



INTERNAL MEMO

DATE : 18 JULY 2025
TO : THE HONOURABLE MAYOR
FROM : MUNICIPAL MANAGER
RE : QUARTELY BUDGET STATEMENT

Kindly find the attached quarterly budget statement for your Review, in compliance with the S52d of the Municipal Finance Management Act. The quarterly budget statement is for the period ending **30 June 2025**.

The office of the mayor is kindly requested to assist with Mayor's Report based on assessment of the attached Quarterly Budget Statement. The mayor's report is in compliance with Regulation 29 of the Municipal Budget and reporting regulations, which state that; if the Mayor tables MFMA S52d report to council it must be accompanied by Mayor's report in a format set out in schedule C.

In terms of S52 of the Municipal Finance Management Act

The mayor of a municipality—

(a) must provide general political guidance over the fiscal and financial affairs of the municipality; (b) in providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities; (c) must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget; (d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and (e) must exercise the other powers and perform the other duties assigned to the mayor in terms of this Act or delegated by the council to the mayor.

Yours Faithfully

N.S. MSIBI
Chief Financial Officer

R.N HLONGWA
Municipal Manager

ZULULAND DISTRICT MUNICIPALITY



QUARTELY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

30 JUNE 2025

MFMA S52D REPORT

2024/2025 FINANCIAL YEAR

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GLOSSARY

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

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

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

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

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

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

CFO – Chief Financial Officer

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

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

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

FMG – Financial Management Grant

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

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

MSCOA – Municipal Standard Chart of Accounts

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

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

LED – Local Economic Development

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

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

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

MWIG – Municipal Water Infrastructure Grant

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

R & M – Repairs and Maintenance

SCM - Supply Chain Management

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

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

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

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance Revenue and Expenditure

| | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | YTD BUDGET | YTD VARIANCE | YTD VARIANCE % | YTD ACTUAL EXPENDITURE % |
|---|--------------------|--------------------|-----------------|--------------|----------------|-------------------|-----------------------------|
| Total Revenue By Source (Excluding Capital Transfers) | 865 669 793 | 821 163 490 | 806 314 944,48 | 821 163 490 | -14 848 545,52 | -2% | 0,98 |
| Total Operating Expenditure | 767 636 300 | 987 441 734 | 936 625 014,52 | 987 372 347 | -50 816 719,48 | -5% | 0,95 |
| Surplus/(Deficit) | 98 033 493 | -166 278 244 | -130 310 070,04 | -166 208 857 | 35 968 173,96 | | |

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 June 2025** is **R806.3 million**, which is **98%** of the approved adjustment operating revenue budget. The **R806.3 million** year to date Actual is **Below** the **Twelve months** baseline projection or year-to-date budget of **R821.1 million**, a variance of **R14.8 million or 2% 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 **R73.5 million** which is **85%** of the total generated exchange revenue.

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

Reasons for variances can be attributed to Transfers and subsidies being received based on transfer schedule and cannot be benchmarked against year-to-date budget, transfers and subsidies, service charges water and sanitation and operational revenue which are moving at a pace faster than year to date budget.

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

Operating Expenditure Performance

Total Operating Expenditure as at **30 June 2025** is **R936.6 million** which is **95%** of the approved adjustment operating expenditure budget. The **R936.6 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R987.3 million**, a variance of **R50.8 million or 5% is observed**.

Major Variances between actual and year-to-date budget on Operating Expenditure

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

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

Grants expenditure and receipts

| GRANTS RECIEPTS AND EXPENDITURE AS AT 30 JUNE 2025 | APPROVED BUDGET | ADJUSTED BUDGET | RECIEPTS | YTD ACTUAL | VARIANCE YTD & ADJUSTED BUDGET | PERCENTAGE SPENT |
|--|-----------------|-----------------|----------------|----------------|--------------------------------|------------------|
| Municipal Infrastructure Grant (MIG) | 259 542 000 | 262 939 000,00 | 262 939 000,00 | 261 741 431,98 | 1 197 568,02 | 100 |
| Regional Bulk Infrastructure (RBIG) | 214 000 000 | 431 247 000,00 | 431 247 000,00 | 431 247 000,00 | - | 100 |
| Water services infrastructure Grant (WSIG) | 100 000 000 | 155 434 000,00 | 155 434 000,00 | 155 434 000,00 | - | 100 |
| Rural Roads Asset Managemnt Systems Grant | 2 653 000 | 1 857 000,00 | 1 857 000,00 | 1 857 000,00 | - | 100 |
| Indonsa Grant | 1 911 000 | 1 911 000 | 955 500,00 | 375 101,11 | 1 535 898,89 | 20 |
| FMG | 1 200 000 | 1 200 000 | 1 200 000,00 | 1 200 000,00 | - | 100 |
| EPWP | 5 227 000 | 5 227 000 | 5 227 000,00 | 5 227 000,00 | - | 100 |
| NSF | 88 246 119 | 42 036 584 | 42 036 584,18 | 42 105 300,00 | -68 715,82 | 100 |
| LGSETA Waste Water Employees | 443 800 | 165 000 | 165 000,00 | 165 000,00 | - | 100 |
| LGSETA MFMP | 210 000 | - | - | - | - | - |
| LGSETA-Fire and Rescue- Non Employees | 605 136 | 558 600 | 558 600,00 | 558 600,00 | - | 100 |
| AMAFA | | 162 000,00 | 162 000,00 | 162 000,00 | - | 100 |
| PG_KZN_CAP_Disaster Management | - | 9 085 000,00 | 9 085 000,00 | - | 9 085 000,00 | - |
| | 674 038 055 | 911 822 184 | 910 866 684 | 900 072 433 | 11 749 751 | 99 |

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

| | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | YTD BUDGET | YTD VARIANCE | YTD VARIANCE % | YTD ACTUAL EXPENDITURE % |
|---------------------------|-----------------|-----------------|----------------|-------------|----------------|----------------|--------------------------|
| Total Capital Expenditure | 500 594 868 | 777 592 437 | 751 911 245,94 | 777 592 437 | -25 681 191,06 | -3% | 97% |
| Total Capital Financing | 500 594 868 | 777 592 437 | 751 911 245,94 | 777 592 437 | -25 681 191,06 | -3% | 97% |

Grants receipts and expenditure

Total Capital Expenditure as at **30 June 2025** is **R751.9 million** which is **97%** of the approved adjustment capital budget. The **R751.9 million** year to date actual is **Below** the **Twelve months** baseline projection or year-to-date budget of **R777.5 million**, a variance of **R25.6 million**.

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

Major Variances between actual and year to date budget on Capital expenditure

Reasons for variances can be attributed to capital grants not being spent at a similar pace as the year-to date budget but rather spent according to the project's cash flows. **MIG** is at **100%**, **RBIG** is at **100%**, **WSIG** is at **100%** **RRAMG** is at **99%**.

Financial Position Framework

Summary of Statement of Financial position:

| FINANCIAL POSITION | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | % |
|---------------------------------------|----------------------|----------------------|-------------------------|---------------|
| Total current assets | 612 157 378 | 189 367 781 | 171 518 357,01 | 91 |
| Total non current assets | 5 319 118 713 | 6 112 466 094 | 6 175 017 707,37 | 101 |
| Total curent liabilities | 468 128 948 | 549 261 739 | 449 716 535,71 | 82 |
| Total non current liabilities | 154 477 420 | 116 837 619 | 139 386 585,69 | 119 |
| TOTAL COMMUNITY WEALTH/ EQUITY | 6 553 882 459 | 4 948 466 374 | 5 769 179 644,26 | 116,6% |

The current assets year to date actual is R171.5 **million**, which is **91%** of the approved adjustment budget. **Non - Current assets** year to date actual is **R6.1 billion**, which is **101%** of the approved adjustment budget. **Current Liabilities** year to date actual is **R449.7 million** which is **82%** of the approved adjustment budget. **Non- Current Liabilities** year to date is **R139.3 million** which is **119%** of the approved adjustment budget. **Accumulated surplus** year to date actual is **R5.7 billion** which is **116.6%** of the approved adjustment budget.

Current assets amount to **R171.5 million**, included in the current assets is a **bank balance of R23.1 million**.

Current liabilities amount to **R449.7 million**, this includes unspent conditional grants amounting to **R11.1 million**.

The Current ratio is 0.38:1 [**171.5 million/449.7 million**], the current ratio norm is **2:1**

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

1.4. OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

| 2020-2021-2022-2023-2024-2025-2026-2027-2028-2029-2030-2031-2032-2033-2034-2035-2036-2037-2038-2039-2040-2041-2042-2043-2044-2045-2046-2047-2048-2049-2050-2051-2052-2053-2054-2055-2056-2057-2058-2059-2060-2061-2062-2063-2064-2065-2066-2067-2068-2069-2070-2071-2072-2073-2074-2075-2076-2077-2078-2079-2080-2081-2082-2083-2084-2085-2086-2087-2088-2089-2090-2091-2092-2093-2094-2095-2096-2097-2098-2099-2100-2101-2102-2103-2104-2105-2106-2107-2108-2109-2110-2111-2112-2113-2114-2115-2116-2117-2118-2119-2120-2121-2122-2123-2124-2125-2126-2127-2128-2129-2130-2131-2132-2133-2134-2135-2136-2137-2138-2139-2140-2141-2142-2143-2144-2145-2146-2147-2148-2149-2150-2151-2152-2153-2154-2155-2156-2157-2158-2159-2160-2161-2162-2163-2164-2165-2166-2167-2168-2169-2170-2171-2172-2173-2174-2175-2176-2177-2178-2179-2180-2181-2182-2183-2184-2185-2186-2187-2188-2189-2190-2191-2192-2193-2194-2195-2196-2197-2198-2199-2200-2201-2202-2203-2204-2205-2206-2207-2208-2209-2210-2211-2212-2213-2214-2215-2216-2217-2218-2219-2220-2221-2222-2223-2224-2225-2226-2227-2228-2229-2230-2231-2232-2233-2234-2235-2236-2237-2238-2239-2240-2241-2242-2243-2244-2245-2246-2247-2248-2249-2250-2251-2252-2253-2254-2255-2256-2257-2258-2259-2260-2261-2262-2263-2264-2265-2266-2267-2268-2269-2270-2271-2272-2273-2274-2275-2276-2277-2278-2279-2280-2281-2282-2283-2284-2285-2286-2287-2288-2289-2290-2291-2292-2293-2294-2295-2296-2297-2298-2299-2300-2301-2302-2303-2304-2305-2306-2307-2308-2309-2310-2311-2312-2313-2314-2315-2316-2317-2318-2319-2320-2321-2322-2323-2324-2325-2326-2327-2328-2329-2330-2331-2332-2333-2334-2335-2336-2337-2338-2339-2340-2341-2342-2343-2344-2345-2346-2347-2348-2349-2350-2351-2352-2353-2354-2355-2356-2357-2358-2359-2360-2361-2362-2363-2364-2365-2366-2367-2368-2369-2370-2371-2372-2373-2374-2375-2376-2377-2378-2379-2380-2381-2382-2383-2384-2385-2386-2387-2388-2389-2390-2391-2392-2393-2394-2395-2396-2397-2398-2399-2400-2401-2402-2403-2404-2405-2406-2407-2408-2409-2410-2411-2412-2413-2414-2415-2416-2417-2418-2419-2420-2421-2422-2423-2424-2425-2426-2427-2428-2429-2430-2431-2432-2433-2434-2435-2436-2437-2438-2439-2440-2441-2442-2443-2444-2445-2446-2447-2448-2449-2450-2451-2452-2453-2454-2455-2456-2457-2458-2459-2460-2461-2462-2463-2464-2465-2466-2467-2468-2469-2470-2471-2472-2473-2474-2475-2476-2477-2478-2479-2480-2481-2482-2483-2484-2485-2486-2487-2488-2489-2490-2491-2492-2493-2494-2495-2496-2497-2498-2499-2500-2501-2502-2503-2504-2505-2506-2507-2508-2509-2510-2511-2512-2513-2514-2515-2516-2517-2518-2519-2520-2521-2522-2523-2524-2525-2526-2527-2528-2529-2530-2531-2532-2533-2534-2535-2536-2537-2538-2539-2540-2541-2542-2543-2544-2545-2546-2547-2548-2549-2550-2551-2552-2553-2554-2555-2556-2557-2558-2559-2560-2561-2562-2563-2564-2565-2566-2567-2568-2569-2570-2571-2572-2573-2574-2575-2576-2577-2578-2579-2580-2581-2582-2583-2584-2585-2586-2587-2588-2589-2590-2591-2592-2593-2594-2595-2596-2597-2598-2599-2600-2601-2602-2603-2604-2605-2606-2607-2608-2609-2610-2611-2612-2613-2614-2615-2616-2617-2618-2619-2620-2621-2622-2623-2624-2625-2626-2627-2628-2629-2630-2631-2632-2633-2634-2635-2636-2637-2638-2639-2640-2641-2642-2643-2644-2645-2646-2647-2648-2649-2650-2651-2652-2653-2654-2655-2656-2657-2658-2659-2660-2661-2662-2663-2664-2665-2666-2667-2668-2669-2670-2671-2672-2673-2674-2675-2676-2677-2678-2679-2680-2681-2682-2683-2684-2685-2686-2687-2688-2689-2690-2691-2692-2693-2694-2695-2696-2697-2698-2699-2700-2701-2702-2703-2704-2705-2706-2707-2708-2709-2710-2711-2712-2713-2714-2715-2716-2717-2718-2719-2720-2721-2722-2723-2724-2725-2726-2727-2728-2729-2730-2731-2732-2733-2734-2735-2736-2737-2738-2739-2740-2741-2742-2743-2744-2745-2746-2747-2748-2749-2750-2751-2752-2753-2754-2755-2756-2757-2758-2759-2760-2761-2762-2763-2764-2765-2766-2767-2768-2769-2770-2771-2772-2773-2774-2775-2776-2777-2778-2779-2780-2781-2782-2783-2784-2785-2786-2787-2788-2789-2790-2791-2792-2793-2794-2795-2796-2797-2798-2799-2800-2801-2802-2803-2804-2805-2806-2807-2808-2809-2810-2811-2812-2813-2814-2815-2816-2817-2818-2819-2820-2821-2822-2823-2824-2825-2826-2827-2828-2829-2830-2831-2832-2833-2834-2835-2836-2837-2838-2839-2840-2841-2842-2843-2844-2845-2846-2847-2848-2849-2850-2851-2852-2853-2854-2855-2856-2857-2858-2859-2860-2861-2862-2863-2864-2865-2866-2867-2868-2869-2870-2871-2872-2873-2874-2875-2876-2877-2878-2879-2880-2881-2882-2883-2884-2885-2886-2887-2888-2889-2890-2891-2892-2893-2894-2895-2896-2897-2898-2899-2900-2901-2902-2903-2904-2905-2906-2907-2908-2909-2910-2911-2912-2913-2914-2915-2916-2917-2918-2919-2920-2921-2922-2923-2924-2925-2926-2927-2928-2929-2930-2931-2932-2933-2934-2935-2936-2937-2938-2939-2940-2941-2942-2943-2944-2945-2946-2947-2948-2949-2950-2951-2952-2953-2954-2955-2956-2957-2958-2959-2960-2961-2962-2963-2964-2965-2966-2967-2968-2969-2970-2971-2972-2973-2974-2975-2976-2977-2978-2979-2980-2981-2982-2983-2984-2985-2986-2987-2988-2989-2990-2991-2992-2993-2994-2995-2996-2997-2998-2999-3000-3001-3002-3003-3004-3005-3006-3007-3008-3009-3010-3011-3012-3013-3014-3015-3016-3017-3018-3019-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The year-to-date actual indicates operating revenue of **R806.3 million** for **Twelve months**, The **R806.3 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R821.1 million**, a variance of **R14.8 million** or **2%** is observed.

Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

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

EXCHANGE REVENUE

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R55.4 million** which is **90%** of the approved adjustment budget. The **R55.4 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R61.3 million**. A variance of **R5.9 million** or **10%** is observed.

The municipality will monitor this line item to keep in track with the budget year forecast.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R18.1 million** which is **102.24%** of the approved adjustment budget. The **R18.1 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R17.7 million**. A variance of **R397 thousand** or **2%** is observed.

The variance is 5% which is an acceptable trend

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 **R620 thousands** which is **268.92%** of the approved adjustment budget. The **R620 thousands** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R230 thousand**. A variance of **R389 thousand** or **169%** is observed.

There was sale tender documents in this period. A movement **of R626 thousand**.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R746 thousand**, which is **91%** of the approved adjustment budget. The **R746 thousand** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R823 thousand**. A variance of **R77 thousand** or **9%** 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

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R8 million** which is **107.82%** of the approved adjustment budget. The **R8 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R7.5 million**. A variance of **R587 thousand** or **8%** is observed.

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

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R468 thousand** which is **93%** of the approved adjustment budget. The **R468 thousand** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R504 thousand**. A variance of **R36 thousand** or less than **7%** is observed

The municipality will review and reconcile rent with the lease agreements for future forecast.

Licences and Permits

Licences and permits year-to-date actual is **R276 thousand** which is **98%** of the approved adjustment budget. the **R276 thousand** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R283 thousand**. A variance of **R6 thousand** or **2%** is observed.

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

Operational revenue

Operational revenue year-to-date actual is **R1.5 million** which is **118.27%** of the approved adjustment budget. the **R1.5 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R1.2 million**. A variance of **R235 thousands** or **18%** is observed.

The variance to this line item can be attributed to the receipt of Insurance Refund, Registration Fees & Transaction handling Fees which is not benchmarked by year to date.

NON-EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R449 thousand**, which is **77%** of the approved adjustment budget. The **R449 thousand** year to date is **below** the **Twelve months** baseline projection or year-to-date budget of **R580 thousand**. A variance of **R131 thousand** or less than **23%** is observed.

Reasons for variances highlight a negative indication that more consumers are illegally connected or a negative indication that some illegally connected consumers are not yet discovered.

Municipality must keep up the disconnection of illegal connections.

Transfers and subsidies

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

Transfers and subsidies year to date actual is **R720.6 million** which is **99%** of the approved adjustment budget. The **R720.6 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R730.9 million**. A variance of **R10.3 million** or **1%** is observed.

Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule. Grants received to date is Equitable share, FMG, EPWP, Amafa AkwaZulu Grant, Disaster management Grant, LGSETA Grant and Indonsa art centre.

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---------------------------------|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|--------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance | Full Year Forecast |
| R thousands | | | | | | | | | % | |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 315 068 | 310 172 | 327 422 | 29 583 | 336 610 | 327 422 | 9 188 | 3% | 327 422 |
| Remuneration of councillors | | 10 362 | 9 465 | 10 755 | 853 | 10 539 | 10 755 | (216) | -2% | 10 755 |
| Bulk purchases - electricity | | – | – | – | – | – | – | – | | – |
| Inventory consumed | | 45 332 | 25 226 | 32 405 | 13 838 | 25 387 | 32 405 | (7 019) | -22% | 32 405 |
| Debt impairment | | 30 812 | 6 000 | 6 000 | – | – | 6 000 | (6 000) | -100% | 6 000 |
| Depreciation and amortisation | | 114 269 | 91 315 | 91 315 | (1 373) | 106 220 | 91 315 | 14 906 | 16% | 91 315 |
| Interest | | 8 113 | 7 013 | 11 996 | 2 | 10 858 | 11 996 | (1 138) | -9% | 11 996 |
| Contracted services | | 374 946 | 203 358 | 310 012 | 15 608 | 214 318 | 310 012 | (95 694) | -31% | 310 012 |
| Transfers and subsidies | | 3 534 | 2 100 | 2 357 | 7 225 | 8 732 | 2 357 | 6 376 | 271% | 2 357 |
| Irrecoverable debts written off | | 8 134 | – | – | 1 355 | 1 355 | – | 1 355 | #DIV/0! | – |
| Operational costs | | 244 092 | 112 988 | 195 180 | 41 220 | 222 599 | 195 180 | 27 419 | 14% | 195 180 |
| Losses on Disposal of Assets | | 506 | – | – | 6 | 6 | – | 6 | #DIV/0! | – |
| Other Losses | | – | – | – | – | – | – | – | | – |
| Total Expenditure | | 1 155 168 | 767 636 | 987 442 | 108 317 | 936 625 | 987 442 | (50 817) | -5% | 987 442 |

The year-to-date actuals indicate spending of **R936.6 million** for **Twelve months**, which is **95%** of the approved adjustment operating expenditure budget. The **R936.6 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R987.4 million**, a variance of **R50.8 million** or less than **5%** is observed.

Employee Related Costs

Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is **R336.6 million** which is **102.81** of the approved adjustment budget. The **R336.6 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R327.4 million**. A variance of **R9.1 million** or **3%** is observed.

The variance is less than 5%.

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is **R10.5 million** which is **98%** of the approved adjustment budget. The **R10.5 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R10.7 million**. A variance of **R216 hundreds** or **2%** is observed. The variance is less than 5%

Bulk purchases – electricity

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

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 **R25.3 million** which is **R78%** of the approved adjustment budget. The **R25.3 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R32.4 million**. A variance of **R7 million** or **17%** is observed.

The municipality will consider the requisitions if any and debit the expense as the transaction occurs.

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 **R106.2 million** which is **116.32%** of the approved adjustment budget. The **R106.2 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R91.3 million**. A variance of **R14.9 million** or **16%** is observed.

Finance charges

Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is **R10.8 million** which is **91%** of the approved adjustment budget. The **R10.5 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R11.9 million**. A variance of **R1.1 million** or **9%** is observed.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R214.3 million** which is **69%** of the approved adjustment budget. The **R214.3 million** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R310 million**. A variance of **R95.6 million** or **31%** is observed.

The municipality has tried to minimise the cost of contracted service based on the funding plan.

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 **R8.7 million** which is **370.55%** of the approved adjustment budget. The **R8.7 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R2.3 million**. A variance of **R6.3 million** or **271%** is observed.

Operational cost

Operational costs are all other expenditure not classified above. The year-to-date actual is **R222.5 million** which is **114.05%** of the approved adjustment budget. the **R222.5 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R195.1 million**. A variance of **R27.4 million** or **14%** is observed.

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

Operating Grants Expenditure Performance

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

| CONDITIONAL OPERATING GRANTS EXPENDITURE | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | YTD BUDGET | YTD VARIANCE | YTD VARIANCE % | YTD ACTUAL EXPENDITURE % |
|--|-------------------|----------------------|----------------------|----------------------|----------------------|----------------|--------------------------|
| Finance Management grant (FMG) | 1 200 585 | 1 200 000 | 1 200 000,00 | 1 200 000 | - | 0% | 100% |
| EPWP Incentive | 5 227 000 | 5 227 000,00 | 5 227 000,00 | 5 227 000 | - | 0% | 100% |
| Art centre Subsidies (Indonsa Grant) | 1 911 000 | 1 911 000 | 375 101,11 | 1 911 000 | -1 535 898,89 | -80% | 20% |
| National Skills Fund | 88 246 119 | 88 246 119,00 | 88 246 119,00 | 88 246 119 | - | 0% | 100% |
| LG SETA | 1 258 936 | 1 258 936,00 | 1 258 936,00 | 1 258 936 | - | 0% | 100% |
| Amafa Kazulu Grant | | 180 000 | 180 000,00 | 180 000 | - | 0% | 100% |
| Total Operating Grant Expenditure | 97 843 640 | 98 023 055,00 | 96 487 156,11 | 98 023 055,00 | -1 535 898,89 | -0,02 | 98% |

FMG **100%**, EPWP Incentive **100%**, Art center subsidies (Indonsa Grant) **20%**, National skills Fund **100%**, LG SETA – **100%**, Amafa Akwazulu **100%**

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | | | | | | | - | | |
| Service charges - Water | | 58 877 | 68 294 | 61 317 | 5 813 | 55 414 | 61 317 | (5 903) | -10% | 61 317 |
| Service charges - Waste Water Management | | 16 024 | 17 732 | 17 732 | 1 341 | 18 129 | 17 732 | 397 | 2% | 17 732 |
| Service charges - Waste management | | | | | | | | - | | |
| Sale of Goods and Rendering of Services | | 760 | 578 | 230 | (7) | 620 | 230 | 389 | 169% | 230 |
| Agency services | | | | | | | | - | | |
| Interest | | | | | | | | - | | |
| Interest earned from Receivables | | 691 | 823 | 823 | 55 | 746 | 823 | (77) | -9% | 823 |
| Interest from Current and Non Current Assets | | 15 458 | 7 500 | 7 500 | 2 960 | 8 087 | 7 500 | 587 | 8% | 7 500 |
| Dividends | | | | | | | | - | | |
| Rent on Land | | | | | | | | - | | |
| Rental from Fixed Assets | | 559 | 504 | 504 | 38 | 468 | 504 | (36) | -7% | 504 |
| Licence and permits | | 107 | 176 | 283 | 47 | 276 | 283 | (6) | -2% | 283 |
| Operational Revenue | | 594 | 565 | 1 288 | 194 | 1 524 | 1 288 | 235 | 18% | 1 288 |
| Non-Exchange Revenue | | | | | | | | - | | |
| Property rates | | | | | | | | - | | |
| Surcharges and Taxes | | - | - | - | - | - | - | - | | - |
| Fines, penalties and forfeits | | 875 | 1 467 | 580 | 17 | 449 | 580 | (131) | -23% | 580 |
| Licence and permits | | | | | | | | - | | |
| Transfers and subsidies - Operational | | 746 444 | 768 030 | 730 906 | 545 | 720 602 | 730 906 | (10 304) | -1% | 730 906 |
| Interest | | - | - | - | - | - | - | - | | - |
| Fuel Levy | | | | | | | | - | | |
| Operational Revenue | | - | - | - | - | - | - | - | | - |
| Gains on disposal of Assets | | 680 | - | - | - | - | - | - | | - |
| Other Gains | | 5 704 | - | - | (3) | 0 | - | 0 | #DIV/0! | - |
| Discontinued Operations | | | | | | | | - | | |
| Total Revenue (excluding capital transfers and contributions) | | 846 773 | 865 670 | 821 163 | 10 998 | 806 315 | 821 163 | (14 849) | -2% | 821 163 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 315 068 | 310 172 | 327 422 | 29 583 | 336 610 | 327 422 | 9 188 | 3% | 327 422 |
| Remuneration of councillors | | 10 362 | 9 465 | 10 755 | 853 | 10 539 | 10 755 | (216) | -2% | 10 755 |
| Bulk purchases - electricity | | - | - | - | - | - | - | - | | - |
| Inventory consumed | | 45 332 | 25 226 | 32 405 | 13 838 | 25 387 | 32 405 | (7 019) | -22% | 32 405 |
| Debt impairment | | 30 812 | 6 000 | 6 000 | - | - | 6 000 | (6 000) | -100% | 6 000 |
| Depreciation and amortisation | | 114 269 | 91 315 | 91 315 | (1 373) | 106 220 | 91 315 | 14 906 | 16% | 91 315 |
| Interest | | 8 113 | 7 013 | 11 996 | 2 | 10 858 | 11 996 | (1 138) | -9% | 11 996 |
| Contracted services | | 374 946 | 203 358 | 310 012 | 15 608 | 214 318 | 310 012 | (95 694) | -31% | 310 012 |
| Transfers and subsidies | | 3 534 | 2 100 | 2 357 | 7 225 | 8 732 | 2 357 | 6 376 | 271% | 2 357 |
| Irrecoverable debts written off | | 8 134 | - | - | 1 355 | 1 355 | - | 1 355 | #DIV/0! | - |
| Operational costs | | 244 092 | 112 988 | 195 180 | 41 220 | 222 599 | 195 180 | 27 419 | 14% | 195 180 |
| Losses on Disposal of Assets | | 506 | - | - | 6 | 6 | - | 6 | #DIV/0! | - |
| Other Losses | | - | - | - | - | - | - | - | | - |
| Total Expenditure | | 1 155 168 | 767 636 | 987 442 | 108 317 | 936 625 | 987 442 | (50 817) | -5% | 987 442 |
| Surplus/(Deficit) | | (308 396) | 98 033 | (166 278) | (97 319) | (130 310) | (166 278) | 35 968 | (0) | (166 278) |
| Transfers and subsidies - capital (monetary allocations) | | 768 386 | 576 195 | 851 477 | 72 792 | 851 477 | 851 477 | - | | 851 477 |
| Transfers and subsidies - capital (in-kind) | | 9 | - | - | 8 | 8 | - | 8 | #DIV/0! | - |
| Surplus/(Deficit) after capital transfers & contributions | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |
| Income Tax | | | | | | | | - | | |
| Surplus/(Deficit) after income tax | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |
| Share of Surplus/Deficit attributable to Joint Venture | | | | | | | | - | | |
| Share of Surplus/Deficit attributable to Minorities | | | | | | | | - | | |
| Surplus/(Deficit) attributable to municipality | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |
| Share of Surplus/Deficit attributable to Associate | | | | | | | | - | | |
| Intercompany/Parent subsidiary transactions | | | | | | | | - | | |
| Surplus/ (Deficit) for the year | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |

1.6. CAPITAL EXPENDITURE AND FUNDING

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

The summary report indicates the following: -

| | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | YTD BUDGET | YTD VARIANCE | YTD VARIANCE % | YTD ACTUAL EXPENDITURE % |
|---------------------------|--------------------|--------------------|----------------|-------------|----------------|-------------------|-----------------------------|
| Total Capital Expenditure | 500 594 868 | 777 592 437 | 751 911 245,94 | 777 592 437 | -25 681 191,06 | -3% | 97% |
| Total Capital Financing | 500 594 868 | 777 592 437 | 751 911 245,94 | 777 592 437 | -25 681 191,06 | -3% | 97% |

The capital expenditure amounts to **R751.9 million**, which is **97%** of the capital approved adjustment budget, after a period of **Twelve months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M12 June

| Vote Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 01 - Council | | - | - | - | - | - | - | - | | - |
| Vote 02 - Corporate Services | | 155 | - | - | (2 400) | - | - | - | | - |
| Vote 03 - Finance | | - | - | - | - | - | - | - | | - |
| Vote 04 - Community Development | | - | - | - | - | - | - | - | | - |
| Vote 05 - Planning & Wsa | | - | - | - | - | - | - | - | | - |
| Vote 06 - Technical Services | | - | - | - | - | - | - | - | | - |
| Vote 07 - Water Purification | | - | - | - | - | - | - | - | | - |
| Vote 08 - Water Distribution | | - | - | - | - | - | - | - | | - |
| Vote 09 - Waste Water | | - | - | - | - | - | - | - | | - |
| Vote 10 - . | | - | - | - | - | - | - | - | | - |
| Vote 11 - . | | - | - | - | - | - | - | - | | - |
| Vote 12 - , | | - | - | - | - | - | - | - | | - |
| Vote 13 - , | | - | - | - | - | - | - | - | | - |
| Vote 14 - * | | - | - | - | - | - | - | - | | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | | - |
| Total Capital Multi-year expenditure | 4,7 | 155 | - | - | (2 400) | - | - | - | | - |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 01 - Council | | 167 | - | - | - | - | - | - | | - |
| Vote 02 - Corporate Services | | 1 551 | 3 478 | 3 478 | 8 | 37 | 3 478 | (3 441) | -99% | 3 478 |
| Vote 03 - Finance | | 70 | 870 | 870 | 136 | 164 | 870 | (706) | -81% | 870 |
| Vote 04 - Community Development | | 286 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| Vote 05 - Planning & Wsa | | 660 294 | 489 900 | 740 897 | 30 987 | 713 587 | 740 897 | (27 310) | -4% | 740 897 |
| Vote 06 - Technical Services | | - | 6 173 | - | - | - | - | - | | - |
| Vote 07 - Water Purification | | 20 | - | - | - | - | - | - | | - |
| Vote 08 - Water Distribution | | - | - | 32 174 | - | 38 124 | 32 174 | 5 950 | 18% | 32 174 |
| Vote 09 - Waste Water | | - | - | - | - | - | - | - | | - |
| Vote 10 - . | | - | - | - | - | - | - | - | | - |
| Vote 11 - . | | - | - | - | - | - | - | - | | - |
| Vote 12 - , | | - | - | - | - | - | - | - | | - |
| Vote 13 - , | | - | - | - | - | - | - | - | | - |
| Vote 14 - * | | - | - | - | - | - | - | - | | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | | - |
| Total Capital single-year expenditure | 4 | 662 388 | 500 595 | 777 592 | 31 131 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Total Capital Expenditure | | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 1 943 | 4 348 | 4 348 | (2 256) | 201 | 4 348 | (4 147) | -95% | 4 348 |
| Executive and council | | 167 | - | - | - | - | - | - | | - |
| Finance and administration | | 1 621 | 4 348 | 4 348 | (2 256) | 201 | 4 348 | (4 147) | -95% | 4 348 |
| Internal audit | | 155 | - | - | - | - | - | - | | - |
| Community and public safety | | 286 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| Community and social services | | 286 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| Sport and recreation | | - | - | - | - | - | - | - | | - |
| Public safety | | - | - | - | - | - | - | - | | - |
| Housing | | - | - | - | - | - | - | - | | - |
| Health | | - | - | - | - | - | - | - | | - |
| Economic and environmental services | | 75 | 2 307 | 1 597 | 870 | 994 | 1 597 | (603) | -38% | 1 597 |
| Planning and development | | 75 | 2 307 | 1 597 | 870 | 994 | 1 597 | (603) | -38% | 1 597 |
| Road transport | | - | - | - | - | - | - | - | | - |
| Environmental protection | | - | - | - | - | - | - | - | | - |
| Trading services | | 660 239 | 493 766 | 771 474 | 30 117 | 750 717 | 771 474 | (20 757) | -3% | 771 474 |
| Energy sources | | - | - | - | - | - | - | - | | - |
| Water management | | 660 239 | 493 766 | 771 474 | 30 117 | 750 717 | 771 474 | (20 757) | -3% | 771 474 |
| Waste water management | | - | - | - | - | - | - | - | | - |
| Waste management | | - | - | - | - | - | - | - | | - |
| Other | | - | - | - | - | - | - | - | | - |
| Total Capital Expenditure - Functional Classification | 3 | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Funded by: | | | | | | | | | | |
| National Government | | 660 294 | 496 073 | 740 897 | 30 987 | 713 526 | 740 897 | (27 370) | -4% | 740 897 |
| Provincial Government | | 277 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| District Municipality | | - | - | - | - | - | - | - | | - |
| Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm | | - | - | - | - | - | - | - | | - |
| Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | 9 | - | - | - | - | - | - | | - |
| Transfers recognised - capital | | 660 580 | 496 247 | 741 071 | 30 987 | 713 526 | 741 071 | (27 544) | -4% | 741 071 |
| Borrowing | 6 | - | - | 32 174 | - | 38 124 | 32 174 | 5 950 | 18% | 32 174 |
| Internally generated funds | | 1 963 | 4 348 | 4 348 | (2 256) | 261 | 4 348 | (4 087) | -94% | 4 348 |
| Total Capital Funding | | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |

Governance and administration

Governance and administration year-to-date actual is **R201 thousand** which is **5%** of the approved adjustment budget. The **R201 thousand** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R4.3 million**. A variance of **R4.1 million** or **95%** is observed.

Community and public safety

Community and public safety year-to-date actual is **R0** which is **0%** of the approved adjustment budget. the **R0** year to date actual is **below** the **Eleven months** baseline projection or year-to-date budget of **R159 thousand**. A variance of **R159 thousand** or **100%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R994 thousand** which is **62%** of the approved adjustment budget. the **R994 thousand** year to date actual is **below** the **Twelve months** baseline projection or year-to-date budget of **R1.5 million**. A variance of **R603 thousand** or **38%** is observed.

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

Trading services

Trading services year-to-date actual is **R750.7 million** which is **97%** of the approved adjustment budget. the **R750.7 million** year to date actual is **above** the **Twelve months** baseline projection or year-to-date budget of **R771.4 million**. A variance of **R20.7 million** or **3%** is observed.

| CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | YTD BUDGET | YTD VARIANCE | YTD VARIANCE % | YTD ACTUAL EXPENDITURE % |
|--|--------------------|--------------------|-----------------------|--------------------|----------------------|----------------|--------------------------|
| Municipal Infrastructure Grant (MIG) | 220 722 693 | 228 642 609 | 228 987 194,96 | 228 642 609 | 344 586,26 | 0% | 100% |
| Regional Bulk Infrastructure (RBIG) | 186 086 957 | 374 997 391 | 374 997 391,30 | 374 997 391 | - | 0% | 100% |
| Water services infrastructure Grant (WSIG) | 86 956 521 | 135 160 000 | 134 848 078,07 | 135 160 000 | -311 921,93 | 0% | 100% |
| Rural Roads Asset Managemnt Systems Grant | 2 306 957 | 1 614 783 | 1 614 782,61 | 1 614 783 | - | 0% | 100% |
| Art centre Subsisies (Indonsa Grant) | 173 913 | 173 913 | - | 173 913 | -173 913,04 | -100% | 0% |
| Other Assets | 4 347 827 | 4 347 826 | 2 517 271,50 | 4 347 826 | -1 830 554,59 | -42% | 58% |
| Total Operating Expenditure | 500 594 868 | 744 936 522 | 742 964 718,44 | 744 936 522 | -1 971 803,30 | 0% | 100% |

Capital Grant Expenditure as per MFMA circular no. 58

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

| CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58) | APPROVED BUDGET | ADJUSTED BUDGET | YTD ACTUAL | YTD BUDGET | YTD VARIANCE | YTD VARIANCE % | YTD ACTUAL EXPENDITURE % |
|--|--------------------|--------------------|--------------------|--------------------|-------------------|----------------|--------------------------|
| Municipal Infrastructure Grant (MIG) | 259 542 000 | 262 939 000 | 261 741 431,98 | 262 939 000 | -1 197 568,02 | 0% | 100% |
| Regional Bulk Infrastructure (RBIG) | 214 000 000 | 431 247 000 | 431 247 000,00 | 431 247 000 | - | 0% | 100% |
| Water services infrastructure Grant (WSIG) | 100 000 000 | 155 434 000 | 155 434 000,00 | 155 434 000 | - | 0% | 100% |
| Rural Roads Asset Managemnt Systems Grant | 2 653 000 | 1 857 000 | 1 857 000,00 | 1 857 000 | - | 0% | 100% |
| Indonsa Grant | 200 000 | 200 000 | - | 200 000 | -200 000,00 | -100% | 0% |
| Other Assets | 5 000 000 | 5 000 000 | 2 517 271,50 | 5 000 000 | -2 482 728,50 | -50% | 50% |
| Total Capital Grant Expenditure | 581 395 000 | 856 677 000 | 852 796 703 | 856 677 000 | -3 880 297 | 0% | 100% |

Overall capital grant expenditure is sitting at **100%** of the approved adjusted capital budget, **MIG** is sitting at **100%**, **RBIG** at **100%**, **WSIG** at **100%**, **RAMS** at **100%** and **Indonsa Grant 0%**, **Other assets 50%**.

1.7. IN-YEAR BUDGET TABLES

The following part of in-year reporting presented below focuses on the 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 - M12 June

| Description | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | – | – | – | – | – | – | – | | – |
| Service charges | 74 901 | 86 026 | 79 049 | 7 154 | 73 543 | 79 049 | (5 506) | -7% | 79 049 |
| Investment revenue | 15 458 | 7 500 | 7 500 | 2 960 | 8 087 | 7 500 | 587 | 8% | 7 500 |
| Transfers and subsidies - Operational | 746 444 | 768 030 | 730 906 | 545 | 720 602 | 730 906 | (10 304) | (0) | 730 906 |
| Other own revenue | 9 969 | 4 113 | 3 708 | 340 | 4 082 | 3 708 | 374 | 10% | – |
| Total Revenue (excluding capital transfers and contributions) | 846 773 | 865 670 | 821 163 | 10 998 | 806 315 | 821 163 | (14 849) | -2% | 821 163 |
| Employee costs | 315 068 | 310 172 | 327 422 | 29 583 | 336 610 | 327 422 | 9 188 | 3% | 327 422 |
| Remuneration of Councillors | 10 362 | 9 465 | 10 755 | 853 | 10 539 | 10 755 | (216) | -2% | 10 755 |
| Depreciation and amortisation | 114 269 | 91 315 | 91 315 | (1 373) | 106 220 | 91 315 | 14 906 | 16% | 91 315 |
| Interest | 8 113 | 7 013 | 11 996 | 2 | 10 858 | 11 996 | (1 138) | -9% | 11 996 |
| Inventory consumed and bulk purchases | 45 332 | 25 226 | 32 405 | 13 838 | 25 387 | 32 405 | (7 019) | -22% | 32 405 |
| Transfers and subsidies | 3 534 | 2 100 | 2 357 | 7 225 | 8 732 | 2 357 | 6 376 | 271% | 2 357 |
| Other expenditure | 658 490 | 322 345 | 511 192 | 58 189 | 438 278 | 511 192 | (72 914) | -14% | 511 192 |
| Total Expenditure | 1 155 168 | 767 636 | 987 442 | 108 317 | 936 625 | 987 442 | (50 817) | -5% | 987 442 |
| Surplus/(Deficit) | (308 396) | 98 033 | (166 278) | (97 319) | (130 310) | (166 278) | 35 968 | -22% | (166 278) |
| Transfers and subsidies - capital (monetary allocations) | 768 386 | 576 195 | 851 477 | 72 792 | 851 477 | 851 477 | – | | 851 477 |
| Transfers and subsidies - capital (in-kind) | 9 | – | – | 8 | 8 | – | 8 | #DIV/0! | – |
| Surplus/(Deficit) after capital transfers & contributions | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 5% | 685 199 |
| Share of surplus/ (deficit) of associate | – | – | – | – | – | – | – | | – |
| Surplus/ (Deficit) for the year | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 5% | 685 199 |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Capital transfers recognised | 660 580 | 496 247 | 741 071 | 30 987 | 713 526 | 741 071 | (27 544) | -4% | 741 071 |
| Borrowing | – | – | 32 174 | – | 38 124 | 32 174 | 5 950 | 18% | 32 174 |
| Internally generated funds | 1 963 | 4 348 | 4 348 | (2 256) | 261 | 4 348 | (4 087) | -94% | 4 348 |
| Total sources of capital funds | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Financial position | | | | | | | | | |
| Total current assets | 199 465 | 612 157 | 189 368 | | 171 518 | | | | 189 368 |
| Total non current assets | 5 529 332 | 5 319 119 | 6 112 466 | | 6 175 018 | | | | 6 112 466 |
| Total current liabilities | 564 126 | 468 129 | 549 262 | | 449 717 | | | | 549 262 |
| Total non current liabilities | 128 414 | 154 477 | 116 838 | | 139 387 | | | | 116 838 |
| Community wealth/Equity | 5 047 151 | 4 634 441 | 4 948 466 | | 5 756 290 | | | | 4 948 466 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 2 937 672 | 742 935 | 761 728 | 126 874 | 2 008 742 | 761 728 | ##### | -164% | 761 728 |
| Net cash from (used) investing | (661 863) | (500 595) | (775 592) | (28 731) | (751 911) | (775 592) | (23 681) | 3% | (775 592) |
| Net cash from (used) financing | 89 475 | (18 093) | (18 093) | (9 086) | (19 156) | (18 093) | 1 062 | -6% | (18 093) |
| Cash/cash equivalents at the month/year end | 2 392 711 | 417 032 | 25 114 | 81 686 | 1 294 747 | 25 114 | ##### | -5056% | 25 114 |
| Debtors & creditors analysis | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total |
| Debtors Age Analysis | | | | | | | | | |
| Total By Income Source | – | – | – | – | – | – | – | – | – |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | – | – | – | – | – | – | – | – | – |

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|----------|------------------|---------------------|------------------|-----------------|------------------|------------------|-----------------|------------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Revenue - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 759 290 | 769 935 | 724 194 | 3 644 | 725 788 | 724 194 | 1 593 | 0% | 724 194 |
| Executive and council | | – | – | – | – | – | – | – | | – |
| Finance and administration | | 759 290 | 769 935 | 724 194 | 3 644 | 725 788 | 724 194 | 1 593 | 0% | 724 194 |
| Internal audit | | – | – | – | – | – | – | – | | – |
| <i>Community and public safety</i> | | 2 285 | 3 215 | 11 636 | 155 | 900 | 11 636 | (10 736) | -92% | 11 636 |
| Community and social services | | 2 179 | 1 911 | 11 253 | 108 | 623 | 11 253 | (10 630) | -94% | 11 253 |
| Sport and recreation | | – | – | – | – | – | – | – | | – |
| Public safety | | – | – | – | – | – | – | – | | – |
| Housing | | – | – | – | – | – | – | – | | – |
| Health | | 107 | 1 304 | 383 | 47 | 276 | 383 | (106) | -28% | 383 |
| <i>Economic and environmental services</i> | | 3 112 | 2 721 | 1 857 | 1 781 | 1 850 | 1 857 | (7) | 0% | 1 857 |
| Planning and development | | 3 112 | 2 721 | 1 857 | 1 781 | 1 850 | 1 857 | (7) | 0% | 1 857 |
| Road transport | | – | – | – | – | – | – | – | | – |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| <i>Trading services</i> | | 848 437 | 665 936 | 934 896 | 78 211 | 929 225 | 934 896 | (5 671) | -1% | 934 896 |
| Energy sources | | – | – | – | – | – | – | – | | – |
| Water management | | 832 056 | 647 830 | 916 931 | 76 863 | 910 913 | 916 931 | (6 018) | -1% | 916 931 |
| Waste water management | | 16 380 | 18 106 | 17 965 | 1 348 | 18 312 | 17 965 | 347 | 2% | 17 965 |
| Waste management | | – | – | – | – | – | – | – | | – |
| <i>Other</i> | 4 | 2 045 | 57 | 57 | 8 | 38 | 57 | (19) | -33% | 57 |
| Total Revenue - Functional | 2 | 1 615 168 | 1 441 865 | 1 672 640 | 83 798 | 1 657 800 | 1 672 640 | (14 840) | -1% | 1 672 640 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 435 743 | 312 391 | 348 333 | 70 895 | 385 729 | 348 333 | 37 397 | 11% | 348 333 |
| Executive and council | | 73 100 | 35 144 | 40 873 | 53 110 | 88 869 | 40 873 | 47 996 | 117% | 40 873 |
| Finance and administration | | 309 789 | 248 883 | 247 045 | 15 999 | 242 171 | 247 045 | (4 874) | -2% | 247 045 |
| Internal audit | | 52 855 | 28 364 | 60 415 | 1 786 | 54 689 | 60 415 | (5 725) | -9% | 60 415 |
| <i>Community and public safety</i> | | 27 210 | 28 084 | 38 703 | 2 392 | 26 150 | 38 703 | (12 553) | -32% | 38 703 |
| Community and social services | | 9 284 | 9 176 | 19 063 | 637 | 8 021 | 19 063 | (11 042) | -58% | 19 063 |
| Sport and recreation | | – | – | – | – | – | – | – | | – |
| Public safety | | 7 301 | 6 234 | 7 405 | 582 | 7 394 | 7 405 | (11) | 0% | 7 405 |
| Housing | | – | – | – | – | – | – | – | | – |
| Health | | 10 625 | 12 674 | 12 235 | 1 173 | 10 735 | 12 235 | (1 499) | -12% | 12 235 |
| <i>Economic and environmental services</i> | | 29 375 | 22 960 | 23 566 | 2 170 | 21 935 | 23 566 | (1 631) | -7% | 23 566 |
| Planning and development | | 29 375 | 22 960 | 23 566 | 2 170 | 21 935 | 23 566 | (1 631) | -7% | 23 566 |
| Road transport | | – | – | – | – | – | – | – | | – |
| Environmental protection | | – | – | – | – | – | – | – | | – |
| <i>Trading services</i> | | 650 031 | 393 586 | 566 025 | 32 290 | 493 793 | 566 025 | (72 232) | -13% | 566 025 |
| Energy sources | | – | – | – | – | – | – | – | | – |
| Water management | | 637 415 | 378 362 | 554 944 | 31 093 | 483 472 | 554 944 | (71 472) | -13% | 554 944 |
| Waste water management | | 12 616 | 15 224 | 11 082 | 1 197 | 10 322 | 11 082 | (760) | -7% | 11 082 |
| Waste management | | – | – | – | – | – | – | – | | – |
| <i>Other</i> | | 12 810 | 10 615 | 10 815 | 570 | 9 017 | 10 815 | (1 798) | -17% | 10 815 |
| Total Expenditure - Functional | 3 | 1 155 168 | 767 636 | 987 442 | 108 317 | 936 625 | 987 442 | (50 817) | -5% | 987 442 |
| Surplus/ (Deficit) for the year | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0,0525055 | 685 199 |

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) - M12 June

| Vote Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---------------------------------|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| Revenue by Vote | 1 | | | | | | | | | |
| Vote 01 - Council | | - | - | - | - | - | - | - | | - |
| Vote 02 - Corporate Services | | 105 559 | 89 962 | 43 496 | 16 | 43 316 | 43 496 | (180) | -0,4% | 43 496 |
| Vote 03 - Finance | | 655 776 | 680 030 | 680 755 | 3 635 | 682 510 | 680 755 | 1 754 | 0,3% | 680 755 |
| Vote 04 - Community Development | | 2 285 | 3 215 | 11 636 | 155 | 900 | 11 636 | (10 736) | -92,3% | 11 636 |
| Vote 05 - Planning & Wsa | | 775 606 | 581 490 | 856 704 | 72 784 | 856 697 | 856 704 | (7) | 0,0% | 856 704 |
| Vote 06 - Technical Services | | - | - | - | - | - | - | - | | - |
| Vote 07 - Water Purification | | - | - | - | - | - | - | - | | - |
| Vote 08 - Water Distribution | | 59 562 | 69 061 | 62 084 | 5 860 | 56 066 | 62 084 | (6 018) | -9,7% | 62 084 |
| Vote 09 - Waste Water | | 16 380 | 18 106 | 17 965 | 1 348 | 18 312 | 17 965 | 347 | 1,9% | 17 965 |
| Vote 10 - . | | - | - | - | - | - | - | - | | - |
| Vote 11 - . | | - | - | - | - | - | - | - | | - |
| Vote 12 - , | | - | - | - | - | - | - | - | | - |
| Vote 13 - , | | - | - | - | - | - | - | - | | - |
| Vote 14 - * | | - | - | - | - | - | - | - | | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | | - |
| Total Revenue by Vote | 2 | 1 615 168 | 1 441 865 | 1 672 640 | 83 798 | 1 657 800 | 1 672 640 | (14 840) | -0,9% | 1 672 640 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 01 - Council | | 82 703 | 45 311 | 53 018 | 54 441 | 100 627 | 53 018 | 47 609 | 89,8% | 53 018 |
| Vote 02 - Corporate Services | | 276 025 | 211 286 | 237 460 | 11 631 | 224 385 | 237 460 | (13 075) | -5,5% | 237 460 |
| Vote 03 - Finance | | 76 383 | 59 309 | 60 588 | 4 222 | 53 049 | 60 588 | (7 539) | -12,4% | 60 588 |
| Vote 04 - Community Development | | 58 981 | 47 801 | 60 512 | 4 850 | 57 100 | 60 512 | (3 412) | -5,6% | 60 512 |
| Vote 05 - Planning & Wsa | | 31 915 | 27 462 | 23 789 | 1 859 | 19 889 | 23 789 | (3 900) | -16,4% | 23 789 |
| Vote 06 - Technical Services | | 5 404 | 5 758 | 5 609 | 327 | 5 080 | 5 609 | (530) | -9,4% | 5 609 |
| Vote 07 - Water Purification | | 50 293 | 47 565 | 50 610 | 4 562 | 53 459 | 50 610 | 2 849 | 5,6% | 50 610 |
| Vote 08 - Water Distribution | | 560 849 | 307 920 | 484 774 | 25 227 | 412 715 | 484 774 | (72 060) | -14,9% | 484 774 |
| Vote 09 - Waste Water | | 12 616 | 15 224 | 11 082 | 1 197 | 10 322 | 11 082 | (760) | -6,9% | 11 082 |
| Vote 10 - . | | - | - | - | - | - | - | - | | - |
| Vote 11 - . | | - | - | - | - | - | - | - | | - |
| Vote 12 - , | | - | - | - | - | - | - | - | | - |
| Vote 13 - , | | - | - | - | - | - | - | - | | - |
| Vote 14 - * | | - | - | - | - | - | - | - | | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | | - |
| Total Expenditure by Vote | 2 | 1 155 168 | 767 636 | 987 442 | 108 317 | 936 625 | 987 442 | (50 817) | -5,1% | 987 442 |
| Surplus/ (Deficit) for the year | 2 | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 5,3% | 685 199 |

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) - M12 June

| Description | | Ref | 2023/24 | Budget Year 2024/25 | | | | | | |
|---|--|-----------|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|
| | | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % |
| R thousands | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Exchange Revenue | | | | | | | | | | |
| Service charges - Electricity | | | | | | | | - | | |
| Service charges - Water | | 58 877 | 68 294 | 61 317 | 5 813 | 55 414 | 61 317 | (5 903) | -10% | 61 317 |
| Service charges - Waste Water Management | | 16 024 | 17 732 | 17 732 | 1 341 | 18 129 | 17 732 | 397 | 2% | 17 732 |
| Service charges - Waste management | | | | | | | | - | | |
| Sale of Goods and Rendering of Services | | 760 | 578 | 230 | (7) | 620 | 230 | 389 | 169% | 230 |
| Agency services | | | | | | | | - | | |
| Interest | | | | | | | | - | | |
| Interest earned from Receivables | | 691 | 823 | 823 | 55 | 746 | 823 | (77) | -9% | 823 |
| Interest from Current and Non Current Assets | | 15 458 | 7 500 | 7 500 | 2 960 | 8 087 | 7 500 | 587 | 8% | 7 500 |
| Dividends | | | | | | | | - | | |
| Rent on Land | | | | | | | | - | | |
| Rental from Fixed Assets | | 559 | 504 | 504 | 38 | 468 | 504 | (36) | -7% | 504 |
| Licence and permits | | 107 | 176 | 283 | 47 | 276 | 283 | (6) | -2% | 283 |
| Operational Revenue | | 594 | 565 | 1 288 | 194 | 1 524 | 1 288 | 235 | 18% | 1 288 |
| Non-Exchange Revenue | | | | | | | | | | |
| Property rates | | | | | | | | - | | |
| Surcharges and Taxes | | - | - | - | - | - | - | - | | - |
| Fines, penalties and forfeits | | 875 | 1 467 | 580 | 17 | 449 | 580 | (131) | -23% | 580 |
| Licence and permits | | | | | | | | - | | |
| Transfers and subsidies - Operational | | 746 444 | 768 030 | 730 906 | 545 | 720 602 | 730 906 | (10 304) | -1% | 730 906 |
| Interest | | - | - | - | - | - | - | - | | - |
| Fuel Levy | | | | | | | | - | | |
| Operational Revenue | | - | - | - | - | - | - | - | | - |
| Gains on disposal of Assets | | 680 | - | - | - | - | - | - | | - |
| Other Gains | | 5 704 | - | - | (3) | 0 | - | 0 | #DIV/0! | - |
| Discontinued Operations | | | | | | | | | | |
| | | | | | | | | - | | |
| Total Revenue (excluding capital transfers and contributions) | | 846 773 | 865 670 | 821 163 | 10 998 | 806 315 | 821 163 | (14 849) | -2% | 821 163 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 315 068 | 310 172 | 327 422 | 29 583 | 336 610 | 327 422 | 9 188 | 3% | 327 422 |
| Remuneration of councillors | | 10 362 | 9 465 | 10 755 | 853 | 10 539 | 10 755 | (216) | -2% | 10 755 |
| Bulk purchases - electricity | | - | - | - | - | - | - | - | | - |
| Inventory consumed | | 45 332 | 25 226 | 32 405 | 13 838 | 25 387 | 32 405 | (7 019) | -22% | 32 405 |
| Debt impairment | | 30 812 | 6 000 | 6 000 | - | - | 6 000 | (6 000) | -100% | 6 000 |
| Depreciation and amortisation | | 114 269 | 91 315 | 91 315 | (1 373) | 106 220 | 91 315 | 14 906 | 16% | 91 315 |
| Interest | | 8 113 | 7 013 | 11 996 | 2 | 10 858 | 11 996 | (1 138) | -9% | 11 996 |
| Contracted services | | 374 946 | 203 358 | 310 012 | 15 608 | 214 318 | 310 012 | (95 694) | -31% | 310 012 |
| Transfers and subsidies | | 3 534 | 2 100 | 2 357 | 7 225 | 8 732 | 2 357 | 6 376 | 271% | 2 357 |
| Irrecoverable debts written off | | 8 134 | - | - | 1 355 | 1 355 | - | 1 355 | #DIV/0! | - |
| Operational costs | | 244 092 | 112 988 | 195 180 | 41 220 | 222 599 | 195 180 | 27 419 | 14% | 195 180 |
| Losses on Disposal of Assets | | 506 | - | - | 6 | 6 | - | 6 | #DIV/0! | - |
| Other Losses | | - | - | - | - | - | - | - | | - |
| Total Expenditure | | 1 155 168 | 767 636 | 987 442 | 108 317 | 936 625 | 987 442 | (50 817) | -5% | 987 442 |
| Surplus/(Deficit) | | (308 396) | 98 033 | (166 278) | (97 319) | (130 310) | (166 278) | 35 968 | (0) | (166 278) |
| Transfers and subsidies - capital (monetary allocations) | | 768 386 | 576 195 | 851 477 | 72 792 | 851 477 | 851 477 | - | | 851 477 |
| Transfers and subsidies - capital (in-kind) | | 9 | - | - | 8 | 8 | - | 8 | #DIV/0! | - |
| Surplus/(Deficit) after capital transfers & contributions | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |
| Income Tax | | | | | | | | - | | |
| Surplus/(Deficit) after income tax | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |
| Share of Surplus/Deficit attributable to Joint Venture | | | | | | | | - | | |
| Share of Surplus/Deficit attributable to Minorities | | | | | | | | - | | |
| Surplus/(Deficit) attributable to municipality | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |
| Share of Surplus/Deficit attributable to Associate | | | | | | | | - | | |
| Intercompany/Parent subsidiary transactions | | | | | | | | - | | |
| Surplus/ (Deficit) for the year | | 460 000 | 674 228 | 685 199 | (24 518) | 721 175 | 685 199 | 35 977 | 0 | 685 199 |

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) - M12 June

| Vote Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Multi-Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 01 - Council | | - | - | - | - | - | - | - | | - |
| Vote 02 - Corporate Services | | 155 | - | - | (2 400) | - | - | - | | - |
| Vote 03 - Finance | | - | - | - | - | - | - | - | | - |
| Vote 04 - Community Development | | - | - | - | - | - | - | - | | - |
| Vote 05 - Planning & Wsa | | - | - | - | - | - | - | - | | - |
| Vote 06 - Technical Services | | - | - | - | - | - | - | - | | - |
| Vote 07 - Water Purification | | - | - | - | - | - | - | - | | - |
| Vote 08 - Water Distribution | | - | - | - | - | - | - | - | | - |
| Vote 09 - Waste Water | | - | - | - | - | - | - | - | | - |
| Vote 10 - . | | - | - | - | - | - | - | - | | - |
| Vote 11 - . | | - | - | - | - | - | - | - | | - |
| Vote 12 - . | | - | - | - | - | - | - | - | | - |
| Vote 13 - . | | - | - | - | - | - | - | - | | - |
| Vote 14 - * | | - | - | - | - | - | - | - | | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | | - |
| Total Capital Multi-year expenditure | 4,7 | 155 | - | - | (2 400) | - | - | - | | - |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 01 - Council | | 167 | - | - | - | - | - | - | | - |
| Vote 02 - Corporate Services | | 1 551 | 3 478 | 3 478 | 8 | 37 | 3 478 | (3 441) | -99% | 3 478 |
| Vote 03 - Finance | | 70 | 870 | 870 | 136 | 164 | 870 | (706) | -81% | 870 |
| Vote 04 - Community Development | | 286 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| Vote 05 - Planning & Wsa | | 660 294 | 489 900 | 740 897 | 30 987 | 713 587 | 740 897 | (27 310) | -4% | 740 897 |
| Vote 06 - Technical Services | | - | 6 173 | - | - | - | - | - | | - |
| Vote 07 - Water Purification | | 20 | - | - | - | - | - | - | | - |
| Vote 08 - Water Distribution | | - | - | 32 174 | - | 38 124 | 32 174 | 5 950 | 18% | 32 174 |
| Vote 09 - Waste Water | | - | - | - | - | - | - | - | | - |
| Vote 10 - . | | - | - | - | - | - | - | - | | - |
| Vote 11 - . | | - | - | - | - | - | - | - | | - |
| Vote 12 - . | | - | - | - | - | - | - | - | | - |
| Vote 13 - . | | - | - | - | - | - | - | - | | - |
| Vote 14 - * | | - | - | - | - | - | - | - | | - |
| Vote 15 - Other | | - | - | - | - | - | - | - | | - |
| Total Capital single-year expenditure | 4 | 662 388 | 500 595 | 777 592 | 31 131 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Total Capital Expenditure | | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 1 943 | 4 348 | 4 348 | (2 256) | 201 | 4 348 | (4 147) | -95% | 4 348 |
| Executive and council | | 167 | - | - | - | - | - | - | | - |
| Finance and administration | | 1 621 | 4 348 | 4 348 | (2 256) | 201 | 4 348 | (4 147) | -95% | 4 348 |
| Internal audit | | 155 | - | - | - | - | - | - | | - |
| Community and public safety | | 286 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| Community and social services | | 286 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| Sport and recreation | | - | - | - | - | - | - | - | | - |
| Public safety | | - | - | - | - | - | - | - | | - |
| Housing | | - | - | - | - | - | - | - | | - |
| Health | | - | - | - | - | - | - | - | | - |
| Economic and environmental services | | 75 | 2 307 | 1 597 | 870 | 994 | 1 597 | (603) | -38% | 1 597 |
| Planning and development | | 75 | 2 307 | 1 597 | 870 | 994 | 1 597 | (603) | -38% | 1 597 |
| Road transport | | - | - | - | - | - | - | - | | - |
| Environmental protection | | - | - | - | - | - | - | - | | - |
| Trading services | | 660 239 | 493 766 | 771 474 | 30 117 | 750 717 | 771 474 | (20 757) | -3% | 771 474 |
| Energy sources | | - | - | - | - | - | - | - | | - |
| Water management | | 660 239 | 493 766 | 771 474 | 30 117 | 750 717 | 771 474 | (20 757) | -3% | 771 474 |
| Waste water management | | - | - | - | - | - | - | - | | - |
| Waste management | | - | - | - | - | - | - | - | | - |
| Other | | - | - | - | - | - | - | - | | - |
| Total Capital Expenditure - Functional Classification | 3 | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |
| Funded by: | | | | | | | | | | |
| National Government | | 660 294 | 496 073 | 740 897 | 30 987 | 713 526 | 740 897 | (27 370) | -4% | 740 897 |
| Provincial Government | | 277 | 174 | 174 | - | - | 174 | (174) | -100% | 174 |
| District Municipality | | - | - | - | - | - | - | - | | - |
| Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm | | - | - | - | - | - | - | - | | - |
| Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, | | 9 | - | - | - | - | - | - | | - |
| Higher Educ Institutions) | | - | - | - | - | - | - | - | | - |
| Transfers recognised - capital | | 660 580 | 496 247 | 741 071 | 30 987 | 713 526 | 741 071 | (27 544) | -4% | 741 071 |
| Borrowing | 6 | - | - | 32 174 | - | 38 124 | 32 174 | 5 950 | 18% | 32 174 |
| Internally generated funds | | 1 963 | 4 348 | 4 348 | (2 256) | 261 | 4 348 | (4 087) | -94% | 4 348 |
| Total Capital Funding | | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | (25 681) | -3% | 777 592 |

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

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

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | |
|---|----------|------------------|---------------------|------------------|------------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | YearTD actual | Full Year Forecast |
| R thousands | 1 | | | | | |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | | 57 071 | 417 029 | 25 070 | 23 103 | 25 070 |
| Trade and other receivables from exchange transactions | | 36 516 | 79 729 | 66 307 | 47 823 | 66 307 |
| Receivables from non-exchange transactions | | 5 696 | 7 109 | 5 696 | 6 734 | 5 696 |
| Current portion of non-current receivables | | — | — | — | — | — |
| Inventory | | 3 966 | 2 824 | 3 966 | 11 840 | 3 966 |
| VAT | | 66 673 | 80 813 | 64 744 | 53 083 | 64 744 |
| Other current assets | | 29 542 | 24 653 | 23 584 | 28 935 | 23 584 |
| Total current assets | | 199 465 | 612 157 | 189 368 | 171 518 | 189 368 |
| Non current assets | | | | | | |
| Investments | | | | | | |
| Investment property | | | | | | |
| Property, plant and equipment | | 5 521 478 | 5 311 270 | 6 104 631 | 6 167 179 | 6 104 631 |
| Biological assets | | | | | | |
| Living and non-living resources | | | | | | |
| Heritage assets | | 7 817 | 7 817 | 7 817 | 7 817 | 7 817 |
| Intangible assets | | 28 | 32 | 8 | 12 | 8 |
| Trade and other receivables from exchange transactions | | — | — | — | — | — |
| Non-current receivables from non-exchange transactions | | — | — | — | — | — |
| Other non-current assets | | 10 | — | 10 | 10 | 10 |
| Total non current assets | | 5 529 332 | 5 319 119 | 6 112 466 | 6 175 018 | 6 112 466 |
| TOTAL ASSETS | | 5 728 797 | 5 931 276 | 6 301 834 | 6 346 536 | 6 301 834 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | — | — | — | — | — |
| Financial liabilities | | 18 789 | 1 556 | 18 318 | (358) | 18 318 |
| Consumer deposits | | 3 381 | 3 702 | 3 463 | 3 372 | 3 463 |
| Trade and other payables from exchange transactions | | 504 035 | 450 406 | 485 717 | 393 888 | 485 717 |
| Trade and other payables from non-exchange transactions | | 1 446 | — | 1 446 | 11 174 | 1 446 |
| Provision | | 34 940 | 2 154 | 34 940 | 34 940 | 34 940 |
| VAT | | 1 535 | 10 311 | 5 378 | 6 701 | 5 378 |
| Other current liabilities | | — | — | — | — | — |
| Total current liabilities | | 564 126 | 468 129 | 549 262 | 449 717 | 549 262 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 81 419 | 80 589 | 69 843 | 92 392 | 69 843 |
| Provision | | 44 070 | 41 109 | 44 070 | 44 070 | 44 070 |
| Long term portion of trade payables | | 2 925 | 32 779 | 2 925 | 2 925 | 2 925 |
| Other non-current liabilities | | — | — | — | — | — |
| Total non current liabilities | | 128 414 | 154 477 | 116 838 | 139 387 | 116 838 |
| TOTAL LIABILITIES | | 692 540 | 622 606 | 666 099 | 589 103 | 666 099 |
| NET ASSETS | 2 | 5 036 258 | 5 308 670 | 5 635 735 | 5 757 433 | 5 635 735 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated surplus/(deficit) | | 5 047 151 | 4 634 441 | 4 948 466 | 5 756 290 | 4 948 466 |
| Reserves and funds | | — | — | — | — | — |
| Other | | — | — | — | — | — |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 5 047 151 | 4 634 441 | 4 948 466 | 5 756 290 | 4 948 466 |

MBRR Table C6 - Monthly Budget Statement Financial Position

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

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

CURRENT ASSETS

Cash and Cash Equivalents

Cash and cash Equivalents balance as at 30 June 2025 indicates a Bank Balance of **R23.1 million**
Bank balance **R23.1 million**

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R47.8 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R273.6 million**. Consumer debtors' amount to **R275.4 million** and **R2.2 million** is for shared services cast in Other Debtors.

| | |
|-----------------------------|----------------------|
| Gross Consumer debtors | R275.4 million |
| Less Impairment | (R227.6 million) |
| Net Consumer Debtors | R47.8 million |

Classification of Consumer Debtors per Service type

| | |
|-------------------------------|----------------------|
| Water Debtors | R34.1 million |
| Sanitation Debtors | R7.9 million |
| Property Rentals Debtors | R437.8 thousand |
| Other Consumer debtors | R873.2 thousand |
| Receivables from non-exchange | R5.2 million |
| Total | R47.8 million |

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R34.1 million**.
Water debtors amount owed by consumers for water services billed.

| | |
|--------------------------|----------------------|
| Gross Water Debtors | R214.9 million |
| Less Impairment | (R180.8 million) |
| Net Water Debtors | R34.1 million |

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R7.9 million**.
Sanitation debtors are amounts owed by consumers for sewer services billed.

| | |
|-------------------------------|---------------------|
| Gross Sanitation Debtors | R54.1 million |
| Less Impairment | (R46.2 million) |
| Net Sanitation Debtors | R7.9 million |

➤ **Property Rentals Debtors**

These debtors accumulated from property rentals amount to **R132 thousand**

| | |
|----------------------------|------------------------|
| Property Rental | R756.2 million |
| Less Impairment | (R318.4 thousand) |
| Net Property rental | R437.8 thousand |

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R873.2 thousand**, these are sundry debtors.

| | |
|--------------------------|------------------------|
| Gross Other Debtors | R876.3 thousand |
| Less Impairment | (R277.5 thousand) |
| Net Other Debtors | R873.2 thousand |

➤ **Other receivables from exchange**

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

| | |
|---|----------------------|
| Opening Balance | R30.2 million |
| Other receivables from exchange: monthly bill | R28 million |
| Less Impairment | (R0) |
| Net other receivables from exchange | R2.2 million |

Classification of Consumer Debtors per Customer group

| | |
|---|-----------------------|
| Households | R214.8 million |
| Commercial/Businesses | R 19.1 million |
| Organs of State (excl shared services of R3.3 mill) | R 39.6 million |
| Total | R273.6 million |

Household and commercial consumer debtors are impaired as per council policy. The breakdown is as follows:

| | |
|------------------------------|---------------------|
| Gross Households debtors | R214.8 million |
| Commercial/Businesses | R 19.1 million |
| Less Impairment | (R227.6 million) |
| Net Household debtors | R6.3 million |

Receivables from non – exchange

Fruitless expenditure

Amount to be recovered amounting to **R6.7 million** resulted from a claim of standing time due to consultant negligence.

Inventory

The current level of inventory is **R11.8 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R53 million**, this is the amount raised when input VAT is recognized as less output VAT collected as per VAT reconciliation.

Other debtors

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R28.9 million**.

| | |
|------------------------------|----------------------|
| Deposits Made | R19.4 million |
| Refunds & under/over banking | R9.2 million |
| Operating lease | R5 thousand |
| Salary Advance | R273.8 thousand |
| Total | R28.9 million |

➤ **Deposits Made**

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

| | |
|------------------|---------------|
| Eskom Deposits | R19.2 million |
| Stowell Deposits | R200 thousand |

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

➤ **Refunds & under/over banking**

Refunds & under/over banking amount to **R9.3 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

| | |
|-------------------------|--------------|
| Shared services debtors | R3.4 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.

➤ **Operating lease**

Operating lease amounts to **R5 thousand**.

NON-CURRENT ASSETS

Long term receivables

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

Property plant and equipment

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment includes current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R6.1 million**.

| | |
|------------------------|---------------------|
| Opening balance | R5.5 billion |
| Additions | R751.9 million |
| Depreciation | (R107.5 million) |
| Closing Balance | R6.1 billion |

Heritage Assets

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

Intangible

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

| | |
|-----------------|---------------------|
| Opening balance | R12 thousand |
| Additions | R 0 |
| Depreciation | (R) |
| Closing Balance | R12 thousand |

Other non-current assets

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

CURRENT LIABILITIES

Financial Liabilities

This is the current portion of the long-term loan repayment and finance lease agreement the Municipality entered to procure laptops. The current balance owed amount to **R357 thousand**.

| | |
|------------------------------------|----------------------|
| Loan repayment | R8.8 million |
| Finance lease BCX | (R128 thousand) |
| Total Financial liabilities | R357 thousand |

| | |
|-----------------|----------------------|
| Opening balance | R8.8 million |
| Payment | (R128 thousand) |
| Closing Balance | R357 thousand |

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 **R393.9 million**.

| | |
|----------------------------------|-----------------------|
| Trade Creditors | R275.6 million |
| Retention | R114.2 million |
| Session | R596 thousand |
| Department of Water & Sanitation | R106.5 million |
| Employee related cost | R4 thousands |
| Advance Payments | R2.1 million |
| Salary Suspense Accounts | R184 rand |
| Unallocated Deposits | R242 thousand |
| Other Suspense accounts | R500 hundreds |
| Leave accrual | R109 thousand |
| Stock Adjustments and refunds | R542 thousand |
| Other Creditors | R159.7 million |
| Closing Balance | R393.9 million |

Trade and other payables from non-exchange transactions

This is the amount of unspent conditional grants which will be recognized when the conditions are met. Unspent conditional grants amount to **R11.1 million**.

Current Provision

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

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

VAT Payables

VAT payable amount to **R6.7 million**, this is the amount paid when output VAT is recognized as less input VAT paid as per VAT reconciliation.

NON-CURRENT LIABILITIES

Financial liabilities

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R92.3 million**.

| | |
|-------------------------------|-----------------|
| Long term loan | R91.3 million |
| Operating lease LUMD | R949 thousand |
| Operating lease long term BCX | R181.6 thousand |

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

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

Non-current Provisions

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

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

Non - current liability DWS

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

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.7 billion**

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.

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|-----|------------------|---------------------|------------------|-----------------|------------------|------------------|-----------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| CASH FLOW FROM OPERATING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Property rates | | | | | | | | - | | |
| Service charges | | 32 466 | 60 766 | 56 066 | 3 794 | 42 772 | 56 066 | (13 294) | -24% | 56 066 |
| Other revenue | | 2 051 105 | 121 898 | 146 045 | 126 593 | 1 569 444 | 146 045 | 1 423 399 | 975% | 146 045 |
| Transfers and Subsidies - Operational | | 746 330 | 768 030 | 776 756 | 54 | 729 726 | 776 756 | (47 030) | -6% | 776 756 |
| Transfers and Subsidies - Capital | | 768 386 | 576 195 | 852 273 | - | 851 477 | 852 273 | (796) | 0% | 852 273 |
| Interest | | 18 397 | 7 995 | 7 995 | 83 | 5 345 | 7 995 | (2 650) | -33% | 7 995 |
| Dividends | | | | | | | | - | | |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (679 012) | (789 533) | (1 074 687) | (3 650) | (1 190 021) | (1 074 687) | 115 335 | -11% | (1 074 687) |
| Interest | | | | | | | | - | | |
| Transfers and Subsidies | | - | (2 415) | (2 720) | - | - | (2 720) | (2 720) | 100% | (2 720) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 2 937 672 | 742 935 | 761 728 | 126 874 | 2 008 742 | 761 728 | ##### | -164% | 761 728 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Proceeds on disposal of PPE | | 680 | - | - | - | - | - | - | | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | | - |
| Decrease (increase) in non-current investments | | | | | | | | - | | |
| Payments | | | | | | | | | | |
| Capital assets | | (662 543) | (500 595) | (775 592) | (28 731) | (751 911) | (775 592) | (23 681) | 3% | (775 592) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (661 863) | (500 595) | (775 592) | (28 731) | (751 911) | (775 592) | (23 681) | 3% | (775 592) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | | | | | | | - | | |
| Borrowing long term/refinancing | | 100 000 | - | - | - | - | - | - | | - |
| Increase (decrease) in consumer deposits | | (9) | 3 | 3 | - | (9) | 3 | (12) | -369% | 3 |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (10 516) | (18 096) | (18 096) | (9 086) | (19 147) | (18 096) | 1 050 | -6% | (18 096) |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | 89 475 | (18 093) | (18 093) | (9 086) | (19 156) | (18 093) | 1 062 | -6% | (18 093) |
| NET INCREASE/(DECREASE) IN CASH HELD | | 2 365 284 | 224 247 | (31 957) | 89 057 | 1 237 676 | (31 957) | | | (31 957) |
| Cash/cash equivalents at beginning: | | 27 427 | 192 785 | 57 071 | (7 371) | 57 071 | 57 071 | | | 57 071 |
| Cash/cash equivalents at month/year end: | | 2 392 711 | 417 032 | 25 114 | 81 686 | 1 294 747 | 25 114 | | | 25 114 |

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R56.06 million** on service charges, the estimated collection amount is based on the 60% collection rate. The collection rate is also based on previous years actual collection and the initiatives the Municipality has taken to improve collection. The Municipality has collected **R42.7 million** to date. This is **76%** of budgeted collection and **58%** of year-to-date billing.

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

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

Other Revenue

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

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and operational subsidies are to date **R729.5 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

| | |
|---------------------------|-----------------------|
| Equitable share | R670.1 million |
| FMG | R1.2 million |
| EPWP | R5.2 million |
| Indonsa Grant | R955 thousand |
| LG SETA | R723.6 thousand |
| NSF | R42.03 million |
| Amafa Akwazulu | R180 thousand |
| Disaster Management Grant | R9.08 million |
| TOTAL | R729.5 million |

Transfers and subsidies – Capital

Transfers and subsidies - Capital is expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R851.4 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 | R262.9 million |
| Regional Bulk Infrastructure Grant | R431.2 million |

| | |
|-------------------------------------|-----------------------|
| Water Services Infrastructure Grant | R 155.4 million |
| Rural Road | R1.8 million |
| TOTAL | R851.4 million |

Interest

Interest on the investment budget is **R7.9 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 **R5.3 million**. Interest in investment revenue on table C4 is **R8 million**.

Payments - Suppliers and employees

The municipality is expecting to spend **100%** of what has been budgeted on Table C4 and year-end creditors but excluding non-cash items such as depreciation and debt impairment.

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R751.9 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in the process of developing an action plan to address these inefficiencies.

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date are **R23.1 million** in the financial position but in the cash flow, it is **R1.2 billion**.

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

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as of 30 June 2025

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M12 June

| Description | | NT Code | Budget Year 2024/25 | | | | | | | | | | Actual Bad Debts Written Off against Debtors | Impairment - Bad Debts i.t.o Council Policy | |
|---|--|---------|---------------------|------------|------------|-------------|-------------|-------------|--------------|----------|-----------|--------------------|--|---|---------------|
| | | | 0-30 Days | 31-60 Days | 61-90 Days | 91-120 Days | 121-150 Dys | 151-180 Dys | 181 Dys-1 Yr | Over 1Yr | Total | Total over 90 days | | | |
| R thousands | | | | | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | | 1200 | 6 438 | 3 782 | 4 375 | 3 852 | 3 875 | 4 120 | 23 397 | 163 497 | 213 336 | 198 741 | – | 180 861 | |
| Trade and Other Receivables from Exchange Transactions - Electricity | | 1300 | | | | | | | | | – | – | | | |
| Receivables from Non-exchange Transactions - Property Rates | | 1400 | | | | | | | | | – | – | | | |
| Receivables from Exchange Transactions - Waste Water Management | | 1500 | 1 352 | 987 | 851 | 1 005 | 932 | 933 | 5 356 | 42 533 | 53 949 | 50 759 | – | 462 118 | |
| Receivables from Exchange Transactions - Waste Management | | 1600 | | | | | | | | | – | – | | | |
| Receivables from Exchange Transactions - Property Rental Debtors | | 1700 | 30 | 11 | 11 | 11 | 16 | 17 | 132 | 184 | 413 | 360 | – | – | |
| Interest on Arrear Debtor Accounts | | 1810 | 56 | 58 | 56 | 60 | 59 | 61 | 376 | 1 095 | 1 823 | 1 652 | – | – | |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | | 1820 | | | | | | | | | – | – | | | |
| Other | | 1900 | | | | | | | | | – | – | | | |
| Total By Income Source | | 2000 | 7 877 | 4 839 | 5 294 | 4 928 | 4 883 | 5 130 | 29 261 | 207 310 | 269 521 | 251 512 | – | 642 979 | |
| 2023/24 - totals only | | | | 9157639 | 6238379 | 5194971 | 4879282 | 5073790 | 4465765 | 22479144 | 180806877 | 238 296 | 217 705 | 0 | 192197797 1/2 |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | | | |
| Organs of State | | 2200 | 2 818 | 1 119 | 1 105 | 1 458 | 1 307 | 1 520 | 9 284 | 21 036 | 39 649 | 34 606 | – | – | |
| Commercial | | 2300 | 1 100 | 605 | 872 | 612 | 597 | 513 | 2 485 | 12 405 | 19 189 | 16 612 | – | – | |
| Households | | 2400 | 3 980 | 3 290 | 3 335 | 2 909 | 3 002 | 3 100 | 17 950 | 177 281 | 214 846 | 204 241 | – | – | |
| Other | | 2500 | | | | | | | | | | – | | | |
| Total By Customer Group | | 2600 | 7 898 | 5 014 | 5 313 | 4 980 | 4 906 | 5 133 | 29 719 | 210 722 | 273 683 | 255 459 | – | – | |

Total debtors' amount to **R273.6 million**, the debtors over 90 days amount to **R255.4 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 30 June 2025

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M12 June

| Description R thousands | NT Code | Budget Year 2024/25 | | | | | | | | | Prior year totals for chart (same period) |
|--|-------------|---------------------|-----------------|-----------------|------------------|-------------------|-------------------|----------------------|----------------|----------------|---|
| | | 0 - 30 Days | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total | |
| Creditors Age Analysis By Customer Type | | | | | | | | | | | |
| Bulk Electricity | 0100 | | | | | | | | | - | |
| Bulk Water | 0200 | | | | | | | | | - | |
| PAYE deductions | 0300 | | | | | | | | | - | |
| VAT (output less input) | 0400 | | | | | | | | | - | |
| Pensions / Retirement deductions | 0500 | | | | | | | | | - | |
| Loan repayments | 0600 | | | | | | | | | - | |
| Trade Creditors | 0700 | 14 665 | 66 794 | 6 637 | 5 297 | 8 918 | 4 958 | 31 756 | 1 704 | 140 729 | 867 |
| Auditor General | 0800 | | | | | | | | | - | |
| Other | 0900 | | | | | | | | | - | |
| Medical Aid deductions | | | | | | | | | | - | |
| Total By Customer Type | 1000 | 14 665 | 66 794 | 6 637 | 5 297 | 8 918 | 4 958 | 31 756 | 1 704 | 140 729 | 867 |

2.3 INVESTMENT PORTFOLIO

Investments as at 30 June 2025

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June 2025

| Investments by maturity Name of institution & investment ID | Ref | Period of Investment Yrs/Months | Type of Investment | Capital Guarantee (Yes/ No) | Variable or Fixed interest rate | Interest Rate % | Commission Paid (Rands) | Commission Recipient | Expiry date of investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|--|-----|---------------------------------------|-----------------------|-----------------------------------|------------------------------------|-----------------|----------------------------|-------------------------|------------------------------|--------------------|----------------------------|---|----------------------|--------------------|
| R thousands | | | | | | | | | | | | | | |
| Municipality | | | | | | | | | | | | | | |
| ABSA - 9389804742 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | N/A | - | 0 | | 90 000 | 90 000 |
| Nedbank - 1766000029 | | | Investment Tracker | Yes | Variable interest rate | 0.0908 | N/A | N/A | 05 September 2024 | 90 000 | - | | 30 000 | 120 000 |
| ABSA - 2081673418 | | | Investment Tracker | Yes | Variable interest rate | 0.093 | N/A | N/A | 04 October 2024 | 120 000 | | | 30 000 | 150 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | N/A | 150 000 | | | 79 053 | 229 053 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 19 July 2024 | 229 053 | | (11 500) | - | 217 553 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 24 July 2024 | 217 553 | | (18 500) | | 199 053 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 30 July 2024 | 199 053 | | (40 000) | | 159 053 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 03 September 2024 | 159 053 | 463 | (70 000) | | 89 053 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 03 September 2024 | 89 053 | | (9 053) | | 80 000 |
| Nedbank - 1766000029 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 05 September 2024 | 80 000 | | (30 000) | | 50 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 06 September 2024 | 50 000 | 255 | | 25 000 | 75 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 11 September 2024 | 75 000 | | (10 000) | | 65 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 01 October 2024 | 65 000 | | (10 000) | | 55 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 02 October 2024 | 55 000 | | (5 000) | | 50 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 04 October 2024 | 50 000 | | (30 000) | | 20 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 07 October 2024 | 20 000 | 706 | | 20 000 | 40 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 09 October 2024 | 40 000 | | (11 000) | | 29 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 17 October 2024 | 29 000 | | (3 000) | | 26 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 23 October 2024 | 26 000 | | (6 000) | | 20 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.089 | N/A | N/A | 24 October 2024 | 20 000 | 1 605 | (20 000) | | - |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.08 | N/A | N/A | 08 November 2024 | - | | - | 30 000 | 30 000 |
| Standard-348465874 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 02 November 2024 | 30 000 | | (30 000) | - | - |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 30 January 2025 | | | | 10 000 | 10 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 31 January 2025 | 10 000 | | (10 000) | | - |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 05 February 2025 | - | 287 | | 10 000 | 10 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 06 February 2025 | 10 000 | | (10 000) | | - |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 20 March 2025 | - | | | 80 000 | 80 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 27 March 2025 | 80 000 | | | 217 247 | 297 247 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 28 March 2025 | 297 247 | | | 20 000 | 317 247 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 1.085 | N/A | N/A | 31 March 2025 | 317 247 | | (10 000) | | 307 247 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 2.085 | N/A | N/A | 31 March 2025 | 307 247 | | (20 000) | | 287 247 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 06 June 2025 | 1 000 | 3 | 1 000 | 1 000 | |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 19 June 2025 | 8 000 | | 8 000 | 8 000 | 24 000 |
| ABSA - 9373372771 | | | Investment Tracker | Yes | Variable interest rate | 0.085 | N/A | N/A | 27 June 2025 | 900 | | 900 | 900 | |
| Municipality sub-total | | | | | | | | | | - | 5 985 | (695 285) | (695 285) | (1 390 571) |
| Entities | | | | | | | | | | | | | | |
| Entities sub-total | | | | | | | | | | - | - | - | - | - |
| TOTAL INVESTMENTS AND INTEREST | 2 | | | | | | | | | - | 5 985 | (695 285) | (695 285) | (1 390 571) |

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| RECEIPTS: | 1,2 | | | | | | | | | |
| Operating Transfers and Grants | | | | | | | | | | |
| National Government: | | 639 948 | 676 614 | 685 699 | 437 | 676 614 | 685 699 | (9 085) | -1,3% | 685 699 |
| Energy Efficiency and Demand Side Management Grant | | - | - | - | - | - | - | - | - | - |
| Equitable Share | | 631 671 | 670 187 | 670 187 | - | 670 187 | 670 187 | - | 0,0% | 670 187 |
| Expanded Public Works Programme Integrated Grant | | 7 077 | 5 227 | 5 227 | - | 5 227 | 5 227 | - | 0,0% | 5 227 |
| Local Government Financial Management Grant | | 1 200 | 1 200 | 1 200 | 437 | 1 200 | 1 200 | - | 0,0% | 1 200 |
| Municipal Disaster Relief Grant | | - | - | 9 085 | - | - | 9 085 | (9 085) | -100,0% | 9 085 |
| Municipal Infrastructure Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Systems Improvement Grant | | - | - | - | - | - | - | - | - | - |
| Rural Road Asset Management Systems Grant | | - | - | - | - | - | - | - | - | - |
| Water Services Infrastructure Grant | | - | - | - | - | - | - | - | - | - |
| Other transfers and grants [insert description] | | - | - | - | - | - | - | - | - | - |
| Provincial Government: | | 4 168 | 1 911 | 2 168 | 108 | 1 228 | 2 168 | (940) | -43,4% | 2 168 |
| Capacity Building and Other Grants | | 4 168 | 1 911 | 2 168 | 108 | 1 228 | 2 168 | (940) | -43,4% | 2 168 |
| Other transfers and grants [insert description] | | - | - | - | - | - | - | - | - | - |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| [insert description] | | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | 102 328 | 89 505 | 43 039 | - | 42 760 | 43 039 | (279) | -0,6% | 43 039 |
| Electricity Distribution Industry Holdings | | - | - | - | - | - | - | - | - | - |
| KwazuluNatal Provincial Planning and Development Commission | | - | - | - | - | - | - | - | - | - |
| Local Government Water and Related Service SETA | | 1 694 | 1 259 | 1 002 | - | 724 | 1 002 | (279) | -27,8% | 1 002 |
| National Skills Fund | | 100 634 | 88 246 | 42 037 | - | 42 037 | 42 037 | (0) | 0,0% | 42 037 |
| Unspecified | | - | - | - | - | - | - | - | - | - |
| Total Operating Transfers and Grants | 5 | 746 444 | 768 030 | 730 906 | 545 | 720 602 | 730 906 | (10 304) | -1,4% | 730 906 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 768 386 | 576 195 | 851 477 | 72 792 | 851 477 | 851 477 | - | 0,0% | 851 477 |
| Municipal Disaster Relief Grant | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant | | 256 512 | 259 542 | 262 939 | 3 989 | 262 939 | 262 939 | - | 0,0% | 262 939 |
| Regional Bulk Infrastructure Grant | | 413 905 | 214 000 | 431 247 | 52 203 | 431 247 | 431 247 | - | 0,0% | 431 247 |
| Rural Road Asset Management Systems Grant | | 2 969 | 2 653 | 1 857 | 1 788 | 1 857 | 1 857 | - | 0,0% | 1 857 |
| Water Services Infrastructure Grant | | 95 000 | 100 000 | 155 434 | 14 812 | 155 434 | 155 434 | - | 0,0% | 155 434 |
| Provincial Government: | | - | - | - | - | - | - | - | - | - |
| Infrastructure Grant | | - | - | - | - | - | - | - | - | - |
| District Municipality: | | - | - | - | - | - | - | - | - | - |
| [insert description] | | - | - | - | - | - | - | - | - | - |
| Other grant providers: | | 9 | - | - | 8 | 8 | - | 8 | - | - |
| [insert description] | | - | - | - | - | - | - | - | - | - |
| Unspecified | | 9 | - | - | 8 | 8 | - | 8 | - | - |
| Total Capital Transfers and Grants | 5 | 768 395 | 576 195 | 851 477 | 72 800 | 851 485 | 851 477 | 8 | 0,0% | 851 477 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 1 514 840 | 1 344 225 | 1 582 383 | 73 345 | 1 572 088 | 1 582 383 | (10 295) | -0,7% | 1 582 383 |

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

GRANTS RECEIPTS AND EXPENDITURE

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M12 June

| 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 | | | | | | | | | | | |
| <u>EXPENDITURE</u> | | | | | | | | | | | |
| <u>Operating expenditure of Transfers and Grants</u> | | | | | | | | | | | |
| National Government: | | | 906 002 | 587 778 | 853 793 | 107 909 | 792 003 | 853 793 | (61 790) | -7,2% | 853 793 |
| Energy Efficiency and Demand Side Management Grant | | | – | – | – | – | – | – | – | – | – |
| Equitable Share | | | 885 126 | 576 385 | 836 763 | 107 472 | 785 574 | 836 763 | (51 189) | -6,1% | 836 763 |
| Expanded Public Works Programme Integrated Grant | | | 7 077 | 5 227 | 5 227 | – | 5 227 | 5 227 | – | – | 5 227 |
| Local Government Financial Management Grant | | | 1 200 | 1 201 | 1 200 | 437 | 1 189 | 1 200 | (11) | -0,9% | 1 200 |
| Municipal Disaster Relief Grant | | | – | – | 9 085 | – | – | 9 085 | (9 085) | -100,0% | 9 085 |
| Municipal Infrastructure Grant | | | 10 017 | 4 966 | – | – | – | – | – | – | – |
| Municipal Systems Improvement Grant | | | – | – | – | – | – | – | – | – | – |
| Regional Bulk Infrastructure Grant | | | – | – | 1 500 | – | 9 | 1 500 | (1 491) | -99,4% | 1 500 |
| Rural Road Asset Management Systems Grant | | | 2 582 | – | 18 | – | 5 | 18 | (13) | -73,9% | 18 |
| Water Services Infrastructure Grant | | | – | – | – | – | – | – | – | – | – |
| Provincial Government: | | | 3 630 | 1 711 | 1 968 | 103 | 618 | 1 968 | (1 350) | -68,6% | 1 968 |
| Capacity Building and Other Grants | | | 3 630 | 1 711 | 1 968 | 103 | 618 | 1 968 | (1 350) | -68,6% | 1 968 |
| District Municipality: | | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | | 102 328 | 89 505 | 43 039 | 0 | 42 760 | 43 039 | (279) | -0,6% | 43 039 |
| Electricity Distribution Industry Holdings | | | – | – | – | – | – | – | – | – | – |
| KwazuluNatal Provincial Planning and Development Commission | | | – | – | – | – | – | – | – | – | – |
| Local Government Water and Related Service SETA | | | 1 694 | 1 259 | 1 002 | – | 724 | 1 002 | (279) | -27,8% | 1 002 |
| National Skills Fund | | | 100 634 | 88 246 | 42 037 | 0 | 42 037 | 42 037 | – | – | 42 037 |
| Total operating expenditure of Transfers and Grants: | | | 1 011 960 | 678 995 | 898 800 | 108 012 | 835 382 | 898 800 | (63 418) | -7,1% | 898 800 |
| <u>Capital expenditure of Transfers and Grants</u> | | | | | | | | | | | |
| National Government: | | | 660 294 | 496 073 | 740 897 | 30 987 | 713 526 | 740 897 | (27 370) | -3,7% | 740 897 |
| Municipal Infrastructure Grant | | | 214 555 | 220 723 | 230 643 | 1 758 | 228 987 | 230 643 | (1 655) | -0,7% | 230 643 |
| Regional Bulk Infrastructure Grant | | | 362 622 | 186 087 | 373 497 | 22 021 | 353 997 | 373 497 | (19 500) | -5,2% | 373 497 |
| Rural Road Asset Management Systems Grant | | | – | 2 307 | 1 597 | 870 | 933 | 1 597 | (664) | -41,6% | 1 597 |
| Water Services Infrastructure Grant | | | 83 116 | 86 957 | 135 160 | 6 338 | 129 609 | 135 160 | (5 551) | -4,1% | 135 160 |
| Provincial Government: | | | 277 | 174 | 174 | – | – | 174 | (174) | -100,0% | 174 |
| Capacity Building and Other Grants | | | – | – | – | – | – | – | – | – | – |
| Infrastructure Grant | | | 277 | 174 | 174 | – | – | 174 | (174) | -100,0% | 174 |
| District Municipality: | | | – | – | – | – | – | – | – | – | – |
| Other grant providers: | | | 9 | – | – | – | – | – | – | – | – |
| Unspecified | | | 9 | – | – | – | – | – | – | – | – |
| Total capital expenditure of Transfers and Grants | | | 660 580 | 496 247 | 741 071 | 30 987 | 713 526 | 741 071 | (27 544) | -3,7% | 741 071 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | | 1 672 539 | 1 175 242 | 1 639 871 | 138 999 | 1 548 908 | 1 639 871 | (90 963) | -5,5% | 1 639 871 |

2.5 COUNCILLOR AND BOARD MEMBER ALLOWANCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M12 June

| Summary of Employee and Councillor remuneration | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | | |
| | 1 | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | — | — | — | — | — | — | — | | — |
| Pension and UIF Contributions | | 517 | 563 | 587 | 49 | 588 | 587 | 2 | 0% | 587 |
| Medical Aid Contributions | | 41 | 41 | 51 | 6 | 58 | 51 | 7 | 14% | 51 |
| Motor Vehicle Allowance | | 2 224 | 2 012 | 2 368 | 188 | 2 322 | 2 368 | (46) | -2% | 2 368 |
| Cellphone Allowance | | 859 | 483 | 784 | 65 | 781 | 784 | (3) | 0% | 784 |
| Housing Allowances | | 180 | 180 | 180 | — | — | 180 | (180) | -100% | 180 |
| Other benefits and allowances | | 6 542 | 6 187 | 6 785 | 545 | 6 789 | 6 785 | 4 | 0% | 6 785 |
| Sub Total - Councillors | | 10 362 | 9 465 | 10 755 | 853 | 10 539 | 10 755 | (216) | -2% | 10 755 |
| % increase | 4 | | -8,7% | 3,8% | | | | | | 3,8% |
| Senior Managers of the Municipality | 3 | | | | | | | | | |
| Basic Salaries and Wages | | 8 273 | 8 555 | 8 185 | 636 | 7 629 | 8 185 | (556) | -7% | 8 185 |
| Pension and UIF Contributions | | 356 | 444 | 492 | 17 | 275 | 492 | (217) | -44% | 492 |
| Medical Aid Contributions | | 117 | 123 | 130 | 6 | 97 | 130 | (33) | -25% | 130 |
| Overtime | | — | — | — | — | — | — | — | | — |
| Performance Bonus | | 707 | 166 | 166 | 35 | 121 | 166 | (45) | -27% | 166 |
| Motor Vehicle Allowance | | 2 051 | 1 997 | 2 678 | 161 | 1 981 | 2 678 | (698) | -26% | 2 678 |
| Cellphone Allowance | | 296 | 317 | 317 | 23 | 284 | 317 | (33) | -10% | 317 |
| Housing Allowances | | 13 | 13 | 13 | 1 | 13 | 13 | 1 | 4% | 13 |
| Other benefits and allowances | | 442 | 249 | 249 | 21 | 263 | 249 | 14 | 5% | 249 |
| Payments in lieu of leave | | 255 | — | — | — | — | — | — | | — |
| Long service awards | | — | — | — | — | — | — | — | | — |
| Post-retirement benefit obligations | 2 | — | — | — | — | — | — | — | | — |
| Entertainment | | — | — | — | — | — | — | — | | — |
| Scarcity | | — | — | — | — | — | — | — | | — |
| Acting and post related allowance | | 41 | — | — | — | 13 | — | 13 | #DIV/0! | — |
| In kind benefits | | — | — | — | — | — | — | — | | — |
| Sub Total - Senior Managers of Municipality | | 12 551 | 11 865 | 12 230 | 899 | 10 675 | 12 230 | (1 555) | -13% | 12 230 |
| % increase | 4 | | -5,5% | -2,6% | | | | | | -2,6% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 201 042 | 221 924 | 216 671 | 18 681 | 217 145 | 216 671 | 474 | 0% | 216 671 |
| Pension and UIF Contributions | | 27 014 | 24 008 | 30 574 | 2 667 | 30 151 | 30 574 | (423) | -1% | 30 574 |
| Medical Aid Contributions | | 16 898 | 17 029 | 18 301 | 1 701 | 18 984 | 18 301 | 683 | 4% | 18 301 |
| Overtime | | 8 782 | 5 780 | 5 780 | 772 | 9 677 | 5 780 | 3 897 | 67% | 5 780 |
| Performance Bonus | | 13 868 | 14 733 | 15 267 | 1 937 | 14 391 | 15 267 | (876) | -6% | 15 267 |
| Motor Vehicle Allowance | | 11 436 | 12 000 | 22 844 | 2 093 | 23 937 | 22 844 | 1 093 | 5% | 22 844 |
| Cellphone Allowance | | 801 | 821 | 821 | 88 | 861 | 821 | 41 | 5% | 821 |
| Housing Allowances | | 1 699 | 1 758 | 1 758 | 146 | 1 750 | 1 758 | (9) | 0% | 1 758 |
| Other benefits and allowances | | 5 465 | 253 | 3 176 | 244 | 3 641 | 3 176 | 466 | 15% | 3 176 |
| Payments in lieu of leave | | 6 307 | — | — | 149 | 1 963 | — | 1 963 | #DIV/0! | — |
| Long service awards | | 3 289 | — | — | 138 | 2 532 | — | 2 532 | #DIV/0! | — |
| Post-retirement benefit obligations | 2 | 5 352 | — | — | — | — | — | — | | — |
| Entertainment | | — | — | — | — | — | — | — | | — |
| Scarcity | | — | — | — | — | — | — | — | | — |
| Acting and post related allowance | | 562 | — | — | 68 | 903 | — | 903 | #DIV/0! | — |
| In kind benefits | | — | — | — | — | — | — | — | | — |
| Sub Total - Other Municipal Staff | | 302 517 | 298 307 | 315 192 | 28 684 | 325 935 | 315 192 | 10 743 | 3% | 315 192 |
| % increase | 4 | | -1,4% | 4,2% | | | | | | 4,2% |
| Total Parent Municipality | | 325 430 | 319 637 | 338 177 | 30 436 | 347 149 | 338 177 | 8 972 | 3% | 338 177 |
| | | | -1,8% | 3,9% | | | | | | 3,9% |
| Unpaid salary, allowances & benefits in arrears: | | | | | | | | | | |
| Board Members of Entities | | | | | | | | | | |
| Board Fees | 5 | — | — | — | — | — | — | — | | — |
| Sub Total - Executive members Board | 2 | — | — | — | — | — | — | — | | — |
| % increase | 4 | | | | | | | | | |
| Senior Managers of Entities | | | | | | | | | | |
| Post-retirement benefit obligations | 2 | — | — | — | — | — | — | — | | — |
| Sub Total - Senior Managers of Entities | | — | — | — | — | — | — | — | | — |
| % increase | 4 | | | | | | | | | |
| Other Staff of Entities | | | | | | | | | | |
| Sub Total - Other Staff of Entities | | — | — | — | — | — | — | — | | — |
| % increase | 4 | | | | | | | | | |
| Total Municipal Entities | | — | — | — | — | — | — | — | | — |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | | | | | | | | | |
| | | 325 430 | 319 637 | 338 177 | 30 436 | 347 149 | 338 177 | 8 972 | 3% | 338 177 |
| % increase | 4 | | -1,8% | 3,9% | | | | | | 3,9% |
| TOTAL MANAGERS AND STAFF | | 315 068 | 310 172 | 327 422 | 29 583 | 336 610 | 327 422 | 9 188 | 3% | 327 422 |

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 - M12 June

| Description | Ref | Budget Year 2024/25 | | | | | | | | | | | | 2024/25 Medium Term Revenue & Expenditure Framework | | |
|--|-----|---------------------|----------------|----------------|----------------|----------------|----------------|---------------|----------------|----------------|-----------------|-----------------|--------------------|---|------------------------|------------------------|
| | | July | August | Sept | October | Nov | Dec | January | Feb | March | April | May | June | Budget Year 2024/25 | Budget Year +1 2025/26 | Budget Year +2 2026/27 |
| R thousands | 1 | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | Outcome | | | |
| Cash Receipts By Source | | | | | | | | | | | | | | | | |
| Property rates | | | | | | | | | | | | | - | | | |
| Service charges - Electricity revenue | | | | | | | | | | | | | - | | | |
| Service charges - Water revenue | | 1 922 | 2 509 | 1 888 | 3 379 | 1 828 | 2 126 | 2 476 | 4 638 | 2 169 | 2 110 | 3 670 | 13 807 | 42 522 | 44 350 | 46 390 |
| Service charges - Waste Water Management | | 850 | 812 | 635 | 876 | 713 | 755 | 895 | 1 221 | 1 070 | 1 148 | 1 289 | 3 281 | 13 544 | 14 127 | 14 777 |
| Service charges - Waste Management | | | | | | | | | | | | | - | | | |
| Rental of facilities and equipment | | 37 | 45 | 45 | 41 | 41 | 41 | 41 | 1 | 69 | 39 | 39 | 643 | 1 084 | 580 | 580 |
| Interest earned - external investments | | 13 | 328 | 949 | 2 473 | 44 | 153 | 356 | 358 | 132 | 194 | 127 | 2 373 | 7 500 | 8 000 | 8 368 |
| Interest earned - outstanding debtors | | 5 | 10 | 30 | 3 | 7 | 7 | 6 | 10 | 28 | 13 | 16 | 360 | 495 | 516 | 540 |
| Dividends received | | | | | | | | | | | | | - | | | |
| Fines, penalties and forfeits | | 60 | 42 | 93 | 98 | 9 | 36 | - | 1 | 8 | - | 85 | 148 | 580 | 605 | 633 |
| Licences and permits | | 9 | 18 | 16 | 16 | 58 | 27 | 17 | 20 | 21 | 16 | 11 | 53 | 283 | 295 | 308 |
| Agency services | | | | | | | | | | | | | - | | | |
| Transfers and Subsidies - Operational | | 280 201 | 2 506 | 724 | 9 176 | 2 514 | 242 515 | - | - | 178 201 | 13 759 | 77 | 47 084 | 776 756 | 720 384 | 757 969 |
| Other revenue | | 309 866 | 29 319 | 157 169 | 129 368 | 67 379 | 40 854 | 57 153 | 43 198 | 353 656 | 164 154 | 89 633 | (1 297 650) | 144 099 | 124 523 | 131 585 |
| Cash Receipts by Source | | 592 963 | 35 589 | 161 548 | 145 430 | 72 593 | 286 514 | 60 945 | 49 446 | 535 356 | 181 434 | 94 946 | (1 229 902) | 986 862 | 913 379 | 961 150 |
| Other Cash Flows by Source | | | | | | | | | | | | | | | | |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | | 119 053 | 126 857 | 37 661 | 35 000 | 80 000 | 64 992 | - | - | 306 681 | 81 233 | - | 796 | 852 273 | 916 219 | 756 953 |
| Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Proceeds on Disposal of Fixed and Intangible Assets | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Short term loans | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Borrowing long term/refinancing | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Increase (decrease) in consumer deposits | | (12) | - | - | 2 | 0 | 0 | 1 | 0 | (0) | - | 0 | 12 | 3 | - | - |
| VAT Control (receipts) | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current receivables | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Decrease (increase) in non-current investments | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Cash Receipts by Source | | 712 004 | 162 446 | 199 209 | 180 431 | 152 594 | 351 506 | 60 946 | 49 446 | 842 036 | 262 667 | 94 946 | (1 229 094) | 1 839 138 | 1 829 598 | 1 718 103 |
| Cash Payments by Type | | | | | | | | | | | | | | | | |
| Employee related costs | | 28 229 | 27 563 | 28 353 | 29 018 | 29 396 | 29 059 | 29 090 | 16 509 | 41 239 | 29 818 | 29 101 | 10 049 | 327 423 | 302 013 | 315 906 |
| Remuneration of councillors | | 994 | 803 | 833 | 1 071 | 784 | 900 | 955 | 860 | 947 | 914 | 928 | 767 | 10 755 | 11 640 | 12 176 |
| Interest | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Bulk purchases - Electricity | | 7 119 | 17 024 | 11 255 | 13 098 | 10 123 | 12 073 | 7 276 | 6 841 | 11 134 | 5 971 | 12 502 | (114 415) | - | - | - |
| Acquisitions - water & other inventory | | - | - | 2 095 | 1 215 | - | 1 311 | 2 561 | 426 | 1 393 | 3 481 | 1 138 | 14 928 | 28 548 | 11 788 | 12 311 |
| Contracted services | | (81 828) | (62 124) | (48 301) | (59 251) | (25 088) | (30 035) | 1 425 | (14 709) | (32 631) | (142 660) | (59 755) | 1 036 683 | 481 726 | 212 260 | 172 013 |
| Transfers and subsidies - other municipalities | | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers and subsidies - other | | - | - | - | - | - | - | - | - | - | - | - | 2 720 | 2 720 | - | - |
| Other expenditure | | 300 056 | 118 530 | 87 702 | 95 281 | 63 109 | 165 450 | 13 660 | 33 061 | 70 420 | 210 762 | 106 138 | (1 039 933) | 224 235 | 40 953 | 42 736 |
| Cash Payments by Type | | 254 569 | 101 795 | 81 936 | 80 432 | 78 325 | 178 759 | 54 965 | 42 988 | 92 500 | 108 286 | 90 051 | (89 201) | 1 075 406 | 578 653 | 555 142 |
| Other Cash Flows/Payments by Type | | | | | | | | | | | | | | | | |
| Capital assets | | 93 315 | 64 218 | 59 111 | 74 889 | 54 560 | 68 273 | - | 14 786 | 32 878 | 181 413 | 79 738 | 52 412 | 775 592 | 854 309 | 747 707 |
| Repayment of borrowing | | - | 138 | 138 | 277 | - | 8 856 | 415 | (150) | 462 | (75) | - | 8 035 | 18 096 | 17 712 | 17 712 |
| Other Cash Flows/Payments | | 4 705 | 3 825 | 1 754 | 5 282 | 578 | 308 | 284 | - | 970 | 1 446 | 2 613 | (19 764) | 2 000 | - | - |
| Total Cash Payments by Type | | 352 589 | 169 976 | 142 939 | 160 879 | 133 463 | 256 196 | 55 664 | 57 624 | 126 811 | 291 070 | 172 402 | (48 518) | 1 871 095 | 1 450 674 | 1 320 561 |
| NET INCREASE/(DECREASE) IN CASH HELD | | 359 415 | (7 531) | 56 270 | 19 552 | 19 131 | 95 310 | 5 282 | (8 178) | 715 225 | (28 403) | (77 456) | (1 180 576) | (31 957) | 378 924 | 397 542 |
| Cash/cash equivalents at the month/year beginning: | | 57 071 | 416 486 | 408 956 | 465 225 | 484 777 | 503 909 | 599 219 | 604 501 | 596 323 | 1 311 548 | 1 283 145 | 1 205 689 | 57 071 | 25 114 | 404 038 |
| Cash/cash equivalents at the month/year end: | | 416 486 | 408 956 | 465 225 | 484 777 | 503 909 | 599 219 | 604 501 | 596 323 | 1 311 548 | 1 283 145 | 1 205 689 | 25 114 | 25 114 | 404 038 | 801 580 |

2.6 MATERIAL VARIANCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M12 June

| Ref | Description | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
|-----|--|----------|--|--|
| | R thousands | | | |
| 1 | Revenue | | | |
| | Service charges – Water revenue | 10% | This is the amounts billed on customers for water used, the year-to-date actual is R55.4 million which is 90% of the approved adjustment budget. The R55.4 million year to date actual is below the Twelve months baseline projection or year-to-date budget of R61.3 million. A variance of R5.9 million or 10% is observed. | The municipality will monitor this line item to keep in track with the budget year forecast. |
| | Service charges – Sanitation revenue | 2% | This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R18.1 million which is 1.02% of the approved adjustment budget. The R18.1 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R16.2 million. A variance of R397 thousand or 2% is observed. | |
| | Sale of goods and rendering of service | 169% | This is the amount on sale of goods and rendering of services, the year-to-date actual is R620 thousands which is 2.69% of the approved adjustment budget. The R620 thousands year to date actual is above the Twelve months baseline projection or year-to-date budget of R230 thousand. A variance of R389 thousand or 169% is observed. | There was sale tender documents in this period. A movement of R626 thousand. |
| | Interest earned - outstanding debtors | 9% | Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R746 thousand, which is 91% of the approved adjustment budget. The R746 thousand year to date actual is below the Twelve months baseline projection or year-to-date budget of R823 thousand. A variance of R77 thousand or 9% 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 | 8% | Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R8 million which is 1.08% of the approved adjustment budget. The R8 million year to date actual is below the Twelve months baseline projection or year-to-date budget of R7.5 million. A variance of R587 thousand or 8% is observed. The reason for variances can be attributed to the fact that there was no new matured investment that matured by the end of the reporting period. | |
| | Rental from Fixed Assets | 7% | Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R468 thousand which is 93% of the approved adjustment budget. The R468 thousand year to date actual is below the Twelve months baseline projection or year-to-date budget of R504 thousand. A variance of R36 thousand or less than 7% is observed | The municipality will review and reconcile rent with the lease agreements for future forecast. |
| | Licences and Permits | 2% | Licences and permits year-to-date actual is R276 thousand which is 98% of the approved adjustment budget, the R276 thousand year to date actual is below the Twelve months baseline projection or year-to-date budget of R283 thousand. A variance of R6 thousand or 2% is observed. | This line item depends on licences renewal and new issued permits. |
| | Operational revenue | 15% | Operational revenue year-to-date actual is R1.5 million which is 1.18% of the approved adjustment budget, the R1.5 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R1.2 million. A variance of R235 thousands or 18% is observed. The variance to this line item can be attributed to the receipt of Insurance Refund, Registration Fees & Transaction handling Fees which is not benchmarked by year to date. | |
| | Fines, penalties, and forfeits | 23% | Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R449 thousand, which is 77% of the approved adjustment budget. The R449 thousand year to date is below the Twelve months baseline projection or year-to-date budget of R580 thousand. A variance of R131 thousand or less than 23% is observed. Reasons for variances highlight a negative indication that more consumers are illegally connected or a negative indication that some illegally connected consumers are not yet discovered. | Municipality must keep up the disconnection of illegal connections. |
| | Transfers and subsidies | 1% | Transfers and subsidies year to date actual is R720.6 million which is 99% of the approved adjustment budget. The R720.6 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R730.9 million. A variance of R10.3 million or 1% is observed. Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in tranches as per approved transfer schedule. Grants received to date is Equitable share, FMG, EPWP, Amafa AkwaZulu Grant, Disaster management Grant, LGSETA Grant and Indonsa art centre. | |

DC26 Zululand - Supporting Table SC1 Material variance explanations - M12 June

| Ref | Description | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
|-----|-------------------------------|----------|---|---|
| | R thousands | | | |
| 2 | Expenditure By Type | | | |
| | Employee Related Costs | 3% | Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R336.6 million which is 1.03% of the approved adjustment budget. The R336.6 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R327.4 million. A variance of R9.1 million or 3% is observed. | The municipality will consider the requisitions if any and debit the expense as the transaction occurs. |
| | Remuneration of Councillors | 2% | Remuneration of Councillors is paid for councillors allowances, service-related benefits and contributions. The year-to-date actual is R10.5 million which is 98% of the approved adjustment budget. The R10.5 million year to date actual is below the Twelve months baseline projection or year-to-date budget of R10.7 million. A variance of R216 hundreds or 2% is observed. | |
| | Inventory Consumed | 17% | 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 R25.3 million which is R78% of the approved adjustment budget. The R25.3 million year to date actual is below the Twelve months baseline projection or year-to-date budget of R32.4 million. A variance of R7 million or 17% is observed. | |
| | Depreciation | 16% | This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R106.2 million which is 1.16% of the approved adjustment budget. The R106.2 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R91.3 million. A variance of R14.9 million or 16% is observed. | |
| | Finance charges | 9% | Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R10.8 million which is 91% of the approved adjustment budget. The R10.5 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R11.9 million. A variance of R1.1 million or 9% is observed. | The municipality has tried to minimise the cost of contracted service based on the funding plan |
| | Contracted services | 31% | Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R214.3 million which is 69% of the approved adjustment budget. The R214.3 million year to date actual is below the Twelve months baseline projection or year-to-date budget of R310 million. A variance of R95.6 million or 31% is observed. | |
| | Transfers and subsidies paid. | 271% | 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 R8.7 million which is 3.71% of the approved adjustment budget. The R8.7 million year to date actual is below the Twelve months baseline projection or year-to-date budget of R2.3 million. A variance of R6.3 million or 271% is observed. | |
| | Operational costs | 14% | Operational costs are all other expenditure not classified above. The year-to-date actual is R222.5 million which is 1.14% of the approved adjustment budget. The R222.5 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R195.1 million. A variance of R27.4 million or 14% is observed. | The expenditure is monitored by the municipality and the expenditure is kept within the budget. |

DC26 Zululand - Supporting Table SC1 Material variance explanations - M12 June

| Ref | Description | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
|-----|-------------------------------------|----------|---|--|
| | R thousands | | | |
| 3 | Capital Expenditure | | | |
| | Governance and administration | 95% | Governance and administration year-to-date actual is R201 thousand which is 5% of the approved adjustment budget. The R201 thousand year to date actual is below the Twelve months baseline projection or year-to-date budget of R4.3 million. A variance of R4.1 million or 95% is observed. | The municipality will look at the where the processes are on rural road management subsidy and try to push for the spending of this subsidy. |
| | Community and public safety | 100% | Community and public safety year-to-date actual is R0 which is 0% of the approved adjustment budget. the R0 year to date actual is below the Eleven months baseline projection or year-to-date budget of R159 thousand. A variance of R159 thousand or 100% is observed. | |
| | Economic and environmental services | 38% | Economic and environmental services year-to-date actual is R994 thousand which is 62% of the approved adjustment budget. the R994 thousand year to date actual is below the Twelve months baseline projection or year-to-date budget of R1.5 million. A variance of R603 thousand or 38% is observed. | |
| | Trading services | 3% | Trading services year-to-date actual is R750.7 million which is 97% of the approved adjustment budget. the R750.7 million year to date actual is above the Twelve months baseline projection or year-to-date budget of R771.4 million. A variance of R20.7 million or 3% 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 - M12 June

| Month | 2023/24 | Budget Year 2024/25 | | | | | | | |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|----------------------------|
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | % spend of Original Budget |
| R thousands | | | | | | | | | |
| Monthly expenditure performance trend | | | | | | | | | |
| July | – | 42 130 | 42 130 | 93 315 | 93 315 | 42 130 | (51 185) | -121,5% | 12% |
| August | 57 911 | 42 130 | 42 130 | 64 218 | 64 218 | 84 260 | 20 042 | 23,8% | 8% |
| September | 49 277 | 42 130 | 42 130 | 59 111 | 59 111 | 126 390 | 67 279 | 53,2% | 8% |
| October | 113 514 | 41 961 | 41 961 | 74 889 | 74 889 | 168 352 | 93 463 | 55,5% | 10% |
| November | 90 763 | 41 961 | 41 961 | 54 560 | 54 560 | 210 313 | 155 754 | 74,1% | 7% |
| December | 101 101 | 41 961 | 41 961 | 68 273 | 68 273 | 252 275 | 184 001 | 72,9% | 9% |
| January | 10 678 | 41 961 | 41 961 | – | – | 294 236 | 294 236 | 100,0% | 0% |
| February | 10 959 | 47 944 | 47 944 | 14 786 | 14 786 | 342 179 | 327 393 | 95,7% | 2% |
| March | 97 963 | 47 944 | 47 944 | 32 878 | 32 878 | 390 123 | 357 245 | 91,6% | 4% |
| April | 53 993 | 128 721 | 128 721 | 181 413 | 181 413 | 518 844 | 337 431 | 65,0% | 0 |
| May | 1 240 | 128 375 | 128 375 | 79 738 | 181 413 | 647 218 | 465 805 | 72,0% | 0 |
| June | 74 867 | 130 374 | 130 374 | 28 731 | 28 731 | 777 592 | 748 862 | 96,3% | 0 |
| Total Capital expenditure | 662 266 | 777 592 | 777 592 | 751 911 | | | | | |

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 - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|----------|-----------------|---------------------|-----------------|----------------|----------------|----------------|---------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Capital expenditure on new assets by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 660 219 | 496 073 | 740 897 | 30 987 | 713 526 | 740 897 | 27 370 | 3,7% | 740 897 |
| Roads Infrastructure | | - | 2 307 | 1 597 | 870 | 933 | 1 597 | 664 | 41,6% | 1 597 |
| Roads | | - | 2 307 | 1 597 | 870 | 933 | 1 597 | 664 | 41,6% | 1 597 |
| Storm water Infrastructure | | - | - | - | - | - | - | - | | - |
| Electrical Infrastructure | | - | - | - | - | - | - | - | | - |
| Water Supply Infrastructure | | 660 219 | 489 059 | 739 300 | 30 117 | 712 593 | 739 300 | 26 707 | 3,6% | 739 300 |
| Dams and Weirs | | - | - | - | - | - | - | - | | - |
| Boreholes | | 35 737 | 43 631 | 33 115 | - | 32 100 | 33 115 | 1 015 | 3,1% | 33 115 |
| Reservoirs | | 9 197 | 1 593 | 3 379 | - | 3 379 | 3 379 | 0 | 0,0% | 3 379 |
| Pump Stations | | - | - | - | - | - | - | - | | - |
| Water Treatment Works | | 123 018 | 97 849 | 136 178 | - | 136 178 | 136 178 | 0 | 0,0% | 136 178 |
| Bulk Mains | | 450 780 | 294 587 | 533 685 | 30 117 | 508 338 | 533 685 | 25 347 | 4,7% | 533 685 |
| Distribution | | 41 487 | 45 046 | 32 943 | - | 32 597 | 32 943 | 345 | 1,0% | 32 943 |
| Distribution Points | | - | 6 354 | - | - | - | - | - | | - |
| Sanitation Infrastructure | | - | 4 707 | - | - | - | - | - | | - |
| Reticulation | | - | 4 707 | - | - | - | - | - | | - |
| Toilet Facilities | | - | - | - | - | - | - | - | | - |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | | - |
| Community Assets | | - | - | - | - | - | - | - | | - |
| Community Facilities | | - | - | - | - | - | - | - | | - |
| Halls | | - | - | - | - | - | - | - | | - |
| Centres | | - | - | - | - | - | - | - | | - |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | | - |
| Outdoor Facilities | | - | - | - | - | - | - | - | | - |
| Heritage assets | | - | - | - | - | - | - | - | | - |
| Works of Art | | - | - | - | - | - | - | - | | - |
| Investment properties | | - | - | - | - | - | - | - | | - |
| Revenue Generating | | - | - | - | - | - | - | - | | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | | - |
| Other assets | | - | - | - | (2 400) | - | - | - | | - |
| Operational Buildings | | - | - | - | (2 400) | - | - | - | | - |
| Municipal Offices | | - | - | - | (2 400) | - | - | - | | - |
| Housing | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | | - |
| Intangible Assets | | - | - | - | - | - | - | - | | - |
| Servitudes | | - | - | - | - | - | - | - | | - |
| Licences and Rights | | - | - | - | - | - | - | - | | - |
| Computer Software and Applications | | - | - | - | - | - | - | - | | - |
| Load Settlement Software Applications | | - | - | - | - | - | - | - | | - |
| Unspecified | | - | - | - | - | - | - | - | | - |
| Computer Equipment | | 624 | 3 913 | 3 913 | 136 | 224 | 3 913 | 3 689 | 94,3% | 3 913 |
| Computer Equipment | | 624 | 3 913 | 3 913 | 136 | 224 | 3 913 | 3 689 | 94,3% | 3 913 |
| Furniture and Office Equipment | | 348 | 435 | 435 | 8 | 37 | 435 | 398 | 91,5% | 435 |
| Furniture and Office Equipment | | 348 | 435 | 435 | 8 | 37 | 435 | 398 | 91,5% | 435 |
| Machinery and Equipment | | 432 | 174 | 32 348 | - | 38 124 | 32 348 | (5 776) | -17,9% | 32 348 |
| Machinery and Equipment | | 432 | 174 | 32 348 | - | 38 124 | 32 348 | (5 776) | -17,9% | 32 348 |
| Transport Assets | | 920 | - | - | - | - | - | - | | - |
| Transport Assets | | 920 | - | - | - | - | - | - | | - |
| Land | | - | - | - | - | - | - | - | | - |
| Land | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | | - |
| Living resources | | - | - | - | - | - | - | - | | - |
| Mature | | - | - | - | - | - | - | - | | - |
| Policing and Protection | | - | - | - | - | - | - | - | | - |
| Zoological plants and animals | | - | - | - | - | - | - | - | | - |
| Immature | | - | - | - | - | - | - | - | | - |
| Policing and Protection | | - | - | - | - | - | - | - | | - |
| Zoological plants and animals | | - | - | - | - | - | - | - | | - |
| Total Capital Expenditure on new assets | 1 | 662 543 | 500 595 | 777 592 | 28 731 | 751 911 | 777 592 | 25 681 | 3,3% | 777 592 |

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|----------|-----------------|---------------------|-----------------|----------------|---------------|----------------|---------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Repairs and maintenance expenditure by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 159 097 | 67 193 | 132 161 | 888 | 61 061 | 132 161 | 71 100 | 53,8% | 132 161 |
| Roads Infrastructure | | - | - | - | - | - | - | - | | - |
| Storm water Infrastructure | | - | - | - | - | - | - | - | | - |
| Electrical Infrastructure | | - | - | - | - | - | - | - | | - |
| Water Supply Infrastructure | | 159 097 | 67 193 | 132 161 | 888 | 61 061 | 132 161 | 71 100 | 53,8% | 132 161 |
| Bulk Mains | | 82 068 | 19 966 | 23 875 | 888 | 12 846 | 23 875 | 11 029 | 46,2% | 23 875 |
| Distribution Points | | 77 029 | 47 227 | 108 286 | - | 48 215 | 108 286 | 60 072 | 55,5% | 108 286 |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | | - |
| Waste Water Treatment Works | | - | - | - | - | - | - | - | | - |
| Solid Waste Infrastructure | | - | - | - | - | - | - | - | | - |
| Rail Infrastructure | | - | - | - | - | - | - | - | | - |
| Coastal Infrastructure | | - | - | - | - | - | - | - | | - |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | | - |
| Community Assets | | 1 739 | - | - | - | - | - | - | | - |
| Community Facilities | | 1 739 | - | - | - | - | - | - | | - |
| Airports | | 1 739 | - | - | - | - | - | - | | - |
| Sport and Recreation Facilities | | - | - | - | - | - | - | - | | - |
| Heritage assets | | - | - | - | - | - | - | - | | - |
| Investment properties | | - | - | - | - | - | - | - | | - |
| Revenue Generating | | - | - | - | - | - | - | - | | - |
| Improved Property | | - | - | - | - | - | - | - | | - |
| Unimproved Property | | - | - | - | - | - | - | - | | - |
| Non-revenue Generating | | - | - | - | - | - | - | - | | - |
| Improved Property | | - | - | - | - | - | - | - | | - |
| Unimproved Property | | - | - | - | - | - | - | - | | - |
| Other assets | | 978 | 2 000 | 1 338 | 34 | 461 | 1 338 | 877 | 65,6% | 1 338 |
| Operational Buildings | | 978 | 2 000 | 1 338 | 34 | 461 | 1 338 | 877 | 65,6% | 1 338 |
| Municipal Offices | | 978 | 2 000 | 1 338 | 34 | 461 | 1 338 | 877 | 65,6% | 1 338 |
| Housing | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | | - |
| Biological or Cultivated Assets | | - | - | - | - | - | - | - | | - |
| Intangible Assets | | - | - | - | - | - | - | - | | - |
| Servitudes | | - | - | - | - | - | - | - | | - |
| Licences and Rights | | - | - | - | - | - | - | - | | - |
| Computer Equipment | | - | - | - | - | - | - | - | | - |
| Computer Equipment | | - | - | - | - | - | - | - | | - |
| Furniture and Office Equipment | | - | 300 | 300 | - | - | 300 | 300 | 100,0% | 300 |
| Furniture and Office Equipment | | - | 300 | 300 | - | - | 300 | 300 | 100,0% | 300 |
| Machinery and Equipment | | - | 100 | 245 | 29 | 188 | 245 | 57 | 23,2% | 245 |
| Machinery and Equipment | | - | 100 | 245 | 29 | 188 | 245 | 57 | 23,2% | 245 |
| Transport Assets | | 5 508 | 1 400 | 9 167 | 285 | 8 966 | 9 167 | 201 | 2,2% | 9 167 |
| Transport Assets | | 5 508 | 1 400 | 9 167 | 285 | 8 966 | 9 167 | 201 | 2,2% | 9 167 |
| Land | | - | - | - | - | - | - | - | | - |
| Land | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | | - |
| Zoo's, Marine and Non-biological Animals | | - | - | - | - | - | - | - | | - |
| Living resources | | - | - | - | - | - | - | - | | - |
| Mature | | - | - | - | - | - | - | - | | - |
| Policing and Protection | | - | - | - | - | - | - | - | | - |
| Zoological plants and animals | | - | - | - | - | - | - | - | | - |
| Immature | | - | - | - | - | - | - | - | | - |
| Policing and Protection | | - | - | - | - | - | - | - | | - |
| Zoological plants and animals | | - | - | - | - | - | - | - | | - |
| Total Repairs and Maintenance Expenditure | 1 | 167 322 | 70 993 | 143 211 | 1 236 | 70 676 | 143 211 | 72 535 | 50,6% | 143 211 |

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M12 June

| Description | Ref | 2023/24 | Budget Year 2024/25 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | 1 | | | | | | | | | |
| Depreciation by Asset Class/Sub-class | | | | | | | | | | |
| Infrastructure | | 103 110 | 81 902 | 81 902 | (328) | 98 234 | 81 902 | (16 332) | -19,9% | 81 902 |
| Roads Infrastructure | | — | 718 | 718 | — | — | 718 | 718 | 100,0% | 718 |
| Roads | | — | 718 | 718 | — | — | 718 | 718 | 100,0% | 718 |
| Storm water Infrastructure | | — | — | — | — | — | — | — | — | — |
| Electrical Infrastructure | | — | 36 | 36 | — | — | 36 | 36 | 100,0% | 36 |
| LV Networks | | — | 36 | 36 | — | — | 36 | 36 | 100,0% | 36 |
| Capital Spares | | — | — | — | — | — | — | — | — | — |
| Water Supply Infrastructure | | 100 436 | 78 916 | 78 916 | (328) | 95 778 | 78 916 | (16 862) | -21,4% | 78 916 |
| Dams and Weirs | | 2 231 | 2 785 | 2 785 | (6) | 2 039 | 2 785 | 746 | 26,8% | 2 785 |
| Boreholes | | 1 669 | 471 | 471 | (17) | 1 513 | 471 | (1 042) | -221,5% | 471 |
| Reservoirs | | 8 694 | 7 026 | 7 026 | 16 | 8 395 | 7 026 | (1 369) | -19,5% | 7 026 |
| Pump Stations | | 6 447 | 4 451 | 4 451 | (88) | 5 870 | 4 451 | (1 418) | -31,9% | 4 451 |
| Water Treatment Works | | 8 007 | 6 624 | 6 624 | 63 | 7 428 | 6 624 | (804) | -12,1% | 6 624 |
| Bulk Mains | | 47 727 | 35 197 | 35 197 | (140) | 46 641 | 35 197 | (11 444) | -32,5% | 35 197 |
| Distribution | | 25 582 | 22 280 | 22 280 | (150) | 23 824 | 22 280 | (1 545) | -6,9% | 22 280 |
| PRV Stations | | 80 | 81 | 81 | (6) | 68 | 81 | 13 | 16,3% | 81 |
| Capital Spares | | — | — | — | — | — | — | — | — | — |
| Sanitation Infrastructure | | 2 674 | 2 231 | 2 231 | (0) | 2 456 | 2 231 | (224) | -10,1% | 2 231 |
| Pump Station | | 197 | 193 | 193 | — | 187 | 193 | 6 | 3,1% | 193 |
| Retiulation | | 1 686 | 1 717 | 1 717 | — | 1 545 | 1 717 | 171 | 10,0% | 1 717 |
| Waste Water Treatment Works | | 790 | 322 | 322 | (0) | 724 | 322 | (402) | -124,8% | 322 |
| Outfall Sewers | | — | — | — | — | — | — | — | — | — |
| Toilet Facilities | | — | — | — | — | — | — | — | — | — |
| Capital Spares | | — | — | — | — | — | — | — | — | — |
| Solid Waste Infrastructure | | — | — | — | — | — | — | — | — | — |
| Rail Infrastructure | | — | — | — | — | — | — | — | — | — |
| Coastal Infrastructure | | — | — | — | — | — | — | — | — | — |
| Information and Communication Infrastructure | | — | — | — | — | — | — | — | — | — |
| Community Assets | | 1 226 | 852 | 852 | (1) | 1 109 | 852 | (257) | -30,1% | 852 |
| Community Facilities | | 1 091 | 622 | 622 | (1) | 985 | 622 | (363) | -58,5% | 622 |
| Markets | | 344 | — | — | — | 315 | — | (315) | #DIV/0! | — |
| Stalls | | — | — | — | — | — | — | — | — | — |
| Abattoirs | | — | — | — | — | — | — | — | — | — |
| Airports | | 748 | 622 | 622 | (1) | 670 | 622 | (48) | -7,8% | 622 |
| Taxi Ranks/Bus Terminals | | — | — | — | — | — | — | — | — | — |
| Capital Spares | | — | — | — | — | — | — | — | — | — |
| Sport and Recreation Facilities | | 135 | 230 | 230 | — | 124 | 230 | 107 | 46,3% | 230 |
| Indoor Facilities | | — | — | — | — | — | — | — | — | — |
| Outdoor Facilities | | 135 | 230 | 230 | — | 124 | 230 | 107 | 46,3% | 230 |
| Capital Spares | | — | — | — | — | — | — | — | — | — |
| Heritage assets | | — | — | — | — | — | — | — | — | — |
| Other Heritage | | — | — | — | — | — | — | — | — | — |
| Investment properties | | — | — | — | — | — | — | — | — | — |
| Revenue Generating | | — | — | — | — | — | — | — | — | — |
| Non-revenue Generating | | — | — | — | — | — | — | — | — | — |
| Other assets | | 1 608 | 1 366 | 1 366 | (15) | 1 523 | 1 366 | (157) | -11,5% | 1 366 |
| Operational Buildings | | 1 608 | 1 366 | 1 366 | (15) | 1 523 | 1 366 | (157) | -11,5% | 1 366 |
| Municipal Offices | | 1 608 | 1 312 | 1 312 | (15) | 1 523 | 1 312 | (211) | -16,1% | 1 312 |
| Stores | | — | 53 | 53 | — | — | 53 | 53 | 100,0% | 53 |
| Biological or Cultivated Assets | | — | — | — | — | — | — | — | — | — |
| Biological or Cultivated Assets | | — | — | — | — | — | — | — | — | — |
| Intangible Assets | | 24 | 20 | 20 | (6) | 16 | 20 | 4 | 21,0% | 20 |
| Servitudes | | — | — | — | — | — | — | — | — | — |
| Licences and Rights | | 24 | 20 | 20 | (6) | 16 | 20 | 4 | 21,0% | 20 |
| Computer Software and Applications | | 24 | 20 | 20 | (6) | 16 | 20 | 4 | 21,0% | 20 |
| Unspecified | | — | — | — | — | — | — | — | — | — |
| Computer Equipment | | 2 791 | 992 | 992 | (287) | 1 777 | 992 | (785) | -79,2% | 992 |
| Computer Equipment | | 2 791 | 992 | 992 | (287) | 1 777 | 992 | (785) | -79,2% | 992 |
| Furniture and Office Equipment | | 573 | 575 | 575 | (55) | 469 | 575 | 106 | 18,5% | 575 |
| Furniture and Office Equipment | | 573 | 575 | 575 | (55) | 469 | 575 | 106 | 18,5% | 575 |
| Machinery and Equipment | | 1 034 | 368 | 368 | (85) | 931 | 368 | (564) | -153,3% | 368 |
| Machinery and Equipment | | 1 034 | 368 | 368 | (85) | 931 | 368 | (564) | -153,3% | 368 |
| Transport Assets | | 3 903 | 5 241 | 5 241 | (596) | 2 162 | 5 241 | 3 079 | 58,8% | 5 241 |
| Transport Assets | | 3 903 | 5 241 | 5 241 | (596) | 2 162 | 5 241 | 3 079 | 58,8% | 5 241 |
| Land | | — | — | — | — | — | — | — | — | — |
| Land | | — | — | — | — | — | — | — | — | — |
| Zoo's, Marine and Non-biological Animals | | — | — | — | — | — | — | — | — | — |
| Zoo's, Marine and Non-biological Animals | | — | — | — | — | — | — | — | — | — |
| Living resources | | — | — | — | — | — | — | — | — | — |
| Mature | | — | — | — | — | — | — | — | — | — |
| Policing and Protection | | — | — | — | — | — | — | — | — | — |
| Zoological plants and animals | | — | — | — | — | — | — | — | — | — |
| Immature | | — | — | — | — | — | — | — | — | — |
| Policing and Protection | | — | — | — | — | — | — | — | — | — |
| Zoological plants and animals | | — | — | — | — | — | — | — | — | — |
| Total Depreciation | 1 | 114 269 | 91 315 | 91 315 | (1 373) | 106 220 | 91 315 | (14 906) | -16,3% | 91 315 |

2.10 OTHER SUPPORTING DOCUMENTS

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

2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality doesn't have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

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



Date: 18/07/2025

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