



INTERNAL MEMO

DATE : 13 MARCH 2025
TO : THE HONOURABLE MAYOR
FROM : MUNICIPAL MANAGER
RE : MONTHLY BUDGET STATEMENT

Kindly find the attached monthly budget statement for your Review, in compliance with the S71 (1) of the Municipal Finance Management Act. The budget statement is for the period ending **28 February 2025**.

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

In terms of S54 of the Municipal Finance Management Act

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

Yours Faithfully

N.S. MSIBI
Chief Financial Officer

R.N HLONGWA
Municipal Manager

"Service Delivery through Integrity"

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

28 FEBRUARY 2025

MFMA S71 REPORT

2024/2025 FINANCIAL YEAR

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GLOSSARY

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

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

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

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

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

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

CFO – Chief Financial Officer

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

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

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

FMG – Financial Management Grant

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

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

MSCOA – Municipal Standard Chart of Accounts

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

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

LED – Local Economic Development

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

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

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

MWIG – Municipal Water Infrastructure Grant

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

R & M – Repairs and Maintenance

SCM - Supply Chain Management

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

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

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

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

The Summary Statement of Financial Performance is prepared in terms of the prescribed budget formats, detailing revenue by source type and expenditure by input type. The summary report indicates the following:

Summary Statement of Financial Performance Revenue and Expenditure

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	865 669 793	858 421 024	598 193 782.04	575 687 254	22 506 527.84	4%	70%
Total Operating Expenditure	767 636 300	1 024 629 881	587 862 220.87	561 404 816	26 457 405.17	5%	57%
Surplus/(Deficit)	98 033 493	-166 208 857	10 331 561.17	14 282 439	-3 950 877.33		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **28 February 2024** is **R598.1 million** which is **70%** of the approved adjustment operating revenue budget. The **R598.1 million** year to date Actual is **below** the **eight months** baseline projection or year-to-date budget of **R575.6 million**, a variance of **R22.5 million or 4% 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 **R54.1 million** which is **68%** 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 **28 February 2024** is **R587.8 million** which is **57%** of the approved adjustment operating expenditure budget. The **R587.8 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R561.4 million**, a variance of **R26.4 million or 5% 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 28 FEBRUARY 2025	APPROVED BUDGET	ADJUSTED BUDGET	RECIEPTS	YTD ACTUAL	VARIANCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	259 542 000	259 542 000	181 706 000.00	226 694 611.41	32 847 388.59	87
Regional Bulk Infrastructure (RBIG)	214 000 000	214 000 000	205 000 000.00	160 786 403.78	53 213 596.22	75
Water services infrastructure Grant (WSIG)	100 000 000	100 000 000	75 000 000.00	84 608 953.36	15 391 046.64	85
Rural Roads Asset Managemnt Systems Grant	2 653 000	2 653 000	1 857 000.00	5 411.67	2 647 588.33	0
Indonsa Grant	1 911 000	1 911 000	955 500.00	169 767.11	1 741 232.89	9
FMG	1 200 000	1 200 000	1 200 000.00	612 021.59	587 978.41	51
EPWP	5 227 000	5 227 000	3 658 000.00	5 227 000.00	-	100
NSF	88 246 119	88 246 119	28 295 504.99	28 295 504.99	59 950 614.01	32
LGSETA Waste Water Employees	443 800	443 800	165 000.00	165 000.00	278 800.00	37
LGSETA MFMP	210 000	210 000	-	210 000.00	-	100
LGSETA-Fire and Rescue- Non Employees	605 136	605 136	558 600.00	558 600.00	46 536.00	92
AMAFA		180 000.00	162 000.00			
	674 038 055	674 038 055.00	498 557 604.99	507 333 273.91	166 704 781.09	75

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	533 953 306	429 151 704.52	342 179 431	86 972 273.71	25%	80%
Total Capital Financing	500 594 868	533 953 306	429 151 704.52	342 179 431	86 972 273.71	25%	80%

Grants receipts and expenditure

Total Capital Expenditure as at **28 February 2024** is **R429.1 million** which is **80%** of the approved adjustment capital budget. The **R429.1 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R342.1 million**, a variance of **R86.9 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 the year-to date budget. **MIG** is at **93%**, **RBIG** is at **79%**, **WSIG** is at **88%** **RRAMG** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	%
Total current assets	612 157 378	153 121 912	132 010 492.39	86
Total non current assets	5 319 118 713	5 868 826 963	5 880 408 412.46	100
Total curent liabilities	468 128 948	549 261 739	400 588 955.63	73
Total non current liabilities	154 477 420	116 837 619	135 465 911.38	116
TOTAL COMMUNITY WEALTH/ EQUITY	4 634 441 230	4 948 466 374	5 476 364 243.84	110.7%

The current assets year to date actual is **R132 million**, which is **86%** of the approved adjustment budget. **Non - Current assets** year to date actual is **R5.8 billion** which is **100%** of the approved adjustment budget. **Current Liabilities** year to date actual is **R400.5 million** which is **73%** of the approved adjustment budget. **Non - Current Liabilities** year to date is **R135.4 million** which is **116%** of the approved adjustment budget. **Accumulated surplus** year to date actual is **R5.4 billion** which is **110.7%** of the approved adjustment budget.

Current assets amount to **R144.6 million**, included in current assets is Cash investment of **R3 million**.

Current liabilities amount to **R400.5 million**, this includes unspent conditional grants amounting to **R48.9 million**.

The Current ratio is 0.33:1 [**135.4 million/400.5 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) - M08 February

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	61 317	5 569	41 338	44 134	(2 796)	-6%	61 317
Service charges - Waste Water Management		16 024	17 732	17 732	2 041	12 765	11 821	944	8%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	230	396	530	316	215	68%	230
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	58	515	548	(33)	-6%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	358	4 674	5 000	(326)	-7%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	1	290	336	(46)	-14%	504
Licence and permits		107	176	283	20	181	139	42	30%	283
Operational Revenue		594	565	1 288	1	975	521	454	87%	1 288
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	580	1	339	801	(461)	-58%	580
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 164	549	536 582	512 071	24 512	5%	768 164
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	858 421	8 993	598 194	575 687	22 507	4%	858 421

The year-to-date actual indicates operating revenue of **R598.1 million** for **eight months**, The **R598.1 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R575.6 million**, a variance of **R22.5 million** or **4%** 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 **R41.3 million** which is **67%** of the approved adjustment budget. The **R41.3 million** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R44.1 million**. A variance of **R2.7 million** or **6%** is observed.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R12.7 million** which is **72%** of the approved adjustment budget. The **R12.7 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R11.8 million**. A variance of **R944 thousand** or **8%** is observed.

Sale of goods and rendering of service

This is the amount on sale of goods and rendering of services, the year-to-date actual is **R530 thousands** which is **230%** of the approved adjustment budget. The **R530 thousands** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R316 thousand**. A variance of **R215 thousand** or **68%** is observed.

There was no sale of tender documents in this period.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R515 thousand**, which is **63%** of the approved adjustment budget. The **R515 thousand** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R548 thousand**. A variance of **R33 thousand** or **6%** 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 **R4.6 million** which is **62%** of the approved adjustment budget. The **R4.6 million** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R5 million**. A variance of **R326 thousand** or **7%** is observed.

The reason for variances can be attributed to the fact that there was no investment by end of reporting period.

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R290 thousand** which is **58%** of the approved adjustment budget. The **R290 thousand** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R336 thousand**. A variance of **R46 thousand** or **14%** is observed

Licences and Permits

Licences and permits year-to-date actual is **R181 thousand** which is **64%** of the approved adjustment budget. the **R181 thousand** year to date actual is **above** the **eight months** baseline

projection or year-to-date budget of **R139 thousand**. A variance of **R42 thousand** or **30%** is observed.

This line item depends on licences renewal and new issued permits.

Operational revenue

Operational revenue year-to-date actual is **R975 thousand** which is **76%** of the approved adjustment budget. the **R975 thousand** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R521 thousand**. A variance of **R454 thousands** or **87%** is observed.

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

NON EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R339 thousand**, which is **58%** of the approved adjustment budget. The **R339 thousand** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R801 thousand**. A variance of **R461 thousand** or **58%** 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 conditions have been met, except for equitable share which is not a conditional grant.

Transfers and subsidies year to date actual is **R536.5 million** which is **70%** of the approved adjustment budget. The **R536.5 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R512. million**. A variance of **R24.5 million** or **5%** 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) - M08 February

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	327 346	26 846	220 783	210 217	10 565	5%	327 346
Remuneration of councillors		10 362	9 465	10 755	866	7 140	6 568	572	9%	10 755
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 824	7 914	12 354	16 558	(4 204)	-25%	24 824
Debt impairment		30 812	6 000	6 000	–	–	4 000	(4 000)	-100%	6 000
Depreciation and amortisation		114 219	91 315	91 315	12 826	78 126	60 877	17 249	28%	91 315
Interest		7 149	7 013	11 976	910	7 896	5 668	2 228	39%	11 976
Contracted services		371 917	203 358	354 916	25 541	138 168	164 485	(26 318)	-16%	354 916
Transfers and subsidies		3 534	2 100	2 365	–	551	1 642	(1 091)	-66%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		238 630	112 988	195 134	11 469	122 846	91 389	31 456	34%	195 134
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		1 145 661	767 636	1 024 630	86 373	587 862	561 405	26 457	5%	1 024 630

The year-to-date actuals indicate spending of **R587.8 million** for **eight months**, which is **57%** of the approved adjustment operating expenditure budget. The **R587.8 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R561.4 million**, a variance of **R26.4 million** or **5%** 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 **R220.7 million** which is **67%** of the approved adjustment budget. The **R220.7 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R210.7 million**. A variance of **R10.5 million** or **5%** is observed.

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

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R7.1 million** which is **66%** of the approved adjustment budget. The **R7.1 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R6.5 million**. A variance of **R572 hundreds** or **9%** is observed. This is the indication that the municipality is trying to spend within the budget. The municipality will be making an adjustment to this line item

Bulk purchases – electricity

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

Inventory Consumed

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is **R12.3 million**. The **R12.3 million** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R16.5 million**. A variance of **R4.2 million** or **25%** is observed.

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

Debt impairment

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

Depreciation

This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R78.1 million** which is **86%** of the approved adjustment budget. The **R78.1 million** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R60.8 million**. A variance of **R17.2 million** or **28%** is observed.

Finance charges

Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is **R7.8 million** which is **66%** of the approved adjustment budget. the **R7.8 million** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R5.6 million**. A variance of **R2.2 million** or **39%** is observed.

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

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R138.1 million** which is **39%** of the approved adjustment budget. The **R138.1 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R164.4 million**. A variance of **R26.3 million** or **18%** is observed.

The municipality has tried to minimise the cost of contracted service

Transfers and subsidies paid.

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is **R551 thousand** which is **23%** of the approved adjustment budget. The **R551 thousand** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R1.6 million**. A variance of **R1 million** or **66%** is observed.

Operational cost

Operational costs are all other expenditure not classified above. The year-to-date actual is **R122.8 million** which is **63%** of the approved adjustment budget. the **R122.8 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R91.3 million**. A variance of **R31.4 million** or **34%** is observed.

The expenditure is monitored by the municipality and the expenditure is kept within the budget.

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 585	1 200 000	612 021.59	800 000	-187 978.41	-23%	51%
EPWP Incentive	5 227 000	5 227 000.00	5 227 000.00	3 484 667	1 742 333.33	50%	100%
Art centre Subsidies (Indonsa Grant)	1 911 000	1 911 000	169 767.11	1 274 000	-1 104 232.89	-87%	9%
National Skills Fund	88 246 119	88 246 119.00	28 247 900.00	58 830 746	-30 582 846.00	-52%	32%
LG SETA	1 258 936	1 258 936.00	723 600.00	839 291	-115 690.67	-14%	57%
Amafa Kazulu Grant		180 000	140 000.00	120 000	20 000.00	17%	78%
Total Operating Grant Expenditure	97 843 640	98 023 055.00	35 120 288.70	65 348 703.33	-30 228 414.63	-0.46	36%

FMG **51%**, EPWP Incentive **100%**, Art center subsidies (Indonsa Grant) **9%**, National skills Fund **32%**, LG SETA – **57%**, Amafa Akwazulu **78%**

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February

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	61 317	5 569	41 338	44 134	(2 796)	-6%	61 317
Service charges - Waste Water Management		16 024	17 732	17 732	2 041	12 765	11 821	944	8%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	230	396	530	316	215	68%	230
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	58	515	548	(33)	-6%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	358	4 674	5 000	(326)	-7%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	1	290	336	(46)	-14%	504
Licence and permits		107	176	283	20	181	139	42	30%	283
Operational Revenue		594	565	1 288	1	975	521	454	87%	1 288
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	580	1	339	801	(461)	-58%	580
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 164	549	536 582	512 071	24 512	5%	768 164
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	858 421	8 993	598 194	575 687	22 507	4%	858 421
Expenditure By Type										
Employee related costs		315 068	310 172	327 346	26 846	220 783	210 217	10 565	5%	327 346
Remuneration of councillors		10 362	9 465	10 755	866	7 140	6 568	572	9%	10 755
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		45 330	25 226	24 824	7 914	12 354	16 558	(4 204)	-25%	24 824
Debt impairment		30 812	6 000	6 000	-	-	4 000	(4 000)	-100%	6 000
Depreciation and amortisation		114 219	91 315	91 315	12 826	78 126	60 877	17 249	28%	91 315
Interest		7 149	7 013	11 976	910	7 896	5 668	2 228	39%	11 976
Contracted services		371 917	203 358	354 916	25 541	138 168	164 485	(26 318)	-16%	354 916
Transfers and subsidies		3 534	2 100	2 365	-	551	1 642	(1 091)	-66%	2 365
Irrecoverable debts written off		8 134	-	-	-	-	-	-		-
Operational costs		238 630	112 988	195 134	11 469	122 846	91 389	31 456	34%	195 134
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		1 145 661	767 636	1 024 630	86 373	587 862	561 405	26 457	5%	1 024 630
Surplus/(Deficit)		(298 889)	98 033	(166 209)	(77 380)	10 332	14 282	(3 951)	(0)	(166 209)
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	573 592	-	417 498	383 609	33 888	0	573 592
Transfers and subsidies - capital (in-kind)		9	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383
Income Tax								-		
Surplus/(Deficit) after income tax		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383

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	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	533 953 306	429 151 704.52	342 179 431	86 972 273.71	25%	80%
Total Capital Financing	500 594 868	533 953 306	429 151 704.52	342 179 431	86 972 273.71	25%	80%

The capital expenditure amounts to **R429.1 million**, which is **80%** of the capital approved budget, after a period of **eight months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February

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)	–	2 319	(2 319)	-100%	3 478
Vote 03 - Finance		70	870	870	–	28	580	(552)	-95%	870
Vote 04 - Community Development		286	174	174	–	–	116	(116)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	497 258	14 810	429 124	332 730	96 394	29%	497 258
Vote 06 - Technical Services		–	6 173	–	–	–	0	(0)	-100%	–
Vote 07 - Water Purification		20	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	32 174	–	–	6 435	(6 435)	-100%	32 174
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	533 953	14 786	429 152	342 179	86 972	25%	533 953
Total Capital Expenditure		662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Executive and council		167	–	–	–	–	–	–		–
Finance and administration		1 621	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Internal audit		155	–	–	–	–	–	–		–
Community and public safety		286	174	174	–	–	116	(116)	-100%	174
Community and social services		286	174	174	–	–	116	(116)	-100%	174
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		75	2 307	2 289	–	–	1 528	(1 528)	-100%	2 289
Planning and development		75	2 307	2 289	–	–	1 528	(1 528)	-100%	2 289
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		660 239	493 766	527 143	14 810	429 124	337 637	91 487	27%	527 143
Energy sources		–	–	–	–	–	–	–		–
Water management		660 239	493 766	527 143	14 810	429 124	337 637	91 487	27%	527 143
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953
Funded by:										
National Government		660 294	496 073	497 258	14 810	429 124	332 730	96 394	29%	497 258
Provincial Government		277	174	174	–	–	116	(116)	-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	497 432	14 810	429 124	332 846	96 278	29%	497 432
Borrowing	6	–	–	32 174	–	–	6 435	(6 435)	-100%	32 174
Internally generated funds		1 963	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Total Capital Funding		662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953

Governance and administration

Governance and administration year-to-date actual is **R28 thousand** which is **1%** of the approved adjustment budget. The **R28 thousand** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R2.8 million**. A variance of **R2.8 million** or **99%** is observed.

Community and public safety

Community and public safety year-to-date actual is **R0** which is **0%** of the approved adjustment budget. the **R0** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R116 thousand**. A variance of **R116 thousand** or **100%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R0 million** which is **0%** of the approved adjustment budget. the **R0** year to date actual is **below** the **eight months** baseline projection or year-to-date budget of **R1.5 million**. A variance of **R1.5 million** or **100%** is observed.

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

Trading services

Trading services year-to-date actual is **R429.1 million** which is **81%** of the approved adjustment budget. the **R429.1 million** year to date actual is **above** the **eight months** baseline projection or year-to-date budget of **R337.6 million**. A variance of **R91.4 million** or **27%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	220 722 693	223 425 217	204 975 133.45	128 754 904	76 220 229.20	59%	92%
Regional Bulk Infrastructure (RBIG)	186 086 957	186 086 957	147 535 727.83	108 550 725	38 985 002.91	36%	79%
Water services Infrastructure Grant (WSIG)	86 956 521	86 956 521	76 612 843.24	50 724 637	25 888 205.99	51%	88%
Rural Roads Asset Managemnt Systems Grant	2 306 957	2 306 957	4 705.80	1 345 725	-1 341 019.12	-100%	0%
Art centre Subsisies (Indonsa Grant)	173 913	173 913	-	101 449	-101 449.25	-100%	0%
Other Assets	4 347 827	4 347 827	28 000.00	2 536 232	-2 508 232.42	-99%	1%
Total Operating Expenditure	500 594 868	503 297 392	429 156 410.32	292 013 673	137 142 737.32	47%	85%

Capital Grant Expenditure as per MFMA circular no. 58

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	259 542 000	256 939 000	226 694 611.41	151 399 500	75 295 111.41	50%	88%
Regional Bulk Infrastructure (RBIG)	214 000 000	214 000 000	160 786 403.78	124 833 331	35 953 072.78	29%	75%
Water services infrastructure Grant (WSIG)	100 000 000	100 000 000	84 608 953.36	58 333 331	26 275 622.36	45%	85%
Rural Roads Asset Managemnt Systems Grant	2 653 000	2 653 000	5 411.67	1 547 581	-1 542 169.33	-100%	0%
Indonsa Grant	200 000	200 000	-	100 000	-100 000.00	-100%	0%
Other Assets	5 000 000	5 000 000	51 871.01	2 500 000	-2 448 128.99	-98%	1%
Total Capital Grant Expenditure	581 395 000	578 792 000	472 147 251	338 713 743	133 433 508	39%	82%

Overall capital grant expenditure is sitting at **82%** of the approved capital budget, **MIG** is sitting at **88%**, **RBIG** at **79%**, **WSIG** at **88%**, **RAMS** at **0%** and **Indonsa Grant** **0%**, **Other assets** **1%**.

1.7. IN-YEAR BUDGET TABLES

The following part of in-year reporting presented below focuses on monthly budget statement tables as required in terms of regulation 28 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's **2024/2025** budget, actual financial performance, actual capital expenditure, actual financial position, and actual cashflow as implemented by the accounting officer in terms of S62 of the MFMA.

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

MBRR Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M08 February

Description	2023/24	Budget Year 2024/25							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	74 901	86 026	79 049	7 611	54 103	55 955	(1 853)	-3%	79 049
Investment revenue	15 458	7 500	7 500	358	4 674	5 000	(326)	-7%	7 500
Transfers and subsidies - Operational	746 444	768 030	768 164	549	536 582	512 071	24 512	0	768 164
Other own revenue	9 969	4 113	3 708	476	2 835	2 661	173	7%	–
Total Revenue (excluding capital transfers and contributions)	846 773	865 670	858 421	8 993	598 194	575 687	22 507	4%	858 421
Employee costs	315 068	310 172	327 346	26 846	220 783	210 217	10 565	5%	327 346
Remuneration of Councillors	10 362	9 465	10 755	866	7 140	6 568	572	9%	10 755
Depreciation and amortisation	114 219	91 315	91 315	12 826	78 126	60 877	17 249	28%	91 315
Interest	7 149	7 013	11 976	910	7 896	5 668	2 228	39%	11 976
Inventory consumed and bulk purchases	45 330	25 226	24 824	7 914	12 354	16 558	(4 204)	-25%	24 824
Transfers and subsidies	3 534	2 100	2 365	–	551	1 642	(1 091)	-66%	2 365
Other expenditure	649 999	322 345	556 049	37 011	261 013	259 875	1 138	0%	556 049
Total Expenditure	1 145 661	767 636	1 024 630	86 373	587 862	561 405	26 457	5%	1 024 630
Surplus/(Deficit)	(298 889)	98 033	(166 209)	(77 380)	10 332	14 282	(3 951)	-28%	(166 209)
Transfers and subsidies - capital (monetary allocations)	768 386	576 195	573 592	–	417 498	383 609	33 888	9%	573 592
Transfers and subsidies - capital (in-kind)	9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	8%	407 383
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	8%	407 383
Capital expenditure & funds sources									
Capital expenditure	662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953
Capital transfers recognised	660 580	496 247	497 432	14 810	429 124	332 846	96 278	29%	497 432
Borrowing	–	–	32 174	–	–	6 435	(6 435)	-100%	32 174
Internally generated funds	1 963	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Total sources of capital funds	662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953
Financial position									
Total current assets	198 117	612 157	153 122		132 010				153 122
Total non current assets	5 529 382	5 319 119	5 868 827		5 880 408				5 868 827
Total current liabilities	551 515	468 129	549 262		400 589				549 262
Total non current liabilities	127 450	154 477	116 838		135 466				116 838
Community wealth/Equity	5 049 921	4 634 441	4 948 466		5 476 364				4 948 466
Cash flows									
Net cash from (used) operating	2 937 672	742 935	483 843	6 458	978 086	322 562	(655 524)	-203%	483 843
Net cash from (used) investing	(661 863)	(500 595)	(533 953)	(14 786)	(429 152)	(355 969)	73 183	-21%	(533 953)
Net cash from (used) financing	89 475	(18 093)	(18 093)	151	(9 683)	(12 062)	(2 380)	20%	(18 093)
Cash/cash equivalents at the month/year end	2 392 711	417 032	(11 132)	596 323	596 323	11 602	(584 721)	-5040%	(11 132)
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	10 994	6 470	5 259	5 552	4 909	5 772	30 045	200 631	269 631
Creditors Age Analysis									
Total Creditors	3 893	2 827	27 923	6 275	10 685	4 450	6 496	607	63 155

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February

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	770 614	1 003	539 309	513 426	25 883	5%	770 614
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		759 290	769 935	770 614	1 003	539 309	513 426	25 883	5%	770 614
Internal audit		–	–	–	–	–	–	–	–	–
<i>Community and public safety</i>		2 285	3 215	2 474	319	491	2 019	(1 528)	-76%	2 474
Community and social services		2 179	1 911	2 091	300	310	1 334	(1 024)	-77%	2 091
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		107	1 304	383	20	181	685	(504)	-74%	383
<i>Economic and environmental services</i>		3 112	2 721	2 653	–	5	1 800	(1 795)	-100%	2 653
Planning and development		3 112	2 721	2 653	–	5	1 800	(1 795)	-100%	2 653
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		848 437	665 936	656 215	7 671	475 863	442 013	33 850	8%	656 215
Energy sources		–	–	–	–	–	–	–	–	–
Water management		832 056	647 830	638 250	5 623	462 944	429 971	32 973	8%	638 250
Waste water management		16 380	18 106	17 965	2 049	12 919	12 043	877	7%	17 965
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	2 045	57	57	–	23	38	(15)	-39%	57
Total Revenue - Functional	2	1 615 168	1 441 865	1 432 013	8 993	1 015 692	959 297	56 395	6%	1 432 013
Expenditure - Functional										
<i>Governance and administration</i>		430 174	312 391	397 557	19 367	218 161	225 601	(7 440)	-3%	397 557
Executive and council		70 543	35 144	40 933	2 844	26 977	24 580	2 397	10%	40 933
Finance and administration		306 776	248 883	293 210	11 822	153 312	175 101	(21 790)	-12%	293 210
Internal audit		52 855	28 364	63 415	4 701	37 872	25 919	11 953	46%	63 415
<i>Community and public safety</i>		27 210	28 084	29 541	2 270	17 025	18 978	(1 953)	-10%	29 541
Community and social services		9 284	9 176	9 901	874	5 192	6 287	(1 095)	-17%	9 901
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		7 301	6 234	7 405	582	5 095	4 390	705	16%	7 405
Housing		–	–	–	–	–	–	–	–	–
Health		10 625	12 674	12 235	814	6 738	8 301	(1 563)	-19%	12 235
<i>Economic and environmental services</i>		29 375	22 960	23 260	1 631	13 656	15 256	(1 601)	-10%	23 260
Planning and development		29 375	22 960	23 260	1 631	13 656	15 256	(1 601)	-10%	23 260
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i>Trading services</i>		646 155	393 586	563 331	62 441	332 669	294 556	38 113	13%	563 331
Energy sources		–	–	–	–	–	–	–	–	–
Water management		633 539	378 362	552 249	61 627	326 038	287 046	38 991	14%	552 249
Waste water management		12 616	15 224	11 082	815	6 631	7 510	(879)	-12%	11 082
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>		12 748	10 615	10 940	663	6 351	7 013	(662)	-9%	10 940
Total Expenditure - Functional	3	1 145 661	767 636	1 024 630	86 373	587 862	561 405	26 457	5%	1 024 630
Surplus/ (Deficit) for the year		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0.0752404	407 383

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

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

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February

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	89 916	-	29 219	59 966	(30 747)	-51.3%	89 916
Vote 03 - Finance		655 776	680 030	680 755	1 003	510 114	453 498	56 615	12.5%	680 755
Vote 04 - Community Development		2 285	3 215	2 474	319	491	2 019	(1 528)	-75.7%	2 474
Vote 05 - Planning & Wsa		775 606	581 490	578 819	-	421 156	387 126	34 030	8.8%	578 819
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		59 562	69 061	62 084	5 623	41 793	44 645	(2 852)	-6.4%	62 084
Vote 09 - Waste Water		16 380	18 106	17 965	2 049	12 919	12 043	877	7.3%	17 965
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	1 615 168	1 441 865	1 432 013	8 993	1 015 692	959 297	56 395	5.9%	1 432 013
Expenditure by Vote	1									
Vote 01 - Council		80 090	45 311	53 038	3 536	33 917	31 736	2 181	6.9%	53 038
Vote 02 - Corporate Services		273 176	211 286	286 880	11 507	142 482	155 977	(13 495)	-8.7%	286 880
Vote 03 - Finance		76 214	59 309	60 548	4 214	38 018	39 671	(1 653)	-4.2%	60 548
Vote 04 - Community Development		58 981	47 801	51 300	4 144	35 904	32 711	3 193	9.8%	51 300
Vote 05 - Planning & Wsa		31 915	27 462	23 789	1 592	12 998	15 811	(2 813)	-17.8%	23 789
Vote 06 - Technical Services		5 354	5 758	5 639	457	2 983	3 811	(828)	-21.7%	5 639
Vote 07 - Water Purification		50 293	47 565	50 610	4 244	35 715	32 323	3 392	10.5%	50 610
Vote 08 - Water Distribution		557 023	307 920	481 744	55 864	279 215	241 856	37 359	15.4%	481 744
Vote 09 - Waste Water		12 616	15 224	11 082	815	6 631	7 510	(879)	-11.7%	11 082
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	1 145 661	767 636	1 024 630	86 373	587 862	561 405	26 457	4.7%	1 024 630
Surplus/ (Deficit) for the year	2	469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	7.5%	407 383

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) - M08 February

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	61 317	5 569	41 338	44 134	(2 796)	-6%	61 317
Service charges - Waste Water Management		16 024	17 732	17 732	2 041	12 765	11 821	944	8%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		760	578	230	396	530	316	215	68%	230
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	58	515	548	(33)	-6%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	358	4 674	5 000	(326)	-7%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		559	504	504	1	290	336	(46)	-14%	504
Licence and permits		107	176	283	20	181	139	42	30%	283
Operational Revenue		594	565	1 288	1	975	521	454	87%	1 288
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	580	1	339	801	(461)	-58%	580
Licence and permits								-		
Transfers and subsidies - Operational		746 444	768 030	768 164	549	536 582	512 071	24 512	5%	768 164
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	858 421	8 993	598 194	575 687	22 507	4%	858 421
Expenditure By Type										
Employee related costs		315 068	310 172	327 346	26 846	220 783	210 217	10 565	5%	327 346
Remuneration of councillors		10 362	9 465	10 755	866	7 140	6 568	572	9%	10 755
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		45 330	25 226	24 824	7 914	12 354	16 558	(4 204)	-25%	24 824
Debt impairment		30 812	6 000	6 000	-	-	4 000	(4 000)	-100%	6 000
Depreciation and amortisation		114 219	91 315	91 315	12 826	78 126	60 877	17 249	28%	91 315
Interest		7 149	7 013	11 976	910	7 896	5 668	2 228	39%	11 976
Contracted services		371 917	203 358	354 916	25 541	138 168	164 485	(26 318)	-16%	354 916
Transfers and subsidies		3 534	2 100	2 365	-	551	1 642	(1 091)	-66%	2 365
Irrecoverable debts written off		8 134	-	-	-	-	-	-		-
Operational costs		238 630	112 988	195 134	11 469	122 846	91 389	31 456	34%	195 134
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		1 145 661	767 636	1 024 630	86 373	587 862	561 405	26 457	5%	1 024 630
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		(298 889)	98 033	(166 209)	(77 380)	10 332	14 282	(3 951)	(0)	(166 209)
Transfers and subsidies - capital (in-kind)		9	-	-	-	-	-	33 888	0	573 592
Surplus/(Deficit) after capital transfers & contributions		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383
Income Tax								-		
Surplus/(Deficit) after income tax		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		469 507	674 228	407 383	(77 380)	427 829	397 892	29 938	0	407 383

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) - M08 February

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)	-	2 319	(2 319)	-100%	3 478
Vote 03 - Finance		70	870	870	-	28	580	(552)	-95%	870
Vote 04 - Community Development		286	174	174	-	-	116	(116)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	497 258	14 810	429 124	332 730	96 394	29%	497 258
Vote 06 - Technical Services		-	6 173	-	-	-	0	(0)	-100%	-
Vote 07 - Water Purification		20	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	32 174	-	-	6 435	(6 435)	-100%	32 174
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	533 953	14 786	429 152	342 179	86 972	25%	533 953
Total Capital Expenditure		662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Executive and council		167	-	-	-	-	-	-	-	-
Finance and administration		1 621	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Internal audit		155	-	-	-	-	-	-	-	-
Community and public safety		286	174	174	-	-	116	(116)	-100%	174
Community and social services		286	174	174	-	-	116	(116)	-100%	174
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		75	2 307	2 289	-	-	1 528	(1 528)	-100%	2 289
Planning and development		75	2 307	2 289	-	-	1 528	(1 528)	-100%	2 289
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		660 239	493 766	527 143	14 810	429 124	337 637	91 487	27%	527 143
Energy sources		-	-	-	-	-	-	-	-	-
Water management		660 239	493 766	527 143	14 810	429 124	337 637	91 487	27%	527 143
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953
Funded by:										
National Government		660 294	496 073	497 258	14 810	429 124	332 730	96 394	29%	497 258
Provincial Government		277	174	174	-	-	116	(116)	-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	497 432	14 810	429 124	332 846	96 278	29%	497 432
Borrowing	6	-	-	32 174	-	-	6 435	(6 435)	-100%	32 174
Internally generated funds		1 963	4 348	4 348	(24)	28	2 899	(2 871)	-99%	4 348
Total Capital Funding		662 543	500 595	533 953	14 786	429 152	342 179	86 972	25%	533 953

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 - M08 February

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	(11 176)	(28 784)	(11 176)
Trade and other receivables from exchange transactions		36 516	79 729	66 307	69 284	66 307
Receivables from non-exchange transactions		5 696	7 109	5 696	5 579	5 696
Current portion of non-current receivables		—	—	—	—	—
Inventory		3 966	2 824	3 966	14 030	3 966
VAT		65 326	80 813	64 744	42 914	64 744
Other current assets		29 542	24 653	23 584	28 987	23 584
Total current assets		198 117	612 157	153 122	132 010	153 122
Non current assets						
Investments						
Investment property						
Property, plant and equipment		5 521 528	5 311 270	5 860 992	5 872 569	5 860 992
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		28	32	8	12	8
Trade and other receivables from exchange transactions		—	—	—	—	—
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		10	—	10	10	10
Total non current assets		5 529 382	5 319 119	5 868 827	5 880 408	5 868 827
TOTAL ASSETS		5 727 500	5 931 276	6 021 949	6 012 419	6 021 949
LIABILITIES						
Current liabilities						
Bank overdraft		—	—	—	—	—
Financial liabilities		18 789	1 556	18 318	9 115	18 318
Consumer deposits		3 381	3 702	3 463	3 371	3 463
Trade and other payables from exchange transactions		491 425	450 406	485 717	297 745	485 717
Trade and other payables from non-exchange transactions		1 446	—	1 446	48 954	1 446
Provision		34 940	2 154	34 940	34 940	34 940
VAT		1 535	10 311	5 378	6 465	5 378
Other current liabilities		—	—	—	—	—
Total current liabilities		551 515	468 129	549 262	400 589	549 262
Non current liabilities						
Financial liabilities		80 455	80 589	69 843	88 471	69 843
Provision		44 070	41 109	44 070	44 070	44 070
Long term portion of trade payables		2 925	32 779	2 925	2 925	2 925
Other non-current liabilities		—	—	—	—	—
Total non current liabilities		127 450	154 477	116 838	135 466	116 838
TOTAL LIABILITIES		678 965	622 606	666 099	536 055	666 099
NET ASSETS	2	5 048 535	5 308 670	5 355 850	5 476 364	5 355 850
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 049 921	4 634 441	4 948 466	5 476 364	4 948 466
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	2	5 049 921	4 634 441	4 948 466	5 476 364	4 948 466

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 28 February 2025 indicates bank overdraft of **R31.7 million**

Call Investments Deposits

Call investments as at 28 February 2025 is **R3 million**.

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R69.2 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R269.6 million**. Consumer debtors' amount to **R296.9 million** of this amount **R30.6 million** is for receivables from non - exchange and **R3.3 million** is for shared services cast in Other Debtors.

Gross Consumer debtors	R296.9 million
Less Impairment	(R227.6 million)
Net Consumer Debtors	R69.2 million

Classification of Consumer Debtors per Service type

Water Debtors	R30.1 million
Sanitation Debtors	R8.08 million
Property Rentals Debtors	R181.2 thousand
Other Consumer debtors	R355.9 thousand
Receivables from non-exchange	R30.6 million
Total	R69.2 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R30.1 million**.
Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R210.9 million
Less Impairment	(R180.8 million)
Net Water Debtors	R30.1 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R8.08 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R54.2 million
Less Impairment	(R46.2 million)
Net Sanitation Debtors	R8.08 million

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amount to **R181.2 thousand**

Property Rental	R412.2 thousand
Less Impairment	(R318.4 thousand)
Net Property rental	R181.2 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R355.9 thousand**, these are sundry debtors.

Gross Other Debtors	R633.5 thousand
Less Impairment	(R277.5 thousand)
Net Other Debtors	R355.9 thousand

➤ **Other receivables from exchange**

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

Opening Balance	R30.2 million
Other receivables from exchange: monthly bill	R332.2 thousand
Less Impairment	(R0)
Net other receivables from exchange	R30.6 million

Classification of Consumer Debtors per Customer group

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

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

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

Receivables from non – exchange

Fruitless expenditure

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

Inventory

The current level of inventory is **R14.03 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R42.9 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 **R28.9 million**.

Deposits Made	R19.4 million
Refunds & under/over banking	R9.5 million
Operating lease	R5 thousand
Total	R28.9 million

➤ **Deposits Made**

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

Eskom Deposits	R19.2 million
Stowel 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 **R9.5 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

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

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

➤ **Operating lease**

operating lease amounts to **R5 thousand**.

NON-CURRENT ASSETS

Long term receivables

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

Property plant and equipment

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment includes current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R5.8 million**.

Opening balance	R5.4 billion
Additions	R429.1 million
Depreciation	(R78.1 million)
Closing Balance	R5.8 billion

Heritage Assets

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

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R12 thousand**

Opening balance	R12 thousand
Additions	R 0
Depreciation	(R0)
Closing Balance	R12 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 **R9.1 million**.

Loan repayment	R8.8 million
Finance lease BCX	R258 thousand
Total Financial liabilities	R9.1 million

Opening balance	R18.7 million
Payment	(R9.6 thousand)
Closing Balance	R9.1 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 **R297.7 million**.

Trade Creditors	R74.1 million
Retention	R104.1 million
Session	R596.6 thousand
Department of Water & Sanitation	R103.4 million
Employee related cost	R1.04 thousand
Advance Payments	R2.3 million
Salary Suspense Accounts	R10.5 million
Other Suspense accounts	R1.2 million
Leave accrual	R109 thousand
Unpaid cheque	R319 thousand
Water tankers	R290 thousand
ESCOM	R192 thousand
Closing Balance	R297.7 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 **R48.9 million**.

Current Provision

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

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

VAT Payables

VAT payable amount to **R6.4 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 **R88.4 million**.

Long term loan	R87.3 million
Operating lease LUMD	R902 thousand
Operating lease long term BCX	R172 thousand

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

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

Non - current Provisions

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

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

Non - current liability DWS

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

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.4 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M08 February

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	56 066	5 859	27 522	37 377	(9 855)	-26%	56 066
Other revenue		2 051 105	121 898	162 405	43 220	835 120	108 270	726 850	671%	162 405
Transfers and Subsidies - Operational		746 330	768 030	767 804	-	537 635	511 869	25 766	5%	767 804
Transfers and Subsidies - Capital		768 386	576 195	573 592	-	463 563	382 395	81 168	21%	573 592
Interest		18 397	7 995	7 995	368	4 751	5 330	(578)	-11%	7 995
Dividends								-		
Payments										
Suppliers and employees		(679 012)	(789 533)	(1 081 298)	(42 988)	(890 505)	(720 866)	169 639	-24%	(1 081 298)
Interest								-		
Transfers and Subsidies		-	(2 415)	(2 720)	-	-	(1 813)	(1 813)	100%	(2 720)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 937 672	742 935	483 843	6 458	978 086	322 562	(655 524)	-203%	483 843
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)	(533 953)	(14 786)	(429 152)	(355 969)	73 183	-21%	(533 953)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(661 863)	(500 595)	(533 953)	(14 786)	(429 152)	(355 969)	73 183	-21%	(533 953)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		100 000	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(9)	3	3	0	(9)	2	(11)	-499%	3
Payments										
Repayment of borrowing		(10 516)	(18 096)	(18 096)	150	(9 674)	(12 064)	(2 391)	20%	(18 096)
NET CASH FROM/(USED) FINANCING ACTIVITIES		89 475	(18 093)	(18 093)	151	(9 683)	(12 062)	(2 380)	20%	(18 093)
NET INCREASE/(DECREASE) IN CASH HELD		2 365 284	224 247	(68 203)	(8 178)	539 252	(45 469)			(68 203)
Cash/cash equivalents at beginning:		27 427	192 785	57 071	604 501	57 071	57 071			57 071
Cash/cash equivalents at month/year end:		2 392 711	417 032	(11 132)	596 323	596 323	11 602			(11 132)

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 **R56.06 million** on service charges, the estimated collection amount is based on the 60% collection rate. The collection rate is also based on previous years actual collection and the initiatives the Municipality has taken to improve collection. The Municipality has collected **R27.5 million** to date. This is **49%** of budgeted collection and **51%** of year-to-date billing.

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

- 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 the 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 strategies 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
Indonsa Grant	R955 thousand
LG SETA	R723.6 thousand
NSF	R28.2 million
Amafa Akwazulu	R162 thousand
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 **R398.5 million**. This amount includes RBIG, MIG, RRAMS, TSUCM_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R181.7 million
Regional Bulk Infrastructure Grant	R205 million
Water Services Infrastructure Grant	R 75 million
Rural Road	R1.8 million
TOTAL	R398.5 million

Interest

Interest on the investment budget is at **R7.5 million**, this estimate is based on the approved budget interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R4.7 million**. Interest on investment revenue on table C4 is **R4.6 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 **R429.1 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in a process of developing an action plan to address these inefficiencies.

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date is **-R28.7 million** in the financial position but in the cash flow, it is **R596.3 million**.

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

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as of 28 February 2024

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February

Description	NT Code	Budget Year 2024/25											
		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	8 642	5 124	4 087	4 489	3 803	4 490	23 877	155 022	209 534	191 681	-	20 650
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	2 250	1 262	1 048	969	924	1 094	5 140	41 460	54 148	49 587	-	5 603
Receivables from Exchange Transactions - Waste Management	1600									-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	16	17	17	17	17	17	199	95	393	344	-	457
Interest on Arrear Debtor Accounts	1810	62	64	62	63	62	62	305	943	1 623	1 435	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-		
Other	1900	24	3	44	14	103	110	524	3 111	3 932	3 862	-	-
Total By Income Source	2000	10 994	6 470	5 259	5 552	4 909	5 772	30 045	200 631	269 631	246 909	-	26 711
2023/24 - totals only		15059329	5077261	5187218	4818151	3896851	3296415	18903787	174540661	230 780	205 456	0	168939074 5/9
Debtors Age Analysis By Customer Group													
Organs of State	2200	5 806	1 962	1 382	1 718	1 376	2 483	7 247	18 097	40 071	30 921	-	-
Commercial	2300	1 407	783	520	537	487	467	2 441	13 100	19 742	17 032	-	-
Households	2400	3 781	3 725	3 357	3 296	3 045	2 823	20 357	169 434	209 818	198 955	-	-
Other	2500									-	-		
Total By Customer Group	2600	10 994	6 470	5 259	5 552	4 909	5 772	30 045	200 631	269 631	246 909	-	-

Total debtors' amount to **R269.6 million**, the debtors over 90 days amount to **R246.9 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 28 February 2024

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description R thousands	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	
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	3 893	2 827	27 923	6 275	10 685	4 450	6 496	607	63 155	62
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions										-	
Total By Customer Type	1000	3 893	2 827	27 923	6 275	10 685	4 450	6 496	607	63 155	62

2.3 INVESTMENT PORTFOLIO

Investments as at 30 November 2024

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M08 February

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands														
Municipality														
ABSA - 9389804742			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	-	0		90 000	90 000
Nedbank - 1766000029			Investment Tracker	Yes	Variable interest rate	0.0908	N/A	N/A	05 September 2024	90 000	-		30 000	120 000
ABSA - 2081673418			Investment Tracker	Yes	Variable interest rate	0.093	N/A	N/A	04 October 2024	120 000			30 000	150 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	150 000			79 053	229 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	19 July 2024	229 053		(11 500)	-	217 553
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	24 July 2024	217 553		(18 500)		199 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	30 July 2024	199 053		(40 000)		159 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	159 053		(70 000)		89 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	89 053		(9 053)		80 000
Nedbank - 1766000029			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	05 September 2024	80 000		(30 000)		50 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	06 September 2024	50 000			25 000	75 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	11 September 2024	75 000		(10 000)		65 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	1.089	N/A	N/A	01 October 2024	65 000		(10 000)		55 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	02 October 2024	55 000		(5 000)		50 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	1.089	N/A	N/A	04 October 2024	50 000		(30 000)		20 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	07 October 2024	20 000			20 000	40 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	09 October 2024	40 000		(11 000)		29 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	3.089	N/A	N/A	17 October 2024	29 000		(3 000)		26 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	4.089	N/A	N/A	23 October 2024	26 000		(6 000)		20 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	9.08	N/A	N/A	21 November 2024	30 000		(30 000)	30 000	30 000
Standard-348465874			Investment Tracker	Yes	Variable interest rate	8.05	N/A	N/A	20 February 2025	30 000		(30 000)	-	-
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.89	N/A	N/A	05 February 2025	-			10 000	10 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.89	N/A	N/A	06 February 2025	10 000		(7 000)	10 000	13 000
Standard-348465874			Investment Tracker	Yes	Variable interest rate	8.05	N/A	N/A	20 February 2025	13 000			30 000	43 000
Standard-348465875			Investment Tracker	Yes	Variable interest rate	9.05	N/A	N/A	20 February 2025	43 000		(20 000)		23 000
Standard-348465876			Investment Tracker	Yes	Variable interest rate	10.05	N/A	N/A	20 February 2025	23 000		(10 000)		13 000
Municipality sub-total										-	-	(351 053)	354 053	3 000
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-	-	(351 053)	354 053	3 000

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February

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	45	506 910	451 076	55 834	12.4%	676 614
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		631 671	670 187	670 187	–	502 640	446 791	55 849	12.5%	670 187
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	–	3 658	3 485	173	5.0%	5 227
Local Government Financial Management Grant		1 200	1 200	1 200	45	612	800	(188)	-23.5%	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	503	701	1 334	(633)	-47.5%	2 091
Capacity Building and Other Grants		4 168	1 911	2 091	503	701	1 334	(633)	-47.5%	2 091
Other transfers and grants [insert description]		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		102 328	89 505	89 459	–	28 972	59 661	(30 689)	-51.4%	89 459
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		1 694	1 259	1 212	–	724	830	(106)	-12.8%	1 212
National Skills Fund		100 634	88 246	88 246	–	28 248	58 831	(30 583)	-52.0%	88 246
Unspecified		–	–	–	–	–	–	–	–	–
Total Operating Transfers and Grants	5	746 444	768 030	768 164	549	536 582	512 071	24 512	4.8%	768 164
Capital Transfers and Grants										
National Government:		768 386	576 195	573 592	–	417 498	383 609	33 888	8.8%	573 592
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		256 512	259 542	256 939	–	181 706	172 507	9 199	5.3%	256 939
Regional Bulk Infrastructure Grant		413 905	214 000	214 000	–	160 786	142 667	18 120	12.7%	214 000
Rural Road Asset Management Systems Grant		2 969	2 653	2 653	–	5	1 769	(1 763)	-99.7%	2 653
Water Services Infrastructure Grant		95 000	100 000	100 000	–	75 000	66 667	8 333	12.5%	100 000
Provincial Government:		–	–	–	–	–	–	–	–	–
Infrastructure Grant		–	–	–	–	–	–	–	–	–
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Other grant providers:		9	–	–	–	–	–	–	–	–
[insert description]		–	–	–	–	–	–	–	–	–
Unspecified		9	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	5	768 395	576 195	573 592	–	417 498	383 609	33 888	8.8%	573 592
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 514 840	1 344 225	1 341 756	549	954 080	895 680	58 400	6.5%	1 341 756

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 when the condition is met.

GRANTS RECEIPTS AND EXPENDITURE

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

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:		896 495	587 778	844 639	73 841	485 186	441 449	43 738	9.9%	844 639
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		875 619	576 385	836 693	73 796	479 344	436 320	43 023	9.9%	836 693
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	–	5 227	3 485	1 742	50.0%	5 227
Local Government Financial Management Grant		1 200	1 201	1 201	45	602	800	(198)	-24.7%	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	833	(825)	-99.0%	1 500
Rural Road Asset Management Systems Grant		2 582	–	18	–	5	10	(5)	-52.9%	18
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		3 630	1 711	1 891	293	310	1 201	(891)	-74.2%	1 891
Capacity Building and Other Grants		3 630	1 711	1 891	293	310	1 201	(891)	-74.2%	1 891
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		102 328	89 505	89 459	–	29 182	59 661	(30 479)	-51.1%	89 459
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		1 694	1 259	1 212	–	934	830	104	12.5%	1 212
National Skills Fund		100 634	88 246	88 246	–	28 248	58 831	(30 583)	-52.0%	88 246
Total operating expenditure of Transfers and Grants:		1 002 453	678 995	935 988	74 135	514 678	502 310	12 367	2.5%	935 988
Capital expenditure of Transfers and Grants										
National Government:		660 294	496 073	497 258	14 810	429 124	332 730	96 394	29.0%	497 258
Municipal Infrastructure Grant		214 555	220 723	223 425	5 923	204 975	150 006	54 969	36.6%	223 425
Regional Bulk Infrastructure Grant		362 622	186 087	184 587	6 436	147 536	123 225	24 311	19.7%	184 587
Rural Road Asset Management Systems Grant		–	2 307	2 289	–	–	1 528	(1 528)	-100.0%	2 289
Water Services Infrastructure Grant		83 116	86 957	86 957	2 450	76 613	57 971	18 642	32.2%	86 957
Provincial Government:		277	174	174	–	–	116	(116)	-100.0%	174
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
Infrastructure Grant		277	174	174	–	–	116	(116)	-100.0%	174
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		9	–	–	–	–	–	–	–	–
Unspecified		9	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		660 580	496 247	497 432	14 810	429 124	332 846	96 278	28.9%	497 432
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 663 033	1 175 242	1 433 420	88 945	943 801	835 156	108 645	13.0%	1 433 420

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February

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	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	587	49	391	380	11	3%	587
Medical Aid Contributions		41	41	51	6	35	29	6	21%	51
Motor Vehicle Allowance		2 224	2 012	2 368	188	1 570	1 413	157	11%	2 368
Cellphone Allowance		859	483	784	65	522	382	140	37%	784
Housing Allowances		180	180	180	-	-	120	(120)	-100%	180
Other benefits and allowances		6 542	6 187	6 785	558	4 621	4 244	377	9%	6 785
Sub Total - Councillors		10 362	9 465	10 755	866	7 140	6 568	572	9%	10 755
% increase	4		-8.7%	3.8%						3.8%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		8 273	8 555	8 185	630	5 074	5 629	(556)	-10%	8 185
Pension and UIF Contributions		356	444	492	17	207	306	(99)	-32%	492
Medical Aid Contributions		117	123	130	6	75	83	(9)	-10%	130
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		707	166	166	-	-	111	(111)	-100%	166
Motor Vehicle Allowance		2 051	1 997	2 678	166	1 336	1 468	(132)	-9%	2 678
Cellphone Allowance		296	317	317	23	191	211	(20)	-9%	317
Housing Allowances		13	13	13	1	9	9	0	4%	13
Other benefits and allowances		442	249	249	22	161	166	(5)	-3%	249
Payments in lieu of leave		255	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		41	-	-	7	7	-	7	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		12 551	11 865	12 230	872	7 060	7 983	(923)	-12%	12 230
% increase	4		-5.5%	-2.6%						-2.6%
Other Municipal Staff										
Basic Salaries and Wages		201 042	221 924	216 595	17 996	142 524	146 884	(4 359)	-3%	216 595
Pension and UIF Contributions		27 014	24 008	30 573	2 471	19 713	17 319	2 394	14%	30 573
Medical Aid Contributions		16 898	17 029	18 301	1 639	12 322	11 607	715	6%	18 301
Overtime		8 782	5 780	5 780	796	6 579	3 853	2 726	71%	5 780
Performance Bonus		13 868	14 733	15 267	532	9 292	9 929	(637)	-6%	15 267
Motor Vehicle Allowance		11 436	12 000	22 844	1 982	15 696	10 169	5 527	54%	22 844
Cellphone Allowance		801	821	821	70	559	547	12	2%	821
Housing Allowances		1 699	1 758	1 758	144	1 169	1 172	(4)	0%	1 758
Other benefits and allowances		5 465	253	3 175	220	2 052	754	1 298	172%	3 175
Payments in lieu of leave		6 307	-	-	41	1 437	-	1 437	#DIV/0!	-
Long service awards		3 289	-	-	70	1 634	-	1 634	#DIV/0!	-
Post-retirement benefit obligations	2	5 352	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		562	-	-	11	746	-	746	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		302 517	298 307	315 116	25 974	213 722	202 234	11 488	6%	315 116
% increase	4		-1.4%	4.2%						4.2%
Total Parent Municipality		325 430	319 637	338 101	27 712	227 922	216 786	11 137	5%	338 101

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 - M08 February

Description	Ref	Budget Year 2024/25												2024/25 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget			
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	4 638	3 543	3 543	3 543	11 126	42 522	49 394	51 666
Service charges - Waste Water Management		850	812	635	876	713	755	895	1 221	1 129	1 129	1 129	3 401	13 544	14 167	14 819
Service charges - Waste Mangement													-			
Rental of facilities and equipment		37	45	45	41	41	41	41	1	90	90	90	520	1 084	1 133	1 186
Interest earned - external investments		13	328	949	2 473	44	153	356	358	625	625	625	951	7 500	7 845	8 206
Interest earned - outstanding debtors		5	10	30	3	7	7	6	10	41	41	41	294	495	517	541
Dividends received													-			
Fines, penalties and forfeits		60	42	93	98	9	36	-	1	48	48	48	96	580	1 534	1 605
Licences and permits		9	18	16	16	58	27	17	20	24	24	24	31	283	184	193
Agency services													-			
Transfers and Subsidies - Operational		280 201	2 506	724	9 176	2 514	242 515	-	-	63 984	63 984	63 984	38 218	767 804	711 934	751 994
Other revenue		309 866	29 319	157 169	129 368	67 379	40 854	57 153	43 198	13 372	13 372	13 372	(713 962)	160 459	115 870	152 732
Cash Receipts by Source		592 963	35 589	161 548	145 430	72 593	286 514	60 945	49 446	82 856	82 856	82 856	(659 326)	994 269	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	-	-	47 799	47 799	47 799	(33 369)	573 592	651 991	923 733
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(12)	-	-	2	0	0	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	49 446	130 655	130 655	130 655	(692 684)	1 567 865	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	16 509	27 279	27 279	27 279	28 293	327 346	324 440	339 364
Remuneration of councillors		994	803	833	1 071	784	900	955	860	896	896	896	867	10 755	9 901	10 356
Interest													-			
Bulk purchases - Electricity		7 119	17 024	11 255	13 098	10 123	12 073	7 276	6 841	-	-	-	(84 808)	-	-	-
Acquisitions - water & other inventory		-	-	2 095	1 215	-	1 311	2 561	426	2 379	2 379	2 379	13 803	28 548	30 344	31 740
Contracted services		(81 828)	(62 124)	(48 301)	(59 251)	(25 088)	(30 035)	1 425	(14 709)	40 701	40 701	40 701	686 223	488 414	216 969	258 482
Transfers and subsidies - other municipalities													-			
Transfers and subsidies - other		-	-	-	-	-	-	-	-	227	227	227	2 040	2 720	2 526	2 642
Other expenditure		300 056	118 530	87 702	95 281	63 109	165 450	13 660	33 061	18 686	18 686	18 686	(708 672)	224 235	135 672	141 913
Cash Payments by Type		254 569	101 795	81 936	80 432	78 325	178 759	54 965	42 988	90 168	90 168	90 168	(62 256)	1 082 018	719 853	784 498
Other Cash Flows/Payments by Type																
Capital assets		93 315	64 218	59 111	74 889	54 560	68 273	-	14 786	44 496	44 496	44 496	(28 687)	533 953	571 681	808 197
Repayment of borrowing		-	138	138	277	-	8 856	415	(150)	1 508	1 508	1 508	3 899	18 096	17 430	16 913
Other Cash Flows/Payments		4 705	3 825	1 754	5 282	578	308	284	-	167	167	167	(15 235)	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	57 624	136 339	136 339	136 339	(102 279)	1 636 068	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	(8 178)	(5 684)	(5 684)	(5 684)	(590 404)	(68 203)	242 607	283 067
Cash/cash equivalents at the month/year beginning:		57 071	416 486	408 956	465 225	484 777	503 909	599 219	604 501	596 323	590 639	584 956	579 272	57 071	(11 132)	231 475
Cash/cash equivalents at the month/year end:		416 486	408 956	465 225	484 777	503 909	599 219	604 501	596 323	590 639	584 956	579 272	(11 132)	(11 132)	231 475	524 543

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

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

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

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

2.7 PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.8 MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The Municipality does not have any active entities.

2.9 CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M08 February

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%	17%
August	57 911	42 130	42 130	64 218	64 218	84 260	20 042	23.8%	12%
September	49 277	42 130	42 130	59 111	59 111	126 390	67 279	53.2%	11%
October	113 514	41 961	41 961	74 889	74 889	168 352	93 463	55.5%	14%
November	90 763	41 961	41 961	54 560	54 560	210 313	155 754	74.1%	10%
December	101 101	41 961	41 961	68 273	68 273	252 275	184 001	72.9%	13%
January	10 678	41 961	41 961	–	–	294 236	294 236	100.0%	0%
February	10 959	47 944	47 944	14 786	14 786	342 179	327 393	95.7%	3%
March	97 963	47 944	47 944	–	–	390 123	390 123	100.0%	0%
April	53 993	47 944	47 944	–	–	438 066	438 066	100.0%	–
May	1 240	47 944	47 944	–	–	486 010	486 010	100.0%	–
June	74 867	47 943	47 943	–	–	533 953	533 953	100.0%	–
Total Capital expenditure	662 266	533 953	533 953	429 152					

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 - M08 February

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	497 258	14 810	429 124	332 730	(96 394)	-29.0%	497 258
Roads Infrastructure		—	2 307	2 289	—	—	1 528	1 528	100.0%	2 289
Roads		—	2 307	2 289	—	—	1 528	1 528	100.0%	2 289
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		660 219	489 059	494 969	14 810	429 124	330 081	(99 042)	-30.0%	494 969
Dams and Weirs		—	—	—	—	—	—	—	—	—
Boreholes		35 737	43 631	32 670	—	26 756	25 728	(1 028)	-4.0%	32 670
Reservoirs		9 197	1 593	4 965	—	3 379	3 310	(70)	-2.1%	4 965
Pump Stations		—	—	—	—	—	—	—	—	—
Water Treatment Works		123 018	97 849	132 966	2 029	126 209	82 319	(43 889)	-53.3%	132 966
Bulk Mains		450 780	294 587	290 528	11 737	240 405	195 530	(44 875)	-23.0%	290 528
Distribution		41 487	45 046	33 840	1 044	32 374	23 194	(9 180)	-39.6%	33 840
Distribution Points		—	6 354	—	—	—	0	0	100.0%	—
Sanitation Infrastructure		—	4 707	—	—	—	1 121	1 121	100.0%	—
Pump Station		—	—	—	—	—	—	—	—	—
Reticulation		—	4 707	—	—	—	1 121	1 121	100.0%	—
Toilet Facilities		—	—	—	—	—	—	—	—	—
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		—	—	—	—	—	—	—	—	—
Community Facilities		—	—	—	—	—	—	—	—	—
Centres		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		—	—	—	—	—	—	—	—	—
Heritage assets		—	—	—	—	—	—	—	—	—
Works of Art		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Other assets		—	—	—	—	—	—	—	—	—
Operational Buildings		—	—	—	—	—	—	—	—	—
Municipal Offices		—	—	—	—	—	—	—	—	—
Housing		—	—	—	—	—	—	—	—	—
Staff 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	(24)	28	2 609	2 581	98.9%	3 913
Computer Equipment		624	3 913	3 913	(24)	28	2 609	2 581	98.9%	3 913
Furniture and Office Equipment		348	435	435	—	—	290	290	100.0%	435
Furniture and Office Equipment		348	435	435	—	—	290	290	100.0%	435
Machinery and Equipment		432	174	32 348	—	—	6 551	6 551	100.0%	32 348
Machinery and Equipment		432	174	32 348	—	—	6 551	6 551	100.0%	32 348
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		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Total Capital Expenditure on new assets	1	662 543	500 595	533 953	14 786	429 152	342 179	(86 972)	-25.4%	533 953

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08 February

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		159 095	67 193	126 776	19 723	49 926	54 367	4 441	8.2%	126 776
Roads Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection		-	-	-	-	-	-	-		-
Electrical Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Water Supply Infrastructure		159 095	67 193	126 776	19 723	49 926	54 367	4 441	8.2%	126 776
Bulk Mains		82 066	19 966	14 790	3 579	7 724	9 930	2 206	22.2%	14 790
Distribution		-	-	-	-	-	-	-		-
Distribution Points		77 029	47 227	111 986	16 144	42 202	44 437	2 235	5.0%	111 986
Sanitation Infrastructure		-	-	-	-	-	-	-		-
Waste Water Treatment Works		-	-	-	-	-	-	-		-
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Landfill Sites		-	-	-	-	-	-	-		-
Rail Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Coastal Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Capital Spares		-	-	-	-	-	-	-		-
Community Assets		1 739	-	-	-	-	-	-		-
Community Facilities		1 739	-	-	-	-	-	-		-
Airports		1 739	-	-	-	-	-	-		-
Sport and Recreation Facilities		-	-	-	-	-	-	-		-
Indoor Facilities		-	-	-	-	-	-	-		-
Heritage assets		-	-	-	-	-	-	-		-
Monuments		-	-	-	-	-	-	-		-
Investment properties		-	-	-	-	-	-	-		-
Revenue Generating		-	-	-	-	-	-	-		-
Unimproved Property		-	-	-	-	-	-	-		-
Non-revenue Generating		-	-	-	-	-	-	-		-
Unimproved Property		-	-	-	-	-	-	-		-
Other assets		974	2 000	1 950	4	422	1 317	894	67.9%	1 950
Operational Buildings		974	2 000	1 950	4	422	1 317	894	67.9%	1 950
Municipal Offices		974	2 000	1 950	4	422	1 317	894	67.9%	1 950
Housing		-	-	-	-	-	-	-		-
Staff Housing		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Biological or Cultivated Assets		-	-	-	-	-	-	-		-
Intangible Assets		-	-	-	-	-	-	-		-
Servitudes		-	-	-	-	-	-	-		-
Licences and Rights		-	-	-	-	-	-	-		-
Unspecified		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Computer Equipment		-	-	-	-	-	-	-		-
Furniture and Office Equipment		-	300	300	-	-	200	200	100.0%	300
Furniture and Office Equipment		-	300	300	-	-	200	200	100.0%	300
Machinery and Equipment		-	100	165	27	139	98	(40)	-41.1%	165
Machinery and Equipment		-	100	165	27	139	98	(40)	-41.1%	165
Transport Assets		5 261	1 400	9 167	639	5 992	3 426	(2 567)	-74.9%	9 167
Transport Assets		5 261	1 400	9 167	639	5 992	3 426	(2 567)	-74.9%	9 167
Land		-	-	-	-	-	-	-		-
Land		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-		-
Living resources		-	-	-	-	-	-	-		-
Mature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Immature		-	-	-	-	-	-	-		-
Policing and Protection		-	-	-	-	-	-	-		-
Zoological plants and animals		-	-	-	-	-	-	-		-
Total Repairs and Maintenance Expenditure	1	167 070	70 993	138 358	20 393	56 479	59 407	2 928	4.9%	138 358

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M08 February

Description	Ref	2023/24	Budget Year 2024/25							Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		103 060	81 902	81 902	12 037	71 232	54 601	(16 631)	-30.5%	81 902
Roads Infrastructure		—	718	718	—	—	478	478	100.0%	718
Roads		—	718	718	—	—	478	478	100.0%	718
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Attenuation		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	36	36	—	—	24	24	100.0%	36
LV Networks		—	36	36	—	—	24	24	100.0%	36
Water Supply Infrastructure		100 387	78 916	78 916	11 814	69 446	52 611	(16 835)	-32.0%	78 916
Dams and Weirs		2 231	2 785	2 785	186	1 487	1 857	370	19.9%	2 785
Boreholes		1 669	471	471	139	1 112	314	(799)	-254.7%	471
Reservoirs		8 694	7 026	7 026	1 103	6 049	4 684	(1 364)	-29.1%	7 026
Pump Stations		6 447	4 451	4 451	577	4 328	2 968	(1 360)	-45.8%	4 451
Water Treatment Works		8 007	6 624	6 624	796	5 433	4 416	(1 016)	-23.0%	6 624
Bulk Mains		47 727	35 197	35 197	6 387	33 583	23 465	(10 118)	-43.1%	35 197
Distribution		25 532	22 280	22 280	2 621	17 401	14 853	(2 548)	-17.2%	22 280
PRV Stations		80	81	81	7	54	54	1	1.0%	81
Sanitation Infrastructure		2 674	2 231	2 231	223	1 786	1 488	(298)	-20.1%	2 231
Pump Station		197	193	193	17	136	128	(7)	-5.7%	193
Reticulation		1 686	1 717	1 717	140	1 124	1 145	21	1.8%	1 717
Waste Water Treatment Works		790	322	322	66	527	215	(312)	-145.2%	322
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Community Assets		1 226	852	852	101	808	568	(240)	-42.2%	852
Community Facilities		1 091	622	622	90	718	414	(303)	-73.2%	622
Markets		344	—	—	29	229	—	(229)	#DIV/0!	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		748	622	622	61	489	414	(74)	-17.9%	622
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		135	230	230	11	90	153	64	41.4%	230
Outdoor Facilities		135	230	230	11	90	153	64	41.4%	230
Heritage assets		—	—	—	—	—	—	—	—	—
Other Heritage		—	—	—	—	—	—	—	—	—
Investment properties		—	—	—	—	—	—	—	—	—
Revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Other assets		1 608	1 366	1 366	140	1 119	910	(209)	-23.0%	1 366
Operational Buildings		1 608	1 366	1 366	140	1 119	910	(209)	-23.0%	1 366
Municipal Offices		1 608	1 312	1 312	140	1 119	875	(244)	-27.9%	1 312
Stores		—	53	53	—	—	36	36	100.0%	53
Housing		—	—	—	—	—	—	—	—	—
Staff Housing		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
Intangible Assets		24	20	20	2	16	13	(3)	-19.2%	20
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		24	20	20	2	16	13	(3)	-19.2%	20
Computer Software and Applications		24	20	20	2	16	13	(3)	-19.2%	20
Unspecified		—	—	—	—	—	—	—	—	—
Computer Equipment		2 791	992	992	158	1 611	661	(950)	-143.7%	992
Computer Equipment		2 791	992	992	158	1 611	661	(950)	-143.7%	992
Furniture and Office Equipment		573	575	575	48	385	384	(1)	-0.4%	575
Furniture and Office Equipment		573	575	575	48	385	384	(1)	-0.4%	575
Machinery and Equipment		1 034	368	368	93	751	245	(506)	-206.6%	368
Machinery and Equipment		1 034	368	368	93	751	245	(506)	-206.6%	368
Transport Assets		3 903	5 241	5 241	247	2 203	3 494	1 291	37.0%	5 241
Transport Assets		3 903	5 241	5 241	247	2 203	3 494	1 291	37.0%	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	114 219	91 315	91 315	12 826	78 126	60 877	(17 249)	-28.3%	91 315

2.10 OTHER SUPPORTING DOCUMENTS

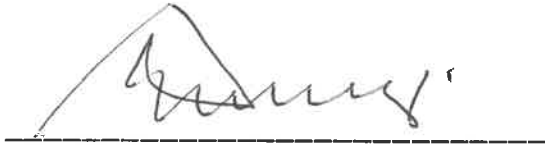
No other financial information outside of information contained in Schedule C is available.

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.



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

Date: 2025/03/13