

# **ZULULAND DISTRICT MUNICIPALITY**



## **MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED**

**31 JULY 2024**

**MFMA S71 REPORT**

**2024/2025 FINANCIAL YEAR**

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## GLOSSARY

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

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

**AFS** – Annual Financial Statements.

**Budget** – the financial plan of the municipality.

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

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

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

**CFO** – Chief Financial Officer

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

**DWAF** – Department of Water Affairs

**EPWP** – Expanded Public Works Program

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

**FMG** – Financial Management Grant

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

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

**MSCOA** – Municipal Standard Chart of Accounts

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

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

**LED** – Local Economic Development

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

**MIG** – Municipal Infrastructure Grant

**MSIG** – Municipal Systems Improvement Grant

**WSIG** – Water services Infrastructure Grant

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

**MWIG** – Municipal Water Infrastructure Grant

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

**R & M** – Repairs and Maintenance

**SCM** - Supply Chain Management

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

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

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

**Virement** – transfer of budget

**ZDM** – Zululand District Municipality

## PART 1 – IN-YEAR REPORT

### 1.1. MAYORS REPORT

To be attached

### 1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

### 1.3. EXECUTIVE SUMMARY

#### BUDGET PERFORMANCE ANALYSIS

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

#### Summary Statement of Financial Performance

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	865 669 793	284 016 252	72 139 126	211 877 126	294%	33%
Total Operating Expenditure	767 636 300	41 839 750	63 556 181	-21 716 432	-34%	5%
Surplus/(Deficit)	98 033 493	242 176 503	8 582 945	233 593 558		

#### Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 July 2024** is **R284.01 million** which is **33%** of the approved operating revenue budget. The **R284.01 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R72.1 million**, a variance of **R211.8 million** or **294%** 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 **R4.4 million** which is **2%** of the total generated exchange revenue.

#### Major Variances between actuals 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, service charges water and sanitation revenue, interest on outstanding debtors, fines, penalties and forfeits and other revenue which are moving at a pace slower than year to date budget.

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

## Operating Expenditure Performance

Total Operating Expenditure as at **31 July 2024** is **R41.8 million** which is **5%** of the approved operating expenditure budget. The **R41.8 million** year to date actual is **below** the **one** month baseline projection or year-to-date budget of **R63.5 million**, a variance of **R21.7 million** or **34%** is observed.

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

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

## Capital Expenditure and Funding

### Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	93 314 851	65 874 543	42 130 085	64%	19%
Total Capital Financing	500 594 868	93 314 851	65 874 543	42 130 085	64%	19%

Total Capital Expenditure as at **31 July 2024** is **R93.3 million** which is **19%** of the approved capital budget. The **R93.3 million** year to date actual is **above** the **one** month baseline projection or year-to-date budget of **R65.8 million**, a variance of **R42.1 million** or **64%** of the received grants is observed.

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

## Major Variances between actuals and year to date budget on Capital expenditure

Reasons for variances can be attributed to capital grants not being spent at similar pace as year to date budget. **MIG** is at **31%**, **RBIG** is at **0%**, **WSIG** is at **31%** **RRAMG** is at **0%**.

## Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	612 157 378	338 218 644	55
Total non current assets	5 931 276 091	5 635 577 094	95
Total current liabilities	468 128 948	261 192 322	56
Total non current liabilities	154 477 420	157 684 897	102
<b>TOTAL COMMUNITY WEALTH/ EQUITY</b>	<b>4 634 441 230</b>	<b>5 554 918 518</b>	<b>119.9%</b>

**The current assets** year to date actual is **R338.2 million** which is **55%** of the approved budget. **Non - Current assets** year to date actual is **R5.6 billion** which is **95%** of the approved budget. **Current Liabilities** year to date actual is **R261.1 million** which is **56%** of the approved budget. **Non - Current Liabilities** year to date is **R157.6 million** which is **102%** of the approved budget. **Accumulated surplus** year to date actual is **R5.5 billion** which is **119.9%** of the approved budget.

Current assets amount to **R338.2 million**, included in current assets is Cash of **R159.6 million**.

Current liabilities amount to **R261.1 million**, this includes unspent conditional grants amounting to **R30.2 million**.

The Current ratio is 1.2:1 [**338.2 million/261.1 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) - M01 July

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		58 877	68 294	68 294	3 065	3 065	5 691	(2 626)	-46%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 421	1 421	1 478	(57)	-4%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		735	578	578	-	-	48	(48)	-100%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	80	80	69	11	16%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	13	13	625	(612)	-98%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		549	504	504	42	42	42	0	1%	504
Licence and permits		107	176	176	9	9	15	(6)	-39%	176
Operational Revenue		594	565	565	81	81	47	34	72%	565
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	60	60	122	(62)	-51%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		743 789	768 030	768 030	279 245	279 245	64 003	215 242	336%	768 030
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		680	-	-	-	-	-	-		-
Other Gains		0	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		838 378	865 670	865 670	284 016	284 016	72 139	211 877	294%	865 670

The year-to-date actual indicates operating revenue of **R284.01 million** for **one month**, The **R284.01 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R72.1 million**, a variance of **R211.8 million** or **294%** is observed. The total revenue to-date represents **33%** of the operating revenue budget. Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

The sources of funding are important to ensure that the expenditure is funded, and cash backed. Each line item on the face of financial performance is explained below:



## EXCHANGE REVENUE

### Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R3.06 million** which is **4%** of the approved budget. The **R3.06 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R5.6 million**. A variance of **R2.6 million** or **46%** 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 **R1.42 million** which is **8%** of the approved budget. the **R1.42 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R1.47 million**. A variance of **R57 thousand** or **4%** 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 **R0 thousands** which is **0%** of the approved budget. the **R0 thousands** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R48 thousand**. A variance of **R48 thousand** or **100%** is observed.

Reason for the variance can be attribute to the fact that no sale of tender documents took place during the reporting period.

### Interest on investment

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R13 thousand** which is **0%** of the approved budget. The **R13 thousand** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R625 thousand**. A variance of **R612 thousand** or **98%** is observed.

Reasons for variances can be attributed fact that there was no cash available to be invested.

### Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is **R80 thousand** which is **10%** of the approved budget. The **R80 thousand** year to date actual is **above** the **one-month** baseline projection or year-to-date budget of **R69 thousand**. A variance of **R11 thousand** or **16%** is observed.

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

### Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R42.3 thousand** which is **8%** of the approved budget. the **R42.3 thousand** year to date actual is

**above** the **one-month** baseline projection or year-to-date budget of **R41.9 thousand**. A variance of **R0** or **1%** is observed.

### **Licences and Permits**

Licences and permits year-to-date actual is **R9 thousand** which is **5%** of the approved budget. the **R9 thousand** year to date actual is **below one month** baseline projection or year-to-date budget of **R15 thousand**. A variance of less than **R6 thousand** or **39%** is observed.

### **Operational revenue**

Operational revenue year-to-date actual is **R81 thousand** which is less than **14%** of the approved budget. the **R81 thousand** year to date actual is **above to one month** baseline projection or year-to-date budget of **R47 thousand**. A variance of **R34** or **72%** is observed.

### **NON EXCHANGE REVENUE**

#### **Fines, penalties, and forfeits**

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is **R60 thousand** which is **4%** of the approved budget. the **R60 thousand** year to date actual is **below** the **one** month baseline projection or year-to-date budget of **R122 thousand**. A variance of **R62 thousand** or **51%** is observed.

Reasons for variances can be attributed to a positive indication that more consumers who were illegally connected are disconnected.

Municipality must keep up the disconnection of illegal connections.

### **Transfers and subsidies**

Transfers and subsidies (grants) are amounts gazetted as per Division of Revenue act (DoRA), 2024; and provincial gazette, Transfers and subsidies is revenue recognized as operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Transfers and subsidies (Grants) are recognised/recorded as revenue when condition has been met, except for equitable share which is not a conditional grant.

Transfers and subsidies year to date actual is **R279.2 million** which is **36%** of the approved budget. The **R279.2 million** year to date actual is **above** the **one month** baseline projection or year-to-date budget of **R64 million**. A variance of **R215.2 million** or **336%** 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. Equitable share and Indonsa Grant have been received.

## 1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

2020-2021 Annual Budget Statement - Financial Performance (Revenue and Expenditure) - Monthly										
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		307 126	310 172	310 172	26 813	26 813	25 848	965	4%	310 172
Remuneration of councillors		10 362	9 465	9 465	822	822	789	34	4%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		23 897	25 226	25 226	385	385	2 102	(1 718)	-82%	25 226
Debt impairment		-	6 000	6 000	-	-	500	(500)	-100%	6 000
Depreciation and amortisation		113 421	91 315	91 315	6 667	6 667	7 610	(943)	-12%	91 315
Interest		7 845	7 013	7 013	-	-	584	(584)	-100%	7 013
Contracted services		309 677	203 358	198 392	5 085	5 085	16 533	(11 447)	-69%	198 392
Transfers and subsidies		2 950	2 100	2 200	-	-	183	(183)	-100%	2 200
Irrecoverable debts written off		5 868	-	-	-	-	-	-		-
Operational costs		203 669	112 988	112 888	2 068	2 068	9 407	(7 339)	-78%	112 888
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		985 319	767 636	762 670	41 840	41 840	63 556	(21 716)	-34%	762 670

The year-to-date actual indicates spending of **R41.8 million** for **one month**, which is **5%** of the approved operating expenditure budget. The **R41.8 million** year to date actual is **below** the **one month** baseline projection or year-to-date budget of **R63.5 million**, a variance of **R21.7 million** or **34%** is observed. This indicate the positive movement or savings.

### Employee Related Costs

Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is **R26.8 million** which is **9%** of the approved budget. the **R26.8 million** year to date actual is **above** the **one-month** baseline projection or year-to-date budget of **R25.8 million**. A variance of **965 thousand** or **4%** is observed.

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

### Remuneration of Councillors

Remuneration of Councilors are amounts paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R822 thousand** which is **9%** of the approved budget. the **R822 thousand** year to date actual is **above** the **one** month baseline projection or year-to-date budget of **R789 thousand**. A variance of **R34 thousand** or **4%** is observed. This is the good indication that the municipality is trying to spend within the budget.

### **Bulk purchases – electricity**

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

### **Inventory Consumed**

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is **R385 thousand** which is **2%** of the approved budget. the **R385 thousand** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R2.1 million**. A variance of **R1.7 million** or **82%** is observed.

### **Debt impairment**

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

### **Depreciation**

This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R6.6 million** which is **7%** of the approved budget. The **R6.6 million** year to date actual is below the **one-month** baseline projection or year-to-date budget of **R7.6 million**. A variance of **R943 thousand** or **12%** is observed.

### **Finance charges**

Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R584 thousand**. A variance of **R584 thousand** or **100%** is observed.

### **Contracted services**

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R5.08 million** which is **3%** of the approved budget. the **R5.08 million** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R16.5 million**. A variance of **R11.4 million** or **69%** is observed.

### **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 **R0** which is **0%** of the approved budget. The **R0 million** year to date actual is a little **below** the **one-month** baseline projection or year-to-date budget of **R183 thousand**. A variance of **R183 thousand** or **100%** is observed.

## Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R2.06 million** which is **2%** of the approved budget. the **R2.06 million** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R9.4 million**. A variance of **R7.3 million** or **78%** is observed.

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

## Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 000	44 092	100 000	-55 908	-56%	4%
EPWP Incentive	5 227 000	1 177 444	435 583	741 861	170%	23%
Art centre Subsidies (Indonsa Grant)	1 911 000	-	159 250	-159 250	-100%	0%
National Skills Fund	88 246 119		7 353 843	-7 353 843	-100%	
LG SETA	1 258 936		104 911	-104 911	-100%	
<b>Total Operating Grant Expenditure</b>	<b>97 843 055</b>	<b>1 221 536</b>	<b>694 833</b>	<b>526 702</b>	<b>0</b>	<b>11%</b>

FMG **4%**, EPWP Incentive **23%**, Art center subsidies (Indonsa Grant) **0%**, National skills Fund **0%** and LG SETA **0%**

# Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M01 July

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		58 877	68 294	68 294	3 065	3 065	5 691	(2 626)	-46%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 421	1 421	1 478	(57)	-4%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		735	578	578	-	-	48	(48)	-100%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	80	80	69	11	16%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	13	13	625	(612)	-98%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		549	504	504	42	42	42	0	1%	504
Licence and permits		107	176	176	9	9	15	(6)	-39%	176
Operational Revenue		594	565	565	81	81	47	34	72%	565
Non-Exchange Revenue								-		
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	60	60	122	(62)	-51%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		743 789	768 030	768 030	279 245	279 245	64 003	215 242	336%	768 030
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		680	-	-	-	-	-	-		-
Other Gains		0	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		838 378	865 670	865 670	284 016	284 016	72 139	211 877	294%	865 670
Expenditure By Type										
Employee related costs		307 126	310 172	310 172	26 813	26 813	25 848	965	4%	310 172
Remuneration of councillors		10 362	9 465	9 465	822	822	789	34	4%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		23 897	25 226	25 226	385	385	2 102	(1 718)	-82%	25 226
Debt impairment		-	6 000	6 000	-	-	500	(500)	-100%	6 000
Depreciation and amortisation		113 421	91 315	91 315	6 667	6 667	7 610	(943)	-12%	91 315
Interest		7 845	7 013	7 013	-	-	584	(584)	-100%	7 013
Contracted services		309 677	203 358	198 392	5 085	5 085	16 533	(11 447)	-69%	198 392
Transfers and subsidies		2 950	2 100	2 200	-	-	183	(183)	-100%	2 200
Irrecoverable debts written off		5 868	-	-	-	-	-	-		-
Operational costs		203 669	112 988	112 888	2 068	2 068	9 407	(7 339)	-78%	112 888
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		985 319	767 636	762 670	41 840	41 840	63 556	(21 716)	-34%	762 670
Surplus/(Deficit)		(146 941)	98 033	102 999	242 177	242 177	8 583	233 594	0	102 999
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	106 350	106 350	48 016	58 333	0	576 195
Transfers and subsidies - capital (in-kind)		28	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194
Income Tax								-		
Surplus/(Deficit) after income tax		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194

## 1.6. CAPITAL EXPENDITURE AND FUNDING

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

The summary report indicates the following: -

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	93 314 851	65 874 543	42 130 085	64%	19%
Total Capital Financing	500 594 868	93 314 851	65 874 543	42 130 085	64%	19%

The capital expenditure amounts to **R93.3 million** which is **19%** of the capital approved budget, after a period of **one month**.

# Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M01 July

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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Council		-	-	-	-	-	-	-		-
Vote 02 - Corporate Services		-	-	-	-	-	-	-		-
Vote 03 - Finance		-	-	-	-	-	-	-		-
Vote 04 - Community Development		-	-	-	-	-	-	-		-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-		-
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		-	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-		-
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Council		167	-	-	-	-	-	-		-
Vote 02 - Corporate Services		1 927	3 478	3 478	-	-	290	(290)	-100%	3 478
Vote 03 - Finance		70	870	870	-	-	72	(72)	-100%	870
Vote 04 - Community Development		28	174	174	-	-	14	(14)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	501 039	93 315	93 315	41 753	51 562	123%	501 039
Vote 06 - Technical Services		-	6 173	-	-	-	0	(0)	-100%	-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		44 246	-	-	-	-	-	-		-
Vote 09 - Waste Water		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
<b>Total Capital single-year expenditure</b>	4	706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561
<b>Total Capital Expenditure</b>		706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		2 164	4 348	4 348	-	-	362	(362)	-100%	4 348
Executive and council		167	-	-	-	-	-	-		-
Finance and administration		1 997	4 348	4 348	-	-	362	(362)	-100%	4 348
Internal audit		-	-	-	-	-	-	-		-
<b>Community and public safety</b>		28	174	174	-	-	14	(14)	-100%	174
Community and social services		28	174	174	-	-	14	(14)	-100%	174
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		75	2 307	2 307	-	-	192	(192)	-100%	2 307
Planning and development		75	2 307	2 307	-	-	192	(192)	-100%	2 307
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		704 465	493 766	498 732	93 315	93 315	41 561	51 754	125%	498 732
Energy sources		-	-	-	-	-	-	-		-
Water management		704 465	493 766	498 732	93 315	93 315	41 561	51 754	125%	498 732
Waste water management		-	-	-	-	-	-	-		-
Waste management		-	-	-	-	-	-	-		-
<b>Other</b>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Functional Classification</b>	3	706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561
<b>Funded by:</b>										
National Government		660 294	496 073	501 039	93 315	93 315	41 753	51 562	123%	501 039
Provincial Government		-	174	174	-	-	14	(14)	-100%	174
District Municipality		-	-	-	-	-	-	-		-
(Nat/ Prov Departm Agencies, Households, Non-profit		28	-	-	-	-	-	-		-
<b>Transfers recognised - capital</b>		660 321	496 247	501 213	93 315	93 315	41 768	51 547	123%	501 213
<b>Borrowing</b>	6	44 246	-	-	-	-	-	-		-
<b>Internally generated funds</b>		2 164	4 348	4 348	-	-	362	(362)	-100%	4 348
<b>Total Capital Funding</b>		706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561



## Governance and administration

Governance and administration year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R362 thousand**. A variance of **R362 thousand** or **100%** is observed.

## Community and public safety

Community and public safety year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R14 thousand**. A variance of **R14 thousand** or **100%** is observed.

## Economic and environmental services

Economic and environmental services year-to-date actual is **R0 million** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **one-month** baseline projection or year-to-date budget of **R192 thousand**. A variance of **R192 Thousand** or **100%** is observed.

## Trading services

Trading services year-to-date actual is **R93.3 million** which is **19%** of the approved budget. the **R93.3 million** year to date actual is **above** the **one-month** baseline projection or year-to-date budget of **R41.5 million**. A variance of **R51.7 million** or **125%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	225 688 696	69 292 282	18 807 391	50 484 891.08	268%	31%
Regional Bulk Infrastructure (RBIG)	186 086 957	-	15 507 246	-15 507 246.38	-100%	0%
Water services infrastructure Grant (WSIG)	86 956 522	24 022 569	7 246 377	16 776 192.18	232%	31%
Rural Roads Asset Managemnt Systems Grant	2 306 957	-	192 246	-192 246.38	-100%	0%
Art centre Subsisies (Indonsa Grant)	173 913	-	14 493	-14 492.75	-100%	0%
Other Assets	4 347 827	-	362 319	-362 318.92	-100%	0%
<b>Total Operating Expenditure</b>	<b>505 560 870</b>	<b>93 314 851</b>	<b>42 130 073</b>	<b>51 184 779</b>	<b>121%</b>	<b>17%</b>

## Capital Grant Expenditure as per MFMA circular no. 58

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	259 542 000	78 990 541	21 628 500	57 362 041	265%	30%
Regional Bulk Infrastructure (RBIG)	214 000 000	-	17 833 333	-17 833 333	-100%	0%
Water services infrastructure Grant (WSIG)	100 000 000	27 481 517	8 333 333	19 148 183	230%	29%
Rural Roads Asset Managemnt Systems Grant	2 653 000	-	221 083	-221 083	-100%	0%
Indonsa Grant	200 000	-	16 667	-16 667	-100%	0%
<b>Total Capital Grant Expenditure</b>	<b>576 395 000</b>	<b>106 472 058</b>	<b>48 032 917</b>	<b>58 439 142</b>	<b>122%</b>	<b>18%</b>

Overall capital grant expenditure is sitting at **18%** of the approved capital budget, **MIG** is sitting at **30%**, **RBIG** at **0%**, **WSIG** at **29%**, **RAMS** at **0%** and **Indonsa Grant 0%**.

## 1.7. IN-YEAR BUDGET TABLES

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

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

# MBRR Table C1 – Monthly Budget Statement Summary

## DC26 Zululand - Table C1 Monthly Budget Statement Summary - M01 July

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									
<b>Financial Performance</b>									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	74 901	86 026	86 026	4 486	4 486	7 169	(2 683)	-37%	86 026
Investment revenue	15 458	7 500	7 500	13	13	625	(612)	-98%	7 500
Transfers and subsidies - Operational	743 789	768 030	768 030	279 245	279 245	64 003	215 242	0	768 030
Other own revenue	4 230	4 113	4 113	272	272	343	(71)	-21%	–
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>838 378</b>	<b>865 670</b>	<b>865 670</b>	<b>284 016</b>	<b>284 016</b>	<b>72 139</b>	<b>211 877</b>	<b>294%</b>	<b>865 670</b>
Employee costs	308 034	310 172	310 172	26 813	26 813	25 848	965	4%	310 172
Remuneration of Councillors	10 362	9 465	9 465	822	822	789	34	4%	9 465
Depreciation and amortisation	113 421	91 315	91 315	6 667	6 667	7 610	(943)	-12%	91 315
Interest	7 845	7 013	7 013	–	–	584	(584)	-100%	7 013
Inventory consumed and bulk purchases	23 899	25 226	24 626	385	385	2 102	(1 718)	-82%	24 626
Transfers and subsidies	2 950	2 100	2 800	–	–	183	(183)	-100%	2 800
Other expenditure	542 679	322 345	317 279	7 153	7 153	26 440	(19 287)	-73%	317 279
<b>Total Expenditure</b>	<b>1 009 190</b>	<b>767 636</b>	<b>762 670</b>	<b>41 840</b>	<b>41 840</b>	<b>63 556</b>	<b>(21 716)</b>	<b>-34%</b>	<b>762 670</b>
<b>Surplus/(Deficit)</b>	<b>(170 812)</b>	<b>98 033</b>	<b>102 999</b>	<b>242 177</b>	<b>242 177</b>	<b>8 583</b>	<b>233 594</b>	<b>2722%</b>	<b>102 999</b>
Transfers and subsidies - capital (monetary allocations)	768 386	576 195	576 195	106 350	106 350	48 016	58 333	121%	576 195
Transfers and subsidies - capital (in-kind)	9	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>597 583</b>	<b>674 228</b>	<b>679 194</b>	<b>348 526</b>	<b>348 526</b>	<b>56 599</b>	<b>291 927</b>	<b>516%</b>	<b>679 194</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–
<b>Surplus/ (Deficit) for the year</b>	<b>597 583</b>	<b>674 228</b>	<b>679 194</b>	<b>348 526</b>	<b>348 526</b>	<b>56 599</b>	<b>291 927</b>	<b>516%</b>	<b>679 194</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>662 623</b>	<b>500 595</b>	<b>505 561</b>	<b>93 315</b>	<b>93 315</b>	<b>42 130</b>	<b>51 185</b>	<b>121%</b>	<b>505 561</b>
Capital transfers recognised	660 303	496 247	501 213	93 315	93 315	41 768	51 547	123%	501 213
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	2 320	4 348	4 348	–	–	362	(362)	-100%	4 348
<b>Total sources of capital funds</b>	<b>662 623</b>	<b>500 595</b>	<b>505 561</b>	<b>93 315</b>	<b>93 315</b>	<b>42 130</b>	<b>51 185</b>	<b>121%</b>	<b>505 561</b>
<b>Financial position</b>									
Total current assets	223 865	612 157	612 157		338 219				612 157
Total non current assets	5 548 929	5 319 119	5 324 085		5 635 577				5 324 085
Total current liabilities	408 717	468 129	468 129		261 192				468 129
Total non current liabilities	157 685	154 477	154 477		157 685				154 477
Community wealth/Equity	5 226 337	4 634 441	4 634 441		5 554 919				4 634 441
<b>Cash flows</b>									
Net cash from (used) operating	2 349 136	742 935	742 935	452 742	452 742	61 911	(390 831)	-631%	742 935
Net cash from (used) investing	(711 533)	(500 595)	(500 595)	(93 315)	(93 315)	(41 716)	51 599	-124%	(500 595)
Net cash from (used) financing	90 265	(18 093)	(18 093)	(12)	(12)	(1 508)	(1 496)	99%	(18 093)
<b>Cash/cash equivalents at the month/year end</b>	<b>1 700 441</b>	<b>31 462</b>	<b>31 462</b>	<b>416 486</b>	<b>416 486</b>	<b>(174 098)</b>	<b>(590 584)</b>	<b>339%</b>	<b>281 318</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	8 257	7 806	5 651	4 870	4 616	4 868	23 245	180 000	239 312
<b>Creditors Age Analysis</b>									
Total Creditors	63	–	–	–	–	–	–	–	63

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M01 July

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
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>753 575</b>	<b>769 935</b>	<b>769 935</b>	<b>279 385</b>	<b>279 385</b>	<b>64 161</b>	215 224	335%	<b>769 935</b>
Executive and council		–	–	–	–	–	–	–	–	–
Finance and administration		753 575	769 935	769 935	279 385	279 385	64 161	215 224	335%	769 935
Internal audit		–	–	–	–	–	–	–	–	–
<i><b>Community and public safety</b></i>		<b>601</b>	<b>3 215</b>	<b>3 215</b>	<b>9</b>	<b>9</b>	<b>268</b>	(259)	-97%	<b>3 215</b>
Community and social services		495	1 911	1 911	–	–	159	(159)	-100%	1 911
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		107	1 304	1 304	9	9	109	(100)	-92%	1 304
<i><b>Economic and environmental services</b></i>		<b>3 087</b>	<b>2 721</b>	<b>2 721</b>	<b>–</b>	<b>–</b>	<b>227</b>	(227)	-100%	<b>2 721</b>
Planning and development		3 087	2 721	2 721	–	–	227	(227)	-100%	2 721
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>848 437</b>	<b>665 936</b>	<b>665 936</b>	<b>110 972</b>	<b>110 972</b>	<b>55 495</b>	<b>55 477</b>	100%	<b>665 936</b>
Energy sources		–	–	–	–	–	–	–	–	–
Water management		832 056	647 830	647 830	109 493	109 493	53 986	55 507	103%	647 830
Waste water management		16 380	18 106	18 106	1 479	1 479	1 509	(29)	-2%	18 106
Waste management		–	–	–	–	–	–	–	–	–
<i><b>Other</b></i>	<b>4</b>	<b>1 092</b>	<b>57</b>	<b>57</b>	<b>–</b>	<b>–</b>	<b>5</b>	<b>(5)</b>	<b>-100%</b>	<b>57</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>1 606 792</b>	<b>1 441 865</b>	<b>1 441 865</b>	<b>390 366</b>	<b>390 366</b>	<b>120 155</b>	<b>270 211</b>	<b>225%</b>	<b>1 441 865</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>420 857</b>	<b>312 391</b>	<b>312 391</b>	<b>17 181</b>	<b>17 181</b>	<b>26 033</b>	(8 852)	-34%	<b>312 391</b>
Executive and council		70 174	35 144	35 144	3 230	3 230	2 929	301	10%	35 144
Finance and administration		297 640	248 883	248 883	9 610	9 610	20 740	(11 130)	-54%	248 883
Internal audit		53 043	28 364	28 364	4 341	4 341	2 364	1 977	84%	28 364
<i><b>Community and public safety</b></i>		<b>25 466</b>	<b>28 084</b>	<b>28 084</b>	<b>1 898</b>	<b>1 898</b>	<b>2 340</b>	(442)	-19%	<b>28 084</b>
Community and social services		7 803	9 176	9 176	501	501	765	(264)	-35%	9 176
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		7 175	6 234	6 234	598	598	519	79	15%	6 234
Housing		–	–	–	–	–	–	–	–	–
Health		10 488	12 674	12 674	800	800	1 056	(257)	-24%	12 674
<i><b>Economic and environmental services</b></i>		<b>28 539</b>	<b>22 960</b>	<b>22 960</b>	<b>1 613</b>	<b>1 613</b>	<b>1 913</b>	(300)	-16%	<b>22 960</b>
Planning and development		28 539	22 960	22 960	1 613	1 613	1 913	(300)	-16%	22 960
Road transport		–	–	–	–	–	–	–	–	–
Environmental protection		–	–	–	–	–	–	–	–	–
<i><b>Trading services</b></i>		<b>498 863</b>	<b>393 586</b>	<b>388 620</b>	<b>20 380</b>	<b>20 380</b>	<b>32 385</b>	(12 005)	-37%	<b>388 620</b>
Energy sources		–	–	–	–	–	–	–	–	–
Water management		490 155	378 362	373 396	19 590	19 590	31 116	(11 527)	-37%	373 396
Waste water management		8 708	15 224	15 224	790	790	1 269	(479)	-38%	15 224
Waste management		–	–	–	–	–	–	–	–	–
<i><b>Other</b></i>		<b>11 594</b>	<b>10 615</b>	<b>10 615</b>	<b>768</b>	<b>768</b>	<b>885</b>	(117)	-13%	<b>10 615</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>985 319</b>	<b>767 636</b>	<b>762 670</b>	<b>41 840</b>	<b>41 840</b>	<b>63 556</b>	(21 716)	-34%	<b>762 670</b>
<b>Surplus/ (Deficit) for the year</b>		<b>621 473</b>	<b>674 228</b>	<b>679 194</b>	<b>348 526</b>	<b>348 526</b>	<b>56 599</b>	<b>291 927</b>	<b>5.1577947</b>	<b>679 194</b>

**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) - M01 July**

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		104 606	89 962	89 962	80	80	7 497	(7 417)	-98.9%	89 962
Vote 03 - Finance		650 061	680 030	680 030	279 305	279 305	56 669	222 635	392.9%	680 030
Vote 04 - Community Development		601	3 215	3 215	9	9	268	(259)	-96.6%	3 215
Vote 05 - Planning & Wsa		775 581	581 490	581 490	106 350	106 350	48 457	57 892	119.5%	581 490
Vote 06 - Technical Services		-	-	-	-	-	-	-		-
Vote 07 - Water Purification		-	-	-	-	-	-	-		-
Vote 08 - Water Distribution		59 562	69 061	69 061	3 143	3 143	5 755	(2 612)	-45.4%	69 061
Vote 09 - Waste Water		16 380	18 106	18 106	1 479	1 479	1 509	(29)	-1.9%	18 106
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Revenue by Vote	2	1 606 792	1 441 865	1 441 865	390 366	390 366	120 155	270 211	224.9%	1 441 865
Expenditure by Vote	1									
Vote 01 - Council		79 704	45 311	45 311	3 798	3 798	3 776	22	0.6%	45 311
Vote 02 - Corporate Services		274 706	211 286	211 286	10 390	10 390	17 607	(7 217)	-41.0%	211 286
Vote 03 - Finance		64 708	59 309	59 059	2 928	2 928	4 922	(1 994)	-40.5%	59 059
Vote 04 - Community Development		56 327	47 801	48 051	3 767	3 767	4 004	(238)	-5.9%	48 051
Vote 05 - Planning & Wsa		31 836	27 462	22 496	1 693	1 693	1 875	(181)	-9.7%	22 496
Vote 06 - Technical Services		5 354	5 758	5 758	311	311	480	(169)	-35.2%	5 758
Vote 07 - Water Purification		50 006	47 565	47 565	4 208	4 208	3 964	244	6.2%	47 565
Vote 08 - Water Distribution		413 970	307 920	307 920	13 956	13 956	25 660	(11 704)	-45.6%	307 920
Vote 09 - Waste Water		8 708	15 224	15 224	790	790	1 269	(479)	-37.7%	15 224
Vote 10 - .		-	-	-	-	-	-	-		-
Vote 11 - .		-	-	-	-	-	-	-		-
Vote 12 - ,		-	-	-	-	-	-	-		-
Vote 13 - ,		-	-	-	-	-	-	-		-
Vote 14 - *		-	-	-	-	-	-	-		-
Vote 15 - Other		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	985 319	767 636	762 670	41 840	41 840	63 556	(21 716)	-34.2%	762 670
Surplus/ (Deficit) for the year	2	621 473	674 228	679 194	348 526	348 526	56 599	291 927	515.8%	679 194

**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) - M01 July**

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity								-		
Service charges - Water		58 877	68 294	68 294	3 065	3 065	5 691	(2 626)	-46%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 421	1 421	1 478	(57)	-4%	17 732
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		735	578	578	-	-	48	(48)	-100%	578
Agency services								-		
Interest								-		
Interest earned from Receivables		691	823	823	80	80	69	11	16%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	13	13	625	(612)	-98%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		549	504	504	42	42	42	0	1%	504
Licence and permits		107	176	176	9	9	15	(6)	-39%	176
Operational Revenue		594	565	565	81	81	47	34	72%	565
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		875	1 467	1 467	60	60	122	(62)	-51%	1 467
Licence and permits								-		
Transfers and subsidies - Operational		743 789	768 030	768 030	279 245	279 245	64 003	215 242	336%	768 030
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		680	-	-	-	-	-	-		-
Other Gains		0	-	-	-	-	-	-		-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		838 378	865 670	865 670	284 016	284 016	72 139	211 877	294%	865 670
Expenditure By Type										
Employee related costs		307 126	310 172	310 172	26 813	26 813	25 848	965	4%	310 172
Remuneration of councillors		10 362	9 465	9 465	822	822	789	34	4%	9 465
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		23 897	25 226	25 226	385	385	2 102	(1 718)	-82%	25 226
Debt impairment		-	6 000	6 000	-	-	500	(500)	-100%	6 000
Depreciation and amortisation		113 421	91 315	91 315	6 667	6 667	7 610	(943)	-12%	91 315
Interest		7 845	7 013	7 013	-	-	584	(584)	-100%	7 013
Contracted services		309 677	203 358	198 392	5 085	5 085	16 533	(11 447)	-69%	198 392
Transfers and subsidies		2 950	2 100	2 200	-	-	183	(183)	-100%	2 200
Irrecoverable debts written off		5 868	-	-	-	-	-	-		-
Operational costs		203 669	112 988	112 888	2 068	2 068	9 407	(7 339)	-78%	112 888
Losses on Disposal of Assets		506	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		985 319	767 636	762 670	41 840	41 840	63 556	(21 716)	-34%	762 670
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		(146 941)	98 033	102 999	242 177	242 177	8 583	233 594	0	102 999
Transfers and subsidies - capital (in-kind)		28	-	-	106 350	106 350	48 016	58 333	0	576 195
Surplus/(Deficit) after capital transfers & contributions		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194
Income Tax								-		
Surplus/(Deficit) after income tax		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194
Share of Surplus/Deficit attributable to Joint Venture								-		
Share of Surplus/Deficit attributable to Minorities								-		
Surplus/(Deficit) attributable to municipality		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194
Share of Surplus/Deficit attributable to Associate								-		
Intercompany/Parent subsidiary transactions								-		
Surplus/ (Deficit) for the year		621 473	674 228	679 194	348 526	348 526	56 599	291 927	0	679 194

## 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) - M01 July

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								%	
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		–	–	–	–	–	–	–		–
Vote 03 - Finance		–	–	–	–	–	–	–		–
Vote 04 - Community Development		–	–	–	–	–	–	–		–
Vote 05 - Planning & Wsa		–	–	–	–	–	–	–		–
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
<b>Total Capital Multi-year expenditure</b>	4,7	–	–	–	–	–	–	–		–
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Council		167	–	–	–	–	–	–		–
Vote 02 - Corporate Services		1 927	3 478	3 478	–	–	290	(290)	-100%	3 478
Vote 03 - Finance		70	870	870	–	–	72	(72)	-100%	870
Vote 04 - Community Development		28	174	174	–	–	14	(14)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	501 039	93 315	93 315	41 753	51 562	123%	501 039
Vote 06 - Technical Services		–	6 173	–	–	–	0	(0)	-100%	–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		44 246	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
<b>Total Capital single-year expenditure</b>	4	706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561
<b>Total Capital Expenditure</b>		706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		2 164	4 348	4 348	–	–	362	(362)	-100%	4 348
Executive and council		167	–	–	–	–	–	–		–
Finance and administration		1 997	4 348	4 348	–	–	362	(362)	-100%	4 348
Internal audit		–	–	–	–	–	–	–		–
<b>Community and public safety</b>		28	174	174	–	–	14	(14)	-100%	174
Community and social services		28	174	174	–	–	14	(14)	-100%	174
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		–	–	–	–	–	–	–		–
<b>Economic and environmental services</b>		75	2 307	2 307	–	–	192	(192)	-100%	2 307
Planning and development		75	2 307	2 307	–	–	192	(192)	-100%	2 307
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
<b>Trading services</b>		704 465	493 766	498 732	93 315	93 315	41 561	51 754	125%	498 732
Energy sources		–	–	–	–	–	–	–		–
Water management		704 465	493 766	498 732	93 315	93 315	41 561	51 754	125%	498 732
Waste water management		–	–	–	–	–	–	–		–
Waste management		–	–	–	–	–	–	–		–
<b>Other</b>		–	–	–	–	–	–	–		–
<b>Total Capital Expenditure - Functional Classification</b>	3	706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561
<b>Funded by:</b>										
National Government		660 294	496 073	501 039	93 315	93 315	41 753	51 562	123%	501 039
Provincial Government		–	174	174	–	–	14	(14)	-100%	174
District Municipality		–	–	–	–	–	–	–		–
(Nat/ Prov Departm Agencies, Households, Non-profit		28	–	–	–	–	–	–		–
<b>Transfers recognised - capital</b>		660 321	496 247	501 213	93 315	93 315	41 768	51 547	123%	501 213
<b>Borrowing</b>	6	44 246	–	–	–	–	–	–		–
<b>Internally generated funds</b>		2 164	4 348	4 348	–	–	362	(362)	-100%	4 348
<b>Total Capital Funding</b>		706 732	500 595	505 561	93 315	93 315	42 130	51 185	121%	505 561

**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 C4 surplus.

**DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M01 July**

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	<b>1</b>					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		27 427	345 288	345 288	141 271	345 288
Trade and other receivables from exchange transactions		57 646	59 575	59 575	64 531	59 575
Receivables from non-exchange transactions		52	—	—	6 998	—
Current portion of non-current receivables		—	—	—	—	—
Inventory		5 102	2 556	2 556	3 064	2 556
VAT		74 954	50 650	50 650	46 806	50 650
Other current assets		24 716	22 422	22 422	24 485	22 422
<b>Total current assets</b>		<b>189 897</b>	<b>480 492</b>	<b>480 492</b>	<b>287 156</b>	<b>480 492</b>
<b>Non current assets</b>						
Investments						
Investment property						
Property, plant and equipment		4 994 231	6 247 523	6 247 593	4 996 373	6 247 593
Biological assets						
Living and non-living resources						
Heritage assets		7 807	—	—	7 807	—
Intangible assets		(3)	1	1	10	1
Trade and other receivables from exchange transactions						
Non-current receivables from non-exchange transactions		—	—	—	—	—
Other non-current assets		—	—	—	—	—
<b>Total non current assets</b>		<b>5 002 035</b>	<b>6 247 525</b>	<b>6 247 595</b>	<b>5 004 189</b>	<b>6 247 595</b>
<b>TOTAL ASSETS</b>		<b>5 191 931</b>	<b>6 728 017</b>	<b>6 728 087</b>	<b>5 291 345</b>	<b>6 728 087</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		—	—	—	—	—
Financial liabilities		1 855	—	—	1 855	—
Consumer deposits		3 623	3 633	3 633	3 622	3 633
Trade and other payables from exchange transactions		437 601	338 908	338 908	175 939	338 908
Trade and other payables from non-exchange transactions		2 143	—	—	109 565	—
Provision		1 973	1 973	1 973	1 973	1 973
VAT		10 739	8 073	8 073	11 925	8 073
Other current liabilities		405	405	405	405	405
<b>Total current liabilities</b>		<b>458 338</b>	<b>352 992</b>	<b>352 992</b>	<b>305 285</b>	<b>352 992</b>
<b>Non current liabilities</b>						
Financial liabilities		1 202	90 000	90 000	1 202	90 000
Provision		40 718	38 340	38 340	40 718	38 340
Long term portion of trade payables		—	—	—	—	—
Other non-current liabilities		—	—	—	—	—
<b>Total non current liabilities</b>		<b>41 920</b>	<b>128 340</b>	<b>128 340</b>	<b>41 920</b>	<b>128 340</b>
<b>TOTAL LIABILITIES</b>		<b>500 258</b>	<b>481 332</b>	<b>481 332</b>	<b>347 205</b>	<b>481 332</b>
<b>NET ASSETS</b>	<b>2</b>	<b>4 691 673</b>	<b>6 246 684</b>	<b>6 246 754</b>	<b>4 944 140</b>	<b>6 246 754</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		4 715 024	5 445 412	5 445 412	4 944 529	5 445 412
Reserves and funds		—	—	—	—	—
Other		—	—	—	—	—
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2</b>	<b>4 715 024</b>	<b>5 445 412</b>	<b>5 445 412</b>	<b>4 944 529</b>	<b>5 445 412</b>

**MBRR Table C6 - Monthly Budget Statement Financial Position**

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

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



## **CURRENT ASSETS**

### **Cash**

Cashbook balance as at 31 July 2024 indicate bank balance of **R636.2 thousand**

### **Call Investments Deposits**

Call investments as at 31 July 2024 is **R159.05 million**.

### **Consumer debtors**

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R77.4 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R208.1 million**. Consumer debtors' amount to **R202.5 million** and the balance of **R5.6 million** is for shared services cast in Other Debtors.

Gross Consumer debtors	R266.6 million
Less Impairment	(R192.1 million)
<b>Net Consumer Debtors</b>	<b>R74.4 million</b>

### **Classification of Consumer Debtors per Service type**

Water Debtors	R53 million
Sanitation Debtors	R10.8 million
Property Rentals Debtors	R29.5 thousand
Other Consumer debtors	R106.7 thousand
<b>Total</b>	<b>R59.2 million</b>

#### ➤ **Water Debtors**

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

Gross Water Debtors	R186.7 million
Less Impairment	(149.3 million)
<b>Net Water Debtors</b>	<b>R37.3 million</b>

#### ➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R10.8 million**.  
Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R47.9 million
Less Impairment	(R41.7 million)
<b>Net Sanitation Debtors</b>	<b>R6.2 million</b>

➤ **Property Rentals Debtors**

These are debtors accumulated from property rentals amounts to **R280.5 thousand**

Property Rental	R321.3 thousand
Less Impairment	(R40.8 thousand)
<b>Net Property rental</b>	<b>R280.5 thousand</b>

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R309.9 thousand**, these are sundry debtors.

Gross Other Debtors	R321.4 thousand
Less Impairment	(R15.7 thousand)
<b>Net Other Debtors</b>	<b>R309.9 thousand</b>

➤ **Other receivables from exchange**

These are debtors accumulated from Eskom accounts, Training and Maintenance with credit balances amounts to **R30.2 million**

PREPAY/ADV: MAINT CONTR: OPENING BAL	R28.4 million
PREPAY/ADV: PREPAID EL: OPENING BAL	R1.4 million
Prepay/Adv: Recov emp: Opening balance	R1.06 million
Less Impairment	(R1.06 million)
<b>Net other receivables from exchange</b>	<b>R30.2 million</b>

**Classification of Consumer Debtors per Customer group**

Households	R190.9 million
Commercial/Businesses	R 17.6 million
Organs of State (excl shared services of R5.6 mill)	R 30.6 million
<b>Total</b>	<b>R239.3 million</b>

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

Gross Households debtors	R190.9 million
Commercial/Businesses	R 17.6 million
Less Impairment	(R192.1 million)
<b>Net Household debtors</b>	<b>R16.4 million</b>

**Receivables from non exchange**

➤ **Fruitless expenditure**

Amount to be recovered amounting to **R2.9 million** resulted from a claim of standing time due to consultant negligence.

## Inventory

The current level of inventory is **R4.5 million**. Inventories include water stock and consumable stores.

## VAT Receivable

VAT Receivable amount to **R67.7 million**, this is the amount raised when input VAT is recognized less output VAT collected as per VAT reconciliation.

## Other debtors

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

Deposits Made	R19.3 million
Refunds & under/over banking	R9.4 million
Salary advance	R48.9 thousand
<b>Total</b>	<b>R28.8 million</b>

### ➤ Deposits Made

Deposits made amount to **R19.3 million**, this amount include Eskom deposits and Stowell Deposits.

Eskom Deposits	R19.1 million
Stowell Deposits	R200 thousand

Eskom deposits are amounts held by Eskom as security for all accounts the Municipality has with Eskom. Security deposits are paid when the Municipality opens a new electricity account. Stowell Deposit is the amount paid as a security deposit when Stowell was first contracted, and the deposit for office space rented in Vryheid.

### ➤ Refunds & under/over banking

Refunds & under/over banking amount to **R9.4 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	R3.4 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.

### ➤ Salary Advance

Salary advances amounts to **R48.9 thousand**. This amount consists of advanced employee costs.

### **Other debtors**

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R99.5 million**.

VAT Receivable	R67.7 million
Deposits Made	R19.3 million
Refunds & under/over banking	R9.4 million
Overpayments/Accrued Income/UIFW Expenditure	R2.9 million
Salary advance	R48.9 thousand
<b>Total</b>	<b>R99.5 million</b>

### **NON-CURRENT ASSETS**

#### **Long term receivables**

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

#### **Property plant and equipment**

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment include current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R5.6 million**.

<b>Opening balance</b>	<b>R5.6 billion</b>
Additions	R93 million
Depreciation	(R6.6 million)
<b>Closing Balance</b>	<b>R5.6 billion</b>

#### **Intangible**

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R27 thousand**

Opening balance	<b>R27 thousand</b>
Additions	R 0
Depreciation	(R0)
Closing Balance	<b>R27 thousand</b>

#### **Other non-current assets**

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

## **CURRENT LIABILITIES**

### **Financial Liabilities**

This is the current portion of the long term loan repayment and finance lease agreement the Municipality entered into to procure laptops. The current balance owed amount to **R18.7 million**.

Loan repayment	R17.7 million
----------------	---------------

Finance lease	R1.07 million
---------------	---------------

Opening balance	<b>R18.7 million</b>
-----------------	----------------------

Payment	(R0)
---------	------

Closing Balance	<b>R18.7 million</b>
-----------------	----------------------

### **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 **R179.9 million**.

Trade Creditors	R53.7 million
-----------------	---------------

Retention	R92.5 million
-----------	---------------

Department of Water & Sanitation	R29.8 million
----------------------------------	---------------

Employee related cost	R457.6 thousand
-----------------------	-----------------

Advance Payments	R2.01 million
------------------	---------------

Salary Suspense Accounts	R28.7 thousand
--------------------------	----------------

Other Suspense account	R879.9 thousand
------------------------	-----------------

Other trade creditors	R986.1 thousand
-----------------------	-----------------

Fleet Suspense	R265 thousand
----------------	---------------

Refund	R564.3 thousand
--------	-----------------

<b>Closing Balance</b>	<b>R179.9 million</b>
------------------------	-----------------------

### **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 **R17.7 million**.

### **Current Provision**

Current provisions amount to **R34.3 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)	R 500 thousand
Long service awards and Bonus	R7.9 million
Leave Provision	R25.8 million

### **VAT Payables**

VAT payable amount to **R7.09 million**, this is the amount paid when output VAT is recognized less input VAT paid as per VAT reconciliation.

## **NON-CURRENT LIABILITIES**

### **Borrowings**

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R81.4 million**.

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

The municipality took a long term loan to improve water and sanitation infrastructure.

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

### **Non-current Provisions**

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

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

### **Accumulated surplus**

Accumulated surplus is the net worth of the Municipality, sitting at **R5.5 billion**

**DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M01 July**

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
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates								-		
Service charges		32 465	60 766	60 766	2 772	2 772	5 064	(2 292)	-45%	60 766
Other revenue		2 051 106	121 898	121 898	309 972	309 972	10 158	299 814	2951%	121 898
Transfers and Subsidies - Operational		746 330	768 030	768 030	280 201	280 201	64 003	216 198	338%	768 030
Transfers and Subsidies - Capital		768 386	576 195	576 195	119 053	119 053	48 016	71 037	148%	576 195
Interest		6 095	7 995	7 995	18	18	666	(648)	-97%	7 995
Dividends								-		
<b>Payments</b>										
Suppliers and employees		(1 255 247)	(789 533)	(789 533)	(259 274)	(259 274)	(65 794)	193 480	-294%	(789 533)
Interest								-		
Transfers and Subsidies		-	(2 415)	(2 415)	-	-	(201)	(201)	100%	(2 415)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>2 349 136</b>	<b>742 935</b>	<b>742 935</b>	<b>452 742</b>	<b>452 742</b>	<b>61 911</b>	<b>(390 831)</b>	<b>-631%</b>	<b>742 935</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		680	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments								-		
<b>Payments</b>										
Capital assets		(712 213)	(500 595)	(500 595)	(93 315)	(93 315)	(41 716)	51 599	-124%	(500 595)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(711 533)</b>	<b>(500 595)</b>	<b>(500 595)</b>	<b>(93 315)</b>	<b>(93 315)</b>	<b>(41 716)</b>	<b>51 599</b>	<b>-124%</b>	<b>(500 595)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing		100 000	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		(9)	3	3	(12)	(12)	0	(12)	-4442%	3
<b>Payments</b>										
Repayment of borrowing		(9 726)	(18 096)	(18 096)	-	-	(1 508)	(1 508)	100%	(18 096)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>90 265</b>	<b>(18 093)</b>	<b>(18 093)</b>	<b>(12)</b>	<b>(12)</b>	<b>(1 508)</b>	<b>(1 496)</b>	<b>99%</b>	<b>(18 093)</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>1 727 867</b>	<b>224 247</b>	<b>224 247</b>	<b>359 415</b>	<b>359 415</b>	<b>18 687</b>			<b>224 247</b>
Cash/cash equivalents at beginning:		(27 427)	(192 785)	(192 785)	57 071	57 071	(192 785)			57 071
Cash/cash equivalents at month/year end:		1 700 441	31 462	31 462	416 486	416 486	(174 098)			281 318

**MBRR Table C7 - Monthly Budget Statement Cash Flow Statement**

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

## CASHFLOW FROM OPERATING ACTIVITIES

### Service charges

The Municipality has budgeted to collect **R60.7 million** on service charges, the estimated collection amount is based on the 70% collection rate. The collection rate is also based on previous years actual collection and initiatives the Municipality has taken to improve collection. The Municipality has collected **R2.7 million** to date. This is **5%** of budgeted collection and **62%** of year-to-date billing.

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

- The municipality is not only collecting the current billing but also the debtors from previous financial years.
- The municipality has a revised revenue enhancement strategy
- The municipality has an external debt collector to assist with the collection
- The Municipality has replaced and installed new meters to ensure billing is accurate and not estimated.
- Municipality has adopted an indigent policy and is in a process to write off indigent households.
- The municipality has re visited the collection of flat rate strategy and decided to implement it next year.

### Other Revenue

Other revenue includes receipts from tender fees, hall hiring, fines and forfeits, and office space rental receipts. The population of other revenue is higher than expected and not credible, the Municipality is in a process of developing an action plan to address these inefficiencies.

### Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational are to date **R280.2 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

Equitable share	R279.2 million
Indonsa Grant	R955 thousand
<b>TOTAL</b>	<b>R280.2 million</b>



### Transfers and subsidies – Capital

Transfers and subsidies - Capital are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R119.05 million**. This amount includes RBIG, MIG, RRAMS, TSUCM\_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R 79.05 million
Water Services Infrastructure Grant	R 40 million
<b>TOTAL</b>	<b>R119.05 million</b>

### Interest

Interest on 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 **R18 thousand**. Interest on investment revenue on table C4 is **R13 thousand**.

### 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 **R93.3 million**, the capital expenditure is excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. the Municipality is in a process of developing an action plan to address these inefficiencies.

#### Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date is **R159.6 million** in the financial position but in the cash flow it is **R416.4 million**.

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

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1. DEBTORS ANALYSIS

#### Debtors age analysis as of 31 July 2024

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M01 July

Description		Budget Year 2024/25												Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days				
R thousands															
Debtors Age Analysis By Income Source															
Trade and Other Receivables from Exchange Transactions - Water	1200	6 447	6 512	4 325	3 961	3 598	3 989	18 629	138 121	185 582	168 298	–	150 369		
Trade and Other Receivables from Exchange Transactions - Electricity	1300									–	–				
Receivables from Non-exchange Transactions - Property Rates	1400									–	–				
Receivables from Exchange Transactions - Waste Water Management	1500	1 496	1 276	919	832	847	814	4 113	37 584	47 879	44 189	–	41 772		
Receivables from Exchange Transactions - Waste Management	1600									–	–				
Receivables from Exchange Transactions - Property Rental Debtors	1700	48	18	18	18	114	11	64	50	339	256	–	41		
Interest on Arrear Debtor Accounts	1810	82	–	60	58	57	55	437	480	1 229	1 087	–	–		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–				
Other	1900	185	–	329	2	–	–	3	3 764	4 282	3 769	–	16		
Total By Income Source	2000	8 257	7 806	5 651	4 870	4 616	4 868	23 245	180 000	239 312	217 599	–	192 198		
2023/24 - totals only		8713274	5410944	3417787	3467200	3377639	4003649	18313826	161419503	208 124	190 582	0	138602154 5/8		
Debtors Age Analysis By Customer Group															
Organs of State	2200	2 444	3 383	1 190	906	1 009	1 090	5 362	15 315	30 699	23 682	–	–		
Commercial	2300	1 272	758	585	449	620	628	2 175	11 209	17 697	15 081	–	–		
Households	2400	4 541	3 664	3 875	3 515	2 987	3 149	15 708	153 476	190 916	178 836	–	192 198		
Other	2500									–	–				
Total By Customer Group	2600	8 257	7 806	5 651	4 870	4 616	4 868	23 245	180 000	239 312	217 599	–	192 198		

Total debtors' amount to **R239.3 million**, the debtors over 90 days amount to **R217.5 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

## 2.2 CREDITORS ANALYSIS

### Creditors age analysis as at 31 July 2024

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M01 July

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	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100									-	632
Bulk Water	0200									-	
PAYE deductions	0300									-	
VAT (output less input)	0400									-	
Pensions / Retirement deductions	0500									-	
Loan repayments	0600									-	
Trade Creditors	0700	63	-	-	-	-	-	-	-	63	
Auditor General	0800									-	
Other	0900									-	
Medical Aid deductions										-	
<b>Total By Customer Type</b>	<b>1000</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>63</b>	<b>632</b>

## 2.3 INVESTMENT PORTFOLIO

### Investments as at 31 July 2024

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M01 July

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
<b>Municipality</b>														
ABSA - 9389804742		0	Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	-	0		90 000	90 000
Nedbank - 1766000029		2	Investment Tracker	Yes	Variable interest rate	0.0908	N/A	N/A	05 September 2024	90 000	-		30 000	120 000
ABSA - 2081673418		4	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
<b>Municipality sub-total</b>										-	-	(70 000)	229 053	159 053
<b>Entities</b>														
<b>Entities sub-total</b>										-	-	-	-	-
<b>TOTAL INVESTMENTS AND INTEREST</b>	2									-	-	(70 000)	229 053	159 053

## 2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

### Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M01 July

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										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		639 948	676 614	676 614	279 245	279 245	56 384	222 861	395.3%	676 614
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		631 671	670 187	670 187	279 245	279 245	55 849	223 396	400.0%	670 187
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	–	–	436	(436)	-100.0%	5 227
Local Government Financial Management Grant		1 200	1 200	1 200	–	–	100	(100)	-100.0%	1 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		–	–	–	–	–	–	–		–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–		–
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
<b>Provincial Government:</b>		1 513	1 911	1 911	–	–	159	(159)	-100.0%	1 911
Capacity Building and Other Grants		1 513	1 911	1 911	–	–	159	(159)	-100.0%	1 911
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		102 328	89 505	89 505	–	–	7 459	(7 459)	-100.0%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	–	–	105	(105)	-100.0%	1 259
National Skills Fund		100 634	88 246	88 246	–	–	7 354	(7 354)	-100.0%	88 246
Unspecified		–	–	–	–	–	–	–		–
<b>Total Operating Transfers and Grants</b>	5	743 789	768 030	768 030	279 245	279 245	64 003	215 242	336.3%	768 030
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		768 386	576 195	576 195	106 350	106 350	48 016	58 333	121.5%	576 195
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		256 512	259 542	259 542	78 991	78 991	21 629	57 362	265.2%	259 542
Regional Bulk Infrastructure Grant		413 905	214 000	214 000	–	–	17 833	(17 833)	-100.0%	214 000
Rural Road Asset Management Systems Grant		2 969	2 653	2 653	–	–	221	(221)	-100.0%	2 653
Water Services Infrastructure Grant		95 000	100 000	100 000	27 359	27 359	8 333	19 026	228.3%	100 000
<b>Provincial Government:</b>		–	–	–	–	–	–	–		–
Infrastructure Grant		–	–	–	–	–	–	–		–
<b>District Municipality:</b>		–	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
<b>Other grant providers:</b>		9	–	–	–	–	–	–		–
[insert description]		–	–	–	–	–	–	–		–
Unspecified		9	–	–	–	–	–	–		–
<b>Total Capital Transfers and Grants</b>	5	768 395	576 195	576 195	106 350	106 350	48 016	58 333	121.5%	576 195
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	1 512 184	1 344 225	1 344 225	385 595	385 595	112 019	273 576	244.2%	1 344 225

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

# Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M01 July

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:		795 640	587 778	582 812	35 807	35 807	48 568	(12 761)	-26.3%	582 812
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–	–	–
Equitable Share		774 764	576 385	576 385	34 585	34 585	48 032	(13 447)	-28.0%	576 385
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	1 177	1 177	436	742	170.3%	5 227
Local Government Financial Management Grant		1 200	1 201	1 201	44	44	100	(56)	-55.9%	1 201
Municipal Disaster Relief Grant		–	–	–	–	–	–	–	–	–
Municipal Infrastructure Grant		10 017	4 966	–	–	–	0	(0)	-100.0%	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–	–	–
Rural Road Asset Management Systems Grant		2 582	–	–	–	–	–	–	–	–
Water Services Infrastructure Grant		–	–	–	–	–	–	–	–	–
Provincial Government:		1 378	1 711	1 711	–	–	143	(143)	-100.0%	1 711
Capacity Building and Other Grants		1 378	1 711	1 711	–	–	143	(143)	-100.0%	1 711
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		102 328	89 505	89 505	–	–	7 459	(7 459)	-100.0%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–	–	–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–	–	–
Local Government Water and Related Service SETA		1 694	1 259	1 259	–	–	105	(105)	-100.0%	1 259
National Skills Fund		100 634	88 246	88 246	–	–	7 354	(7 354)	-100.0%	88 246
Total operating expenditure of Transfers and Grants:		899 345	678 995	674 029	35 807	35 807	56 169	(20 363)	-36.3%	674 029
Capital expenditure of Transfers and Grants										
National Government:		660 294	496 073	501 039	93 315	93 315	41 753	51 562	123.5%	501 039
Municipal Infrastructure Grant		214 555	220 723	225 689	69 292	69 292	18 807	50 485	268.4%	225 689
Regional Bulk Infrastructure Grant		362 622	186 087	186 087	–	–	15 507	(15 507)	-100.0%	186 087
Rural Road Asset Management Systems Grant		–	2 307	2 307	–	–	192	(192)	-100.0%	2 307
Water Services Infrastructure Grant		83 116	86 957	86 957	24 023	24 023	7 246	16 776	231.5%	86 957
Provincial Government:		–	174	174	–	–	14	(14)	-100.0%	174
Capacity Building and Other Grants		–	–	–	–	–	–	–	–	–
Infrastructure Grant		–	174	174	–	–	14	(14)	-100.0%	174
District Municipality:		–	–	–	–	–	–	–	–	–
Other grant providers:		9	–	–	–	–	–	–	–	–
Unspecified		9	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants		660 303	496 247	501 213	93 315	93 315	41 768	51 547	123.4%	501 213
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 559 648	1 175 242	1 175 242	129 122	129 122	97 937	31 184	31.8%	1 175 242

## 2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M01 July

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
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		-	-	-	-	-	-	-		-
Pension and UIF Contributions		517	563	563	50	50	47	3	6%	563
Medical Aid Contributions		41	41	41	2	2	3	(1)	-33%	41
Motor Vehicle Allowance		2 224	2 012	2 012	178	178	168	11	6%	2 012
Cellphone Allowance		859	483	483	61	61	40	21	52%	483
Housing Allowances		180	180	180	-	-	15	(15)	-100%	180
Other benefits and allowances		6 542	6 187	6 187	531	531	516	16	3%	6 187
<b>Sub Total - Councillors</b>		<b>10 362</b>	<b>9 465</b>	<b>9 465</b>	<b>822</b>	<b>822</b>	<b>789</b>	<b>34</b>	<b>4%</b>	<b>9 465</b>
<b>% increase</b>	4		<b>-8.7%</b>	<b>-8.7%</b>						<b>-8.7%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		8 273	8 555	8 555	694	694	713	(19)	-3%	8 555
Pension and UIF Contributions		356	444	444	30	30	37	(7)	-18%	444
Medical Aid Contributions		117	123	123	10	10	10	(0)	0%	123
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		707	166	166	-	-	14	(14)	-100%	166
Motor Vehicle Allowance		2 051	1 997	1 997	184	184	166	18	11%	1 997
Cellphone Allowance		296	317	317	30	30	26	3	13%	317
Housing Allowances		13	13	13	1	1	1	(0)	0%	13
Other benefits and allowances		442	249	249	22	22	21	1	7%	249
Payments in lieu of leave		255	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		41	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>		<b>12 551</b>	<b>11 865</b>	<b>11 865</b>	<b>972</b>	<b>972</b>	<b>989</b>	<b>(17)</b>	<b>-2%</b>	<b>11 865</b>
<b>% increase</b>	4		<b>-5.5%</b>	<b>-5.5%</b>						<b>-5.5%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		201 024	221 924	221 924	17 018	17 018	18 494	(1 476)	-8%	221 924
Pension and UIF Contributions		27 014	24 008	24 008	2 364	2 364	2 001	363	18%	24 008
Medical Aid Contributions		16 898	17 029	17 029	1 503	1 503	1 419	84	6%	17 029
Overtime		8 781	5 780	5 780	851	851	482	369	77%	5 780
Performance Bonus		13 864	14 733	14 733	958	958	1 228	(269)	-22%	14 733
Motor Vehicle Allowance		11 436	12 000	12 000	1 841	1 841	1 000	841	84%	12 000
Cellphone Allowance		801	821	821	71	71	68	2	3%	821
Housing Allowances		1 699	1 758	1 758	146	146	147	(1)	-1%	1 758
Other benefits and allowances		5 465	253	253	438	438	21	417	1972%	253
Payments in lieu of leave		6 198	-	-	62	62	-	62	#DIV/0!	-
Long service awards		1 754	-	-	513	513	-	513	#DIV/0!	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		548	-	-	78	78	-	78	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>		<b>295 483</b>	<b>298 307</b>	<b>298 307</b>	<b>25 841</b>	<b>25 841</b>	<b>24 859</b>	<b>982</b>	<b>4%</b>	<b>298 307</b>
<b>% increase</b>	4		<b>1.0%</b>	<b>1.0%</b>						<b>1.0%</b>
<b>Total Parent Municipality</b>		<b>318 397</b>	<b>319 637</b>	<b>319 637</b>	<b>27 635</b>	<b>27 635</b>	<b>26 637</b>	<b>999</b>	<b>4%</b>	<b>319 637</b>

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 - M01 July

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	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget			
<b>Cash Receipts By Source</b>																
Property rates													-			
Service charges - Electricity revenue													-			
Service charges - Water revenue		1 922	3 935	3 935	3 935	3 935	3 935	3 935	3 935	3 935	3 935	3 935	5 948	47 222	49 394	51 666
Service charges - Waste Water Management		850	1 129	1 129	1 129	1 129	1 129	1 129	1 129	1 129	1 129	1 129	1 407	13 544	14 167	14 819
Service charges - Waste Management													-			
Rental of facilities and equipment		37	90	90	90	90	90	90	90	90	90	90	144	1 084	1 133	1 186
Interest earned - external investments		13	625	625	625	625	625	625	625	625	625	625	1 237	7 500	7 845	8 206
Interest earned - outstanding debtors		5	41	41	41	41	41	41	41	41	41	41	78	495	517	541
Dividends received													-			
Fines, penalties and forfeits		60	122	122	122	122	122	122	122	122	122	122	184	1 467	1 534	1 605
Licences and permits		9	15	15	15	15	15	15	15	15	15	15	20	176	184	193
Agency services													-			
Transfers and Subsidies - Operational		280 201	64 003	64 003	64 003	64 003	64 003	64 003	64 003	64 003	64 003	64 003	(152 195)	768 030	711 934	751 994
Other revenue		309 866	9 931	9 931	9 931	9 931	9 931	9 931	9 931	9 931	9 931	9 931	(290 004)	119 171	115 870	152 732
<b>Cash Receipts by Source</b>		<b>592 963</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>79 891</b>	<b>(433 182)</b>	<b>958 689</b>	<b>902 580</b>	<b>982 942</b>
<b>Other Cash Flows by Source</b>																
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		119 053	48 016	48 016	48 016	48 016	48 016	48 016	48 016	48 016	48 016	48 016	(23 020)	576 195	651 991	923 733
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on Disposal of Fixed and Intangible Assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short term loans		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits		(12)	0	0	0	0	0	0	0	0	0	0	12	3	-	-
VAT Control (receipts)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Receipts by Source</b>		<b>712 004</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>127 907</b>	<b>(456 190)</b>	<b>1 534 887</b>	<b>1 554 571</b>	<b>1 906 675</b>
<b>Cash Payments by Type</b>																
Employee related costs		28 229	25 848	25 848	25 848	25 848	25 848	25 848	25 848	25 848	25 848	25 848	23 466	310 172	324 440	339 364
Remuneration of councillors		994	789	789	789	789	789	789	789	789	789	789	583	9 465	9 901	10 356
Interest													-			
Bulk purchases - Electricity		7 119	-	-	-	-	-	-	-	-	-	-	(7 119)	-	-	-
Acquisitions - water & other inventory		-	2 417	2 417	2 417	2 417	2 417	2 417	2 417	2 417	2 417	2 417	4 835	29 010	30 344	31 740
Contracted services		(81 828)	25 765	25 765	25 765	25 765	25 765	25 765	25 765	25 765	25 765	25 765	133 358	309 181	216 969	258 482
Transfers and subsidies - other municipalities													-			
Transfers and subsidies - other		-	201	201	201	201	201	201	201	201	201	201	403	2 415	2 526	2 642
Other expenditure		300 056	10 809	10 809	10 809	10 809	10 809	10 809	10 809	10 809	10 809	10 809	(278 438)	129 706	135 672	141 913
<b>Cash Payments by Type</b>		<b>254 569</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>65 829</b>	<b>(122 911)</b>	<b>789 948</b>	<b>719 853</b>	<b>784 498</b>
<b>Other Cash Flows/Payments by Type</b>																
Capital assets		93 315	41 716	41 716	41 716	41 716	41 716	41 716	41 716	41 716	41 716	41 716	(9 882)	500 595	571 681	808 197
Repayment of borrowing		-	1 508	1 508	1 508	1 508	1 508	1 508	1 508	1 508	1 508	1 508	3 016	18 096	17 430	16 913
Other Cash Flows/Payments		4 705	167	167	167	167	167	167	167	167	167	167	(4 371)	2 000	3 000	4 000
<b>Total Cash Payments by Type</b>		<b>352 589</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>109 220</b>	<b>(134 149)</b>	<b>1 310 640</b>	<b>1 311 963</b>	<b>1 613 608</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>359 415</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>18 687</b>	<b>(322 041)</b>	<b>224 247</b>	<b>242 607</b>	<b>293 067</b>
Cash/cash equivalents at the month/year beginning:		57 071	416 486	435 174	453 861	472 548	491 235	509 923	528 610	547 297	565 984	584 672	603 359	57 071	281 318	523 925
Cash/cash equivalents at the month/year end:		416 486	435 174	453 861	472 548	491 235	509 923	528 610	547 297	565 984	584 672	603 359	281 318	281 318	523 925	816 993

## 2.6 MATERIAL VARIANCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M01 July

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	<b>Revenue</b>			
	Service charges – Water revenue	46%	This is the amounts billed on customers for water used, the year-to-date actual is R3.06 million which is 4% of the approved budget. The R3.06 million year to date actual is below the one month baseline projection or year-to-date budget of R5.6 million. A variance of R2.6 million or 46% is observed	The municipality need to put stringest measures to non paying consumers
	Service charges – Sanitation revenue	4%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R1.42 million which is 8% of the approved budget. the R1.42 million year to date actual is below the one month baseline projection or year-to-date budget of R1.47 million. A variance of R57 thousand or 4% is observed.	The variance is less than 5%
	Sale of goods and rendering of service	100%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R0 thousands which is 0% of the approved budget. the R0 thousands year to date actual is below the one month baseline projection or year-to-date budget of R48 thousand. A variance of R48 thousand or 100% is observed. Reason for the variance can be attribute to the no sale of tender documents during the reporting period month.	The municipality have not sold any tender documents so far.
	Interest earned - outstanding debtors	16%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is R80 thousand which is 10% of the approved budget. The R80 thousand year to date actual is above the one-month baseline projection or year-to-date budget of R69 thousand. A variance of R11 thousand or 16% is observed. Reasons for variances can be attributed to businesses nonadherence to payment terms	The municipality must implement stringent measures to ensure businesses pay on time.
	Interest on investment	98%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R13 thousand which is 0% of the approved budget. The R13 thousand year to date actual is below the one month baseline projection or year-to-date budget of R625 thousand. A variance of R612 thousand or 98% is observed. Reasons for variances can be attributed fact that there was no cash available to be invested.	The municipality have some investments that have not matured yet hence this much variance.
	Rental from Fixed Assets	1%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R42 thousand which is 8% of the approved budget. the R42 thousand year to date actual is above the one-month baseline projection or year-to-date budget of R42 thousand. A variance of R0 or 1% is observed.	The variance is less than 5%
	Licences and Permits	39%	Licences and permits year-to-date actual is R9 thousand which is 5% of the approved budget. the R9 thousand year to date actual is below one month baseline projection or year-to-date budget of R15 thousand. A variance of less than R6 thousand or 39% is observed.	Reasons for variances can be attributed to a positive indication that more consumer are adhering to business licences. Municipality must keep up fining businesses that do not adhere to business licences .
	Operational revenue	72%	Operational revenue year-to-date actual is R81 thousand which is less than 14% of the approved budget. the R81 thousand year to date actual is above to one month baseline projection or year-to-date budget of R47 thousand. A variance of R34 or 72% is observed. The variance is the favourable one.	The municipality need to monitor this line item
	Fines, penalties, and forfeits	51%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is R60 thousand which is 4% of the approved budget. the R60 thousand year to date actual is below the one month baseline projection or year-to-date budget of R122 thousand. A variance of R62 thousand or 51% is observed. Reasons for variances can be attributed to a positive indication that more consumers who are illegally connected are disconnected.	Reasons for variances can be attributed to a positive indication that more consumers who are illegally connected are disconnected. Municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	336%	Transfers and subsidies year to date actual is R279.2 million which is 36% of the approved budget. The R279.2 million year to date actual is above the one month baseline projection or year-to-date budget of R64 million. A variance of R215.2 million or 336% 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. Equitable share and Indonsa Grant have been received.	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. Equitable share and Indonsa Grant have been received.



**DC26 Zululand - Supporting Table SC1 Material variance explanations - M01 July**

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
2	<b><u>Expenditure By Type</u></b>			
	Employee Related Costs	4%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R26.8 million which is 9% of the approved budget. The R26.8 million year to date actual is above the one-month baseline projection or year-to-date budget of R25.8 million. A variance of 965 thousand or 4% is observed.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections. The variance is less than 5%
	Remuneration of Councillors	4%	Remuneration of Councillors are amounts paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R822 thousand which is 9% of the approved budget. The R822 thousand year to date actual is above the one month baseline projection or year-to-date budget of R789 thousand. A variance of R34 thousand or 4% is observed. This is the good indication that the municipality is trying to spend within the budget.	The variance is less than 5%
	Inventory Consumed	82%	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 R385 thousand which is 2% of the approved budget. The R385 thousand year to date actual is below the one-month baseline projection or year-to-date budget of R2.1 million. A variance of R1.7 million or 82% is observed.	The municipality need to capture all requisition book as and when the issues are done.
	Depreciation	12%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R6.6 million which is 7% of the approved budget. The R6.6 million year to date actual is below the one-month baseline projection or year-to-date budget of R7.6 million. A variance of R943 thousand or 12% is observed.	The municipality need to budget for depreciation according to depreciation method stipulated in the policy.
	Finance charges	100%	Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is R0 which is 0% of the approved budget. The R0 year to date actual is below the one-month baseline projection or year-to-date budget of R584 thousand. A variance of R584 thousand or 100% is observed.	Reasons for variances can be attributed to a positive indication that the municipality is paying creditors on time.
	Contracted services	69%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R5.08 million which is 3% of the approved budget. The R5.08 million year to date actual is below the one-month baseline projection or year-to-date budget of R16.5 million. A variance of R11.4 million or 69% is observed.	The municipality has tried to minimise the cost of contracted service
	Transfers and subsidies paid.	100%	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 R0 which is 0% of the approved budget. The R0 million year to date actual is a little below the one-month baseline projection or year-to-date budget of R183 thousand. A variance of R183 thousand or 100% is observed.	Reasons for variances can be attributed to the fact that this line item is done occasionally.
	Operational costs	78%	Operational costs are all other expenditure not classified above. The year-to-date actual is R2.06 million which is 2% of the approved budget. The R2.06 million year to date actual is below the one-month baseline projection or year-to-date budget of R9.4 million. A variance of R7.3 million or 78% is observed.	The expenditure being monitored by the municipality to keep it within the budget.

**DC26 Zululand - Supporting Table SC1 Material variance explanations - M01 July**

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
3	<b>Capital Expenditure</b>			
	Governance and administration	100%	Governance and administration year-to-date actual is R0 which is 0% of the approved budget the R0 year to date actual is below the one-month baseline projection or year-to-date budget of R362 thousand. A variance of R362 thousand or 100% 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 one-month baseline projection or year-to-date budget of R14 thousand. A variance of R14 thousand or 100% is observed.	
	Economic and environmental services	100%	Economic and environmental services year-to-date actual is R0 million which is 0% of the approved budget the R0 year to date actual is below the one-month baseline projection or year-to-date budget of R192 thousand. A variance of R192 Thousand or 100% is observed.	
	Trading services	125%	Trading services year-to-date actual is R93.3 million which is 19% of the approved budget the R93.3 million year to date actual is above the one-month baseline projection or year-to-date budget of R41.5 million. A variance of R51.7 million or 125% 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 - M01 July

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									
<b>Monthly expenditure performance trend</b>									
July	–	42 130	42 130	93 315	93 315	42 130	(51 185)	-121.5%	18%
August	57 911	42 130	42 130	–	–	84 260	84 260	100.0%	0%
September	49 277	42 130	42 130	–	–	126 390	126 390	100.0%	0%
October	113 514	42 130	42 130	–	–	168 520	168 520	100.0%	0%
November	90 763	42 130	42 130	–	–	210 650	210 650	100.0%	0%
December	101 101	42 130	42 130	–	–	252 781	252 781	100.0%	0%
January	10 678	42 130	42 130	–	–	294 911	294 911	100.0%	0%
February	10 959	42 130	42 130	–	–	337 041	337 041	100.0%	0%
March	97 963	42 130	42 130	–	–	379 171	379 171	100.0%	0%
April	53 993	42 130	42 130	–	–	421 301	421 301	100.0%	–
May	1 240	42 130	42 130	–	–	463 431	463 431	100.0%	–
June	128 525	42 130	42 130	–	–	505 561	505 561	100.0%	–
<b>Total Capital expenditure</b>	<b>715 925</b>	<b>505 561</b>	<b>505 561</b>	<b>93 315</b>					

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 - M01 July

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									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		660 219	496 073	501 039	93 315	93 315	41 753	(51 562)	-123.5%	501 039
Roads Infrastructure		–	2 307	2 307	–	–	192	192	100.0%	2 307
Roads		–	2 307	2 307	–	–	192	192	100.0%	2 307
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Power Plants		–	–	–	–	–	–	–		–
Water Supply Infrastructure		660 219	489 059	494 025	93 315	93 315	41 169	(52 146)	-126.7%	494 025
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		35 737	43 631	51 070	9 487	9 487	4 256	(5 231)	-122.9%	51 070
Reservoirs		9 197	1 593	4 965	2 691	2 691	414	(2 277)	-550.5%	4 965
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		123 018	97 849	98 146	43 530	43 530	8 179	(35 352)	-432.2%	98 146
Bulk Mains		450 780	294 587	299 074	28 477	28 477	24 923	(3 554)	-14.3%	299 074
Distribution		41 487	45 046	40 770	9 129	9 129	3 398	(5 732)	-168.7%	40 770
Distribution Points		–	6 354	–	–	–	0	0	100.0%	–
Sanitation Infrastructure		–	4 707	4 707	–	–	392	392	100.0%	4 707
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	4 707	4 707	–	–	392	392	100.0%	4 707
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Sand Pumps		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Data Centres		–	–	–	–	–	–	–		–
<b>Community Assets</b>		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Halls		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities		–	–	–	–	–	–	–		–
<b>Heritage assets</b>		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
<b>Investment properties</b>		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
<b>Other assets</b>		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
<b>Biological or Cultivated Assets</b>		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
<b>Intangible Assets</b>		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
<b>Computer Equipment</b>		1 000	3 913	3 913	–	–	326	326	100.0%	3 913
Computer Equipment		1 000	3 913	3 913	–	–	326	326	100.0%	3 913
<b>Furniture and Office Equipment</b>		328	435	435	–	–	36	36	100.0%	435
Furniture and Office Equipment		328	435	435	–	–	36	36	100.0%	435
<b>Machinery and Equipment</b>		155	174	174	–	–	14	14	100.0%	174
Machinery and Equipment		155	174	174	–	–	14	14	100.0%	174
<b>Transport Assets</b>		920	–	–	–	–	–	–		–
Transport Assets		920	–	–	–	–	–	–		–
<b>Land</b>		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
<b>Zoo's, Marine and Non-biological Animals</b>		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
<b>Living resources</b>		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
<b>Total Capital Expenditure on new assets</b>	1	662 623	500 595	505 561	93 315	93 315	42 130	(51 185)	-121.5%	505 561

# Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M01 July

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		101 413	67 193	62 227	–	–	5 186	5 186	100.0%	62 227
Roads Infrastructure		–	–	–	–	–	–	–		–
Roads		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Power Plants		–	–	–	–	–	–	–		–
Water Supply Infrastructure		101 413	67 193	62 227	–	–	5 186	5 186	100.0%	62 227
Bulk Mains		42 022	19 966	15 000	–	–	1 250	1 250	100.0%	15 000
Distribution		–	–	–	–	–	–	–		–
Distribution Points		59 392	47 227	47 227	–	–	3 936	3 936	100.0%	47 227
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Pump Station		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Sand Pumps		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Data Centres		–	–	–	–	–	–	–		–
<b>Community Assets</b>		911	–	–	–	–	–	–		–
Community Facilities		911	–	–	–	–	–	–		–
Airports		911	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities		–	–	–	–	–	–	–		–
<b>Heritage assets</b>		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
<b>Investment properties</b>		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
<b>Other assets</b>		849	2 000	2 000	–	–	167	167	100.0%	2 000
Operational Buildings		849	2 000	2 000	–	–	167	167	100.0%	2 000
Municipal Offices		849	2 000	2 000	–	–	167	167	100.0%	2 000
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
<b>Biological or Cultivated Assets</b>		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
<b>Intangible Assets</b>		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
<b>Computer Equipment</b>		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
<b>Furniture and Office Equipment</b>		–	300	300	–	–	25	25	100.0%	300
Furniture and Office Equipment		–	300	300	–	–	25	25	100.0%	300
<b>Machinery and Equipment</b>		–	100	100	–	–	8	8	100.0%	100
Machinery and Equipment		–	100	100	–	–	8	8	100.0%	100
<b>Transport Assets</b>		5 321	1 400	1 400	385	385	117	(269)	-230.4%	1 400
Transport Assets		5 321	1 400	1 400	385	385	117	(269)	-230.4%	1 400
<b>Land</b>		–	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
<b>Zoo's, Marine and Non-biological Animals</b>		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
<b>Living resources</b>		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Policing and Protection		–	–	–	–	–	–	–		–
Zoological plants and animals		–	–	–	–	–	–	–		–
<b>Total Repairs and Maintenance Expenditure</b>	1	108 494	70 993	66 027	385	385	5 502	5 117	93.0%	66 027

# Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M01 July

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
<b>R thousands</b>	<b>1</b>									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>102 270</b>	<b>81 902</b>	<b>81 902</b>	<b>5 990</b>	<b>5 990</b>	<b>6 825</b>	<b>835</b>	<b>12.2%</b>	<b>81 902</b>
Roads Infrastructure		—	718	718	53	53	60	7	11.1%	718
Roads		—	718	718	53	53	60	7	11.1%	718
Storm water Infrastructure		—	—	—	—	—	—	—	—	—
Drainage Collection		—	—	—	—	—	—	—	—	—
Electrical Infrastructure		—	36	36	3	3	3	0	11.2%	36
LV Networks		—	36	36	3	3	3	0	11.2%	36
Capital Spares		—	—	—	—	—	—	—	—	—
Water Supply Infrastructure		99 595	78 916	78 916	5 769	5 769	6 576	808	12.3%	78 916
Dams and Weirs		2 231	2 785	2 785	169	169	232	63	27.1%	2 785
Boreholes		1 675	471	471	35	35	39	4	11.1%	471
Reservoirs		8 712	7 026	7 026	520	520	586	65	11.1%	7 026
Pump Stations		6 381	4 451	4 451	330	330	371	41	11.1%	4 451
Water Treatment Works		7 989	6 624	6 624	482	482	552	71	12.8%	6 624
Bulk Mains		47 161	35 197	35 197	2 577	2 577	2 933	356	12.1%	35 197
Distribution		25 366	22 280	22 280	1 650	1 650	1 857	207	11.1%	22 280
Distribution Points		—	—	—	—	—	—	—	—	—
PRV Stations		80	81	81	6	6	7	1	11.1%	81
Capital Spares		—	—	—	—	—	—	—	—	—
Sanitation Infrastructure		2 675	2 231	2 231	165	165	186	21	11.1%	2 231
Pump Station		199	193	193	14	14	16	2	11.1%	193
Reticulation		1 686	1 717	1 717	127	127	143	16	11.1%	1 717
Waste Water Treatment Works		790	322	322	24	24	27	3	11.1%	322
Solid Waste Infrastructure		—	—	—	—	—	—	—	—	—
Landfill Sites		—	—	—	—	—	—	—	—	—
Rail Infrastructure		—	—	—	—	—	—	—	—	—
Rail Lines		—	—	—	—	—	—	—	—	—
Coastal Infrastructure		—	—	—	—	—	—	—	—	—
Sand Pumps		—	—	—	—	—	—	—	—	—
Information and Communication Infrastructure		—	—	—	—	—	—	—	—	—
Data Centres		—	—	—	—	—	—	—	—	—
<b>Community Assets</b>		<b>1 226</b>	<b>852</b>	<b>852</b>	<b>63</b>	<b>63</b>	<b>71</b>	<b>8</b>	<b>11.1%</b>	<b>852</b>
Community Facilities		1 091	622	622	46	46	52	6	11.1%	622
Markets		344	—	—	—	—	—	—	—	—
Stalls		—	—	—	—	—	—	—	—	—
Abattoirs		—	—	—	—	—	—	—	—	—
Airports		748	622	622	46	46	52	6	11.1%	622
Taxi Ranks/Bus Terminals		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
Sport and Recreation Facilities		135	230	230	17	17	19	2	11.1%	230
Indoor Facilities		—	—	—	—	—	—	—	—	—
Outdoor Facilities		135	230	230	17	17	19	2	11.1%	230
Capital Spares		—	—	—	—	—	—	—	—	—
<b>Heritage assets</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Other Heritage		—	—	—	—	—	—	—	—	—
<b>Investment properties</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
Non-revenue Generating		—	—	—	—	—	—	—	—	—
Improved Property		—	—	—	—	—	—	—	—	—
Unimproved Property		—	—	—	—	—	—	—	—	—
<b>Other assets</b>		<b>1 608</b>	<b>1 366</b>	<b>1 366</b>	<b>101</b>	<b>101</b>	<b>114</b>	<b>13</b>	<b>11.1%</b>	<b>1 366</b>
Operational Buildings		1 608	1 366	1 366	101	101	114	13	11.1%	1 366
Municipal Offices		1 608	1 312	1 312	97	97	109	12	11.1%	1 312
Stores		—	53	53	4	4	4	0	11.1%	53
Housing		—	—	—	—	—	—	—	—	—
Capital Spares		—	—	—	—	—	—	—	—	—
<b>Biological or Cultivated Assets</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Biological or Cultivated Assets		—	—	—	—	—	—	—	—	—
<b>Intangible Assets</b>		<b>24</b>	<b>20</b>	<b>20</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>0</b>	<b>21.8%</b>	<b>20</b>
Servitudes		—	—	—	—	—	—	—	—	—
Licences and Rights		24	20	20	1	1	2	0	21.8%	20
Computer Software and Applications		24	20	20	1	1	2	0	21.8%	20
<b>Computer Equipment</b>		<b>2 791</b>	<b>992</b>	<b>992</b>	<b>73</b>	<b>73</b>	<b>83</b>	<b>9</b>	<b>11.1%</b>	<b>992</b>
Computer Equipment		2 791	992	992	73	73	83	9	11.1%	992
<b>Furniture and Office Equipment</b>		<b>569</b>	<b>575</b>	<b>575</b>	<b>41</b>	<b>41</b>	<b>48</b>	<b>7</b>	<b>14.2%</b>	<b>575</b>
Furniture and Office Equipment		569	575	575	41	41	48	7	14.2%	575
<b>Machinery and Equipment</b>		<b>1 030</b>	<b>368</b>	<b>368</b>	<b>27</b>	<b>27</b>	<b>31</b>	<b>3</b>	<b>11.1%</b>	<b>368</b>
Machinery and Equipment		1 030	368	368	27	27	31	3	11.1%	368
<b>Transport Assets</b>		<b>3 903</b>	<b>5 241</b>	<b>5 241</b>	<b>370</b>	<b>370</b>	<b>437</b>	<b>67</b>	<b>15.4%</b>	<b>5 241</b>
Transport Assets		3 903	5 241	5 241	370	370	437	67	15.4%	5 241
<b>Land</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Land		—	—	—	—	—	—	—	—	—
<b>Zoo's, Marine and Non-biological Animals</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Zoo's, Marine and Non-biological Animals		—	—	—	—	—	—	—	—	—
<b>Living resources</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Mature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
Immature		—	—	—	—	—	—	—	—	—
Policing and Protection		—	—	—	—	—	—	—	—	—
Zoological plants and animals		—	—	—	—	—	—	—	—	—
<b>Total Depreciation</b>	<b>1</b>	<b>113 421</b>	<b>91 315</b>	<b>91 315</b>	<b>6 667</b>	<b>6 667</b>	<b>7 610</b>	<b>943</b>	<b>12.4%</b>	<b>91 315</b>

## **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.



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

Date: 2024/08/15