



INTERNAL MEMO

DATE : 12 DECEMBER 2024
TO : THE HONOURABLE MAYOR
FROM : MUNICIPAL MANAGER
RE : MONTHLY BUDGET STATEMENT

Kindly find the attached monthly budget statement for your Review, in compliance with the S71 (1) of the Municipal Finance Management Act. The budget statement is for the period ending **30 November 2024**.

The office of the mayor is kindly requested to assist with Mayor's Report based the assessment of the attached Monthly Budget Statement. The mayor's report is in compliance with Regulation 29 of the Municipal Budget and reporting regulations, which state that; if the Mayor tables MFMA S71 report to council it must be accompanied by Mayor's report in a format set out in schedule C.

In terms of S54 of the Municipal Finance Management Act

On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must— (a) consider the statement or report; (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan; (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget; (d) issue any appropriate instructions to the accounting officer to ensure— (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and (ii) that spending of funds and revenue collection proceed in accordance with the budget; (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; (f) in the case of a section 72 report, submit the report to the council by 31 January of each year. (2) If the municipality faces any serious financial problems, the mayor must— (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include— (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget; (ii) the tabling of an adjustments budget; or (iii) steps in terms of Chapter 13; and (b) alert the council and the MEC for local government in the province to those problems. (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

Yours Faithfully

N.S. MSIBI
Chief Financial Officer

R.N. HLONGWA
Municipal Manager

"Service Delivery through Integrity"

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

30 NOVEMBER 2024

MFMA S71 REPORT

2024/2025 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 Revenue and Expenditure

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	865 669 793	331 106 781	360 695 630	-29 588 849	-8%	38%
Total Operating Expenditure	767 636 300	323 665 690	318 118 240	5 547 450	2%	42%
Surplus/(Deficit)	98 033 493	7 441 091	42 577 390	-35 136 299		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 November 2024** is **R331.1 million** which is **38%** of the approved operating revenue budget. The **R331.1 million** year to date Actual is **below** the **five months** baseline projection or year-to-date budget of **R360.6 million**, a variance of **R29.5 million or 8% 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 **R32.4 million** which is **37.7%** of the total generated exchange revenue.

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

Reasons for variances can be attributed to Transfers and subsidies being received based on transfer schedule and cannot be benchmarked against year to date budget, interest on external investments, and operational revenue which are moving at a pace faster than year to date budget.

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

Operating Expenditure Performance

Total Operating Expenditure as at **30 November 2024** is **R323.6 million** which is **42%** of the approved operating expenditure budget. The **R323.6 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R318.1 million**, a variance of **R55.4 million or 2% is observed**.

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

Reasons for variances can be attributed to depreciation, interest, contracted services and inventory consumed which are moving at a slower pace than year to date budget; transfers and subsidies is occasional; debt impairment which has no movement yet. Employee related cost, operational cost and councilors' remuneration are a bit higher than year to date budget.

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

Grants expenditure and receipts

GRANTS RECIEPTS AND EXPENDITURE AS AT 30 NOVEMBER 2024	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	259 542 000.00	116 714 000.00	190 063 362.44	69 478 637.56	75
Regional Bulk Infrastructure (RBIG)	214 000 000.00	205 000 000.00	131 240 903.84	82 759 096.16	32
Water services infrastructure Grant (WSIG)	100 000 000.00	75 000 000.00	72 968 008.97	27 031 991.03	77
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	1 857 000.00	-	2 653 000.00	-
Indonsa Grant	1 911 000.00	955 500.00	1 645.22	1 909 354.78	0
FMG	1 200 000.00	1 200 000.00	416 155.53	783 844.47	35
EPWP	5 227 000.00	3 658 000.00	4 977 756.65	249 243.35	70
Amafa		165 000.00			
NSF	88 246 119.00	9 175 700.72	9 250 000.00	78 996 119.00	9
LGSETA Waste Water Employees	443 800.00	165 000.00	165 000.00	278 800.00	98
LGSETA MFMP	210 000.00	-	-	210 000.00	-
LGSETA-Fire and Rescue- Non Employees	605 136.00	558 600.00	485 739.13	119 396.87	37
	674 038 055.00	414 448 800.72	409 568 571.78	264 469 483.22	99

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	346 092 265	210 313 090	135 779 175	65%	69%
Total Capital Financing	500 594 868	346 092 265	210 313 090	135 779 175	65%	69%

Grants receipts and expenditure

Total Capital Expenditure as at **30 November 2024** is **R346.09 million** which is **69%** of the approved capital budget. The **R346.09 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R210.3 million**, a variance of **R135.7 million**.

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 Capital expenditure

Reasons for variances can be attributed to capital grants not being spent at a similar pace as year to date budget. **MIG** is at **52%**, **RBIG** is at **32%**, **WSIG** is at **77%** **RRAMG** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	612 157 378	144 655 727	24
Total non current assets	5 319 118 713	5 842 091 246	110
Total current liabilities	468 128 948	462 525 552	99
Total non current liabilities	154 477 420	130 488 656	84
TOTAL COMMUNITY WEALTH/ EQUITY	4 634 441 230	5 397 684 274	116.5%

The current assets year to date actual is **R144.6 million** which is **24%** of the approved budget. **Non - Current assets** year to date actual is **R5.8 billion** which is **110%** of the approved budget. **Current Liabilities** year to date actual is **R462.5 million** which is **99%** of the approved budget. **Non - Current Liabilities** year to date is **R130.4 million** which is **84%** of the approved budget. **Accumulated surplus** year to date actual is **R5.3 billion** which is **116.5%** of the approved budget.

Current assets amount to **R144.6 million**, included in current assets is Cash of **(R27.5) million**.

Current liabilities amount to **R462.5 million**, this includes unspent conditional grants amounting to **R66.2 million**.

The Current ratio is 0.31:1 [**144.6 million/462. 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) - M05 November

2020-2021 Budget Statement - Financial Performance (Revenue and Expenditure) - 30 November										
Description	Ref	2023/24	Budget Year 2024/25							
		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		58 877	68 294	68 294	5 864	24 886	28 456	(3 570)	-13%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 608	7 606	7 388	218	3%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	578	-	114	241	(126)	-52%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	63	330	343	(13)	-4%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	44	3 808	3 125	683	22%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	41	207	210	(3)	-1%	504
Licence and permits		107	176	176	58	117	73	44	60%	176
Operational Revenue		594	565	565	81	316	236	80	34%	565
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	9	302	611	(309)	-51%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 030	11 867	293 417	320 013	(26 596)	-8%	768 030
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		680	-	-	-	-	-	-		-
Other Gains		5 704	-	-	-	3	-	3	#DIV/0!	-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		846 773	865 670	865 670	19 637	331 107	360 696	(29 589)	-8%	865 670

The year-to-date actual indicates operating revenue of **R311.1 million** for **five months**, The **R311.1 million** year to date actual is **Below** the **five months** baseline projection or year-to-date budget of **R360.6 million**, a variance of **R29.5 million** or **8%** is observed.

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 **R24.8 million** which is **36%** of the approved budget. The **R24.8 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R28.4 million**. A variance of **R3.5 million** or **13%** 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 **R7.6 million** which is **43%** of the approved budget. The **R7.6 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R7.3 million**. A variance of **R218 thousand** or **3%** 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 **R114 thousands** which is **20%** of the approved budget. The **R114 thousands** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R241 thousand**. A variance of **R126 thousand** or **52%** is observed.

There was no sale of tender documents in this period.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R330 thousand**, which is **40%** of the approved budget. The **R330 thousand** year to date actual is **below** the **five** months baseline projection or year-to-date budget of **R343 thousand**. A variance of **R13 thousand** or **4%** is observed.

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

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R3.8 million** which is **51%** of the approved budget. The **R3.8 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R3.1 million**. A variance of **R683 thousand** or **22%** is observed.

The reason for variances can be attribute to the fact that there was matured investment by end of reporting period.

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R207 thousand** which is **41%** of the approved budget. The **R207 thousand** year to date actual is **above** the **five** months baseline projection or year-to-date budget of **R210 thousand**. A variance of **R3 thousand** or **1%** is observed.

Licences and Permits

Licences and permits year-to-date actual is **R117 thousand** which is **67%** of the approved budget. the **R117 thousand** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R73 thousand**. A variance of **R44 thousand** or **60%** is observed. This line item depends on licences renewal and new issued permits.

Operational revenue

Operational revenue year-to-date actual is **R316 thousand** which is **56%** of the approved budget. the **R316 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R236 thousand**. A variance of **R80 thousands** or **34%** is observed.

The variance to this line item can be attributed to the receipt of Skills Development Levy Refund which is not benchmarked by year to date.

NON EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R302 thousand** which is **21%** of the approved budget. The **R302 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R611 thousand**. A variance of **R309 thousand** or **51%** is observed.

Reasons for variances highlight 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), 2024; 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 **R293.4 million** which is **38%** of the approved budget. The **R293.4 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R320.01 million**. A variance of **R26.5 million** or **8%** 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. Grants received to date is Equitable share, FMG, EPWP and Indonsa art centre.

1.5. OPERATING EXPENDITURE PERFORMANCE

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

Description	Ref	2023/24	Budget Year 2024/25							
		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		315 050	310 172	310 172	27 480	137 284	129 239	8 045	6%	310 172
Remuneration of councillors		10 362	9 465	9 465	926	4 567	3 944	623	16%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 924	(1 040)	(420)	10 340	(10 760)	-104%	24 924
Debt impairment		30 812	6 000	6 000	–	–	2 500	(2 500)	-100%	6 000
Depreciation and amortisation		114 269	91 315	91 315	6 667	33 333	38 048	(4 715)	-12%	91 315
Interest		8 113	7 013	7 013	5	1 991	2 922	(931)	-32%	7 013
Contracted services		371 011	203 358	200 960	8 588	69 649	83 186	(13 537)	-16%	200 960
Transfers and subsidies		3 534	2 100	2 365	–	93	1 099	(1 007)	-92%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 971	15 799	77 169	46 840	30 329	65%	111 971
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		1 143 584	767 636	764 185	58 425	323 666	318 118	5 547	2%	764 185

The year-to-date actuals indicate spending of **R323.6 million** for **five months** which is **42%** of the approved operating expenditure budget. The **R323.6 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R318.1 million**, a variance of **R5.5 million** or **2%** 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 **R137.2 million** which is **44%** of the approved budget. The **R137.2 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R129.2 million**. A variance of **R8.04 million** or **6%** 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 is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R4.5 million** which is **48%** of the approved budget. The **R4.5 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R3.9 million**. A variance of **R623 hundreds** or **16%** is observed.

This is the indication that the municipality is trying to spend within the budget. The municipality will making an adjustment to this line item

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 **R420 thousand**. The **R420 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R10.3 million**. A variance of **R10.7 million** or **104%** is observed.

The municipality will consider the requisitions and deliveries and adjust accordingly when needed.

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 **R33.3 million** which is **37%** of the approved budget. The **R33.3 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R38.4 million**. A variance of **R4.7 million** or **12%** 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 **R1.9 million** which is **28%** of the approved budget. the **R1.9 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R2.9 million**. A variance of **R931 thousand** or **32%** is observed.

The municipality will consider loan interest rates and adjust accordingly when necessary.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R69.6 million** which is **34%** of the approved budget. The **R69.6 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R83.1 million**. A variance of **R13.5 million** or **16%** is observed.

The municipality has tried to minimise the cost of contracted service

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 **R93. thousand** which is **4%** of the approved budget. The **R93 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R1.09 million**. A variance of **R1 million** or **92%** is observed.

Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R61.3 million** which is **54%** of the approved budget. the **R61.3 million** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R37.5 million**. A variance of **R23.8 million** or **64%** is observed.

The expenditure is monitored by the municipality and the expenditure is kept 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)	1 200 585	416 156	500 265	-84 109	-17%	35%
EPWP Incentive	5 227 001	4 977 757	2 177 925	2 799 832	129%	95%
Art centre Subsidies (Indonsa Grant)	1 711 072	1 645	712 965	-711 320	-100%	0%
National Skills Fund	88 246 119	9 250 000	36 769 220	-27 519 220	-75%	10%
LG SETA	1 258 936	860 739	524 560	336 179	64%	68%
Total Operating Grant Expenditure	97 643 713	15 506 297	3 391 155	2 004 402	0	133%

FMG **35%**, EPWP Incentive **95%**, Art center subsidies (Indonsa Grant) **0%**, National skills Fund **10%**, LG SETA – **68%**

Summary of Revenue and Operational Expenditure Performance

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

Description	Ref	2023/24	Budget Year 2024/25							
		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		58 877	68 294	68 294	5 864	24 886	28 456	(3 570)	-13%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 608	7 606	7 388	218	3%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	578	-	114	241	(126)	-52%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	63	330	343	(13)	-4%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	44	3 808	3 125	683	22%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	41	207	210	(3)	-1%	504
Licence and permits		107	176	176	58	117	73	44	60%	176
Operational Revenue		594	565	565	81	316	236	80	34%	565
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	9	302	611	(309)	-51%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 030	11 867	293 417	320 013	(26 596)	-8%	768 030
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		680	-	-	-	-	-	-		-
Other Gains		5 704	-	-	-	3	-	3	#DIV/0!	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)										
		846 773	865 670	865 670	19 637	331 107	360 696	(29 589)	-8%	865 670
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	27 480	137 284	129 239	8 045	6%	310 172
Remuneration of councillors		10 362	9 465	9 465	926	4 567	3 944	623	16%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		45 330	25 226	24 924	(1 040)	(420)	10 340	(10 760)	-104%	24 924
Debt impairment		30 812	6 000	6 000	-	-	2 500	(2 500)	-100%	6 000
Depreciation and amortisation		114 269	91 315	91 315	6 667	33 333	38 048	(4 715)	-12%	91 315
Interest		8 113	7 013	7 013	5	1 991	2 922	(931)	-32%	7 013
Contracted services		371 011	203 358	200 960	8 588	69 649	83 186	(13 537)	-16%	200 960
Transfers and subsidies		3 534	2 100	2 365	-	93	1 099	(1 007)	-92%	2 365
Irrecoverable debts written off		8 134	-	-	-	-	-	-		-
Operational costs		236 463	112 988	111 971	15 799	77 169	46 840	30 329	65%	111 971
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure										
		1 143 584	767 636	764 185	58 425	323 666	318 118	5 547	2%	764 185
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	31 997	335 680	240 081	95 598	0	576 195
Transfers and subsidies - capital (in-kind)		9	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions										
Income Tax		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679
Surplus/(Deficit) after income tax										
Share of Surplus/Deficit attributable to Joint Venture		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality										
Share of Surplus/Deficit attributable to Associate		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year										
		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679

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	500 594 868	346 092 265	210 313 090	135 779 175	65%	69%
Total Capital Financing	500 594 868	346 092 265	210 313 090	135 779 175	65%	69%

The capital expenditure amounts to **R346.09 million** which is **69%** of the capital approved budget, after a period of **five months**.

Capital budget summary

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

Vote Description	Ref	2023/24	Budget Year 2024/25							
		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		155	-	-	-	-	-	-		-
Vote 03 - Finance		-	-	-	-	-	-	-		-
Vote 04 - Community Development		-	-	-	-	-	-	-		-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-		-
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	155	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 01 - Council		167	-	-	-	-	-	-		-
Vote 02 - Corporate Services		1 551	3 478	3 478	-	24	1 449	(1 425)	-98%	3 478
Vote 03 - Finance		70	870	870	-	28	362	(334)	-92%	870
Vote 04 - Community Development		286	174	174	-	-	72	(72)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	54 560	346 040	208 429	137 611	66%	499 521
Vote 06 - Technical Services		-	6 173	-	-	-	0	(0)	-100%	-
Vote 07 - Water Purification		20	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	662 388	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043
Total Capital Expenditure		662 543	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	-	52	1 812	(1 760)	-97%	4 348
Executive and council		167	-	-	-	-	-	-		-
Finance and administration		1 621	4 348	4 348	-	52	1 812	(1 760)	-97%	4 348
Internal audit		155	-	-	-	-	-	-		-
Community and public safety		286	174	174	-	-	72	(72)	-100%	174
Community and social services		286	174	174	-	-	72	(72)	-100%	174
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		75	2 307	2 289	-	-	957	(957)	-100%	2 289
Planning and development		75	2 307	2 289	-	-	957	(957)	-100%	2 289
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		660 239	493 766	497 232	54 560	346 040	207 472	138 569	67%	497 232
Energy sources		-	-	-	-	-	-	-		-
Water management		660 239	493 766	497 232	54 560	346 040	207 472	138 569	67%	497 232
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	662 543	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043
Funded by:										
National Government		660 294	496 073	499 521	54 560	346 040	208 429	137 611	66%	499 521
Provincial Government		277	174	174	-	-	72	(72)	-100%	174
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		9	-	-	-	-	-	-		-
Transfers recognised - capital		660 580	496 247	499 695	54 560	346 040	208 501	137 539	66%	499 695
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		1 963	4 348	4 348	-	52	1 812	(1 760)	-97%	4 348
Total Capital Funding		662 543	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043

Governance and administration

Governance and administration year-to-date actual is **R52 thousand** which is **1%** of the approved budget. the **R52 thousand** year to date actual is **below** the **Four months** baseline projection or year-to-date budget of **R1.8 million**. A variance of **R1.7 million** or **97%** is observed.

Community and public safety

Community and public safety year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **four months** baseline projection or year-to-date budget of **R72 thousand**. A variance of **R72 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 **four months** baseline projection or year-to-date budget of **R957 thousand**. A variance of **R957 Thousand** or **100%** is observed.

The municipality will look at the where the processes are on rural road management subsidy and try to push for the spending of this subsidy.

Trading services

Trading services year-to-date actual is **R346. million** which is **70%** of the approved budget. the **R346. million** year to date actual is **above** the **four months** baseline projection or year-to-date budget of **R207.7 million**. A variance of **R138.5 million** or **67%** 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)	220 722 693	166 885 724	94 036 993	72 848 730.81	77%	74%
Regional Bulk Infrastructure (RBIG)	186 086 957	115 204 744	77 202 902	38 001 841.83	49%	53%
Water services infrastructure Grant (WSIG)	86 956 521	63 949 927	36 231 895	27 718 031.76	77%	83%
Rural Roads Asset Managemnt Systems Grant	2 306 957	-	957 235	-957 235.00	-100%	0%
Art centre Subsisies (Indonsa Grant)	173 913	-	72 465	-72 465.00	-100%	0%
Other Assets	-	-	-	-	0%	0%
Total Operating Expenditure	496 247 041	346 040 394	208 501 490	137 538 904	66%	65%

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)	259 542 000	190 063 362	108 142 500	81 920 862	76%	73%
Regional Bulk Infrastructure (RBIG)	214 000 000	131 240 904	89 166 665	42 074 239	47%	52%
Water services infrastructure Grant (WSIG)	100 000 000	72 968 009	41 666 665	31 301 344	75%	77%
Rural Roads Asset Managemnt Systems Grant	2 653 000	-	1 105 415	-1 105 415	-100%	0%
Indonsa Grant	-	-	-	-	0%	0%
Total Capital Grant Expenditure	576 195 000	394 272 275	240 081 245	154 191 030	64%	65%

Overall capital grant expenditure is sitting at **55%** of the approved capital budget, **MIG** is sitting at **51%**, **RBIG** at **52%**, **WSIG** at **77%**, **RAMS** at **0%** and **Indonsa Grant 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 **2024/2025** budget, actual financial performance, actual capital expenditure, actual financial position, and actual cashflow as implemented by the accounting officer in terms of S62 of the MFMA.

Below are tables as per Schedule C for the period being reported.

MBRR Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M04 October

Description	2023/24	Budget Year 2024/25							
	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	74 901	86 026	86 026	5 710	25 020	28 675	(3 655)	-13%	86 026
Investment revenue	15 458	7 500	7 500	2 473	3 763	2 500	1 263	51%	7 500
Transfers and subsidies - Operational	746 444	768 030	768 030	802	281 550	256 010	25 540	0	768 030
Other own revenue	9 969	4 113	4 113	478	1 137	1 371	(234)	-17%	–
Total Revenue (excluding capital transfers and contributions)	846 773	865 670	865 670	9 462	311 470	288 557	22 914	8%	865 670
Employee costs	315 050	310 172	310 172	27 369	109 804	103 391	6 413	6%	310 172
Remuneration of Councillors	10 362	9 465	9 465	1 175	3 641	3 155	486	15%	9 465
Depreciation and amortisation	115 013	91 315	91 315	6 667	26 667	30 438	(3 772)	-12%	91 315
Interest	8 113	7 013	7 013	6	1 985	2 338	(352)	-15%	7 013
Inventory consumed and bulk purchases	45 330	25 226	24 724	192	619	8 256	(7 636)	-92%	24 724
Transfers and subsidies	3 534	2 100	2 965	23	93	918	(826)	-90%	2 965
Other expenditure	646 873	322 345	318 534	60 854	122 431	105 896	16 535	16%	318 534
Total Expenditure	1 144 275	767 636	764 188	96 285	265 241	254 393	10 847	4%	764 188
Surplus/(Deficit)	(297 503)	98 033	101 481	(86 823)	46 229	34 163	12 066	35%	101 481
Transfers and subsidies - capital (monetary allocations)	768 386	576 195	576 195	61 664	303 683	192 065	##	58%	576 195
Transfers and subsidies - capital (in-kind)	9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	470 893	674 228	677 676	(25 159)	349 912	226 228	123 684	55%	677 676
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	470 893	674 228	677 676	(25 159)	349 912	226 228	123 684	55%	677 676
Capital expenditure & funds sources									
Capital expenditure	662 543	500 595	504 043	74 889	291 533	168 352	123 181	73%	504 043
Capital transfers recognised	660 580	496 247	499 695	74 889	291 481	166 902	124 578	75%	499 695
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	1 963	4 348	4 348	–	52	1 449	(1 397)	-96%	4 348
Total sources of capital funds	662 543	500 595	504 043	74 889	291 533	168 352	123 181	73%	504 043
Financial position									
Total current assets	197 536	612 157	612 157		155 469				612 157
Total non current assets	5 526 439	5 319 119	5 322 567		5 791 306				5 322 567
Total current liabilities	547 789	468 129	468 129		418 619				468 129
Total non current liabilities	128 414	154 477	154 477		130 471				154 477
Community wealth/Equity	5 047 772	4 634 441	4 634 441		5 397 684				4 634 441
Cash flows									
Net cash from (used) operating	2 937 672	742 935	742 935	94 716	719 803	247 645	(472 158)	-191%	742 935
Net cash from (used) investing	(661 863)	(500 595)	(500 595)	(74 889)	(291 533)	(166 865)	124 668	-75%	(500 595)
Net cash from (used) financing	89 475	(18 093)	(18 093)	(275)	(563)	(6 031)	(5 468)	91%	(18 093)
Cash/cash equivalents at the month/year end	2 337 857	31 462	31 462	484 777	484 777	(118 036)	(602 814)	511%	281 318
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	7 756	7 307	6 115	5 941	5 809	5 160	25 686	187 534	251 308
Creditors Age Analysis									
Total Creditors	35 882	58 569	27 673	11 546	13 610	5 728	1 857	94	154 959

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

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
<i>Governance and administration</i>		759 290	769 935	769 935	9 685	294 395	320 806	(26 411)	-8%	769 935
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		759 290	769 935	769 935	9 685	294 395	320 806	(26 411)	-8%	769 935
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		2 285	3 215	3 215	58	119	1 340	(1 221)	-91%	3 215
Community and social services		2 179	1 911	1 911	–	2	796	(794)	-100%	1 911
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		107	1 304	1 304	58	117	543	(426)	-78%	1 304
<i>Economic and environmental services</i>		3 112	2 721	2 721	–	–	1 134	(1 134)	-100%	2 721
Planning and development		3 112	2 721	2 721	–	–	1 134	(1 134)	-100%	2 721
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		848 437	665 936	665 936	41 882	372 256	277 473	94 783	34%	665 936
Energy sources		–	–	–	–	–	–	–	–	–
Water management		832 056	647 830	647 830	40 268	364 518	269 929	94 589	35%	647 830
Waste water management		16 380	18 106	18 106	1 615	7 739	7 544	194	3%	18 106
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	2 045	57	57	8	16	24	(8)	-34%	57
Total Revenue - Functional	2	1 615 168	1 441 865	1 441 865	51 633	666 786	600 777	66 010	11%	1 441 865
Expenditure - Functional										
<i>Governance and administration</i>		430 307	312 391	313 396	24 555	122 653	130 298	(7 644)	-6%	313 396
Executive and council		70 641	35 144	35 112	4 038	17 266	14 635	2 631	18%	35 112
Finance and administration		306 758	248 883	249 920	15 267	82 045	103 844	(21 799)	-21%	249 920
Internal audit		52 908	28 364	28 364	5 250	23 342	11 818	11 524	98%	28 364
<i>Community and public safety</i>		27 210	28 084	27 899	1 963	10 305	11 670	(1 365)	-12%	27 899
Community and social services		9 284	9 176	9 176	523	2 777	3 824	(1 047)	-27%	9 176
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		7 301	6 234	6 234	615	3 275	2 597	678	26%	6 234
Housing		–	–	–	–	–	–	–	–	–
Health		10 625	12 674	12 489	825	4 253	5 249	(996)	-19%	12 489
<i>Economic and environmental services</i>		29 375	22 960	22 588	1 949	8 559	9 522	(963)	-10%	22 588
Planning and development		29 375	22 960	22 588	1 949	8 559	9 522	(963)	-10%	22 588
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		643 944	393 586	390 117	29 057	177 962	162 259	15 703	10%	390 117
Energy sources		–	–	–	–	–	–	–	–	–
Water management		631 328	378 362	379 893	28 242	173 873	157 085	16 788	11%	379 893
Waste water management		12 616	15 224	10 224	815	4 089	5 174	(1 085)	-21%	10 224
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>		12 748	10 615	10 185	901	4 186	4 369	(183)	-4%	10 185
Total Expenditure - Functional	3	1 143 584	767 636	764 185	58 425	323 666	318 118	5 547	2%	764 185
Surplus/ (Deficit) for the year		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0.2139049	677 679

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

Table C2 is a view of the actual financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional and the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on table C4.

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M05 November

Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		105 559	89 962	89 962	9 184	10 139	37 484	(27 345)	-73.0%	89 962
Vote 03 - Finance		655 776	680 030	680 030	509	284 272	283 346	926	0.3%	680 030
Vote 04 - Community Development		2 285	3 215	3 215	58	119	1 340	(1 221)	-91.1%	3 215
Vote 05 - Planning & Wsa		775 606	581 490	581 490	34 349	339 338	242 287	97 050	40.1%	581 490
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		59 562	69 061	69 061	5 919	25 180	28 775	(3 595)	-12.5%	69 061
Vote 09 - Waste Water		16 380	18 106	18 106	1 615	7 739	7 544	194	2.6%	18 106
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 615 168	1 441 865	1 441 865	51 633	666 786	600 777	66 010	11.0%	1 441 865
Expenditure by Vote	1									
Vote 01 - Council		80 188	45 311	45 266	5 409	21 977	18 867	3 110	16.5%	45 266
Vote 02 - Corporate Services		273 229	211 286	211 286	13 595	79 407	88 036	(8 629)	-9.8%	211 286
Vote 03 - Finance		76 196	59 309	59 059	5 327	21 448	24 608	(3 160)	-12.8%	59 059
Vote 04 - Community Development		58 981	47 801	48 046	4 203	19 746	20 029	(282)	-1.4%	48 046
Vote 05 - Planning & Wsa		31 915	27 462	24 064	1 895	8 264	9 717	(1 453)	-15.0%	24 064
Vote 06 - Technical Services		5 354	5 758	5 750	311	1 554	2 396	(843)	-35.2%	5 750
Vote 07 - Water Purification		50 293	47 565	47 573	4 272	22 039	19 822	2 217	11.2%	47 573
Vote 08 - Water Distribution		554 813	307 920	312 917	22 599	145 141	129 470	15 672	12.1%	312 917
Vote 09 - Waste Water		12 616	15 224	10 224	815	4 089	5 174	(1 085)	-21.0%	10 224
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 143 584	767 636	764 185	58 425	323 666	318 118	5 547	1.7%	764 185
Surplus/ (Deficit) for the year	2	471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	21.4%	677 679

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

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

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

Description	Ref	2023/24	Budget Year 2024/25							
		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		58 877	68 294	68 294	5 864	24 886	28 456	(3 570)	-13%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 608	7 606	7 388	218	3%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	578	-	114	241	(126)	-52%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	63	330	343	(13)	-4%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	44	3 808	3 125	683	22%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	41	207	210	(3)	-1%	504
Licence and permits		107	176	176	58	117	73	44	60%	176
Operational Revenue		594	565	565	81	316	236	80	34%	565
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	9	302	611	(309)	-51%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 030	11 867	293 417	320 013	(26 596)	-8%	768 030
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		680	-	-	-	-	-	-		-
Other Gains		5 704	-	-	-	3	-	-	#DIV/0!	-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		846 773	865 670	865 670	19 637	331 107	360 696	(29 589)	-8%	865 670
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	27 480	137 284	129 239	8 045	6%	310 172
Remuneration of councillors		10 362	9 465	9 465	926	4 567	3 944	623	16%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		45 330	25 226	24 924	(1 040)	(420)	10 340	(10 760)	-104%	24 924
Debt impairment		30 812	6 000	6 000	-	-	2 500	(2 500)	-100%	6 000
Depreciation and amortisation		114 269	91 315	91 315	6 667	33 333	38 048	(4 715)	-12%	91 315
Interest		8 113	7 013	7 013	5	1 991	2 922	(931)	-32%	7 013
Contracted services		371 011	203 358	200 960	8 588	69 649	83 186	(13 537)	-16%	200 960
Transfers and subsidies		3 534	2 100	2 365	-	93	1 099	(1 007)	-92%	2 365
Irrecoverable debts written off		8 134	-	-	-	-	-	-		-
Operational costs		236 463	112 988	111 971	15 799	77 169	46 840	30 329	65%	111 971
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		1 143 584	767 636	764 185	58 425	323 666	318 118	5 547	2%	764 185
Surplus/(Deficit)		(296 811)	98 033	101 484	(38 788)	7 441	42 577	(35 136)	(0)	101 484
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	31 997	335 680	240 081	95 598	0	576 195
Transfers and subsidies - capital (in-kind)		9	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679
Income Tax								-		
Surplus/(Deficit) after income tax		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		471 584	674 228	677 679	(6 791)	343 121	282 659	60 462	0	677 679

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

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

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

Vote Description	Ref	2023/24	Budget Year 2024/25							
		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		155	-	-	-	-	-	-	-	-
Vote 03 - Finance		-	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	155	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 01 - Council		167	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		1 551	3 478	3 478	-	24	1 449	(1 425)	-98%	3 478
Vote 03 - Finance		70	870	870	-	28	362	(334)	-92%	870
Vote 04 - Community Development		286	174	174	-	-	72	(72)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	54 560	346 040	208 429	137 611	66%	499 521
Vote 06 - Technical Services		-	6 173	-	-	-	0	(0)	-100%	-
Vote 07 - Water Purification		20	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	662 388	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043
Total Capital Expenditure		662 543	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	-	52	1 812	(1 760)	-97%	4 348
Executive and council		167	-	-	-	-	-	-	-	-
Finance and administration		1 621	4 348	4 348	-	52	1 812	(1 760)	-97%	4 348
Internal audit		155	-	-	-	-	-	-	-	-
Community and public safety		286	174	174	-	-	72	(72)	-100%	174
Community and social services		286	174	174	-	-	72	(72)	-100%	174
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		75	2 307	2 289	-	-	957	(957)	-100%	2 289
Planning and development		75	2 307	2 289	-	-	957	(957)	-100%	2 289
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		660 239	493 766	497 232	54 560	346 040	207 472	138 569	67%	497 232
Energy sources		-	-	-	-	-	-	-	-	-
Water management		660 239	493 766	497 232	54 560	346 040	207 472	138 569	67%	497 232
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	662 543	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043
Funded by:										
National Government		660 294	496 073	499 521	54 560	346 040	208 429	137 611	66%	499 521
Provincial Government		277	174	174	-	-	72	(72)	-100%	174
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-	-	-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations,		-	-	-	-	-	-	-	-	-
Higher Educ Institutions)		9	-	-	-	-	-	-	-	-
Transfers recognised - capital		660 580	496 247	499 695	54 560	346 040	208 501	137 539	66%	499 695
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		1 963	4 348	4 348	-	52	1 812	(1 760)	-97%	4 348
Total Capital Funding		662 543	500 595	504 043	54 560	346 092	210 313	135 779	65%	504 043

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

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

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M05 November

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		57 071	417 029	417 029	(27 415)	417 029
Trade and other receivables from exchange transactions		36 516	79 729	79 729	56 247	79 729
Receivables from non-exchange transactions		5 696	7 109	7 109	5 579	7 109
Current portion of non-current receivables		–	–	–	–	–
Inventory		3 966	2 824	2 824	19 033	2 824
VAT		64 744	80 813	80 813	62 333	80 813
Other current assets		29 542	24 653	24 653	28 878	24 653
Total current assets		197 536	612 157	612 157	144 656	612 157
Non current assets						
Investments						
Investment property						
Property, plant and equipment		5 521 478	5 311 270	5 314 718	5 834 243	5 314 718
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		28	32	32	21	32
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		10	–	–	10	–
Total non current assets		5 529 332	5 319 119	5 322 567	5 842 091	5 322 567
TOTAL ASSETS		5 726 868	5 931 276	5 934 724	5 986 747	5 934 724
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		18 789	1 556	1 556	18 236	1 556
Consumer deposits		3 381	3 702	3 702	3 368	3 702
Trade and other payables from exchange transactions		487 752	450 406	450 406	335 411	450 406
Trade and other payables from non-exchange transactions		1 446	–	–	66 228	–
Provision		34 940	2 154	2 154	34 940	2 154
VAT		1 535	10 311	10 311	4 344	10 311
Other current liabilities		–	–	–	–	–
Total current liabilities		547 842	468 129	468 129	462 526	468 129
Non current liabilities						
Financial liabilities		81 419	80 589	80 589	83 494	80 589
Provision		44 070	41 109	41 109	44 070	41 109
Long term portion of trade payables		2 925	32 779	32 779	2 925	32 779
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		128 414	154 477	154 477	130 489	154 477
TOTAL LIABILITIES		676 256	622 606	622 606	593 014	622 606
NET ASSETS	2	5 050 612	5 308 670	5 312 118	5 393 733	5 312 118
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 049 921	4 634 441	4 634 441	5 393 733	4 634 441
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	5 049 921	4 634 441	4 634 441	5 393 733	4 634 441

MBRR Table C6 - Monthly Budget Statement Financial Position

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

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

CURRENT ASSETS

Cash

The cashbook balance as at 30 November 2024 indicates bank balance of **R27.4 million**

Call Investments Deposits

Call investments as at 30 November 2024 is **R0**.

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R56.2 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R256.8 million**. Consumer debtors' amount to **R298.6 million** of this amount **R30.4 million** is for receivables from non - exchange and **R3.3 million** is for shared services cast in Other Debtors.

Gross Consumer debtors	R298.6 million
Less Impairment	(R242.4 million)
Net Consumer Debtors	R56.2 million

Classification of Consumer Debtors per Service type

Water Debtors	R20.2 million
Sanitation Debtors	R5.1 million
Property Rentals Debtors	R67.1 thousand
Other Consumer debtors	R312.6 thousand
Receivables from non-exchange	R30.4 million
Total	R56.2 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R20.2 million**.
Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R212.5 million
Less Impairment	(R192.3 million)
Net Water Debtors	R20.2 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R5.1 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R54.5 million
Less Impairment	(R49.4 million)
Net Sanitation Debtors	R5.1 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amount to **R67.1 thousand**

Property Rental	R422.7 thousand
Less Impairment	(R355.6 thousand)
Net Property rental	R67.1 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R312.6 thousand**, these are sundry debtors.

Gross Other Debtors	R645.5 thousand
Less Impairment	(R332.9 thousand)
Net Other Debtors	R312.6 thousand

➤ **Other receivables from exchange**

These are debtors accumulated from Eskom accounts, Training and Maintenance with credit balances amounts to **R30.4 million**

Other receivables from exchange	R28.4 million
Prepay/Adv: Recov emp: Opening balance	R1.9 million
Less Impairment	(R0)
Net other receivables from exchange	R30.4 million

Classification of Consumer Debtors per Customer group

Households	R201.6 million
Commercial/Businesses	R 19.1 million
Organs of State (excl shared services of R3.9 mill)	R 36.03 million
Total	R256.8 million

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

Gross Households debtors	R201.6 million
Commercial/Businesses	R 19.1 million
Less Impairment	(R227.6 million)
Net Household debtors	R9.8 million

Receivables from non – exchange

Fruitless expenditure

Amount to be recovered amounting to **R5.5 million** resulted from a claim of standing time due to consultant negligence.

Inventory

The current level of inventory is **R19.03 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R62.3 million**, this is the amount raised when input VAT is recognized as less output VAT collected as per VAT reconciliation.

Other debtors

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R28.8 million**.

Deposits Made	R19.4 million
Refunds & under/over banking	R9.2 million
Salary advance	R150.9 thousand
Operating lease	R13.3 thousand
Total	R28.8 million

➤ Deposits Made

Deposits made amount to **R19.4 million**, this amount includes Eskom deposits and Stowell Deposits.

Eskom Deposits	R19.2 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, and the deposit for office space rented in Vryheid.

➤ Refunds & under/over banking

Refunds & under/over banking amount to **R9.2 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

Shared services debtors	R3.3 million
Under/over banking	R5.9 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.

➤ Operating lease

operating lease amounts to **R13.3 thousand**.

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 includes current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R5.8 million**.

Opening balance	R5.5 billion
Additions	R338.2 million
Depreciation	(R33.3 million)
Closing Balance	R5.8 billion

Heritage Assets

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

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R21 thousand**

Opening balance	R21 thousand
Additions	R 0
Depreciation	(R0)
Closing Balance	R21 thousand

Other non-current assets

Other non-current assets amount to **R10 thousand**.

CURRENT LIABILITIES

Financial Liabilities

This is the current portion of the long term loan repayment and finance lease agreement the Municipality entered into to procure laptops. The current balance owed amount to **R18.2 million**.

Loan repayment	R17.7 million
Finance lease bcy	R523.6 thousand
Total Financial liabilities	R18.2 million
Opening balance	R18.7 million
Payment	(R553.2 thousand)

Closing Balance **R18.2 million**

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance is **R3.3 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 **R462.5 million**.

Trade Creditors	R222.3 million
Retention	R100.03 million
Department of Water & Sanitation	R103.4 million
Employee related cost	R836.4 thousand
Advance Payments	R1.8 million
Salary Suspense Accounts	R215 thousand
Other Suspense account	R835.9 thousand
Refund	R364.1 thousand
Leave accrual	R109 thousand
Unpaid cheque	R319 thousand
Water tankers	R290 thousand
Makhongolo	R26.7 million
ESCOM	R6.6 million
Closing Balance	R462.5 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 **R66.2 million**.

Current Provision

Current provisions amount to **R34.9 million**, this provision is for post-retirement benefit (Medical aid), long service awards and Leave provision that is paid in the current financial year.

Post Retirement benefit (Medical aid)	R747 thousand
Long service awards and Bonus	R8.3 million
Leave Provision	R25.8 million

VAT Payables

VAT payable amount to **R4.3 million**, this is the amount paid when output VAT is recognized as less input VAT paid as per VAT reconciliation.

NON-CURRENT LIABILITIES

Financial liabilities

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R83.4 million**.

Long term loan	R82.4 million
Operating lease long term BCX	R523.6 thousand

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 **R44.07 million**, this provision is for post-retirement benefit (Medical aid) and Long Service award.

Post Retirement benefit (Medical aid)	R30.7 million
Long Service award	R13.3 million

Non - current liability DWS

This is the long-term portion owed to Department of Water and Sanitation amounting to **R2.9 million**.

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.3 billion**

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

Description	Ref	2023/24	Budget Year 2024/25							
		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		32 466	60 766	60 766	2 541	15 411	25 319	(9 908)	-39%	60 766
Other revenue		2 051 105	121 898	121 898	67 487	693 730	50 791	642 939	1266%	121 898
Transfers and Subsidies - Operational		746 330	768 030	768 030	2 514	295 120	320 013	(24 893)	-8%	768 030
Transfers and Subsidies - Capital		768 386	576 195	576 195	80 000	398 571	240 081	158 490	66%	576 195
Interest		18 397	7 995	7 995	52	3 862	3 331	531	16%	7 995
Dividends								-		
Payments										
Suppliers and employees		(679 012)	(789 533)	(789 533)	(78 903)	(613 201)	(328 972)	284 228	-86%	(789 533)
Interest								-		
Transfers and Subsidies		-	(2 415)	(2 415)	-	-	(1 006)	(1 006)	100%	(2 415)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 937 672	742 935	742 935	73 690	793 493	309 556	(483 937)	-156%	742 935
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		680	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(662 543)	(500 595)	(500 595)	(54 560)	(346 092)	(208 581)	137 511	-66%	(500 595)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(661 863)	(500 595)	(500 595)	(54 560)	(346 092)	(208 581)	137 511	-66%	(500 595)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		100 000	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(9)	3	3	0	(10)	1	(11)	-823%	3
Payments										
Repayment of borrowing		(10 516)	(18 096)	(18 096)	-	(553)	(7 540)	(6 987)	93%	(18 096)
NET CASH FROM/(USED) FINANCING ACTIVITIES		89 475	(18 093)	(18 093)	0	(563)	(7 539)	(6 976)	93%	(18 093)
NET INCREASE/ (DECREASE) IN CASH HELD		2 365 284	224 247	224 247	19 131	446 838	93 436			224 247
Cash/cash equivalents at beginning:		(27 427)	(192 785)	(192 785)	484 777	57 071	(192 785)			57 071
Cash/cash equivalents at month/year end:		2 337 857	31 462	31 462	503 909	503 909	(99 349)			281 318

References

1. Material variances to be explained in Table SC1

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

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

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R60.7 million** on service charges, the estimated collection amount is based on the 60% 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 **R15.4 million** to date. This is **25%** of budgeted collection and **47%** 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 are to date **R295.1 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

Equitable share	R279.2 million
FMG	R1.2 million
EPWP	R3.6 million
Indonsa Grant	R955 thousand
LG SETA	R723.6 thousand
NSF	R9.1 million
TOTAL	R295.1 million

Transfers and subsidies – Capital

Transfers and subsidies - Capital is 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 **R398.5 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	R116.7 million
Regional Bulk Infrastructure Grant	R205 million
Water Services Infrastructure Grant	R 75 million
Rural Road	R1.8 million
TOTAL	R398.5 million

Interest

Interest on the investment budget is at **R7.5 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 **R3.8 million**. Interest on investment revenue on table C4 is **R3.8 million**.

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 **R335.6 million**, the capital expenditure 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 **-R27.4 million** in the financial position but in the cash flow, it is **R503.9 million**.

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

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as of 31 October 2024

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

Description		NT Code	Budget Year 2024/25										Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
0-30 Days	31-60 Days		61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total						
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	7 353	5 235	5 099	4 547	4 534	4 827	20 964	147 368	199 928	182 241	-	-		
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	1 651	1 255	1 201	1 045	1 020	915	4 616	39 505	51 207	47 100	-	-		
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	17	17	17	48	18	167	72	373	322	-	-		
Interest on Arrear Debtor Accounts	1810	64	62	63	62	80	-	275	852	1 458	1 269	-	-		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-		
Other	1900	19	118	112	34	173	-	321	3 111	3 889	3 640	-	-		
Total By Income Source	2000	9 105	6 686	6 491	5 705	5 855	5 760	26 343	190 908	256 855	234 572	-	-		
2023/24 - totals only			14377115	4700178	3690369	3777439	3974776	2707343	18038549	167099679	218 365	195 598	0	154737598	
Debtors Age Analysis By Customer Group															
Organs of State	2200	3 426	2 396	2 771	1 609	1 352	1 943	5 783	16 749	36 030	27 436	-	-		
Commercial	2300	1 521	831	577	524	611	421	2 545	12 138	19 168	16 238	-	-		
Households	2400	4 157	3 459	3 144	3 573	3 893	3 396	18 015	162 021	201 657	190 897	-	-		
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-		
Total By Customer Group	2600	9 105	6 686	6 491	5 705	5 855	5 760	26 343	190 908	256 855	234 572	-	-		

Total debtors' amount to **R256.8 million**, the debtors over 90 days amount to **R234.5 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 30 November 2024

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

Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100									-	
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	43 164	7 988	60 066	-	-	-	-	-	111 218	91
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions										-	
Total By Customer Type	1000	43 164	7 988	60 066	-	-	-	-	-	111 218	91

2.3 INVESTMENT PORTFOLIO

Investments as at 30 November 2024

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

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands														
Municipality														
ABSA - 9389804742			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	-	0		90 000	90 000
Nedbank - 1766000029			Investment Tracker	Yes	Variable interest rate	0.0908	N/A	N/A	05 September 2024	90 000	-		30 000	120 000
ABSA - 2081673418			Investment Tracker	Yes	Variable interest rate	0.093	N/A	N/A	04 October 2024	120 000			30 000	150 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	150 000			79 053	229 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	19 July 2024	229 053	(11 500)		-	217 553
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	24 July 2024	217 553	(18 500)			199 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	30 July 2024	199 053	(40 000)			159 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	159 053	(70 000)			89 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	89 053	(9 053)			80 000
Nedbank - 1766000029			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	05 September 2024	80 000	(30 000)			50 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	06 September 2024	50 000			25 000	75 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	11 September 2024	75 000	(10 000)			65 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	1.089	N/A	N/A	01 October 2024	65 000	(10 000)			55 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	02 October 2024	55 000	(5 000)			50 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	1.089	N/A	N/A	04 October 2024	50 000	(30 000)			20 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	07 October 2024	20 000			20 000	40 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	09 October 2024	40 000	(11 000)			29 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	3.089	N/A	N/A	17 October 2024	29 000	(3 000)			26 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	4.089	N/A	N/A	23 October 2024	26 000	(6 000)			20 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	5.089	N/A	N/A	24 October 2024	20 000	(20 000)			-
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	9.08	N/A	N/A	21 November 2024	30 000	(30 000)		30 000	-
Municipality sub-total										-	-	(304 053)	304 053	-
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-	-	(304 053)	304 053	-

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

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

Description	Ref	2023/24	Budget Year 2024/25							
		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:		639 948	676 614	676 614	2 504	283 328	281 922	1 405	0.5%	676 614
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		631 671	670 187	670 187	–	279 245	279 245	0	0.0%	670 187
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	2 352	3 658	2 178	1 480	68.0%	5 227
Local Government Financial Management Grant		1 200	1 200	1 200	152	425	500	(75)	-15.0%	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:		4 168	1 911	1 911	188	190	796	(607)	-76.2%	1 911
Capacity Building and Other Grants		4 168	1 911	1 911	188	190	796	(607)	-76.2%	1 911
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
Other grant providers:		102 328	89 505	89 505	9 176	9 899	37 294	(27 394)	-73.5%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	–	724	525	199	37.9%	1 259
National Skills Fund		100 634	88 246	88 246	9 176	9 176	36 769	(27 594)	-75.0%	88 246
Unspecified		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	746 444	768 030	768 030	11 867	293 417	320 013	(26 596)	-8.3%	768 030
Capital Transfers and Grants										
National Government:		768 386	576 195	576 195	31 997	335 680	240 081	95 598	39.8%	576 195
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		256 512	259 542	259 542	–	131 471	108 143	23 328	21.6%	259 542
Regional Bulk Infrastructure Grant		413 905	214 000	214 000	23 311	131 241	89 167	42 074	47.2%	214 000
Rural Road Asset Management Systems Grant		2 969	2 653	2 653	–	–	1 105	(1 105)	-100.0%	2 653
Water Services Infrastructure Grant		95 000	100 000	100 000	8 686	72 968	41 667	31 301	75.1%	100 000
Provincial Government:		–	–	–	–	–	–	–		–
Infrastructure Grant		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
Other grant providers:		9	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
Unspecified		9	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	768 395	576 195	576 195	31 997	335 680	240 081	95 598	39.8%	576 195
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 514 840	1 344 225	1 344 225	43 864	629 096	560 094	69 003	12.3%	1 344 225

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.

GRANTS RECEIPTS AND EXPENDITURE

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

Description	Ref	2023/24	Budget Year 2024/25							
		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:		894 368	587 778	584 327	52 392	283 388	243 177	40 210	16.5%	584 327
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		873 492	576 385	576 382	51 129	277 981	240 162	37 819	15.7%	576 382
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	1 108	4 978	2 178	2 800	128.6%	5 227
Local Government Financial Management Grant		1 200	1 201	1 201	150	416	500	(84)	-16.8%	1 201
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		10 017	4 966	–	–	–	0	(0)	-100.0%	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant		–	–	1 500	–	9	333	(325)	-97.4%	1 500
Rural Road Asset Management Systems Grant		2 582	–	18	5	5	4	1	17.6%	18
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Provincial Government:		3 630	1 711	1 711	–	2	713	(711)	-99.8%	1 711
								–		
Capacity Building and Other Grants		3 630	1 711	1 711	–	2	713	(711)	-99.8%	1 711
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		102 328	89 505	89 505	–	10 111	37 294	(27 183)	-72.9%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	–	861	525	336	64.1%	1 259
National Skills Fund		100 634	88 246	88 246	–	9 250	36 769	(27 519)	-74.8%	88 246
Total operating expenditure of Transfers and Grants:		1 000 325	678 995	675 544	52 392	293 500	281 184	12 316	4.4%	675 544
Capital expenditure of Transfers and Grants										
National Government:		660 294	496 073	499 521	54 560	346 040	208 429	137 611	66.0%	499 521
Municipal Infrastructure Grant		214 555	220 723	225 689	26 387	166 886	94 037	72 849	77.5%	225 689
Regional Bulk Infrastructure Grant		362 622	186 087	184 587	20 480	115 205	77 203	38 002	49.2%	184 587
Rural Road Asset Management Systems Grant		–	2 307	2 289	–	–	957	(957)	-100.0%	2 289
Water Services Infrastructure Grant		83 116	86 957	86 957	7 692	63 950	36 232	27 718	76.5%	86 957
Provincial Government:		277	174	174	–	–	72	(72)	-100.0%	174
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Infrastructure Grant		277	174	174	–	–	72	(72)	-100.0%	174
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		9	–	–	–	–	–	–		–
Unspecified		9	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		660 580	496 247	499 695	54 560	346 040	208 501	137 539	66.0%	499 695
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 660 905	1 175 242	1 175 239	106 951	639 541	489 686	149 855	30.6%	1 175 239

2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

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

Summary of Employee and Councillor remuneration		Budget Year 2024/25								
R thousands	Ref	2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		517	563	563	49	244	235	9	4%	563
Medical Aid Contributions		41	41	41	6	18	17	1	7%	41
Motor Vehicle Allowance		2 224	2 012	2 012	208	1 005	838	167	20%	2 012
Cellphone Allowance		859	483	483	76	328	201	126	63%	483
Housing Allowances		180	180	180	—	—	75	(75)	-100%	180
Other benefits and allowances		6 542	6 187	6 187	588	2 972	2 578	394	15%	6 187
Sub Total - Councillors		10 362	9 465	9 465	926	4 567	3 944	623	16%	9 465
% increase			-8.7%	-8.7%						-8.7%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	8 273	8 555	8 555	621	3 184	3 565	(380)	-11%	8 555
Pension and UIF Contributions		356	444	444	31	158	185	(28)	-15%	444
Medical Aid Contributions		117	123	123	10	52	51	1	2%	123
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		707	166	166	—	—	69	(69)	-100%	166
Motor Vehicle Allowance		2 051	1 997	1 997	160	848	832	15	2%	1 997
Cellphone Allowance		296	317	317	23	122	132	(10)	-8%	317
Housing Allowances		13	13	13	1	5	5	0	3%	13
Other benefits and allowances		442	249	249	19	96	104	(8)	-8%	249
Payments in lieu of leave		255	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Entertainment	2	—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		41	—	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		12 551	11 865	11 865	872	4 465	4 944	(479)	-10%	11 865
% increase	4		-5.5%	-5.5%						-5.5%
Other Municipal Staff										
Basic Salaries and Wages		201 024	221 924	221 924	17 909	88 238	92 468	(4 230)	-5%	221 924
Pension and UIF Contributions		27 014	24 008	24 008	2 456	12 293	10 003	2 290	23%	24 008
Medical Aid Contributions		16 898	17 029	17 029	1 502	7 542	7 096	447	6%	17 029
Overtime		8 782	5 780	5 780	754	4 044	2 408	1 636	68%	5 780
Performance Bonus		13 868	14 733	14 733	1 058	6 361	6 139	222	4%	14 733
Motor Vehicle Allowance		11 436	12 000	12 000	2 003	9 591	5 000	4 591	92%	12 000
Cellphone Allowance		801	821	821	70	349	342	7	2%	821
Housing Allowances		1 699	1 758	1 758	146	733	733	0	0%	1 758
Other benefits and allowances		5 465	253	253	226	1 311	106	1 205	1140%	253
Payments in lieu of leave		6 307	—	—	363	1 024	—	1 024	#DIV/0!	—
Long service awards		3 289	—	—	34	912	—	912	#DIV/0!	—
Post-retirement benefit obligations		5 352	—	—	—	—	—	—	—	—
Entertainment	2	—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	—	—	—
In kind benefits		562	—	—	86	419	—	419	#DIV/0!	—
Sub Total - Other Municipal Staff		302 499	298 307	298 307	26 608	132 819	124 295	8 524	7%	298 307
% increase	4		-1.4%	-1.4%						-1.4%
Total Parent Municipality		325 412	319 637	319 637	28 406	141 851	133 183	8 668	7%	319 637
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		—	—	—	—	—	—	—	—	—
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Board Fees		—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Executive members Board		—	—	—	—	—	—	—	—	—
% increase	2									
Senior Managers of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		—	—	—	—	—	—	—	—	—
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Entities		—	—	—	—	—	—	—	—	—
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages		—	—	—	—	—	—	—	—	—
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		—	—	—	—	—	—	—	—	—
Cellphone Allowance		—	—	—	—	—	—	—	—	—
Housing Allowances		—	—	—	—	—	—	—	—	—
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations		—	—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities		—	—	—	—	—	—	—	—	—
% increase	4									
Total Municipal Entities		—	—	—	—	—	—	—	—	—
TOTAL SALARY, ALLOWANCES & BENEFITS		325 412	319 637	319 637	28 406	141 851	133 183	8 668	7%	319 637
% increase	4		-1.8%	-1.8%						-1.8%
TOTAL MANAGERS AND STAFF		315 050	310 172	310 172	27 480	137 284	129 239	8 045	6%	310 172

The municipality has no active entity

ACTUAL AND REVISED TARGETS FOR RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M05 November

Description	Ref	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands	1															
Cash Receipts By Source																
Property rates													-			
Service charges - Electricity revenue													-			
Service charges - Water revenue		1 922	2 509	1 888	3 379	1 828	3 935	3 935	3 935	3 935	3 935	3 935	12 086	47 222	49 394	51 666
Service charges - Waste Water Management		850	812	635	876	713	1 129	1 129	1 129	1 129	1 129	1 129	2 886	13 544	14 167	14 819
Service charges - Waste Mangement													-			
Rental of facilities and equipment		37	45	45	41	41	90	90	90	90	90	90	333	1 084	1 133	1 186
Interest earned - external investments		13	328	949	2 473	44	625	625	625	625	625	625	(58)	7 500	7 845	8 206
Interest earned - outstanding debtors		5	10	30	3	7	41	41	41	41	41	41	193	495	517	541
Dividends received													-			
Fines, penalties and forfeits		60	42	93	98	9	122	122	122	122	122	122	431	1 467	1 534	1 605
Licences and permits		9	18	16	16	58	15	15	15	15	15	15	(29)	176	184	193
Agency services													-			
Transfers and Subsidies - Operational		280 201	2 506	724	9 176	2 514	64 003	64 003	64 003	64 003	64 003	64 003	88 895	768 030	711 934	751 994
Other revenue		309 866	29 319	157 169	129 368	67 379	9 931	9 931	9 931	9 931	9 931	9 931	(633 516)	119 171	115 870	152 732
Cash Receipts by Source		592 963	35 589	161 548	145 430	72 593	79 891	79 891	79 891	79 891	79 891	79 891	(528 779)	958 689	902 580	982 942
Other Cash Flows by Source																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		119 053	126 857	37 661	35 000	80 000	48 016	48 016	48 016	48 016	48 016	48 016	(110 473)	576 195	651 991	923 733
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		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(12)	-	-	2	0	0	0	0	0	0	0	12	3	-	-
VAT Control (receipts)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash Receipts by Source		712 004	162 446	199 209	180 431	152 594	127 907	127 907	127 907	127 907	127 907	127 907	(639 241)	1 534 887	1 554 571	1 906 675
Cash Payments by Type																
Employee related costs		28 229	27 563	28 353	29 018	29 396	25 848	25 848	25 848	25 848	25 848	25 848	12 527	310 172	324 440	339 364
Remuneration of councillors		994	803	833	1 071	784	789	789	789	789	789	789	248	9 465	9 901	10 356
Interest													-	-	-	-
Bulk purchases - Electricity		7 119	17 024	11 255	13 098	10 123	-	-	-	-	-	-	(58 618)	-	-	-
Acquisitions - water & other inventory		-	-	2 095	1 215	-	2 417	2 417	2 417	2 417	2 417	2 417	11 195	29 010	30 344	31 740
Contracted services		(81 828)	(62 124)	(48 301)	(59 251)	(25 088)	25 765	25 765	25 765	25 765	25 765	25 765	431 183	309 181	216 969	258 482
Transfers and subsidies - other municipalities													-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	201	201	201	201	201	201	1 208	2 415	2 526	2 642
Other expenditure		300 056	118 530	87 702	95 281	63 109	10 809	10 809	10 809	10 809	10 809	10 809	(599 825)	129 706	135 672	141 913
Cash Payments by Type		254 569	101 795	81 936	80 432	78 325	65 829	65 829	65 829	65 829	65 829	65 829	(202 083)	789 948	719 853	784 498
Other Cash Flows/Payments by Type																
Capital assets		93 315	64 218	59 111	74 889	54 560	41 716	41 716	41 716	41 716	41 716	41 716	(95 795)	500 595	571 681	808 197
Repayment of borrowing		-	138	138	277	-	1 508	1 508	1 508	1 508	1 508	1 508	8 495	18 096	17 430	16 913
Other Cash Flows/Payments		4 705	3 825	1 754	5 282	578	167	167	167	167	167	167	(15 144)	2 000	3 000	4 000
Total Cash Payments by Type		352 589	169 976	142 939	160 879	133 463	109 220	109 220	109 220	109 220	109 220	109 220	(304 526)	1 310 640	1 311 963	1 613 608
NET INCREASE/(DECREASE) IN CASH HELD		359 415	(7 531)	56 270	19 552	19 131	18 687	18 687	18 687	18 687	18 687	18 687	(334 714)	224 247	242 607	293 067
Cash/cash equivalents at the month/year beginning:		57 071	416 486	408 956	465 225	484 777	503 909	522 596	541 283	559 970	578 658	597 345	616 032	57 071	281 318	523 925
Cash/cash equivalents at the month/year end:		416 486	408 956	465 225	484 777	503 909	522 596	541 283	559 970	578 658	597 345	616 032	281 318	281 318	523 925	816 993

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

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

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Service charges – Water revenue	13%	This is the amounts billed on customers for water used, the year-to-date actual is R24.8 million which is 36% of the approved budget. The R24.8 million year to date actual is below the five months baseline projection or year-to-date budget of R28.4 million. A variance of R3.5 million or 13% is observed.	
	Service charges – Sanitation revenue	3%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R7.6 million which is 43% of the approved budget. The R7.6 million year to date actual is above the five months baseline projection or year-to-date budget of R7.3 million. A variance of R218 thousand or 3% is observed.	
	Sale of goods and rendering of service	52%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R114 thousand which is 20% of the approved budget. The R114 thousand year to date actual is below the five months baseline projection or year-to-date budget of R241 thousand. A variance of R126 thousand or 52% is observed.	
	Interest earned - outstanding debtors	4%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R330 thousand, which is 40% of the approved budget. The R330 thousand year to date actual is below the five months baseline projection or year-to-date budget of R343 thousand. A variance of R13 thousand or 4% is observed.	the municipality must implement stringent measures to ensure businesses pay on time.
	Interest on investment	22%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R3.8 million which is 51% of the approved budget. The R3.8 million year to date actual is above the five months baseline projection or year-to-date budget of R3.1 million. A variance of R683 thousand or 22% is observed.	the municipality must make investments that last for a period of atleast 3 months
	Rent of facilities	1%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R207 thousand which is 41% of the approved budget. The R207 thousand year to date actual is above the five months baseline projection or year-to-date budget of R210 thousand. A variance of R3 thousand or 1% is observed.	
	Licences and Permits	60%	Licences and permits year-to-date actual is R117 thousand which is 67% of the approved budget. The R117 thousand year to date actual is above the five months baseline projection or year-to-date budget of R73 thousand. A variance of R44 thousand or 60% is observed.	this line item depends on licences issued
	Operational revenue	34%	Operational revenue year-to-date actual is R316 thousand which is 56% of the approved budget. The R316 thousand year to date actual is below the five months baseline projection or year-to-date budget of R236 thousand. A variance of R80 thousands or 34% is observed.	
	Fines, penalties, and forfeits	51%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R302 thousand which is 21% of the approved budget. The R302 thousand year to date actual is below the five months baseline projection or year-to-date budget of R611 thousand. A variance of R309 thousand or 51% is observed.	the municipality must keep up the disconnection of illegal connections
	Transfers and subsidies	8%	Transfers and subsidies year to date actual is R293.4 million which is 38% of the approved budget. The R293.4 million year to date actual is below the five months baseline projection or year-to-date budget of R320.01 million. A variance of R26.5 million or 8% is observed.	

<u>Expenditure By Type</u>			
Employee Related Costs	6%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R137.2 million which is 44% of the approved budget. The R137.2 million year to date actual is above the five months baseline projection or year-to-date budget of R129.2 million. A variance of R8.04 million or 6% is observed.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections.
Remuneration of Councillors	16%	Remuneration of Councillors is paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R4.5 million which is 48% of the approved budget. The R4.5 million year to date actual is above the five months baseline projection or year-to-date budget of R3.9 million. A variance of R623 hundreds or 16% is observed.	The municipality will making an adjustment to this line item
Inventory Consumed	104%	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 R420 thousand. The R420 thousand year to date actual is below the five months baseline projection or year-to-date budget of R10.3 million. A variance of R10.7 million or 104% is observed.	The municipality will consider the requisitions and deliveries and adjust accordingly when needed.
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	12%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R33.3 million which is 37% of the approved budget. The R33.3 million year to date actual is below the five months baseline projection or year-to-date budget of R38.4 million. A variance of R4.7 million or 12% is observed.	
Finance charges	32%	Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is R1.9 million which is 28% of the approved budget. The R1.9 million year to date actual is below the five months baseline projection or year-to-date budget of R2.9 million. A variance of R931 thousand or 32% is observed.	The municipality will consider loan interest rates and adjust accordingly when necessary.
Contracted services	16%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R69.6 million which is 34% of the approved budget. The R69.6 million year to date actual is below the five months baseline projection or year-to-date budget of R83.1 million. A variance of R13.5 million or 16% is observed.	The municipality has tried to minimise the cost of contracted service
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 R93. thousand which is 4% of the approved budget. The R93 thousand year to date actual is below the five months baseline projection or year-to-date budget of R1.09 million. A variance of R1 million or 92% is observed.	
Operational costs	64%	Operational costs are all other expenditure not classified above. The year-to-date actual is R61.3 million which is 54% of the approved budget. The R61.3 million year to date actual is above the four months baseline projection or year-to-date budget of R37.5 million. A variance of R23.8 million or 64% is observed.	the expenditure is monitored by the municipality and the expenditure is kept within the budget
<u>Capital Expenditure</u>			
Governance and administration	97%	Governance and administration year-to-date actual is R52 thousand which is 1% of the approved budget. The R52 thousand year to date actual is below the Four months baseline projection or year-to-date budget of R1.8 million. A variance of R1.7 million or 97% is observed.	
Community and public safety	100%	Community and public safety year-to-date actual is R0 which is 0% of the approved budget. The R0 year to date actual is below the four months baseline projection or year-to-date budget of R72 thousand. A variance of R72 thousand or 100% is observed.	
Trading services	67%	Trading services year-to-date actual is R346. million which is 70% of the approved budget. The R346. million year to date actual is above the four months baseline projection or year-to-date budget of R207.7 million. A variance of R138.5 million or 67% is observed.	

2.7 PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.8 MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The Municipality does not have any active entities.

2.9 CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October

Month	2023/24	Budget Year 2024/25							
	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	–	42 130	42 130	93 315	93 315	42 130	(51 185)	-121.5%	19%
August	57 911	42 130	42 130	64 218	64 218	84 260	20 042	23.8%	13%
September	49 277	42 130	42 130	59 111	59 111	126 390	67 279	53.2%	12%
October	113 514	41 961	41 961	74 889	74 889	168 352	93 463	55.5%	15%
November	90 763	41 961	41 961	–	–	210 313	210 313	100.0%	0%
December	101 101	41 961	41 961	–	–	252 275	252 275	100.0%	0%
January	10 678	41 961	41 961	–	–	294 236	294 236	100.0%	0%
February	10 959	41 961	41 961	–	–	336 197	336 197	100.0%	0%
March	97 963	41 961	41 961	–	–	378 159	378 159	100.0%	0%
April	53 993	41 961	41 961	–	–	420 120	420 120	100.0%	–
May	1 240	41 961	41 961	–	–	462 082	462 082	100.0%	–
June	74 867	41 961	41 961	–	–	504 043	504 043	100.0%	–
Total Capital expenditure	662 266	504 043	504 043	291 533					

The actual capital expenditure is less than year-to-date budget.

Summary of Capital Expenditure by asset class and sub-class

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

Description	Ref	2023/24	Budget Year 2024/25							
		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		660 219	496 073	499 521	54 560	346 040	208 429	(137 611)	-66.0%	499 521
Roads Infrastructure		-	2 307	2 289	-	-	957	957	100.0%	2 289
Roads		-	2 307	2 289	-	-	957	957	100.0%	2 289
Storm water Infrastructure		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Water Supply Infrastructure		660 219	489 059	497 232	54 560	346 040	205 511	(140 530)	-68.4%	497 232
Dams and Weirs		-	-	-	-	-	-	-		-
Boreholes		35 737	43 631	34 070	647	24 225	20 522	(3 703)	-18.0%	34 070
Reservoirs		9 197	1 593	4 965	-	3 266	2 069	(1 197)	-57.9%	4 965
Pump Stations		-	-	-	-	-	-	-		-
Water Treatment Works		123 018	97 849	135 430	21 587	100 612	43 429	(57 183)	-131.7%	135 430
Bulk Mains		450 780	294 587	290 928	29 864	192 008	124 281	(67 727)	-54.5%	290 928
Distribution		41 487	45 046	31 840	2 462	25 929	15 210	(10 720)	-70.5%	31 840
Distribution Points		-	6 354	-	-	-	0	0	100.0%	-
PRV Stations		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Sanitation Infrastructure		-	4 707	-	-	-	1 961	1 961	100.0%	-
Pump Station		-	-	-	-	-	-	-		-
Reticulation		-	4 707	-	-	-	1 961	1 961	100.0%	-
Waste Water Treatment Works		-	-	-	-	-	-	-		-
Outfall Sewers		-	-	-	-	-	-	-		-
Toilet Facilities		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Community Assets		-	-	-	-	-	-	-		-
Community Facilities		-	-	-	-	-	-	-		-
Centres		-	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Indoor Facilities		-	-	-	-	-	-	-		-
Outdoor Facilities		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Works of Art		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Other assets		-	-	-	-	-	-	-		-
Operational Buildings		-	-	-	-	-	-	-		-
Municipal Offices		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Software and Applications		-	-	-	-	-	-	-		-
Computer Equipment		624	3 913	3 913	-	52	1 630	1 579	96.8%	3 913
Computer Equipment		624	3 913	3 913	-	52	1 630	1 579	96.8%	3 913
Furniture and Office Equipment		348	435	435	-	-	181	181	100.0%	435
Furniture and Office Equipment		348	435	435	-	-	181	181	100.0%	435
Machinery and Equipment		432	174	174	-	-	72	72	100.0%	174
Machinery and Equipment		432	174	174	-	-	72	72	100.0%	174
Transport Assets		920	-	-	-	-	-	-		-
Transport Assets		920	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Total Capital Expenditure on new assets	1	662 543	500 595	504 043	54 560	346 092	210 313	(135 779)	-64.6%	504 043

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M05 November

Description	Ref	2023/24	Budget Year 2024/25							
		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		156 830	67 193	62 227	1 329	20 923	25 928	5 005	19.3%	62 227
Roads Infrastructure		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Water Supply Infrastructure		156 830	67 193	62 227	1 329	20 923	25 928	5 005	19.3%	62 227
Water Treatment Works								-		
Bulk Mains		79 800	19 966	15 000	1 329	3 203	6 250	3 047	48.8%	15 000
Distribution								-		
Distribution Points		77 029	47 227	47 227	-	17 721	19 678	1 957	9.9%	47 227
Sanitation Infrastructure		-	-	-	-	-	-	-		-
Waste Water Treatment Works		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Community Assets		1 739	-	-	-	-	-	-		-
Community Facilities		1 739	-	-	-	-	-	-		-
Airports		1 739	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Other assets		974	2 000	2 000	-	226	833	608	72.9%	2 000
Operational Buildings		974	2 000	2 000	-	226	833	608	72.9%	2 000
Municipal Offices		974	2 000	2 000	-	226	833	608	72.9%	2 000
Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Furniture and Office Equipment		-	300	300	-	-	125	125	100.0%	300
Furniture and Office Equipment		-	300	300	-	-	125	125	100.0%	300
Machinery and Equipment		-	100	165	-	85	48	(37)	-75.6%	165
Machinery and Equipment		-	100	165	-	85	48	(37)	-75.6%	165
Transport Assets		5 261	1 400	4 100	998	3 884	1 067	(2 818)	-264.1%	4 100
Transport Assets		5 261	1 400	4 100	998	3 884	1 067	(2 818)	-264.1%	4 100
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	164 805	70 993	68 792	2 327	25 118	28 001	2 883	10.3%	68 792

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M05 November

Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
Depreciation by Asset Class/Sub-class									
Infrastructure		103 110	81 902	81 902	5 990	29 949	34 126	4 177	12.2%
Roads Infrastructure		—	718	718	53	266	299	33	11.1%
Roads		—	718	718	53	266	299	33	11.1%
Storm water Infrastructure		—	—	—	—	—	—	—	—
Electrical Infrastructure		—	36	36	3	14	15	2	11.2%
LV Networks		—	36	36	3	14	15	2	11.2%
Water Supply Infrastructure		100 435	78 916	78 916	5 769	28 843	32 882	4 039	12.3%
Dams and Weirs		2 231	2 785	2 785	169	846	1 161	314	27.1%
Boreholes		1 675	471	471	35	174	196	22	11.1%
Reservoirs		8 791	7 026	7 026	520	2 602	2 928	326	11.1%
Pump Stations		6 536	4 451	4 451	330	1 648	1 855	206	11.1%
Water Treatment Works		8 023	6 624	6 624	482	2 408	2 760	353	12.8%
Bulk Mains		47 473	35 197	35 197	2 577	12 885	14 666	1 781	12.1%
Distribution		25 626	22 280	22 280	1 650	8 250	9 283	1 033	11.1%
Distribution Points		—	—	—	—	—	—	—	—
PRV Stations		80	81	81	6	30	34	4	11.1%
Capital Spares		—	—	—	—	—	—	—	—
Sanitation Infrastructure		2 675	2 231	2 231	165	826	930	103	11.1%
Pump Station		199	193	193	14	71	80	9	11.1%
Reticulation		1 686	1 717	1 717	127	636	715	80	11.1%
Waste Water Treatment Works		790	322	322	24	119	134	15	11.1%
Outfall Sewers		—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—
Community Assets		1 226	852	852	63	315	355	39	11.1%
Community Facilities		1 091	622	622	46	230	259	29	11.1%
Halls		—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—
Parks		—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—
Markets		344	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—
Airports		748	622	622	46	230	259	29	11.1%
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—
Sport and Recreation Facilities		135	230	230	17	85	96	11	11.1%
Indoor Facilities		—	—	—	—	—	—	—	—
Outdoor Facilities		135	230	230	17	85	96	11	11.1%
Capital Spares		—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—
Other assets		1 608	1 366	1 366	101	506	569	63	11.1%
Operational Buildings		1 608	1 366	1 366	101	506	569	63	11.1%
Municipal Offices		1 608	1 312	1 312	97	486	547	61	11.1%
Pay/Enquiry Points		—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—
Stores		—	53	53	4	20	22	2	11.1%
Laboratories		—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—
Intangible Assets		24	20	20	1	6	8	2	21.8%
Licences and Rights		24	20	20	1	6	8	2	21.8%
Computer Software and Applications		24	20	20	1	6	8	2	21.8%
Unspecified		—	—	—	—	—	—	—	—
Computer Equipment		2 791	992	992	73	367	413	46	11.1%
Computer Equipment		2 791	992	992	73	367	413	46	11.1%
Furniture and Office Equipment		573	575	575	41	206	240	34	14.2%
Furniture and Office Equipment		573	575	575	41	206	240	34	14.2%
Machinery and Equipment		1 034	368	368	27	136	153	17	11.1%
Machinery and Equipment		1 034	368	368	27	136	153	17	11.1%
Transport Assets		3 903	5 241	5 241	370	1 848	2 184	336	15.4%
Transport Assets		3 903	5 241	5 241	370	1 848	2 184	336	15.4%
Land		—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—
Living resources		—	—	—	—	—	—	—	—
Mature		—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—
Total Depreciation	1	114 269	91 315	91 315	6 667	33 333	38 048	4 715	12.4%

2.10 OTHER SUPPORTING DOCUMENTS

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

2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality doesn't have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

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



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

Date: 12/12/2024