

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

31 JANUARY 2025

MFMA S71 REPORT

2024/2025 FINANCIAL YEAR

Table of Contents

GLOSSARY.....	1
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PART 1 – IN-YEAR REPORT	3
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1.1. MAYORS REPORT	3
1.2. COUNCIL RESOLUTION	3
1.3. EXECUTIVE SUMMARY	3
1.4. OPERATING REVENUE PERFORMANCE.....	6
1.5. OPERATING EXPENDITURE PERFORMANCE.....	9
1.6. CAPITAL EXPENDITURE AND FUNDING.....	13
1.7. IN-YEAR BUDGET TABLES.....	16
MBRR Table C2 – Monthly Budget Statement Financial Performance (revenue and expenditure by functional classification)	18
MBRR Table C4 - Monthly Budget Statement Financial Performance (revenue and expenditure by source).....	20
MBRR Table C5 - Monthly Budget Statement Capital Expenditure by vote, functional classification and funding source	21
MBRR Table C6 - Monthly Budget Statement Financial Position	22
MBRR Table C7 - Monthly Budget Statement Cash Flow Statement	29

PART 2 – SUPPORTING DOCUMENTATION	31
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2.1.DEBTORS ANALYSIS.....	32
2.2 CREDITORS ANALYSIS.....	33
2.3 INVESTMENT PORTFOLIO.....	33
2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE	33
2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS.....	36
2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN	38
2.7 PARENT MUNICIPALITY FINANCIAL PERFORMANCE	41
2.8 MUNICIPAL ENTITY FINANCIAL PERFORMANCE	41
2.9 CAPITAL PROGRAMME PERFORMANCE	42
2.10 OTHER SUPPORTING DOCUMENTS	43
2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES.....	46
2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION.....	47

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)	865 669 793.00	589 200 308.18	505 003 882	84 196 426.18	0.17	68%
Total Operating Expenditure	767 636 300.00	501 489 145.08	445 597 579	55 891 565.67	0.13	65%
Surplus/(Deficit)	98 033 493.00	87 711 163.10	59 406 303	28 304 860.51		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 January 2025** is **R589.2 million** which is **68%** of the approved operating revenue budget. The **R589.2 million** year to date Actual is **above** the **seven months** baseline projection or year-to-date budget of **R505. million**, a variance of **R84.1 million or 17% 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 **R46.4 million** which is **54%** 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 **31 January 2025** is **R501.4 million** which is **65%** of the approved operating expenditure budget. The **R501.4 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R445.5 million**, a variance of **R55.8 million or 13% 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 31 JANUARY 2025	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	259 542 000.00	181 706 000.00	226 694 611.41	32 847 388.59	87
Regional Bulk Infrastructure (RBIG)	214 000 000.00	205 000 000.00	160 786 403.78	53 213 596.22	75
Water services infrastructure Grant (WSIG)	100 000 000.00	75 000 000.00	84 608 953.36	15 391 046.64	85
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	1 857 000.00	5 411.67	2 647 588.33	0
Indonsa Grant	1 911 000.00	955 500.00	10 177.11	1 900 822.89	1
FMG	1 200 000.00	1 200 000.00	566 588.01	633 411.99	47
EPWP	5 227 000.00	3 658 000.00	5 227 000.00	-	100
NSF	88 246 119.00	28 295 504.99	5 227 001.00	83 019 118.00	6
LGSETA Waste Water Employees	443 800.00	165 000.00	165 000.00	278 800.00	37
LGSETA MFMP	210 000.00	-	210 000.00	-	100
LGSETA-Fire and Rescue- Non Employees	605 136.00	558 600.00	558 600.00	46 536.00	92
AMAFA		162 000.00			
	674 038 055.00	498 557 604.99	484 059 746.34	189 978 308.66	72

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868.00	414 365 532.45	294 235 926	120 129 606.66	41%	83%
Total Capital Financing	500 594 868.00	414 365 532.45	294 235 926	120 129 606.66	41%	83%

Capital expenditure

Total Capital Expenditure as at **31 January 2025** is **R414.3 million** which is **83%** of the approved capital budget. The **R414.3 million** year to date actual is **above** the **Seven months** baseline projection or year-to-date budget of **R292.2 million**, a variance of **R120 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 **87%**, **RBIG** is at **75%**, **WSIG** is at **85%** **RRAMG** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	612 157 378.00	176 967 974.48	29
Total non current assets	5 319 118 713.00	5 775 254 321.52	109
Total current liabilities	468 128 948.00	364 003 117.20	78
Total non current liabilities	154 477 420.00	134 543 827.72	87
TOTAL COMMUNITY WEALTH/ EQUITY	6 553 882 459.00	6 450 769 240.92	98.4%

The current assets year to date actual is **R176 million** which is **29%** of the approved budget.
Non - Current assets year to date actual is **R5.7 billion** which is **109%** of the approved budget.
Current Liabilities year to date actual is **R468.1 million** which is **78%** of the approved budget.
Non - Current Liabilities year to date is **R154.4 million** which is **87%** of the approved budget.
Accumulated surplus year to date actual is **R6.4 billion** which is **98.4%** of the approved budget.

Current assets amount to **R176.9 million**, included in current assets is Cash of **R6.4 million**.

Current liabilities amount to **R364 million**, this includes unspent conditional grants amounting to **R49.2 million**.

The Current ratio is 0.49:1 [**176.9 million/364 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) - M07 January

2025 Zuluana - Table 04 Monthly Budget Statement - Financial Performance (Revenue and Expenditure) - May 2025										
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	5 451	35 768	39 838	(4 070)	-10%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 552	10 723	10 344	380	4%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	578	20	134	337	(203)	-60%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	64	457	480	(23)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	356	4 317	4 375	(58)	-1%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	41	289	294	(5)	-2%	504
Licence and permits		107	176	176	17	161	103	59	57%	176
Operational Revenue		594	565	565	651	975	330	645	196%	565
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	-	338	856	(517)	-60%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 210	75	536 034	448 048	87 986	20%	768 210
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	865 850	8 227	589 200	505 004	84 196	17%	865 850

The year-to-date actual indicates operating revenue of **R589.2 million** which is **68%** of the approved Budget. The **R589.2 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R505 million**, a variance of **R84.1 million** or **17%** 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 **R35.7 million** which is **52%** of the approved budget. The **R35.7 million** year to date actual is **below** the **Seven months** baseline projection or year-to-date budget of **R39.8 million**. A variance of **R4 million** or **10%** is observed.

The variance between approved and year to date actual result from the fact that there are customers that are billed with interim due to fault meters.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R10.7 million** which is **60%** of the approved budget. The **R10.7 million** year to date actual is **above** the **Seven months** baseline projection or year-to-date budget of **R10.3 million**. A variance of **R380 thousand** or **4%** is observed.

The Reason For the bill of sanitation being High is based on the fact that we charge businesses an Access charge-Sewerage of 40kl when they have used more than Basic sewer Charge.

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 **R134 thousands** which is **23%** of the approved budget. The **R134 thousands** year to date actual is **below** the **Seven months** baseline projection or year-to-date budget of **R337 thousand**. A variance of **R203 thousand** or **60%** is observed.

There was No sale of tender documents in this period for this Month.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R457 thousand**, which is **52%** of the approved budget. The **R457 thousand** year to date actual is **below** the **seven months** baseline projection or year-to-date budget of **R480 thousand**. A variance of **R23 thousand** or **5%** 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 **R4.3 million** which is **55%** of the approved budget. The **R4.3 million** year to date actual is **above** the **Seven months** baseline projection or year-to-date budget of **R4.8 million**. A variance of **R23 thousand** or **5%** is observed.

The reason for variances on investments depends on the available investment during reporting period.

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R289 thousand** which is **57%** of the approved budget. The **R248 thousand** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R294 thousand**. A variance of **R5 thousand** or **5%** is observed. The reason For Variances is Based on the fact that

there are tenants that vacated the building and there are new ones that came in at different rates charged.

Licences and Permits

Licences and permits year-to-date actual is **R161 thousand** which is **91%** of the approved budget. the **R161 thousand** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R103 thousand**. A variance of **R59 thousand** or **57%** is observed. This line item depends on licences renewal and new issued permits. The adjustment may be needed

Operational revenue

Operational revenue year-to-date actual is **R975 thousand** which is **172%** of the approved budget. the **R975 thousand** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R330 thousand**. A variance of **R645 thousands** or **196%** 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, But depends on the allocation by LGSETA.

NON EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R338 thousand** which is **23%** of the approved budget. The **R338 thousand** year to date actual is **below** the **seven months** baseline projection or year-to-date budget of **R856 thousand**. A variance of **R517 thousand** or **60%** 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 **R536 million** which is **70%** of the approved budget. The **R536 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R448 million**. A variance of **R87.9 million** or **20%** 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) - M07 January

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		315 068	310 172	310 172	28 447	193 936	180 935	13 002	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	831	6 274	5 522	752	14%	9 465
Bulk purchases - electricity		—	—	—	—	—	—	—		—
Inventory consumed		45 330	25 226	24 824	(881)	4 440	14 491	(10 051)	-69%	24 824
Debt impairment		30 812	6 000	6 000	—	—	3 500	(3 500)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	9 267	65 299	53 267	12 032	23%	91 315
Interest		7 149	7 013	7 013	964	6 986	4 091	2 895	71%	7 013
Contracted services		370 958	203 358	201 111	7 818	112 626	116 878	(4 252)	-4%	201 111
Transfers and subsidies		3 534	2 100	2 365	435	551	1 461	(910)	-62%	2 365
Irrecoverable debts written off		8 134	—	—	—	—	—	—		—
Operational costs		236 463	112 988	112 103	15 497	111 377	65 453	45 923	70%	112 103
Losses on Disposal of Assets		506	—	—	—	—	—	—		—
Other Losses		—	—	—	—	—	—	—		—
Total Expenditure		1 245 730	767 636	764 368	62 378	501 489	445 598	55 892	13%	764 368

The year-to-date actuals indicate spending of **R501.4 million** for **Seven months** which is **65%** of the approved operating expenditure budget. The **R501.4 million** year to date actual is **above** the **Seven months** baseline projection or year-to-date budget of **R445.5 million**, a variance of **R55.8 million** or **13%** 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 **R193.9 million** which is **62%** of the approved budget. The **R193.9 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R180.9 million**. A variance of **R13 million** or **7%** is observed.

The municipality will make sure that the salary bill is kept within the limits of the monthly projections. The reason for salaries being high is based on Contracts employees but now are permanent.

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R6.2 million** which is **66%** of the approved budget. The **R6.2 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R5.5 million**. A variance of **R752 hundreds** or **14%** is observed.

This is the indication that the municipality is trying to spend within the budget. The result for change in Remuneration of councillors is based on the upper limits gazette.

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 **R4.4 million**. The **R4.4 million** year to date actual is **below** the **seven-month** baseline projection or year-to-date budget of **R14.4 million**. A variance of **R10 million** or **69%** is observed. This is the value we have issued from main stores. No Adjustment is needed since there is inventory in our stores to be issued.

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 **R65.2 million** which is **71%** of the approved budget. The **R56.2 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R53.2 million**. A variance of **R12 million** or **23%** is observed. This depends on the value of assets

Finance charges

Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is **R6.9 million** which is **99%** of the approved budget. the **R6.9 million** year to date actual is **above** the **Seven months** baseline projection or year-to-date budget of **R4 million**. A variance of **R2.8 million** or **71%** is observed. The variance result from the payment of loan in December, the interest is high since the loan is new.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R112.6 million** which is **55%** of the approved budget. The **R112.6 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R116.8 million**. A variance of **R4.2 million** or **4%** is observed.

The result for variance is that our Contractual commitments is higher than the budget provided.

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 **R551 thousand** which is **26%** of the approved budget. The **R551 thousand** year to date actual is **below** the **Seven months** baseline projection or year-to-date budget of **R1.4 million**. A variance of **R910 thousand** or **62%** is observe. It depends on the assistance given to community based on their requests.

Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R111.3 million** which is **98%** of the approved budget. the **R111.3 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R65.4 million**. A variance of **R45.9 million** or **70%** is observed.

The variance result from operation expenditure such as Eskom, municipal services, fuel etc.

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)	1 200 585.00	566 588.01	700 371	-133 782.99	-19%	47%
EPWP Incentive	5 227 001.00	5 227 001.00	3 049 095	2 177 906.16	71%	100%
Art centre Subsisies (Indonsa Grant)	1 911 000.00	10 177.11	1 028 151	-1 017 973.88	-99%	1%
National Skills Fund	88 246 119.00	28 247 900.00	51 476 908	-23 229 008.00	-45%	32%
LG SETA	1 258 936.00	935 245.00	734 384	200 861.00	27%	74%
Total Operating Grant Expenditure	97 843 641.00	34 986 911.12	56 988 909	-22 001 997.71	0%	36%

FMG 47%, EPWP Incentive 100%, Art center subsidies (Indonsa Grant) 1%, National skills Fund 32%, LG SETA – 74%

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M07 January

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	5 451	35 768	39 838	(4 070)	-10%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 552	10 723	10 344	380	4%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	578	20	134	337	(203)	-60%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	64	457	480	(23)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	356	4 317	4 375	(58)	-1%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	41	289	294	(5)	-2%	504
Licence and permits		107	176	176	17	161	103	59	57%	176
Operational Revenue		594	565	565	651	975	330	645	196%	565
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	-	338	856	(517)	-60%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 210	75	536 034	448 048	87 986	20%	768 210
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	865 850	8 227	589 200	505 004	84 196	17%	865 850
Expenditure By Type										
Employee related costs		315 068	310 172	310 172	28 447	193 936	180 935	13 002	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	831	6 274	5 522	752	14%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		45 330	25 226	24 824	(881)	4 440	14 491	(10 051)	-69%	24 824
Debt impairment		30 812	6 000	6 000	-	-	3 500	(3 500)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	9 267	65 299	53 267	12 032	23%	91 315
Interest		7 149	7 013	7 013	964	6 986	4 091	2 895	71%	7 013
Contracted services		370 958	203 358	201 111	7 818	112 626	116 878	(4 252)	-4%	201 111
Transfers and subsidies		3 534	2 100	2 365	435	551	1 461	(910)	-62%	2 365
Irrecoverable debts written off		8 134	-	-	-	-	-	-		-
Operational costs		236 463	112 988	112 103	15 497	111 377	65 453	45 923	70%	112 103
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		1 245 730	767 636	764 368	62 378	501 489	445 598	55 892	13%	764 368
Surplus/(Deficit)		(398 957)	98 033	101 481	(54 151)	87 711	59 406	28 305	0	101 481
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	-	417 498	336 114	81 384	0	576 195
Transfers and subsidies - capital (in-kind)		9	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676
Income Tax								-		
Surplus/(Deficit) after income tax		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676

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	500 594 868.00	414 365 532.45	294 235 926	120 129 606.66	41%	83%
Total Capital Financing	500 594 868.00	414 365 532.45	294 235 926	120 129 606.66	41%	83%

The capital expenditure amounts to **R414.3 million** which is **83%** of the capital approved budget, after a period of **seven months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January

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	2 029	(2 005)	-99%	3 478
Vote 03 - Finance		70	870	870	-	28	507	(479)	-94%	870
Vote 04 - Community Development		286	174	174	-	-	101	(101)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	-	414 314	291 598	122 715	42%	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	-	414 366	294 236	120 130	41%	504 043
Total Capital Expenditure		662 543	500 595	504 043	-	414 366	294 236	120 130	41%	504 043
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	-	52	2 536	(2 484)	-98%	4 348
Executive and council		167	-	-	-	-	-	-		-
Finance and administration		1 621	4 348	4 348	-	52	2 536	(2 484)	-98%	4 348
Internal audit		155	-	-	-	-	-	-		-
Community and public safety		286	174	174	-	-	101	(101)	-100%	174
Community and social services		286	174	174	-	-	101	(101)	-100%	174
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		75	2 307	2 289	-	-	1 338	(1 338)	-100%	2 289
Planning and development		75	2 307	2 289	-	-	1 338	(1 338)	-100%	2 289
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		660 239	493 766	497 232	-	414 314	290 261	124 053	43%	497 232
Energy sources		-	-	-	-	-	-	-		-
Water management		660 239	493 766	497 232	-	414 314	290 261	124 053	43%	497 232
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	662 543	500 595	504 043	-	414 366	294 236	120 130	41%	504 043
Funded by:										
National Government		660 294	496 073	499 521	-	414 314	291 598	122 715	42%	499 521
Provincial Government		277	174	174	-	-	101	(101)	-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	-	414 314	291 700	122 614	42%	499 695
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		1 963	4 348	4 348	-	52	2 536	(2 484)	-98%	4 348
Total Capital Funding		662 543	500 595	504 043	-	414 366	294 236	120 130	41%	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 **seven months** baseline projection or year-to-date budget of **R2.5 million**. A variance of **R2.4 million** or **98%** is observed. The reason for variance is that procurement of Computers, ICT infrastructure and Furniture is still in progress, No acquisition to date.

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 **six months** baseline projection or year-to-date budget of **R87 thousand**. A variance of **R87 thousand** or **100%** is observed. The procurement of Arts centre equipment is in progress.

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 **six months** baseline projection or year-to-date budget of **R1.1 million**. A variance of **R1.1 million** or **100%** is observed.

The Procurement is still in progress and its at the adjudication stage. There is no Ajustment needed

Trading services

Trading services year-to-date actual is **R414.3 million** which is **84%** of the approved budget. the **R414.3 million** year to date actual is **above** the **seven months** baseline projection or year-to-date budget of **R290.2 million**. A variance of **R124 million** or **43%** is observed. This depends on grants spending and when each trench will be received.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	220 722 693.00	199 051 998.55	128 754 904	70 297 094.30	55%	90%
Regional Bulk Infrastructure (RBIG)	186 086 957.00	141 099 264.81	108 550 725	32 548 539.89	30%	76%
Water services infrastructure Grant (WSIG)	86 956 521.00	74 162 398.08	50 724 637	23 437 760.83	46%	85%
Rural Roads Asset Managemnt Systems Grant	2 306 957.00	-	1 345 725	-1 345 724.92	-100%	0%
Art centre Subsisies (Indonsa Grant)	173 913.00	-	101 449	-101 449.25	-100%	0%
Other Assets	4 347 827.00	51 871.01	2 536 232	-2 484 361.41	-98%	1%
Total Operating Expenditure	500 594 868.00	414 365 532.45	292 013 673	122 351 859.45	42%	83%

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)	259 542 000.00	226 694 611.41	151 399 500	75 295 111.41	50%	87%
Regional Bulk Infrastructure (RBIG)	214 000 000.00	160 786 403.78	124 833 331	35 953 072.78	29%	75%
Water services infrastructure Grant (WSIG)	100 000 000.00	84 608 953.36	58 333 331	26 275 622.36	45%	85%
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	5 411.67	1 547 581	-1 542 169.33	-100%	0%
Indonsa Grant	200 000.00	10 177.11	100 000	-89 822.89	-90%	5%
Other Assets	5 000 000.00	51 871.01	2 500 000	-2 448 128.99	-98%	1%
Total Capital Grant Expenditure	581 395 000.00	472 157 428.34	338 713 743	133 443 685.34	39%	81%

Overall capital grant expenditure is sitting at **81%** of the approved capital budget, **MIG** is sitting at **87%**, **RBIG** at **75%**, **WSIG** at **85%**, **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 C6 Monthly Budget Statement - Financial Position - M07 January

Description	Ref	2023/24	Budget Year 2024/25			Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		57 071	417 029	417 029	6 403	417 029
Trade and other receivables from exchange transactions		36 516	79 729	79 729	66 163	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	19 648	2 824
VAT		64 744	80 813	80 813	50 392	80 813
Other current assets		29 542	24 653	24 653	28 783	24 653
Total current assets		197 536	612 157	612 157	176 968	612 157
Non current assets						
Investments						
Investment property						
Property, plant and equipment		5 418 333	5 311 270	5 314 718	5 767 413	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	14	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		5 426 188	5 319 119	5 322 567	5 775 254	5 322 567
TOTAL ASSETS		5 623 724	5 931 276	5 934 724	5 952 222	5 934 724
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		18 789	1 556	1 556	8 965	1 556
Consumer deposits		3 381	3 702	3 702	3 370	3 702
Trade and other payables from exchange transactions		487 717	450 406	450 406	261 633	450 406
Trade and other payables from non-exchange transactions		1 446	–	–	49 299	–
Provision		34 940	2 154	2 154	34 940	2 154
VAT		1 535	10 311	10 311	5 797	10 311
Other current liabilities		–	–	–	–	–
Total current liabilities		547 807	468 129	468 129	364 003	468 129
Non current liabilities						
Financial liabilities		80 455	80 589	80 589	87 549	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		127 450	154 477	154 477	134 544	154 477
TOTAL LIABILITIES		675 257	622 606	622 606	498 547	622 606
NET ASSETS	2	4 948 466	5 308 670	5 312 118	5 453 675	5 312 118
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 049 921	4 634 441	4 634 441	5 453 676	4 634 441
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	5 049 921	4 634 441	4 634 441	5 453 676	4 634 441

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M07 January

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	1 137	538 306	449 128	89 178	20%	769 935
Executive and council		–	–	–	–	–	–	–		–
Finance and administration	759 290	769 935	769 935	769 935	1 137	538 306	449 128	89 178	20%	769 935
Internal audit	–	–	–	–	–	–	–	–		–
<i>Community and public safety</i>		2 285	3 215	3 395	26	172	1 906	(1 734)	-91%	3 395
Community and social services	2 179	1 911	2 091	8	10	1 145	(1 135)	-99%		2 091
Sport and recreation	–	–	–	–	–	–	–	–		–
Public safety	–	–	–	–	–	–	–	–		–
Housing	–	–	–	–	–	–	–	–		–
Health	107	1 304	1 304	17	161	761	(599)	-79%		1 304
<i>Economic and environmental services</i>		3 112	2 721	2 721	–	5	1 587	(1 582)	-100%	2 721
Planning and development	3 112	2 721	2 721	–	5	1 587	(1 582)	-100%		2 721
Road transport	–	–	–	–	–	–	–	–		–
Environmental protection	–	–	–	–	–	–	–	–		–
<i>Trading services</i>		848 437	665 936	665 936	7 065	468 192	388 463	79 729	21%	665 936
Energy sources	–	–	–	–	–	–	–	–		–
Water management	832 056	647 830	647 830	5 506	457 321	377 901	79 420	21%		647 830
Waste water management	16 380	18 106	18 106	1 559	10 870	10 562	308	3%		18 106
Waste management	–	–	–	–	–	–	–	–		–
<i>Other</i>	4	2 045	57	57	–	23	33	(10)	-30%	57
Total Revenue - Functional	2	1 615 168	1 441 865	1 442 045	8 227	1 006 698	841 118	165 580	20%	1 442 045
Expenditure - Functional										
<i>Governance and administration</i>		430 272	312 391	313 396	26 921	198 794	182 612	16 182	9%	313 396
Executive and council		70 641	35 144	35 152	3 558	24 133	20 492	3 640	18%	35 152
Finance and administration	306 776	248 883	249 880	18 602	141 490	145 574	(4 084)	-3%		249 880
Internal audit	52 855	28 364	28 364	4 762	33 171	16 546	16 625	100%		28 364
<i>Community and public safety</i>		27 210	28 084	28 079	2 264	14 755	16 337	(1 582)	-10%	28 079
Community and social services	9 284	9 176	9 356	759	4 318	5 383	(1 065)	-20%		9 356
Sport and recreation	–	–	–	–	–	–	–	–		–
Public safety	7 301	6 234	6 234	644	4 512	3 636	876	24%		6 234
Housing	–	–	–	–	–	–	–	–		–
Health	10 625	12 674	12 489	860	5 924	7 318	(1 393)	-19%		12 489
<i>Economic and environmental services</i>		29 375	22 960	22 588	1 783	12 025	13 255	(1 231)	-9%	22 588
Planning and development	29 375	22 960	22 588	1 783	12 025	13 255	(1 231)	-9%		22 588
Road transport	–	–	–	–	–	–	–	–		–
Environmental protection	–	–	–	–	–	–	–	–		–
<i>Trading services</i>		746 125	393 586	390 120	30 576	270 227	227 362	42 865	19%	390 120
Energy sources	–	–	–	–	–	–	–	–		–
Water management	733 509	378 362	379 896	29 740	264 411	220 745	43 666	20%		379 896
Waste water management	12 616	15 224	10 224	837	5 816	6 617	(800)	-12%		10 224
Waste management	–	–	–	–	–	–	–	–		–
<i>Other</i>		12 748	10 615	10 185	834	5 688	6 031	(343)	-6%	10 185
Total Expenditure - Functional	3	1 245 730	767 636	764 368	62 378	501 489	445 598	55 892	13%	764 368
Surplus/ (Deficit) for the year		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0.2773284	677 676

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 if 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) - M07 January

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	-	29 219	52 478	(23 259)	-44.3%	89 962
Vote 03 - Finance		655 776	680 030	680 030	1 137	509 111	396 684	112 427	28.3%	680 030
Vote 04 - Community Development		2 285	3 215	3 395	26	172	1 906	(1 734)	-91.0%	3 395
Vote 05 - Planning & Wsa		775 606	581 490	581 490	-	421 156	339 202	81 953	24.2%	581 490
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		59 562	69 061	69 061	5 506	36 171	40 286	(4 115)	-10.2%	69 061
Vote 09 - Waste Water		16 380	18 106	18 106	1 559	10 870	10 562	308	2.9%	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	1 442 045	8 227	1 006 698	841 118	165 580	19.7%	1 442 045
Expenditure by Vote	1									
Vote 01 - Council		80 188	45 311	45 266	4 137	30 380	26 410	3 971	15.0%	45 266
Vote 02 - Corporate Services		273 176	211 286	211 286	15 581	130 974	123 251	7 723	6.3%	211 286
Vote 03 - Finance		76 214	59 309	59 059	3 567	33 805	34 451	(647)	-1.9%	59 059
Vote 04 - Community Development		58 981	47 801	48 226	7 888	31 759	28 064	3 696	13.2%	48 226
Vote 05 - Planning & Wsa		31 915	27 462	24 064	1 598	11 406	13 816	(2 410)	-17.4%	24 064
Vote 06 - Technical Services		5 354	5 758	5 750	447	2 526	3 354	(828)	-24.7%	5 750
Vote 07 - Water Purification		50 293	47 565	47 573	4 801	31 471	27 751	3 720	13.4%	47 573
Vote 08 - Water Distribution		656 993	307 920	312 920	23 523	223 351	181 884	41 466	22.8%	312 920
Vote 09 - Waste Water		12 616	15 224	10 224	837	5 816	6 617	(800)	-12.1%	10 224
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	1 245 730	767 636	764 368	62 378	501 489	445 598	55 892	12.5%	764 368
Surplus/ (Deficit) for the year	2	369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	27.7%	677 676

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) - M07 January

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	5 451	35 768	39 838	(4 070)	-10%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 552	10 723	10 344	380	4%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	578	20	134	337	(203)	-60%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	64	457	480	(23)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	356	4 317	4 375	(58)	-1%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	41	289	294	(5)	-2%	504
Licence and permits		107	176	176	17	161	103	59	57%	176
Operational Revenue		594	565	565	651	975	330	645	196%	565
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	-	338	856	(517)	-60%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 210	75	536 034	448 048	87 986	20%	768 210
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	865 850	8 227	589 200	505 004	84 196	17%	865 850
Expenditure By Type										
Employee related costs		315 068	310 172	310 172	28 447	193 936	180 935	13 002	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	831	6 274	5 522	752	14%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		45 330	25 226	24 824	(881)	4 440	14 491	(10 051)	-69%	24 824
Debt impairment		30 812	6 000	6 000	-	-	3 500	(3 500)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	9 267	65 299	53 267	12 032	23%	91 315
Interest		7 149	7 013	7 013	964	6 986	4 091	2 895	71%	7 013
Contracted services		370 958	203 358	201 111	7 818	112 626	116 878	(4 252)	-4%	201 111
Transfers and subsidies		3 534	2 100	2 365	435	551	1 461	(910)	-62%	2 365
Irrecoverable debts written off		8 134	-	-	-	-	-	-		-
Operational costs		236 463	112 988	112 103	15 497	111 377	65 453	45 923	70%	112 103
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		1 245 730	767 636	764 368	62 378	501 489	445 598	55 892	13%	764 368
Surplus/(Deficit)		(398 957)	98 033	101 481	(54 151)	87 711	59 406	28 305	0	101 481
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	-	417 498	336 114	81 384	0	576 195
Transfers and subsidies - capital (in-kind)		9	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676
Income Tax								-		
Surplus/(Deficit) after income tax		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		369 438	674 228	677 676	(54 151)	505 209	395 520	109 689	0	677 676

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) - M07 January

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	2 029	(2 005)	-99%	3 478
Vote 03 - Finance		70	870	870	-	28	507	(479)	-94%	870
Vote 04 - Community Development		286	174	174	-	-	101	(101)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	-	414 314	291 598	122 715	42%	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	-	414 366	294 236	120 130	41%	504 043
Total Capital Expenditure		662 543	500 595	504 043	-	414 366	294 236	120 130	41%	504 043
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	-	52	2 536	(2 484)	-98%	4 348
Executive and council		167	-	-	-	-	-	-	-	-
Finance and administration		1 621	4 348	4 348	-	52	2 536	(2 484)	-98%	4 348
Internal audit		155	-	-	-	-	-	-	-	-
Community and public safety		286	174	174	-	-	101	(101)	-100%	174
Community and social services		286	174	174	-	-	101	(101)	-100%	174
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		75	2 307	2 289	-	-	1 338	(1 338)	-100%	2 289
Planning and development		75	2 307	2 289	-	-	1 338	(1 338)	-100%	2 289
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		660 239	493 766	497 232	-	414 314	290 261	124 053	43%	497 232
Energy sources		-	-	-	-	-	-	-	-	-
Water management		660 239	493 766	497 232	-	414 314	290 261	124 053	43%	497 232
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	662 543	500 595	504 043	-	414 366	294 236	120 130	41%	504 043
Funded by:										
National Government		660 294	496 073	499 521	-	414 314	291 598	122 715	42%	499 521
Provincial Government		277	174	174	-	-	101	(101)	-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	-	414 314	291 700	122 614	42%	499 695
Borrowing		-	-	-	-	-	-	-	-	-
Internally generated funds	6	1 963	4 348	4 348	-	52	2 536	(2 484)	-98%	4 348
Total Capital Funding		662 543	500 595	504 043	-	414 366	294 236	120 130	41%	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 - M07 January

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	6 403	417 029
Trade and other receivables from exchange transactions		36 516	79 729	79 729	66 163	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	19 648	2 824
VAT		64 744	80 813	80 813	50 392	80 813
Other current assets		29 542	24 653	24 653	28 783	24 653
Total current assets		197 536	612 157	612 157	176 968	612 157
Non current assets						
Investments						
Investment property						
Property, plant and equipment		5 418 333	5 311 270	5 314 718	5 767 413	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	14	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		5 426 188	5 319 119	5 322 567	5 775 254	5 322 567
TOTAL ASSETS		5 623 724	5 931 276	5 934 724	5 952 222	5 934 724
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		18 789	1 556	1 556	8 965	1 556
Consumer deposits		3 381	3 702	3 702	3 370	3 702
Trade and other payables from exchange transactions		487 717	450 406	450 406	261 633	450 406
Trade and other payables from non-exchange transactions		1 446	–	–	49 299	–
Provision		34 940	2 154	2 154	34 940	2 154
VAT		1 535	10 311	10 311	5 797	10 311
Other current liabilities		–	–	–	–	–
Total current liabilities		547 807	468 129	468 129	364 003	468 129
Non current liabilities						
Financial liabilities		80 455	80 589	80 589	87 549	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		127 450	154 477	154 477	134 544	154 477
TOTAL LIABILITIES		675 257	622 606	622 606	498 547	622 606
NET ASSETS	2	4 948 466	5 308 670	5 312 118	5 453 675	5 312 118
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 049 921	4 634 441	4 634 441	5 453 676	4 634 441
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	5 049 921	4 634 441	4 634 441	5 453 676	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 31 Janauray 2025 indicates bank balance of **R3.6 million**

Call Investments Deposits

Call investments as at 31 December 2025 is **R10 million**.

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R66.1 million**. Debtors age analysis as per section 2.1 debtors’ analysis is **R262.7 million**. Consumer debtors’ amount to **R266.6 million** of this amount **R30.4 million** is for receivables from non exchange

Gross Consumer debtors	R293.8 million
Less Impairment	(R227.6 million)
Net Consumer Debtors	R66.1 million

Classification of Consumer Debtors per Service type

Water Debtors	R28.2 million
Sanitation Debtors	R7.1 million
Property Rentals Debtors	R106.2 thousand
Other Consumer debtors	R337.4 thousand
Prepayments	R30.4 million
Total	R66.1 million

- **Water Debtors**
Net Water debtors after considering provision for bad debts amount to **R28.2 million**.
Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R209 million
Less Impairment	(R180.8 million)
Net Water Debtors	R28.2 million

- **Sanitation Debtors**
Net Sanitation debtors after considering provision for bad debts amount to **R6.1 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R53.2 million
Less Impairment	(R46.2 million)
Net Sanitation Debtors	R7 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amount to **R106.2 thousand**

Property Rental	R424.6 thousand
Less Impairment	(R318.4 thousand)
Net Property rental	R106.2 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R337.4 thousand**, these are sundry debtors.

Gross Other Debtors	R615 thousand
Less Impairment	(R59.5 thousand)
Net Other Debtors	R337.4 thousand

➤ **Other receivables from exchange**

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

Prepay/Adv: Recov emp: Opening balance	R1.4 million
Other receivables from exchange	R28.4 million
Monthly Billing	R181 thousand
Less Impairment	(R0)
Closing Balance	R366 thousand
Net other receivables from exchange	R30.4 million

Classification of Consumer Debtors per Customer group

Households	R207.5 million
Commercial/Businesses	R 19.3 million
Organs of State (excl shared services of R3.9 mill)	R 39.2 million
Total	R266.6 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 **R19.6 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R50.6 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 **R28.7 million**.

Deposits Made	R19.4 million
Refunds & under/over banking	R9.3 million
Salary advance	R44.9 thousand
Operating lease	R5.2 thousand
Accrued interest	R13.3 thousand
Total	R28.7 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 **R9.3 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
Refunds	R46 thousand

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 **R5.2 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 **R5.3 million**.

Opening balance	R5.3 billion
Additions	R414.3 million
Depreciation	(R56 million)
Closing Balance	R5.7 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 **R14 thousand**

Opening balance	R14 thousand
Additions	R 0
Depreciation	(R0)
Closing Balance	R14 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 **R8.9 million**.

Loan repayment	R8.8 million
Finance lease BCX	R108.7 thousand
Total Financial liabilities	R8.9 million
Opening balance	R18.7 million
Payment	(R9.8 million)

Closing Balance **R8.9 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 **R261.6 million**.

Trade Creditors	R50.5 million
Retention	R104.3 million
Department of Water & Sanitation	R103.4 million
Employee related cost	R836.4 thousand
Advance Payments	R2 million
Salary Suspense Accounts	R56.3 thousand
Other Suspense account	R0
Refund	R596.6 thousand
Leave accrual	R109 thousand
Unpaid cheque	R434.6 thousand
Sessions	R596.6 thousand
Closing Balance	R261.6 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 **R49.2 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
Total	R34.9 million

VAT Payables

VAT payable amount to **R5.7 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 **R87.5 million**.

Long term loan	R86.4 million
Op Lease Lumd Inv (Pty) Ltd: Repayments	R890.3 thousand
Operating lease long term BCX	R169.1 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 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	R13.2 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 **R5.4 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M07 January

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	3 371	21 664	35 447	(13 783)	-39%	60 766
Other revenue		2 051 105	121 898	121 898	57 212	791 900	71 107	720 793	1014%	121 898
Transfers and Subsidies - Operational		746 330	768 030	768 030	-	537 635	448 018	89 617	20%	768 030
Transfers and Subsidies - Capital		768 386	576 195	576 195	-	463 563	336 114	127 449	38%	576 195
Interest		18 397	7 995	7 995	362	4 384	4 664	(280)	-6%	7 995
Dividends								-		
Payments										
Suppliers and employees		(679 012)	(789 533)	(789 533)	(55 249)	(847 517)	(460 561)	386 956	-84%	(789 533)
Interest								-		
Transfers and Subsidies		-	(2 415)	(2 415)	-	-	(1 409)	(1 409)	100%	(2 415)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 937 672	742 935	742 935	5 696	971 628	433 379	(538 249)	-124%	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)	-	(414 366)	(292 014)	122 352	-42%	(500 595)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(661 863)	(500 595)	(500 595)	-	(414 366)	(292 014)	122 352	-42%	(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	1	(9)	2	(11)	-569%	3
Payments										
Repayment of borrowing		(10 516)	(18 096)	(18 096)	(415)	(9 824)	(10 556)	(732)	7%	(18 096)
NET CASH FROM/(USED) FINANCING ACTIVITIES		89 475	(18 093)	(18 093)	(414)	(9 833)	(10 554)	(721)	7%	(18 093)
NET INCREASE/ (DECREASE) IN CASH HELD		2 365 284	224 247	224 247	5 282	547 430	130 811			224 247
Cash/cash equivalents at beginning:		(27 427)	(192 785)	(192 785)	599 219	57 071	(192 785)			57 071
Cash/cash equivalents at month/year end:		2 337 857	31 462	31 462	604 501	604 501	(61 974)			281 318

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 year's actual collection and initiatives the Municipality has taken to improve collection. The Municipality has collected **R21.6 million** to date, which is **36%** of the budgeted collection. From the year-to-date billing of **R46.4 million** on table C4 **54%** has been collected to date.

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

- The municipality is not only collecting the current billing but also the debtors from previous financial years.
- The municipality has a revised revenue enhancement strategy
- The municipality has an external debt collector to assist with the collection
- The Municipality has replaced and installed new meters to ensure billing is accurate and not estimated.
- Municipality has adopted an indigent policy and is in a process to write off indigent households.
- The municipality has 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 **R537.6 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

Equitable share	R502.6 million
FMG	R1.2 million
EPWP	R3.6 million
AMAFA Research	R162 thousand
Indonsa Grant	R955 thousand
LG SETA	R723.6 thousand
NSF	R28.2 million
TOTAL	R537.6 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 **R463.5 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	R181.7 million
Regional Bulk Infrastructure Grant	R205 million
Water Services Infrastructure Grant	R 75 million
Rural Road	R1.8 million
TOTAL	R463.5 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 **R4.3 million**. Interest on investment revenue on table C4 is **R4.3 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 **R414.3 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 the 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 **R6.4 million** in the financial position but in the cash flow, it is **R604.5 million**.

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

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as of 31 January 2025

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M07 January

Description		Budget Year 2024/25											
	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 642	5 369	5 139	4 476	4 711	4 385	23 752	153 209	207 683	190 534	–	180 861
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	1 629	1 364	1 093	1 075	1 126	996	4 973	40 831	53 086	49 000	–	46 212
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	17	17	17	17	17	220	84	407	355	–	596
Interest on Arrear Debtor Accounts	1810	64	63	63	62	62	61	297	897	1 570	1 379	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	–	–	–	–	–	–	–	–	–	–	–	–
Total By Income Source	2000	8 353	6 812	6 312	5 629	5 915	5 459	29 242	195 022	262 746	241 268	–	227 669
2023/24 - totals only		13706313	5669715	5246355	4115597	3449938	3624058	19051678	171560281	226 424	201 802	0	167876181
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 688	2 527	2 241	2 018	2 584	1 558	6 969	18 651	39 236	31 781	–	–
Commercial	2300	1 519	730	598	547	500	439	2 786	12 732	19 851	17 004	–	–
Households	2400	4 149	3 600	3 488	3 167	2 943	3 495	19 980	166 750	207 573	196 335	–	–
Other	2500	–	–	–	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	8 356	6 857	6 327	5 733	6 026	5 493	29 735	198 133	266 660	245 120	–	–

Total debtors' amount to **R226.4 million**, The debtors over 90 days amount to **R201.8 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 31 January 2025

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M07 January

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	3 782	5 278	29 744	-	-	-	-	-	38 805	2 063
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions										-	
Total By Customer Type	1000	3 782	5 278	29 744	-	-	-	-	-	38 805	2 063

2.3 INVESTMENT PORTFOLIO

Investments as at 31 January 2025

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January

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
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	-
Standard-348465874			Investment Tracker	Yes	Variable interest rate	8.05	N/A	N/A	20 January 2024	30 000		(30 000)	30 000	-
Municipality sub-total										-	-	(334 053)	334 053	-
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-	-	(334 053)	334 053	-

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January

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	67	506 865	394 691	112 173	28.4%	676 614
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		631 671	670 187	670 187	-	502 640	390 942	111 698	28.6%	670 187
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	-	3 658	3 049	609	20.0%	5 227
Local Government Financial Management Grant		1 200	1 200	1 200	67	567	700	(133)	-19.1%	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	2 091	8	198	1 145	(947)	-82.7%	2 091
Capacity Building and Other Grants		4 168	1 911	2 091	8	198	1 145	(947)	-82.7%	2 091
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		102 328	89 505	89 505	-	28 972	52 211	(23 240)	-44.5%	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	734	(11)	-1.5%	1 259
National Skills Fund		100 634	88 246	88 246	-	28 248	51 477	(23 229)	-45.1%	88 246
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	746 444	768 030	768 210	75	536 034	448 048	87 986	19.6%	768 210
Capital Transfers and Grants										
National Government:		768 386	576 195	576 195	-	417 498	336 114	81 384	24.2%	576 195
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		256 512	259 542	259 542	-	181 706	151 400	30 307	20.0%	259 542
Regional Bulk Infrastructure Grant		413 905	214 000	214 000	-	160 786	124 833	35 953	28.8%	214 000
Rural Road Asset Management Systems Grant		2 969	2 653	2 653	-	5	1 548	(1 542)	-99.7%	2 653
Water Services Infrastructure Grant		95 000	100 000	100 000	-	75 000	58 333	16 667	28.6%	100 000
Provincial Government:		-	-	-	-	-	-	-	-	-
Infrastructure Grant		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		9	-	-	-	-	-	-	-	-
[insert description]		9	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	768 395	576 195	576 195	-	417 498	336 114	81 384	24.2%	576 195
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 514 840	1 344 225	1 344 405	75	953 532	784 161	169 370	21.6%	1 344 405

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 - M07 January

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:		893 369	587 778	584 330	53 705	411 345	340 650	70 695	20.8%	584 330
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		872 494	576 385	576 385	54 500	405 548	336 226	69 322	20.6%	576 385
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	(861)	5 227	3 049	2 178	71.4%	5 227
Local Government Financial Management Grant		1 200	1 201	1 201	67	557	700	(143)	-20.5%	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	667	(658)	-98.7%	1 500
Rural Road Asset Management Systems Grant		2 582	–	18	–	5	8	(3)	-41.2%	18
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		3 630	1 711	1 891	15	17	1 028	(1 012)	-98.4%	1 891
Capacity Building and Other Grants		3 630	1 711	1 891	15	17	1 028	(1 012)	-98.4%	1 891
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		102 328	89 505	89 505	–	29 182	52 211	(23 030)	-44.1%	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	–	934	734	199	27.1%	1 259
National Skills Fund		100 634	88 246	88 246	–	28 248	51 477	(23 229)	-45.1%	88 246
Total operating expenditure of Transfers and Grants:		999 327	678 995	675 727	53 720	440 543	393 890	46 653	11.8%	675 727
Capital expenditure of Transfers and Grants										
National Government:		660 294	496 073	499 521	–	414 314	291 598	122 715	42.1%	499 521
Municipal Infrastructure Grant		214 555	220 723	225 689	–	199 052	131 652	67 400	51.2%	225 689
Regional Bulk Infrastructure Grant		362 622	186 087	184 587	–	141 099	107 884	33 215	30.8%	184 587
Rural Road Asset Management Systems Grant		–	2 307	2 289	–	–	1 338	(1 338)	-100.0%	2 289
Water Services Infrastructure Grant		83 116	86 957	86 957	–	74 162	50 725	23 438	46.2%	86 957
Provincial Government:		277	174	174	–	–	101	(101)	-100.0%	174
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
Infrastructure Grant		277	174	174	–	–	101	(101)	-100.0%	174
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		9	–	–	–	–	–	–	–	–
Unspecified		9	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		660 580	496 247	499 695	–	414 314	291 700	122 614	42.0%	499 695

Most conditional grants actual year-to-date expenditure are below year-to-date budget , with exception of EPWP and RBIG year-to-date actual expenditure is above year to year-to-date budget.

Grants Roll over

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

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January

Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	Full Year Forecast
R thousands									
	1	A	B	C					D
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages		—	—	—	—	—	—	—	—
Pension and UIF Contributions		517	563	563	49	342	328	14	563
Medical Aid Contributions		41	41	41	6	30	24	6	41
Motor Vehicle Allowance		2 224	2 012	2 012	188	1 382	1 174	208	2 012
Cellphone Allowance		859	483	483	65	457	282	176	483
Housing Allowances		180	180	180	—	—	105	(105)	180
Other benefits and allowances		6 542	6 187	6 187	524	4 063	3 609	454	6 187
Sub Total - Councillors		10 362	9 465	9 465	831	6 274	5 522	752	9 465
% increase	4		-8.7%	-8.7%				14%	-8.7%
Senior Managers of the Municipality	3								
Basic Salaries and Wages		8 273	8 555	8 555	630	4 444	4 991	(547)	8 555
Pension and UIF Contributions		356	444	444	17	191	259	(69)	444
Medical Aid Contributions		117	123	123	6	69	72	(3)	123
Overtime		—	—	—	—	—	—	—	—
Performance Bonus		707	166	166	—	—	97	(97)	166
Motor Vehicle Allowance		2 051	1 997	1 997	161	1 170	1 165	5	1 997
Cellphone Allowance		296	317	317	23	168	185	(17)	317
Housing Allowances		13	13	13	1	8	7	0	13
Other benefits and allowances		442	249	249	21	139	146	(7)	249
Payments in lieu of leave		255	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—
Acting and post related allowance		41	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality		12 551	11 865	11 865	859	6 188	6 921	(733)	11 865
% increase	4		-5.5%	-5.5%				-11%	-5.5%
Other Municipal Staff									
Basic Salaries and Wages		201 042	221 924	221 924	18 100	124 528	129 456	(4 928)	221 924
Pension and UIF Contributions		27 014	24 008	24 008	2 469	17 241	14 005	3 237	24 008
Medical Aid Contributions		16 898	17 029	17 029	1 637	10 683	9 934	749	17 029
Overtime		8 782	5 780	5 780	1 016	5 783	3 372	2 412	5 780
Performance Bonus		13 868	14 733	14 733	1 245	8 760	8 595	165	14 733
Motor Vehicle Allowance		11 436	12 000	12 000	1 987	13 714	7 000	6 713	12 000
Cellphone Allowance		801	821	821	70	489	479	10	821
Housing Allowances		1 699	1 758	1 758	145	1 024	1 026	(2)	1 758
Other benefits and allowances		5 465	253	253	288	1 832	148	1 684	253
Payments in lieu of leave		6 307	—	—	344	1 395	—	1 395	—
Long service awards		3 289	—	—	281	1 563	—	1 563	—
Post-retirement benefit obligations		5 352	—	—	—	—	—	—	—
Entertainment		—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—
Acting and post related allowance		562	—	—	5	735	—	735	—
In kind benefits		—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff		302 517	298 307	298 307	27 588	187 748	174 013	13 735	298 307
% increase	4		-1.4%	-1.4%				8%	-1.4%
Total Parent Municipality		325 430	319 637	319 637	29 278	200 210	186 456	13 754	319 637
			-1.8%	-1.8%					-1.8%
Unpaid salary, allowances & benefits in arrears:									
Board Members of Entities									
Sub Total - Executive members Board	2	—	—	—	—	—	—	—	—
% increase	4								
Senior Managers of Entities									
Sub Total - Senior Managers of Entities	4	—	—	—	—	—	—	—	—
% increase	4								
Other Staff of Entities									
Sub Total - Other Staff of Entities	4	—	—	—	—	—	—	—	—
% increase	4								
Total Municipal Entities		—	—	—	—	—	—	—	—
TOTAL SALARY, ALLOWANCES & BENEFITS		325 430	319 637	319 637	29 278	200 210	186 456	13 754	319 637
% increase	4		-1.8%	-1.8%					-1.8%
TOTAL MANAGERS AND STAFF		315 068	310 172	310 172	28 447	193 936	180 935	13 002	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 - M07 January

Description	Ref	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework		
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Outcome	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	2 126	2 476	3 935	3 935	3 935	3 935	15 354	47 222	49 394	51 666
Service charges - Waste Water Management		850	812	635	876	713	755	895	1 129	1 129	1 129	1 129	3 493	13 544	14 167	14 819
Service charges - Waste Management													-			
Rental of facilities and equipment		37	45	45	41	41	41	41	90	90	90	90	431	1 084	1 133	1 186
Interest earned - external investments		13	328	949	2 473	44	153	356	625	625	625	625	683	7 500	7 845	8 206
Interest earned - outstanding debtors		5	10	30	3	7	7	6	41	41	41	41	262	495	517	541
Dividends received													-			
Fines, penalties and forfeits		60	42	93	98	9	36	-	122	122	122	122	639	1 467	1 534	1 605
Licences and permits		9	18	16	16	58	27	17	15	15	15	15	(44)	176	184	193
Agency services													-			
Transfers and Subsidies - Operational		280 201	2 506	724	9 176	2 514	242 515	-	64 003	64 003	64 003	64 003	(25 615)	768 030	711 934	751 994
Other revenue		309 866	29 319	157 169	129 368	67 379	40 854	57 153	9 931	9 931	9 931	9 931	(711 661)	119 171	115 870	152 732
Cash Receipts by Source		592 963	35 589	161 548	145 430	72 593	286 514	60 945	79 891	79 891	79 891	79 891	(716 457)	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	64 992	-	48 016	48 016	48 016	48 016	(79 433)	576 195	651 991	923 733
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Deparm 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	1	0	0	0	0	11	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	351 506	60 946	127 907	127 907	127 907	127 907	(795 878)	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	29 059	29 090	25 848	25 848	25 848	25 848	6 073	310 172	324 440	339 364
Remuneration of councillors		994	803	833	1 071	784	900	955	789	789	789	789	(29)	9 465	9 901	10 356
Interest													-	-	-	-
Bulk purchases - Electricity		7 119	17 024	11 255	13 098	10 123	12 073	7 276	-	-	-	-	(77 967)	-	-	-
Acquisitions - water & other inventory		-	-	2 095	1 215	-	1 311	2 561	2 417	2 417	2 417	2 417	12 158	29 010	30 344	31 740
Contracted services		(81 828)	(62 124)	(48 301)	(59 251)	(25 088)	(30 035)	1 425	25 765	25 765	25 765	25 765	511 323	309 181	216 969	258 482
Transfers and subsidies - other municipalities													-	-	-	-
Transfers and subsidies - other		-	-	-	-	-	-	-	201	201	201	201	1 610	2 415	2 526	2 642
Other expenditure		300 056	118 530	87 702	95 281	63 109	165 450	13 660	10 809	10 809	10 809	10 809	(757 317)	129 706	135 672	141 913
Cash Payments by Type		254 569	101 795	81 936	80 432	78 325	178 759	54 965	65 829	65 829	65 829	65 829	(304 149)	789 948	719 853	784 498
Other Cash Flows/Payments by Type																
Capital assets		93 315	64 218	59 111	74 889	54 560	68 273	-	41 716	41 716	41 716	41 716	(80 636)	500 595	571 681	808 197
Repayment of borrowing		-	138	138	277	-	8 856	415	1 508	1 508	1 508	1 508	2 240	18 096	17 430	16 913
Other Cash Flows/Payments		4 705	3 825	1 754	5 282	578	308	284	167	167	167	167	(15 402)	2 000	3 000	4 000
Total Cash Payments by Type		352 589	169 976	142 939	160 879	133 463	256 196	55 664	109 220	109 220	109 220	109 220	(397 947)	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	95 310	5 282	18 687	18 687	18 687	18 687	(397 932)	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	599 219	604 501	623 188	641 875	660 562	679 250	57 071	281 318	523 925
Cash/cash equivalents at the month/year end:		416 486	408 956	465 225	484 777	503 909	599 219	604 501	623 188	641 875	660 562	679 250	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 - M07 January

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Service charges – Water revenue	10%	Service charges – Water revenue This is the amounts billed on customers for water used, the year-to-date actual is R35.7 million which is 52% of the approved budget. The R35.7 million year to date actual is below the Seven months baseline projection or year-to-date budget of R39.8 million. A variance of R4 million or 10% is observed. The variance between approved and year to date actual result from the fact that there are customers that are billed with interim due to fault meters.	
	Service charges – Sanitation revenue	4%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R10.7 million which is 60% of the approved budget. The R10.7 million year to date actual is above the Seven months baseline projection or year-to-date budget of R10.3 million. A variance of R380 thousand or 4% is observed.	The Reason For the bill of sanitation being High is based on the fact that we charge businesses an Access charge-Sewerage of 40kl when they have used more than Basic sewer Charge.
	Sale of goods and rendering of service	60%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R134 thousands which is 23% of the approved budget. The R134 thousands year to date actual is below the Seven months baseline projection or year-to-date budget of R337 thousand. A variance of R203 thousand or 60% is observed.	There was no sale of tender documents in this period. The adjustment may be needed.
	Interest earned - outstanding debtors	5%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R457 thousand, which is 52% of the approved budget. The R457 thousand year to date actual is below the seven months baseline projection or year-to-date budget of R480 thousand. A variance of R23 thousand or 5% 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	5%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R4.3 million which is 55% of the approved budget. The R4.3 million year to date actual is above the Seven months baseline projection or year-to-date budget of R4.8 million. A variance of R23 thousand or 5% is observed.	The reason for variances on investments depends on the available investment during reporting period.
	Rental from Fixed Assets	5%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R289 thousand which is 57% of the approved budget. The R248 thousand year to date actual is above the seven months baseline projection or year-to-date budget of R294 thousand. A variance of R5 thousand or 5% is observed. The reason For Variances is Based on the fact that there are tenants that vacated the building and there are new ones that came in at different rates charged.	
	Licences and Permits	57%	Licences and permits year-to-date actual is R161 thousand which is 91% of the approved budget. The R161 thousand year to date actual is above the seven months baseline projection or year-to-date budget of R103 thousand. A variance of R59 thousand or 57% is observed. This line item depends on licences renewal and new issued permits.	This line item depends on licences renewal and new issued permits.
	Operational revenue	196%	Operational revenue year-to-date actual is R975 thousand which is 172% of the approved budget. The R975 thousand year to date actual is above the seven months baseline projection or year-to-date budget of R330 thousand. A variance of R645 thousands or 196% 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, But depends on the allocation by LGSETA.	
	Fines, penalties, and forfeits	60%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R338 thousand which is 23% of the approved budget. The R338 thousand year to date actual is below the seven months baseline projection or year-to-date budget of R856 thousand. A variance of R517 thousand or 60% 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.	Municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	20%	Transfers and subsidies year to date actual is R536 million which is 70% of the approved budget. The R536 million year to date actual is above the seven months baseline projection or year-to-date budget of R448 million. A variance of R87.9 million or 20% 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 tranches as per approved transfer schedule. Grants received to date is Equitable share, FMG, EPWP and Indonsa art centre.	

<u>Expenditure By Type</u>			
Employee Related Costs	7%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R193.9 million which is 62% of the approved budget. The R193.9 million year to date actual is above the seven months baseline projection or year-to-date budget of R180.9 million. A variance of R13 million or 7% is observed. The municipality will make sure that the salary bill is kept within the limits of the monthly projections. The reason for salaries being high is based on Contracts employees but now are permanent.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections.
Remuneration of Councillors	14%	Remuneration of Councillors is paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R6.2 million which is 66% of the approved budget. The R6.2 million year to date actual is above the seven months baseline projection or year-to-date budget of R5.5 million. A variance of R752 hundreds or 14% is observed. This is the indication that the municipality is trying to spend within the budget. The result for change in Remuneration of councillors is based on the upper limits gazette.	
Inventory Consumed	69%	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 R4.4 million. The R4.4 million year to date actual is below the seven-month baseline projection or year-to-date budget of R14.4 million. A variance of R10 million or 69% is observed. This is the value we have issued from main stores. No Adjustment is needed since there is inventory in our stores to be issued.	
Depreciation	23%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R65.2 million which is 71% of the approved budget. The R56.2 million year to date actual is above the seven months baseline projection or year-to-date budget of R53.2 million. A variance of R12 million or 23% is observed. This depends on the value of assets	
Finance charges	71%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R6.9 million which is 99% of the approved budget. The R6.9 million year to date actual is above the Seven months baseline projection or year-to-date budget of R4 million. A variance of R2.8 million or 71% is observed. The variance result from the payment of loan in December, the interest is high since the loan is new.	
Contracted services	4%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R112.6 million which is 55% of the approved budget. The R112.6 million year to date actual is above the seven months baseline projection or year-to-date budget of R116.8 million. A variance of R4.2 million or 4% is observed. The result for variance is that our Contractual commitments is higher than the budget provided.	
Transfers and subsidies paid.	62%	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 R551 thousand which is 26% of the approved budget. The R551 thousand year to date actual is below the Seven months baseline projection or year-to-date budget of R1.4 million. A variance of R910 thousand or 62% is observe. It depends on the assistance given to community based on their requests.	
Operational costs	70%	Operational costs are all other expenditure not classified above. The year-to-date actual is R111.3 million which is 98% of the approved budget. The R111.3 million year to date actual is above the seven months baseline projection or year-to-date budget of R65.4 million. A variance of R45.9 million or 70% is observed. The variance result from operation expenditure such as Eskom, municipal services, fuel etc.	

Capital Expenditure			
Governance and administration	98%	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 seven months baseline projection or year-to-date budget of R2.5 million. A variance of R2.4 million or 98% is observed. The reason for variance is that procurement of Computers, ICT infrastructure and Furniture is still in progress, No acquisition to date.	
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 six months baseline projection or year-to-date budget of R87 thousand. A variance of R87 thousand or 100% is observed. The procurement of Arts centre equipment is in progress.	
Economic and environmental services	100%	Economic and environmental services year-to-date actual is R0 million which is 0% of the approved budget. The R0 year to date actual is below the six months baseline projection or year-to-date budget of R1.1 million. A variance of R1.1 million or 100% is observed.	
Trading services	43%	Trading services year-to-date actual is R414.3 million which is 84% of the approved budget, the R414.3 million year to date actual is above the seven months baseline projection or year-to-date budget of R290.2 million. A variance of R124 million or 43% is observed. This depends on grants spending and when each trench will be received.	

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 - M06 December

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	54 560	54 560	210 313	155 754	74.1%	11%
December	101 101	41 961	41 961	68 273	68 273	252 275	184 001	72.9%	14%
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	414 366					

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 - M07 January

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	68 273	414 314	250 014	(164 300)	-65.7%	499 521
Roads Infrastructure		-	2 307	2 289	-	-	1 147	1 147	100.0%	2 289
Roads		-	2 307	2 289	-	-	1 147	1 147	100.0%	2 289
Storm water Infrastructure		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Water Supply Infrastructure		660 219	489 059	497 232	68 273	414 314	247 185	(167 129)	-67.6%	497 232
Dams and Weirs		-	-	-	-	-	-	-		-
Boreholes		35 737	43 631	32 670	2 531	26 756	22 258	(4 498)	-20.2%	32 670
Reservoirs		9 197	1 593	4 965	114	3 379	2 482	(897)	-36.1%	4 965
Pump Stations		-	-	-	-	-	-	-		-
Water Treatment Works		123 018	97 849	135 230	23 567	124 179	56 543	(67 636)	-119.6%	135 230
Bulk Mains		450 780	294 587	290 528	36 660	228 668	148 031	(80 638)	-54.5%	290 528
Distribution		41 487	45 046	33 840	5 401	31 331	17 871	(13 459)	-75.3%	33 840
Distribution Points		-	6 354	-	-	-	0	0	100.0%	-
Sanitation Infrastructure		-	4 707	-	-	-	1 681	1 681	100.0%	-
Pump Station		-	-	-	-	-	-	-		-
Reticulation		-	4 707	-	-	-	1 681	1 681	100.0%	-
Toilet Facilities		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Community Assets		-	-	-	-	-	-	-		-
Community Facilities		-	-	-	-	-	-	-		-
Centres		-	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Outdoor Facilities		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Works of Art		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Other assets		-	-	-	-	-	-	-		-
Operational Buildings		-	-	-	-	-	-	-		-
Municipal Offices		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Software and Applications		-	-	-	-	-	-	-		-
Computer Equipment		624	3 913	3 913	-	52	1 957	1 905	97.3%	3 913
Computer Equipment		624	3 913	3 913	-	52	1 957	1 905	97.3%	3 913
Furniture and Office Equipment		348	435	435	-	-	217	217	100.0%	435
Furniture and Office Equipment		348	435	435	-	-	217	217	100.0%	435
Machinery and Equipment		432	174	174	-	-	87	87	100.0%	174
Machinery and Equipment		432	174	174	-	-	87	87	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	68 273	414 366	252 275	(162 091)	-64.3%	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 - M07 January

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	62 017	80	30 202	36 264	6 062	16.7%	62 017
Roads Infrastructure		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Water Supply Infrastructure		156 830	67 193	62 017	80	30 202	36 264	6 062	16.7%	62 017
Bulk Mains		79 800	19 966	14 790	72	4 145	8 715	4 570	52.4%	14 790
Distribution		-	-	-	-	-	-	-		-
Distribution Points		77 029	47 227	47 227	8	26 057	27 549	1 492	5.4%	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	1 950	186	418	1 158	740	63.9%	1 950
Operational Buildings		974	2 000	1 950	186	418	1 158	740	63.9%	1 950
Municipal Offices		974	2 000	1 950	186	418	1 158	740	63.9%	1 950
Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Furniture and Office Equipment		-	300	300	-	-	175	175	100.0%	300
Furniture and Office Equipment		-	300	300	-	-	175	175	100.0%	300
Machinery and Equipment		-	100	165	11	112	82	(30)	-37.3%	165
Machinery and Equipment		-	100	165	11	112	82	(30)	-37.3%	165
Transport Assets		5 261	1 400	4 300	1 277	5 353	1 990	(3 363)	-168.9%	4 300
Transport Assets		5 261	1 400	4 300	1 277	5 353	1 990	(3 363)	-168.9%	4 300
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	164 805	70 993	68 732	1 553	36 086	39 670	3 583	9.0%	68 732

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M07 January

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									
Depreciation by Asset Class/Sub-class										
Infrastructure		206 254	81 902	81 902	8 457	59 195	47 776	(11 419)	-23.9%	81 902
Roads Infrastructure		—	718	718	—	—	419	419	100.0%	718
Roads		—	718	718	—	—	419	419	100.0%	718
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	36	36	—	—	21	21	100.0%	36
LV Networks		—	36	36	—	—	21	21	100.0%	36
Water Supply Infrastructure		203 581	78 916	78 916	8 233	57 632	46 035	(11 598)	-25.2%	78 916
Dams and Weirs		2 231	2 785	2 785	186	1 301	1 625	323	19.9%	2 785
Boreholes		1 669	471	471	139	973	274	(699)	-254.7%	471
Reservoirs		25 235	7 026	7 026	707	4 946	4 099	(847)	-20.7%	7 026
Pump Stations		7 527	4 451	4 451	536	3 751	2 597	(1 155)	-44.5%	4 451
Water Treatment Works		9 141	6 624	6 624	662	4 637	3 864	(773)	-20.0%	6 624
Bulk Mains		122 833	35 197	35 197	3 885	27 196	20 532	(6 664)	-32.5%	35 197
Distribution		34 865	22 280	22 280	2 112	14 780	12 997	(1 784)	-13.7%	22 280
PRV Stations		80	81	81	7	47	—	0	1.0%	81
Sanitation Infrastructure		2 674	2 231	2 231	223	1 563	1 302	(261)	-20.1%	2 231
Pump Station		197	193	193	17	119	112	(6)	-5.7%	193
Reticulation		1 686	1 717	1 717	140	983	1 001	18	1.8%	1 717
Waste Water Treatment Works		790	322	322	66	461	188	(273)	-145.2%	322
Outfall Sewers		—	—	—	—	—	—	—	—	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Community Assets		1 226	852	852	101	707	497	(210)	-42.3%	852
Community Facilities		1 091	622	622	90	628	363	(266)	-73.3%	622
Halls		—	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Crèches		—	—	—	—	—	—	—	—	—
Clinics/Care Centres		—	—	—	—	—	—	—	—	—
Fire/Ambulance Stations		—	—	—	—	—	—	—	—	—
Testing Stations		—	—	—	—	—	—	—	—	—
Museums		—	—	—	—	—	—	—	—	—
Galleries		—	—	—	—	—	—	—	—	—
Theatres		—	—	—	—	—	—	—	—	—
Libraries		—	—	—	—	—	—	—	—	—
Cemeteries/Crematoria		—	—	—	—	—	—	—	—	—
Police		—	—	—	—	—	—	—	—	—
Purvis		—	—	—	—	—	—	—	—	—
Public Open Space		—	—	—	—	—	—	—	—	—
Nature Reserves		—	—	—	—	—	—	—	—	—
Public Ablution Facilities		—	—	—	—	—	—	—	—	—
Markets		344	—	—	29	200	—	(200)	#DIV/0!	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		748	622	622	61	428	363	(65)	-18.0%	622
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		135	230	230	11	79	134	56	41.4%	230
Outdoor Facilities		135	230	230	11	79	134	56	41.4%	230
Heritage assets		—	—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Other assets		1 608	1 366	1 366	140	980	797	(183)	-23.0%	1 366
Operational Buildings		1 608	1 366	1 366	140	980	797	(183)	-23.0%	1 366
Municipal Offices		1 608	1 312	1 312	140	980	765	(214)	-28.0%	1 312
Pay/Enquiry Points		—	—	—	—	—	—	—	—	—
Building Plan Offices		—	—	—	—	—	—	—	—	—
Workshops		—	—	—	—	—	—	—	—	—
Yards		—	—	—	—	—	—	—	—	—
Stores		—	53	53	—	—	31	31	100.0%	53
Laboratories		—	—	—	—	—	—	—	—	—
Training Centres		—	—	—	—	—	—	—	—	—
Manufacturing Plant		—	—	—	—	—	—	—	—	—
Depots		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Social Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		24	20	20	2	14	12	(2)	-19.3%	20
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		24	20	20	2	14	12	(2)	-19.3%	20
Computer Software and Applications		24	20	20	2	14	12	(2)	-19.3%	20
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		2 791	992	992	156	1 453	579	(875)	-151.2%	992
Computer Equipment		2 791	992	992	156	1 453	579	(875)	-151.2%	992
Furniture and Office Equipment		573	575	575	48	337	336	(1)	-0.4%	575
Furniture and Office Equipment		573	575	575	48	337	336	(1)	-0.4%	575
Machinery and Equipment		1 034	368	368	94	658	214	(444)	-207.0%	368
Machinery and Equipment		1 034	368	368	94	658	214	(444)	-207.0%	368
Transport Assets		3 903	5 241	5 241	271	1 956	3 057	1 102	36.0%	5 241
Transport Assets		3 903	5 241	5 241	271	1 956	3 057	1 102	36.0%	5 241
Land		—	—	—	—	—	—	—	—	—
Land		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
Living resources		—	—	—	—	—	—	—	—	—
Mature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Total Depreciation	1	217 413	91 315	91 315	9 267	65 299	53 267	(12 032)	-22.6%	91 315

2.10 OTHER SUPPORTING DOCUMENTS

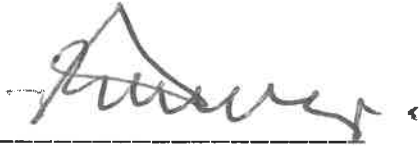
No other financial information outside of information contained in Schedule C is available.

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.



Date: 13/02/2025

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