Subsidies (Indonsa Grant)	1 385 000	-	346 250	-346 250	-100%	0%
Aviation Strategy	2 000 000	-	500 000	-500 000	-100%	0%
LGWS SETA Grant	210 000	-	52 500	-52 500	-100%	0%
Amafa Kazulu Grant	200 000	-	50 000	-50 000	-100%	0%
Total Operating Grant Expenditure	59 554 178	51 236 703	14 991 044	36 348 158	2	86%

FMG **18%**, NSF **99%**, EPWP Incentive **51%**, Art center subsidies (Indonsa Grant) **0%**, Aviation Strategy **0%**, LGWS SETA **0%** and Amafa **0%**.

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	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	790 494 351	107 187 839	197 592 037	-90 404 198	-46%	14%
Total Capital Financing	790 494 351	107 187 839	197 592 037	-90 404 198	-46%	14%

The capital expenditure amounts to **R107.1** which is **14%** of the capital approved budget, after a period of **three months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		-	-	-	-	-	-	-		-
Vote 03 - Finance		-	250	250	-	-	63	(63)	-100%	250
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	-	250	250	-	-	63	(63)	-100%	250
Single Year expenditure appropriation	2									
Vote 01 - Council		173	-	170	-	-	31	(31)	-100%	170
Vote 02 - Corporate Services		833	2 250	2 320	86	86	580	(494)	-85%	2 320
Vote 03 - Finance		2 064	400	400	-	-	100	(100)	-100%	400
Vote 04 - Community Development		2 878	457	457	-	-	114	(114)	-100%	457
Vote 05 - Planning & Wsa		491 521	700 110	700 110	49 191	107 102	175 028	(67 926)	-39%	700 110
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		474	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	86 957	86 957	-	-	21 739	(21 739)	-100%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	497 942	790 174	790 414	49 277	107 188	197 592	(90 404)	-46%	790 414
Total Capital Expenditure		497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664
Capital Expenditure - Functional Classification										
Governance and administration		3 061	2 900	3 140	86	86	773	(687)	-89%	3 140
Executive and council		173	-	170	-	-	31	(31)	-100%	170
Finance and administration		2 888	2 900	2 970	86	86	743	(657)	-88%	2 970
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		1 152	457	457	-	-	114	(114)	-100%	457
Community and social services		1 152	457	457	-	-	114	(114)	-100%	457
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		1 726	2 208	2 208	-	-	552	(552)	-100%	2 208
Planning and development		1 726	2 208	2 208	-	-	552	(552)	-100%	2 208
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		491 995	784 859	784 859	49 191	107 102	196 215	(89 113)	-45%	784 859
Energy sources		-	-	-	-	-	-	-		-
Water management		491 995	784 859	784 859	49 191	107 102	196 215	(89 113)	-45%	784 859
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		9	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664
Funded by:										
National Government		490 152	700 110	700 110	49 191	107 102	175 028	(67 926)	-39%	700 110
Provincial Government		2 797	457	457	-	-	114	(114)	-100%	457
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons,		-	-	-	-	-	-	-		-
Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		492 948	700 568	700 568	49 191	107 102	175 142	(68 040)	-39%	700 568
Borrowing	6	191	86 957	86 957	-	-	21 739	(21 739)	-100%	86 957
Internally generated funds		4 803	2 900	3 140	86	86	773	(687)	-89%	3 140
Total Capital Funding		497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664

Governance and administration

Governance and administration year-to-date actual are **R86 thousand** which is **4%** of the approved budget. the **R86 thousand** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R773 thousand**. A variance of **R687 thousand** or **89%** is observed.

Community and public safety

Community and public safety year-to-date actual are **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R114 thousand**. A variance of **R114 thousand** or **100%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R0 million** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **two month** baseline projection or year-to-date budget of **R552 thousand**. A variance of **R552 thousand** or **100%** is observed.

Trading services

Trading services year-to-date actual is **R107.1 million** which is **14%** of the approved budget. the **R107.1 million** year to date actual is **below** the **three months** baseline projection or year-to-date budget of **R197.5 million**. A variance of **R90.4 million** or **46%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	236 246 089	47 435 682	59 061 522	-11 625 839.86	-20%	20%
Regional Bulk Infrastructure (RBIG)	374 700 000	37 179 318	93 675 000	-56 495 681.90	-60%	17%
Water services infrastructure Grant (WSIG)	86 956 523	22 486 838	21 739 131	747 707.34	3%	29%
Rural Roads Asset Managemnt Systems Grant	2 207 826	-	551 957	-551 956.50	-100%	0%
Borrowings (Backup Generator)	86 956 522	-	21 739 131	-21 739 130.50	-100%	0%
Art centre Subsisies (Indonsa Grant)	457 391	-	114 348	-114 347.75	-100%	0%
Other Assets	2 970 000	86 000	742 500	-656 500.00	-88%	1%
Total Operating Expenditure	790 494 351	107 187 839	197 623 588	-90 435 749	-46%	14%

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	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	271 683 000	54 413 737	67 920 750	-13 507 013	-20%	20%
Regional Bulk Infrastructure (RBIG)	430 905 000	42 351 651	107 726 250	-65 374 599	-61%	10%
Water services infrastructure Grant (WSIG)	100 000 000	25 607 549	25 000 000	607 549	2%	26%
Rural Roads Asset Managemnt Systems Grant	2 539 000	-	634 750	-634 750	-100%	0%
Indonsa Grant	526 000	-	131 500	-131 500	-100%	0%
Total Capital Grant Expenditure	805 653 000	122 372 937	201 413 250	-79 040 313	-39%	15%

Overall capital grant expenditure inclusive of VAT is sitting at **15%** of the approved capital budget, **MIG** is sitting at **20%**, **RBIG** at **10%**, **WSIG** at **26%**, **RAMS** at **0%** and **Indonsa Subsidy** at **0%**.

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 **2023/2024** 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.

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M03 September

Description	2022/23	Budget Year 2023/24							
	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	54 001	67 938	67 938	6 788	18 909	16 984	1 924	11%	67 938
Investment revenue	7 433	–	–	–	–	–	–		–
Transfers and subsidies - Operational	7 433	3 000	3 000	301	875	750	125	17%	3 000
Other own revenue	661 917	647 310	695 402	388	313 329	170 555	142 774	84%	–
Total Revenue (excluding capital transfers and contributions)	730 785	718 248	766 340	7 477	333 112	188 289	144 823	77%	766 340
Employee costs	286 176	290 728	290 728	25 045	74 984	72 683	2 302		290 728
Remuneration of Councillors	9 276	9 486	9 486	785	2 271	2 372	(100)		9 486
Depreciation and amortisation	100 249	90 000	90 000	6 667	20 000	22 500	(2 500)		90 000
Interest	553	1 000	1 000	156	156	250	(94)		1 000
Inventory consumed and bulk purchases	51 978	42 130	45 511	68	277	11 352	(11 075)		45 511
Transfers and subsidies	4 683	6 000	2 599	–	49	641	(591)	-92%	2 599
Other expenditure	540 340	282 758	331 621	26 762	105 302	79 507	25 795	32%	331 621
Total Expenditure	993 255	722 102	770 944	59 482	203 039	189 304	13 735	7%	770 944
Surplus/(Deficit)	(262 470)	(3 855)	(4 605)	(52 005)	130 073	(1 014)	131 087	-12922%	(4 605)
Transfers and subsidies - capital (monetary)	610 502	805 127	805 127	56 475	122 373	201 282	###	-39%	805 127
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	348 032	801 272	800 522	4 469	252 446	200 267	52 178	26%	800 522
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	348 032	801 272	800 522	4 469	252 446	200 267	52 178	26%	800 522
Capital expenditure & funds sources									
Capital expenditure	497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664
Capital transfers recognised	492 948	700 568	700 568	49 191	107 102	175 142	(68 040)	-39%	700 568
Borrowing	191	86 957	86 957	–	–	21 739	(21 739)	-100%	86 957
Internally generated funds	4 803	2 900	3 140	86	86	773	(687)	-89%	3 140
Total sources of capital funds	497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664
Financial position									
Total current assets	180 190	480 492	480 492		309 759				480 492
Total non current assets	4 999 838	6 247 525	6 247 765		5 087 026				6 247 765
Total current liabilities	501 396	352 992	352 992		458 766				352 992
Total non current liabilities	44 689	128 340	128 340		44 689				128 340
Community wealth/Equity	4 723 576	5 445 412	5 445 412		4 894 507				5 445 412
Cash flows									
Net cash from (used) operating	1 822 004	993 132	993 132	231 977	726 231	248 283	(477 948)	-193%	993 132
Net cash from (used) investing	(496 168)	(789 967)	(789 967)	(49 277)	(107 188)	(197 492)	(90 304)	46%	(789 967)
Net cash from (used) financing	(1 090)	90 000	90 000	1	1	22 500	22 499	100%	90 000
Cash/cash equivalents at the month/year end	1 345 214	466 282	466 282	–	646 471	246 408	(400 063)	-162%	320 591
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	7 572	5 530	4 427	4 287	2 924	3 262	19 041	165 359	212 402
Creditors Age Analysis									
Total Creditors	55	–	–	–	–	–	–	–	55

MBRR Table C1 – 1st Quarter Budget Statement Summary

Table C1 is a summary all budgeted financial statements such as: financial performance, financial position, cash flow, debtors age analysis and creditors age analysis.

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		665 320	637 831	685 723	542	312 163	168 165	143 998	86%	685 723
Executive and council	8	—	—	—	—	—	—	—	—	—
Finance and administration	665 312	637 831	685 723	542	312 163	168 165	143 998	86%	685 723	685 723
Internal audit	—	—	—	—	—	—	—	—	—	—
Community and public safety		2 285	2 482	2 682	16	32	640	(608)	-95%	2 682
Community and social services	2 209	1 922	2 122	8	8	500	(493)	-98%	2 122	2 122
Sport and recreation	—	—	—	—	—	—	—	—	—	—
Public safety	—	—	—	—	—	—	—	—	—	—
Housing	—	—	—	—	—	—	—	—	—	—
Health	76	560	560	8	25	140	(115)	-82%	560	560
Economic and environmental services		4 171	2 539	2 539	—	—	635	(635)	-100%	2 539
Planning and development	4 171	2 539	2 539	—	—	635	(635)	-100%	2 539	2 539
Road transport	—	—	—	—	—	—	—	—	—	—
Environmental protection	—	—	—	—	—	—	—	—	—	—
Trading services		668 995	878 523	878 523	63 373	143 267	219 631	(76 363)	-35%	878 523
Energy sources	—	—	—	—	—	—	—	—	—	—
Water management	654 093	862 087	862 087	61 940	139 266	215 522	(76 256)	-35%	862 087	862 087
Waste water management	14 903	16 436	16 436	1 433	4 001	4 109	(108)	-3%	16 436	16 436
Waste management	—	—	—	—	—	—	—	—	—	—
Other	4	516	2 000	2 000	20	22	500	(478)	-96%	2 000
Total Revenue - Functional	2	1 341 287	1 523 375	1 571 467	63 951	455 485	389 571	65 914	17%	1 571 467
Expenditure - Functional										
Governance and administration		328 126	256 489	304 567	22 599	113 317	72 799	40 517	56%	304 567
Executive and council	63 257	45 360	46 240	5 784	21 183	11 422	9 761	85%	46 240	46 240
Finance and administration	264 870	176 201	223 389	12 136	81 208	52 642	28 565	54%	223 389	223 389
Internal audit	—	34 928	34 938	4 678	10 926	8 735	2 191	25%	34 938	34 938
Community and public safety		27 553	28 878	29 093	2 064	6 468	7 243	(775)	-11%	29 093
Community and social services	14 564	8 257	8 467	467	1 364	2 087	(722)	-35%	8 467	8 467
Sport and recreation	—	—	—	—	—	—	—	—	—	—
Public safety	—	5 887	5 887	782	1 903	1 472	432	29%	5 887	5 887
Housing	—	—	—	—	—	—	—	—	—	—
Health	12 989	14 734	14 739	815	3 200	3 685	(485)	-13%	14 739	14 739
Economic and environmental services		22 711	28 742	29 102	2 203	5 417	7 225	(1 807)	-25%	29 102
Planning and development	22 711	28 742	29 102	2 203	5 417	7 225	(1 807)	-25%	29 102	29 102
Road transport	—	—	—	—	—	—	—	—	—	—
Environmental protection	—	—	—	—	—	—	—	—	—	—
Trading services		605 241	394 049	394 169	31 547	75 157	98 543	(23 385)	-24%	394 169
Energy sources	—	—	—	—	—	—	—	—	—	—
Water management	597 508	386 071	386 191	30 869	73 166	96 548	(23 382)	-24%	386 191	386 191
Waste water management	7 733	7 978	7 978	678	1 992	1 995	(3)	0%	7 978	7 978
Waste management	—	—	—	—	—	—	—	—	—	—
Other		9 624	13 944	14 014	1 069	2 680	3 494	(814)	-23%	14 014
Total Expenditure - Functional	3	993 255	722 102	770 944	59 482	203 039	189 304	13 735	7%	770 944
Surplus/ (Deficit) for the year		348 032	801 272	800 522	4 469	252 446	200 267	52 178	26%	800 522

MBRR Table C2 – 1st Quarter 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) - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		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		8	-	-	-	-	-	-		-
Vote 02 - Corporate Services		61 142	2 350	50 242	20	47 576	9 295	38 281	411.8%	50 242
Vote 03 - Finance		604 660	637 481	637 481	542	264 609	159 370	105 239	66.0%	637 481
Vote 04 - Community Development		3 953	2 482	2 682	16	32	640	(608)	-95.0%	2 682
Vote 05 - Planning & Wsa		617 377	812 204	812 204	56 475	124 142	203 051	(78 909)	-38.9%	812 204
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		39 245	52 422	52 422	5 466	15 124	13 105	2 018	15.4%	52 422
Vote 09 - Waste Water		14 903	16 436	16 436	1 433	4 001	4 109	(108)	-2.6%	16 436
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	1 341 287	1 523 375	1 571 467	63 951	455 485	389 571	65 914	16.9%	1 571 467
Expenditure by Vote	1									
Vote 01 - Council		63 257	53 791	54 681	6 776	23 033	13 533	9 500	70.2%	54 681
Vote 02 - Corporate Services		188 064	149 411	197 341	12 085	77 422	46 070	31 352	68.1%	197 341
Vote 03 - Finance		70 099	61 343	60 985	4 161	13 346	15 246	(1 900)	-12.5%	60 985
Vote 04 - Community Development		55 021	50 380	50 630	3 574	11 265	12 628	(1 362)	-10.8%	50 630
Vote 05 - Planning & Wsa		61 591	21 391	21 411	2 232	5 664	5 353	311	5.8%	21 411
Vote 06 - Technical Services		9 306	10 202	10 432	436	1 324	2 608	(1 284)	-49.2%	10 432
Vote 07 - Water Purification		52 109	43 820	43 820	4 087	12 191	10 955	1 236	11.3%	43 820
Vote 08 - Water Distribution		486 075	323 787	323 667	25 454	56 802	80 917	(24 115)	-29.8%	323 667
Vote 09 - Waste Water		7 733	7 978	7 978	678	1 992	1 995	(3)	-0.1%	7 978
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	993 255	722 102	770 944	59 482	203 039	189 304	13 735	7.3%	770 944
Surplus/ (Deficit) for the year	2	348 032	801 272	800 522	4 469	252 446	200 267	52 178	26.1%	800 522

MBRR Table C3 – 1st Quarter 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) - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		39 170	51 532	51 532	5 429	15 048	12 883	2 165	17%	51 532
Service charges - Waste Water Management		14 831	16 406	16 406	1 360	3 861	4 101	(240)	-6%	16 406
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		1 426	1 001	1 001	134	179	250	(71)	-28%	1 001
Agency services								-		
Interest								-		
Interest earned from Receivables		75	521	521	37	77	130	(53)	-41%	521
Interest from Current and Non Current Assets		7 433	3 000	3 000	301	875	750			3 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		181	500	500	45	124	125	(1)	0%	500
Licence and permits		88	60	60	8	25	15	10	65%	60
Operational Revenue		563	369	369	21	24	92	(68)	-74%	369
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		910	1 000	1 000	79	163	250	(87)		1 000
Licence and permits								-		
Transfers and subsidies - Operational		658 830	643 859	691 951	61	312 737	169 692	143 044		691 951
Interest								-		
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		2 894	-	-	-	-	-	-		-
Other Gains		4 385	-	-	2	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		730 785	718 248	766 340	7 477	333 112	188 289	144 823	77%	766 340
Expenditure By Type										
Employee related costs		286 176	290 728	290 728	25 045	74 984	72 683	2 302	3%	290 728
Remuneration of councillors		9 276	9 486	9 486	785	2 271	2 372	(100)	-4%	9 486
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		51 978	42 130	45 511	68	277	11 352	(11 075)		45 511
Debt impairment		9 369	10 000	10 000	-	-	2 500	(2 500)	-100%	10 000
Depreciation and amortisation		100 249	90 000	90 000	6 667	20 000	22 500	(2 500)	-11%	90 000
Interest		553	1 000	1 000	156	156	250	(94)	-38%	1 000
Contracted services		364 771	128 719	173 813	8 680	65 749	40 086	25 663	64%	173 813
Transfers and subsidies		4 683	6 000	2 599	-	49	641	(591)	-92%	2 599
Irrecoverable debts written off		2 192	-	-	-	28	-	28		-
Operational costs		163 020	144 039	147 808	18 082	39 525	36 921	2 604	7%	147 808
Losses on Disposal of Assets		679	-	-	-	-	-	-		-
Other Losses		309	-	-	-	-	-	-		-
Total Expenditure		993 255	722 102	770 944	59 482	203 039	189 304	13 735	7%	770 944
Surplus/(Deficit)		(262 470)	(3 855)	(4 605)	(52 005)	130 073	(1 014)	131 087	(0)	(4 605)
Transfers and subsidies - capital (monetary allocations)		610 502	805 127	805 127	56 475	122 373	201 282	(78 909)	(0)	805 127
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		348 032	801 272	800 522	4 469	252 446	200 267			800 522
Income Tax										
Surplus/(Deficit) after income tax		348 032	801 272	800 522	4 469	252 446	200 267			800 522
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		348 032	801 272	800 522	4 469	252 446	200 267			800 522
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		348 032	801 272	800 522	4 469	252 446	200 267			800 522

MBRR Table C4 – 1st Quarter 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) - M03 September

Vote Description	Ref	2022/23	Budget Year 2023/24							
		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		-	250	250	-	-	63	(63)	-100%	250
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	-	250	250	-	-	63	(63)	-100%	250
Single Year expenditure appropriation	2									
Vote 01 - Council		173	-	170	-	-	31	(31)	-100%	170
Vote 02 - Corporate Services		833	2 250	2 320	86	86	580	(494)	-85%	2 320
Vote 03 - Finance		2 064	400	400	-	-	100	(100)	-100%	400
Vote 04 - Community Development		2 878	457	457	-	-	114	(114)	-100%	457
Vote 05 - Planning & Wsa		491 521	700 110	700 110	49 191	107 102	175 028	(67 926)	-39%	700 110
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		474	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	86 957	86 957	-	-	21 739	(21 739)	-100%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	497 942	790 174	790 414	49 277	107 188	197 592	(90 404)	-46%	790 414
Total Capital Expenditure		497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664
Capital Expenditure - Functional Classification										
Governance and administration		3 061	2 900	3 140	86	86	773	(687)	-89%	3 140
Executive and council		173	-	170	-	-	31	(31)	-100%	170
Finance and administration		2 888	2 900	2 970	86	86	743	(657)	-88%	2 970
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		1 152	457	457	-	-	114	(114)	-100%	457
Community and social services		1 152	457	457	-	-	114	(114)	-100%	457
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		1 726	2 208	2 208	-	-	552	(552)	-100%	2 208
Planning and development		1 726	2 208	2 208	-	-	552	(552)	-100%	2 208
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		491 995	784 859	784 859	49 191	107 102	196 215	(89 113)	-45%	784 859
Energy sources		-	-	-	-	-	-	-		-
Water management		491 995	784 859	784 859	49 191	107 102	196 215	(89 113)	-45%	784 859
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		9	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664
Funded by:										
National Government		490 152	700 110	700 110	49 191	107 102	175 028	(67 926)	-39%	700 110
Provincial Government		2 797	457	457	-	-	114	(114)	-100%	457
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons,		-	-	-	-	-	-	-		-
Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		492 948	700 568	700 568	49 191	107 102	175 142	(68 040)	-39%	700 568
Borrowing		191	86 957	86 957	-	-	21 739	(21 739)	-100%	86 957
Internally generated funds	6	4 803	2 900	3 140	86	86	773	(687)	-89%	3 140
Total Capital Funding		497 942	790 424	790 664	49 277	107 188	197 655	(90 467)	-46%	790 664

MBRR Table C5 – 1st Quarter 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 - M03 September

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		27 427	345 288	345 288	179 150	345 288
Trade and other receivables from exchange transactions		42 764	59 575	59 575	53 785	59 575
Receivables from non-exchange transactions		168	—	—	6 978	—
Current portion of non-current receivables		—	—	—	—	—
Inventory		2 824	2 556	2 556	4 325	2 556
VAT		80 458	50 650	50 650	40 216	50 650
Other current assets		26 549	22 422	22 422	25 305	22 422
Total current assets		180 190	480 492	480 492	309 759	480 492
Non current assets						
Investments						
Investment property						
Property, plant and equipment		4 991 970	6 247 523	6 247 763	5 079 162	6 247 763
Biological assets						
Living and non-living resources						
Heritage assets		7 817	—	—	7 817	—
Intangible assets		52	1	1	48	1
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
Total non current assets		4 999 838	6 247 525	6 247 765	5 087 026	6 247 765
TOTAL ASSETS		5 180 028	6 728 017	6 728 257	5 396 785	6 728 257
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		1 484	—	—	1 484	—
Consumer deposits		3 620	3 633	3 633	3 628	3 633
Trade and other payables from exchange transactions		487 185	338 908	338 908	218 467	338 908
Trade and other payables from non-exchange transactions		1 560	—	—	224 767	—
Provision		1 654	1 973	1 973	1 654	1 973
VAT		5 393	8 073	8 073	8 266	8 073
Other current liabilities		500	405	405	500	405
Total current liabilities		501 396	352 992	352 992	458 766	352 992
Non current liabilities						
Financial liabilities		1 202	90 000	90 000	1 202	90 000
Provision		43 487	38 340	38 340	43 487	38 340
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		44 689	128 340	128 340	44 689	128 340
TOTAL LIABILITIES		546 085	481 332	481 332	503 454	481 332
NET ASSETS	2	4 633 944	6 246 684	6 246 924	4 893 331	6 246 924
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		4 723 576	5 445 412	5 445 412	4 894 507	5 445 412
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	4 723 576	5 445 412	5 445 412	4 894 507	5 445 412

MBRR Table C6 – 1st Quarter 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 and cash equivalents

Cash and cash equivalents balance as at 30 September 2023 indicate bank overdraft of **R179.1 million**

Bank overdraft	R6.6 million
Cash float	R8 hundred
Call Investments Deposits	R185.8 million.

Trade and other receivables from exchange transactions

Trade and other receivables from exchange transactions include debtors from water, sanitation services, rental of facilities, the balance for the reporting period is **R53.7 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R212.4 million**. Consumer debtors' amount to **R208.6.8 million** and the balance of **R5.6 million** is for shared services cast in Other Debtors. Consumer debtors amount of **R208.5 million** include prepaid expense which is a deposit made to Eskom for new connection of electricity meter in water plants. This amount is **R1.8 million**.

Gross Consumer debtors	R208.5 million
Less Impairment	(R154.7 million)
Net Consumer Debtors	R53.7 million

Classification of Consumer Debtors per Service type

Water Debtors	R40 million
Sanitation Debtors	R9.4 million
Property Rentals Debtors	R71.3 thousand
Other Consumer debtors	R16.6 thousand
Total	R49.5 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R40 million**. Water debtors are amounts owed by consumers for water services billed.

Gross Water Debtors	R162.4 million
Less Impairment	(120.1 million)
Net Water Debtors	R42.3 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R9.6 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R44.1 million
Less Impairment	(R34.5 million)
Net Sanitation Debtors	R9.6 million

➤ **Property Rentals Debtors**

These are debtors accumulated from property rentals amounts to **R82.3 thousand**

Property Rental	R104.9 thousand
Less Impairment	(R22.6 thousand)
Net Property rental	R82.3 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R106.7 thousand**, these are sundry debtors.

Gross Other Debtors	R46.3 thousand
Less Impairment	(R16.2 thousand)
Net Other Debtors	R30.1 thousand

Classification of Consumer Debtors per Customer group

Households	R173.2 million
Commercial/Businesses (excl prepaid exp R1.8 mil)	R 14.3 million
Organs of State (excl shared services of R5.6 mill)	R 19.2 million
Total	R208.5 million

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

Gross Households debtors	R173.2 million
Less Impairment	(R154.7 million)
Net Household debtors	R18.5 million

Receivables from non-exchange transactions

Fruitless expenditure to be recovered amounting to **R6.9 million** resulted from a claim of standing time due to consultant negligence.

Inventory

The current level of inventory is **R4.3 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amount to **R40.2 million**, this is the amount raised when input VAT is recognized less output VAT collected as per VAT reconciliation.

Other current assets

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R25.3 million**.

Deposits Made	R18.2 million
Refunds & under/over banking	R 7.09 million
Overpayments/Accrued Income	R36.9 thousand
Salary advance	R11.07 thousand
Total	R25.3 million

➤ **Deposits Made**

Deposits made amount to **R18.2 million**, this amount include Eskom deposits, Federal Air Deposits and Stowell Deposits:

Eskom Deposits	R18 million
Stowell Deposits	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. Stowell Deposit is the amount paid as a security deposit when Stowell was first contracted.

➤ **Refunds & under/over banking**

Refunds & under/over banking amount to **R7.09 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	R5.6 million
Under/over banking	R1.4 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.

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

➤ **Salary advance**

Salary advances amounts to **R11.07 thousand**. This amount consists of advanced employee costs.

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 **R4.9 million**.

Opening balance	R5.07 billion
Additions	R107.1 million
Depreciation	(R20 million)
Closing Balance	R5.08 billion

Heritage assets

Heritage assets are assets that help the municipality to attract tourists because they entails history of the district and its people **R7.8 million**.

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R48 thousand**.

Opening balance	R48 thousand
Additions	R 0
Depreciation	(R0)
Closing Balance	R48 thousand

CURRENT LIABILITIES

Financial liabilities

This is the current portion of the finance lease agreement the Municipality entered into to procure laptops. The current balance owed amount to **R1.4 million**.

Opening balance	R1.4 million
Payment	(R0)
Closing Balance	R1.4 million

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance is **R3.6 million**.

Trade and other payables from exchange transactions

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R218.4 million**.

Trade Creditors	R22.7 million
Retention	R63.5 million
Department of Water & Sanitation	R62.6 million
Leave accrued	R21.7 million
Bonus	R5.7 million
Employee related cost	R1.07 million
Advance Payments	R2.9 million
Salary Suspense Accounts	R391.7 thousand
Other Suspense account	R58.8 thousand
Water tankers	R17.6 million
Zanamanzi	R19.4 million
Fleet Suspense	R588.5 thousand
Unallocated Deposits	R2.8 thousand
Closing Balance	R218.4 million

Trade and other payables from non-exchange transactions

This is the amount of unspent conditional grants which will be recognized when the conditions are met. Unspent conditional grants amount to **R224.7 million**.

Current Provision

Current provisions amount to **R1.6 million**, this provision is for post-retirement benefit (Medical aid) and long service awards that is paid in the current financial year:

Long service awards	R1.6 million
---------------------	--------------

VAT Payables

VAT payable amount to **R8.2 million**, this is the amount paid when output VAT is recognized less input VAT paid as per VAT reconciliation

Other current liabilities

Other current liabilities amount to **R500 thousand**, this is the amount for medical benefit awarded to the people who have retired from the service of the municipality:

Post Retirement benefit (Medical aid)	R 500 thousand
---------------------------------------	----------------

NON-CURRENT LIABILITIES

Non-current financial liabilities

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R1.2 million**.

The municipality is in lease contract with Business Connections (BCX), the contract is for the laptops that the municipality will use for the agreed period and will be handed over to the Municipality at the end of the contract.

The municipality is paying monthly installments to service the lease agreement.

Non-current Provisions

Non-current Provisions amounts to **R43.4 million**, this provision is for post-retirement benefit (Medical aid) and Long Service award:

Post Retirement benefit (Medical aid)	R30.4 million
Long Service award	R13.06 million

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R4.8 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		26 949	51 642	51 642	2 677	6 607	12 910	(6 303)	-49%	51 642
Other revenue		1 387 129	162 144	162 144	200 675	563 944	40 536	523 408	1291%	162 144
Transfers and Subsidies - Operational		661 838	643 859	643 859	48 282	317 403	160 965	156 438	97%	643 859
Transfers and Subsidies - Capital		610 306	805 127	805 127	86 000	340 800	201 282	139 518	69%	805 127
Interest		3 937	3 000	3 000	301	875	750	125	17%	3 000
Dividends								-		
Payments										
Suppliers and employees		(868 156)	(672 640)	(672 640)	(105 958)	(503 397)	(168 160)	335 237	-199%	(672 640)
Interest								-		
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 822 004	993 132	993 132	231 977	726 231	248 283	(477 948)	-193%	993 132
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		(496 168)	(789 967)	(789 967)	(49 277)	(107 188)	(197 492)	(90 304)	46%	(789 967)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(496 168)	(789 967)	(789 967)	(49 277)	(107 188)	(197 492)	(90 304)	46%	(789 967)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	100 000	100 000	-	-	25 000	(25 000)	-100%	100 000
Increase (decrease) in consumer deposits		-	-	-	1	1	-	1	#DIV/0!	-
Payments										
Repayment of borrowing		(1 090)	(10 000)	(10 000)	-	-	(2 500)	(2 500)	100%	(10 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 090)	90 000	90 000	1	1	22 500	22 499	100%	90 000
NET INCREASE/ (DECREASE) IN CASH HELD		1 324 746	293 165	293 165	182 701	619 044	73 291			293 165
Cash/cash equivalents at beginning:		20 468	173 117	173 117	15 345	27 427	173 117			27 427
Cash/cash equivalents at month/year end:		1 345 214	466 282	466 282		646 471	246 408			320 591

MBRR Table C7 – 1st Quarter 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 **R51.6 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 **R6.6 million** to date. This is **13%** of budgeted collection and **35%** of year-to-date billing.

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 re visited the collection of flat rate strategy and decided to implement it next year.

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 in a process of developing an action plan to address these inefficiencies.

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 year to date are **R317.4 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far but does not include National Skills Fund under Transfers and subsidies – Operational:

Equitable share	R263.1 million
Indonsa Grant	R955 thousand
Aviation Strategy	R2 million
FMG	R1.2 million
EPWP	R1.7 million
NSF	R47.8 million
LG SETA	R210 thousand
Amafa Research	R180 thousand
TOTAL	R317.4 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 **R340.8 million**. This amount includes RBIG, MIG, RRAMS, TSUCM_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R 150 million
Water Services Infrastructure Grant	R 40 million
Régional Bulk Infrastructure Grant	R 150.8 million
TOTAL	R340.8 million

Interest

Interest on investment budget is at **R3 million**, this estimate is based on the approved budget interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R875 thousand**. Interest on investment revenue on table C4 is **R875 thousand** which reconcile the one in the cash flow.

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 **R107.1 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. the Municipality is in a process of developing an action plan to address these inefficiencies.

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. Cash and cash equivalents to date is **R179.1 million** in the financial position but in the cash flow it is **R646.4 million**.

Municipality is in a process of developing an action plan to address these system inefficiencies.

PART 2 – SUPPORTING DOCUMENTATION

2.1 MATERIAL VARIANCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

2.2 DEBTORS ANALYSIS

Debtors age analysis as of 30 September 2023

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M03 September

Description	NT Code	Budget Year 2023/24										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.Lo Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 158	4 447	3 586	2 853	2 100	2 400	14 772	125 667	161 984	147 793	-	(120 151)
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	1 353	1 024	718	701	682	713	3 446	35 448	44 084	40 989	-	(34 548)
Receivables from Exchange Transactions - Waste Management	1600									-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	11	11	5	9	7	9	16	9	77	51	-	(23)
Interest on Arrear Debtor Accounts	1810	37	38	0	12	29	25	116	336	594	518	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	14	11	118	711	106	115	690	3 899	5 664	5 522	-	(16)
Total By Income Source	2000	7 572	5 530	4 427	4 287	2 924	3 262	19 041	165 359	212 402	194 872	-	(154 738)
2022/23 - totals only		6194932	4387242	3604267	3373204	3086199	3432089	21636503	137357737	183 072	168 886	0	-138614150 4/7
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 385	1 763	1 038	1 326	684	812	3 800	12 923	24 730	19 545	-	-
Commercial	2300	1 306	648	301	318	284	318	1 780	9 426	14 381	12 126	-	-
Households	2400	3 881	3 120	3 088	2 643	1 956	2 132	13 461	143 010	173 290	163 201	-	(154 738)
Other	2500									-	-		
Total By Customer Group	2600	7 572	5 530	4 427	4 287	2 924	3 262	19 041	165 359	212 402	194 872	-	(154 738)

Total debtors' amount to **R212.4 million**, which is an increase of **R1.7 million** from the closing balance of **R209.8 million** in previous month. The debtors over 90 days amount to **R194.8 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.1 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Service charges – Water revenue	17%	This is the amounts billed on customers for water used, the year-to-date actual is R15.04 million which is 29% of the approved budget. the R15.04 million year to date actual is above the three month baseline projection or year-to-date budget of R12.8 million. A variance of R2.1 million or 17% is observed.	The municipality need to adjust water revenue budget to match up with year to date budget.
	Service charges – Sanitation revenue	6%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R3.8 million which is 24% of the approved budget. the R3.8 million year to date actual is below the three month baseline projection or year-to-date budget of R4.1 million. A variance of R240 thousand or 6% is observed.	The municipality need to increase billing on sanitation revenue in order to match with year to date budget.
	Sale of goods and rendering of service	28%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R179 thousands which is 18% of the approved budget. the R179 thousands year to date actual is below the three month baseline projection or year-to-date budget of R250 thousand. A variance of R71 thousand or 28% is observed.	The municipality does not control over this revenue against year to date because it comes from sale of tender documents.
	Interest on investment	17%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R875 thousand which is 29% of the approved budget. The R875 thousand year to date actual is above the three month baseline projection or year-to-date budget of R750 thousand. A variance of R125 thousand or 17% is observed.	The municipality cannot be benchmarked against year to date budget because its depend on the cash available.
	Interest earned - outstanding debtors	41%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is R77 thousand which is 15% of the approved budget. The R77 thousand year to date actual is below the three month baseline projection or year-to-date budget of R130 thousand. A variance of R53 thousand or 41% is observed.	The municipality need to adjust budget for this line item.
	Rent of facilities	1%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R124 thousand which is 25% of the approved budget. the R124 thousand year to date actual is below the three months baseline projection or year-to-date budget of R125 thousand. A variance of R1 thousand or less than 1% is observed.	Variance is less than 5% .
	Licences and Permits	65%	Licences and permits year-to-date actual is R25 thousand which is 41% of the approved budget. the R25 thousand year to date actual is above three months baseline projection or year-to-date budget of R15 thousand. A variance of less than R10 thousand or 65% is observed.	The municipality need to adjust budget for this line item.
	Operational revenue	74%	Operational revenue year-to-date actual is R24 thousand which is 25% of the approved budget. the R25 thousand year to date actual is below three month baseline projection or year-to-date budget of R68 thousand. A variance of R68 thousand or 74% is observed.	The municipality need to adjust budget for this line item.
	Fines, penalties, and forfeits	35%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is R163 thousand which is 16% of the approved budget. the R163 thousand year to date actual is below the three months baseline projection or year-to-date budget of R250 thousand. A variance of R87 thousand or 35% is observed.	Municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	84%	Transfers and subsidies year to date actual is R312.7 million which is 49% of the approved budget. The R312.7 million year to date actual is above three month baseline projection or year-to-date budget of R169.6 million. A variance of R143.04 million or 84% is observed.	Transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule.

DC26 Zululand - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue</u>			
2	<u>Expenditure By Type</u>			
	Employee Related Costs	3%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R74.9 million which is 23% of the approved budget. The R74.9 million year to date actual is above the three months baseline projection or year-to-date budget of R72.6 million. A variance of R2.3 million or 3% is observed.	Variance is less than 5% .
	Remuneration of Councillors	4%	Remuneration of Councillors are amounts paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R2.2 million which is 24% of the approved budget. The R2.2 million year to date actual is below the three months baseline projection or year-to-date budget of R2.3 million. A variance of R100 thousand or 4% is observed.	Variance is less than 5% .
	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.	No variance
	Inventory Consumed	98%	Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is R277 thousand which is less than 1% of the approved budget. The R277 thousand year to date actual is below the three months baseline projection or year-to-date budget of R11.3 million. A variance of R11.07 million or 98% is observed.	The municipality need to capture requisition daily to prevent this variance
	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 treasuries recommend that the assessment and calculations be done monthly.	Provision for non-collection assessment and calculation is done at year end. National treasuries recommend that the assessment and calculations be done monthly.
	Depreciation	11%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R20 million which is 22% of the approved budget. The R20 million year to date actual is below the three months baseline projection or year-to-date budget of R22.5 million. A variance of R2.5 million or 11% is observed.	The municipality need to budget against the percentage of accumulated depreciation
	Finance charges	38%	Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is R156 thousand which is 16% of the approved budget. The R156 thousand year to date actual is below the three months baseline projection or year-to-date budget of R250 thousand. A variance of R94 thousand or 38% is observed.	The municipality need to adjust the finance charges budget to accommodate expenditure.
	Contracted services	64%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R65.7 million which is 51% of the approved budget. The R65.7 million year to date actual is above the three months baseline projection or year-to-date budget of R40.08 million. A variance of R25.6 million or 64% is observed.	The municipality need to monitor this expenditure to minimize spending. The municipality has to review SLAs and try to minimise as low as possible in this line item cost
	Transfers and subsidies paid.	92%	Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is R49 thousand which is 1% of the approved budget. The R49 thousand year to date actual is below the three months baseline projection or year-to-date budget of R641 thousand. A variance of R591 thousand or 92% is observed.	This expenditure cannot be benchmarked against year to date budget because it is esasonal.
	Irrecoverable debt written off	0%	Irrecoverable debt written off year-to-date actual is R28 thousand which is 0% of the approved budget. The R28 thousand year to date actual cannot be benchmarked against year to date budget because it has no budget. A variance of R28 thousand or 0% is observed	The year to date actual cannot be benchmarked against year to date budget because it has no budget
	Operational costs	7%	Operational costs are all other expenditure not classified above. The year-to-date actual is R39.5 million which is 27% of the approved budget. The R39.5 million year to date actual is below the three months baseline projection or year-to-date budget of R36.9 million. A variance of R2.6 million or 7% is observed.	The expenditure being is monitored by the municipality to keep it within the budget.

DC26 Zululand - Supporting Table SC1 Material variance explanations - M03 September

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<u>Revenue</u>			
3	<u>Capital Expenditure</u>			
	Governance and administration	89%	Governance and administration year-to-date actual are R86 thousand which is 4% of the approved budget the R86 thousand year to date actual is below the three months baseline projection or year-to-date budget of R773 thousand. A variance of R687 thousand or 89% is observed.	The municipality need to speed up projects so that expenditure will increase
	Community and public safety	100%	Community and public safety year-to-date actual are R0 which is 0% of the approved budget the R0 year to date actual is below the three months baseline projection or year-to-date budget of R114 thousand. A variance of R114 thousand or 100% is observed.	The municipality need to speed up projects so that expenditure will increase
	Economic and environmental services	100%	Economic and environmental services year-to-date actual is R0 million which is 0% of the approved budget the R0 year to date actual is below the two month baseline projection or year-to-date budget of R552 thousand. A variance of R552 thousand or 100% is observed.	The municipality need to speed up projects so that expenditure will increase
	Trading services	46%	Trading services year-to-date actual is R107.1 million which is 14% of the approved budget the R107.1 million year to date actual is below the three months baseline projection or year-to-date budget of R197.5 million. A variance of R90.4 million or 46% is observed.	The municipality need to speed up projects so that expenditure will increase

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 30 September 2023

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M03 September

Description R thousands	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	55	-	-	-	-	-	-	-	55	3 558
Auditor General	0800									-	
Other	0900									-	
Total By Customer Type	1000	55	-	-	-	-	-	-	-	55	3 558

2.3 INVESTMENT PORTFOLIO

Investments as at 30 September 2023

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M03 September

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
ABSA CALL ACCOUNT		0.008219178	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	-	47		64 000	64 000
ABSA CALL ACCOUNT		0.019178082	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	64 000	68		40 000	104 000
ABSA CALL ACCOUNT		0.032876712	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	104 000	441		150 800	254 800
ABSA CALL ACCOUNT		0.063013699	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	254 800	-	(30 000)		224 800
ABSA CALL ACCOUNT		0.063013699	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	224 800	-	(20 000)		204 800
ABSA CALL ACCOUNT		0.063013699	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	08 September 2023	204 800	-	(30 000)		174 800
ABSA CALL ACCOUNT		0.063013699	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	14 September 2023	174 800	-	(25 000)		149 800
ABSA CALL ACCOUNT		0.063013699	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	20 September 2023	149 800	-	(50 000)		99 800
ABSA CALL ACCOUNT		0.063013699	CALL ACCOUNT	YES	VARIABLE	1.089	-	N/A	26 September 2023	99 800	5 901		86 000	185 800
Municipality sub-total										-	6 458	(155 000)	340 800	185 800
Entities														
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-		(155 000)	340 800	185 800

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		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:		596 108	639 948	639 948	54	265 176	159 987	105 189	65.7%	639 948
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		586 391	631 671	631 671	–	263 196	157 918	105 278	66.7%	631 671
Expanded Public Works Programme Integrated Grant		8 517	7 077	7 077	–	1 769	1 769	(0)	0.0%	7 077
Local Government Financial Management Grant		1 200	1 200	1 200	54	211	300	(89)	-29.7%	1 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		–	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
Provincial Government:		2 631	3 911	4 111	7	7	998	(991)	-99.3%	4 111
Capacity Building and Other Grants		2 631	3 911	4 111	7	7	998	(991)	-99.3%	4 111
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		60 091	–	47 892	–	47 554	8 708	38 847	446.1%	47 892
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		478	–	–	–	114	–	114	–	–
National Skills Fund		59 613	–	47 892	–	47 440	8 708	38 733	444.8%	47 892
Unspecified		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	658 830	643 859	691 951	61	312 737	169 692	143 044	84.3%	691 951
Capital Transfers and Grants										
National Government:		607 306	805 127	805 127	56 475	122 373	201 282	(78 909)	-39.2%	805 127
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		259 530	271 683	271 683	37 739	54 414	67 921	(13 507)	-19.9%	271 683
Regional Bulk Infrastructure Grant		250 247	430 905	430 905	13 086	42 352	107 726	(65 375)	-60.7%	430 905
Rural Road Asset Management Systems Grant		2 529	2 539	2 539	–	–	635	(635)	-100.0%	2 539
Water Services Infrastructure Grant		95 000	100 000	100 000	5 649	25 608	25 000	608	2.4%	100 000
Provincial Government:		3 196	–	–	–	–	–	–	–	–
Infrastructure Grant		3 196	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Unspecified		–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	610 502	805 127	805 127	56 475	122 373	201 282	(78 909)	-39.2%	805 127
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 269 332	1 448 986	1 497 078	56 535	435 110	370 974	64 136	17.3%	1 497 078

Grants are received as per transfer schedule and have been received as such with the exception of MSIG which has not been received. Grants are recognized as revenue as when the condition is met.

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		824 288	627 267	628 017	53 442	137 487	156 868	(19 381)	-12.4%	628 017
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		773 115	618 990	619 740	52 186	133 690	154 798	(21 108)	-13.6%	619 740
Expanded Public Works Programme Integrated Grant		8 532	7 077	7 077	1 202	3 585	1 769	1 816	102.7%	7 077
Local Government Financial Management Grant		1 200	1 200	1 200	54	211	300	(89)	-29.7%	1 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		33 001	–	–	–	–	–	–	–	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		2 199	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant		6 240	–	–	–	–	–	–	–	–
Provincial Government:		2 689	3 385	3 585	7	13	866	(853)	-98.5%	3 585
Capacity Building and Other Grants		2 689	3 385	3 585	7	13	866	(853)	-98.5%	3 585
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		59 798	–	47 892	–	47 440	8 708	38 733	444.8%	47 892
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		478	–	–	–	–	–	–	–	–
National Skills Fund		59 320	–	47 892	–	47 440	8 708	38 733	444.8%	47 892
Total operating expenditure of Transfers and Grants:		886 774	630 652	679 495	53 449	184 940	166 441	18 498	11.1%	679 495
Capital expenditure of Transfers and Grants										
National Government:		490 152	700 110	700 110	49 191	107 102	175 028	(67 926)	-38.8%	700 110
Municipal Infrastructure Grant		194 387	236 246	236 246	32 878	47 436	59 062	(11 626)	-19.7%	236 246
Regional Bulk Infrastructure Grant		218 770	374 700	374 700	11 401	37 179	93 675	(56 496)	-60.3%	374 700
Rural Road Asset Management Systems Grant		–	2 208	2 208	–	–	552	(552)	-100.0%	2 208
Water Services Infrastructure Grant		76 994	86 957	86 957	4 912	22 487	21 739	748	3.4%	86 957
Provincial Government:		2 797	457	457	–	–	114	(114)	-100.0%	457
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
Infrastructure Grant		2 797	457	457	–	–	114	(114)	-100.0%	457
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		492 948	700 568	700 568	49 191	107 102	175 142	(68 040)	-38.8%	700 568
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 379 723	1 331 220	1 380 062	102 639	292 042	341 583	(49 542)	-14.5%	1 380 062

2.5 Roll-overs Expenditure

The municipality has closing balance on National Skills Fund, LGSETA Fire and Rescue, Art Council SA: Help Desk, Aviation Strategy, Amafa Research and COGTA Boreholes that need to be approved by the council and the funder to be rolled over and expenditure amount will be inclusive of VAT as per **MFMA circular no. 58**.

DC26 Zululand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M03 September						
Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly actual	YearTD actual	YTD variance	YTD variance
R thousands						%
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		80	80	80	(0)	0.0%
NATIONAL SKILLS FUND		80	80	80	(0)	0.0%
Provincial Government:		34	7	13	21	61.7%
ART COUNCIL SA		34	7	13	21	61.7%
TSUCM_COGTA BOREHOLES		1 446	–	–	1 446	100.0%
District Municipality:		–	–	–	–	
					–	
Other grant providers:		–	–	–	–	
					–	
Total operating expenditure of Approved Roll-overs		1 560	86	93	1 467	94.0%
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
					–	
Provincial Government:		–	–	–	–	
Other Departments		–	–	–	–	
District Municipality:		–	–	–	–	
					–	
Other grant providers:		–	–	–	–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		1 560	86	93	1 467	94.0%

2.6 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M03 September

Summary of Employee and Councillor remuneration	Ref	2022/23	Budget Year 2023/24							
		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
<u>Councillors (Political Office Bearers plus Other)</u>										
Basic Salaries and Wages		-	-	-	-	-	-	-		-
Pension and UIF Contributions		509	512	512	45	121	128	(7)	-5%	512
Medical Aid Contributions		54	55	55	3	10	14	(3)	-25%	55
Motor Vehicle Allowance		1 889	1 962	1 962	169	490	490	(0)	0%	1 962
Cellphone Allowance		681	694	694	58	173	173	-		694
Housing Allowances		360	180	180	15	45	45	-		180
Other benefits and allowances		5 782	6 084	6 084	495	1 431	1 521	(90)	-6%	6 084
Sub Total - Councillors		9 276	9 486	9 486	785	2 271	2 372	(100)	-4%	9 486
% increase	4		2.3%	2.3%						2.3%
<u>Senior Managers of the Municipality</u>	3									
Basic Salaries and Wages		6 237	6 191	6 191	771	2 009	1 548	462	30%	6 191
Pension and UIF Contributions		176	62	62	25	89	15	73	474%	62
Medical Aid Contributions		59	3	3	15	25	1	25	3513%	3
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		650	-	-	-	-	-	-		-
Motor Vehicle Allowance		1 640	1 542	1 542	166	505	386	119	31%	1 542
Cellphone Allowance		257	238	238	27	78	59	19	32%	238
Housing Allowances		13	-	-	1	3	-	3	#DIV/0!	-
Other benefits and allowances		309	195	195	21	125	49	77	157%	195
Payments in lieu of leave		374	-	-	95	95	-	95	#DIV/0!	-
Long service awards		132	-	-	-	-	-	-		-
Post-retirement benefit obligations		-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		97	-	-	-	16	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		9 945	8 230	8 230	1 121	2 946	2 058	889	43%	8 230
% increase	4		-17.2%	-17.2%						-17.2%
<u>Other Municipal Staff</u>										
Basic Salaries and Wages		184 973	206 063	206 063	16 437	49 029	51 516	(2 487)	-5%	206 063
Pension and UIF Contributions		24 702	27 991	27 991	2 196	6 573	6 998	(425)	-6%	27 991
Medical Aid Contributions		14 860	15 496	15 496	1 340	4 015	3 874	141	4%	15 496
Overtime		6 703	5 448	5 448	635	1 761	1 362	399	29%	5 448
Performance Bonus		12 696	13 983	13 983	1 526	4 004	3 496	508	15%	13 983
Motor Vehicle Allowance		10 357	10 682	10 682	901	2 724	2 671	54	2%	10 682
Cellphone Allowance		740	828	828	62	194	207	(13)	-6%	828
Housing Allowances		1 669	1 724	1 724	142	413	431	(18)	-4%	1 724
Other benefits and allowances		4 065	282	282	413	1 119	70	1 049	1488%	282
Payments in lieu of leave		5 523	-	-	48	1 463	-	1 463	#DIV/0!	-
Long service awards		3 358	-	-	185	561	-	561	#DIV/0!	-
Post-retirement benefit obligations		5 393	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		1 191	-	-	38	181	-	181	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		276 230	282 498	282 498	23 924	72 038	70 625	1 413	2%	282 498
% increase	4		2.3%	2.3%						2.3%
Total Parent Municipality		295 452	300 214	300 214	25 830	77 255	75 054	2 201	3%	300 214

The municipality has no active entity

2.7 ACTUAL AND REVISED TARGETS FOR CASH RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M03 September

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	1	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates													-			
Service charges - Electricity revenue													-			
Service charges - Water revenue		928	1 881	2 063	3 214	3 214	3 214	3 214	3 214	3 214	3 214	3 214	7 986	38 572	43 529	48 873
Service charges - Waste Water Management		381	742	614	1 089	1 089	1 089	1 089	1 089	1 089	1 089	1 089	2 620	13 069	14 685	16 426
Service charges - Waste Management													-			
Rental of facilities and equipment		45	49	45	90	90	90	90	90	90	90	90	220	1 075	1 127	1 181
Interest earned - external investments		-	574	301	250	250	250	250	250	250	250	250	125	3 000	3 144	3 295
Interest earned - outstanding debtors													-			
Dividends received													-			
Fines, penalties and forfeits		20	64	79	83	83	83	83	83	83	83	83	171	1 000	1 048	1 098
Licences and permits		5	11	8	5	5	5	5	5	5	5	5	(5)	60	63	66
Agency services													-			
Transfers and Subsidies - Operational		266 152	2 969	48 282	53 655	53 655	53 655	53 655	53 655	53 655	53 655	53 655	(102 783)	643 859	679 032	720 445
Other revenue		131 675	231 401	200 542	13 334	13 334	13 334	13 334	13 334	13 334	13 334	13 334	(510 282)	160 009	115 496	124 647
Cash Receipts by Source		399 159	237 068	251 588	71 381	71 381	71 381	71 381	71 381	71 381	71 381	71 381	(602 292)	856 570	853 854	911 555
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		104 000	150 800	86 000	67 094	67 094	67 094	67 094	67 094	67 094	67 094	67 094	(72 424)	805 127	552 968	611 515
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets													-			
Short term loans													-			
Borrowing long term/refinancing		-	-	-	8 333	8 333	8 333	8 333	8 333	8 333	8 333	8 333	33 333	100 000	-	-
Increase (decrease) in consumer deposits		-	-	1	-	-	-	-	-	-	-	-	(1)	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments													-			
Total Cash Receipts by Source		503 159	387 868	337 589	146 808	146 808	146 808	146 808	146 808	146 808	146 808	146 808	(641 384)	1 761 697	1 406 822	1 523 070
Cash Payments by Type																
Employee related costs		26 127	26 418	26 816	24 344	24 344	24 344	24 344	24 344	24 344	24 344	24 344	18 016	292 133	298 671	312 940
Remuneration of councillors		-	-	-	790	790	790	790	790	790	790	790	3 162	9 486	9 941	10 418
Interest													-			
Bulk purchases - Electricity		12 282	4 787	13 201	-	-	-	-	-	-	-	-	(30 270)	-	-	-
Acquisitions - water & other inventory		7 556	-	-	4 037	4 037	4 037	4 037	4 037	4 037	4 037	4 037	8 594	48 450	50 736	53 133
Contracted services		131	(6 308)	(49 127)	12 336	12 336	12 336	12 336	12 336	12 336	12 336	12 336	104 646	148 027	152 625	159 854
Transfers and subsidies - other municipalities													-			
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenditure		239 289	84 467	106 769	14 462	14 462	14 462	14 462	14 462	14 462	14 462	14 462	(372 678)	173 544	187 490	196 589
Cash Payments by Type		285 385	109 364	97 659	55 970	55 970	55 970	55 970	55 970	55 970	55 970	55 970	(268 529)	671 640	699 464	732 935
Other Cash Flows/Payments by Type																
Capital assets		-	57 911	49 277	65 831	65 831	65 831	65 831	65 831	65 831	65 831	65 831	156 134	789 967	-	531 752
Repayment of borrowing		-	-	-	833	833	833	833	833	833	833	833	3 333	10 000	10 000	10 000
Other Cash Flows/Payments		-	2 690	8 299	83	83	83	83	83	83	83	83	(10 655)	1 000	1 000	1 000
Total Cash Payments by Type		285 385	169 965	155 234	122 717	122 717	122 717	122 717	122 717	122 717	122 717	122 717	(119 716)	1 472 607	710 464	1 275 687
NET INCREASE/(DECREASE) IN CASH HELD		217 774	217 903	182 355	24 091	24 091	24 091	24 091	24 091	24 091	24 091	24 091	(521 668)	289 090	696 358	247 384
Cash/cash equivalents at the month/year beginning:		27 427	245 201	463 103	645 458	669 549	693 640	717 731	741 821	765 912	790 003	814 094	838 185	27 427	316 516	1 012 874
Cash/cash equivalents at the month/year end:		245 201	463 103	645 458	669 549	693 640	717 731	741 821	765 912	790 003	814 094	838 185	316 516	316 516	1 012 874	1 260 258

2.8 MUNICIPAL ENTITY FINANCIAL OPERATING EXPENDITURE PERFORMANCE BUDGET

The municipality does not have an entity

2.9 MUNICIPAL ENTITY FINANCIAL CAPITAL EXPENDITURE PERFORMANCE

The municipality does not have an entity

2.10 CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M03 September

Month	2022/23	Budget Year 2023/24							
	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	5 503	65 875	65 875	–	–	65 875	65 875	100.0%	0%
August	14 273	65 890	65 890	57 911	57 911	131 765	73 853	56.0%	7%
September	32 995	65 890	65 890	49 277	49 277	197 655	148 378	75.1%	6%
October	27 335	65 890	65 890	–	–	263 545	263 545	100.0%	0%
November	18 645	65 890	65 890	–	–	329 435	329 435	100.0%	0%
December	46 356	65 890	65 890	–	–	395 325	395 325	100.0%	0%
January	7 250	65 890	65 890	–	–	461 215	461 215	100.0%	0%
February	13 944	65 890	65 890	–	–	527 105	527 105	100.0%	0%
March	27 728	65 890	65 890	–	–	592 995	592 995	100.0%	0%
April	70 518	65 890	65 890	–	–	658 885	658 885	100.0%	–
May	127 629	65 890	65 890	–	–	724 775	724 775	100.0%	–
June	105 765	65 890	65 890	–	–	790 664	790 664	100.0%	–
Total Capital expenditure	497 942	790 664	790 664	107 188					

2.11 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 - M03 September

Description	Ref	2018/19	Budget Year 2019/20							
		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		491 521	700 110	700 110	49 191	107 102	175 028	67 926	38.8%	700 110
Roads Infrastructure		–	2 208	2 208	–	–	552	552	100.0%	2 208
Roads		–	2 208	2 208	–	–	552	552	100.0%	2 208
Storm water Infrastructure		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		491 521	693 120	692 468	49 191	107 102	173 161	66 060	38.1%	692 468
Boreholes		68 814	79 130	72 907	903	9 812	18 651	8 839	47.4%	72 907
Reservoirs		11 062	15 086	10 178	–	–	2 879	2 879	100.0%	10 178
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		63 564	66 957	79 913	17 823	19 827	19 095	(733)	-3.8%	79 913
Bulk Mains		311 748	508 469	497 710	17 340	62 359	125 161	62 802	50.2%	497 710
Distribution		36 333	23 478	31 760	13 126	15 103	7 375	(7 728)	-104.8%	31 760
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	4 783	5 435	–	–	1 314	1 314	100.0%	5 435
Reticulation		–	4 783	5 435	–	–	1 314	1 314	100.0%	5 435
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		1 726	–	–	–	–	–	–		–
Community Facilities		1 726	–	–	–	–	–	–		–
Centres		1 726	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		51	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		51	–	–	–	–	–	–		–
Computer Software and Applications		51	–	–	–	–	–	–		–
Computer Equipment		2 158	2 350	2 580	86	86	634	548	86.4%	2 580
Computer Equipment		2 158	2 350	2 580	86	86	634	548	86.4%	2 580
Furniture and Office Equipment		1 085	550	560	–	–	139	139	100.0%	560
Furniture and Office Equipment		1 085	550	560	–	–	139	139	100.0%	560
Machinery and Equipment		1 210	87 414	87 414	–	–	21 853	21 853	100.0%	87 414
Machinery and Equipment		1 210	87 414	87 414	–	–	21 853	21 853	100.0%	87 414
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	497 751	790 424	790 664	49 277	107 188	197 655	90 467	45.8%	790 664

2.12 EXPENDITURE ON REPAIRS AND MAINTAINANCEBY ASSET CLASS

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M03 September										
Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		131 760	70 000	69 800	444	444	17 450	17 005	97.5%	69 800
Roads Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Attenuation		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Water Supply Infrastructure		131 760	70 000	69 800	444	444	17 450	17 005	97.5%	69 800
Bulk Mains		45 692	20 000	19 800	444	444	4 950	4 505	91.0%	19 800
Distribution		-	-	-	-	-	-	-		-
Distribution Points		86 067	50 000	50 000	-	-	12 500	12 500	100.0%	50 000
Sanitation Infrastructure		-	-	-	-	-	-	-		-
Waste Water Treatment Works		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Community Assets		-	-	-	-	-	-	-		-
Community Facilities		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Other Heritage		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Improved Property		-	-	-	-	-	-	-		-
Unimproved Property		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Improved Property		-	-	-	-	-	-	-		-
Unimproved Property		-	-	-	-	-	-	-		-
Other assets		1 420	3 200	3 080	345	382	778	395	50.8%	3 080
Operational Buildings		1 420	3 200	3 080	345	382	778	395	50.8%	3 080
Municipal Offices		1 420	3 200	3 080	345	382	778	395	50.8%	3 080
Capital Spares		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Staff Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Services		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Unspecified		-	-	-	-	-	-	-		-
Computer Equipment		20	-	-	-	-	-	-		-
Computer Equipment		20	-	-	-	-	-	-		-
Furniture and Office Equipment		40	200	200	-	-	50	50	100.0%	200
Furniture and Office Equipment		40	200	200	-	-	50	50	100.0%	200
Machinery and Equipment		29	-	50	-	-	5	5	100.0%	50
Machinery and Equipment		29	-	50	-	-	5	5	100.0%	50
Transport Assets		4 728	1 500	1 500	419	503	375	(128)	-34.1%	1 500
Transport Assets		4 728	1 500	1 500	419	503	375	(128)	-34.1%	1 500
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	137 997	74 900	74 630	1 208	1 329	18 658	17 328	92.9%	74 630

2.13 DEPRECIATION BY ASSET CLASS

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M03 September

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		88 946	80 877	80 877	5 990	17 969	20 219	2 250	11.1%	80 877
Roads Infrastructure		587	718	718	53	159	179	20	11.1%	718
Roads		587	718	718	53	159	179	20	11.1%	718
Storm water Infrastructure		-	-	-	-	-	-	-		-
Attenuation		-	-	-	-	-	-	-		-
Electrical Infrastructure		28	36	36	3	8	9	1	11.2%	36
LV Networks		28	36	36	3	8	9	1	11.2%	36
Water Supply Infrastructure		86 306	77 892	77 892	5 769	17 306	19 473	2 167	11.1%	77 892
Dams and Weirs		2 197	2 285	2 285	169	508	571	64	11.1%	2 285
Boreholes		1 672	471	471	35	105	118	13	11.1%	471
Reservoirs		7 184	7 026	7 026	520	1 561	1 757	195	11.1%	7 026
Pump Stations		5 203	4 451	4 451	330	989	1 113	124	11.1%	4 451
Water Treatment Works		7 060	6 502	6 502	482	1 445	1 625	181	11.1%	6 502
Bulk Mains		39 339	34 795	34 795	2 577	7 731	8 699	968	11.1%	34 795
Distribution		23 677	22 280	22 280	1 650	4 950	5 570	620	11.1%	22 280
PRV Stations		74	81	81	6	18	20	2	11.1%	81
Sanitation Infrastructure		2 026	2 231	2 231	165	496	558	62	11.1%	2 231
Pump Station		(174)	193	193	14	43	48	5	11.1%	193
Reticulation		1 686	1 717	1 717	127	381	429	48	11.1%	1 717
Waste Water Treatment Works		514	322	322	24	72	81	9	11.1%	322
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Sand Pumps		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Community Assets		30	852	852	63	189	213	24	11.1%	852
Community Facilities		(105)	622	622	46	138	155	17	11.1%	622
Markets		143	-	-	-	-	-	-		-
Airports		(248)	622	622	46	138	155	17	11.1%	622
Sport and Recreation Facilities		135	230	230	17	51	58	6	11.1%	230
Outdoor Facilities		135	230	230	17	51	58	6	11.1%	230
Heritage assets		-	-	-	-	-	-	-		-
Other Heritage		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Unimproved Property		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Improved Property		-	-	-	-	-	-	-		-
Other assets		2 904	1 366	1 366	101	303	341	38	11.1%	1 366
Operational Buildings		2 904	1 366	1 366	101	303	341	38	11.1%	1 366
Municipal Offices		2 904	1 312	1 312	97	292	328	37	11.1%	1 312
Stores		-	53	53	4	12	13	1	11.1%	53
Housing		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		18	-	-	1	4	-	(4)	#DIV/0!	-
Services		-	-	-	-	-	-	-		-
Licences and Rights		18	-	-	1	4	-	(4)	#DIV/0!	-
Computer Software and Applications		18	-	-	1	4	-	(4)	#DIV/0!	-
Computer Equipment		2 770	992	992	73	220	248	28	11.1%	992
Computer Equipment		2 770	992	992	73	220	248	28	11.1%	992
Furniture and Office Equipment		505	555	555	41	123	139	15	11.1%	555
Furniture and Office Equipment		505	555	555	41	123	139	15	11.1%	555
Machinery and Equipment		717	368	368	27	82	92	10	11.1%	368
Machinery and Equipment		717	368	368	27	82	92	10	11.1%	368
Transport Assets		4 359	4 991	4 991	370	1 109	1 248	139	11.1%	4 991
Transport Assets		4 359	4 991	4 991	370	1 109	1 248	139	11.1%	4 991
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Total Depreciation	1	100 249	90 000	90 000	6 667	20 000	22 500	2 500	11.1%	90 000

2.14 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.



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

Date : 12/10/2023