ZULULAND DISTRICT MUNICIPALITY

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT

31 DECEMBER 2024

MFMA S72 REPORT

2024/2025 FINANCIAL YEAR

<u>TABLE OF CONTENTS</u>:

ATTACHMENTS

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING 31 DECEMBER 2023
SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN
ANNUAL REPORT 2023/2024

1.1 MAYOR`S REPORT

MID-YEAR REPORT FOR THE HONOURABLE MAYOR OF ZULULAND DISTRICT MUNICIPALITY, HIS WORSHIP DT BUTHELEZI

To be attached

1.2 RESOLUTIONS

RECOMMENDED THAT:

1. The Mid-Year Budget and Performance Assessment report be adopted.

2. Based on the Assessment by the accounting Officer on the performance of the Municipality in the first half of the financial year, it is recommended that the financial recovery plan be drafted for council consideration.
3. The progress on the recovery plan be tabled in the Manco, Budget steering committee, EXCO and Council

4. The municipality adhere to what was approved in the budget because it is only what is affordable, if it means change the plan or change KPI let it be, for the sake of the recovery of the municipality
5. The municipality engage on the affordable payment plans with suppliers

6. The municipality must review their SLAs, if necessary, cancel or reduce scope for the once that are straining to the municipality

7. Based on the Assessment by the accounting Officer on the performance of the Municipality in the first half of the financial year, it is recommended that the adjustment budget be drafted for council consideration.

8. The council authorize the overspending for 2024-2025 identified in the mid-year budget and performance assessment as part of the adjustment budget

9. The council to review the salary cost as identified in the mid-year budget and performance assessment

10. The council to ensure that the adjustments budget adopted is funded

1.3 EXUCUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	865 669 793.00	580 973 554.27	432 834 756	148 138 798	34%	67%
Total Operating Expenditure	767 636 300.00	439 111 111.89	381 842 660	57 268 452	15%	57%
Surplus/(Deficit)	**98 033 493.00**	**141 862 442.38**	**50 992 096**	**90 870 346**		

Operating revenue Performance

Total operating revenue generated by the Municipality as at **31 December 2023** is **R580.9 million** which is **67%** of the total operating revenue budget, the year-to-date budget is **R432.8 million** which is below year-to date actual, a variance of **R148.1 million** or **34%** is observed, this variance is a result of equitable share which is not received monthly but in trenches three times a year as per approved transfer schedule. Operating revenue comprises of equitable share and other operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Operating revenue is explained by source in Section 1.4 Operating Revenue Performance.

The Municipality is largely dependent on government grants and partly service charges for its operations. Service charges revenue recognized from trading services is only **R39.4 million** which is **45%** of the total generated operating revenue.

The Municipality has received a funding of **R180 thousand** from KwaZulu-Natal Amafa Intitute. An upward adjustment of R**180 thousand** is recommended.

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

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

Operating Expenditure Performance

Total Operating Expenditure as at **31 December 2023** is **R439.1 million** which is **57%** of the total operating expenditure budget, the year-to-date budget is **R381.8 million** which is below year-to date actual, a variance of **R57.2 million** or **15%** is observed, there are line items such as inventory and debt impairment has either slow or no movement in previous months, on the other hand other expenditure is moving faster than the year to date budget.

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

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

Grants
Summary of capital and operating grants expenditure and receipts

GRANTS RECIEPTS AND EXPENDITURE AS AT 31 DECEMBER 2024	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & APRROVED BUDGET	% SPENT
Municipal Infrastructure Grant (MIG)	259 542 000.00	181 706 000.00	226 694 611.41	32 847 388.59	87
Regional Bulk Infrastructure (RBIG)	214 000 000.00	205 000 000.00	160 786 403.78	53 213 596.22	75
Water services infrastructure Grant (WSIG)	100 000 000.00	75 000 000.00	84 608 953.36	15 391 046.64	85
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	1 857 000.00	5 411.67	2 647 588.33	0
Indonsa Grant	1 911 000.00	955 500.00	1 645.22	1 909 354.78	0
FMG	1 200 000.00	1 200 000.00	499 544.81	700 455.19	42
EPWP	5 227 000.00	3 658 000.00	5 227 000.00	-	100
NSF	88 246 119.00	28 295 504.99	28 247 900.00	59 998 219.00	32
LGSETA MFMP	210 000.00	-	210 000.00	-	100
LGSETA-Fire and Rescue	605 136.00	558 600.00	558600	46 536.00	92
LGSETA Waste Water	443 800.00	165 000.00	165 000.00	278 800.00	37
AMAFA		162 000.00	-	-	-

The Municipality has received an adjusted DORA with revised allocation for grants, as per the adjusted DORA the Municipal Infrastructure Grants has been revised to **R256.9 million** from **R259.5 million**. A downward adjustment of **R2.6 million** is recommended.

Rolled over grants such as COGTA Boreholes will be catered for on the adjustment budget.

Analysis of revenue and expenditure

Mid-year performance analysis				
DETAILS	APPROVED BUDGET	YTD ACTUAL	PERC	ANALYSIS
Service charges - Water	68 294 245.00	30317637.60	44.39	This is the amount billed on customers that are connected to water system, The Year to date actual is below 50%, The adjustment may be required, the reason is because there are customers that are billed at average due to faulty meters
Service charges - Waste Water Management	17 732 004.00	9171699.76	51.72	This is the amount billed on customers that are connected to sewer system, The Year to date actual is slightly above 50%, No adjustment needed.
Sale of Goods and Rendering of Services	578 301.00	114463.02	19.79	The sale of tender documents, sale of consumables and clearance certificate, this one depends on the new tender documents sales, they are few new projects due to limited funds, adjustment is required.
Interest earned from Receivables	822 778.00	392804.59	47.74	This is interest from outstanding debtors, this is charged on businesses and government, and no adjustment is required.
Interest from Current and Non - Current Assets	7 500 000.00	3960707.95	52.81	The interest is slightly above the 50% benchmark, no adjustment required
Rental from Fixed Assets	503 998.00	247999.59	49.21	The year to date actual is almost 50% and no adjustment required
Licence and permits	176 276.00	144170.46	81.79	This item needs to be adjusted because it depends on the renewal and issues of new certificates
Operational Revenue	565 265.00	324104.42	57.34	The adjustment is required in this line item
Fines, penalties, and forfeits	1 466 871.00	338462.40	23.07	This line item needs to be adjusted
Transfers and subsidies - Operational	768 030 055.00	535958554.48	69.78	The grants are in order no adjustment required
Employee & councillors related costs				
Employee related costs	310 171 839.00	165489501.75	53.35	The employee cost is above the 50% benchmark, this means that the municipality has appointed or given the benefits to employees was that initially part of the approved budget, the adjustment is required
Remuneration of councillors	9 465 497.00	5442235.55	57.50	The gazette for upper limit resulted in the increase in the councillors' allowance and the adjustment is required
Inventory				
Inventory consumed	25 226 000.00	5320802.58	21.09	This line item is committed, the reason the expenditure is low is because of non-payment of bulk water supply providers.

DETAILS	APPROVED BUDGET	YTD ACTUAL	PERC	ANALYSIS
Contracted services				
Security	22 635 000.00	25 587 509.41	113.04	All items on contracted services needs full attention, the clear strategy is needed on how the municipality can reduce cost but continue obtaining the same benefit and the Adjustment is recommended depending on the availability of funds. These items were budgeted knowing very well that they will not cater for the full year because of limited source of funding There are also outstanding payments from service providers like zanamanzi and water tankers
Water Tankers	9 500 000.00	9 091 422.16	95.70	
Gardening Services	2 500 000.00	2 628 818.68	105.15	
Maintenance of Vehicles	4 300 000.00	4 076 344.87	94.80	
Operation and Maintenance Rural Scheme PJJ	14 999 998.00	4 072 869.84	27.15	
Operation and Maintenance -Bulk	47 227 000.00	26 049 803.95	55.16	
legal Cost	1 510 342.00	1 116 431.86	73.92	These are legal services provided to municipality, and they depend on the litigations against the municipality, the item may need adjustment
Community participation	1 000 000.00	3 314 592.60	331.46	This item is used by the office of the mayor to engage community and give assistance where needed or requested. This item need adjustment but depending on the availability of funds
Budget & IDP Road shows	2 000 000.00	7 412 302.50	370.62	This item is mandatory because its compliance, due to limited funding the municipality must change the implementation strategy. The adjustment is needed by depending on the availability of funds
Other General Expenses			-	
Eskom-Municipal Services	46 997 000.00	51 132 044.72	108.80	These are the expenses that need attention because they are key to service delivery. The adjustment is recommended in the below items Such as:-Eskom-Municipal Services- Municipal Services (Rates, Refuse)_Wet Fuel-Traveling Claimd-Councillors-Traveling Claims-Employees-Fleet lease:Transport Asset, lease of machinery and Equipment & community participation. Some of items are once off items and has no future financial implications, such insurance,Bargaining council
Municipal Services (Rates, Refuse, Electricity)	5 000 000.00	3 265 054.43	65.30	
Communication	987 000.00	353 689.05	35.83	
Wet Fuel	9 900 000.00	8 782 983.02	88.72	
Telephone	1 685 919.00	759 065.89	45.02	
External Audit	4 000 000.00	2 681 501.62	67.04	
Bargaining Council	3 195 000.00	3 182 268.40	99.60	
Insurance	3 522 089.00	3 139 573.30	89.14	
Travelling Claims: Councillors	1 338 680.00	2 136 070.42	159.57	
Travelling Claims: Employees	1 882 339.00	1 592 239.26	84.59	
Community Participation	1 235 111.00	834 167.98	67.54	
Leases: Machinery and Equipment	600 000.00	297 337.35	49.56	
Leases: Transport Assets	15 300 000.00	11 103 581.83	72.57	

Items that were not budgeted but implemented (unauthorised expenditure)			
	Paid	**Out standing**	**Total**
Golden games	497 681.00	94 900.00	592 581.00
SALGA games	85 655.66	4 875 554.16	4 961 209.82
Women celebration	-	600 000.00	600 000.00
Mayoral cup	-	3 443 860.28	3 443 860.28
Sponsoring of December events	5 304 175.00		5 304 175.00
Elderly christmas	3 630 970.00		3 630 970.00
Paying employees that hard court cases against the municipality	7 451 651.89		7 451 651.89
Not budgeted employees	10 403 582.25		10 403 582.25
TOTAL	**16 970 133.55**	**9 014 314.44**	**25 984 447.99**

Items that were budgeted but expenditure has exceeded budget (resulted to unauthorised expenditure)				
	Approved budget	**Expenditure to date**	**Outstanding**	**Over spending**
Legacy cup	3 000 000.00	10 532 598.15		- 7 532 598.15
Security	22 500 000.00	25 587 509.41		- 3 087 509.41
Eskom	47 000 000.00	51 132 044.72		- 4 132 044.72
Community participation,Shembe,Unveiling King shaka statue,Opening of Princes Mkabayi mall,Closing party of kings & councillors,Youth indaba, Gauteng Mayoral visit,siyaya emhlangeni	1 000 000.00	3 314 592.60	1 017 200.00	- 3 331 792.60
IDP & IDP roadshows	2 000 000.00	7 412 302.50		- 5 412 302.50
Gardening services	2 500 000.00	2 628 818.68		- 128 818.68
Travelling claim - councillors	1 338 680.00	2136070.42		- 797 390.42
Travelling claim - Employees	1 882 339.00	1 592 239.26		290 099.74
TOTAL	**79 338 680.00**	**102 743 936.48**	**1 017 200.00**	**- 24 422 456.48**

Expected future expenditure to be funded through equitable share.

Equitable share	**December**	**223 395 000.00**
	December payments including Golden games, SALGA games, Women celebration, Mayoral cup, Ingoma festival, sponsoring of events and Paying employees that hard court cases against the municipality	- 85 171 928.23
	Salaries	- 34 963 108.33
	Creditors paid in December payments	- 33 158 530.70
	Grants paid from EQ	- 70 101 432.74
	Investments	30 000 000.00
	Current bank balance	16 000 000.00
	Balance after Grants & creditors	**46 000 000.00**
This is before considering monthly expenses including salaries for three months	**Blance remaining**	**46 000 000.00**
10 031 514.44	Creditors since July - December	- 91 016 641.08
	Creditors since July - December (Grants)	- 3 890 586.05
	January Salaries	- 30 000 000.00
	February Salaries	- 30 000 000.00
	Monthly expenses for Jan & March	- 121 400 715.24
		- 230 307 942.37
Equitable share	**March**	**167 547 000.00**
	March Salaries	- 30 000 000.00
	April Salaries	- 30 000 000.00
	May Salaries	- 30 000 000.00
	June Salaries	- 30 000 000.00
This is remaining before considering monthly expenses for April, May &June	**Balance**	**- 182 760 942.37**
April, May &June		**- 121 400 715.24**
Owing to Grants		**- 56 509 756.16**
Expected deficty at 30June 2025		**- 360 671 413.77**

The municipality only reliable source of income is grants.

Capital grants inclusive of VAT.

	Receipts	Paid	Unspent	
RBIG	205 000 000.00	- 123 509 740.79	81 490 259.21	
MIG	181 706 000.00	- 211 124 666.06	- 29 418 666.06	Was paid using RBIG money
WSIG	75 000 000.00	- 70 561 836.99	4 438 163.01	
TOTAL	**461 706 000.00**	**- 405 196 243.84**	**56 509 756.16**	Owing to grants
NET AMOUNT OWED TO GRANTS			**56 509 756.16**	To be settled using equitable share
	Next transfer	**Expenditure**	**Unspent**	
RBIG	9 000 000.00	9 000 000.00	-	
MIG	77 836 000.00	77 836 000.00	-	
WSIG	25 000 000.00	25 000 000.00	-	
	111 836 000.00	**111 836 000.00**	-	
To be outstanding by year end			**56 509 756.16**	

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868.00	414 365 532.45	252 274 508	162 091 025	64%	83%
Total Capital Financing	500 594 868.00	414 365 532.45	252 274 508	162 091 025	64%	83%

Total Capital Expenditure as of **31 December 2023** is **R414.3 million** which is **83%** of the capital budget, the year-to-date budget is **R252.2 million** which is below year-to-date actual, a variance of **R162 million** or **64%** is observed. Capital expenditure performance is monitored, the larger part of capital expenditure are grants and the spending on grants is on the right track.

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

Reasons for variances can be attributed to capital grants not being spent at a similar pace as year-to-date budget. **MIG** is at **87%, RBIG** is at **75%, WSIG** is at **85% RRAMG** is at **0%.**

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	612 157 378.00	218 001 650.56	36
Total non current assets	5 319 118 713.00	5 784 521 342.68	109
Total curent liabilities	468 128 948.00	361 109 670.45	77
Total non current liabilities	154 477 420.00	133 568 386.15	86
TOTAL COMMUNITY WEALTH/ EQUITY	**6 553 882 459.00**	**6 497 201 049.84**	**99.1%**

The current assets year to date actual is **R218 million** which is **36%** of the approved budget.
Non - Current assets year to date actual is **R5.7 billion** which is **109%** of the approved budget.
Current Liabilities year to date actual is **R361.1 million** which is **77%** of the approved budget.
Non - Current Liabilities year to date is **R133.5 million** which is **86%** of the approved budget.
Accumulated surplus year to date actual is **R6.4 billion** which is **99.1%** of the approved budget.

Current assets amount to **R218 million**, included in current assets is **cash investment of R30 million**.

Current liabilities amount to **R361.1 million**, this includes unspent conditional grants amounting to **R49.3 million**.

The Current ratio is 0.60:1 **[R218 million/R361.1 million],** which is below the current ratio norm of **2:1.**
Coverage ratio is 0-month norm is 1-3 months.

	0 Month
Cash and cash equivalents	40 497 338
Unspent Conditional Grants	49 374 749
Overdraft	
Short Term Investments	
Total Annual Operational Expenditure	439 111 112

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

Major Variances between actuals and year to date budget

Variances between year to date actual and year to date budget are highlighted in Section 1.4 Operating Revenue Performance and 1.5 Operating Expenditure Performance.

On Revenue there seem to be major variances between year-to-date budget and year to date actual, these variances are on transfers and subsidies, Fines penalties and forfeits, licenses and permits, sale of goods and services and other revenue.

Major variances on expenditure are on contracted and other expenditure.

Remedial and corrective steps taken to ensure the budget is implemented as approved.
The municipality adopted the budget implementation guidelines.

The municipality is in the process to develop and monitor a credible budget funding plan as the commitments seems to be above municipality means.

1.4 OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water		58 877	68 294	68 294	5 431	30 318	34 147	(3 829)	-11%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 566	9 172	8 866	306	3%	17 732
Service charges - Waste management								–		
Sale of Goods and Rendering of Services		760	578	578	–	114	289	(175)	-60%	578
Agency services								–		
Interest								–		
Interest earned from Receivables		691	823	823	63	393	411	(19)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		559	504	504	41	248	252	(4)	-2%	504
Licence and permits		107	176	176	27	144	88	56	64%	176
Operational Revenue		594	565	565	8	324	283	41	15%	565
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		875	1 467	1 467	36	338	733	(395)	-54%	1 467
Licence and permits								–		
Transfers and subsidies - Operational		746 444	768 030	768 030	242 542	535 959	384 015	151 944	40%	768 030
Interest		–	–	–	–	–	–	–		–
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		680	–	–	–	–	–	–		–
Other Gains		5 704	–	–	–	3	–	3	#DIV/0!	–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**846 773**	**865 670**	**865 670**	**249 867**	**580 974**	**432 835**	**148 139**	**34%**	**865 670**

The year-to-date actual indicates operating revenue of **R580.9 million** for **six months**, which is above year-to-date budget of **R432.8 million**. A variance of **R148.1 million** or **34%** is observed. The total revenue to-date represents **67%** of the operating revenue budget. Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

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

Service charges – Water revenue.

This is the amounts billed on customers for water used, the year-to-date actual is **R30.3 million**, which is **below** year-to-date budget of **R34.1 million**. A variance of **R3.8 million** or **11%** is observed. The variance between approved and year to date actual result from the fact that there are customers that are billed with interim due to fault meters.

The original budget for service charges water is **R68.2 million,** based on the year-to-date actual of **R30.3 million** a downward adjustment is recommended.

Service charges – Sanitation revenue.
This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R9.1 million** which is **above** year-to-date budget of **R8.8 million**. A variance of **R306 thousand** or **3%** is observed. The Reason For the bill of sanitation being High is since we charge businesses an Access Charge-Sewerage of 40kl when they have used more than Basic sewer Charge.

The original budget for service charges sanitation is **R17.7 million. Based** on the year-to-date actual of **R9.1 million**, service charges sanitation revenue should remain the same. No adjustment recommended.

Sale of goods and rendering of services
This includes the amounts of sale of tender documents, sale of consumables and clearance certificates. The original budget for sale of goods and rendering of service is **R578 thousand**, the year-to-date actual is **R114 thousand** which is below year-to-date budget of **R289 thousand.** A Variance of **R175 thousand** or **60%** is observed.

There was no sale of tender documents in this period. A downward adjustment is recommended.

Interest earned - outstanding debtors.
Interest earned - outstanding debtors is charged on businesses and government for accounts in arrears. The year-to-date actual is **R393 thousand**, which is **below** to year-to-date budget of **R411 thousand**. variance of **R19 thousand** or **5%** is observed.

This is a positive indication that business adhere to payments terms.

The original budget for Interest earned - outstanding debtors is **R823 thousand,** based on the year-to-date actual of **R114 thousand**, a no adjustment is recommended since it is 5%.

Interest from Current and Non-Current Assets
Interest from Current and Non-Current Assets is interest received when the Municipality makes cash investments. The year-to-date actual is **R3.9 million**, which is **above** year-to-date budget of **R3.7 million**. A variance of **R211 thousand** or **6%** is observed. Reasons for variances can be attributed

to the availability of cash to be invested to date. Interest from Current and Non-Current Assets is above target. The grants balances still to be received is less than what the municipality has already received, therefor less investment is expected which will affect the interest to be accumulated.

The original budget for Interest on investment is **R7.5 million,** based on the year-to-date actual of **R3.9 million**, interest from current and non-current should remain the same. No adjustment recommended.

Rent of facilities
Rental of facilities is amounts billed for the use of office space. The year-to-date actual is **R248 thousand** which is **below** year-to-date budget of **R252 thousand**. A variance of **R4 thousand** or **2%** is observed. The reason For Variances is Based on the fact that there are tenants that vacated the building and there are new ones that came in at different rates charged.

The original budget for Rental of facilities is **R504 thousand,** based on the year-to-date actual of **R248 thousand**, rental from fixed land should remain the same. No adjustment recommended.

Licences and permits.
This amount is for health certificates and permits issued, these certificates and permits include inspection fees, and competency certificates, the year-to-date actual is **R144 thousand**, which is above year-to-date budget of **R88 thousand**. A variance of **R56 thousand** or **64%**is observed.

The original budget for Licences and permits is **R176 thousand,** based on the year-to-date actual of **R144 thousand,** an increase of **R100 thousand** is recommended. A revised allocation of **R276 thousand** is recommended based on the year-to-date actual full year projection.

Fines, penalties, and forfeits
Fines, penalties, and forfeits are amounts charged on illegal connections, the year-to-date actual is **R338 thousand**, which is below the year-to-date budget of **R733 thousand**. A variance of **R395 thousand** or **54%** is observed. This is a positive indication that less consumers are illegally connected.

This amount depends on the number of illegal connections detected.
The original budget for Fines, penalties and forfeits is **R1.4 million,** based on the year-to-date actual of **R338 thousand**, a decrease of **R900 thousand** is recommended. A revised allocation of **R500 thousand** is recommended based on the year-to-date actual full year projection.

Transfers and subsidies

Transfers and subsidies (grants) are amounts gazetted as per Division of Revenue act (DoRA), 2022; and provincial gazette, Transfers and subsidies is revenue recognized as operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Transfers and subsidies (Grants) are recognised/recorded as revenue when condition has been met, except for equitable share, which is not a conditional grant.

Transfers and subsidies year to date actual is **R535.9 million**, which is above year-to-date budget of **R384 million**. A variance of **R151.9 million** or **40%** is observed.
This variance is a result of equitable share which is not received monthly but three times a year as per approved transfer schedule.

The original budget for Transfers and subsidies is **R768 million.** Transfers and subsidies are based on the transfer schedule, Division of Revenue act. The municipality received additional funds from Amafa Grant. An additional allocation of **R180 thousand** is recommended.

Operational revenue

Operational revenue year-to-date actual is R324 thousand which is 57% of the approved budget. the R324 thousand year to date actual is above the six months baseline projection or year-to-date budget of R282 thousand. A variance of R41 thousands or 15% is observed.

The variance to this line item can be attributed to the receipt of Skills Development Levy Refund, which is not benchmarked by year to date, But depends on the allocation by LGSETA, no adjustment required.

1.5 OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Debt impairment		30 812	6 000	6 000	–	–	3 000	(3 000)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest		7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Contracted services		370 958	203 358	201 100	35 159	104 808	100 031	4 777	5%	201 100
Transfers and subsidies		3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 821	18 711	95 879	56 123	39 756	71%	111 821
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15%**	**764 185**

The year-to-date actual indicates spending of **R439.1 million** for **six months**, which is above the year-to-date budget of **R155 million**, a variance of **R57.2 million** or **15%** is observed. The total expenditure to date represents **57%** of the approved operational budget.

Employee Related Costs

Employee related costs year to date actual is **R165.4 million**, which is **above** the year-to-date budget of **R155 million**, a variance of **R10.4 million** or **7%** is observed. Employee related cost is a little bit above year-to-date budget, this variance is caused by overtime, standby allowance, acting allowance and long service bonus. The municipality will make sure that the salary bill is kept within the limits of the monthly projections. The reason for salaries being high is based on Contracts employees who are now permanent and the will be considered in the adjustment budget.

The original budget for employee related costs is **R310 million**, based on the year-to-date actual of **R165.4 million**, an increase of **R20.8 million** is recommended. A revised allocation of **R330.9 million** is recommended based on the year-to-date actual full year projection.

Remuneration of Councillors

Remuneration of Councillors year to date actual is **R5.4 million**, which is above the year-to-date budget of **R4.7 million**, a variance of **R709 thousand** or **15%** is observed. The result for change in Remuneration of councillors is based on the upper limits gazette.

The original budget for Remuneration of Councillors is **R9.4 million**, based on the year-to-date actual of **R4.7 million**, an increase of **R1.4 million** is recommended. A revised allocation of **R10.8 million** is recommended based on the year-to-date actual full year projection.

Inventory Consumed

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable stores (cleaning materials, stationery, water stock and materials and supplies), the year-to-date actual is **R5.3 million**, which is below the year-to-date budget of **R12.4 million**, a variance of **R7.1 million** or **57%** is observed.

This is the value of inventory we have issued from main stores. No Adjustment is needed since there is inventory in our stores to be issued.

The original budget for Inventory consumed is **R25.2 million**, based on the year-to-date actual of **R5.3 million**, the municipality still has commitments on this line item which will escalate expenditure in the second half of the financial year, the Municipality will review further these line items to determine if savings are available to allocate to other expenditure items in the adjustment budget.

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.

Municipality calculate debt impairment once at year end.

The municipality is looking into the process of assessing debtors for impairment on the monthly basis.

Depreciation

This is non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R56 million**, which is **above** year-to-date budget of **R45.6 million**. A variance of **R10.3 million** or **23%** is observed.

The original budget for **Depreciation** is **R91.3 million**, based on the year-to-date actual of **R56 million**, an adjustment is recommended as there are assets under work in progress that will be completed.

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.

Finance charges
Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is **R6.02** million which is **85%** of the approved budget. the **R6.02 million** year to date actual is above the Six months baseline projection or year-to-date budget of **R3.7 million**. The variance result from the payment of loan in December, the interest is high since the loan is new.

The original budget for finance charges is **R7 million**, based on the year-to-date actual of **R6 million**, an upward adjustment of **R5 million** is recommended based on the year-to-date actual full year projection.

Contracted services.
Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R104.8 million** which is above the year-to-date budget of **R100 million**, a variance of **R4.7 million** or **5%** is observed.

The variance is caused by the municipality honouring service level agreements that speak directly to service delivery and Contractual commitments which is higher than the budget provided

The original budget for Contracted services is **R203.3 million**, based on the year-to-date actual of **R104.8 million**, an increase of **R6.3 million** is recommended; and a revised allocation of **R209.6 million** is recommended based on the year-to-date actual full year projection.

Expanding the budget to meet the full year projection is not possible at this stage since the municipality has limited funding sources. The Municipality will prepare a budget funding plan and use initiatives proposed to curb and halt expenditure.

Transfers and subsidies paid.
Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support businesses. The year-to-date actual is **R116 thousand**, which is below the year-to-date budget of **R1.2 million**, a variance of **R1.1 thousand** or **91%** is observed.

This expenditure item is seasonal therefore expenditure cannot be benchmarked on a straight-line method.

The original budget for transfers and subsidies is **R2.1 million**, based on the year-to-date actual of **R116 thousand**, a revised allocation of **R1 million** is recommended.

Operational Cost
Other expenditure year to date actual is **R95.8 million**, which is **above** the year-to-date budget of **R56.1 million**, a variance of **R39.7 million** or **71%** is observed. Other expenditure includes monthly cost of electricity for water supply plants and other seasonal/once off expenditure items.

This expenditure item includes cost of electricity for water/sewer plants, Municipal services, external Audit fees, subsistence and travel, fuel, insurance, software licences, SALGA bargaining council levy, telephone, Hiring charges, uniforms & protective clothing, operating leases, and other operating cost. Some of the expenditure items are once off and incurred in the first half of the budget year and will not be incurred in the second half of the financial year e.g., SALGA bargaining council levy, software licences, insurance, uniforms & protective clothing, and external audit fees.

The municipality has taken a decision to limit nonpriority items that do not impact on service delivery directly. This will help reduce cost so that the municipality spends within the limits of the budget.

The original budget for other expenditure is **R112.9 million**, based on the year-to-date actual full year projection an increase of **R78.7 million** is recommended; and a revised allocation of **R191.6 million** is recommended.

Expanding the budget to meet the full year projection is not possible at this stage since the municipality has limited funding sources. The Municipality will prepare a budget funding plan in the next adjustment budget and use initiatives proposed to curb and halt expenditure.

The Municipality will also identify savings and reallocate to those needy expenditure items.

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 585.00	499 545	600 318	-100 773.19	-0.17	42%
EPWP Incentive	5 227 001.00	5 227 000	2 613 510	2 613 489.65	1.00	100%
Art centre Subsisies (Indonsa Grant)	1 911 000.00	1 645	855 558	-853 912.78	-1.00	0%
National Skills Fund	88 246 119.00	28 247 900	44 123 064	-15 875 164.00	-0.36	32%
LG SETA	1 258 936.00	935 245	629 472	305 773.00	0.49	74%
Total Operating Grant Expenditure	**97 843 641.00**	**34 911 335**	**48 821 922**	**-13 910 587.32**	**-**	36%

FMG **42%**, NSF **32%**, EPWP Incentive **100%**, Art center subsidies (Indonsa Grant) **0%**, LGSETA **74%.**

Operating grant receipts to date are presented on section 1.7 in year budget tables, MBRR Table C7 Monthly Budget Statement Cash Flow Statement MBRR Table C7 - Monthly Budget Statement Cash Flow Statement.

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water		58 877	68 294	68 294	5 431	30 318	34 147	(3 829)	-11%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 566	9 172	8 866	306	3%	17 732
Service charges - Waste management								–		
Sale of Goods and Rendering of Services		760	578	578	–	114	289	(175)	-60%	578
Agency services								–		
Interest								–		
Interest earned from Receivables		691	823	823	63	393	411	(19)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		559	504	504	41	248	252	(4)	-2%	504
Licence and permits		107	176	176	27	144	88	56	64%	176
Operational Revenue		594	565	565	8	324	283	41	15%	565
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		875	1 467	1 467	36	338	733	(395)	-54%	1 467
Licence and permits								–		
Transfers and subsidies - Operational		746 444	768 030	768 030	242 542	535 959	384 015	151 944	40%	768 030
Interest		–	–	–	–	–	–	–		–
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		680	–	–	–	–	–	–		–
Other Gains		5 704	–	–	–	3	–	3	#DIV/0!	–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**846 773**	**865 670**	**865 670**	**249 867**	**580 974**	**432 835**	**148 139**	**34%**	**865 670**
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Debt impairment		30 812	6 000	6 000	–	–	3 000	(3 000)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest		7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Contracted services		370 958	203 358	201 100	35 159	104 808	100 031	4 777	5%	201 100
Transfers and subsidies		3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 821	18 711	95 879	56 123	39 756	71%	111 821
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15%**	**764 185**
Surplus/(Deficit)		**(398 939)**	**98 033**	**101 484**	**134 421**	**141 862**	**50 992**	**90 870**	**0**	**101 484**
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	81 818	417 498	288 097	129 400	**0**	576 195
Transfers and subsidies - capital (in-kind)		9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Income Tax								–		
Surplus/(Deficit) after income tax		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	220 271	0	**677 679**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**

1.6 CAPITAL EXPENDITURE AND FUNDING

The Capital Expenditure Report reflected has been prepared based on the format required by National Treasury and is categorized by municipal vote. The capital expenditure is funded from the following sources:

- Government Grants
- Internally Generated Funds

The summary report indicates the following: -

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868.00	414 365 532.45	252 274 508	162 091 025	64%	83%
Total Capital Financing	500 594 868.00	414 365 532.45	252 274 508	162 091 025	64%	83%

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	259 542 000.00	226 694 611.41	129 771 000	96 923 611	75%	87%
Regional Bulk Infrastructure (RBIG)	214 000 000.00	160 786 403.78	107 000 000	53 786 404	50%	75%
Water services infrastructure Grant (WSIG)	100 000 000.00	84 608 953.36	50 000 000	34 608 953	69%	85%
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	5 411.67	1 326 500	-1 321 088	-100%	0%
Indonsa Grant	200 000.00	-	100 000	-100 000	-100%	0%
Other Assets	5 000 000.00	51 871.01	2 500 000	-2 448 129	-98%	1%
Total Capital Grant Expenditure	**581 395 000.00**	**472 147 251.23**	**288 197 500**	**183 897 880**	**64%**	78%

An amount of **R1.4 million** for COGTA Boreholes provincial grant was rolled over from the previous budget year. The Municipality has received an adjusted DORA with revised allocation for grants, as per the adjusted DORA the Municipal Infrastructure Grants has been revised to **R256.9 million** from **R259.5 million**. A downward adjustment of **R2.6 million** is recommended.

Capital budget summary.

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		155	–	–	–	–	–	–		–
Vote 03 - Finance		–	–	–	–	–	–	–		–
Vote 04 - Community Development		–	–	–	–	–	–	–		–
Vote 05 - Planning & Wsa		–	–	–	–	–	–	–		–
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**155**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 01 - Council		167	–	–	–	–	–	–		–
Vote 02 - Corporate Services		1 551	3 478	3 478	–	24	1 739	(1 715)	-99%	3 478
Vote 03 - Finance		70	870	870	–	28	435	(407)	-94%	870
Vote 04 - Community Development		286	174	174	–	–	87	(87)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	68 273	414 314	250 014	164 300	66%	499 521
Vote 06 - Technical Services		–	6 173	–	–	–	0	(0)	-100%	–
Vote 07 - Water Purification		20	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	662 388	500 595	504 043	68 273	414 366	252 275	**162 091**	**64%**	504 043
Total Capital Expenditure		**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**
Capital Expenditure - Functional Classification										
Governance and administration		**1 943**	**4 348**	**4 348**	**–**	**52**	**2 174**	(2 122)	-98%	**4 348**
Executive and council		167	–	–	–	–	–	–		–
Finance and administration		1 621	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Internal audit		155	–	–	–	–	–	–		–
Community and public safety		**286**	**174**	**174**	**–**	**–**	**87**	(87)	-100%	**174**
Community and social services		286	174	174	–	–	87	(87)	-100%	174
Sport and recreation								–		
Public safety								–		
Housing								–		
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**75**	**2 307**	**2 289**	**–**	**–**	**1 147**	(1 147)	-100%	**2 289**
Planning and development		75	2 307	2 289	–	–	1 147	(1 147)	-100%	2 289
Road transport								–		
Environmental protection								–		
Trading services		**660 239**	**493 766**	**497 232**	**68 273**	**414 314**	**248 866**	165 448	66%	**497 232**
Energy sources								–		
Water management		660 239	493 766	497 232	68 273	414 314	248 866	165 448	66%	497 232
Waste water management		–	–	–	–	–	–	–		–
Waste management								–		
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**
Funded by:										
National Government		660 294	496 073	499 521	68 273	414 314	250 014	164 300	66%	499 521
Provincial Government		277	174	174	–	–	87	(87)	-100%	174
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		9	–	–	–	–	–	–		–
Transfers recognised - capital		**660 580**	**496 247**	**499 695**	**68 273**	**414 314**	**250 101**	**164 213**	**66%**	**499 695**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		1 963	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Total Capital Funding		**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**

Governance and administration

Governance and administration year-to-date actual are **R52 thousand** which is **1%** of the approved budget. the **R52 thousand** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R2.1 million**. A variance of **R2.1 million** or **98%** is observed.

The reason for variance is that procurement of Computers, ICT infrastructure and Furniture is still in progress, No acquisition to date. No Adjustment needed.

Community and public safety

Community and public safety year-to-date actual are **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R87 thousand**. A variance of **R87 thousand** or **100%** is observed. The variance is attributed by the ongoing procurement processes for Indonsa Equipment. No adjustment recommended as this is grant funded and procurement process are ongoing.

Economic and environmental services

Economic and environmental services year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is above the **six months** baseline projection or year-to-date budget of **R1.1 million**. A variance of **R1.1 million** or **100%** is observed. Adjustment is not recommended as this is grant funded.

Trading services

Trading services year-to-date actual is **R414.3 million** which is **84%** of the approved budget. the **R414.3 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R248.8 million**. A variance of **R165.4 million** or **66%** is observed. This depends on grants spending and when each trench will be received. No adjustment is recommended.

Capital Grant Expenditure as per MFMA circular no. 58.

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	259 542 000.00	226 694 611.41	129 771 000	96 923 611	75%	87%
Regional Bulk Infrastructure (RBIG)	214 000 000.00	160 786 403.78	107 000 000	53 786 404	50%	75%
Water services infrastructure Grant (WSIG)	100 000 000.00	84 608 953.36	50 000 000	34 608 953	69%	85%
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	5 411.67	1 326 500	-1 321 088	-100%	0%
Indonsa Grant	200 000.00	-	100 000	-100 000	-100%	0%
Other Assets	5 000 000.00	51 871.01	2 500 000	-2 448 129	-98%	1%
Total Capital Grant Expenditure	**581 395 000.00**	**472 147 251.23**	**288 197 500**	**183 897 880**	**64%**	78%

Overall capital grant expenditure is sitting at **78%** of the approved capital budget, **MIG** is sitting at **87%**, **RBIG** at **75%, WSIG** at **85%, RAMS** at **0%** and **Indonsa Art Centre** at **0%.**

1.7 IN-YEAR BUDGET TABLES

The following part of in-year reporting presented below focuses on monthly budget statement tables as required in terms of regulation 31 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's 2023/2024 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 **December 2024**.

Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M06 December

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	74 901	86 026	86 026	6 997	39 489	43 013	(3 524)	-8%	86 026
Investment revenue	15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Transfers and subsidies - Operational	746 444	768 030	768 030	242 542	535 959	384 015	151 944	0	768 030
Other own revenue	9 969	4 113	4 113	175	1 565	2 057	(492)	-24%	–
Total Revenue (excluding capital transfers and contributions)	**846 773**	**865 670**	**865 670**	**249 867**	**580 974**	**432 835**	**148 139**	**34%**	**865 670**
Employee costs	315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of Councillors	10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Depreciation and amortisation	217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest	7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Inventory consumed and bulk purchases	45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Transfers and subsidies	3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Other expenditure	646 873	322 345	318 921	53 870	200 688	159 154	41 534	26%	318 921
Total Expenditure	**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15%**	**764 185**
Surplus/(Deficit)	**(398 939)**	**98 033**	**101 484**	**134 421**	**141 862**	**50 992**	**90 870**	**178%**	**101 484**
Transfers and subsidies - capital (monetary allocations)	768 386	576 195	576 195	81 818	417 498	288 097	###	45%	576 195
Transfers and subsidies - capital (in-kind)	9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**65%**	**677 679**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**65%**	**677 679**
Capital expenditure & funds sources									
Capital expenditure	**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**
Capital transfers recognised	660 580	496 247	499 695	68 273	414 314	250 101	164 213	66%	499 695
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**1 963**	**4 348**	**4 348**	**–**	**52**	**2 174**	**(2 122)**	**-98%**	**4 348**
Total sources of capital funds	**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**
Financial position									
Total current assets	197 536	612 157	612 157		218 002				612 157
Total non current assets	5 426 188	5 319 119	5 322 567		5 784 521				5 322 567
Total current liabilities	547 789	468 129	468 129		361 110				468 129
Total non current liabilities	127 450	154 477	154 477		133 568				154 477
Community wealth/Equity	**5 049 921**	**4 634 441**	**4 634 441**		**5 507 845**				**4 634 441**
Cash flows									
Net cash from (used) operating	2 937 672	742 935	742 935	172 439	965 932	371 468	(594 464)	-160%	742 935
Net cash from (used) investing	(661 863)	(500 595)	(500 595)	(68 273)	(414 366)	(250 297)	164 068	-66%	(500 595)
Net cash from (used) financing	89 475	(18 093)	(18 093)	(8 856)	(9 419)	(9 047)	372	-4%	(18 093)
Cash/cash equivalents at the month/year end	**2 337 857**	**31 462**	**31 462**	**599 219**	**599 219**	**(80 662)**	**(679 880)**	**843%**	**281 318**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	–	–	–	–	–	–	–	–	–
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

MBRR Table C1 – Monthly Budget Statement Summary

Table C1 is a summary of all budgeted financial statements such as: financial performance, financial position, cash flow, debtors age analysis and creditors age analysis.

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		**759 290**	**769 935**	**769 935**	**242 775**	**537 170**	**384 967**	152 202	40%	**769 935**
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		759 290	769 935	769 935	242 775	537 170	384 967	152 202	40%	769 935
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**2 285**	**3 215**	**3 215**	**27**	**146**	**1 608**	(1 462)	-91%	**3 215**
Community and social services		2 179	1 911	1 911	–	2	956	(954)	-100%	1 911
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		107	1 304	1 304	27	144	652	(508)	-78%	1 304
Economic and environmental services		**3 112**	**2 721**	**2 721**	**5**	**5**	**1 360**	(1 355)	-100%	**2 721**
Planning and development		3 112	2 721	2 721	5	5	1 360	(1 355)	-100%	2 721
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**848 437**	**665 936**	**665 936**	**88 870**	**461 127**	**332 968**	**128 159**	38%	**665 936**
Energy sources		–	–	–	–	–	–	–		–
Water management		832 056	647 830	647 830	87 297	451 815	323 915	127 900	39%	647 830
Waste water management		16 380	18 106	18 106	1 573	9 311	9 053	258	3%	18 106
Waste management		–	–	–	–	–	–	–		–
Other	4	**2 045**	**57**	**57**	**8**	**23**	**29**	**(5)**	**-19%**	**57**
Total Revenue - Functional	2	**1 615 168**	**1 441 865**	**1 441 865**	**331 685**	**998 471**	**720 932**	**277 539**	**38%**	**1 441 865**
Expenditure - Functional										
Governance and administration		**430 254**	**312 391**	**313 396**	**49 220**	**171 873**	**156 455**	15 418	10%	**313 396**
Executive and council		70 641	35 144	35 112	3 309	20 575	17 560	3 015	17%	35 112
Finance and administration		306 758	248 883	249 920	40 844	122 889	124 713	(1 824)	-1%	249 920
Internal audit		52 855	28 364	28 364	5 067	28 409	14 182	14 227	100%	28 364
Community and public safety		**27 210**	**28 084**	**27 899**	**2 186**	**12 491**	**13 989**	(1 497)	-11%	**27 899**
Community and social services		9 284	9 176	9 176	782	3 559	4 588	(1 029)	-22%	9 176
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		7 301	6 234	6 234	593	3 868	3 117	751	24%	6 234
Housing		–	–	–	–	–	–	–		–
Health		10 625	12 674	12 489	812	5 065	6 284	(1 219)	-19%	12 489
Economic and environmental services		**29 375**	**22 960**	**22 588**	**1 682**	**10 242**	**11 389**	(1 147)	-10%	**22 588**
Planning and development		29 375	22 960	22 588	1 682	10 242	11 389	(1 147)	-10%	22 588
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**746 125**	**393 586**	**390 117**	**61 689**	**239 651**	**194 810**	**44 841**	23%	**390 117**
Energy sources		–	–	–	–	–	–	–		–
Water management		733 509	378 362	379 893	60 798	234 671	188 915	45 756	24%	379 893
Waste water management		12 616	15 224	10 224	891	4 980	5 895	(916)	-16%	10 224
Waste management		–	–	–	–	–	–	–		–
Other		**12 748**	**10 615**	**10 185**	**668**	**4 854**	**5 200**	**(346)**	**-7%**	**10 185**
Total Expenditure - Functional	3	**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15%**	**764 185**
Surplus/ (Deficit) for the year		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0.6495943**	**677 679**

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

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

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		105 559	89 962	89 962	19 080	29 219	44 981	(15 762)	-35.0%	89 962
Vote 03 - Finance		655 776	680 030	680 030	223 702	507 974	340 015	167 959	49.4%	680 030
Vote 04 - Community Development		2 285	3 215	3 215	27	146	1 608	(1 462)	-90.9%	3 215
Vote 05 - Planning & Wsa		775 606	581 490	581 490	81 818	421 156	290 745	130 411	44.9%	581 490
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		59 562	69 061	69 061	5 485	30 665	34 530	(3 865)	-11.2%	69 061
Vote 09 - Waste Water		16 380	18 106	18 106	1 573	9 311	9 053	258	2.9%	18 106
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**1 615 168**	**1 441 865**	**1 441 865**	**331 685**	**998 471**	**720 932**	**277 539**	**38.5%**	**1 441 865**
Expenditure by Vote	1									
Vote 01 - Council		80 188	45 311	45 266	4 267	26 244	22 638	3 606	15.9%	45 266
Vote 02 - Corporate Services		273 176	211 286	211 286	35 986	115 394	105 644	9 750	9.2%	211 286
Vote 03 - Finance		76 196	59 309	59 059	8 789	30 238	29 530	708	2.4%	59 059
Vote 04 - Community Development		58 981	47 801	48 046	4 126	23 872	24 031	(159)	-0.7%	48 046
Vote 05 - Planning & Wsa		31 915	27 462	24 064	1 545	9 808	11 766	(1 958)	-16.6%	24 064
Vote 06 - Technical Services		5 354	5 758	5 750	525	2 079	2 875	(797)	-27.7%	5 750
Vote 07 - Water Purification		50 293	47 565	47 573	4 631	26 670	23 786	2 883	12.1%	47 573
Vote 08 - Water Distribution		656 993	307 920	312 917	54 686	199 828	155 677	44 151	28.4%	312 917
Vote 09 - Waste Water		12 616	15 224	10 224	891	4 980	5 895	(916)	-15.5%	10 224
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15.0%**	**764 185**
Surplus/ (Deficit) for the year	2	**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**65.0%**	**677 679**

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

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

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water		58 877	68 294	68 294	5 431	30 318	34 147	(3 829)	-11%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 566	9 172	8 866	306	3%	17 732
Service charges - Waste management								–		
Sale of Goods and Rendering of Services		760	578	578	–	114	289	(175)	-60%	578
Agency services								–		
Interest								–		
Interest earned from Receivables		691	823	823	63	393	411	(19)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		559	504	504	41	248	252	(4)	-2%	504
Licence and permits		107	176	176	27	144	88	56	64%	176
Operational Revenue		594	565	565	8	324	283	41	15%	565
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		875	1 467	1 467	36	338	733	(395)	-54%	1 467
Licence and permits								–		
Transfers and subsidies - Operational		746 444	768 030	768 030	242 542	535 959	384 015	151 944	40%	768 030
Interest		–	–	–	–	–	–	–		–
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		680	–	–	–	–	–	–		–
Other Gains		5 704	–	–	–	3	–	3	#DIV/0!	–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**846 773**	**865 670**	**865 670**	**249 867**	**580 974**	**432 835**	**148 139**	**34%**	**865 670**
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Debt impairment		30 812	6 000	6 000	–	–	3 000	(3 000)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest		7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Contracted services		370 958	203 358	201 100	35 159	104 808	100 031	4 777	5%	201 100
Transfers and subsidies		3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 821	18 711	95 879	56 123	39 756	71%	111 821
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15%**	**764 185**
Surplus/(Deficit)		**(398 939)**	**98 033**	**101 484**	**134 421**	**141 862**	**50 992**	**90 870**	**0**	**101 484**
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	81 818	417 498	288 097	129 400	0	576 195
Transfers and subsidies - capital (in-kind)		9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Income Tax								–		
Surplus/(Deficit) after income tax		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	220 271	0	**677 679**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**

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

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

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		155	–	–	–	–	–	–		–
Vote 03 - Finance		–	–	–	–	–	–	–		–
Vote 04 - Community Development		–	–	–	–	–	–	–		–
Vote 05 - Planning & Wsa		–	–	–	–	–	–	–		–
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**155**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 01 - Council		167	–	–	–	–	–	–		–
Vote 02 - Corporate Services		1 551	3 478	3 478	–	24	1 739	(1 715)	-99%	3 478
Vote 03 - Finance		70	870	870	–	28	435	(407)	-94%	870
Vote 04 - Community Development		286	174	174	–	–	87	(87)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	68 273	414 314	250 014	164 300	66%	499 521
Vote 06 - Technical Services		–	6 173	–	–	–	0	(0)	-100%	–
Vote 07 - Water Purification		20	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	662 388	500 595	504 043	68 273	414 366	252 275	**162 091**	**64%**	504 043
Total Capital Expenditure		**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**
Capital Expenditure - Functional Classification										
Governance and administration		**1 943**	**4 348**	**4 348**	**–**	**52**	**2 174**	(2 122)	-98%	**4 348**
Executive and council		167	–	–	–	–	–	–		–
Finance and administration		1 621	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Internal audit		155	–	–	–	–	–	–		–
Community and public safety		**286**	**174**	**174**	**–**	**–**	**87**	(87)	-100%	**174**
Community and social services		286	174	174	–	–	87	(87)	-100%	174
Sport and recreation								–		
Public safety								–		
Housing								–		
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**75**	**2 307**	**2 289**	**–**	**–**	**1 147**	(1 147)	-100%	**2 289**
Planning and development		75	2 307	2 289	–	–	1 147	(1 147)	-100%	2 289
Road transport								–		
Environmental protection								–		
Trading services		**660 239**	**493 766**	**497 232**	**68 273**	**414 314**	**248 866**	165 448	66%	**497 232**
Energy sources								–		
Water management		660 239	493 766	497 232	68 273	414 314	248 866	165 448	66%	497 232
Waste water management		–	–	–	–	–	–	–		–
Waste management								–		
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**
Funded by:										
National Government		660 294	496 073	499 521	68 273	414 314	250 014	164 300	66%	499 521
Provincial Government		277	174	174	–	–	87	(87)	-100%	174
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		9	–	–	–	–	–	–		–
Transfers recognised - capital		**660 580**	**496 247**	**499 695**	**68 273**	**414 314**	**250 101**	**164 213**	**66%**	**499 695**
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		1 963	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Total Capital Funding		**662 543**	**500 595**	**504 043**	**68 273**	**414 366**	**252 275**	**162 091**	**64%**	**504 043**

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

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

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2023/24	Budget Year 2024/25			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash and cash equivalents		57 071	417 029	417 029	40 497	417 029
Trade and other receivables from exchange transactions		36 516	79 729	79 729	61 413	79 729
Receivables from non-exchange transactions		5 696	7 109	7 109	5 579	7 109
Current portion of non-current receivables		–	–	–	–	–
Inventory		3 966	2 824	2 824	15 720	2 824
VAT		64 744	80 813	80 813	66 008	80 813
Other current assets		29 542	24 653	24 653	28 783	24 653
Total current assets		**197 536**	**612 157**	**612 157**	**218 002**	**612 157**
Non current assets						
Investments						
Investment property						
Property, plant and equipment		5 418 333	5 311 270	5 314 718	5 776 678	5 314 718
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		28	32	32	16	32
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		10	–	–	10	–
Total non current assets		**5 426 188**	**5 319 119**	**5 322 567**	**5 784 521**	**5 322 567**
TOTAL ASSETS		**5 623 724**	**5 931 276**	**5 934 724**	**6 002 523**	**5 934 724**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		18 789	1 556	1 556	9 380	1 556
Consumer deposits		3 381	3 702	3 702	3 369	3 702
Trade and other payables from exchange transactions		487 699	450 406	450 406	258 908	450 406
Trade and other payables from non-exchange transactions		1 446	–	–	49 375	–
Provision		34 940	2 154	2 154	34 940	2 154
VAT		1 535	10 311	10 311	5 139	10 311
Other current liabilities		–	–	–	–	–
Total current liabilities		**547 789**	**468 129**	**468 129**	**361 110**	**468 129**
Non current liabilities						
Financial liabilities		80 455	80 589	80 589	86 573	80 589
Provision		44 070	41 109	41 109	44 070	41 109
Long term portion of trade payables		2 925	32 779	32 779	2 925	32 779
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		**127 450**	**154 477**	**154 477**	**133 568**	**154 477**
TOTAL LIABILITIES		**675 239**	**622 606**	**622 606**	**494 678**	**622 606**
NET ASSETS	2	**4 948 485**	**5 308 670**	**5 312 118**	**5 507 845**	**5 312 118**
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 049 921	4 634 441	4 634 441	5 507 845	4 634 441
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**5 049 921**	**4 634 441**	**4 634 441**	**5 507 845**	**4 634 441**

MBRR Table C6 - Monthly Budget Statement Financial Position

Table C6 is consistent with international standards of good financial management practice and improves the understanding ability of councillors 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 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 of 31 December 2024 indicate a balance of **R40.4 million.**

Cash float	**R10.4 million.**
Call Investments Deposits	**R30 000 million**

Trade and other receivables from exchange transactions

Trade and other receivables from exchange transactions include debtors from water, sanitation services, rental of facilities, the balance for the reporting period is **R61.4 million.** Debtors age analysis as per section 2.2 debtors' analysis is **R217.8 million.** The consumer debtors' amount to **R289.08 million** and other receivables from exchange amount to **R20.4 million** which sums up to **R216.2**.

Gross Consumer debtors	R289.08 million
Less Impairment	(R227.6 million)
Net Consumer Debtors	**R61.4 million**

Classification of Consumer Debtors per Service type

Water Debtors	R24.3 million
Sanitation Debtors	R6.1 million
Property Rentals Debtors	R87.5 thousand
Other Consumer debtors	R350 thousand
Other receivables from exchange	R30.4 million
Total	**R61.4 million**

- **Water Debtors**

  Net Water debtors, after considering provision for bad debts, amount to **R24.3 million** Water debtors are amounts owed by consumers for water services billed.

Gross Water Debtors	R205.2 million
Less Impairment	(180.8 million)

Net Water Debtors	**R24.3 million**

- **Sanitation Debtors**

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

Gross Sanitation Debtors	R56.1 million
Less Impairment	(R50 million)
Net Sanitation Debtors	**R6.1 million**

- **Property Rentals Debtors**

  These debtors accumulated from property rentals amount to **R87.5 thousand**

Property Rental	R444.9 thousand
Less Impairment	(R357.4 thousand)
Net Property rental	**R87.5 thousand**

- **Other Consumer debtors**

  Other consumer debtors' amount to **R391.4 thousand**, these are sundry debtors.

Gross Other Debtors	R627.5 thousand
Less Impairment	(R277.5thousand)
Net Other Debtors	**R350 thousand**

- **Other receivables from exchange**

  These are debtors accumulated from Eskom accounts with credit balances amounts to **R30.4 thousand.**

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

Classification of Consumer Debtors per Customer group

Households	R204.4 million
Commercial/Businesses (excl prepaid exp R1.9 mil)	R19.3 million
Organs of State	R38.1 million
Total	**R261.9 million**

Receivables from non-exchange transactions
UIFW to be recovered amounting to **R5.5 million** resulted from a claim of standing time due to consultant negligence.

Inventory
The current level of inventory is **R15.7 million**. Inventories include water stock and consumable stores.

VAT Receivable
VAT Receivable amount to **R66 million**, this is the amount raised when input VAT is recognized less output VAT collected as per VAT reconciliation.

Other current assets
Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R28.7 million.**

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

- **Deposits Made**

  Deposits made amount to **R19.4 million,** this amount include Eskom deposits, Federal Air 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.

- **Refunds & under/over banking**

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

Shared services debtors	**R3.3 million**
Under/over banking	**R5.9 million**
Refunds	**R46 thousand**

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

- **Operating lease**
  Operating lease amounts to **R5.2 thousand.**

NON-CURRENT ASSETS

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

Property plant and equipment
Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment include current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R5.7 billion**.

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

Heritage assets
Heritage assets are assets that help the municipality to attract tourists because they entail history of the district and its people **R7.8 million.**

Intangible
Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R16 thousand**.

Opening balance	**R16 thousand**
Additions	(R0)
Depreciation	(R0)
Closing Balance	**R16 thousand**

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

CURRENT AND NON-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 **R9.3 million.**

Loan repayment	R8.8 million.
Finance lease BCX	R523.6 thousand.
Total Financial liabilities	**R9.3 million**

Opening balance	**R18.7 million**
Payment	**(**R9.4 million)
Closing Balance	**R9.3 million**

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance is **R 3.3 million**

Trade and other payables

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R258.9 million**.

Trade Creditors	R47.8 million
Retention	R104.3 million
Department of Water & Sanitation	R103.4 million
Employee related cost	R832.3 thousand
Advance Payments	R1.8 million
Salary Suspense Accounts	R200.1 thousand
Other Suspense account	R0
Refund	R738 hundred
Leave accrual	R109.5 thousand.
Unpaid cheque	R434.6 thousand
Water tankers	R0
Sessions	R596.6 thousand
Closing Balance	**R258.9 million**

Trade and other payables from non-exchange transactions
This is the amount of unspent conditional grants to be recognised by municipality when the conditions are met. Unspent conditional grants amount to **R49.3 million**.

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

Post Retirement benefit (Medical aid)	R747 thousand
Long service awards and Bonus	R8.3 million
Leave Provision	R25.8 million.
Total	**R34.9 million**

VAT Payables
VAT payable amount to **R5.1 million**, this is the amount paid when output VAT is recognized less input VAT paid as per VAT reconciliation.

<u>NON-CURRENT LIABILITIES</u>

Borrowings
Financial liabilities
This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R86.5 million.**

Long term loan	R85.5 million
Operating lease long term BCX	R165.1 thousand

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

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

Post Retirement benefit (Medical aid)	R30.7 million
Long Service award	R13.3 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 **R5.5 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								–		
Service charges		32 466	60 766	60 766	2 881	18 292	30 383	(12 091)	-40%	60 766
Other revenue		2 051 105	121 898	121 898	40 958	734 688	60 949	673 740	1105%	121 898
Transfers and Subsidies - Operational		746 330	768 030	768 030	242 515	537 635	384 015	153 620	40%	768 030
Transfers and Subsidies - Capital		768 386	576 195	576 195	64 992	463 563	288 097	175 466	61%	576 195
Interest		18 397	7 995	7 995	160	4 022	3 997	24	1%	7 995
Dividends								–		
Payments										
Suppliers and employees		(679 012)	(789 533)	(789 533)	(179 067)	(792 268)	(394 767)	397 501	-101%	(789 533)
Interest								–		
Transfers and Subsidies		–	(2 415)	(2 415)	–	–	(1 208)	(1 208)	100%	(2 415)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**2 937 672**	**742 935**	**742 935**	**172 439**	**965 932**	**371 468**	**(594 464)**	**-160%**	**742 935**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		680	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(662 543)	(500 595)	(500 595)	(68 273)	(414 366)	(250 297)	164 068	-66%	(500 595)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(661 863)**	**(500 595)**	**(500 595)**	**(68 273)**	**(414 366)**	**(250 297)**	**164 068**	**-66%**	**(500 595)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing		100 000	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		(9)	3	3	0	(10)	2	(11)	-687%	3
Payments										
Repayment of borrowing		(10 516)	(18 096)	(18 096)	(8 856)	(9 409)	(9 048)	361	-4%	(18 096)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**89 475**	**(18 093)**	**(18 093)**	**(8 856)**	**(9 419)**	**(9 047)**	**372**	**-4%**	**(18 093)**
NET INCREASE/ (DECREASE) IN CASH HELD		**2 365 284**	**224 247**	**224 247**	**95 310**	**542 148**	**112 124**			**224 247**
Cash/cash equivalents at beginning:		(27 427)	(192 785)	(192 785)	503 909	57 071	(192 785)			57 071
Cash/cash equivalents at month/year end:		2 337 857	31 462	31 462	599 219	599 219	(80 662)			281 318

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

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

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R60.7 million** on service charges, the estimated collection amount is based on the 65% collection rate. The collection rate is also based on previous years actual collection and initiatives the Municipality has taken to improve collection. The Municipality has collected **R18.2 million** to date, which is **30%** of the budgeted collection. From the year-to-date billing of **R39.4million** on table C4 **46%** has been collected to date.
The municipality has also taken the following initiatives to boost collection rate:

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

Other Revenue

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

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational are to date are **R537.6 million**. This amount includes FMG, Equitable share, Indonsa, Amafa, NSF, LGSETA and EPWP which were received thus far under Transfers and subsidies – Operational.

Equitable share	R502.6 million
Indonsa	R955 thousand
Finance Management Grant	R1.2 million.
Expanded public works program	R3.6 million.
Amafa research	R162 thousand
NSF	R28.2 million
LGSETA	R723.6 thousand
TOTAL	**R537.6 million**

Transfers and subsidies – Capital

Transfers and subsidies - Capital are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R463.5 million**. This amount includes RBIG, MIG, RRAMS and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R 181.7 million
Regional Bulk Infrastructure Grant	R 205 million
Water services Infrastructure grant	R 75 million
Rural Road asset Management grant	R 1.8 million
TOTAL	**R463.5 million**

Interest

Interest on investment is budgeted at **R7.5 million**, this estimate is based on previous year interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R4 million.** Interest on investment revenue on table C4 is **R3.9 million.**

Payments - Suppliers and employees

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

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R414.3 million**, the capital expenditure is excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed.

Cash and cash equivalents at the end.

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date is **R40.4 million** in the financial position but in the cash flow, it is **R599.2 million.**

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

PART 2 – SUPPORTING DOCUMENTATION

2.1 DEBTORS ANALYSIS

Debtors age analysis as of 31 December 2024

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2024/25											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 303	6 051	4 736	4 979	4470	4501	22677	150 150	203 866	186 776	–	194 421
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	1 612	1 359	1 140	1 161	1018	1004	4742	–	12 035	7 925	–	50000
Receivables from Exchange Transactions - Waste Management	1600									–	–		
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	17	17	17	17	48	183	74	390	338	–	357
Interest on Arrear Debtor Accounts	1810	63	64	62	63	62	80	274	848	1 515	1 326	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	–	–	–	–	–	–	–	–	–	–	–	343
Total By Income Source	**2000**	**7 996**	**7 489**	**5 955**	**6 219**	**5 566**	**5 633**	**27 876**	**151 071**	**217 806**	**196 365**	–	**245 121**
2023/24 - totals only		12931316	5475972	4421086	3537151	3700432	3952088	17571846	169787095	221 377	198 549	0	167876181
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 864	2 993	2 207	2 761	1 597	1 341	6 627	17 761	38 150	30 087	–	–
Commercial	2300	1 289	829	587	533	472	606	2 597	12 429	19 342	16 637	–	–
Households	2400	3 890	3 686	3 273	3 037	3531	3858	18973	164 170	204 418	193 570	–	–
Other	2500									–	–		
Total By Customer Group	**2600**	**8 043**	**7 507**	**6 067**	**6 331**	**5 600**	**5 805**	**28 197**	**194 360**	**261 910**	**240 294**	–	–

Total debtors' amount to **R221.3 million**, which is an increase of **R3 million** from the closing balance of **R218.3 million**. The debtors over 90 days amount to **R198.5 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

the municipality was not able to collect everything it is billing. This is concerning and needs urgent intervention.

- There is a challenge of high level of debt that calls for a continuous assessment for indigency and impairment/write off.
- The increase is due to non-payment by low-cost housing consumers, businesses, and organs of state.
- A senior manager debt collection position has been established to assist with collection.

2.2 CREDITORS ANALYSIS

Creditors age analysis as of 31 December 2023 as per Table SC4

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
R thousands		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	4 802	12 064	15 260	–	–	–	–	–	32 126	
Auditor General	0800									–	
Other	0900									–	
Medical Aid deductions										–	
Total By Customer Type	**1000**	**4 802**	**12 064**	**15 260**	**–**	**–**	**–**	**–**	**–**	**32 126**	–

2.3 INVESTMENT PORTFOLIO

Investments as of 31 December 2024

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate ³	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
ABSA - 9389804742			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	–	0		90 000	90 000
Nedbank - 1766000029			Investment Tracker	Yes	Variable interest rate	0.0908	N/A	N/A	05 September 2024	90 000	–		30 000	120 000
ABSA - 2081673418			Investment Tracker	Yes	Variable interest rate	0.093	N/A	N/A	04 October 2024	120 000			30 000	150 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	N/A	150 000			79 053	229 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	19 July 2024	229 053		(11 500)	–	217 553
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	24 July 2024	217 553		(18 500)		199 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	30 July 2024	199 053		(40 000)		159 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	159 053		(70 000)		89 053
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	89 053		(9 053)		80 000
Nedbank - 1766000029			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	05 September 2024	80 000		(30 000)		50 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	06 September 2024	50 000			25 000	75 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	0.089	N/A	N/A	11 September 2024	75 000		(10 000)		65 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	1.089	N/A	N/A	01 October 2024	65 000		(10 000)		55 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	02 October 2024	55 000		(5 000)		50 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	1.089	N/A	N/A	04 October 2024	50 000		(30 000)		20 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	07 October 2024	20 000			20 000	40 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	2.089	N/A	N/A	09 October 2024	40 000		(11 000)		29 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	3.089	N/A	N/A	17 October 2024	29 000		(3 000)		26 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	4.089	N/A	N/A	23 October 2024	26 000		(6 000)		20 000
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	5.089	N/A	N/A	24 October 2024	20 000		(20 000)		–
ABSA - 9373372771			Investment Tracker	Yes	Variable interest rate	9.08	N/A	N/A	21 November 2024	30 000		(30 000)	30 000	
Standard-348465874			Investment Tracker	Yes	Variable interest rate	8.05	N/A	N/A	20 January 2024	30 000		(30 000)	30 000	
Municipality sub-total										–	–	(334 053)	334 053	–
Entities														
														–
Entities sub-total										–	–	–	–	–
TOTAL INVESTMENTS AND INTEREST	2									–	–	(334 053)	334 053	–

The municipalities investment portfolio depends on grants money not immediately due for payment, because of accelerated implementation of capital projects, the municipality does not hold funds for extended period to be available for investment.

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<u>RECEIPTS:</u>	1,2									
<u>Operating Transfers and Grants</u>										
National Government:		**639 948**	**676 614**	**676 614**	**223 470**	**506 798**	**338 307**	**168 491**	**49.8%**	**676 614**
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		631 671	670 187	670 187	223 395	502 640	335 093	167 547	50.0%	670 187
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	–	3 658	2 613	1 045	40.0%	5 227
Local Government Financial Management Grant		1 200	1 200	1 200	75	500	600	(100)	-16.7%	1 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant	3	–	–	–	–	–	–	–		–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–		–
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
Provincial Government:		**4 168**	**1 911**	**1 911**	**–**	**190**	**956**	**(766)**	**-80.2%**	**1 911**
Capacity Building and Other Grants		4 168	1 911	1 911	–	190	956	(766)	-80.2%	1 911
Other transfers and grants [insert description]								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
Other grant providers:		**102 328**	**89 505**	**89 505**	**19 072**	**28 972**	**44 753**	(15 781)	-35.3%	**89 505**
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	–	724	629	94	15.0%	1 259
National Skills Fund		100 634	88 246	88 246	19 072	28 248	44 123	(15 875)	-36.0%	88 246
Unspecified		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	**746 444**	**768 030**	**768 030**	**242 542**	**535 959**	**384 015**	**151 944**	**39.6%**	**768 030**
<u>Capital Transfers and Grants</u>										
National Government:		768 386	576 195	576 195	81 818	417 498	288 097	129 400	**44.9%**	576 195
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		256 512	259 542	259 542	50 235	181 706	129 771	51 935	40.0%	259 542
Regional Bulk Infrastructure Grant		413 905	214 000	214 000	29 545	160 786	107 000	53 786	50.3%	214 000
Rural Road Asset Management Systems Grant		2 969	2 653	2 653	5	5	1 326	(1 321)	-99.6%	2 653
Water Services Infrastructure Grant		95 000	100 000	100 000	2 032	75 000	50 000	25 000	50.0%	100 000
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
Infrastructure Grant		–	–	–	–	–	–	–		–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
Other grant providers:		**9**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]								–		
Unspecified		9	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	**768 395**	**576 195**	**576 195**	**81 818**	**417 498**	**288 097**	**129 400**	**44.9%**	**576 195**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 514 840	1 344 225	1 344 225	324 360	953 456	672 113	281 344	41.9%	1 344 225

Grants are received as per transfer schedule and have been received. Grants are recognized as revenue as when the condition is met as per GRAP 23.

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		893 351	587 778	584 327	74 252	357 640	291 914	65 726	22.5%	584 327
								–		
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		872 475	576 385	576 382	73 068	351 048	288 194	62 854	21.8%	576 382
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	1 111	6 088	2 614	3 475	133.0%	5 227
Local Government Financial Management Grant		1 200	1 201	1 201	74	490	600	(110)	-18.4%	1 201
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		10 017	4 966	–	–	–	0	(0)	-100.0%	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant		–	–	1 500	–	9	500	(491)	-98.3%	1 500
Rural Road Asset Management Systems Grant		2 582	–	18	–	5	6	(1)	-21.6%	18
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Provincial Government:		3 630	1 711	1 711	–	2	856	(854)	-99.8%	1 711
								–		
Capacity Building and Other Grants		3 630	1 711	1 711	–	2	856	(854)	-99.8%	1 711
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		102 328	89 505	89 505	19 071	29 182	44 753	(15 571)	-34.8%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	73	934	629	304	48.3%	1 259
National Skills Fund		100 634	88 246	88 246	18 998	28 248	44 123	(15 875)	-36.0%	88 246
Total operating expenditure of Transfers and Grants:		999 309	678 995	675 544	93 323	386 823	337 522	49 301	14.6%	675 544
Capital expenditure of Transfers and Grants										
National Government:		660 294	496 073	499 521	68 273	414 314	250 014	164 300	65.7%	499 521
Municipal Infrastructure Grant		214 555	220 723	225 689	32 166	199 052	112 844	86 208	76.4%	225 689
Regional Bulk Infrastructure Grant		362 622	186 087	184 587	25 895	141 099	92 543	48 556	52.5%	184 587
Rural Road Asset Management Systems Grant		–	2 307	2 289	–	–	1 147	(1 147)	-100.0%	2 289
Water Services Infrastructure Grant		83 116	86 957	86 957	10 212	74 162	43 478	30 684	70.6%	86 957
Provincial Government:		277	174	174	–	–	87	(87)	-100.0%	174
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Infrastructure Grant		277	174	174	–	–	87	(87)	-100.0%	174
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		9	–	–	–	–	–	–		–
Unspecified		9	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		660 580	496 247	499 695	68 273	414 314	250 101	164 213	65.7%	499 695
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 659 888	1 175 242	1 175 239	161 596	801 137	587 622	213 514	36.3%	1 175 239

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

Grants Roll over.

The municipality has closing balance on COGTA Boreholes that need to be approved by the council and the funder to be rolled over and expenditure amount will be inclusive of VAT as per MFMA circular no. 58.

2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration R thousands	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		517	563	563	49	293	281	12	4%	563
Medical Aid Contributions		41	41	41	6	24	21	3	17%	41
Motor Vehicle Allowance		2 224	2 012	2 012	188	1 193	1 006	187	19%	2 012
Cellphone Allowance		859	483	483	65	392	241	151	63%	483
Housing Allowances		180	180	180	–	–	90	(90)	-100%	180
Other benefits and allowances		6 542	6 187	6 187	567	3 539	3 094	446	14%	6 187
Sub Total - Councillors		**10 362**	**9 465**	**9 465**	**875**	**5 442**	**4 733**	**709**	**15%**	**9 465**
% increase	4		**-8.7%**	**-8.7%**						**-8.7%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		8 273	8 555	8 555	630	3 814	4 278	(464)	-11%	8 555
Pension and UIF Contributions		356	444	444	17	174	222	(48)	-22%	444
Medical Aid Contributions		117	123	123	10	63	61	1	2%	123
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		707	166	166	–	–	83	(83)	-100%	166
Motor Vehicle Allowance		2 051	1 997	1 997	161	1 009	999	10	1%	1 997
Cellphone Allowance		296	317	317	23	145	158	(13)	-8%	317
Housing Allowances		13	13	13	1	7	6	0	3%	13
Other benefits and allowances		442	249	249	22	117	125	(7)	-6%	249
Payments in lieu of leave		255	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2							–		
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		41	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		**12 551**	**11 865**	**11 865**	**864**	**5 329**	**5 933**	**(604)**	**-10%**	**11 865**
% increase	4		**-5.5%**	**-5.5%**						**-5.5%**
Other Municipal Staff										
Basic Salaries and Wages		201 024	221 924	221 924	18 190	106 428	110 962	(4 534)	-4%	221 924
Pension and UIF Contributions		27 014	24 008	24 008	2 479	14 773	12 004	2 768	23%	24 008
Medical Aid Contributions		16 898	17 029	17 029	1 503	9 046	8 515	531	6%	17 029
Overtime		8 782	5 780	5 780	724	4 768	2 890	1 878	65%	5 780
Performance Bonus		13 868	14 733	14 733	1 154	7 514	7 367	148	2%	14 733
Motor Vehicle Allowance		11 436	12 000	12 000	2 135	11 727	6 000	5 726	95%	12 000
Cellphone Allowance		801	821	821	70	419	410	8	2%	821
Housing Allowances		1 699	1 758	1 758	146	879	879	(0)	0%	1 758
Other benefits and allowances		5 465	253	253	233	1 544	127	1 417	1117%	253
Payments in lieu of leave		6 307	–	–	27	1 052	–	1 052	#DIV/0!	–
Long service awards		3 289	–	–	371	1 283	–	1 283	#DIV/0!	–
Post-retirement benefit obligations	2	5 352	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		562	–	–	311	730	–	730	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**302 499**	**298 307**	**298 307**	**27 342**	**160 160**	**149 154**	**11 006**	**7%**	**298 307**
% increase	4		**-1.4%**	**-1.4%**						**-1.4%**
Total Parent Municipality		**325 412**	**319 637**	**319 637**	**29 081**	**170 932**	**159 820**	**11 112**	**7%**	**319 637**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Board Fees	5							–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations	2							–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		**325 412**	**319 637**	**319 637**	**29 081**	**170 932**	**159 820**	**11 112**	**7%**	**319 637**
% increase	4		**-1.8%**	**-1.8%**						**-1.8%**
TOTAL MANAGERS AND STAFF		**315 050**	**310 172**	**310 172**	**28 206**	**165 490**	**155 087**	**10 402**	**7%**	**310 172**

The municipality has no active entity

ACTUAL AND REVISED TARGETS FOR RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

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	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates													–			
Service charges - Electricity revenue													–			
Service charges - Water revenue		1 922	2 509	1 888	3 379	1 828	2 126	3 935	3 935	3 935	3 935	3 935	13 895	47 222	49 394	51 666
Service charges - Waste Water Management		850	812	635	876	713	755	1 129	1 129	1 129	1 129	1 129	3 260	13 544	14 167	14 819
Service charges - Waste Mangement													–			
													–			
Rental of facilities and equipment		37	45	45	41	41	41	90	90	90	90	90	382	1 084	1 133	1 186
Interest earned - external investments		13	328	949	2 473	44	153	625	625	625	625	625	414	7 500	7 845	8 206
Interest earned - outstanding debtors		5	10	30	3	7	7	41	41	41	41	41	228	495	517	541
Dividends received													–			
Fines, penalties and forfeits		60	42	93	98	9	36	122	122	122	122	122	517	1 467	1 534	1 605
Licences and permits		9	18	16	16	58	27	15	15	15	15	15	(41)	176	184	193
Agency services													–			
Transfers and Subsidies - Operational		280 201	2 506	724	9 176	2 514	242 515	64 003	64 003	64 003	64 003	64 003	(89 617)	768 030	711 934	751 994
Other revenue		309 866	29 319	157 169	129 368	67 379	40 854	9 931	9 931	9 931	9 931	9 931	(664 439)	119 171	115 870	152 732
Cash Receipts by Source		592 963	35 589	161 548	145 430	72 593	286 514	79 891	79 891	79 891	79 891	79 891	(735 402)	958 689	902 580	982 942
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		119 053	126 857	37 661	35 000	80 000	64 992	48 016	48016	48016	48016	48016	(127 449)	576 195	651 991	923 733
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans													–			
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		(12)	–	–	2	0	0	0	0	0	0	0	12	3	–	–
VAT Control (receipts)													–			
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments													–			
Total Cash Receipts by Source		712 004	162 446	199 209	180 431	152 594	351 506	127 907	127 907	127 907	127 907	127 907	(862 840)	1 534 887	1 554 571	1 906 675
Cash Payments by Type													–			
Employee related costs		28 229	27 563	28 353	29 018	29 396	29 059	25 848	25 848	25 848	25 848	25 848	9 315	310 172	324 440	339 364
Remuneration of councillors		994	803	833	1 071	784	900	789	789	789	789	789	137	9 465	9 901	10 356
Interest													–			
Bulk purchases - Electricity		7 119	17 024	11 255	13 098	10 123	12 073	–	–	–	–	–	(70 692)	–	–	–
Acquisitions - water & other inventory		–	–	2 095	1 215	–	1 311	2 417	2 417	2 417	2 417	2 417	12 301	29 010	30 344	31 740
Contracted services		(81 828)	(62 124)	(48 301)	(59 251)	(25 088)	(30 035)	25 765	25 765	25 765	25 765	25 765	486 983	309 181	216 969	258 482
Transfers and subsidies - other municipalities													–			
Transfers and subsidies - other		–	–	–	–	–	–	201	201	201	201	201	1 409	2 415	2 526	2 642
Other expenditure		300 056	118 530	87 702	95 281	63 109	165 450	10 809	10 809	10 809	10 809	10 809	(754 466)	129 706	135 672	141 913
Cash Payments by Type		254 569	101 795	81 936	80 432	78 325	178 759	65 829	65 829	65 829	65 829	65 829	(315 013)	789 948	719 853	784 498
Other Cash Flows/Payments by Type																
Capital assets		93 315	64 218	59 111	74 889	54 560	68 273	41 716	41 716	41 716	41 716	41 716	(122 352)	500 595	571 681	808 197
Repayment of borrowing		–	138	138	277	–	8 856	1 508	1 508	1 508	1 508	1 508	1 147	18 096	17 430	16 913
Other Cash Flows/Payments		4 705	3 825	1 754	5 282	578	308	167	167	167	167	167	(15 285)	2 000	3 000	4 000
Total Cash Payments by Type		352 589	169 976	142 939	160 879	133 463	256 196	109 220	109 220	109 220	109 220	109 220	(451 503)	1 310 640	1 311 963	1 613 608
NET INCREASE/(DECREASE) IN CASH HELD		359 415	(7 531)	56 270	19 552	19 131	95 310	18 687	18 687	18 687	18 687	18 687	(411 337)	224 247	242 607	293 067
Cash/cash equivalents at the month/year beginning:		57 071	416 486	408 956	465 225	484 777	503 909	599 219	617 906	636 593	655 280	673 968	692 655	57 071	281 318	523 925
Cash/cash equivalents at the month/year end:		416 486	408 956	465 225	484 777	503 909	599 219	617 906	636 593	655 280	673 968	692 655	281 318	281 318	523 925	816 993

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	**Revenue**			
	Service charges – Water revenue	11%	This is the amounts billed on customers for water used, the year-to-date actual is R30.3 million which is 44% of the approved budget. The R30.3 million year to date actual is below the Six months baseline projection or year-to-date budget of R34.1 million. A variance of R3.8 million or 11% is observed. The variance between approved and year to date actual result from the fact that there are customers that are billed with interim due to fault meters.	The Municipality will adjust this line item during the adjustment budget.
	Service charges – Sanitation revenue	3%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R9.1 million which is 51% of the approved budget. The R9.1 million year to date actual is above the Six months baseline projection or year-to-date budget of R8.8 million. A variance of R306 thousand or 3% is observed. The Reason For the bill of sanitation being High is based on the fact that we charge businesses an Access charge-Sewerage of 40kl when they have used more than Basic sewer Charge.	Service charges sanitation revenue should remain the same. No adjustment recommended.
	Sale of goods and rendering of service	60%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R114 thousands which is 20% of the approved budget. The R114 thousands year to date actual is below the six months baseline projection or year-to-date budget of R289 thousand. A variance of R175 thousand or 60% is observed. There was no sale of tender documents in this period.	The adjustment may be needed.
	Interest earned - outstanding debtors	5%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R393 thousand, which is 47% of the approved budget. The R393 thousand year to date actual is below the six months baseline projection or year-to-date budget of R411 thousand. A variance of R19 thousand or 5% is observed. This is a positive indication that business adhere to payments terms.	The municipality will adjust this line items during the adjustment budget.
	Interest on investment	6%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R3.9 million which is 52% of the approved budget. The R3.9 million year to date actual is above the six months baseline projection or year-to-date budget of R3.7 million. A variance of R211 thousand or 6% is observed. The reason for variances on investments depends on the available investment during reporting period.	interest from current and non-current should remain the same. No adjustment recommended
	Rental from Fixed Assets	2%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R248 thousand which is 49% of the approved budget. The R248 thousand year to date actual is above the six months baseline projection or year-to-date budget of R252 thousand. A variance of R4 thousand or 2% is observed. The reason For Variances is Based on the fact that there are tenants that vacated the building and there are new ones that came in at different rates charged.	rental from fixed land should remain the same. No adjustment recommended.
	Licences and Permits	64%	Licences and permits year-to-date actual is R114 thousand which is 81% of the approved budget. the R114 thousand year to date actual is above the six months baseline projection or year-to-date budget of R88 thousand. A variance of R56 thousand or 64% is observed. This line item depends on licences renewal and new issued permits.	A revised allocation of R276 thousand is recommended based on the year-to-date actual full year projection.
	Operational revenue	15%	Operational revenue year-to-date actual is R324 thousand which is 57% of the approved budget. the R324 thousand year to date actual is above the six months baseline projection or year-to-date budget of R282 thousand. A variance of R41 thousands or 15% is observed. The variance to this line item can be attributed to the receipt of Skills Development Levy Refund which is not benchmarked by year to date, But depends on the allocation by LGSETA.	Operational revenue should remain the same. No adjustment required.
	Fines, penalties, and forfeits	54%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R338 thousand which is 23% of the approved budget. The R338 thousand year to date actual is below the six months baseline projection or year-to-date budget of R733 thousand. A variance of R395 thousand or 54% is observed. this is represent a positive indication that less consumers are illegally connected	A revised allocation of R500 thousand is recommended based on the year-to-date actual full year projection.
	Transfers and subsidies	40%	Transfers and subsidies year to date actual is R535.9 million which is 69% of the approved budget. The R535.9 million year to date actual is below the six months baseline projection or year-to-date budget of R384. million. A variance of R151.9 million or 40% is observed. Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule. Grants received to date is Equitable share, FMG, EPWP and Indonsa art centre.	The municipality received additional funds from Amafa Grant. An additional allocation of R180 thousand is recommended.

2	**Expenditure By Type**			
	Employee Related Costs	7%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R165.4 million which is 53% of the approved budget. The R165.4 million year to date actual is above the six months baseline projection or year-to-date budget of R155. million. A variance of R10.4 million or 7% is observed. The reason for salaries being high is based on Contracts employees but now are permanent.	A revised allocation of R330.9 million is recommended based on the year-to-date actual full year projection.
	Remuneration of Councillors	15%	Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is R5.4 million which is 57% of the approved budget. The R5.4 million year to date actual is above the six months baseline projection or year-to-date budget of R4.7 million. A variance of R709 hundreds or 15% is observed. This is the indication that the municipality is trying to spend within the budget. The result for change in Remuneration of councillors is based on the upper limits gazette.	A revised allocation of R10.8 million is recommended based on the year-to-date actual full year projection.
	Inventory Consumed	82%	Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is R5.3 million. The R5.3 million year to date actual is below the six-month baseline projection or year-to-date budget of R12.4 million. A variance of R7.1 million or 57% is observed. This is the value we have issued from main stores. No Adjustment is needed since there is inventory in our stores to be issued. The municipality still has commitments on this line item which will escalate expenditure in the second half of the financial year	The Municipality will review further these line items to determine if savings are available to allocate to other expenditure items in the adjustment budget.
	Depreciation	23%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R56 million which is 61% of the approved budget. The R56 million year to date actual is above the six months baseline projection or year-to-date budget of R45.6 million. A variance of R10.3 million or 23% is observed. This depends on the value of assets; an Adjustment may be needed.	An adjustment is recommended as there are assets under work in progress that will be completed.
	Finance charges	72%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R6.02 million which is 85% of the approved budget. the R6.02 million year to date actual is above the Six months baseline projection or year-to-date budget of R3.7 million. A variance of R2.5 million or 72% is observed. The variance result from the payment of loan in December, the interest is high since the loan is new.	An upward adjustment of R5 million is recommended based on the year-to-date actual full year projection.
	Contracted services	5%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R104.8 million which is 51% of the approved budget. The R104.8 million year to date actual is above the six months baseline projection or year-to-date budget of R100. million. A variance of R4.7 million or 5% is observed. The result for variance is that our Contractual commitments is higher than the budget provided.	An increase of R6.3 million is recommended; and a revised allocation of R209.6 million is recommended based on the year-to-date actual full year projection.
	Transfers and subsidies paid.	91%	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 R116 thousand which is 5% of the approved budget. The R116 thousand year to date actual is below the six months baseline projection or year-to-date budget of R1.2 million. A variance of R1.1 million or 91% is observe. It depends on the assistance given to community based on their requests. This expenditure item is seasonal therefore expenditure cannot be benchmarked on a straight-line method	A revised allocation of R1 million is recommended.
	Operational costs	71%	Operational costs are all other expenditure not classified above. The year-to-date actual is R95.8 million which is 84% of the approved budget. the R95.8 million year to date actual is above the six months baseline projection or year-to-date budget of R56.1 million. A variance of R39.7 million or 71% is observed. The variance result from operation expenditure such as Eskom, municipal services, fuel etc.	A revised allocation of R191.6 million is recommended.

3	**Capital Expenditure**			
	Governance and administration	98%	Governance and administration year-to-date actual is R52 thousand which is 1% of the approved budget. The R52 thousand year to date actual is below the six months baseline projection or year-to-date budget of R2.1 million. A variance of R2.1 million or 98% is observed. The reason for variance is that procurement of Computers, ICT infrastructure and Furniture is still in progress, No acquisition to date.	No Adjustment needed.
	Community and public safety	100%	Community and public safety year-to-date actual is R0 which is 0% of the approved budget. the R0 year to date actual is below the six months baseline projection or year-to-date budget of R87 thousand. A variance of R87 thousand or 100% is observed.The variance is attributed by the ongoing procurement processes for Indonsa Equipment	The municipality will fast track the procurement processes.No adjustment recommended as this is grant funded and procurement process are ongoing.
	Economic and environmental services	100%	Economic and environmental services year-to-date actual is R0 million which is 0% of the approved budget. The R0 year to date actual is below the six months baseline projection or year-to-date budget of R1.1 million. A variance of R1.1 million or 100% is observed.	Adjustment is not recommended as this is grant funded.
	Trading services	66%	Trading services year-to-date actual is R414.3 million which is 84% of the approved budget. the R414.3 million year to date actual is above the six months baseline projection or year-to-date budget of R248.8 million. A variance of R165.4 million or 66% is observed. This depends on grants spending and when each trench will be received.	No adjustment is recommended as this is grant funded.

2.7 MUNICIPAL ENTITY FINANCIAL PERFOMANCE

The Municipality does not have any entities.

2.8 MUNICIPAL ENTITY FINANCIAL PERFOMANCE

The Municipality does not have any active entities.

2.9 CAPITAL PROGRAMME PERFOMANCE

Capital Expenditure by month.

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	–	42 130	42 130	93 315	93 315	42 130	(51 185)	-121.5%	19%
August	57 911	42 130	42 130	64 218	64 218	84 260	20 042	23.8%	13%
September	49 277	42 130	42 130	59 111	59 111	126 390	67 279	53.2%	12%
October	113 514	41 961	41 961	74 889	74 889	168 352	93 463	55.5%	15%
November	90 763	41 961	41 961	54 560	54 560	210 313	155 754	74.1%	11%
December	101 101	41 961	41 961	68 273	68 273	252 275	184 001	72.9%	14%
January	10 678	41 961	41 961	–	–	294 236	294 236	100.0%	0%
February	10 959	41 961	41 961	–	–	336 197	336 197	100.0%	0%
March	97 963	41 961	41 961	–	–	378 159	378 159	100.0%	0%
April	53 993	41 961	41 961	–	–	420 120	420 120	100.0%	–
May	1 240	41 961	41 961	–	–	462 082	462 082	100.0%	–
June	74 867	41 961	41 961	–	–	504 043	504 043	100.0%	–
Total Capital expenditure	**662 266**	**504 043**	**504 043**	**414 366**					

The actual capital expenditure is greater than year-to-date spending.

Summary of Capital Expenditure by asset class and sub-class

EXPENDITURE ON REPAIRS AND MAINTAINANCE BY ASSET CLASS

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		**660 219**	**496 073**	**499 521**	**68 273**	**414 314**	**250 014**	(164 300)	**-65.7%**	**499 521**
Roads Infrastructure		–	2 307	2 289	–	–	1 147	1 147	**100.0%**	2 289
Roads		–	2 307	2 289	–	–	1 147	1 147	**100.0%**	2 289
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Water Supply Infrastructure		660 219	489 059	497 232	68 273	414 314	247 185	(167 129)	**-67.6%**	497 232
Dams and Weirs								–		
Boreholes		35 737	43 631	32 670	2 531	26 756	22 258	(4 498)	**-20.2%**	32 670
Reservoirs		9 197	1 593	4 965	114	3 379	2 482	(897)	**-36.1%**	4 965
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		123 018	97 849	135 230	23 567	124 179	56 543	(67 636)	**-119.6%**	135 230
Bulk Mains		450 780	294 587	290 528	36 660	228 668	148 031	(80 638)	**-54.5%**	290 528
Distribution		41 487	45 046	33 840	5 401	31 331	17 871	(13 459)	**-75.3%**	33 840
Distribution Points		–	6 354	–	–	–	0	0	**100.0%**	–
PRV Stations								–		
Capital Spares								–		
Sanitation Infrastructure		–	4 707	–	–	–	1 681	1 681	**100.0%**	–
Pump Station								–		
Reticulation		–	4 707	–	–	–	1 681	1 681	**100.0%**	–
Waste Water Treatment Works								–		
Outfall Sewers								–		
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares								–		
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Community Facilities		–	–	–	–	–	–	–		–
Halls								–		
Centres		–	–	–	–	–	–	–		–
Crèches								–		
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities								–		
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares								–		
Heritage assets		–	–	–	–	–	–	–		–
Monuments								–		
Historic Buildings								–		
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas								–		
Other Heritage								–		
								–		
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property								–		
Unimproved Property								–		
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property								–		
Unimproved Property								–		
Other assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Biological or Cultivated Assets								–		
Intangible Assets		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Servitudes								–		
Licences and Rights		–	–	–	–	–	–	–		–
Computer Software and Applications		–	–	–	–	–	–	–		–
Computer Equipment		**624**	**3 913**	**3 913**	**–**	**52**	**1 957**	**1 905**	97.3%	**3 913**
Computer Equipment		624	3 913	3 913	–	52	1 957	1 905	97.3%	3 913
Furniture and Office Equipment		**348**	**435**	**435**	**–**	**–**	**217**	**217**	100.0%	**435**
Furniture and Office Equipment		348	435	435	–	–	217	217	100.0%	435
Machinery and Equipment		**432**	**174**	**174**	**–**	**–**	**87**	**87**	100.0%	**174**
Machinery and Equipment		432	174	174	–	–	87	87	100.0%	174
Transport Assets		**920**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Transport Assets		920	–	–	–	–	–	–		–
Land		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Land								–		
Zoo's, Marine and Non-biological Animals		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
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**	**504 043**	**68 273**	**414 366**	**252 275**	**(162 091)**	**-64.3%**	**504 043**

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2023/24 Audited Outcome	Budget Year 2024/25 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Depreciation by Asset Class/Sub-class										
Infrastructure		**206 254**	**81 902**	**81 902**	**20 790**	**50 738**	**40 951**	(9 787)	**-23.9%**	**81 902**
Roads Infrastructure		–	718	718	(266)	–	359	359	**100.0%**	718
Roads		–	718	718	(266)	–	359	359	**100.0%**	718
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	36	36	(14)	–	18	18	**100.0%**	36
Water Supply Infrastructure		203 581	78 916	78 916	20 556	49 399	39 458	(9 941)	**-25.2%**	78 916
Dams and Weirs		2 231	2 785	2 785	269	1 115	1 393	277	**19.9%**	2 785
Boreholes		1 669	471	471	660	834	235	(599)	**-254.7%**	471
Reservoirs		25 235	7 026	7 026	1 638	4 240	3 513	(726)	**-20.7%**	7 026
Pump Stations		7 527	4 451	4 451	1 567	3 216	2 226	(990)	**-44.5%**	4 451
Water Treatment Works		9 141	6 624	6 624	1 567	3 974	3 312	(662)	**-20.0%**	6 624
Bulk Mains		122 833	35 197	35 197	10 426	23 311	17 599	(5 712)	**-32.5%**	35 197
Distribution		34 865	22 280	22 280	4 419	12 669	11 140	(1 529)	**-13.7%**	22 280
Distribution Points								–		
PRV Stations		80	81	81	10	40	41	0	**1.0%**	81
Capital Spares								–		
Sanitation Infrastructure		2 674	2 231	2 231	513	1 340	1 116	(224)	**-20.1%**	2 231
Pump Station		197	193	193	30	102	96	(5)	**-5.7%**	193
Reticulation		1 686	1 717	1 717	207	843	858	15	**1.8%**	1 717
Waste Water Treatment Works		790	322	322	276	395	161	(234)	**-145.2%**	322
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		**1 226**	**852**	**852**	**291**	**606**	**426**	**(180)**	**-42.3%**	**852**
Community Facilities		1 091	622	622	308	539	311	(228)	**-73.3%**	622
Halls		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		135	230	230	(18)	67	115	48	**41.4%**	230
Indoor Facilities								–		
Outdoor Facilities		135	230	230	(18)	67	115	48	41.4%	230
Capital Spares								–		
Heritage assets		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
								–		
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property								–		
Unimproved Property								–		
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property								–		
Unimproved Property								–		
Other assets		**1 608**	**1 366**	**1 366**	**334**	**840**	**683**	**(157)**	**-23.0%**	**1 366**
Operational Buildings		1 608	1 366	1 366	334	840	683	(157)	**-23.0%**	1 366
Municipal Offices		1 608	1 312	1 312	354	840	656	(184)	-28.0%	1 312
Housing		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets								–		
Intangible Assets		**24**	**20**	**20**	**5**	**12**	**10**	**(2)**	-19.5%	**20**
Servitudes								–		
Licences and Rights		24	20	20	5	12	10	(2)	**-19.5%**	20
Computer Software and Applications		24	20	20	5	12	10	(2)	-19.5%	20
Computer Equipment		**2 791**	**992**	**992**	**930**	**1 297**	**496**	**(801)**	-161.5%	**992**
Computer Equipment		2 791	992	992	930	1 297	496	(801)	-161.5%	992
Furniture and Office Equipment		**573**	**575**	**575**	**84**	**289**	**288**	**(2)**	-0.5%	**575**
Furniture and Office Equipment		573	575	575	84	289	288	(2)	-0.5%	575
Machinery and Equipment		**1 034**	**368**	**368**	**429**	**565**	**184**	**(381)**	-207.2%	**368**
Machinery and Equipment		1 034	368	368	429	565	184	(381)	-207.2%	368
Transport Assets		**3 903**	**5 241**	**5 241**	**(163)**	**1 685**	**2 621**	**935**	35.7%	**5 241**
Transport Assets		3 903	5 241	5 241	(163)	1 685	2 621	935	35.7%	5 241
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Immature		–	–	–	–	–	–	–		–
Total Depreciation	1	**217 413**	**91 315**	**91 315**	**22 699**	**56 032**	**45 657**	**(10 375)**	**-22.7%**	**91 315**

10.10 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 does not have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

I, **R N. Hlongwa**, Municipal Manager of Zululand District Municipality, hereby certify that the Mid-year budget and performance Assessment has been prepared in accordance with the Municipal Finance Management Act, and the regulations made under the Act.

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

Date: 20/01/2025

APPROVAL BY THE HONORABLE MAYOR

I, the Mayor of the Zululand District Municipality, have reviewed the Mid-Year assessment.

I have ascertained that:

(a) The budget of the municipality is being implemented in terms of the municipality's SDBIP.
(b) Monthly Budget Statement (S71) has been reviewed.

I further request the Accounting Officer, in terms of S 54(d) of the MFMA, to ensure that the following is done:

(a) The Adjustments Budget for the 2024/25 financial year be tabled for approval before the end of February 2024.
(b) The financial recovery plan is developed.
(c) Ensure that the necessary reports are submitted to the Provincial and National Treasuries.
(d) Ensure that the 2024/25 SDBIP is revised to take the Budget Adjustments into account.
(e) Take all necessary steps to ensure that the variances revealed by the Mid-Year assessment are addressed, and that overall performance is improved during the second half of the financial year.

Signature: **Date:** 28/01/2025

Cllr. MB KHUMALO
HON. MAYOR: CLLR MB KHUMALO

ANNEXURES

MONTHLY BUDGET STATEMENT

S72(a) of the Municipal Finance Management Act require the Accounting Officer to also include the Budget Statements for the first half of the financial year.

ZULULAND DISTRICT MUNICIPALITY

MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

31 DECEMBER 2024

MFMA S71 REPORT

2024/2025 FINANCIAL YEAR

Table of Contents

GLOSSARY

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

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

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

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

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

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

CFO – Chief Financial Officer

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

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

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

FMG – Financial Management Grant

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

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

MSCOA – Municipal Standard Chart of Accounts

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

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

LED – Local Economic Development

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

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

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

MWIG – Municipal Water Infrastructure Grant

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

R & M – Repairs and Maintenance

SCM - Supply Chain Management

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

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

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

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance
Revenue and Expenditure

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	865 669 793	580 973 554	432 834 756	148 138 798	34%	67%
Total Operating Expenditure	767 636 300	439 111 112	381 842 660	57 268 452	15%	57%
Surplus/(Deficit)	**98 033 493**	**141 862 442**	**50 992 096**	**90 870 346**		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 December 2024** is **R580.9 million** which is **67%** of the approved operating revenue budget. The **R580.9 million** year to date Actual is **above** the **six months** baseline projection or year-to-date budget of **R432.8 million**, a variance of **R148.1 million or 34% 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 **R39.4 million** which is **45%** of the total generated exchange revenue.

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

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

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

Operating Expenditure Performance

Total Operating Expenditure as at **31 December 2024** is **439.1 million** which is **57%** of the approved operating expenditure budget. The **R439.1 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R381.8 million**, a variance of **R57.2 million or 15% is observed.**

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

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

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

Grants expenditure and receipts

GRANTS RECIEPTS AND EXPENDITURE AS AT 31 DECEMBER 2024	APPROVED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	259 542 000.00	181 706 000.00	226 694 611.41	32 847 388.59	87
Regional Bulk Infrastructure (RBIG)	214 000 000.00	205 000 000.00	160 786 403.78	53 213 596.22	75
Water services infrastructure Grant (WSIG)	100 000 000.00	75 000 000.00	84 608 953.36	15 391 046.64	85
Rural Roads Asset Managemnt Systems Grant	2 653 000.00	1 857 000.00	5 411.67	2 647 588.33	0
Indonsa Grant	1 911 000.00	955 500.00	1 645.22	1 909 354.78	0
FMG	1 200 000.00	1 200 000.00	499 544.81	700 455.19	42
EPWP	5 227 000.00	3 658 000.00	6 085 232.89	-858 232.89	116
NSF	88 246 119.00	28 295 504.99	28 247 900.00	59 998 219.00	32
LGSETA Waste Water Employees	443 800.00	165 000.00	165 000.00	278 800.00	37
LGSETA MFMP	210 000.00	-	210 000.00	-	100
LGSETA-Fire and Rescue- Non Employees	605 136.00	558 600.00	558 600.00	46 536.00	92
AMAFA		162 000.00			
	674 038 055.00	498 557 604.99	507 863 303.14	166 174 751.86	75

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	414 365 532	252 274 508	162 091 025	64%	83%
Total Capital Financing	500 594 868	414 365 532	252 274 508	162 091 025	64%	83%

Capital expenditure

Total Capital Expenditure as at **31 December 2024** is **R414.3 million** which is **83%** of the approved capital budget. The **R414.3 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R252.2 million**, a variance of **R162 million.**

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

Major Variances between actuals and year to date budget on Capital expenditure
Reasons for variances can be attributed to capital grants not being spent at a similar pace as year to date budget. **MIG** is at **87%, RBIG** is at **75%, WSIG** is at **85% RRAMG** is at **0%.**

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	612 157 378	218 001 651	36
Total non current assets	5 319 118 713	5 784 521 343	109
Total curent liabilities	468 128 948	361 109 670	77
Total non current liabilities	154 477 420	133 568 386	86
TOTAL COMMUNITY WEALTH/ EQUITY	**6 553 882 459**	**6 497 201 050**	**99.1%**

The current assets year to date actual is **R218 million** which is **36%** of the approved budget. **Non - Current assets** year to date actual is **R5.7 billion** which is **109%** of the approved budget. **Current Liabilities** year to date actual is **R361.1 million** which is **77%** of the approved budget. **Non - Current Liabilities** year to date is **R133.5 million** which is **86%** of the approved budget. **Accumulated surplus** year to date actual is **R6.4 billion** which is **99.1%** of the approved budget.

Current assets amount to **R281. million,** included in current assets is Cash of **R40.4 million.**

Current liabilities amount to **R361.1 million**, this includes unspent conditional grants amounting to **R49.3 million.**

The Current ratio is 0.60:1 [218. million/361.1 million], the current ratio norm is 2:1

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

1.4. OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water		58 877	68 294	68 294	5 431	30 318	34 147	(3 829)	-11%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 566	9 172	8 866	306	3%	17 732
Service charges - Waste management								–		
Sale of Goods and Rendering of Services		760	578	578	–	114	289	(175)	-60%	578
Agency services								–		
Interest								–		
Interest earned from Receivables		691	823	823	63	393	411	(19)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		559	504	504	41	248	252	(4)	-2%	504
Licence and permits		107	176	176	27	144	88	56	64%	176
Operational Revenue		594	565	565	8	324	283	41	15%	565
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		875	1 467	1 467	36	338	733	(395)	-54%	1 467
Licence and permits								–		
Transfers and subsidies - Operational		746 444	768 030	768 030	242 542	535 959	384 015	151 944	40%	768 030
Interest		–	–	–	–	–	–	–		–
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		680	–	–	–	–	–	–		–
Other Gains		5 704	–	–	–	3	–	3	#DIV/0!	–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		846 773	865 670	865 670	249 867	580 974	432 835	148 139	34%	865 670

The year-to-date actual indicates operating revenue of **R580.9 million** which is **67%** of the approved Budget. The **R580.9 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R432.8 million**, a variance of **R148.1 million** or **34%** 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 **R30.3 million** which is **44%** of the approved budget. The **R30.3 million** year to date actual is **below** the **Six months** baseline projection or year-to-date budget of **R34.1 million.** A variance of **R3.8 million** or **11%** is observed.

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

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R9.1 million** which is **51%** of the approved budget. The **R9.1 million** year to date actual is **above** the **Six months** baseline projection or year-to-date budget of **R8.8 million**. A variance of **R306 thousand** or **3%** is observed.

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

Sale of goods and rendering of service
This is the amount on sale of goods and rendering of services, the year-to-date actual is **R114 thousands** which is **20%** of the approved budget. The **R114 thousands** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R289 thousand**. A variance of **R175 thousand** or **60%** is observed.

There was no sale of tender documents in this period. The adjustment may be needed.

Interest earned - outstanding debtors
Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R393 thousand,** which is **47%** of the approved budget. The **R393 thousand** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R411 thousand.** A variance of **R19 thousand** or **5%** is observed.

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

Interest on investment
Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R3.9 million** which is **52%** of the approved budget. The **R3.9 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R3.7 million**. A variance of R211 **thousand** or **6%** is observed.

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

Rent of facilities
Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R248 thousand** which is **49%** of the approved budget. The **R248 thousand** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R252 thousand.** A variance of **R4 thousand** or **2%** is observed. The reason For Variances is Based on the fact that there are tenants that vacated the building and there are new ones that came in at different rates charged.
No Adjustment is required.

Licences and Permits

Licences and permits year-to-date actual is **R114 thousand** which is **81%** of the approved budget. the **R114 thousand** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R88 thousand.** A variance of **R56 thousand** or **64%** is observed.
This line item depends on licences renewal and new issued permits. The adjustment may be needed

Operational revenue

Operational revenue year-to-date actual is **R324 thousand** which is **57%** of the approved budget. the **R324 thousand** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R282 thousand.** A variance of **R41 thousands** or **15%** is observed.

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

NON EXCHANGE REVENUE

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is **R338 thousand** which is **23%** of the approved budget. The **R338 thousand** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R733 thousand.** A variance of **R395 thousand** or **54%** is observed.

Reasons for variances highlight a negative indication that more consumers are illegally connected or a negative indication that some illegally connected consumers are not yet discovered.
Municipality must keep up the disconnection of illegal connections.

Transfers and subsidies

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

Transfers and subsidies year to date actual is **R535.9 million** which is **69%** of the approved budget. The **R535.9 million** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R384. million**. A variance of **R151.9 million** or **40%** is observed.

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

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Debt impairment		30 812	6 000	6 000	–	–	3 000	(3 000)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest		7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Contracted services		370 958	203 358	201 100	35 159	104 808	100 031	4 777	5%	201 100
Transfers and subsidies		3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 821	18 711	95 879	56 123	39 756	71%	111 821
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		1 245 711	767 636	764 185	115 445	439 111	381 843	57 268	15%	764 185

The year-to-date actuals indicate spending of **R439.1 million** for **Six months** which is **57%** of the approved operating expenditure budget. The **R439.1 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R318.1 million,** a variance of **R57.2 million** or **15%** 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 **R165.4 million** which is **53%** of the approved budget. The **R165.4 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R155. million.** A variance of **R10.4 million** or **7%** is observed.

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

Remuneration of Councillors

Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual **is R5.4 million** which is **57%** of the approved budget. The **R5.4 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R4.7 million.** A variance of **R709 hundreds** or **15%** is observed.

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

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

Inventory Consumed
Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is **R5.3 million.** The **R5.3 million** year to date actual is **below** the **six-month** baseline projection or year-to-date budget of **R12.4 million.** A variance of **R7.1 million** or **57%** is observed. This is the value we have issued from main stores. No Adjustment is needed since there is inventory in our stores to be issued.

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

Depreciation
This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R56 million** which is **61%** of the approved budget. The **R56 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R45.6 million.** A variance of **R10.3 million** or **23%** is observed. This depends on the value of assets; an Adjustment may be needed.

Finance charges
Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is **R6.02 million** which is **85%** of the approved budget. the **R6.02 million** year to date actual is **above** the **Six months** baseline projection or year-to-date budget of **R3.7 million.** A variance of **R2.5 million** or **72%** is observed. The variance result from the payment of loan in December, the interest is high since the loan is new.

Contracted services
Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R104.8 million** which is **51%** of the approved budget. The **R104.8 million** year to date actual is **above the six months** baseline projection or year-to-date budget of **R100. million.** A variance of **R4.7 million** or **5%** is observed.
The result for variance is that our Contractual commitments is higher than the budget provided.

Transfers and subsidies paid.
Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is **R116 thousand** which is **5%** of the approved budget. The **R116 thousand** year to date actual is **below the six months** baseline projection or year-to-date budget of **R1.2 million.** A variance of **R1.1 million** or **91%** is observe. It depends on the assistance given to community based on their requests.

Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R95.8 million** which is **84%** of the approved budget. the **R95.8 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R56.1 million**. A variance of **R39.7 million** or **71%** is observed.

The variance result from operation expenditure such as Eskom, municipal services, fuel etc. An Adjustment is needed

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 585.00	499 545	600 318	-100 773.19	-0.17	42%
EPWP Incentive	5 227 001.00	5 227 000	2 613 510	2 613 489.65	1.00	100%
Art centre Subsisies (Indonsa Grant)	1 911 000.00	1 645	855 558	-853 912.78	-1.00	0%
National Skills Fund	88 246 119.00	28 247 900	44 123 064	-15 875 164.00	-0.36	32%
LG SETA	1 258 936.00	935 245	629 472	305 773.00	0.49	74%
Total Operating Grant Expenditure	**97 843 641.00**	**34 911 335**	**48 821 922**	**-13 910 587.32**	-	36%

FMG **42%**, EPWP Incentive **100%**, Art center subsidies (Indonsa Grant) **0%,** National skills Fund **32%,** LG SETA – **74%**

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water		58 877	68 294	68 294	5 431	30 318	34 147	(3 829)	-11%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 566	9 172	8 866	306	3%	17 732
Service charges - Waste management								–		
Sale of Goods and Rendering of Services		760	578	578	–	114	289	(175)	-60%	578
Agency services								–		
Interest								–		
Interest earned from Receivables		691	823	823	63	393	411	(19)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		559	504	504	41	248	252	(4)	-2%	504
Licence and permits		107	176	176	27	144	88	56	64%	176
Operational Revenue		594	565	565	8	324	283	41	15%	565
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		875	1 467	1 467	36	338	733	(395)	-54%	1 467
Licence and permits								–		
Transfers and subsidies - Operational		746 444	768 030	768 030	242 542	535 959	384 015	151 944	40%	768 030
Interest		–	–	–	–	–	–	–		–
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		680	–	–	–	–	–	–		–
Other Gains		5 704	–	–	–	3	–	3	#DIV/0!	–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		846 773	865 670	865 670	249 867	580 974	432 835	148 139	34%	865 670
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Debt impairment		30 812	6 000	6 000	–	–	3 000	(3 000)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest		7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Contracted services		370 958	203 358	201 100	35 159	104 808	100 031	4 777	5%	201 100
Transfers and subsidies		3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 821	18 711	95 879	56 123	39 756	71%	111 821
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		1 245 711	767 636	764 185	115 445	439 111	381 843	57 268	15%	764 185
Surplus/(Deficit)		(398 939)	98 033	101 484	134 421	141 862	50 992	90 870	0	101 484
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	81 818	417 498	288 097	129 400	0	576 195
Transfers and subsidies - capital (in-kind)		9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		369 457	674 228	677 679	216 240	559 360	339 090	220 271	0	677 679
Income Tax								–		
Surplus/(Deficit) after income tax		369 457	674 228	677 679	216 240	559 360	339 090	220 271	0	677 679
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		369 457	674 228	677 679	216 240	559 360	339 090	220 271	0	677 679
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		369 457	674 228	677 679	216 240	559 360	339 090	220 271	0	677 679

1.6. CAPITAL EXPENDITURE AND FUNDING

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

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	500 594 868	414 365 532	252 274 508	162 091 025	64%	83%
Total Capital Financing	500 594 868	414 365 532	252 274 508	162 091 025	64%	83%

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

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		155	–	–	–	–	–	–		–
Vote 03 - Finance		–	–	–	–	–	–	–		–
Vote 04 - Community Development		–	–	–	–	–	–	–		–
Vote 05 - Planning & Wsa		–	–	–	–	–	–	–		–
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	155	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 01 - Council		167	–	–	–	–	–	–		–
Vote 02 - Corporate Services		1 551	3 478	3 478	–	24	1 739	(1 715)	-99%	3 478
Vote 03 - Finance		70	870	870	–	28	435	(407)	-94%	870
Vote 04 - Community Development		286	174	174	–	–	87	(87)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	68 273	414 314	250 014	164 300	66%	499 521
Vote 06 - Technical Services		–	6 173	–	–	–	0	(0)	-100%	–
Vote 07 - Water Purification		20	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	662 388	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Total Capital Expenditure		662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Executive and council		167	–	–	–	–	–	–		–
Finance and administration		1 621	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Internal audit		155	–	–	–	–	–	–		–
Community and public safety		286	174	174	–	–	87	(87)	-100%	174
Community and social services		286	174	174	–	–	87	(87)	-100%	174
Sport and recreation								–		
Public safety								–		
Housing								–		
Health		–	–	–	–	–	–	–		–
Economic and environmental services		75	2 307	2 289	–	–	1 147	(1 147)	-100%	2 289
Planning and development		75	2 307	2 289	–	–	1 147	(1 147)	-100%	2 289
Road transport								–		
Environmental protection								–		
Trading services		660 239	493 766	497 232	68 273	414 314	248 866	165 448	66%	497 232
Energy sources								–		
Water management		660 239	493 766	497 232	68 273	414 314	248 866	165 448	66%	497 232
Waste water management		–	–	–	–	–	–	–		–
Waste management								–		
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Funded by:										
National Government		660 294	496 073	499 521	68 273	414 314	250 014	164 300	66%	499 521
Provincial Government		277	174	174	–	–	87	(87)	-100%	174
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		9	–	–	–	–	–	–		–
Transfers recognised - capital		660 580	496 247	499 695	68 273	414 314	250 101	164 213	66%	499 695
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		1 963	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Total Capital Funding		662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043

Governance and administration

Governance and administration year-to-date actual is **R52 thousand** which is **1%** of the approved budget. The **R52 thousand** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R2.1 million.** A variance of **R2.1 million** or **98%** is observed. The reason for variance is that procurement of Computers, ICT infrastructure and Furniture is still in progress, No acquisition to date. No Adjustment needed.

Community and public safety

Community and public safety year-to-date actual is **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **six months** baseline projection or year-to-date budget of **R87 thousand.** A variance of **R87 thousand** or **100%** is observed. The procurement of Arts centre equipment is in progress. No Adjustment needed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R0 million** which is **0%** of the approved budget. The **R0** year to date actual is **below the six months** baseline projection or year-to-date budget of **R1.1 million.** A variance of **R1.1 million** or **100%** is observed.

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

Trading services

Trading services year-to-date actual is **R414.3 million** which is **84%** of the approved budget. the **R414.3 million** year to date actual is **above** the **six months** baseline projection or year-to-date budget of **R248.8 million.** A variance of **R165.4 million** or **66%** is observed. This depends on grants spending and when each trench will be received.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	220 722 693	199 051 999	110 361 347	88 690 652.05	80%	90%
Regional Bulk Infrastructure (RBIG)	186 086 957	141 099 265	93 043 479	48 055 786.31	52%	76%
Water services infrastructure Grant (WSIG)	86 956 521	74 162 398	43 478 261	30 684 137.58	71%	85%
Rural Roads Asset Managemnt Systems Grant	2 306 957	-	1 153 479	-1 153 478.50	-100%	0%
Art centre Subsisies (Indonsa Grant)	173 913	-	86 957	-86 956.50	-100%	0%
Other Assets	4 347 827	51 871	2 173 914	-2 122 042.49	-98%	1%
Total Operating Expenditure	**500 594 868**	**414 365 532**	**250 297 434**	**164 068 098.45**	**66%**	**83%**

Capital Grant Expenditure as per MFMA circular no. 58

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIENCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	259 542 000	226 694 611	129 771 000	96 923 611.41	75%	87%
Regional Bulk Infrastructure (RBIG)	214 000 000	160 786 404	106 999 998	53 786 405.78	50%	75%
Water services infrastructure Grant (WSIG)	100 000 000	84 608 953	50 000 000	34 608 953.36	69%	85%
Rural Roads Asset Managemnt Systems Grant	2 653 000	5 412	1 326 498	-1 321 086.33	-100%	0%
Indonsa Grant	200 000	-	100 000	-100 000.00	0%	0%
Other Assets	5 000 000	51 871	2 500 000	-2 448 128.99		
Total Capital Grant Expenditure	**581 395 000**	**472 147 251**	**290 697 496**	**181 449 755.23**	**62%**	**81%**

Overall capital grant expenditure is sitting at **81%** of the approved capital budget, **MIG** is sitting at **87%, RBIG** at **75%, WSIG** at **85%, RAMS** at **0% and Indonsa Grant 0%.**

1.7. IN-YEAR BUDGET TABLES

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

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

MBRR Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M06 December

Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	74 901	86 026	86 026	6 997	39 489	43 013	(3 524)	-8%	86 026
Investment revenue	15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Transfers and subsidies - Operational	746 444	768 030	768 030	242 542	535 959	384 015	151 944	0	768 030
Other own revenue	9 969	4 113	4 113	175	1 565	2 057	(492)	-24%	–
Total Revenue (excluding capital transfers and contributions)	846 773	865 670	865 670	249 867	580 974	432 835	148 139	34%	865 670
Employee costs	315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of Councillors	10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Depreciation and amortisation	217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest	7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Inventory consumed and bulk purchases	45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Transfers and subsidies	3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Other expenditure	646 873	322 345	318 921	53 870	200 688	159 154	41 534	26%	318 921
Total Expenditure	1 245 711	767 636	764 185	115 445	439 111	381 843	57 268	15%	764 185
Surplus/(Deficit)	(398 939)	98 033	101 484	134 421	141 862	50 992	90 870	178%	101 484
Transfers and subsidies - capital (monetary allocations)	768 386	576 195	576 195	81 818	417 498	288 097	129 400	45%	576 195
Transfers and subsidies - capital (in-kind)	9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	369 457	674 228	677 679	216 240	559 360	339 090	220 271	65%	677 679
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	369 457	674 228	677 679	216 240	559 360	339 090	220 271	65%	677 679
Capital expenditure & funds sources									
Capital expenditure	662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Capital transfers recognised	660 580	496 247	499 695	68 273	414 314	250 101	164 213	66%	499 695
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	1 963	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Total sources of capital funds	662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Financial position									
Total current assets	197 536	612 157	612 157		218 002				612 157
Total non current assets	5 426 188	5 319 119	5 322 567		5 784 521				5 322 567
Total current liabilities	547 789	468 129	468 129		361 110				468 129
Total non current liabilities	127 450	154 477	154 477		133 568				154 477
Community wealth/Equity	5 049 921	4 634 441	4 634 441		5 507 845				4 634 441
Cash flows									
Net cash from (used) operating	2 937 672	742 935	742 935	172 439	965 932	371 468	(594 464)	-160%	742 935
Net cash from (used) investing	(661 863)	(500 595)	(500 595)	(68 273)	(414 366)	(250 297)	164 068	-66%	(500 595)
Net cash from (used) financing	89 475	(18 093)	(18 093)	(8 856)	(9 419)	(9 047)	372	-4%	(18 093)
Cash/cash equivalents at the month/year end	2 337 857	31 462	31 462	599 219	599 219	(80 662)	(679 880)	843%	281 318
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	7 996	7 489	5 955	6 219	5 566	5 633	27 876	151 071	217 806
Creditors Age Analysis									
Total Creditors	4 802	12 064	15 260	–	–	–	–	–	32 126

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue - Functional										
Governance and administration		759 290	769 935	769 935	242 775	537 170	384 967	152 202	40%	769 935
Executive and council		–	–	–	–	–	–	–		–
Finance and administration		759 290	769 935	769 935	242 775	537 170	384 967	152 202	40%	769 935
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		2 285	3 215	3 215	27	146	1 608	(1 462)	-91%	3 215
Community and social services		2 179	1 911	1 911	–	2	956	(954)	-100%	1 911
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Health		107	1 304	1 304	27	144	652	(508)	-78%	1 304
Economic and environmental services		3 112	2 721	2 721	5	5	1 360	(1 355)	-100%	2 721
Planning and development		3 112	2 721	2 721	5	5	1 360	(1 355)	-100%	2 721
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		848 437	665 936	665 936	88 870	461 127	332 968	128 159	38%	665 936
Energy sources		–	–	–	–	–	–	–		–
Water management		832 056	647 830	647 830	87 297	451 815	323 915	127 900	39%	647 830
Waste water management		16 380	18 106	18 106	1 573	9 311	9 053	258	3%	18 106
Waste management		–	–	–	–	–	–	–		–
Other	4	2 045	57	57	8	23	29	(5)	-19%	57
Total Revenue - Functional	2	1 615 168	1 441 865	1 441 865	331 685	998 471	720 932	277 539	38%	1 441 865
Expenditure - Functional										
Governance and administration		430 254	312 391	313 396	49 220	171 873	156 455	15 418	10%	313 396
Executive and council		70 641	35 144	35 112	3 309	20 575	17 560	3 015	17%	35 112
Finance and administration		306 758	248 883	249 920	40 844	122 889	124 713	(1 824)	-1%	249 920
Internal audit		52 855	28 364	28 364	5 067	28 409	14 182	14 227	100%	28 364
Community and public safety		27 210	28 084	27 899	2 186	12 491	13 989	(1 497)	-11%	27 899
Community and social services		9 284	9 176	9 176	782	3 559	4 588	(1 029)	-22%	9 176
Sport and recreation		–	–	–	–	–	–	–		–
Public safety		7 301	6 234	6 234	593	3 868	3 117	751	24%	6 234
Housing		–	–	–	–	–	–	–		–
Health		10 625	12 674	12 489	812	5 065	6 284	(1 219)	-19%	12 489
Economic and environmental services		29 375	22 960	22 588	1 682	10 242	11 389	(1 147)	-10%	22 588
Planning and development		29 375	22 960	22 588	1 682	10 242	11 389	(1 147)	-10%	22 588
Road transport		–	–	–	–	–	–	–		–
Environmental protection		–	–	–	–	–	–	–		–
Trading services		746 125	393 586	390 117	61 689	239 651	194 810	44 841	23%	390 117
Energy sources		–	–	–	–	–	–	–		–
Water management		733 509	378 362	379 893	60 798	234 671	188 915	45 756	24%	379 893
Waste water management		12 616	15 224	10 224	891	4 980	5 895	(916)	-16%	10 224
Waste management		–	–	–	–	–	–	–		–
Other		12 748	10 615	10 185	668	4 854	5 200	(346)	-7%	10 185
Total Expenditure - Functional	3	1 245 711	767 636	764 185	115 445	439 111	381 843	57 268	15%	764 185
Surplus/ (Deficit) for the year		369 457	674 228	677 679	216 240	559 360	339 090	220 271	0.6495943	677 679

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

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

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		105 559	89 962	89 962	19 080	29 219	44 981	(15 762)	-35.0%	89 962
Vote 03 - Finance		655 776	680 030	680 030	223 702	507 974	340 015	167 959	49.4%	680 030
Vote 04 - Community Development		2 285	3 215	3 215	27	146	1 608	(1 462)	-90.9%	3 215
Vote 05 - Planning & Wsa		775 606	581 490	581 490	81 818	421 156	290 745	130 411	44.9%	581 490
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		59 562	69 061	69 061	5 485	30 665	34 530	(3 865)	-11.2%	69 061
Vote 09 - Waste Water		16 380	18 106	18 106	1 573	9 311	9 053	258	2.9%	18 106
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	1 615 168	1 441 865	1 441 865	331 685	998 471	720 932	277 539	38.5%	1 441 865
Expenditure by Vote	1									
Vote 01 - Council		80 188	45 311	45 266	4 267	26 244	22 638	3 606	15.9%	45 266
Vote 02 - Corporate Services		273 176	211 286	211 286	35 986	115 394	105 644	9 750	9.2%	211 286
Vote 03 - Finance		76 196	59 309	59 059	8 789	30 238	29 530	708	2.4%	59 059
Vote 04 - Community Development		58 981	47 801	48 046	4 126	23 872	24 031	(159)	-0.7%	48 046
Vote 05 - Planning & Wsa		31 915	27 462	24 064	1 545	9 808	11 766	(1 958)	-16.6%	24 064
Vote 06 - Technical Services		5 354	5 758	5 750	525	2 079	2 875	(797)	-27.7%	5 750
Vote 07 - Water Purification		50 293	47 565	47 573	4 631	26 670	23 786	2 883	12.1%	47 573
Vote 08 - Water Distribution		656 993	307 920	312 917	54 686	199 828	155 677	44 151	28.4%	312 917
Vote 09 - Waste Water		12 616	15 224	10 224	891	4 980	5 895	(916)	-15.5%	10 224
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	1 245 711	767 636	764 185	115 445	439 111	381 843	57 268	15.0%	764 185
Surplus/ (Deficit) for the year	2	369 457	674 228	677 679	216 240	559 360	339 090	220 271	65.0%	677 679

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

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

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue										
Exchange Revenue										
Service charges - Electricity								–		
Service charges - Water		58 877	68 294	68 294	5 431	30 318	34 147	(3 829)	-11%	68 294
Service charges - Waste Water Management		16 024	17 732	17 732	1 566	9 172	8 866	306	3%	17 732
Service charges - Waste management								–		
Sale of Goods and Rendering of Services		760	578	578	–	114	289	(175)	-60%	578
Agency services								–		
Interest								–		
Interest earned from Receivables		691	823	823	63	393	411	(19)	-5%	823
Interest from Current and Non Current Assets		15 458	7 500	7 500	153	3 961	3 750	211	6%	7 500
Dividends								–		
Rent on Land								–		
Rental from Fixed Assets		559	504	504	41	248	252	(4)	-2%	504
Licence and permits		107	176	176	27	144	88	56	64%	176
Operational Revenue		594	565	565	8	324	283	41	15%	565
Non-Exchange Revenue								–		
Property rates								–		
Surcharges and Taxes		–	–	–	–	–	–	–		–
Fines, penalties and forfeits		875	1 467	1 467	36	338	733	(395)	-54%	1 467
Licence and permits								–		
Transfers and subsidies - Operational		746 444	768 030	768 030	242 542	535 959	384 015	151 944	40%	768 030
Interest		–	–	–	–	–	–	–		–
Fuel Levy								–		
Operational Revenue		–	–	–	–	–	–	–		–
Gains on disposal of Assets		680	–	–	–	–	–	–		–
Other Gains		5 704	–	–	–	3	–	3	#DIV/0!	–
Discontinued Operations								–		
Total Revenue (excluding capital transfers and contributions)		**846 773**	**865 670**	**865 670**	**249 867**	**580 974**	**432 835**	**148 139**	**34%**	**865 670**
Expenditure By Type										
Employee related costs		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172
Remuneration of councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
Bulk purchases - electricity		–	–	–	–	–	–	–		–
Inventory consumed		45 330	25 226	24 934	5 741	5 321	12 425	(7 104)	-57%	24 934
Debt impairment		30 812	6 000	6 000	–	–	3 000	(3 000)	-100%	6 000
Depreciation and amortisation		217 413	91 315	91 315	22 699	56 032	45 657	10 375	23%	91 315
Interest		7 149	7 013	7 013	4 032	6 022	3 507	2 516	72%	7 013
Contracted services		370 958	203 358	201 100	35 159	104 808	100 031	4 777	5%	201 100
Transfers and subsidies		3 534	2 100	2 365	24	116	1 280	(1 164)	-91%	2 365
Irrecoverable debts written off		8 134	–	–	–	–	–	–		–
Operational costs		236 463	112 988	111 821	18 711	95 879	56 123	39 756	71%	111 821
Losses on Disposal of Assets		506	–	–	–	–	–	–		–
Other Losses		–	–	–	–	–	–	–		–
Total Expenditure		**1 245 711**	**767 636**	**764 185**	**115 445**	**439 111**	**381 843**	**57 268**	**15%**	**764 185**
Surplus/(Deficit)		**(398 939)**	**98 033**	**101 484**	**134 421**	**141 862**	**50 992**	**90 870**	**0**	**101 484**
Transfers and subsidies - capital (monetary allocations)		768 386	576 195	576 195	81 818	417 498	288 097	129 400	0	576 195
Transfers and subsidies - capital (in-kind)		9	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Income Tax								–		
Surplus/(Deficit) after income tax		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Share of Surplus/Deficit attributable to Joint Venture								–		
Share of Surplus/Deficit attributable to Minorities								–		
Surplus/(Deficit) attributable to municipality		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**
Share of Surplus/Deficit attributable to Associate								–		
Intercompany/Parent subsidiary transactions								–		
Surplus/ (Deficit) for the year		**369 457**	**674 228**	**677 679**	**216 240**	**559 360**	**339 090**	**220 271**	**0**	**677 679**

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

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

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

Vote Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Multi-Year expenditure appropriation	2									
Vote 01 - Council		–	–	–	–	–	–	–		–
Vote 02 - Corporate Services		155	–	–	–	–	–	–		–
Vote 03 - Finance		–	–	–	–	–	–	–		–
Vote 04 - Community Development		–	–	–	–	–	–	–		–
Vote 05 - Planning & Wsa		–	–	–	–	–	–	–		–
Vote 06 - Technical Services		–	–	–	–	–	–	–		–
Vote 07 - Water Purification		–	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	155	–	–	–	–	–	–		–
Single Year expenditure appropriation	2									
Vote 01 - Council		167	–	–	–	–	–	–		–
Vote 02 - Corporate Services		1 551	3 478	3 478	–	24	1 739	(1 715)	-99%	3 478
Vote 03 - Finance		70	870	870	–	28	435	(407)	-94%	870
Vote 04 - Community Development		286	174	174	–	–	87	(87)	-100%	174
Vote 05 - Planning & Wsa		660 294	489 900	499 521	68 273	414 314	250 014	164 300	66%	499 521
Vote 06 - Technical Services		–	6 173	–	–	–	0	(0)	-100%	–
Vote 07 - Water Purification		20	–	–	–	–	–	–		–
Vote 08 - Water Distribution		–	–	–	–	–	–	–		–
Vote 09 - Waste Water		–	–	–	–	–	–	–		–
Vote 10 - .		–	–	–	–	–	–	–		–
Vote 11 - .		–	–	–	–	–	–	–		–
Vote 12 - ,		–	–	–	–	–	–	–		–
Vote 13 - ,		–	–	–	–	–	–	–		–
Vote 14 - *		–	–	–	–	–	–	–		–
Vote 15 - Other		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	662 388	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Total Capital Expenditure		662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Capital Expenditure - Functional Classification										
Governance and administration		1 943	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Executive and council		167	–	–	–	–	–	–		–
Finance and administration		1 621	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Internal audit		155	–	–	–	–	–	–		–
Community and public safety		286	174	174	–	–	87	(87)	-100%	174
Community and social services		286	174	174	–	–	87	(87)	-100%	174
Sport and recreation								–		
Public safety								–		
Housing								–		
Health		–	–	–	–	–	–	–		–
Economic and environmental services		75	2 307	2 289	–	–	1 147	(1 147)	-100%	2 289
Planning and development		75	2 307	2 289	–	–	1 147	(1 147)	-100%	2 289
Road transport								–		
Environmental protection								–		
Trading services		660 239	493 766	497 232	68 273	414 314	248 866	165 448	66%	497 232
Energy sources								–		
Water management		660 239	493 766	497 232	68 273	414 314	248 866	165 448	66%	497 232
Waste water management		–	–	–	–	–	–	–		–
Waste management								–		
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043
Funded by:										
National Government		660 294	496 073	499 521	68 273	414 314	250 014	164 300	66%	499 521
Provincial Government		277	174	174	–	–	87	(87)	-100%	174
District Municipality								–		
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		9	–	–	–	–	–	–		–
Transfers recognised - capital		660 580	496 247	499 695	68 273	414 314	250 101	164 213	66%	499 695
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		1 963	4 348	4 348	–	52	2 174	(2 122)	-98%	4 348
Total Capital Funding		662 543	500 595	504 043	68 273	414 366	252 275	162 091	64%	504 043

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

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

DC26 Zululand - Table C6 Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		57 071	417 029	417 029	40 497	417 029
Trade and other receivables from exchange transactions		36 516	79 729	79 729	61 413	79 729
Receivables from non-exchange transactions		5 696	7 109	7 109	5 579	7 109
Current portion of non-current receivables		–	–	–	–	–
Inventory		3 966	2 824	2 824	15 720	2 824
VAT		64 744	80 813	80 813	66 008	80 813
Other current assets		29 542	24 653	24 653	28 783	24 653
Total current assets		197 536	612 157	612 157	218 002	612 157
Non current assets						
Investments						
Investment property						
Property, plant and equipment		5 418 333	5 311 270	5 314 718	5 776 678	5 314 718
Biological assets						
Living and non-living resources						
Heritage assets		7 817	7 817	7 817	7 817	7 817
Intangible assets		28	32	32	16	32
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		10	–	–	10	–
Total non current assets		5 426 188	5 319 119	5 322 567	5 784 521	5 322 567
TOTAL ASSETS		5 623 724	5 931 276	5 934 724	6 002 523	5 934 724
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		18 789	1 556	1 556	9 380	1 556
Consumer deposits		3 381	3 702	3 702	3 369	3 702
Trade and other payables from exchange transactions		487 699	450 406	450 406	258 908	450 406
Trade and other payables from non-exchange transactions		1 446	–	–	49 375	–
Provision		34 940	2 154	2 154	34 940	2 154
VAT		1 535	10 311	10 311	5 139	10 311
Other current liabilities		–	–	–	–	–
Total current liabilities		547 789	468 129	468 129	361 110	468 129
Non current liabilities						
Financial liabilities		80 455	80 589	80 589	86 573	80 589
Provision		44 070	41 109	41 109	44 070	41 109
Long term portion of trade payables		2 925	32 779	32 779	2 925	32 779
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		127 450	154 477	154 477	133 568	154 477
TOTAL LIABILITIES		675 239	622 606	622 606	494 678	622 606
NET ASSETS	2	4 948 485	5 308 670	5 312 118	5 507 845	5 312 118
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		5 049 921	4 634 441	4 634 441	5 507 845	4 634 441
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	5 049 921	4 634 441	4 634 441	5 507 845	4 634 441

MBRR Table C6 - Monthly Budget Statement Financial Position

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

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

<u>CURRENT ASSETS</u>

Cash
The cashbook balance as at 31 December 2024 indicates bank balance of **R10.4 million**

Call Investments Deposits
Call investments as at 31 December 2024 is **R30 million.**

Consumer debtors
Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R61.4 million.** Debtors age analysis as per section 2.1 debtors' analysis is **R217.8 million.** Consumer debtors' amount to **R306.5 million** of this amount **R30.4 million** is for receivables from non exchange

Gross Consumer debtors	R289.08 million
Less Impairment	(R227.6 million)
Net Consumer Debtors	**R61.4 million**

Classification of Consumer Debtors per Service type

Water Debtors	R24.3 million
Sanitation Debtors	R6.1 million
Property Rentals Debtors	R87.4 thousand
Other Consumer debtors	R350 thousand
Prepayments	R30.4 million
Total	**R61.4 million**

- **Water Debtors**
  Net Water debtors after considering provision for bad debts amount to **R24.3 million.** Water debtors amount owed by consumers for water services billed.

Gross Water Debtors	R205.2 million
Less Impairment	(R180.8 million)
Net Water Debtors	**R24.3 million**

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

Gross Sanitation Debtors	R52.3 million
Less Impairment	(R46.2 million)
Net Sanitation Debtors	**R6.1 million**

- **Property Rentals Debtors**

  These debtors accumulated from property rentals amount to **R87.4 thousand**

Property Rental	R405.9 thousand
Less Impairment	(R318.4 thousand)
Net Property rental	**R87.4 thousand**

- **Other Consumer debtors**

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

Gross Other Debtors	R627.5 thousand
Less Impairment	(R277.5 thousand)
Net Other Debtors	**R350 thousand**

- **Other receivables from exchange**

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

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

Classification of Consumer Debtors per Customer group

Households	R204.4 million
Commercial/Businesses	R 19.3 million
Organs of State (excl shared services of R3.9 mill)	R 38.1 million
Total	**R261.9 million**

Receivables from non – exchange

Fruitless expenditure

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

Inventory

The current level of inventory is **R15.7 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amounts to **R66 million**, this is the amount raised when input VAT is recognized as less output VAT collected as per VAT reconciliation.

Other debtors
Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R28.7 million.**

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

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

Eskom Deposits	**R19.2 million**
Stowel Deposits	**R200 thousand**

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

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

Shared services debtors	**R3.3 million**
Under/over banking	**R5.9 million**
Refunds	**R46 thousand**

  Shared services debtors are debtors for the five local municipalities under the district, The District Municipality pays for the shared service on behalf of the Local municipalities, then recover these monies from the respective municipalities. Under/over banking is the unidentified debit orders pending their finalization.
- **Operating lease**
  Operating lease amounts to **R5.2 thousand.**

NON-CURRENT ASSETS

Long term receivables

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

Property plant and equipment

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment includes current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R5.3 million.**

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

Heritage Assets

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

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R16 thousand**

Opening balance	**R16 thousand**
Additions	R 0
Depreciation	(R0)
Closing Balance	**R16 thousand**

Other non-current assets

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

CURRENT LIABILITIES

Financial Liabilities

This is the current portion of the long-term loan repayment and finance lease agreement the Municipality entered into to procure laptops. The current balance owed amount to **R9.3 million.**

Loan repayment	R8.8 million
Finance lease BCX	R523.6 thousand
Total Financial liabilities	**R9.3 million**
Opening balance	**R18.7 million**
Payment	(R9.4 million)
Closing Balance	**R9.3 million**

Consumer deposits

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

Trade and other payables from exchange transactions

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R258.9 million.**

Trade Creditors	R47.8 million
Retention	R104.3 million
Department of Water & Sanitation	R103.4 million
Employee related cost	R832.3 thousand
Advance Payments	R1.8 million
Salary Suspense Accounts	R200.1 thousand
Other Suspense account	R0
Refund	R738 thousand
Leave accrual	R109 thousand
Unpaid cheque	R434.6 thousand
Sessions	R596.6 thousand
Closing Balance	**R258.9 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 **R49.3 million.**

Current Provision

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

Post Retirement benefit (Medical aid)	R747 thousand
Long service awards and Bonus	R8.3 million
Leave Provision	R25.8 million
Total	**R34.9 million**

VAT Payables

VAT payable amount to **R5.1 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 **R86.5 million.**

Long term loan	R85.5 million
Operating lease long term BCX	R165.1 thousand

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

Non - current Provisions

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

Post Retirement benefit (Medical aid)	R30.7 million
Long Service award	R13.2 million

Non - current liability DWS

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

Accumulated surplus

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

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								–		
Service charges		32 466	60 766	60 766	2 881	18 292	30 383	(12 091)	-40%	60 766
Other revenue		2 051 105	121 898	121 898	40 958	734 688	60 949	673 740	1105%	121 898
Transfers and Subsidies - Operational		746 330	768 030	768 030	242 515	537 635	384 015	153 620	40%	768 030
Transfers and Subsidies - Capital		768 386	576 195	576 195	64 992	463 563	288 097	175 466	61%	576 195
Interest		18 397	7 995	7 995	160	4 022	3 997	24	1%	7 995
Dividends								–		
Payments										
Suppliers and employees		(679 012)	(789 533)	(789 533)	(179 067)	(792 268)	(394 767)	397 501	-101%	(789 533)
Interest								–		
Transfers and Subsidies		–	(2 415)	(2 415)	–	–	(1 208)	(1 208)	100%	(2 415)
NET CASH FROM/(USED) OPERATING ACTIVITIES		2 937 672	742 935	742 935	172 439	965 932	371 468	(594 464)	-160%	742 935
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		680	–	–	–	–	–	–		–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments								–		
Payments										
Capital assets		(662 543)	(500 595)	(500 595)	(68 273)	(414 366)	(250 297)	164 068	-66%	(500 595)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(661 863)	(500 595)	(500 595)	(68 273)	(414 366)	(250 297)	164 068	-66%	(500 595)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								–		
Borrowing long term/refinancing		100 000	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		(9)	3	3	0	(10)	2	(11)	-687%	3
Payments										
Repayment of borrowing		(10 516)	(18 096)	(18 096)	(8 856)	(9 409)	(9 048)	361	-4%	(18 096)
NET CASH FROM/(USED) FINANCING ACTIVITIES		89 475	(18 093)	(18 093)	(8 856)	(9 419)	(9 047)	372	-4%	(18 093)
NET INCREASE/ (DECREASE) IN CASH HELD		2 365 284	224 247	224 247	95 310	542 148	112 124			224 247
Cash/cash equivalents at beginning:		(27 427)	(192 785)	(192 785)	503 909	57 071	(192 785)			57 071
Cash/cash equivalents at month/year end:		2 337 857	31 462	31 462	599 219	599 219	(80 662)			281 318

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

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

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R60.7 million** on service charges, the estimated collection amount is based on the 60% collection rate. The collection rate is also based on previous year's actual collection and initiatives the Municipality has taken to improve collection. The Municipality has collected **R18.2 million** to date, which is **30%** of the budgeted collection. From the year-to-date billing of **R39.4 million** on table C4 **46%** has been collected to date.

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

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

Other Revenue

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

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational are to date **R537.6 million.** This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far under Transfers and subsidies – Operational.

Equitable share	R502.6 million
FMG	R1.2 million
EPWP	R3.6 million
AMAFA Research	R162 thousand
Indonsa Grant	R955 thousand
LG SETA	R723.6 thousand
NSF	R28.2 million
TOTAL	**R537.6 million**

Transfers and subsidies – Capital

Transfers and subsidies - Capital is expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R463.5 million**. This amount includes RBIG, MIG, RRAMS, TSUCM_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R181.7 million
Regional Bulk Infrastructure Grant	R205 million
Water Services Infrastructure Grant	R 75 million
Rural Road	R1.8 million
TOTAL	**R463.5 million**

Interest

Interest on the investment budget is at **R7.5 million,** this estimate is based on the approved budget interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R4 million**. Interest on investment revenue on table C4 is **R3.9 million.**

Payments - Suppliers and employees

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

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R414.3 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in the process of developing an action plan to address these inefficiencies.

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date is **R40.4 million** in the financial position but in the cash flow, it is **R599.2 million.**

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

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as of 31 December 2024

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description		Budget Year 2024/25											
R thousands	NT Code	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 303	6 051	4 736	4 979	4 470	4 501	22 677	150 150	203 866	186 776	–	194 421
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	1 612	1 359	1 140	1 161	1 018	1 004	4 742	–	12 035	7 925	–	50 000
Receivables from Exchange Transactions - Waste Management	1600									–	–		
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	17	17	17	17	48	183	74	390	338	–	357
Interest on Arrear Debtor Accounts	1810	63	64	62	63	62	80	274	848	1 515	1 326	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									–	–		
Other	1900	–	–	–	–	–	–	–	–	–	–	–	343
Total By Income Source	2000	7 996	7 489	5 955	6 219	5 566	5 633	27 876	151 071	217 806	196 365	–	245 121
2023/24 - totals only		12931316	5475972	4421086	3537151	3700432	3952088	17571846	169787095	221 377	198 549	0	167876181
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 864	2 993	2 207	2 761	1 597	1 341	6 627	17 761	38 150	30 087	–	–
Commercial	2300	1 289	829	587	533	472	606	2 597	12 429	19 342	16 637	–	–
Households	2400	3 890	3 686	3 273	3 037	3 531	3 858	18 973	164 170	204 418	193 570	–	–
Other	2500									–	–		
Total By Customer Group	2600	8 043	7 507	6 067	6 331	5 600	5 805	28 197	194 360	261 910	240 294	–	–

Total debtors' amount to **R221.3 million**, which is an increase of **R3 million** from the closing balance of **R218.3 million.** The debtors over 90 days amount to **R198.5 million.** This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 31 December 2024

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Description R thousands	NT Code	Budget Year 2024/25 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	Prior year totals for chart (same period)
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	4 802	12 064	15 260	–	–	–	–	–	32 126	
Auditor General	0800									–	
Other	0900									–	
Medical Aid deductions										–	
Total By Customer Type	1000	4 802	12 064	15 260	–	–	–	–	–	32 126	–

2.3 INVESTMENT PORTFOLIO

Investments as at 31 December 2024

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of Institution & Investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
ABSA - 9389804742			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	N/A	–	0		90 000	90 000
Nedbank - 1766000029			Investment Trader	Yes	Variable interest rate	0.0908	N/A	N/A	05 September 2024	90 000	–		30 000	120 000
ABSA - 2081673418			Investment Trader	Yes	Variable interest rate	0.093	N/A	N/A	04 October 2024	120 000			30 000	150 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	N/A	150 000			79 053	229 053
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	19 July 2024	229 053		(11 500)	–	217 553
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	24 July 2024	217 553		(18 500)		199 053
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	30 July 2024	199 053		(40 000)		159 053
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	159 053		(70 000)		89 053
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	03 September 2024	89 053		(9 053)		80 000
Nedbank - 1766000029			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	05 September 2024	80 000		(30 000)		50 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	06 September 2024	50 000			25 000	75 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	0.089	N/A	N/A	11 September 2024	75 000		(10 000)		65 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	1.089	N/A	N/A	01 October 2024	65 000		(10 000)		55 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	2.089	N/A	N/A	02 October 2024	55 000		(5 000)		50 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	1.089	N/A	N/A	04 October 2024	50 000		(30 000)		20 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	2.089	N/A	N/A	07 October 2024	20 000			20 000	40 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	2.089	N/A	N/A	09 October 2024	40 000		(11 000)		29 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	3.089	N/A	N/A	17 October 2024	29 000		(3 000)		26 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	4.089	N/A	N/A	23 October 2024	26 000		(6 000)		20 000
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	5.089	N/A	N/A	24 October 2024	20 000		(20 000)		–
ABSA - 9373372771			Investment Trader	Yes	Variable interest rate	9.08	N/A	N/A	21 November 2024	30 000		(30 000)	30 000	
Standard-348465874			Investment Trader	Yes	Variable interest rate	8.05	N/A	N/A	20 January 2024	30 000		(30 000)	30 000	
Municipality sub-total										–	–	(334 053)	334 053	–
Entities														
														–
Entities sub-total										–	–	–	–	–
TOTAL INVESTMENTS AND INTEREST	2									–	–	(334 053)	334 053	–

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		639 948	676 614	676 614	223 470	506 798	338 307	168 491	49.8%	676 614
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		631 671	670 187	670 187	223 395	502 640	335 093	167 547	50.0%	670 187
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	–	3 658	2 613	1 045	40.0%	5 227
Local Government Financial Management Grant		1 200	1 200	1 200	75	500	600	(100)	-16.7%	1 200
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant	3	–	–	–	–	–	–	–		–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Rural Road Asset Management Systems Grant		–	–	–	–	–	–	–		–
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
Provincial Government:		4 168	1 911	1 911	–	190	956	(766)	-80.2%	1 911
Capacity Building and Other Grants		4 168	1 911	1 911	–	190	956	(766)	-80.2%	1 911
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		102 328	89 505	89 505	19 072	28 972	44 753	(15 781)	-35.3%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	–	724	629	94	15.0%	1 259
National Skills Fund		100 634	88 246	88 246	19 072	28 248	44 123	(15 875)	-36.0%	88 246
Unspecified		–	–	–	–	–	–	–		–
Total Operating Transfers and Grants	5	746 444	768 030	768 030	242 542	535 959	384 015	151 944	39.6%	768 030
Capital Transfers and Grants										
National Government:		768 386	576 195	576 195	81 818	417 498	288 097	129 400	44.9%	576 195
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		256 512	259 542	259 542	50 235	181 706	129 771	51 935	40.0%	259 542
Regional Bulk Infrastructure Grant		413 905	214 000	214 000	29 545	160 786	107 000	53 786	50.3%	214 000
Rural Road Asset Management Systems Grant		2 969	2 653	2 653	5	5	1 326	(1 321)	-99.6%	2 653
Water Services Infrastructure Grant		95 000	100 000	100 000	2 032	75 000	50 000	25 000	50.0%	100 000
Provincial Government:		–	–	–	–	–	–	–		–
Infrastructure Grant		–	–	–	–	–	–	–		–
District Municipality:		–	–	–	–	–	–	–		–
[insert description]								–		
Other grant providers:		9	–	–	–	–	–	–		–
[insert description]								–		
Unspecified		9	–	–	–	–	–	–		–
Total Capital Transfers and Grants	5	768 395	576 195	576 195	81 818	417 498	288 097	129 400	44.9%	576 195
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 514 840	1 344 225	1 344 225	324 360	953 456	672 113	281 344	41.9%	1 344 225

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

GRANTS RECEIPTS AND EXPENDITURE

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		893 351	587 778	584 327	74 252	357 640	291 914	65 726	22.5%	584 327
								–		
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Equitable Share		872 475	576 385	576 382	73 068	351 048	288 194	62 854	21.8%	576 382
Expanded Public Works Programme Integrated Grant		7 077	5 227	5 227	1 111	6 088	2 614	3 475	133.0%	5 227
Local Government Financial Management Grant		1 200	1 201	1 201	74	490	600	(110)	-18.4%	1 201
Municipal Disaster Relief Grant		–	–	–	–	–	–	–		–
Municipal Infrastructure Grant		10 017	4 966	–	–	–	0	(0)	-100.0%	–
Municipal Systems Improvement Grant		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure Grant		–	–	1 500	–	9	500	(491)	-98.3%	1 500
Rural Road Asset Management Systems Grant		2 582	–	18	–	5	6	(1)	-21.6%	18
Water Services Infrastructure Grant		–	–	–	–	–	–	–		–
Provincial Government:		3 630	1 711	1 711	–	2	856	(854)	-99.8%	1 711
								–		
Capacity Building and Other Grants		3 630	1 711	1 711	–	2	856	(854)	-99.8%	1 711
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		102 328	89 505	89 505	19 071	29 182	44 753	(15 571)	-34.8%	89 505
Electricity Distribution Industry Holdings		–	–	–	–	–	–	–		–
KwazuluNatal Provincial Planning and Development Commission		–	–	–	–	–	–	–		–
Local Government Water and Related Service SETA		1 694	1 259	1 259	73	934	629	304	48.3%	1 259
National Skills Fund		100 634	88 246	88 246	18 998	28 248	44 123	(15 875)	-36.0%	88 246
Total operating expenditure of Transfers and Grants:		999 309	678 995	675 544	93 323	386 823	337 522	49 301	14.6%	675 544
Capital expenditure of Transfers and Grants										
National Government:		660 294	496 073	499 521	68 273	414 314	250 014	164 300	65.7%	499 521
Municipal Infrastructure Grant		214 555	220 723	225 689	32 166	199 052	112 844	86 208	76.4%	225 689
Regional Bulk Infrastructure Grant		362 622	186 087	184 587	25 895	141 099	92 543	48 556	52.5%	184 587
Rural Road Asset Management Systems Grant		–	2 307	2 289	–	–	1 147	(1 147)	-100.0%	2 289
Water Services Infrastructure Grant		83 116	86 957	86 957	10 212	74 162	43 478	30 684	70.6%	86 957
Provincial Government:		277	174	174	–	–	87	(87)	-100.0%	174
Capacity Building and Other Grants		–	–	–	–	–	–	–		–
Infrastructure Grant		277	174	174	–	–	87	(87)	-100.0%	174
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		9	–	–	–	–	–	–		–
Unspecified		9	–	–	–	–	–	–		–
Total capital expenditure of Transfers and Grants		660 580	496 247	499 695	68 273	414 314	250 101	164 213	65.7%	499 695
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 659 888	1 175 242	1 175 239	161 596	801 137	587 622	213 514	36.3%	1 175 239

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

Grants Roll over

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

2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		517	563	563	49	293	281	12	4%	563
Medical Aid Contributions		41	41	41	6	24	21	3	17%	41
Motor Vehicle Allowance		2 224	2 012	2 012	188	1 193	1 006	187	19%	2 012
Cellphone Allowance		859	483	483	65	392	241	151	63%	483
Housing Allowances		180	180	180	–	–	90	(90)	-100%	180
Other benefits and allowances		6 542	6 187	6 187	567	3 539	3 094	446	14%	6 187
Sub Total - Councillors		10 362	9 465	9 465	875	5 442	4 733	709	15%	9 465
% increase	4		-8.7%	-8.7%						-8.7%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		8 273	8 555	8 555	630	3 814	4 278	(464)	-11%	8 555
Pension and UIF Contributions		356	444	444	17	174	222	(48)	-22%	444
Medical Aid Contributions		117	123	123	10	63	61	1	2%	123
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		707	166	166	–	–	83	(83)	-100%	166
Motor Vehicle Allowance		2 051	1 997	1 997	161	1 009	999	10	1%	1 997
Cellphone Allowance		296	317	317	23	145	158	(13)	-8%	317
Housing Allowances		13	13	13	1	7	6	0	3%	13
Other benefits and allowances		442	249	249	22	117	125	(7)	-6%	249
Payments in lieu of leave		255	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		41	–	–	–	–	–	–		–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		12 551	11 865	11 865	864	5 329	5 933	(604)	-10%	11 865
% increase	4		-5.5%	-5.5%						-5.5%
Other Municipal Staff										
Basic Salaries and Wages		201 024	221 924	221 924	18 190	106 428	110 962	(4 534)	-4%	221 924
Pension and UIF Contributions		27 014	24 008	24 008	2 479	14 773	12 004	2 768	23%	24 008
Medical Aid Contributions		16 898	17 029	17 029	1 503	9 046	8 515	531	6%	17 029
Overtime		6 782	5 780	5 780	724	4 768	2 890	1 878	65%	5 780
Performance Bonus		13 868	14 733	14 733	1 154	7 514	7 367	148	2%	14 733
Motor Vehicle Allowance		11 436	12 000	12 000	2 135	11 727	6 000	5 726	95%	12 000
Cellphone Allowance		801	821	821	70	419	410	8	2%	821
Housing Allowances		1 690	1 758	1 758	148	879	879	(0)	0%	1 758
Other benefits and allowances		5 465	253	253	233	1 544	127	1 417	1117%	253
Payments in lieu of leave		6 307	–	–	27	1 052	–	1 052	#DIV/0!	–
Long service awards		3 289	–	–	371	1 283	–	1 283	#DIV/0!	–
Post-retirement benefit obligations	2	5 352	–	–	–	–	–	–		–
Entertainment		–	–	–	–	–	–	–		–
Scarcity		–	–	–	–	–	–	–		–
Acting and post related allowance		562	–	–	311	730	–	730	#DIV/0!	–
In kind benefits		–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		302 488	298 307	298 307	27 342	160 160	149 154	11 006	7%	298 307
% increase	4		-1.4%	-1.4%						-1.4%
Total Parent Municipality		325 412	319 637	319 637	29 081	170 932	159 820	11 112	7%	319 637
			-1.8%	-1.8%						-1.8%
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Board Fees	5							–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Executive members Board	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations	2							–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Entertainment								–		
Scarcity								–		
Acting and post related allowance								–		
In kind benefits								–		
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		325 412	319 637	319 637	29 081	170 932	159 820	11 112	7%	319 637
% increase	4		-1.8%	-1.8%						-1.8%
TOTAL MANAGERS AND STAFF		315 050	310 172	310 172	28 206	165 490	155 087	10 402	7%	310 172

The municipality has no active entity

ACTUAL AND REVISED TARGETS FOR RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

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	Budget Year	Budget Year
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget	2024/25	+1 2025/26	+2 2026/27
Cash Receipts By Source																
Property rates													–			
Service charges - Electricity revenue													–			
Service charges - Water revenue		1 922	2 509	1 688	3 379	1 828	2 126	3 935	3 935	3 935	3 935	3 935	13 895	47 222	49 394	51 666
Service charges - Waste Water Management		850	812	635	876	713	755	1 129	1 129	1 129	1 129	1 129	3 260	13 544	14 167	14 819
Service charges - Waste Mangement													–			
Rental of facilities and equipment		37	45	45	41	41	41	90	90	90	90	90	382	1 084	1 133	1 186
Interest earned - external investments		13	328	949	2 473	44	153	625	625	625	625	625	414	7 500	7 845	8 206
Interest earned - outstanding debtors		5	10	30	3	7	7	41	41	41	41	41	228	495	517	541
Dividends received													–			
Fines, penalties and forfeits		60	42	93	98	9	36	122	122	122	122	122	517	1 467	1 534	1 605
Licences and permits		9	18	16	16	58	27	15	15	15	15	15	(41)	176	184	193
Agency services													–			
Transfers and Subsidies - Operational		280 201	2 506	724	9 176	2 514	242 515	64 003	64 003	64 003	64 003	64 003	(89 617)	768 030	711 934	751 994
Other revenue		309 666	29 319	157 169	129 368	67 379	40 854	9 931	9 931	9 931	9 931	9 931	(664 439)	119 171	115 870	152 732
Cash Receipts by Source		592 963	35 589	161 548	145 430	72 593	288 514	79 891	79 891	79 891	79 891	79 891	(735 402)	958 689	902 580	982 942
Other Cash Flows by Source													–			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		119 053	126 857	37 661	35 000	80 000	64 992	48 016	48 016	48 016	48 016	48 016	(127 449)	576 195	651 991	923 733
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on Disposal of Fixed and Intangible Assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Short term loans													–			
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		(12)	–	–	2	0	0	0	0	0	0	0	12	3	–	–
VAT Control (receipts)													–			
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments													–			
Total Cash Receipts by Source		712 004	162 446	199 209	180 431	152 594	351 506	127 907	127 907	127 907	127 907	127 907	(862 840)	1 534 887	1 554 571	1 906 675
Cash Payments by Type													–			
Employee related costs		28 229	27 563	28 353	29 018	29 396	29 059	25 848	25 848	25 848	25 848	25 848	9 315	310 172	324 440	339 364
Remuneration of councillors		994	803	833	1 071	784	900	789	789	789	789	789	137	9 465	9 901	10 356
Interest													–			
Bulk purchases - Electricity		7 119	17 024	11 255	13 098	10 123	12 073	–	–	–	–	–	(70 692)	–	–	–
Acquisitions - water & other inventory		–	–	2 095	1 215	–	1 311	2 417	2 417	2 417	2 417	2 417	12 301	29 010	30 344	31 740
Contracted services		(81 828)	(62 124)	(48 301)	(59 251)	(25 088)	(30 035)	25 765	25 765	25 765	25 765	25 765	486 983	309 181	216 969	258 482
Transfers and subsidies - other municipalities													–			
Transfers and subsidies - other		–	–	–	–	–	–	201	201	201	201	201	1 409	2 415	2 526	2 642
Other expenditure		300 056	118 530	87 702	95 281	63 109	165 450	10 809	10 809	10 809	10 809	10 809	(754 466)	129 706	135 672	141 913
Cash Payments by Type		254 569	101 795	81 936	80 432	78 325	178 759	65 829	65 829	65 829	65 829	65 829	(315 013)	789 948	719 853	784 498
Other Cash Flows/Payments by Type																
Capital assets		93 315	64 218	59 111	74 889	54 560	68 273	41 716	41 716	41 716	41 716	41 716	(122 352)	500 595	571 681	808 197
Repayment of borrowing		–	138	138	277	–	8 856	1 508	1 508	1 508	1 508	1 508	1 147	18 096	17 430	16 913
Other Cash Flows/Payments		4 705	3 825	1 754	5 282	578	308	167	167	167	167	167	(15 285)	2 000	3 000	4 000
Total Cash Payments by Type		352 589	169 976	142 939	160 879	133 463	256 196	109 220	109 220	109 220	109 220	109 220	(451 503)	1 310 640	1 311 963	1 613 608
NET INCREASE/(DECREASE) IN CASH HELD		359 415	(7 531)	56 270	19 552	19 131	95 310	18 687	18 687	18 687	18 687	18 687	(411 337)	224 247	242 607	293 067
Cash/cash equivalents at the month/year beginning:		57 071	416 486	408 956	465 225	484 777	503 909	599 219	617 906	636 593	655 280	673 968	692 655	57 071	281 318	523 925
Cash/cash equivalents at the month/year end:		416 486	408 956	465 225	484 777	503 909	599 219	617 906	636 593	655 280	673 968	692 655	281 318	281 318	523 925	816 993

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
	Service charges – Water revenue	11%	This is the amounts billed on customers for water used, the year-to-date actual is R30.3 million which is 44% of the approved budget. The R30.3 million year to date actual is below the Six months baseline projection or year-to-date budget of R34.1 million. A variance of R3.8 million or 11% is observed. The variance between approved and year to date actual result from the fact that there are customers that are billed with interim due to fault meters.	
	Service charges – Sanitation revenue	3%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R9.1 million which is 51% of the approved budget. The R9.1 million year to date actual is above the Six months baseline projection or year-to-date budget of R8.8 million. A variance of R306 thousand or 3% is observed. The Reason For the bill of sanitation being High is based on the fact that we charge businesses an Access charge-Sewerage of 40kl when they have used more than Basic sewer Charge.	
	Sale of goods and rendering of service	60%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R114 thousands which is 20% of the approved budget. The R114 thousands year to date actual is below the six months baseline projection or year-to-date budget of R289 thousand. A variance of R175 thousand or 60% is observed.	There was no sale of tender documents in this period. The adjustment may be needed.
	Interest earned - outstanding debtors	5%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R393 thousand, which is 47% of the approved budget. The R393 thousand year to date actual is below the six months baseline projection or year-to-date budget of R411 thousand. A variance of R19 thousand or 5% is observed. Reasons for variances can be atributed to businesses non adherence to payment terms	The municipality must implement stringent measures to ensure businesses pay on time.
	Interest on investment	6%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R3.9 million which is 52% of the approved budget. The R3.9 million year to date actual is above the six months baseline projection or year-to-date budget of R3.7 million. A variance of R211 thousand or 6% is observed. The reason for variances on investments depends on the available investment during reporting period.	
	Rental from Fixed Assets	2%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R248 thousand which is 49% of the approved budget. The R248 thousand year to date actual is above the six months baseline projection or year-to-date budget of R252 thousand. A variance of R4 thousand or 2% is observed. The reason For Variances is Based on the fact that there are tenants that vacated the building and there are new ones that came in at different rates charged.	
	Licences and Permits	64%	Licences and permits year-to-date actual is R114 thousand which is 81% of the approved budget. the R114 thousand year to date actual is above the six months baseline projection or year-to-date budget of R88 thousand. A variance of R56 thousand or 64% is observed.	This line item depends on licences renewal and new issued permits. The adjustment may be needed
	Operational revenue	15%	Operational revenue year-to-date actual is R324 thousand which is 57% of the approved budget. the R324 thousand year to date actual is above the six months baseline projection or year-to-date budget of R282 thousand. A variance of R41 thousands or 15% is observed. The variance to this line item can be attributed to the receipt of Skills Development Levy Refund which is not benchmarked by year to date. But depends on the allocation by LGSETA.	
	Fines, penalties, and forfeits	54%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. The year-to-date actual is R338 thousand which is 23% of the approved budget. The R338 thousand year to date actual is below the six months baseline projection or year-to-date budget of R733 thousand. A variance of R395 thousand or 54% 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	40%	Transfers and subsidies year to date actual is R535.9 million which is 69% of the approved budget. The R535.9 million year to date actual is below the six months baseline projection or year-to-date budget of R384. million. A variance of R151.9 million or 40% is observed. Reasons for variances can be atributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule. Grants received to date is Equitable share, FMG, EPWP and Indonsa art centre.	

Expenditure By Type			
Employee Related Costs	7%	Employee related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R165.4 million which is 53% of the approved budget. The R165.4 million year to date actual is above the six months baseline projection or year-to-date budget of R155. million. A variance of R10.4 million or 7% is observed. The reason for salaries being high is based on Contracts employees but now are permanent.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections.
Remuneration of Councillors	15%	Remuneration of Councilors is paid for councilors allowances, service-related benefits and contributions. The year-to-date actual is R5.4 million which is 57% of the approved budget. The R5.4 million year to date actual is above the six months baseline projection or year-to-date budget of R4.7 million A variance of R709 hundreds or 15% is observed. This is the indication that the municipality is trying to spend within the budget. The result for change in Remuneration of councillors is based on the upper limits gazette.	
Inventory Consumed	82%	Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is R5.3 million. The R5.3 million year to date actual is below the six-month baseline projection or year-to-date budget of R12.4 million. A variance of R7.1 million or 57% is observed. This is the value we have issued from main stores. No Adjustment is needed since there is inventory in our stores to be issued.	
Depreciation	23%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R56 million which is 61% of the approved budget. The R56 million year to date actual is above the six months baseline projection or year-to-date budget of R45.6 million. A variance of R10.3 million or 23% is observed. This depends on the value of assets; an Adjustment may be needed.	
Finance charges	72%	Finance charges are amounts for interest paid on overdue accounts, interest on loan and finance lease for laptops. The year-to-date actual is R6.02 million which is 85% of the approved budget. the R6.02 million year to date actual is above the Six months baseline projection or year-to-date budget of R3.7 million. A variance of R2.5 million or 72% is observed. The variance result from the payment of loan in December, the interest is high since the loan is new.	
Contracted services	5%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R104.8 million which is 51% of the approved budget. The R104.8 million year to date actual is above the six months baseline projection or year-to-date budget of R100. million. A variance of R4.7 million or 5% is observed. The result for variance is that our Contractual commitments is higher than the budget provided.	
Transfers and subsidies paid.	91%	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 R116 thousand which is 5% of the approved budget. The R116 thousand year to date actual is below the six months baseline projection or year-to-date budget of R1.2 million. A variance of R1.1 million or 91% is observe. It depends on the assistance given to community based on their requests.	
Operational costs	71%	Operational costs are all other expenditure not classified above. The year-to-date actual is R95.8 million which is 84% of the approved budget. the R95.8 million year to date actual is above the six months baseline projection or year-to-date budget of R56.1 million. A variance of R39.7 million or 71% is observed. The variance result from operation expenditure such as Eskom, municipal services, fuel etc. An Adjustment is needed	

Capital Expenditure			
Governance and administration	98%	Governance and administration year-to-date actual is R52 thousand which is 1% of the approved budget. The R52 thousand year to date actual is below the six months baseline projection or year-to-date budget of R2.1 million. A variance of R2.1 million or 98% is observed.	
Community and public safety	100%	Community and public safety year-to-date actual is R0 which is 0% of the approved budget. the R0 year to date actual is below the six months baseline projection or year-to-date budget of R87 thousand. A variance of R87 thousand or 100% is observed.	
Economic and environmental services	100%	Economic and environmental services year-to-date actual is R0 million which is 0% of the approved budget. The R0 year to date actual is below the six months baseline projection or year-to-date budget of R1.1 million. A variance of R1.1 million or 100% is observed.	
Trading services	66%	Trading services year-to-date actual is R414.3 million which is 84% of the approved budget. the R414.3 million year to date actual is above the six months baseline projection or year-to-date budget of R248.8 million. A variance of R165.4 million or 66% is observed.	

2.7 PARENT MUNICIPALITY FINANCIAL PERFOMANCE

The Municipality does not have any entities.

2.8 MUNICIPAL ENTITY FINANCIAL PERFOMANCE

The Municipality does not have any active entities.

2.9 CAPITAL PROGRAMME PERFOMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M06 December

Month	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	%spend of Original Budget
Monthly expenditure performance trend									
July	–	42 130	42 130	93 315	93 315	42 130	(51 185)	-121.5%	19%
August	57 911	42 130	42 130	64 218	64 218	84 260	20 042	23.8%	13%
September	49 277	42 130	42 130	59 111	59 111	126 390	67 279	53.2%	12%
October	113 514	41 961	41 961	74 889	74 889	168 352	93 463	55.5%	15%
November	90 763	41 961	41 961	54 560	54 560	210 313	155 754	74.1%	11%
December	101 101	41 961	41 961	68 273	68 273	252 275	184 001	72.9%	14%
January	10 678	41 961	41 961	–	–	294 236	294 236	100.0%	0%
February	10 959	41 961	41 961	–	–	336 197	336 197	100.0%	0%
March	97 963	41 961	41 961	–	–	378 159	378 159	100.0%	0%
April	53 993	41 961	41 961	–	–	420 120	420 120	100.0%	–
May	1 240	41 961	41 961	–	–	462 082	462 082	100.0%	–
June	74 867	41 961	41 961	–	–	504 043	504 043	100.0%	–
Total Capital expenditure	662 266	504 043	504 043	414 366					

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

Summary of Capital Expenditure by asset class and sub-class

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		660 219	496 073	499 521	68 273	414 314	250 014	(164 300)	-65.7%	499 521
Roads Infrastructure		–	2 307	2 289	–	–	1 147	1 147	100.0%	2 289
Roads		–	2 307	2 289	–	–	1 147	1 147	100.0%	2 289
Stormwater Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Water Supply Infrastructure		660 219	489 059	497 232	68 273	414 314	247 185	(167 129)	-67.6%	497 232
Dams and Weirs								–		
Boreholes		35 737	43 631	32 670	2 531	26 756	22 258	(4 498)	-20.2%	32 670
Reservoirs		9 197	1 593	4 965	114	3 379	2 482	(897)	-36.1%	4 965
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		123 018	97 849	135 230	23 587	124 179	56 543	(67 636)	-119.6%	135 230
Bulk Mains		450 780	294 587	290 528	36 660	228 668	148 031	(80 638)	-54.5%	290 528
Distribution		41 487	45 046	33 840	5 401	31 331	17 871	(13 459)	-75.3%	33 840
Distribution Points		–	6 354	–	–	–	0	0	100.0%	–
Sanitation Infrastructure		–	4 707	–	–	–	1 681	1 681	100.0%	–
Pump Station								–		
Reticulation		–	4 707	–	–	–	1 681	1 681	100.0%	–
Toilet Facilities		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing								–		
Social Housing								–		
Capital Spares								–		
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets								–		
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes								–		
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights								–		
Effluent Licenses								–		
Solid Waste Licenses								–		
Computer Software and Applications		–	–	–	–	–	–	–		–
Load Settlement Software Applications								–		
Unspecified								–		
Computer Equipment		624	3 913	3 913	–	52	1 957	1 905	97.3%	3 913
Computer Equipment		624	3 913	3 913	–	52	1 957	1 905	97.3%	3 913
Furniture and Office Equipment		348	435	435	–	–	217	217	100.0%	435
Furniture and Office Equipment		348	435	435	–	–	217	217	100.0%	435
Machinery and Equipment		432	174	174	–	–	87	87	100.0%	174
Machinery and Equipment		432	174	174	–	–	87	87	100.0%	174
Transport Assets		920	–	–	–	–	–	–		–
Transport Assets		920	–	–	–	–	–	–		–
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals								–		
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
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	504 043	68 273	414 366	252 276	(162 091)	-64.3%	504 043

Expenditure on Repairs and Maintenance by Asset class

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		156 830	67 193	62 227	9 199	30 123	31 114	991	3.2%	62 227
Roads Infrastructure		–	–	–	–	–	–	–		–
Stormwater Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Water Supply Infrastructure		156 830	67 193	62 227	9 199	30 123	31 114	991	3.2%	62 227
Bulk Mains		79 800	19 966	15 000	870	4 073	7 500	3 427	45.7%	15 000
Distribution Points		77 029	47 227	47 227	8 329	26 050	23 614	(2 436)	-10.3%	47 227
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Community Assets		1 739	–	–	–	–	–	–		–
Airports		1 739	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		974	2 000	2 000	7	233	1 000	767	76.7%	2 000
Operational Buildings		974	2 000	2 000	7	233	1 000	767	76.7%	2 000
Municipal Offices		974	2 000	2 000	7	233	1 000	767	76.7%	2 000
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	–	–	150	150	100.0%	300
Furniture and Office Equipment		–	300	300	–	–	150	150	100.0%	300
Machinery and Equipment		–	100	165	16	101	65	(36)	-55.8%	165
Machinery and Equipment		–	100	165	16	101	65	(36)	-55.8%	165
Transport Assets		5 261	1 400	4 300	192	4 076	1 529	(2 548)	-166.7%	4 300
Transport Assets		5 261	1 400	4 300	192	4 076	1 529	(2 548)	-166.7%	4 300
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	164 805	70 993	68 992	9 415	34 533	33 857	(676)	-2.0%	68 992

Depreciation by Asset class

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2023/24	Budget Year 2024/25							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Depreciation by Asset Class/Sub-class										
Infrastructure		206 254	81 902	81 902	20 790	50 738	40 951	(9 787)	-23.9%	81 902
Roads Infrastructure		–	718	718	(266)	–	359	359	100.0%	718
Roads		–	718	718	(266)	–	359	359	100.0%	718
Storm water Infrastructure		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	36	36	(14)	–	18	18	100.0%	36
LV Networks		–	36	36	(14)	–	18	18	100.0%	36
Water Supply Infrastructure		203 581	78 916	78 916	20 556	49 399	39 458	(9 941)	-25.2%	78 916
Dams and Weirs		2 231	2 785	2 785	259	1 115	1 393	277	19.9%	2 785
Boreholes		1 669	471	471	660	834	235	(599)	-254.7%	471
Reservoirs		25 236	7 026	7 026	1 638	4 240	3 513	(726)	-20.7%	7 026
Pump Stations		7 627	4 451	4 451	1 667	3 216	2 226	(990)	-44.5%	4 451
Water Treatment Works		9 141	6 624	6 624	1 667	3 974	3 312	(662)	-20.0%	6 624
Bulk Mains		122 633	35 197	35 197	10 426	23 311	17 599	(5 712)	-32.5%	35 197
Distribution		34 665	22 280	22 280	4 419	12 669	11 140	(1 529)	-13.7%	22 280
PRV Stations		80	81	81	10	40	41	0	1.0%	81
Sanitation Infrastructure		2 674	2 231	2 231	513	1 340	1 116	(224)	-20.1%	2 231
Pump Station		197	193	193	30	102	96	(6)	-5.7%	193
Reticulation		1 686	1 717	1 717	207	843	858	15	1.6%	1 717
Waste Water Treatment Works		790	322	322	276	395	161	(234)	-145.2%	322
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–			–
Community Assets		1 226	852	852	291	606	426	(180)	-42.3%	852
Community Facilities		1 091	622	622	308	539	311	(228)	-73.3%	622
Halls		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		–	–	–	–	–	–	–		–
Museums		–	–	–	–	–	–	–		–
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	–	–	–	–	–	–		–
Police		–	–	–	–	–	–	–		–
Purls		–	–	–	–	–	–	–		–
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	–	–	–	–	–	–		–
Markets		344	–	–	172	172	–	(172)	#DIV/0!	–
Stalls		–	–	–	–	–	–	–		–
Abattoirs		–	–	–	–	–	–	–		–
Airports		746	622	622	127	367	311	(56)	-18.0%	622
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		135	230	230	(16)	67	115	48	41.4%	230
Outdoor Facilities		135	230	230	(16)	67	115	48	41.4%	230
Heritage assets		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Other assets		1 608	1 366	1 366	334	840	683	(157)	-23.0%	1 366
Operational Buildings		1 608	1 366	1 366	334	840	683	(157)	-23.0%	1 366
Municipal Offices		1 608	1 312	1 312	354	840	656	(184)	-28.0%	1 312
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Building Plan Offices		–	–	–	–	–	–	–		–
Workshops		–	–	–	–	–	–	–		–
Yards		–	–	–	–	–	–	–		–
Stores		–	53	53	(20)	–	27	27	100.0%	53
Laboratories		–	–	–	–	–	–	–		–
Training Centres		–	–	–	–	–	–	–		–
Manufacturing Plant		–	–	–	–	–	–	–		–
Depots		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets								–		
Intangible Assets		24	20	20	5	12	10	(2)	-19.5%	20
Servitudes								–		
Licences and Rights		24	20	20	5	12	10	(2)	-19.5%	20
Water Rights								–		
Effluent Licenses								–		
Solid Waste Licenses								–		
Computer Software and Applications		24	20	20	5	12	10	(2)	-19.5%	20
Load Settlement Software Applications								–		
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		2 791	992	992	930	1 297	496	(801)	-161.5%	992
Computer Equipment		2 791	992	992	930	1 297	496	(801)	-161.5%	992
Furniture and Office Equipment		573	575	575	64	289	288	(2)	-0.5%	575
Furniture and Office Equipment		573	575	575	64	289	288	(2)	-0.5%	575
Machinery and Equipment		1 034	368	368	429	565	184	(381)	-207.2%	368
Machinery and Equipment		1 034	368	368	429	565	184	(381)	-207.2%	368
Transport Assets		3 903	5 241	5 241	(163)	1 685	2 621	935	35.7%	5 241
Transport Assets		3 903	5 241	5 241	(163)	1 685	2 621	935	35.7%	5 241
Land		–	–	–	–	–	–	–		–
Land								–		
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals								–		
Living resources		–	–	–	–	–	–	–		–
Mature		–	–	–	–	–	–	–		–
Policing and Protection								–		
Zoological plants and animals								–		
Immature		–	–	–	–	–	–	–		–
Policing and Protection								–		
Zoological plants and animals								–		
Total Depreciation	1	217 413	91 315	91 315	22 699	56 032	45 657	(10 375)	-22.7%	91 315

2.10 OTHER SUPPORTING DOCUMENTS

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

2.11 IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality doesn't have any entities.

2.12 MUNICIPAL MANAGERS QUALITY CERTIFICATION

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

_____________________________ Date: ______________________

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

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Service Delivery and Budget Implementation Plan for the first six months has been reviewed as said in S54 (1) (c) and S72 (1) (a).

The performance as per service delivery budget and implementation plans are categorized per main votes of the municipality including the following:

(i) Budget and Treasury Office.
(ii) Corporate services.
(iii) Planning department.
(iv) Technical services.
(v) Community services; and
(vi) The office of the Municipal Manager

Each of these departments will reflect on the mid-year performance on their service delivery and budget implementation plans. However, it is noted that SDBIP are not conclusive to what the departments are doing. Critical determining activities must inform the direction the municipality must take to attend to plethora of issues pertinent to the survival of the municipality.

Common to all departmental functionality is the IDP and Budget. This section is set to show progress in the implementation of these two processes.

Zululand
District Municipality

QUARTERLY SERVICE DELIVERY AND BUDGET IMPLIMENTATION PLAN (SDBIP) FOR THE YEAR ENDED 31 DECEMBER 2024

2024/2025

CONTENTS

Introduction

1.1. Background to the SDBIP

In terms of Section 69 (3) (a) of the Municipal Finance Management Act, the Municipal Manager must submit the SDBIP to the Mayor within 14 days after the approval of the Budget. The mayor must subsequently approve the SDBIP within 28 days after the approval of the Budget in terms of Section 53 (1) (c) (ii) of the Municipal Finance Management Act. The Final Budget for the 2024/25 financial year was tabled to Council on the 24^{th} of May 2024 for approval. The SDBIP for the Zululand District Municipality was approved by the mayor within 28 days after approval of budget as stated in S53 (1) (c) (ii) and it will be monitored and revised quarterly.

1.2. Purpose of the SDBIP

The purpose of the SDBIP can be summarized as follows:

1. It is a vital link between the mayor and the administration of the municipality.
2. It facilitates the process for holding management accountable for its performance.
3. It is a tool for implementation, management, and monitoring; and
4. It further serves as the basis for the performance measurement in service delivery against the year-end targets and the implementation of the budget.

1.3. Importance of the SDBIP

A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, and it:

- *Enables the Mayor to monitor the performance of the Municipal Manager,*

-*Municipal Manager to monitor the performance of the senior managers; and*

-*The community to monitor the performance of the municipality.*

It is the excellent mechanism that produces monthly targets that are reported to ensure implementation of the IDP. The SDBIP will also empower all councillors specifically facilitating engagement at ward level and allow them to undertake the appropriate oversight and monitoring of programs. The SDBIP will also measure in-year progress in the implementation of the budget; under spending of budget will be dealt with at early stages because it is reviewed quarterly.

1.4. The Role of Council with regards to the SDBIP

It is vitally important for Council to note that the components of the SDBIP are primary indicators of the municipality's performance on the annual Budget. In this regard, Councillors are encouraged to scrutinize the various components of the SDBIP and to pose questions where it is deemed necessary. This form of in-year reporting should uncover major problems and is aimed at ensuring that the Mayor and the Municipal Manager take the corrective steps when any unanticipated problems arise.

1.5. Role of the Accounting Officer in respect of the SDBIP

The Accounting Officer must:

1. Implement the Budget.
2. Ensure that spending is in accordance with the Budget and ensure that the expenditure is reduced when revenue is anticipated to be less than projected in the Budget or the SDBIP.
3. Ensure that revenue and expenditure is properly monitored.
4. Prepare an adjustments Budget when necessary; and
5. Submit the draft SDBIP and draft annual performance agreements for the Municipal Manager and all senior managers.

1.6. The key components of the 2024/25 SDBIP

In terms of Circular No. 13 of the MFMA No. 56 of 2003, the SDBIP must contain:

- Monthly projections of revenue to be collected for each source.
- Monthly projections of expenditure by source (not required in terms of this Act).
- Monthly projections of expenditure (operating and capital) and revenue for each vote.
- Quarterly projections of service delivery targets and performance indicators of each vote.
- Detailed capital works plan broken down by ward over three years.
  (Capital Plan)

These components of the SDBIP are discussed below.

2 MONTHLY PROJECTIONS OF REVENUE PER SOURCE

In terms of Section 15 of the MFMA, a municipality may, except where otherwise provided in this Act,

- incur expenditure only in terms of the approved Budget; and
- Within the limits of the amounts appropriated for the different votes in the approved Budget.

One of the most important and basic priorities of a municipality is to collect all its revenue as budgeted for, failure to collect the revenue will undermine the municipality's ability to deliver services. The SDBIP contains the monthly projections of revenue to be collected per source for the 2024/25 financial year. The reason for the inclusion of this component of the SDBIP is to ensure that the municipality monitors revenue collected during the quarter as all expenditure to be incurred in terms of the approved Budget must be financed from realistically anticipated revenues to be collected.

The Accounting Officer must monitor the actual revenues received against those projected in the SDBIP and submit explanations of any remedial action to be taken to ensure that projected revenue and expenditure remain within the municipality's approved Budget. This type of information requires the municipality to take urgent remedial steps to ensure it improves on its revenue-collection capacity if it wants to maintain its levels of service delivery and expenditure. The revenue for the financial year 2024/25 is indicated below as follows:

Monthly projections of total Revenue per Source

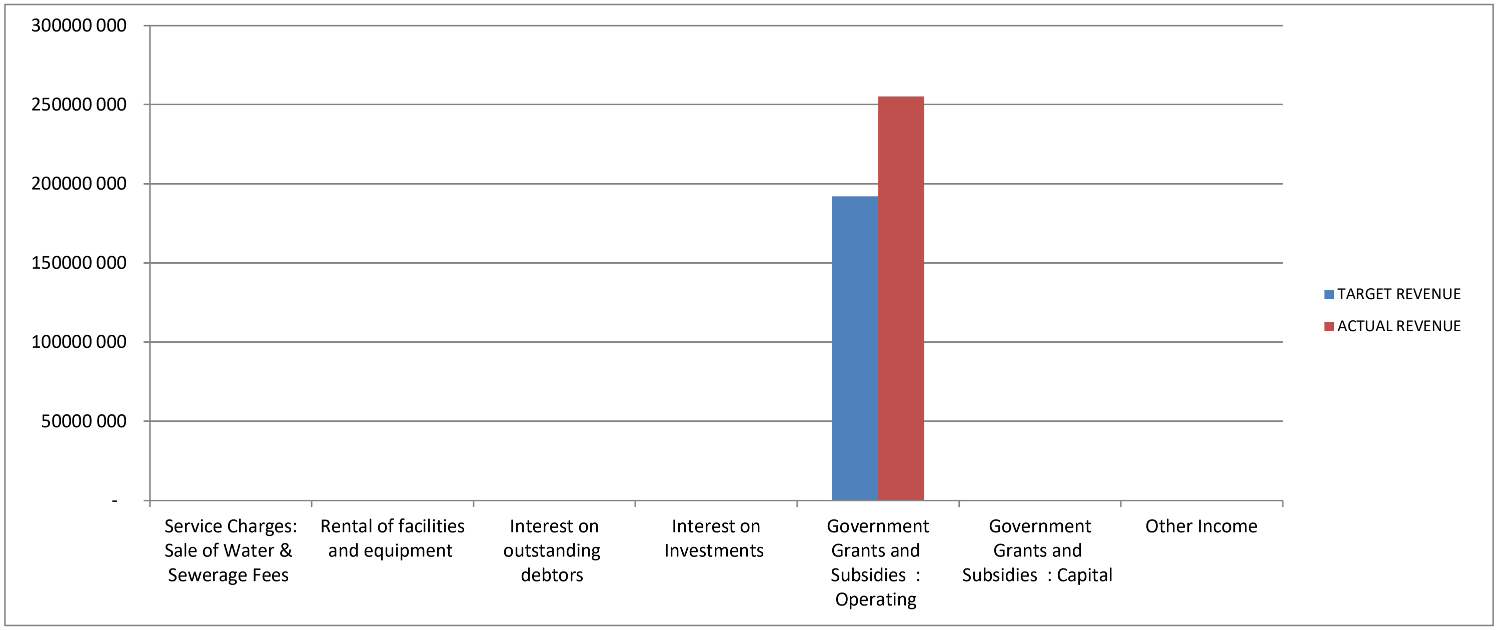
The municipality will ensure that it has instituted measures to achieve monthly revenue targets for each revenue source. In order to ensure realistic revenue projections and ultimately balanced budgets, the Zululand District Municipality has to have comprehensive, coherent revenue policies that take into account appropriate service delivery levels, standards, ability to pay and collection efforts.

Monthly projections of Revenue by Source of Zululand District Municipality for the Quarter ended 31 December 2024

Monthly Projections of Revenue by Source

Revenue by Source	OCTOBER		NOVEMBER		DECEMBER		Totals for Q_1		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Variance
Service charges - electricity revenue	-	-	-		-		-	-	-
Service charges - water revenue	5 691 187	4 341 085	5 691 187	5 864 435	5 691 187	5 431 232	17 073 561	15 636 752	1 436 809
Service charges - sanitation revenue	1 477 667	1 369 085	1 477 667	1 607 691	1 477 667	1 565 844	4 433 001	4 542 619	-109 618
Sale of Goods and Rendering of Services	48 192	114 400	48 192	-	48 192	-	144 575	114 400	30 175
Interest earned - outstanding debtors/ Recievables	68 565	62 358	68 565	63 419	68 565	62 537	205 695	188 314	17 381
Interest earned - external investments(Current & Non Asset)	625 000	2 472 651	625 000	44 471	625 000	152 963	1 875 000	2 670 085	-795 085
Rental from Fixed Assets	42 000	40 965	42 000	40 965	42 000	40 965	126 000	122 896	3 104
Licences and permits	14 690	16 222	14 690	58 419	14 690	26 848	44 069	101 490	-57 421
Other revenue/ Operational Revenue	47 105	145 632	47 105	81 446	47 105	8 274	141 316	235 352	-94 036
Fines, penalties and forfeits	122 239	98 208	122 239	8 697	122 239	36 335	366 718	143 240	223 478
Transfers and subsidies - Operational	64 002 505	801 694	64 002 505	11 867 053	64 002 505	242 541 775	192 007 514	255 210 522	-63 203 008
Gains/Losses	-	-	-	-	-	-	-	-	-
TOTALS	**72 139 149**	**9 462 300**	**72 139 149**	**19 636 597**	**72 139 149**	**249 866 773**	**216 417 448**	**278 965 670**	**-62 548 222**

Q1 Chart - Monthly Projections of Revenue by Source



3 MONTHLY PROJECTIONS OF EXPENDITURE PER SOURCE

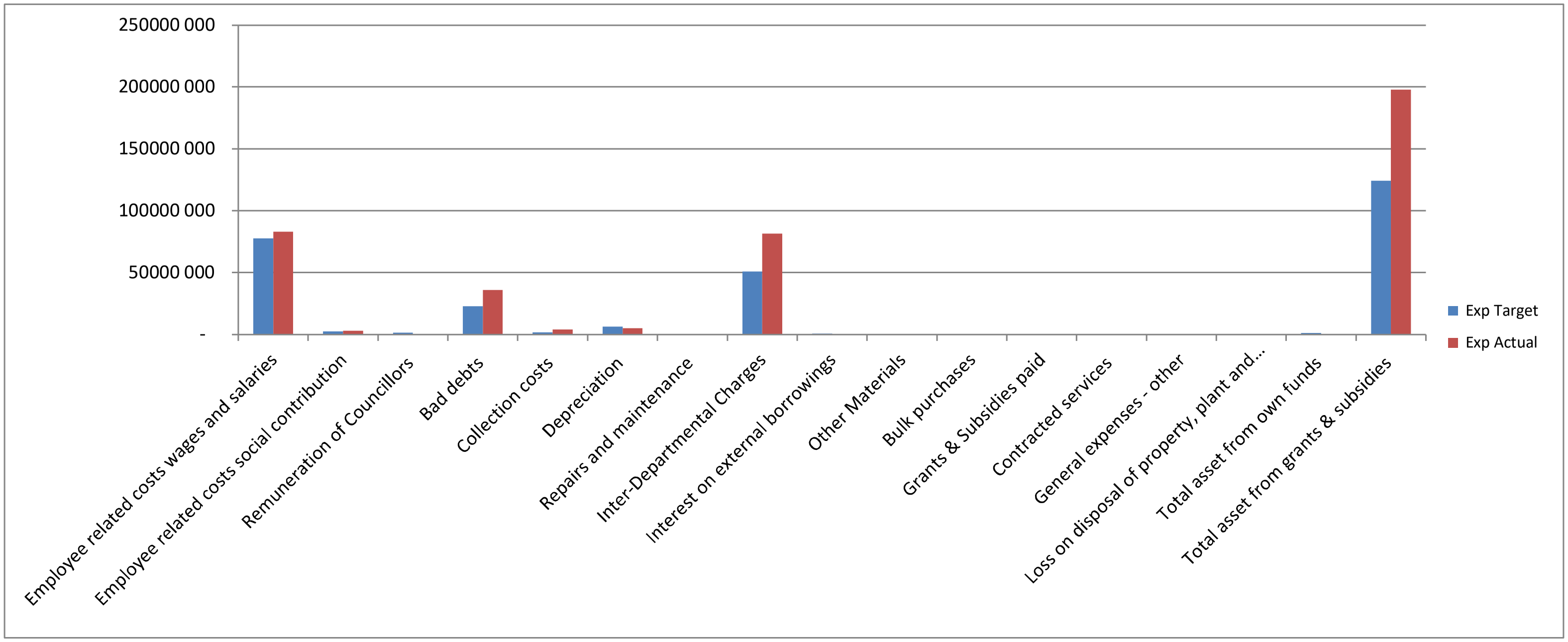
The monthly projections of expenditure per source is not included in terms of circular No 13 of the MFMA, but we as Zululand District Municipality have decided to add this component in order to see the movement of expenditure per source on monthly basis to be able to respond promptly and to initiate any remedial steps when necessary.

Monthly Projections of Expenditure by Source of
Zululand District Municipality for the Quarter ended 31 December 2024

Monthly Projections of Expenditure by Source

Expenditure by Source	OCTOBER		NOVEMBER		DECEMBER		Totals for Q_2		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Viarance
Operating Expenditure									
Employee related costs	25 847 653	27 369 091	25 847 653	27 479 578	25 847 653	28 205 600	77 542 960	83 054 269	-5 511 309
Remuneration of councillors	788 791	1 175 093	788 791	926 032	788 791	875 101	2 366 374	2 976 226	-609 852
Inventory consumed	2 102 167	191 748	2 102 167	-1 039 579	2 102 167	5 740 889	6 306 500	4 893 059	1 413 441
Debt impairment	500 000	-	500 000	-	500 000	-	1 500 000	-	1 500 000
Depreciation & asset impairment	7 609 544	6 666 667	7 609 544	6 666 667	7 609 544	22 699 044	22 828 631	36 032 378	-13 203 747
Interest	584 433	6 280	584 433	5 362	584 433	4 031 635	1 753 299	4 043 277	-2 289 977
Contracted services	16 946 470	37 777	16 946 470	8 587 724	16 946 470	35 158 971	50 839 411	81 523 812	-30 684 402
Transfers and subsidies	175 000	23 000	175 000	-	175 000	23 500	525 000	46 500	478 500
Irrecoverable debts written off	-	-	-	-	-	-	-	-	-
Operational costs	9 415 633	23 076 489	9 415 633	15 799 042	9 415 633	18 710 681	28 246 900	57 586 211	
Total Operating Expenditure	**63 969 692**	**96 285 484**	**63 969 692**	**58 424 827**	**63 969 692**	**115 445 421**	**191 909 075**	**270 155 732**	**-48 907 346**
Capital Expenditure									
Total asset from own funds	362 319	-	362 319	-	362 319	-	1 086 957	-	1 086 957
Total asset from grants & subsidies	41 353 920	74 888 590	41 353 920	54 559 511	41 353 920	68 273 267	124 061 760	197 721 369	-73 659 609
Borrowing	-		-	-	-		-	-	-
Total Capital Expenditure	**41 716 239**	**74 888 590**	**41 716 239**	**54 559 511**	**41 716 239**	**68 273 267**	**125 148 717**	**197 721 369**	**-72 572 652**
TOTAL EXPENDITURE	**105 685 931**	**171 174 074**	**105 685 931**	**112 984 338**	**105 685 931**	**183 718 689**	**317 057 792**	**467 877 101**	**-121 479 998**

Q1 Chart - Monthly Projections of Expenditure by Source



4 ANNUAL PROJECTIONS OF REVENUE & EXPENDITURE PER VOTE

It is important to view expenditure in relation to revenue used to finance it. In this context, it is easy to see when expenditure exceeds Revenue, and the necessary remedial steps can then be taken to correct this situation. Failure to monitor expenditure in relation to Revenue will seriously hamper the municipality's ability to achieve its strategic goals for the year.

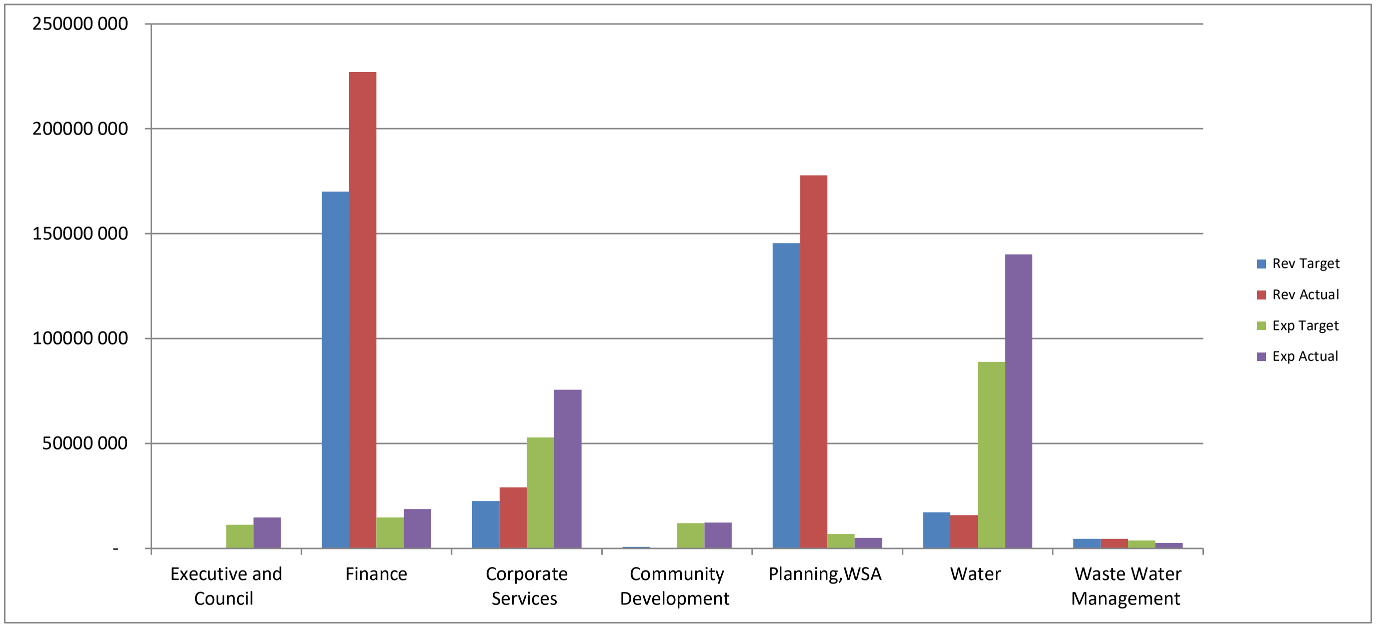
Monthly Projections of Expenditure & Revenue by Vote for Zululand District Municipality for the Quarter ended 31 December 2024

Monthly Projections for expenditure and revenue by vote	OCTOBER					
Department	OPEX	Actual	CAPEX	Actual	Revenue	Actual
Executive and Council	3 775 958	5 044 826		-	-	-
Corporate Services	17 607 196	26 044 613	289 855	-	7 496 874	868 565
Finance	4 942 405	4 678 341	72 464	-	56 669 128	2 795 535
Community Development	3 983 391	3 957 893	14 493	-	267 948	16 222
Planning &WSA	2 288 473	1 521 030	40 824 981	74 888 590	48 457 500	61 664 072
Technical Services	479 823	310 712	514 446	-		-
Water purification and Distribution	29 623 792	53 945 670		-	5 755 082	4 394 665
Waste Water Management	1 268 655	782 398		-	1 508 867	1 387 313
Other	-	-				
Total	**63 969 692**	**96 285 484**	**41 716 239**	**74 888 590**	**120 155 399**	**71 126 372**

Monthly Projections for expenditure and revenue by vote	NOVEMBER						DECEMBER					
Department	OPEX	Actual	CAPEX	Actual	Revenue	Actual	OPEX	Actual	CAPEX	Actual	Revenue	Actual
Executive and Council	3 775 958	5 408 522		-	-		3 775 958	4 266 611			-	-
Corporate Services	17 607 196	13 595 362	289 855	-	7 496 874	9 183 563	17 607 196	35 986 261	289 855		7 496 874	19 079 888
Finance	4 942 405	5 326 515	72 464	-	56 669 128	508 980	4 942 405	8 789 324	72 464		56 669 128	223 702 386
Community Development	3 983 391	4 203 239	14 493	-	267 948	58 419	3 983 391	4 125 599	14 493	-	267 948	26 848
Planning &WSA	2 288 473	1 894 613	40 824 981	54 559 511	48 457 500	34 348 846	2 288 473	1 544 649	40 824 981	68 273 267	48 457 500	81 818 193
Technical Services	479 823	310 712	514 446				479 823	525 052	514 446			
Water purification and Distribution	29 623 792	26 871 083		-	5 755 082	5 918 721	29 623 792	59 316 894			5 755 082	5 484 672
Waste Water Management	1 268 655	814 780		-	1 508 867	1 614 914	1 268 655	891 031			1 508 867	1 572 978
Other												
Total	**63 969 691,67**	**58 424 827**	**41 716 239**	**54 559 511**	**120 155 399**	**51 633 443**	**63 969 692**	**115 445 422**	**41 716 239**	**68 273 267**	**120 155 399**	**331 684 966**

Monthly Projections for expenditure and revenue by vote	TOTALS			Q_2					
Department	OPEX	ACTUAL	VARIANCE	CAPEX	ACTUAL	VARIANCE	REVENUE	ACTUAL	VARIANCE
Executive and Council	**11 327 874**	**14 719 960**	**-3 392 086**	-	-	-	-	-	-
Corporate Services	**52 821 588**	**75 626 237**	**-22 804 649**	**869 565**	-	**869 565**	**22 490 621**	**29 132 016**	**-6 641 395**
Finance	**14 827 214**	**18 794 179**	**-3 966 965**	**217 392**	-	**217 392**	**170 007 385**	**227 006 901**	**-56 999 516**
Community Development	**11 950 172**	**12 286 732**	**-336 560**	**43 478**	-	**43 478**	**803 845**	**101 490**	**702 355**
Planning &WSA	**6 865 420**	**4 960 291**	**1 905 129**	**122 474 944**	**197 721 369**	**-75 246 425**	**145 372 500**	**177 831 112**	**-32 458 612**
Technical Services	**1 439 469**	**1 146 477**	**292 992**	**1 543 338**	-	**1 543 338**	-	-	-
Water purification and Distribution	**88 871 375**	**140 133 647**	**-51 262 272**	-	-	-	**17 265 247**	**15 798 058**	**1 467 189**
Waste Water Management	**3 805 965**	**2 488 209**	**1 317 755**	-	-	-	**4 526 601**	**4 575 205**	**-48 605**
Other	-	-	-	-	-	-	-	-	-
Total	**191 909 075**	**270 155 732**	**-78 246 657**	**125 148 717**	**197 721 369**	**-72 572 652**	**360 466 198**	**454 444 782**	**-93 978 583**

Q1 Chart - Monthly Projections of Revenue and Expenditure by Vote



5 QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS OF EACH VOTE

In terms of the SDBIP, Zululand District Municipality is required to provide non-financial measurable performance objectives in the form of service delivery targets and other performance indicators. Service delivery targets relate to the level and standards of service being provided to the community and include targets for the reductions in backlogs of basic services.

The goals and objectives set by Council as quantifiable outcomes that should be implemented by the administration over the next financial year are indicated on the sheet below.

TOP LAYER -SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) - ZULULAND DISTRICT MUNICIPALITY - 2024/2025

KPI NO.	PROGRAM DRIVER	OUTCOME	IDP Strategic Objective Ref No.	STRATEGY	INDICATOR	ANNUAL TARGET	UNIT OF MEASURE	Q2-Traget 31.12.2024	Q2 Actual	Q2 Status	REASON FOR VARIANCE	MEASURE OF IMRPOVEMENT	PORTFOLIO OF EVIDENCE
B2B PILLAR 2: BASIC SERVICE DELIVERY													
KPA 1: BASIC SERVICE DELIVERY= 04 indicators													
1	HOD (PLANNING)	Access to the full package of municipal services offered to the community is efficient, affordable,economical, acceptable quality, sustainable and supports economic growth	SO 1.2.1	Establishing and maintaining partnerships with government and private sector to accelerate provision of universal, equitable & consistent access to the municipal services that local communities are entitled to.	Number of households within ZDM to be provided with access to water within RDP standard per quarter	800 households within ZDM to be provided with access to water within RDP standard by 30 June 2025	Number	200 households within ZDM to be provided with access to water within RDP standard per quarter	319 households within ZDM to be provided with access to water within RDP standard	Achieved			List of beneficiaries and GPS co-ordinates
2	HOD (Tech)				Percentage of kilolitres produced by ZDM water treatment plants per quarter	70% kilolitres produced by ZDM water treatment plants by 30 June 2025	Percentage	70% kilolitres produced by ZDM water treatment plants per quarter	80% kilolitres produced by ZDM water treatment plants	Achieved			Monthly production report
3	HOD (TECH)				Percentage of ZDM Water determinants that pass laboratory tests per quarter	85% ZDM Water determinants that pass laboratory tests by 30 June 2025	Percentage	85% ZDM Water determinants that pass laboratory tests per quarter	94% ZDM Water determinants that pass laboratory tests	Achieved			Lab results
4	HOD (TECH)	All categories of Municipal Infrastructure and resources are stable and maintained	SO 1.1.1	Continuously managing all existing infrastructure capital assets to minimize the total cost of owning and operating these assets	The average time taken to fix spillages per quarter	48Hrs average time taken to fix spillages by 30 June 2025	Hours	48Hrs average time taken to fix spillages per quarter	17 HRS average time taken to fix spillages	Achieved			Job card summary report

KPI NO.	PROGRAM DRIVER	OUTCOME	IDP Strategic Objective Ref No.	STRATEGY	INDICATOR	ANNUAL TARGET	UNIT OF MEASURE	Q2-Traget 31.12.2024	Q2 Actual	Q2 Status	REASON FOR VARIANCE	MEASURE OF IMRPOVEMENT	PORTFOLIO OF EVIDENCE
B2B PILLAR 5: BUILDING CAPABLE LOCAL GOVERNMENT INSTITUTIONS													
KPA2: LOCAL ECONOMIC & SOCIAL DEVELOPMENT = 06 indicators													
5	HOD (COMMUNITY)	The overall economic and social conditions of the district are conducive for the creation of employment opportunities	SO 2.1.1	Support SMMEs and create opportunities for growth	Number of SMMEs / Co-operatives supported annually	10 SMMEs / Co-operatives supported by 30 June 2025	Number	N/A	N/A				List of supported SMMEs and signed distribution form
6	HOD (COMMUNITY)	Arts culture and heritage is preserved	SO 2.4.1	Promoting arts, culture and heritage	Number of tourism awareness campaigns held per quarter	4 tourism awareness campaigns held by 30 June 2025	Number	1 tourism awareness campaigns held per quarter	1 tourism awareness campaigns held	Achieved			OOP and Attendance Register
7	COO	Effects of poverty is minimised	SO 2.2.1	Alleviate poverty and promote socio-economic development	Number of Special Programmes implemented annually	2 Special Programmes implemented by 30 June 2025	Number	N/A	N/A				Programmes; Attendance registers and Pictures

8	HOD (FINANCE)	Promoting and maximising social and economic development	SO 2.2.5	Supporting the well-being of vulnerable groups through short and long term initiatives	Number of implementation reports on Indigent Policy submitted to EXCO per quarter	4 implementation reports on Indigent Policy submitted to EXCO by 30 June 2025	Number	1 implementation report on Indigent Policy submitted to EXCO per quarter	1 implementation report on indigent Policy submitted to EXCO	Achieved			Copy of Indigent Policy Implementation report and proof of submission
9	HOD (COMMUNITY)				Number of jobs created through the ZDM municipal EPWP initiatives including capital projects	1370 jobs created through the ZDM municipal EPWP initiatives including capital projects by 30 June 2025	Number	Due in Q4	Due in Q4				Report retrieved from the EPWP system
10	HOD (COMMUNITY)	The health of Zululand communities and citizens is improved	SO 2.3.1	Regulating, monitoring and evaluating compliance of service providers to municipal health standards	Number of ZDM Municipal Health awareness campaigns held per quarter	20 ZDM Municipal Health awareness campaigns held by 30 June 2025	Number	5 ZDM Municipal Health awareness campaigns held per quarter	5 ZDM Municipal Health awareness campaigns held	Achieved			OOP and Attendance Register
KPI NO.	**PROGRAM DRIVER**	**OUTCOME**	**IDP Strategic Objective Ref No.**	**STRATEGY**	**INDICATOR**	**ANNUAL TARGET**	**UNIT OF MEASURE**	**Q2-Traget 31.12.2024**	**Q2 Actual**	**Q2 Status**	**REASON FOR VARIANCE**	**MEASURE OF IMRPOVEMENT**	**PORTFOLIO OF EVIDENCE**
Q3													
KPA 3: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT = 04 indicators													
11	HOD (FINANCE)	The Municipality is financially viable with sound financial management	SO 3.1.1	Establishing and maintaining a sound and sustainable management of the fiscal and financial affairs of the municipality and its entities.	Percentage of Collection Rate achieved per quarter	60% Collection Rate achieved by 30 June 2025	Percentage	60% Collection Rate achieved per quarter	45% Collection Rate achieved	Not achieved	The Consumers are not paying on time for water bills.	Management has drafted another debt incentive programme to encourage consumers to pay for water services which still needs to be approved by Council.	Copy of Collection Report
12	HOD(CORP)				Percentage of budget spent on implementing WSP	100% of budget spent on implementing WSP by 30 June 2025	Percentage	N/A	N/A				Expenditure report
13	HOD (FINANCE)		SO 3.1.2	Apply sound financial management practises to keep a positive cash balance, coverage and liquidity ratios	Date Report on Sec 13 of the MFMA submitted to AG	Report on Sec 13 of the MFMA submitted to AG by 31 July 2024	Date	Completed in Q1	Completed in Q1				Proof of submission and copy of Sec 13 report
14	HOD (FINANCE)		SO 3.1.3	Manage, monitor and review existing financial systems to support accurate and credible reporting, budget monitoring and compliance	Number of Sec 52 reports submitted to Council and Provincial Treasury per quarter	4 Sec 52 reports submitted to Council and Provincial Treasury by 30 June 2025	Number	1 Sec 52 report submitted to Council and Provincial Treasury per quarter	1 Sec 52 report submitted to Council and Provincial Treasury	Achieved			Council Resolution and copy of Sec 52 report
15	HOD (FINANCE)		SO 3.1.4	Refine procurement systems and processes to respond to the demand for services	Number of SCM quarterly reports submitted to EXCO per quarter	4 SCM quarterly reports submitted to EXCO by 30 June 2025	Number	1 SCM quarterly report submitted to EXCO per quarter	1 SCM quarterly report submitted to EXCO	Achieved			Proof of submission and Copy of SCM Quarterly reports

KPI NO.	PROGRAM DRIVER	OUTCOME	IDP Strategic Objective Ref No.	STRATEGY	INDICATOR	ANNUAL TARGET	UNIT OF MEASURE	Q2-Traget 31.12.2024	Q2 Actual	Q2 Status	REASON FOR VARIANCE	MEASURE OF IMRPOVEMENT	PORTFOLIO OF EVIDENCE
B2B PILLAR 3: GOOD GOVERNANCE													
KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION = 03 indicators													
16	COO		SO4.1.2	Promoting transparent and accountable governance through regular community engagements and effective administration	Number of reports on legal functions submitted to MM per quarter	4 report on legal functions submitted to MM by 30 June 2025	Number	1 report on legal functions submitted to MM per quarter	1 report on legal functions submitted to MM	Achieved			Proof of submission and report
17	COO				Number of Community engagements held Bia annual	8 Community engagements held Bia annual	Number	4 Community engagements held Bia annual	5 Community engagements held Bia annual	Achieved			Notice, OOP, And copy of report
18	COO		SO 4.1.4	Monitoring, review and progressively improve service delivery performance through improvement of business processes and systems, performance auditing, risk management and oversight	Number of reports tabled by the Audit Comm Chairperson to Council bianual	2 reports tabled by the Audit Comm Chairperson to Council by 30 June 2025	Number	1 reports tabled by the Audit Comm Chairperson to Council by 31 December 2024	1 reports tabled by the Audit Comm Chairperson to Council	Achieved			Council Resolution
19	HOD (CORP)				Number of MPAC meetings coordinated per quarter	4 MPAC meetings coordinated by 30 June 2025	Number	1 MPAC meeting coordinated per quarter	1 MPAC meeting coordinated	Achieved			Notice, Agenda and attendance register
KPI NO.	PROGRAM DRIVER	OUTCOME	IDP Strategic Objective Ref No.	STRATEGY	INDICATOR	ANNUAL TARGET	UNIT OF MEASURE	Q2-Traget 31.12.2024	Q2 Actual	Q2 Status	REASON FOR VARIANCE	MEASURE OF IMRPOVEMENT	PORTFOLIO OF EVIDENCE
KPA 5: MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT = 02 indicators													
20	HOD (CORP)	The municipality is adequately resourced with a skilled workforce capable of carrying out its developmental mandate. Strong career pathing is achieved	SO 5.1.1	Investing in a workforce to meet service delivery demand through implementing a culture of continuous learning and improvement	Number of EAP health awareness campaign conducted per quarter	4 EAP health awareness campaign conducted by 30 June 2025	Number	1 EAP health awareness campaign conducted per quarter	1 EAP health awareness campaign conducted	Achieved			Notice, OOP, Attendance register and Copy of Presentation
21	COO		SO 5.1.5	Establishing consistency and alignment between the district and locals by regular co-ordination of Intergovernmental Relations	Number of Municipal Manager Technical IGR/DDM meetings coordinated per quarter	4 Municipal Manager Technical IGR/DDM meetings coordinated by 30 June 2025	Number	1 Municipal Manager Technical IGR/DDM meeting coordinated per quarter	1 Municipal Manager Technical IGR/DDM meeting coordinate	Achieved			Notice, Agenda and Attendance Register

KPI NO.	PROGRAM DRIVER	OUTCOME	IDP Strategic Objective Ref No.	STRATEGY	INDICATOR	ANNUAL TARGET	UNIT OF MEASURE	Q2-Target 31.12.2024	Q2 Actual	Q2 Status	REASON FOR VARIANCE	MEASURE TO IMPROVE	PORTFOLIO OF EVIDENCE
Spatial Planning & Environmental Management													
KPA 6: CROSS CUTTING INTERVENTIONS = 03 indicators													
22	HOD (CORP)	Disasters are prevented and dealt with effectively where they occur	SO 6.1.3	To minimize the vanuability of communities by building a culture of risk reduction (Disaster prevention in preparedness)	Number of lightning conductors installed in identified rural households within ZDM per quarter	60 of lightning conductors installed in identified rural households within ZDM by 30 June 2025	Number						Certificate of compliance and Beneficiary list with GPS coordinates

	Status	Total Key Perfomance Indicators-per KPA
	100% KPI met	KPA 1-BSD=04 Indicators
	KPI not measured	KPA2-LED= 06 indicators
	KPI Almost met 75-100%	KPA3-MFVM=04 indicators
	KPI not met 75% and less	KPA4-GG= 03 indicators
		KPA5-MTOD= 02 indicators
	KPI extremely well met	KPA6-CC-= 03 indicators
	Total indicators	22 KPIs

MR RN HLONGWA

Municipal Manager **May-23**

DC26 Zululand District Municipality

12 **IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow**

Financial year: 2024/25
Reporting Month: December 2024
Compiled by:
Verified and Approved by Technical Director?

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2024/25	2025/26	2026/27
Total MIG Allocation	256 939 000,00	272 856 000,00	297 634 000,00
Total Committed	256 939 000,06	272 856 000,00	297 634 000,00
Total Variance	-0,06	0,00	0,00
Table 2 Commited	17 789 059,15	29 316 445,52	51 608 780,10

2023/24 APPROVED ROLLOVER		0,00	2024/25 ADJUSTMEN
2024/25 Allocation (Current + Carried over)		256 939 000,00	2024/25 DORA MIG A
Certified Expenditure Year to Date	90,15%	231 634 663,46	2025/26 DORA MIG A
AMOUNT LEFT TO SPEND - 2024/25		25 304 336,54	2026/27 DORA MIG A
Total Commitment for 2024/25		256 939 000,06	

14

Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (*as per MIG 1 form*)	Actual Project Status	Approved MIG Funding (=NOR + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings (Balance of Approved MIG Funding available)	Total Previous Years MIG Expenditure	2024/25 Jul (Certified)	Aug (Certified)	Sep (Certified)	Oct (Certified)	Nov (Certified)	Dec (Certified)	Jan (Projected)	Feb (Projected)	Mar (Projected)	Apr (Projected)	May (Projected)	Jun (Projected)	2024/25 Total (Certified + Projected) I:T	Projected Balance against Approved MIG Funding cost E - H - U
DC26	DC26 PMU	PMU 2024/25	PMU	106 980 171,33	7 313 016,65	0,00	99 667 154,68	0,00	0,00	0,00	0,00	0,00	1 486 031,06	1 189 638,79	2 216 905,00	2 216 905,00	2 303 660,03	1 716 905,09	1 716 905,09	12 846 950,06	-5 533 933,41
DC26	2006MIGFDC265333	Khambi RWSS Water Supply AFA	Construct. 81-99%	74 785 687,00	74 457 182,14	328 504,86	57 353 192,47	712 425,69	3 901 870,43	4 562 137,52	0,00	0,00	4 319 791,53	0,00	1 203 856,00	1 258 795,00	1 145 113,51	0,00	0,00	17 103 989,68	328 504,85
							Baseline Cashflow (Nat IP)	2 125 897,00	3 901 870,42	611 116,79	2 354 488,16	2 140 146,09	933 784,87	1 985 875,00	2 388 879,00	1 258 795,00	1 145 113,51	0,00	0,00		
							Actual / Revised Schedule	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion		
							Baseline Schedule	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion		
DC26	2006MIGFDC265334	Hlahlindlela/eMondlo Regional Water Supply	Construct. 81-99%	167 579 680,00	167 578 900,52	779,48	149 404 268,98	0,00	0,00	3 958 145,70	0,00	0,00	1 730 820,68	0,00	0,00	0,00	0,00	0,00	0,00	5 688 966,38	12 486 444,64
							Baseline Cashflow (Nat IP)	1 300 000,00	0,00	0,00	2 399 355,00	1 300 975,00	1 200 951,00	915 463,00	1 235 987,00	2 325 000,02	1 028 000,00	1 000 206,00	0,00		
							Actual / Revised Schedule	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%		
							Baseline Schedule	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%		
DC26	2008MIGFDC26165601	Gumbi Emergency Water Supply	Completed	26 464 362,00	25 394 079,98	1 070 282,02	25 394 079,98	0,00	0,00	0,00	0,00	0,00		0,00	0,00	0,00	0,00	0,00	0,00	0,00	1 070 282,02
							Baseline Cashflow (Nat IP)	1 074 444,01	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Completed	Practical Completion	Practical Completion	Practical Completion	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Practical Completion	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2012MIGFDC26207602	Simdlangetsha East Water Supply - Phase 2 (AFA) MIS 419583	Construct. 81-99%	122 054 260,08	122 054 000,00	260,08	114 954 905,95	0,00	0,00	0,00	0,00	0,00		0,00	0,00	0,00	0,00	0,00	0,00	0,00	7 099 354,13
							Baseline Cashflow (Nat IP)	1 250 000,00	0,00	0,00	0,00	1 089 536,16	1 049 867,78	1 101 800,22	1 002 589,60	1 542 560,00	1 313 000,37	0,00	0,00		
							Actual / Revised Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion		
							Baseline Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion		
DC26	2013MIGFDC26213508	Simdlangentsha Central Water Supply Project: Phase 3 2010 - 2014	Practical Completion	148 006 808,34	148 006 808,34	0,00	141 345 882,96	2 899 919,63	366 118,67	3 024 524,10	0,00	0,00		0,00	370 344,98	0,00	0,00	0,00	0,00	6 660 907,38	18,00
							Baseline Cashflow (Nat IP)	681 792,00	366 118,67	2 363 803,10	668 410,28	362 673,70	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion		
							Baseline Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion		
DC26	2013MIGFDC26220802	Zululand Rudimentary Water Supply Programme - Phase 4 (AFA) MI	Practical Completion	218 998 225,52	218 908 113,99	90 111,53	218 479 515,02	0,00	287 243,65	0,00	0,00	0,00	141 355,33	0,00	0,00	0,00	0,00	0,00	0,00	428 598,98	90 111,52
							Baseline Cashflow (Nat IP)	506 457,48	287 243,65	141 365,64	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention		
DC26	2014MIGFDC26215437	Mandlakazi Regional Water Supply - Phase 5	Construct. 21-40%	447 768 410,25	447 768 400,00	10,25	87 313 500,08	8 864 913,43	5 481 901,94	18 875 531,22	558 463,74	5 095 440,72	763 775,56	0,00	1 472 333,11	0,00	0,00	0,00	0,00	41 112 359,72	319 342 550,45
							Baseline Cashflow (Nat IP)	8 559 860,00	5 481 901,94	11 061 619,14	3 267 840,00	3 580 031,00	2 506 825,01	2 446 183,02	2 520 948,67	2 440 892,05	0,00	0,00	0,00		
							Actual / Revised Schedule	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%		
							Baseline Schedule	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%		
DC26	2017MIGFDC26241079	Zululand Small Water Supply Scheme	Practical Completion	12 818 000,00	12 817 044,99	955,01	4 044 963,35	7 017 593,92	0,00		0,00	0,00		0,00	0,00	0,00	0,00	0,00	0,00	7 017 593,92	1 755 442,73
							Baseline Cashflow (Nat IP)	1 800 000,00	0,00	0,00	1 480 245,50	275 197,23	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion		
							Baseline Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion		
DC26	2019MIGFDC26331822	Simlangentsha West RWSS Phase 3	Construct. 41-60%	500 857 120,01	500 856 619,65	500,36	179 760 378,16	2 590 112,13	42 425 021,24	36 290 355,02	0,00	14 343 528,41	9 866 501,68	0,00	0,00	0,00	0,00	0,00	0,00	105 515 518,48	215 581 223,37
							Baseline Cashflow (Nat IP)	4 274 050,77	42 425 021,25	26 784 307,27	3 512 158,00	2 960 752,00	2 887 331,36	2 848 793,00	3 321 698,00	3 246 171,49	1 697 856,00	1 588 962,00	0,00		
							Actual / Revised Schedule	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%		
							Baseline Schedule	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%		
DC26	2020MIGFDC26371424	Zululand Rudimentary Water Supply Programme - Phase 5	Construct. 61-80%	159 694 096,80	159 694 096,80	0,00	84 720 658,20	10 010 169,94	10 910 442,15	3 538 328,89	1 698 624,75	5 137 689,79	743 524,73	0,00	0,00	0,00	0,00	0,00	0,00	32 038 780,25	42 934 658,35
							Baseline Cashflow (Nat IP)	4 594 094,29	10 910 442,15	0,00	1 496 770,00	1 289 562,00	0,00	962 138,00	1 528 796,00	1 325 879,60	0,00	0,00	0,00	41 652 318,72	
							Actual / Revised Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%		
							Baseline Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%		
DC26	2021MIGFDC26419907	Upgrading of Ulundi Water Treatment Works : Phase 1	Completed	56 031 353,00	55 922 577,14	108 775,86	53 247 557,50	0,00	0,00	131 509,00	0,00	0,00		0,00	0,00	0,00	0,00	0,00	0,00	131 509,00	2 652 286,50
							Baseline Cashflow (Nat IP)	2 636 361,31	0,00	131 509,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2021MIGFDC26419908	Upgrading of Ulundi Water Treatment Works : Phase 2	Construct. 61-80%	159 279 945,00	159 279 944,70	0,30	90 038 418,97	4 266 793,51	5 495 337,89	8 672 899,44	0,00	1 465 820,37		0,00	0,00	0,00	0,00	0,00	0,00	19 900 851,21	49 340 674,82
							Baseline Cashflow (Nat IP)	4 208 988,00	5 495 337,90	3 617 266,24	2 007 540,00	2 072 413,84	1 802 794,83	1 801 574,00	1 009 854,00	1 355 004,74	1 533 605,84	1 490 000,00	0,00		
							Actual / Revised Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%		
							Baseline Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%		
DC26	2024MIGFDC26510619	ZULULAND 3 YEAR OPERATIONS & MAINTENANCE PROGRAMM	Tender	85 439 200,00	85 439 200,00	0,00	0,00		0,00	0,00	0,00	0,00		1 581 962,00	1 512 896,00	2 048 017,00	2 000 000,00	1 350 100,00	0,00	8 492 975,00	76 946 225,00
							Baseline Cashflow (Nat IP)		0,00	0,00	0,00	1 896 321,00	1 897 562,00	1 581 962,00	1 512 896,00	2 048 017,00	2 000 000,00	1 350 100,00	0,00		
							Actual / Revised Schedule		Tender	Tender	Tender	Tender	Tender	Construct. 0-20%	Construct. 0-20%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%		
							Baseline Schedule		Tender	Tender	Tender	Construct. 0-20%	Construct. 0-20%	Construct. 0-20%	Construct. 0-20%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%		
DC26						0,00	0,00													0,00	0,00
							Baseline Cashflow (Nat IP)														
							Actual / Revised Schedule														
							Baseline Schedule														
Insert new rows here ONLY																					
Sub Total - Projects				2 286 757 319,33	2 185 489 984,90	1 600 179,75	1 305 724 476,30	36 361 928,25	68 867 935,97	79 053 430,89	2 257 088,49	26 042 479,29	19 051 800,57	2 771 600,79	6 776 335,09	5 523 717,00	5 448 773,54	3 067 005,09	1 716 905,09	256 939 000,06	724 093 842,97
							MONTHLY DORA TRANSFER PAYMENT (DRAWDOWN) SCHEDULE:	79 053 000,00		37 661 000,00			64 992 000,00			77 836 000,00				259 542 000,00	-49 928 663,46
							PROVINCIAL ACCUMULATIVE EXPENDITURE TARGET (%):	10%	20%	30%	40%	50%	60%	70%	80%	85%	95%	100%	100%		
							MUNICIPAL ACCUMULATIVE CERTIFIED EXPENDITURE (%):	14%	41%	72%	73%	83%	90%								

7

Table 2: MIG Projects to be Registered

Total Committed 17 789 059,15 29 316 445,52 51 608 780,10

Agent	Municipal Reference Number (IDP or Council Resolution No.)	Project Title (*to be used on MIG 1 form*)	Project Status	Projected MIG Funding	Projected Counter Funding		Total Previous Years MIG Expenditure	2024/25 Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Projected	Balance
DC26	ZDME:20/388	ZDM Rural Sanitation Phase 3A	BP (MIG 1) Reg.	79 981 012,00	0,00		0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	975 621,00	1 285 975,00	1 397 589,00	1 753 789,50	5 412 974,50	74 568 037,50
							Baseline Schedule														
DC26	ZDMC:22/226	Rudimentary Water Supply Intervention Programme	FS/TR to Sect.	50 000 000,00			0,00													0,00	50 000 000,00
							Baseline Schedule														
DC26	ZDMC:22/226	Stand- Alone Water Supply Scheme Intervention Programme	BP (MIG 1) Reg.	150 000 000,00			0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1 000 257,00	1 247 895,00	1 354 896,00	3 603 048,00	146 396 952,00
							Baseline Schedule														
DC26	ZDME:20/388	Simdlangentsha Central Bulk Water Supply Scheme	FS/TR to Sect.	780 000 000,00			0,00													0,00	780 000 000,00
							Baseline Schedule														
DC26	ZDMC:22/226	Usuthu Water Reticulation Supply	FS/TR to Sect.	83 496 762,96			0,00													0,00	83 496 762,96
							Baseline Schedule														
DC26	ZDMC:23/330	Zululand Operations and Maintenance Programme	BP (MIG 1) Sub.	85 439 200,00			0,00													0,00	85 439 200,00
							Baseline Schedule														
DC26	ZDMC 16/383 (14/1)	Zululand Small Water Supply Scheme VAT Variation(14-15%)	Practical Completion	12 930 438,60	12 818 000,00	112 438,60	4 044 963,35	7 017 593,92	0,00	0,00	0,00	0,00	1 480 245,50	275 197,23						8 773 036,65	112 438,60
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
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DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00

DC26 **Zululand District Municipality**
12 **IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow**
Financial year: 2024/25
Reporting Month: December 2024
Compiled by:
Verified and Approved by Technical Director?

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2024/25	2025/26	2026/27
Total MIG Allocation	256 939 000,00	272 856 000,00	297 634 000,00
Total Committed	256 939 000,06	272 856 000,00	297 634 000,00
Total Variance	-0,06	0,00	0,00
Table 2 Commited	17 789 059,15	29 316 445,52	51 608 780,10

2023/24 APPROVED ROLLOVER		0,00	2024/25 ADJUSTMEN
2024/25 Allocation (Current + Carried over)		256 939 000,00	2024/25 DORA MIG A
Certified Expenditure Year to Date	90,15%	231 634 663,46	2025/26 DORA MIG A
AMOUNT LEFT TO SPEND - 2024/25		25 304 336,54	2026/27 DORA MIG A
Total Commitment for 2024/25		256 939 000,06	

14
Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (*as per MIG 1 form*)	Actual Project Status	Approved MIG Funding (=NOR + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings (Balance of Approved MIG Funding available)	Total Previous Years MIG Expenditure	2024/25 Jul (Certified)	Aug (Certified)	Sep (Certified)	Oct (Certified)	Nov (Certified)	Dec (Certified)	Jan (Projected)	Feb (Projected)	Mar (Projected)	Apr (Projected)	May (Projected)	Jun (Projected)	2024/25 Total (Certified + Projected) I:T	Projected Balance against Approved MIG Funding cost E - H - U
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
Insert new rows here ONLY																					
Sub Total - Projects				1 241 847 413,56				7 017 593,92	0,00	0,00	0,00	0,00	1 480 245,50	275 197,23	0,00	975 621,00	2 286 232,00	2 645 484,00	3 108 685,50	17 789 059,15	1 220 013 391,06

DC26 Zululand District Municipality

12 **IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow**

Financial year: 2024/25

Reporting Month: December 2024

Compiled by:

Verified and Approved by Technical Director?

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2024/25	2025/26	2026/27
Total MIG Allocation	256 939 000,00	272 856 000,00	297 634 000,00
Total Committed	256 939 000,06	272 856 000,00	297 634 000,00
Total Variance	-0,06	0,00	0,00
Table 2 Commited	17 789 059,15	29 316 445,52	51 608 780,10

	-2 603 000,00
	259 542 000,00
llocation	272 856 000,00
llocation	297 634 000,00

14

Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (*as per MIG 1 form*)	Actual Project Status	Approved MIG Funding (=NOR + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings (Balance of Approved MIG Funding available)	Total Previous Years MIG Expenditure	2025/26 Jul (Projected)	Aug (Projected)	Sep (Projected)	Oct (Projected)	Nov (Projected)	Dec (Projected)	Jan (Projected)	Feb (Projected)	Mar (Projected)	Apr (Projected)	May (Projected)	Jun (Projected)	2025/26 Total Projected W10 : AH10	Projected Balance V - AI
DC26	DC26 PMU	PMU 2024/25	PMU	106 980 171,33	7 313 016,65	0,00	99 667 154,68	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	1 136 900,00	13 642 800,00	-19 176 733,41
DC26	2006MIGFDC265333	Khambi RWSS Water Supply AFA	Construct. 81-99%	74 785 687,00	74 457 182,14	328 504,86	57 353 192,47	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	328 504,85
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Completed	Completed		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Completed	Completed		
DC26	2006MIGFDC265334	Hlahlindlela/eMondlo Regional Water Supply	Construct. 81-99%	167 579 680,00	167 578 900,52	779,48	149 404 268,98	6 769 474,00	5 716 970,65	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	12 486 444,65	-0,01
							Baseline Cashflow (Nat IP)	6 769 474,00	5 716 970,65	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention		
							Baseline Schedule	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention		
DC26	2008MIGFDC26165601	Gumbi Emergency Water Supply	Completed	26 464 362,00	25 394 079,98	1 070 282,02	25 394 079,98	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1 070 282,02
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2012MIGFDC26207602	Simdlangetsha East Water Supply - Phase 2 (AFA) MIS 419583	Construct. 81-99%	122 054 260,08	122 054 000,00	260,08	114 954 905,95	7 099 354,13	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	7 099 354,13	0,00
							Baseline Cashflow (Nat IP)	7 099 354,13	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Completed	Completed		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Completed	Completed		
DC26	2013MIGFDC26213508	Simdlangentsha Central Water Supply Project: Phase 3 2010 - 2014	Practical Completion	148 006 808,34	148 006 808,34	0,00	141 345 882,96	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	18,00
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Completed	Completed		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Completed	Completed		
DC26	2013MIGFDC26220802	Zululand Rudimentary Water Supply Programme - Phase 4 (AFA) MIS	Practical Completion	218 998 225,52	218 908 113,99	90 111,53	218 479 515,02	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	90 111,52
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2014MIGFDC26215437	Mandlakazi Regional Water Supply - Phase 5	Construct. 21-40%	447 768 410,25	447 768 400,00	10,25	87 313 500,08	5 385 436,35	5 897 625,00	5 185 923,00	4 789 652,00	4 855 777,00	4 002 488,73	3 986 521,00	4 258 964,00	3 589 621,00	4 632 548,00	4 248 965,00	3 589 625,28	54 423 146,36	264 919 404,09
							Baseline Cashflow (Nat IP)	5 385 436,35	5 897 625,00	5 185 923,00	4 789 652,00	4 855 777,00	4 002 488,73	3 986 521,00	4 258 964,00	3 589 621,00	4 632 548,00	4 248 965,00	3 589 625,28		
							Actual / Revised Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%		
							Baseline Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%		
DC26	2017MIGFDC26241079	Zululand Small Water Supply Scheme	Practical Completion	12 818 000,00	12 817 044,99	955,01	4 044 963,35	1 480 245,50	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1 480 245,50	275 197,23
							Baseline Cashflow (Nat IP)	1 480 245,50	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Practical Completion	Release Of Retention	Practical Completion	Release Of Retention	Release Of Retention	Completed	Completed	Completed		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Release Of Retention	Practical Completion	Release Of Retention	Practical Completion	Release Of Retention	Release Of Retention	Completed	Completed	Completed		
DC26	2019MIGFDC26331822	Simlangentsha West RWSS Phase 3	Construct. 41-60%	500 857 120,01	500 856 619,65	500,36	179 760 378,16	14 578 945,00	13 752 791,15	12 896 512,00	14 514 308,79	4 584 521,79	4 085 962,00	4 589 621,00	4 489 654,00	4 365 726,23	2 895 726,00	2 779 604,43	2 695 251,78	86 228 624,17	129 352 599,20
							Baseline Cashflow (Nat IP)	14 578 945,00	13 752 791,15	12 896 512,00	14 514 308,79	4 584 521,79	4 085 962,00	4 589 621,00	4 489 654,00	4 365 726,23	2 895 726,00	2 779 604,43	2 695 251,78		
							Actual / Revised Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%		
							Baseline Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%		
DC26	2020MIGFDC26371424	Zululand Rudimentary Water Supply Programme - Phase 5	Construct. 61-80%	159 694 096,80	159 694 096,80	0,00	84 720 658,20	1 710 135,21	3 500 000,00	3 570 384,94	1 750 435,00	2 345 000,00	1 653 871,21	1 855 538,50	2 358 975,00	2 587 951,00	1 426 987,00	0,00	0,00	22 759 277,86	20 175 380,49
							Baseline Cashflow (Nat IP)	1 710 135,21	3 500 000,00	3 570 384,94	1 750 435,00	2 345 000,00	1 653 871,21	1 855 538,50	2 358 975,00	2 587 951,00	1 426 987,00	0,00	0,00		
							Actual / Revised Schedule	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%		
							Baseline Schedule	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%		
DC26	2021MIGFDC26419907	Upgrading of Ulundi Water Treatment Works : Phase 1	Completed	56 031 353,00	55 922 577,14	108 775,86	53 247 557,50	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2 652 286,50
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2021MIGFDC26419908	Upgrading of Ulundi Water Treatment Works : Phase 2	Construct. 61-80%	159 279 945,00	159 279 944,70	0,30	90 038 418,97	8 097 154,00	4 585 578,00	4 889 061,49	3 902 578,00	3 875 621,00	1 521 957,43	1 589 756,00	4 345 986,00	4 587 965,00	4 558 964,00	4 589 654,00	2 796 399,90	49 340 674,82	0,00
							Baseline Cashflow (Nat IP)	8 097 154,00	4 585 578,00	4 889 061,49	3 902 578,00	3 875 621,00	1 521 957,43	1 589 756,00	4 345 986,00	4 587 965,00	4 558 964,00	4 589 654,00	2 796 399,90		
							Actual / Revised Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion		
							Baseline Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion		
DC26	2024MIGFDC26510619	ZULULAND 3 YEAR OPERATIONS & MAINTENANCE PROGRAMM	Tender	85 439 200,00	85 439 200,00	0,00	0,00	2 589 623,00	2 205 894,00	2 148 965,00	2 896 574,00	2 963 245,00	1 520 489,00	1 002 589,00	2 194 278,25	2 895 621,00	2 723 311,26	2 254 843,00		25 395 432,51	51 550 792,49
							Baseline Cashflow (Nat IP)	2 589 623,00	2 205 894,00	2 148 965,00	2 896 574,00	2 963 245,00	1 520 489,00	1 002 589,00	2 194 278,25	2 895 621,00	2 723 311,26	2 254 843,00			
							Actual / Revised Schedule	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%		
							Baseline Schedule	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 21-40%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%		
DC26						0,00	0,00													0,00	0,00
							Baseline Cashflow (Nat IP)														
							Actual / Revised Schedule														
							Baseline Schedule														
Insert new rows here ONLY																					
Sub Total - Projects				2 286 757 319,33	2 185 489 984,90	1 600 179,75	1 305 724 476,30	48 847 267,19	36 795 758,80	29 827 746,43	28 990 447,79	19 761 064,79	13 921 668,37	14 160 925,50	18 784 757,25	19 163 784,23	17 374 436,26	15 009 966,43	10 218 176,96	272 856 000,00	451 237 842,97

MONTHLY DORA TRANSFER PAYMENT (DRAWDOWN) SCHEDULE:

PROVINCIAL ACCUMULATIVE EXPENDITURE TARGET (%):

MUNICIPAL ACCUMULATIVE CERTIFIED EXPENDITURE (%):

7

Table 2: MIG Projects to be Registered

Total Committed	17 789 059,15	29 316 445,52	51 608 780,10

Agent	Municipal Reference Number (IDP or Council Resolution No.)	Project Title (*to be used on MIG 1 form*)	Project Status	Projected MIG Funding	Projected Counter Funding		Total Previous Years MIG Expenditure	2025/26 Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Projected	Balance
DC26	ZDME:20/388	ZDM Rural Sanitation Phase 3A	BP (MIG 1) Reg.	79 981 012,00	0,00		0,00	1 511 035,00	1 358 975,00	1 587 954,00	1 025 879,00	1 152 879,00	889 760,00	859 477,00	1 589 756,00	1 587 954,00	1 128 745,02	1 397 589,00	1 753 789,50	15 843 792,52	58 724 244,98
							Baseline Schedule														
DC26	ZDMC:22/226	Rudimentary Water Supply Intervention Programme	FS/TR to Sect.	50 000 000,00			0,00													0,00	50 000 000,00
							Baseline Schedule														
DC26	ZDMC:22/226	Stand- Alone Water Supply Scheme Intervention Programme	BP (MIG 1) Reg.	150 000 000,00			0,00	1 158 965,00	1 248 756,00	1 025 896,00	1 598 762,00	1 453 826,00	1 000 254,00	485 236,00	987 562,00	1 365 893,00	1 245 987,00	1 025 896,00	875 620,00	13 472 653,00	132 924 299,00
							Baseline Schedule														
DC26	ZDME:20/388	Simdlangentsha Central Bulk Water Supply Scheme	FS/TR to Sect.	780 000 000,00			0,00													0,00	780 000 000,00
							Baseline Schedule														
DC26	ZDMC:22/226	Usuthu Water Reticulation Supply	FS/TR to Sect.	83 496 762,96			0,00													0,00	83 496 762,96
							Baseline Schedule														
DC26	ZDMC:23/330	Zululand Operations and Maintenance Programme	BP (MIG 1) Sub.	85 439 200,00			0,00													0,00	85 439 200,00
							Baseline Schedule														
DC26	ZDMC 16/383 (14/1)	Zululand Small Water Supply Scheme VAT Variation(14-15%)	Practical Completion	12 930 438,60	12 818 000,00	112 438,60	4 044 963,35													0,00	112 438,60
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
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							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00

DC26 **Zululand District Municipality**

12 **IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow**

Financial year: 2024/25

Reporting Month: December 2024

Compiled by:

Verified and Approved by Technical Director?

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2024/25	2025/26	2026/27
Total MIG Allocation	256 939 000,00	272 856 000,00	297 634 000,00
Total Committed	256 939 000,06	272 856 000,00	297 634 000,00
Total Variance	-0,06	0,00	0,00
Table 2 Commited	17 789 059,15	29 316 445,52	51 608 780,10

	-2 603 000,00
	259 542 000,00
llocation	272 856 000,00
llocation	297 634 000,00

14

Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (*as per MIG 1 form*)	Actual Project Status	Approved MIG Funding (=NOR + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings (Balance of Approved MIG Funding available)	Total Previous Years MIG Expenditure	2025/26 Jul (Projected)	Aug (Projected)	Sep (Projected)	Oct (Projected)	Nov (Projected)	Dec (Projected)	Jan (Projected)	Feb (Projected)	Mar (Projected)	Apr (Projected)	May (Projected)	Jun (Projected)	2025/26 Total Projected W10 : AH10	Projected Balance V - AI
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
Insert new rows here ONLY																					
Sub Total - Projects				**1 241 847 413,56**				**2 670 000,00**	**2 607 731,00**	**2 613 850,00**	**2 624 641,00**	**2 606 705,00**	**1 890 014,00**	**1 344 713,00**	**2 577 318,00**	**2 953 847,00**	**2 374 732,02**	**2 423 485,00**	**2 629 409,50**	**29 316 445,52**	**1 190 696 945,54**

DC26 Zululand District Municipality
12 **IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow**
Financial year: 2024/25
Reporting Month: December 2024
Compiled by:
Verified and Approved by Technical Director?

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2024/25	2025/26	2026/27
Total MIG Allocation	256 939 000,00	272 856 000,00	297 634 000,00
Total Committed	256 939 000,06	272 856 000,00	297 634 000,00
Total Variance	-0,06	0,00	0,00
Table 2 Commited	17 789 059,15	29 316 445,52	51 608 780,10

14
Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (*as per MIG 1 form*)	Actual Project Status	Approved MIG Funding (=NOR + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings (Balance of Approved MIG Funding available)	Total Previous Years MIG Expenditure	2026/27 Jul (Projected)	Aug (Projected)	Sep (Projected)	Oct (Projected)	Nov (Projected)	Dec (Projected)	Jan (Projected)	Feb (Projected)	Mar (Projected)	Apr (Projected)	May (Projected)	Jun (Projected)	2026/27 Total Projected AK : AV	Projected Balance AJ - AW
DC26	DC26 PMU	PMU 2024/25	PMU	106 980 171,33	7 313 016,65	0,00	99 667 154,68	1 240 141,67	1 240 141,67	1 240 141,67	1 240 141,67	1 240 141,67	1 240 141,67	1 240 141,67	1 240 141,67	1 240 141,66	1 240 141,66	1 240 141,66	1 240 141,66	14 881 700,00	-34 058 433,41
DC26	2006MIGFDC265333	Khambi RWSS Water Supply AFA	Construct. 81-99%	74 785 687,00	74 457 182,14	328 504,86	57 353 192,47	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	328 504,85
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2006MIGFDC265334	Hlahlindlela/eMondlo Regional Water Supply	Construct. 81-99%	167 579 680,00	167 578 900,52	779,48	149 404 268,98	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-0,01
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2008MIGFDC26165601	Gumbi Emergency Water Supply	Completed	26 464 362,00	25 394 079,98	1 070 282,02	25 394 079,98	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1 070 282,02
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2012MIGFDC26207602	Simdlangetsha East Water Supply - Phase 2 (AFA) MIS 419583	Construct. 81-99%	122 054 260,08	122 054 000,00	260,08	114 954 905,95	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2013MIGFDC26213508	Simdlangentsha Central Water Supply Project: Phase 3 2010 - 2014	Practical Completion	148 006 808,34	148 006 808,34	0,00	141 345 882,96	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	18,00
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2013MIGFDC26220802	Zululand Rudimentary Water Supply Programme - Phase 4 (AFA) MIS	Practical Completion	218 998 225,52	218 908 113,99	90 111,53	218 479 515,02	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	90 111,52
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2014MIGFDC26215437	Mandlakazi Regional Water Supply - Phase 5	Construct. 21-40%	447 768 410,25	447 768 400,00	10,25	87 313 500,08	18 259 473,04	11 391 633,89	12 589 632,00	11 822 477,32	10 975 623,10	5 248 596,00	5 589 762,00	11 578 956,00	8 895 632,00	10 625 874,00	10 895 235,00	4 808 416,34	122 681 310,69	142 238 093,40
							Baseline Cashflow (Nat IP)	18 259 473,04	11 391 633,89	12 589 632,00	11 822 477,32	10 975 623,10	5 248 596,00	5 589 762,00	11 578 956,00	8 895 632,00	10 625 874,00	10 895 235,00	4 808 416,34		
							Actual / Revised Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%		
							Baseline Schedule	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 41-60%	Construct. 61-80%	Construct. 61-80%		
DC26	2017MIGFDC26241079	Zululand Small Water Supply Scheme	Practical Completion	12 818 000,00	12 817 044,99	955,01	4 044 963,35	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	275 197,23
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2019MIGFDC26331822	Simlangentsha West RWSS Phase 3	Construct. 41-60%	500 857 120,01	500 856 619,65	500,36	179 760 378,16	21 589 652,00	15 896 523,00	21 895 623,00	8 952 386,00	9 852 136,00	3 865 243,00	2 090 276,19	8 313 748,41	8 758 623,00	4 785 623,00	4 132 375,22	0,00	110 132 208,82	19 220 390,38
							Baseline Cashflow (Nat IP)	21 589 652,00	15 896 523,00	21 895 623,00	8 952 386,00	9 852 136,00	3 865 243,00	2 090 276,19	8 313 748,41	8 758 623,00	4 785 623,00	4 132 375,22	0,00		
							Actual / Revised Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion		
							Baseline Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%			
DC26	2020MIGFDC26371424	Zululand Rudimentary Water Supply Programme - Phase 5	Construct. 61-80%	159 694 096,80	159 694 096,80	0,00	84 720 658,20	15 642 422,59	2 587 965,00	1 944 992,90	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	20 175 380,49	0,00
							Baseline Cashflow (Nat IP)	15 642 422,59	2 587 965,00	1 944 992,90	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion		
							Baseline Schedule	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion		
DC26	2021MIGFDC26419907	Upgrading of Ulundi Water Treatment Works : Phase 1	Completed	56 031 353,00	55 922 577,14	108 775,86	53 247 557,50	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	2 652 286,50
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
							Baseline Schedule	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed		
DC26	2021MIGFDC26419908	Upgrading of Ulundi Water Treatment Works : Phase 2	Construct. 61-80%	159 279 945,00	159 279 944,70	0,30	90 038 418,97	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
							Baseline Cashflow (Nat IP)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
							Actual / Revised Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention		
							Baseline Schedule	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Practical Completion	Release Of Retention		
DC26	2024MIGFDC26510619	ZULULAND 3 YEAR OPERATIONS & MAINTENANCE PROGRAMM	Tender	85 439 200,00	85 439 200,00	0,00	0,00	3 589 756,00	2 587 965,00	2 285 962,00	3 025 894,00	2 478 965,00	2 205 489,00	2 041 895,00	2 589 623,00	3 896 542,00	2 589 756,00	2 471 553,00	0,00	29 763 400,00	21 787 392,49
							Baseline Cashflow (Nat IP)	3 589 756,00	2 587 965,00	2 285 962,00	3 025 894,00	2 478 965,00	2 205 489,00	2 041 895,00	2 589 623,00	3 896 542,00	2 589 756,00	2 471 553,00	0,00		
							Actual / Revised Schedule	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%		
							Baseline Schedule	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 61-80%	Construct. 81-99%	Construct. 81-99%	Construct. 81-99%		
DC26						0,00	0,00													0,00	0,00
							Baseline Cashflow (Nat IP)														
							Actual / Revised Schedule														
							Baseline Schedule														
Insert new rows here ONLY																					
Sub Total - Projects				2 286 757 319,33	2 185 489 984,90	1 600 179,75	1 305 724 476,30	60 321 445,30	33 704 228,56	39 956 351,57	25 040 898,99	24 546 865,77	12 559 469,67	10 962 074,86	23 722 469,08	22 790 938,66	19 241 394,66	18 739 304,88	6 048 558,00	297 634 000,00	153 603 842,97

MONTHLY DORA TRANSFER PAYMENT (DRAWDOWN) SCHEDULE:
PROVINCIAL ACCUMULATIVE EXPENDITURE TARGET (%):
MUNICIPAL ACCUMULATIVE CERTIFIED EXPENDITURE (%):

7
Table 2: MIG Projects to be Registered

Agent	Municipal Reference Number (IDP or Council Resolution No.)	Project Title (*to be used on MIG 1 form*)	Project Status	Projected MIG Funding	Projected Counter Funding		Total Previous Years MIG Expenditure	2026/27 Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Projected	Balance
			Total Committed	17 789 059,15	29 316 445,52	51 608 780,10															
DC26	ZDME:20/388	ZDM Rural Sanitation Phase 3A	BP (MIG 1) Reg.	79 981 012,00	0,00		0,00	1 587 956,00	1 528 962,00	1 258 962,00	1 458 962,00	1 258 963,00	1 025 896,00	896 523,00	2 589 621,00	2 589 632,10	2 589 623,00	2 058 962,00	0,00	18 844 062,10	39 880 182,88
							Baseline Schedule														
DC26	ZDMC:22/226	Rudimentary Water Supply Intervention Programme	FS/TR to Sect.	50 000 000,00			0,00													0,00	50 000 000,00
							Baseline Schedule														
DC26	ZDMC:22/226	Stand- Alone Water Supply Scheme Intervention Programme	BP (MIG 1) Reg.	150 000 000,00			0,00	2 589 632,00	3 562 896,00	3 058 620,00	2 896 523,00	2 386 524,00	2 582 130,00	2 075 896,00	3 258 769,00	3 696 321,00	3 598 612,00	3 058 795,00	0,00	32 764 718,00	100 159 581,00
							Baseline Schedule														
DC26	ZDME:20/388	Simdlangentsha Central Bulk Water Supply Scheme	FS/TR to Sect.	780 000 000,00			0,00													0,00	780 000 000,00
							Baseline Schedule														
DC26	ZDMC:22/226	Usuthu Water Reticulation Supply	FS/TR to Sect.	83 496 762,96			0,00													0,00	83 496 762,96
							Baseline Schedule														
DC26	ZDMC:23/330	Zululand Operations and Maintenance Programme	BP (MIG 1) Sub.	85 439 200,00			0,00													0,00	85 439 200,00
							Baseline Schedule														
DC26	ZDMC 16/383 (14/1)	Zululand Small Water Supply Scheme VAT Variation(14-15%)	Practical Completion	12 930 438,60	12 818 000,00	112 438,60	4 044 963,35													0,00	112 438,60
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
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							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00

DC26 Zululand District Municipality

12 **IMPLEMENTATION OF MIG PROJECTS 3-year Cash flow**

Financial year: 2024/25

Reporting Month: December 2024

Compiled by:

Verified and Approved by Technical Director?

ALLOCATION & COMMITMENT SUMMARY			
Financial year	2024/25	2025/26	2026/27
Total MIG Allocation	256 939 000,00	272 856 000,00	297 634 000,00
Total Committed	256 939 000,06	272 856 000,00	297 634 000,00
Total Variance	-0,06	0,00	0,00
Table 2 Commited	17 789 059,15	29 316 445,52	51 608 780,10

14

Table 1: MIG Registered Projects

Agent	Provincial Reference Number	Project Title (*as per MIG 1 form*)	Actual Project Status	Approved MIG Funding (=NOR + AFAs)	Actual Project Cost (Tender sum + fees)	Potential Savings (Balance of Approved MIG Funding available)	Total Previous Years MIG Expenditure	2026/27 Jul (Projected)	Aug (Projected)	Sep (Projected)	Oct (Projected)	Nov (Projected)	Dec (Projected)	Jan (Projected)	Feb (Projected)	Mar (Projected)	Apr (Projected)	May (Projected)	Jun (Projected)	2026/27 Total Projected AK : AV	Projected Balance AJ - AW
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
DC26							0,00													0,00	0,00
							Baseline Schedule														
Insert new rows here ONLY																					
Sub Total - Projects				1 241 847 413,56				4 177 588,00	5 091 858,00	4 317 582,00	4 355 485,00	3 645 487,00	3 608 026,00	2 972 419,00	5 848 390,00	6 285 953,10	6 188 235,00	5 117 757,00	0,00	51 608 780,10	1 139 088 165,44

APPROVAL OF THE ZULULAND DISTRICT MUNICIPALITY'S SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP) FOR THE QUARTER ENDING 31 SEPTEMBER 2024

The Zululand District Municipality's SDBIP for the year ending 31 December 2024 has been reviewed and approved by the Honourable Mayor: Cllr. MB Khumalo as said in S69 (3) (a) and S54 (3) of the Municipal Finance Management Act.

Date received: 13/01/2025

Date Approved: 17/01/2025

Signature: