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**INTERNAL MEMO**

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**DATE** : 13 MAY 2024  
**TO** : THE HONOURABLE MAYOR  
**FROM** : MUNICIPAL MANAGER  
**RE** : MONTHLY BUDGET STATEMENT

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Kindly find the attached monthly budget statement for your Review, in compliance with the S71 (1) of the Municipal Finance Management Act. The budget statement is for the period ending **30 April 2024**.

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

In terms of S54 of the Municipal Finance Management Act

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

Yours Faithfully

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**N.S. MSIBI**  
**Chief Financial Officer**

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**R.N HLONGWA**  
**Municipal Manager**

"Service Delivery through Integrity"

# ZULULAND DISTRICT MUNICIPALITY



## MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

**30 APRIL 2024**

**MFMA S71 REPORT**

**2023/2024 FINANCIAL YEAR**

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## **GLOSSARY**

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

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

**AFS** – Annual Financial Statements.

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

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

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

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

**CFO** – Chief Financial Officer

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

**DWAF** – Department of Water Affairs

**EPWP** – Expanded Public Works Program

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

**FMG** – Financial Management Grant

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

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

**MSCOA** – Municipal Standard Chart of Accounts

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

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

**LED** – Local Economic Development

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

**MIG** – Municipal Infrastructure Grant

**MSIG** – Municipal Systems Improvement Grant

**WSIG** – Water services Infrastructure Grant

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

**MWIG** – Municipal Water Infrastructure Grant

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

**R & M** – Repairs and Maintenance

**SCM** - Supply Chain Management

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

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

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

**Virement** – transfer of budget

**ZDM** – Zululand District Municipality

## PART 1 – IN-YEAR REPORT

### 1.1. MAYORS REPORT

To be attached

### 1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

### 1.3. EXECUTIVE SUMMARY

#### BUDGET PERFORMANCE ANALYSIS

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

#### Summary Statement of Financial Performance

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL %
Total Revenue By Source (Excluding Capital Transfers)	718 247 500	823 201 090.00	814 889 424	674 099 355	140 790 069	21%	99
Total Operating Expenditure	722 102 135	825 246 370.00	757 882 281	677 623 028	80 259 254	12%	92
<b>Surplus/(Deficit)</b>	<b>-3 854 635</b>	<b>-2 045 280.00</b>	<b>57 007 143</b>	<b>-3 523 673</b>	<b>60 530 816</b>		

GRANTS RECIEPTS AND EXPENDITURE AS AT 29 FEBRUARY 2024	APPROVED BUDGET	ADJUSTED BUDGET	RECIEPTS	YTD ACTUAL	VARIANCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	271 683 000.00	253 512 000.00	224 000 000.00	230 360 501.81	23 151 498.19	91
Regional Bulk Infrastructure (RBIG)	430 905 000.00	413 905 000.00	413 905 000.00	342 281 938.01	71 623 061.99	83
Water services infrastructure Grant (WSIG)	100 000 000.00	95 000 000.00	80 000 000.00	93 317 665.44	1 682 334.56	98
Rural Roads Asset Managemnt Systems Grant	2 539 000.00	2 539 000.00	2 539 000.00	2 136 311.42	402 688.58	84
Aviation Strategy	2 000 000.00	2 000 000.00	2 000 000.00		2 000 000.00	-
Indonsa Grant	1 911 000.00	955 500.00	955 500.00	210 352.00	745 148.00	22
FMG	1 200 000.00	1 200 000.00	1 200 000.00	648 689.37	551 310.63	54
EPWP	7 077 000.00	6 682 000.00	6 682 000.00	6 682 000.00	395 000.00	100
NSF	-	98 280 452.48	98 280 452.48	98 280 452.48	-	100
LGSETA Waste Water Employyes		169 000.00	169 000.00	169 000.00	-	100
LGSETA MFMP		210 000.00	210 000.00	210 000.00	-	100
LGSETA-Fire and Rescue- Non Employees		752 614.26	752 614.26	752 614.26	-	100
AMAFA		200 000.00	200 000.00	198 000.00	2 000.00	99
	817 315 000.00	875 405 566.74	830 893 566.74	775 247 524.79	100 553 041.95	

#### Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 April 2024** is **R814.8 million** which is **99%** of the approved adjusted operating revenue budget. The **R814.8 million** year to date actual is above baseline projection or year-to-date budget of **R674.09 million**, a variance of **R140 million** or **21%** is observed.

**Service Charges**

The Municipality is largely dependent on government grants and partly service charges for its operations. Service charges revenue recognized from exchange revenue is only **R61.9 million** which is **8%** of the total generated revenue.

The Municipality has adjusted budget of collection to **R69.1. million** on service charges, the estimated collection amount is based on the 60% collection rate. The collection rate is also based on previous years actual collection and initiatives the municipality has taken to improve collection. The Municipality has collected **R25.7 million** to date. This is **49%** of budgeted collection and **42%** of year-to-date billing.

**Major Variances between actuals and year to date budget on Operating Revenue**

Reasons for variances can be attributed to Transfers and subsidies which are moving at a pace faster than year to date budget because they cannot be bench marked because they are received as per transfer schedule.

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

**Operating Expenditure Performance**

Total Operating Expenditure as at **30 April 2024** is **R757.8 million** which is **92%** of the approved adjusted operating expenditure budget. The **R757.8 million** year to date actual is **above** the baseline projection or year-to-date budget of **R677.6 million**, a variance of **R80.2 million** or **12%** is observed.

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

Reasons for variances can be attributed to contracted services, employee related costs and operational costs which is moving at a faster pace than year -to -date budget; debt impairment which has no movement yet; depreciation and inventory consumed which are moving at a slower pace than year -to- date budget; transfers and subsidies is seasonal cannot benchmarked with year-to-date budget.

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

**Capital Expenditure and Funding**

**Summary Statement of Capital Expenditure and Funding**

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL %
Total Capital Expenditure	790 424 351	757 883 826.00	586 159 048	639 388 653	-53 229 605	-8%	77
Total Capital Financing	790 424 351	757 883 826.00	586 159 048	639 388 653	-53 229 605	-8%	77

Total Capital Expenditure as at **30 April 2024** is **R586.1 million** which is **77%** of the approved adjusted capital budget. The **R586.1 million** year to date actual is **below** the **ten months** baseline projection or year-to-date budget of **R639.3 million**, a variance of **R53.2 million** or **8%** is observed.

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

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

Reasons for variances can be attributed to capital grants not being spent at similar pace as year-to-date budget. **MIG** is at **91%**, **RBIG** is at **83%**, **WSIG** is at **98%** **RRAMG** is at **84%**, **Art Centre Subsidies** is at **0%** and **Aviation strategy** is at **0%**.

### Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD ACTUAL EXPENDITURE %
Total current assets	480 491 843	355 948 589.00	308 950 816	87
Total non current assets	6 247 524 827	5 667 722 201.00	5 499 245 878	97
Total current liabilities	352 992 453	499 035 002.00	308 254 430	62
Total non current liabilities	128 340 000	132 310 738.00	144 688 738	109
<b>TOTAL COMMUNITY WEALTH/ EQUITY</b>	<b>5 445 411 852</b>	<b>4 627 968 434.00</b>	<b>5 161 098 946</b>	<b>112</b>

**The current assets** year to date actual is **R308.9 million** which is **87%** of the approved adjusted budget. **Non - Current assets** year to date actual is **R5.49 billion** which is **97%** of the approved adjusted budget. **Current Liabilities** year to date actual is **R308.2 million** which is **62%** of the approved adjusted budget. **Non - Current Liabilities** year to date is **R144.6 million**, which is **109%** of the approved adjusted budget. **Accumulated surplus** year to date actual is **R5.16 billion** which is **112%** of the approved budget.

Current assets amount to **R308.9 million**, included in the current assets is **cash investment of R175 million**.

Current liabilities amount to **R308.2 million**, this includes **unspent conditional grants** amounting to **R106.3 million**.

The Current ratio is 1.04:1 [**R308.9 million/R308.2 million**], which is the Minimum current ratio norm of **1:1**

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) - M10 April

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity										
Service charges - Water		39 170	51 532	53 518	6 697	48 750	44 135	4 615	10%	53 518
Service charges - Waste Water Management		14 831	16 406	15 597	2 348	13 150	13 186	(36)	0%	15 597
Service charges - Waste management										
Sale of Goods and Rendering of Services		1 426	1 001	755	13	733	686	46	7%	755
Agency services										
Interest										
Interest earned from Receivables		75	521	784	59	631	592	38	6%	784
Interest from Current and Non Current Assets		7 433	3 000	7 500	497	11 142	5 200	5 942	114%	7 500
Dividends										
Rent on Land										
Rental from Fixed Assets		181	500	458	167	470	392	79	20%	458
Licence and permits		88	60	103	21	95	76	19	26%	103
Operational Revenue		563	369	442	141	591	351	239	68%	442
<b>Non-Exchange Revenue</b>										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits		910	1 000	853	77	391	745	(354)	-48%	853
Licence and permits										
Transfers and subsidies - Operational		658 830	643 859	743 190	18	738 936	608 736	130 201	21%	743 190
Interest										
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		2 894								
Other Gains		4 385				0		0	#DIV/0!	
Discontinued Operations										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>730 785</b>	<b>718 248</b>	<b>823 201</b>	<b>10 037</b>	<b>814 889</b>	<b>674 099</b>	<b>140 790</b>	<b>21%</b>	<b>823 201</b>

The year-to-date actual indicates operating revenue of **R814.8 million** for **ten months**, The **R814.8 million** year to date actual is **above** the Baseline projection or year-to-date budget of **R674.09 million**, a variance of **R140.7 million** or **21%** is observed. The total revenue to-date represents **99%** of the adjusted operating revenue budget. Included in operating revenue is the 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 **R48.7 million** which is **91%** of the approved adjusted budget. the **R48.7 million** year to date actual is **above** baseline projection or year-to-date budget of **R44.1 million**. A variance of **R4.6 million** or **10%** is observed.

The municipality need to keep up billing and install meters where and when needed.

### **Service charges** – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R13.15 million** which is **84%** of the approved adjusted budget. The **R13.15 million** year to date actual is **below** the baseline projection or year-to-date budget of **R13.18 million**. A variance of **R36 thousand** or **0%** is observed.

### **Sale of goods and rendering of service**

This is the amount on sale of goods and rendering of services, the year-to-date actual is **R733 thousands** which is **97%** of the approved adjusted budget. the **R733 thousands** year to date actual is **above** the baseline projection or year-to-date budget of **R686 thousand**. A variance of **R46 thousand** or **7%** is observed. There has been an improvement in sale of tender documents.

### **Interest earned - outstanding debtors**

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is **R631 thousand** which is **80%** of the approved adjusted budget. The **R631 thousand** year to date actual is **above** the baseline projection or year-to-date budget of **R592 thousand**. A variance of **R38 thousand** or **6%** is observed.

Reasons for variances can be attributed to businesses' slow adherence to payment terms. The municipality must implement stringent measures to ensure businesses pay on time.

### **Interest from Current and Non-Current Assets**

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R11.1 million** which is **149%** of the approved adjusted budget. The **R11.1 million** year to date actual is **above** the baseline projection or year-to-date budget of **R5.2 million**. A variance of **R5.9 million** or **114%** is observed.

Reasons for variances can be attributed to the availability of cash to be invested to date.

### **Rental from Fixed Assets**

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R470 thousand** which is **103%** of the approved adjusted budget. the **R470 thousand** year to date actual is **above** the baseline projection or year-to-date budget of **R392 thousand**. A variance of **R79 thousand** or less than **20%** is observed.

### **Licences and Permits**

Licences and permits year-to-date actual is **R95 thousand** which is **92%** of the approved adjusted budget. the **R95 thousand** year to date actual is **above** the baseline projection or year-to-date budget of **R76 thousand**. A variance of **R19 thousand** or **26%** is observed.

Reasons for variances can be attributed to the increase in number of licence renewal.

## **Operational revenue**

Operational revenue year-to-date actual is **R591 thousand** which is **134%** of the approved budget. the **R591 thousand** year to date actual is **Above** baseline projection or year-to-date budget of **R351 thousand**. A variance of **R239 thousand** or **68%** is observed.

The municipality received insurance refund and skills levy refund.

## **Non-Exchange Revenue**

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

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is **R391 thousand** which is **46%** of the approved adjusted budget. the **R391 thousand** year to date actual is **Below** the baseline projection or year-to-date budget of **R745 thousand**. A variance of **R354 thousand** or **48%** is observed.

Reasons for variances can be attributed to a positive indication that some customers are not illegally connecting or there are some illegal connections not yet discovered.

The 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), 2023; 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 **R738.9 million** which is **99%** of the approved adjusted budget. The **R738.9 million** year to date actual is **above** the baseline projection or year-to-date budget of **R608.7 million**. A variance of **R130.2 million** or **21%** 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.

## 1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
<b>Expenditure By Type</b>										
Employee related costs		286 332	290 728	293 616	25 111	250 083	244 008	6 075	2%	293 616
Remuneration of councillors		9 276	9 486	9 784	784	8 163	8 084	79	1%	9 784
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		51 978	42 130	44 704	48	18 927	37 098	(18 171)	-49%	44 704
Debt impairment		6 428	10 000	10 000	-	-	8 333	(8 333)	-100%	10 000
Depreciation and amortisation		100 249	90 000	90 000	11 611	86 262	75 000	11 262	15%	90 000
Interest		553	1 000	1 000	1	455	833	(378)	-45%	1 000
Contracted services		358 077	128 719	235 293	8 092	236 074	185 702	50 373	27%	235 293
Transfers and subsidies		4 683	6 000	3 965	-	2 698	3 132	(434)	-14%	3 965
Irrecoverable debts written off		2 192	-	-	-	28	-	28	#DIV/0!	-
Operational costs		167 646	144 039	136 884	12 697	154 703	115 433	39 270	34%	136 884
Losses on Disposal of Assets		679	-	-	-	489	-	489	#DIV/0!	-
Other Losses		309	-	-	-	-	-	-		-
<b>Total Expenditure</b>		<b>988 400</b>	<b>722 102</b>	<b>825 246</b>	<b>58 344</b>	<b>757 882</b>	<b>677 623</b>	<b>80 259</b>	<b>12%</b>	<b>825 246</b>

The year-to-date actual indicate spending of **R757.8 million** for **ten months**, which is **92%** of the approved adjusted operating expenditure budget. The **R757.8 million** year to date actual is **above** the baseline projection or year-to-date budget of **R677.6 million**, a variance of **R80.2 million** or **12%** 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 **R250.08 million** which is **85%** of the approved adjusted budget. The **R250.08 million** year to date actual is **above** the baseline projection or year-to-date budget of **R244 million**. A variance of **R6.07 million** or **2%** is observed.

Variance is less than 5%

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

### Remuneration of Councillors

Remuneration of Councilors are amounts paid for councilors allowances, service-related benefits, and contributions. The year-to-date actual is **R8.1 million** which is **83%** of the approved adjusted budget. The **R8.1 million** year to date actual is **above** the baseline projection or year-to-date budget of **R8.08 million**. A variance of **R79 thousand** or **1%** is observed.

Variance is less than 5%

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

### **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 **R18.9 million** which is **43%** of the approved budget. the **R18.9 million** year to date actual is **below** baseline projection or year-to-date budget of **R37.09 million**. A variance of **R18.1 million** or **49%** is observed.

The municipality has started paying for bulk water service providers

### **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 **R86.2 million** which is **96%** of the approved adjusted budget. The **R86.2 million** year to date actual is **above** the baseline projection or year-to-date budget of **R75 million**. A variance of **R11.2 million** or **15%** is observed.

The municipality need to budget using depreciation method stipulated in the policy.

### **Finance charges**

Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is **R455 thousand** which is **45%** of the approved adjusted budget. The **R455 thousand** year to date actual is **below** the baseline projection or year-to-date budget of **R833 thousand**. A variance of **R378 thousand** or **45%** is observed.

Reasons for variances can be attributed to the early payment of the account during this period. Municipality need to keep up early payments to minimise this expenditure.

### **Contracted services**

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R236.07 million** which is **100%** of the approved adjusted budget. The **R236.07 million** year to date actual is above the baseline projection or year-to-date budget of **R185.7 million**. A variance of **R50.3 million** or **27%** is observed.

Reasons for variances can be attributed to current commitments beyond contracted services budget. The municipality must review SLAs and try to minimise costs as low as possible in this line-item.

### **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 **R2.6 million** which is **71%** of the approved budget. The **R2.6 million** year to date actual is **Below** the Baseline projection or year-to-date budget of **R3.1 million**. A variance of **R434 thousand** or **14%** is observed.

Reasons for variances can be attributed to the fact that this line item is for seasonal expenditure. The municipality need to monitor this line item.

### **Irrecoverable debt written off**

Irrecoverable debt written off year-to-date actual is **R28 thousand** which is **0%** of the approved budget. the **R28 thousand** year to date actual cannot be benchmarked against year-to-date budget because it has no budget. A variance of **R28 thousand** or **0%** is observed.

### **Operational costs**

Operational costs are all other expenditure not classified above. The year-to-date actual is **R154.7 million** which is **113%** of the approved budget. The **R154.7 million** year to date actual is **above** the baseline projection or year-to-date budget of **R115.4 million**. A variance of **R39.2 million** or **34%** is observed.

Reasons for variances can be attributed to the increase in the costs of running an organisation such as, Eskom. The expenditure being monitored by the municipality to keep it within the budget.

## Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 000	1 200 000	648 689	1 000 000	-351 311	-35%	54
National Skills Fund	77 642 406	98 380 908.21	98 280 452	81 984 090	16 296 362	20%	100
EPWP Incentive	7 077 000	6 682 000.00	6 682 000	5 568 333	1 113 667	20%	100
Art centre Subsidies (Indonsa Grant)	1 385 000	1 385 000	210 352	1 154 167	-943 815	-82%	15
Aviation Strategy	2 000 000	2 000 000.00	-	1 666 667	-1 666 667	-100%	-
LGWS SETA Grant: MFMP	210 000	210 000	210 000	175 000	35 000	20%	100
LGWS SETA Grant: Wastewater employees	169 000	169 000	169 000	140 833	28 167	20%	100
LGWS SETA Grant: Fire and Rescue Non-Emplo	752 614	752 614.26	752 614	627 179	125 436	20%	100
Amafa Kazulu Grant	200 000	200 000.00	198 000	166 667	31 333	19%	99
<b>Total Operating Grant Expenditure</b>	<b>90 636 020</b>	<b>110 979 522.47</b>	<b>107 151 108</b>	<b>92 482 935</b>	<b>14 668 173</b>	<b>16%</b>	<b>97</b>

**FMG 54%, NSF 100%, EPWP Incentive 100%, Art center subsidies (Indonsa Grant) 15%, Aviation Strategy 0%, LGWS SETA: MFMP 100%, LGWS SETA: Wastewater- Non employee 100%, LGWS SETA: Fire and rescue Employee 100%, LGWS SETA: Fire and rescue non-employee 100% and Amafa 99%.**

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.

### 1.6. CAPITAL EXPENDITURE AND FUNDING

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

The summary report indicates the following: -

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL %
Total Capital Expenditure	790 424 351	757 883 826.00	586 159 048	639 388 653	-53 229 605	-8%	77
Total Capital Financing	790 424 351	757 883 826.00	586 159 048	639 388 653	-53 229 605	-8%	77

The capital expenditure amounts to **R586.1 million**, which is **77%** of the capital approved budget, after a period of **ten months**.

# Capital budget summary

## DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 April

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	843	-	-	679	(679)	-100%	843
Vote 03 - Finance		-	250	250	-	-	208	(208)	-100%	250
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	250	1 093	-	-	887	(887)	-100%	1 093
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Council		173	-	180	-	167	132	36	27%	180
Vote 02 - Corporate Services		833	2 250	2 320	-	1 228	1 947	(719)	-37%	2 320
Vote 03 - Finance		2 064	400	400	-	-	333	(333)	-100%	400
Vote 04 - Community Development		2 878	457	457	-	-	381	(381)	-100%	457
Vote 05 - Planning & Wsa		491 521	700 110	666 436	53 993	584 764	563 221	21 542	4%	666 436
Vote 06 - Technical Services		-	-	40	-	-	24	(24)	-100%	40
Vote 07 - Water Purification		474	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	86 957	86 957	-	-	72 464	(72 464)	-100%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	497 942	790 174	756 790	53 993	586 159	638 502	(52 343)	-8%	756 790
<b>Total Capital Expenditure</b>		497 942	790 424	757 884	53 993	586 159	639 389	(53 230)	-8%	757 884
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		3 061	2 900	3 150	-	1 396	2 620	(1 225)	-47%	3 150
Executive and council		173	-	180	-	167	132	36	27%	180
Finance and administration		2 888	2 900	2 970	-	1 228	2 488	(1 260)	-51%	2 970
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		1 152	457	457	-	-	381	(381)	-100%	457
Community and social services		1 152	457	457	-	-	381	(381)	-100%	457
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		1 726	2 208	2 208	890	1 858	1 840	18	1%	2 208
Planning and development		1 726	2 208	2 208	890	1 858	1 840	18	1%	2 208
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		491 995	784 859	751 225	53 104	582 906	633 869	(50 963)	-8%	751 225
Energy sources		-	-	-	-	-	-	-	-	-
Water management		491 995	784 859	751 225	53 104	582 906	633 869	(50 963)	-8%	751 225
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		9	-	843	-	-	679	(679)	-100%	843
<b>Total Capital Expenditure - Functional Classification</b>	3	497 942	790 424	757 884	53 993	586 159	639 389	(53 230)	-8%	757 884
<b>Funded by:</b>										
National Government		490 152	700 110	665 179	53 993	584 764	562 467	22 297	4%	665 179
Provincial Government		2 797	457	2 558	-	-	1 814	(1 814)	-100%	2 558
District Municipality (Nat / Prov Departm Agencies, Households, Non-profit		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		492 948	700 568	667 737	53 993	584 764	564 281	20 483	4%	667 737
<b>Borrowing</b>	6	191	86 957	86 957	-	-	72 464	(72 464)	-100%	86 957
<b>Internally generated funds</b>		4 803	2 900	3 190	-	1 396	2 644	(1 249)	-47%	3 190
<b>Total Capital Funding</b>		497 942	790 424	757 884	53 993	586 159	639 389	(53 230)	-8%	757 884



## Governance and administration

Governance and administration year-to-date actual are **R1.3 million** which is **44%** of the approved adjusted budget. the **R1.3 million** year to date actual is **below** the baseline projection or year-to-date budget of **R2.6 million**. A variance of **R1.2 million** or **47%** is observed.

## 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 baseline projection or year-to-date budget of **R343 thousand**. A variance of **R381 thousand** or **100%** is observed.

## Economic and environmental services

Economic and environmental services year-to-date actual is **R1.8 million** which is **84%** of the approved adjusted budget. the **R1.85 million** year to date actual is **above** the baseline projection or year-to-date budget of **R1.84 million**. A variance of **R18 thousand** or **1%** is observed.

## Trading services

Trading services year-to-date actual is **R582.9 million** which is **78%** of the approved adjusted budget. the **R582.9 million** year to date actual is **below** the baseline projection or year-to-date budget of **R633.8 million**. A variance of **R50.9 million** or **8%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	236 246 089	220 445 216.96	201 639 653	183 704 347	17 935 305.92	10%	91
Regional Bulk Infrastructure (RBIG)	374 700 000	359 917 391.30	299 612 737	299 931 159	-318 422.25	0%	83
Water services infrastructure Grant (WSIG)	86 956 523	82 608 695.65	81 653 484	68 840 580	12 812 904.09	19%	99
Rural Roads Asset Managemnt Systems Grant	2 207 826	2 207 826	1 857 662	1 839 855	17 807.10	1%	84
Borrowings (Backup Generator)	86 956 522	86 956 522	-	72 463 768	-72 463 768.33	-100%	-
Art centre Subsisies (Indonsa Grant)	457 391	457 391	-	381 159	-381 159.17	-100%	-
Aviation Strategy		843 478.00	-	702 898	-702 898.33	-100%	-
Other Assets	2 900 000	3 150 000.00	1 395 511	2 625 000	-1 229 488.64	-47%	44
<b>Total Operating Expenditure</b>	<b>790 424 351</b>	<b>756 586 520.91</b>	<b>586 159 048</b>	<b>630 488 767</b>	<b>-44 329 720</b>	<b>-7%</b>	<b>77</b>

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

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	271 683 000	253 512 000	230 360 502	211 260 000	19 100 502	9%	91
Regional Bulk Infrastructure (RBIG)	430 905 000	413 905 000	342 281 938	344 920 833	-2 638 895	-1%	83
Water services infrastructure Grant (WSIG)	100 000 000	95 000 000	93 317 665	79 166 667	14 150 999	18%	98
Rural Roads Asset Managemnt Systems Grant	2 539 000	2 539 000	2 136 311	2 115 833	20 478	1%	84
Aviation Strategy		970 000	-	808 333	-808 333	-100%	-
Indonsa Grant	526 000	526 000	-	438 333	-438 333	-100%	-
<b>Total Capital Grant Expenditure</b>	<b>805 653 000</b>	<b>766 451 999.70</b>	<b>668 096 417</b>	<b>638 710 000</b>	<b>29 386 417</b>	<b>5%</b>	<b>87</b>

Overall capital grant expenditure inclusive of VAT is sitting at **87%** of the approved capital budget, **MIG** is sitting at **91%**, **RBIG** at **83%**, **WSIG** at **98%**, **RAMS** at **84%**, **Aviation strategy** at **0%** and **Indonsa Subsidy** 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 28 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 the period being reported.

**DC26 Zululand - Table C1 Monthly Budget Statement Summary - M10 April**

Description	Budget Year 2023/24								
	2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-		-
Service charges	54 001	67 938	69 115	9 045	61 901	57 321	4 580	8%	69 115
Investment revenue	7 433	3 000	7 500	497	11 142	5 200	5 942	114%	7 500
Transfers and subsidies - Operational	658 830	643 859	743 190	18	738 936	608 736	130 201		743 190
Other own revenue	10 521	3 451	3 396	477	2 911	2 843	68	2%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>730 785</b>	<b>718 248</b>	<b>823 201</b>	<b>10 037</b>	<b>814 889</b>	<b>674 099</b>	<b>140 790</b>	<b>21%</b>	<b>823 201</b>
Employee costs	286 332	290 728	293 616	25 111	250 083	244 008	6 075		293 616
Remuneration of Councillors	9 276	9 486	9 784	784	8 163	8 084	79		9 784
Depreciation and amortisation	100 249	90 000	90 000	11 611	86 262	75 000	11 262		90 000
Interest	553	1 000	1 000	1	455	833	(378)		1 000
Inventory consumed and bulk purchases	51 978	42 130	44 704	48	18 927	37 098	(18 171)		44 704
Transfers and subsidies	4 683	6 000	3 965	-	2 698	3 132	(434)	-14%	3 965
Other expenditure	535 330	282 758	382 177	20 789	391 295	309 468	81 827	26%	382 177
<b>Total Expenditure</b>	<b>988 400</b>	<b>722 102</b>	<b>825 246</b>	<b>58 344</b>	<b>757 882</b>	<b>677 623</b>	<b>80 259</b>	<b>12%</b>	<b>825 246</b>
<b>Surplus/(Deficit)</b>	<b>(257 615)</b>	<b>(3 855)</b>	<b>(2 045)</b>	<b>(48 307)</b>	<b>57 007</b>	<b>(3 524)</b>	<b>60 531</b>	<b>-1718%</b>	<b>(2 045)</b>
Transfers and subsidies - capital (monetary allocations)	610 502	805 127	766 402	61 479	668 096	647 704	20 392	3%	766 402
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>13%</b>	<b>764 357</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>13%</b>	<b>764 357</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>497 942</b>	<b>790 424</b>	<b>757 884</b>	<b>53 993</b>	<b>586 159</b>	<b>639 389</b>	<b>(53 230)</b>	<b>-8%</b>	<b>757 884</b>
Capital transfers recognised	492 948	700 568	667 737	53 993	584 764	564 281	20 483	4%	667 737
Borrowing	191	86 957	86 957	-	-	72 464	(72 464)	-100%	86 957
Internally generated funds	4 803	2 900	3 190	-	1 396	2 644	(1 249)	-47%	3 190
<b>Total sources of capital funds</b>	<b>497 942</b>	<b>790 424</b>	<b>757 884</b>	<b>53 993</b>	<b>586 159</b>	<b>639 389</b>	<b>(53 230)</b>	<b>-8%</b>	<b>757 884</b>
<b>Financial position</b>									
Total current assets	166 082	480 492	355 949		308 951				355 949
Total non current assets	4 999 838	6 247 525	5 667 722		5 499 246				5 667 722
Total current liabilities	498 023	352 992	499 035		308 254				499 035
Total non current liabilities	44 689	128 340	132 311		144 689				132 311
Community wealth/Equity	4 631 165	5 445 412	4 627 968		5 361 094				4 627 968
<b>Cash flows</b>									
Net cash from (used) operating	1 830 973	993 132	953 739	23 180	2 179 548	794 783	#####	-174%	953 739
Net cash from (used) investing	(496 168)	(789 967)	(757 386)	(53 993)	(586 159)	(631 155)	(44 996)	7%	(757 386)
Net cash from (used) financing	(1 091)	90 000	90 000	(138)	98 754	75 000	(23 754)	-32%	90 000
<b>Cash/cash equivalents at the month/year end</b>	<b>1 354 182</b>	<b>466 282</b>	<b>313 779</b>	<b>-</b>	<b>1 719 569</b>	<b>266 054</b>	<b>#####</b>	<b>-546%</b>	<b>313 779</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	7 628	6 020	5 974	5 095	4 547	4 759	20 812	178 618	233 454
<b>Creditors Age Analysis</b>									
Total Creditors	159	-	7	-	-	-	-	-	166

**DC26 Zululand - Table C1 Monthly Budget Statement Summary - M10 April**

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	54 001	67 938	69 115	9 045	61 901	57 321	4 580	8%	69 115
Investment revenue	7 433	3 000	7 500	497	11 142	5 200	5 942	114%	7 500
Transfers and subsidies - Operational	658 830	643 859	743 190	18	738 936	608 736	130 201		743 190
Other own revenue	10 521	3 451	3 396	477	2 911	2 843	68	2%	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>730 785</b>	<b>718 248</b>	<b>823 201</b>	<b>10 037</b>	<b>814 889</b>	<b>674 099</b>	<b>140 790</b>	<b>21%</b>	<b>823 201</b>
Employee costs	286 332	290 728	293 616	25 111	250 083	244 008	6 075		293 616
Remuneration of Councillors	9 276	9 486	9 784	784	8 163	8 084	79		9 784
Depreciation and amortisation	100 249	90 000	90 000	11 611	86 262	75 000	11 262		90 000
Interest	553	1 000	1 000	1	455	833	(378)		1 000
Inventory consumed and bulk purchases	51 978	42 130	44 704	48	18 927	37 098	(18 171)		44 704
Transfers and subsidies	4 683	6 000	3 965	-	2 698	3 132	(434)	-14%	3 965
Other expenditure	535 330	282 758	382 177	20 789	391 295	309 468	81 827	26%	382 177
<b>Total Expenditure</b>	<b>988 400</b>	<b>722 102</b>	<b>825 246</b>	<b>58 344</b>	<b>757 882</b>	<b>677 623</b>	<b>80 259</b>	<b>12%</b>	<b>825 246</b>
<b>Surplus/(Deficit)</b>	<b>(257 615)</b>	<b>(3 855)</b>	<b>(2 045)</b>	<b>(48 307)</b>	<b>57 007</b>	<b>(3 524)</b>	<b>60 531</b>	<b>-1718%</b>	<b>(2 045)</b>
Transfers and subsidies - capital (monetary allocations)	610 502	805 127	766 402	61 479	668 096	647 704	20 392	3%	766 402
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>13%</b>	<b>764 357</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
<b>Surplus/ (Deficit) for the year</b>	<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>13%</b>	<b>764 357</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>497 942</b>	<b>790 424</b>	<b>757 884</b>	<b>53 993</b>	<b>586 159</b>	<b>639 389</b>	<b>(53 230)</b>	<b>-8%</b>	<b>757 884</b>
Capital transfers recognised	492 948	700 568	667 737	53 993	584 764	564 281	20 483	4%	667 737
Borrowing	191	86 957	86 957	-	-	72 464	(72 464)	-100%	86 957
Internally generated funds	4 803	2 900	3 190	-	1 396	2 644	(1 249)	-47%	3 190
<b>Total sources of capital funds</b>	<b>497 942</b>	<b>790 424</b>	<b>757 884</b>	<b>53 993</b>	<b>586 159</b>	<b>639 389</b>	<b>(53 230)</b>	<b>-8%</b>	<b>757 884</b>
<b>Financial position</b>									
Total current assets	166 082	480 492	355 949		308 951				355 949
Total non current assets	4 999 838	6 247 525	5 667 722		5 499 246				5 667 722
Total current liabilities	498 023	352 992	499 035		308 254				499 035
Total non current liabilities	44 689	128 340	132 311		144 689				132 311
Community wealth/Equity	4 631 165	5 445 412	4 627 968		5 361 094				4 627 968
<b>Cash flows</b>									
Net cash from (used) operating	1 830 973	993 132	953 739	23 180	2 179 548	794 783	#####	-174%	953 739
Net cash from (used) investing	(496 168)	(789 967)	(757 386)	(53 993)	(586 159)	(631 155)	(44 996)	7%	(757 386)
Net cash from (used) financing	(1 091)	90 000	90 000	(138)	98 754	75 000	(23 754)	-32%	90 000
<b>Cash/cash equivalents at the month/year end</b>	<b>1 354 182</b>	<b>466 282</b>	<b>313 779</b>	<b>-</b>	<b>1 719 569</b>	<b>266 054</b>	<b>#####</b>	<b>-546%</b>	<b>313 779</b>
<b>Debtors &amp; creditors analysis</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91-120 Days</b>	<b>121-150 Dys</b>	<b>151-180 Dys</b>	<b>181 Dys-1 Yr</b>	<b>Over 1Yr</b>	<b>Total</b>
<b>Debtors Age Analysis</b>									
Total By Income Source	7 628	6 020	5 974	5 095	4 547	4 759	20 812	178 618	233 454
<b>Creditors Age Analysis</b>									
Total Creditors	159	-	7	-	-	-	-	-	166

**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) - M10 April

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i><b>Governance and administration</b></i>		<b>665 320</b>	<b>637 831</b>	<b>741 310</b>	<b>844</b>	<b>744 637</b>	<b>606 161</b>	<b>138 477</b>	<b>23%</b>	<b>741 310</b>
Executive and council	8	-	-	-	-	-	-	-	-	-
Finance and administration	665 312	637 831	741 310	844	744 637	606 161	138 477	23%	741 310	
Internal audit	-	-	-	-	-	-	-	-	-	-
<i><b>Community and public safety</b></i>		<b>2 285</b>	<b>2 482</b>	<b>2 750</b>	<b>21</b>	<b>539</b>	<b>2 269</b>	<b>(1 730)</b>	<b>-76%</b>	<b>2 750</b>
Community and social services	2 209	1 922	2 147	-	444	1 777	(1 333)	-75%	2 147	
Sport and recreation	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Health	76	560	603	21	95	493	(397)	-81%	603	
<i><b>Economic and environmental services</b></i>		<b>4 171</b>	<b>2 539</b>	<b>2 741</b>	<b>1 023</b>	<b>2 254</b>	<b>2 237</b>	<b>17</b>	<b>1%</b>	<b>2 741</b>
Planning and development	4 171	2 539	2 741	1 023	2 254	2 237	17	1%	2 741	
Road transport	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>668 995</b>	<b>878 523</b>	<b>840 747</b>	<b>69 622</b>	<b>735 513</b>	<b>709 437</b>	<b>26 076</b>	<b>4%</b>	<b>840 747</b>
Energy sources	-	-	-	-	-	-	-	-	-	-
Water management	654 093	862 087	824 845	67 210	722 018	696 061	25 957	4%	824 845	
Waste water management	14 903	16 436	15 902	2 412	13 495	13 376	118	1%	15 902	
Waste management	-	-	-	-	-	-	-	-	-	-
<i><b>Other</b></i>	<b>4</b>	<b>516</b>	<b>2 000</b>	<b>2 055</b>	<b>6</b>	<b>43</b>	<b>1 700</b>	<b>(1 656)</b>	<b>-97%</b>	<b>2 055</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>1 341 287</b>	<b>1 523 375</b>	<b>1 589 603</b>	<b>71 516</b>	<b>1 482 986</b>	<b>1 321 803</b>	<b>161 182</b>	<b>12%</b>	<b>1 589 603</b>
<b>Expenditure - Functional</b>										
<i><b>Governance and administration</b></i>		<b>328 755</b>	<b>256 489</b>	<b>349 795</b>	<b>26 136</b>	<b>341 781</b>	<b>282 308</b>	<b>59 473</b>	<b>21%</b>	<b>349 795</b>
Executive and council	63 257	45 360	46 557	6 223	53 617	38 343	15 275	40%	46 557	
Finance and administration	265 498	176 201	268 050	14 577	245 479	214 726	30 753	14%	268 050	
Internal audit	-	34 928	35 188	5 336	42 685	29 240	13 445	46%	35 188	
<i><b>Community and public safety</b></i>		<b>27 553</b>	<b>28 878</b>	<b>27 404</b>	<b>2 150</b>	<b>21 136</b>	<b>23 170</b>	<b>(2 034)</b>	<b>-9%</b>	<b>27 404</b>
Community and social services	14 564	8 257	9 489	683	6 384	7 681	(1 297)	-17%	9 489	
Sport and recreation	-	-	-	-	-	-	-	-	-	-
Public safety	-	5 887	5 887	645	6 009	4 906	1 103	22%	5 887	
Housing	-	-	-	-	-	-	-	-	-	-
Health	12 989	14 734	12 028	822	8 744	10 583	(1 839)	-17%	12 028	
<i><b>Economic and environmental services</b></i>		<b>22 711</b>	<b>28 742</b>	<b>27 163</b>	<b>1 486</b>	<b>22 107</b>	<b>23 205</b>	<b>(1 098)</b>	<b>-5%</b>	<b>27 163</b>
Planning and development	22 711	28 742	27 163	1 486	22 107	23 205	(1 098)	-5%	27 163	
Road transport	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i><b>Trading services</b></i>		<b>599 758</b>	<b>394 049</b>	<b>409 695</b>	<b>27 740</b>	<b>364 226</b>	<b>339 257</b>	<b>24 970</b>	<b>7%</b>	<b>409 695</b>
Energy sources	-	-	-	-	-	-	-	-	-	-
Water management	601 374	386 071	401 717	27 032	357 101	332 608	24 493	7%	401 717	
Waste water management	(1 616)	7 978	7 978	708	7 125	6 648	476	7%	7 978	
Waste management	-	-	-	-	-	-	-	-	-	-
<i><b>Other</b></i>		<b>9 624</b>	<b>13 944</b>	<b>11 188</b>	<b>832</b>	<b>8 632</b>	<b>9 683</b>	<b>(1 052)</b>	<b>-11%</b>	<b>11 188</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>988 400</b>	<b>722 102</b>	<b>825 246</b>	<b>58 344</b>	<b>757 882</b>	<b>677 623</b>	<b>80 259</b>	<b>12%</b>	<b>825 246</b>
<b>Surplus/ (Deficit) for the year</b>		<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>13%</b>	<b>764 357</b>

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

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

**DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April**

Vote Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue by Vote</b>	1									
Vote 01 - Council		8	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		61 142	2 350	101 927	140	100 041	74 252	25 789	34.7%	101 927
Vote 03 - Finance		604 660	637 481	641 438	710	644 639	533 608	111 031	20.8%	641 438
Vote 04 - Community Development		3 953	2 482	2 750	21	539	2 269	(1 730)	-76.3%	2 750
Vote 05 - Planning & Wsa		617 377	812 204	773 286	61 479	674 896	653 486	21 410	3.3%	773 286
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		39 245	52 422	54 300	6 754	49 376	44 812	4 564	10.2%	54 300
Vote 09 - Waste Water		14 903	16 436	15 902	2 412	13 495	13 376	118	0.9%	15 902
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Revenue by Vote</b>	2	<b>1 341 287</b>	<b>1 523 375</b>	<b>1 589 603</b>	<b>71 516</b>	<b>1 482 986</b>	<b>1 321 803</b>	<b>161 182</b>	<b>12.2%</b>	<b>1 589 603</b>
<b>Expenditure by Vote</b>	1									
Vote 01 - Council		63 257	53 791	55 348	7 527	61 519	45 614	15 905	34.9%	55 348
Vote 02 - Corporate Services		187 512	149 411	237 109	13 950	232 642	189 534	43 109	22.7%	237 109
Vote 03 - Finance		71 286	61 343	60 388	4 871	45 923	50 390	(4 466)	-8.9%	60 388
Vote 04 - Community Development		55 014	50 380	49 994	3 813	46 194	42 155	4 039	9.6%	49 994
Vote 05 - Planning & Wsa		61 591	21 391	23 703	1 466	16 595	19 200	(2 605)	-13.6%	23 703
Vote 06 - Technical Services		9 306	10 202	5 733	332	4 351	5 875	(1 524)	-25.9%	5 733
Vote 07 - Water Purification		52 109	43 820	43 820	3 914	41 374	36 518	4 856	13.3%	43 820
Vote 08 - Water Distribution		489 941	323 787	341 173	21 763	302 159	281 690	20 469	7.3%	341 173
Vote 09 - Waste Water		(1 616)	7 978	7 978	708	7 125	6 648	476	7.2%	7 978
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Expenditure by Vote</b>	2	<b>988 400</b>	<b>722 102</b>	<b>825 246</b>	<b>58 344</b>	<b>757 882</b>	<b>677 623</b>	<b>80 259</b>	<b>11.8%</b>	<b>825 246</b>
<b>Surplus/ (Deficit) for the year</b>	2	<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>12.6%</b>	<b>764 357</b>

**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) - M10 April

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity										
Service charges - Water		39 170	51 532	53 518	6 697	48 750	44 135	4 615	10%	53 518
Service charges - Waste Water Management		14 831	16 406	15 597	2 348	13 150	13 186	(36)	0%	15 597
Service charges - Waste management										
Sale of Goods and Rendering of Services		1 426	1 001	755	13	733	686	46	7%	755
Agency services										
Interest										
Interest earned from Receivables		75	521	784	59	631	592	38	6%	784
Interest from Current and Non Current Assets		7 433	3 000	7 500	497	11 142	5 200	5 942	114%	7 500
Dividends										
Rent on Land										
Rental from Fixed Assets		181	500	458	167	470	392	79	20%	458
Licence and permits		88	60	103	21	95	76	19	26%	103
Operational Revenue		563	369	442	141	591	351	239	68%	442
<b>Non-Exchange Revenue</b>										
Property rates										
Surcharges and Taxes										
Fines, penalties and forfeits		910	1 000	853	77	391	745	(354)	-48%	853
Licence and permits										
Transfers and subsidies - Operational		658 830	643 859	743 190	18	738 936	608 736	130 201	21%	743 190
Interest										
Fuel Levy										
Operational Revenue										
Gains on disposal of Assets		2 894								
Other Gains		4 385				0		0	#DIV/0!	
Discontinued Operations										
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>730 785</b>	<b>718 248</b>	<b>823 201</b>	<b>10 037</b>	<b>814 889</b>	<b>674 099</b>	<b>140 790</b>	<b>21%</b>	<b>823 201</b>
<b>Expenditure By Type</b>										
Employee related costs		286 332	290 728	293 616	25 111	250 083	244 008	6 075	2%	293 616
Remuneration of councillors		9 276	9 486	9 784	784	8 163	8 084	79	1%	9 784
Bulk purchases - electricity										
Inventory consumed		51 978	42 130	44 704	48	18 927	37 098	(18 171)	-49%	44 704
Debt impairment		6 428	10 000	10 000			8 333	(8 333)	-100%	10 000
Depreciation and amortisation		100 249	90 000	90 000	11 611	86 262	75 000	11 262	15%	90 000
Interest		553	1 000	1 000	1	455	833	(378)	-45%	1 000
Contracted services		358 077	128 719	235 293	8 092	236 074	185 702	50 373	27%	235 293
Transfers and subsidies		4 683	6 000	3 965		2 698	3 132	(434)	-14%	3 965
Irrecoverable debts written off		2 192				28		28	#DIV/0!	
Operational costs		167 646	144 039	136 884	12 697	154 703	115 433	39 270	34%	136 884
Losses on Disposal of Assets		679				489		489	#DIV/0!	
Other Losses		309								
<b>Total Expenditure</b>		<b>988 400</b>	<b>722 102</b>	<b>825 246</b>	<b>58 344</b>	<b>757 882</b>	<b>677 623</b>	<b>80 259</b>	<b>12%</b>	<b>825 246</b>
<b>Surplus/(Deficit)</b>		<b>(257 615)</b>	<b>(3 855)</b>	<b>(2 045)</b>	<b>(48 307)</b>	<b>57 007</b>	<b>(3 524)</b>	<b>60 531</b>	<b>(0)</b>	<b>(2 045)</b>
Transfers and subsidies - capital (monetary allocations)		610 502	805 127	766 402	61 479	668 096	647 704	20 392	0	766 402
Transfers and subsidies - capital (in-kind)										
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>	<b>80 923</b>	<b>0</b>	<b>764 357</b>
Income Tax										
<b>Surplus/(Deficit) after income tax</b>		<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>			<b>764 357</b>
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
<b>Surplus/(Deficit) attributable to municipality</b>		<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>			<b>764 357</b>
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
<b>Surplus/ (Deficit) for the year</b>		<b>352 887</b>	<b>801 272</b>	<b>764 357</b>	<b>13 172</b>	<b>725 104</b>	<b>644 180</b>			<b>764 357</b>

**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) - M10 April**

Vote Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	843	-	-	679	(679)	-100%	843
Vote 03 - Finance		-	250	250	-	-	208	(208)	-100%	250
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	250	1 093	-	-	887	(887)	-100%	1 093
<b>Single Year expenditure appropriation</b>	2									
Vote 01 - Council		173	-	180	-	167	132	36	27%	180
Vote 02 - Corporate Services		833	2 250	2 320	-	1 228	1 947	(719)	-37%	2 320
Vote 03 - Finance		2 064	400	400	-	-	333	(333)	-100%	400
Vote 04 - Community Development		2 878	457	457	-	-	381	(381)	-100%	457
Vote 05 - Planning & Wsa		491 521	700 110	666 436	53 993	584 764	563 221	21 542	4%	666 436
Vote 06 - Technical Services		-	-	40	-	-	24	(24)	-100%	40
Vote 07 - Water Purification		474	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	86 957	86 957	-	-	72 464	(72 464)	-100%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	497 942	790 174	756 790	53 993	586 159	638 502	(52 343)	-8%	756 790
<b>Total Capital Expenditure</b>		497 942	790 424	757 884	53 993	586 159	639 389	(53 230)	-8%	757 884
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		3 061	2 900	3 150	-	1 396	2 620	(1 225)	-47%	3 150
Executive and council		173	-	180	-	167	132	36	27%	180
Finance and administration		2 888	2 900	2 970	-	1 228	2 488	(1 260)	-51%	2 970
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		1 152	457	457	-	-	381	(381)	-100%	457
Community and social services		1 152	457	457	-	-	381	(381)	-100%	457
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		1 726	2 208	2 208	890	1 858	1 840	18	1%	2 208
Planning and development		1 726	2 208	2 208	890	1 858	1 840	18	1%	2 208
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		491 995	784 859	751 225	53 104	582 906	633 869	(50 963)	-8%	751 225
Energy sources		-	-	-	-	-	-	-	-	-
Water management		491 995	784 859	751 225	53 104	582 906	633 869	(50 963)	-8%	751 225
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		9	-	843	-	-	679	(679)	-100%	843
<b>Total Capital Expenditure - Functional Classification</b>	3	497 942	790 424	757 884	53 993	586 159	639 389	(53 230)	-8%	757 884
<b>Funded by:</b>										
National Government		490 152	700 110	665 179	53 993	584 764	562 467	22 297	4%	665 179
Provincial Government		2 797	457	2 558	-	-	1 814	(1 814)	-100%	2 558
District Municipality		-	-	-	-	-	-	-	-	-
(Nat / Prov Departm Agencies, Households, Non-profit)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		492 948	700 568	667 737	53 993	584 764	564 281	20 483	4%	667 737
<b>Borrowing</b>	6	191	86 957	86 957	-	-	72 464	(72 464)	-100%	86 957
<b>Internally generated funds</b>		4 803	2 900	3 190	-	1 396	2 644	(1 249)	-47%	3 190
<b>Total Capital Funding</b>		497 942	790 424	757 884	53 993	586 159	639 389	(53 230)	-8%	757 884

**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 - M10 April**

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<b>R thousands</b>	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		27 427	345 288	192 785	162 840	192 785
Trade and other receivables from exchange transactions		29 625	59 575	46 729	63 021	46 729
Receivables from non-exchange transactions		131	–	7 109	7 245	7 109
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 824	2 556	2 824	5 075	2 824
VAT		80 588	50 650	80 813	42 106	80 813
Other current assets		25 486	22 422	25 688	28 664	25 688
<b>Total current assets</b>		<b>166 082</b>	<b>480 492</b>	<b>355 949</b>	<b>308 951</b>	<b>355 949</b>
<b>Non current assets</b>						
Investments						
Investment property						
Property, plant and equipment		4 991 970	6 247 523	5 659 854	5 491 397	5 659 854
Biological assets						
Living and non-living resources						
Heritage assets		7 817	–	7 817	7 817	7 817
Intangible assets		52	1	52	32	52
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>4 999 838</b>	<b>6 247 525</b>	<b>5 667 722</b>	<b>5 499 246</b>	<b>5 667 722</b>
<b>TOTAL ASSETS</b>		<b>5 165 920</b>	<b>6 728 017</b>	<b>6 023 671</b>	<b>5 808 197</b>	<b>6 023 671</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		2 027	–	1 484	771	1 484
Consumer deposits		3 620	3 633	3 620	3 352	3 620
Trade and other payables from exchange transactions		484 778	338 908	485 727	186 421	485 727
Trade and other payables from non-exchange transactions		1 560	–	–	106 384	–
Provision		2 154	2 378	2 154	2 154	2 154
VAT		3 884	8 073	6 050	9 171	6 050
Other current liabilities		–	–	–	–	–
<b>Total current liabilities</b>		<b>498 023</b>	<b>352 992</b>	<b>499 035</b>	<b>308 254</b>	<b>499 035</b>
<b>Non current liabilities</b>						
Financial liabilities		1 202	90 000	91 202	101 202	91 202
Provision		43 487	38 340	41 109	43 487	41 109
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
<b>Total non current liabilities</b>		<b>44 689</b>	<b>128 340</b>	<b>132 311</b>	<b>144 689</b>	<b>132 311</b>
<b>TOTAL LIABILITIES</b>		<b>542 712</b>	<b>481 332</b>	<b>631 346</b>	<b>452 943</b>	<b>631 346</b>
<b>NET ASSETS</b>	2	<b>4 623 209</b>	<b>6 246 684</b>	<b>5 392 325</b>	<b>5 355 254</b>	<b>5 392 325</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		4 631 165	5 445 412	4 627 968	5 361 094	4 627 968
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>4 631 165</b>	<b>5 445 412</b>	<b>4 627 968</b>	<b>5 361 094</b>	<b>4 627 968</b>

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

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

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

## **CURRENT ASSETS**

### **Cash and cash equivalents**

Cash and cash equivalents balance as at 30 April 2024 indicate a balance of **R162.8 million**.

Bank Overdraft	R12.1 million
Call Investments Deposits	R175 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 **R63.02 million**. Debtors age analysis indicates the amount of **R233.4 million**. The consumer debtors’ amount to **R229.08 million** and other receivables from exchange amount to **R4.3 million** which sums up to **R232.5** and included in **R232.5** is the balance of **R4.3 million** for shared services.

Gross Consumer debtors	R230.8 million
Debtors Impairment	(167.8 million)
<b>Net Consumer Debtors</b>	<b>R63.08 million</b>

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

Water Debtors	R40.2 million
Sanitation Debtors	R20.6 million
Property rental	R269.1 thousand
Other Consumer debtors	R4.3 thousand
Other receivables from exchange	R1.8 million
<b>Total</b>	<b>R63.08 million</b>

#### ➤ **Water Debtors**

Net Water debtors, after considering provision for bad debts, amount to **R40.2 million**

Water debtors are amounts owed by consumers for water services billed.

Gross Water Debtors	R181.5 million
Less Impairment	(141.2 million)
<b>Net Water Debtors</b>	<b>R40.2 million</b>

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R20.6 million**

Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R47.2 million
Less Impairment	(R26.5 million)
<b>Net Sanitation Debtors</b>	<b>R20.6 million</b>

➤ **Property Rental**

Property rental debtors' amount to **R257.5 thousand**, these are sundry debtors.

Gross Other Debtors	R296.1 thousand
Less Impairment	(R38.6 thousand)
<b>Net Other Debtors</b>	<b>R257.5 thousand</b>

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R29.5 thousand**, these are sundry debtors.

Gross Other Debtors	R19.4 thousand
Less Impairment	(R15.1 thousand)
Net Other Debtors	R4.3 thousand

➤ **Other receivables from exchange**

These are debtors accumulated from Eskom accounts with credit balances amounts to **R1.8 million**

Other receivables from exchange	R1.8 million
Prepay/Adv: Recov emp: Opening balance	R1.06 million
Less Impairment	(R1.06 million)
Net other receivables from exchange	<b>R1.8 million</b>

**Classification of Consumer Debtors per Customer group**

Households	R186.6 million
Commercial/Businesses (excl prepaid exp R1.8 mil)	R10.7 million
Organs of State (excl shared services of R5.01 mill)	R15.3 million
<b>Total</b>	<b>R233.4 million</b>

Only households and businesses are impaired as per council policy. The breakdown is as per below:

Gross Households debtors	R186.6 million
Gross Business	R10.7 million
Less Impairment	(R167.8 million)
<b>Net Household and businesses debtors</b>	<b>R29.5 million</b>

## Receivables from non-exchange transactions

UIFW to be recovered amounting to **R7.2 million** resulted from a claim of standing time due to consultant negligence.

## Inventory

The current level of inventory is **R5.07 million**. Inventories include water stock and consumable stores.

## VAT Receivable

VAT Receivable amount to **R42.1 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 **R28.6 million**.

Deposits Made	R18.2 million
Refunds & under/over banking	R10.3 million
Overpayments/Accrued Income	R0
Salary suspense	R14.5 thousand
<b>Total</b>	<b>R28.6 million</b>

### ➤ Deposits Made

Deposits made amount to **R18.2 million**, this amount include Eskom deposits, Federal Air Deposits and Stowell Deposits:

Eskom Deposits	R18 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 **R10.3 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking:

Under/over banking	R10.3 million
--------------------	---------------

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

## **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 **R5.4 billion**

<b>Opening balance</b>	<b>R4.9 billion</b>
Additions	(R586.1 thousand)
Depreciation	(R86.2 million)
<b>Closing Balance</b>	<b>R5.4 billion</b>

### **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 **R31.9 thousand**.

<b>Opening balance</b>	<b>R33.9 thousand</b>
Additions	(R0)
Depreciation	(R2 thousand)
<b>Closing Balance</b>	<b>R31.9 thousand</b>

## **CURRENT LIABILITIES**

### **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. Trade and other payables are **R408.6 million**.

Trade Creditors	R99.8 million
Retention	R80.4 million
Department of Water & Sanitation	R62.2 million
Leave accrued	R21.7 million
Bonus	R5.7 million
Employee related cost	R1.7 million
Advance Payments	R1.9 million
Salary Suspense Accounts	R5.4 thousand
Other Suspense account	R107.9 thousand
Water tankers	R10.7 million
Zanamanzi	R3.3 million
Session	R4.9 million
<b>Closing Balance</b>	<b>R408.6 million</b>

### **Trade and other payables from non-exchange transactions**

This is the amount of unspent conditional grants which will be recognized when the conditions are met. Unspent conditional grants amount to **R106.3 million**.

### **VAT Payables**

VAT payable amount to **R9.1 million**, this is the amount paid when output VAT is recognized less input VAT paid as per VAT reconciliation.

### **Current Provision**

Current provisions amount to **R2.1 million**, this provision is for post-retirement benefit (Medical aid) and long service awards that is paid in the current financial year:

Long service awards **R2.1 million**

### **NON-CURRENT LIABILITIES**

#### **Non-current Financial liabilities**

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R771.4 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.

## **Loan**

This is the long term portion of liability that the municipality acquired to backup generators for water treatment works. This liability amounts to **R100 million**.

## **Non-current Provisions**

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

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

## **Accumulated surplus**

Accumulated surplus is the net worth of the Municipality, sitting at **R5.3 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M10 April

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates								-		
Service charges		26 949	51 642	52 998	3 775	25 746	44 165	(18 419)	-42%	52 998
Other revenue		1 393 314	162 144	170 175	67 581	1 868 494	141 813	1 726 682	1218%	170 175
Transfers and Subsidies - Operational		661 838	643 859	743 076	-	743 471	619 230	124 241	20%	743 076
Transfers and Subsidies - Capital		610 306	805 127	764 956	-	768 386	637 463	130 923	21%	764 956
Interest		6 722	3 000	7 500	497	5 896	6 250	(354)	-6%	7 500
Dividends								-		
<b>Payments</b>										
Suppliers and employees		(868 156)	(672 640)	(784 967)	(48 673)	(1 232 446)	(654 139)	578 307	-88%	(784 967)
Interest								-		
Transfers and Subsidies		-	-	-	-	-	-	-		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>1 830 973</b>	<b>993 132</b>	<b>953 739</b>	<b>23 180</b>	<b>2 179 548</b>	<b>794 783</b>	<b>#####</b>	<b>-174%</b>	<b>953 739</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments								-		
<b>Payments</b>										
Capital assets		(496 168)	(789 967)	(757 386)	(53 993)	(586 159)	(631 155)	(44 996)	7%	(757 386)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>(496 168)</b>	<b>(789 967)</b>	<b>(757 386)</b>	<b>(53 993)</b>	<b>(586 159)</b>	<b>(631 155)</b>	<b>(44 996)</b>	<b>7%</b>	<b>(757 386)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans								-		
Borrowing long term/refinancing		-	100 000	100 000	-	100 000	83 333	16 667	20%	100 000
Increase (decrease) in consumer deposits		(1)	-	-	-	9	-	9	#DIV/0!	-
<b>Payments</b>										
Repayment of borrowing		(1 090)	(10 000)	(10 000)	(138)	(1 255)	(8 333)	(7 078)	85%	(10 000)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(1 091)</b>	<b>90 000</b>	<b>90 000</b>	<b>(138)</b>	<b>98 754</b>	<b>75 000</b>	<b>(23 754)</b>	<b>-32%</b>	<b>90 000</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>1 333 714</b>	<b>293 165</b>	<b>286 353</b>	<b>(30 951)</b>	<b>1 692 143</b>	<b>238 627</b>			<b>286 353</b>
Cash/cash equivalents at beginning:		20 468	173 117	27 427	1 750 521	27 427	27 427			27 427
Cash/cash equivalents at month/year end:		1 354 182	466 282	313 779		1 719 569	266 054			313 779

**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 adjusted budgeted collection to **R52.9 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 **R25.7 million** to date. This is **49%** of budgeted collection and **42%** of year-to-date billing.

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

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

### Other Revenue

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

### Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational year to date are **R743.07 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far but does not include National Skills Fund under Transfers and subsidies – Operational:

Equitable share	R631.6 million
Indonsa Grant	R1.9 million
FMG	R1.2 million
EPWP	R6.68 million
NSF	R98.2 million
LG SETA	R1.1 million
Amafa Research	R200 thousand
<b>TOTAL</b>	<b>R743.07 million</b>

## 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 **R768.3 million**. This amount includes RBIG, MIG, RRAMS, TSUCM\_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R 256.5 million
Water Services Infrastructure Grant	R 95 million
Régional Bulk Infrastructure Grant	R 413.9 million
Rural Road Asset Management Subsidy	R 2.9 million
<b>TOTAL</b>	<b>R768.3 million</b>

## Interest

Interest on the investment budget has been adjusted to **R7.5 million**, this estimate is based on the year – to – date actual interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R5.8 million**. Interest on investment revenue on table C4 is **R11.1 million** which does not reconcile the one in the cash flow. The municipality will rectify the system errors.

## 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 **R586.1 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in a process of developing an action plan to address these inefficiencies.

### Borrowing Long Term

Borrowing long term year-to-date is **R100 million**, this loan made by the municipality to fund the procurement of backup generators

### 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 **R 162.8 million** in the financial position but in the cash flow it is **R1.8 billion**.

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

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 DEBTORS ANALYSIS

#### Debtors age analysis as of 30 APRIL 2024

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
<b>Debtors Age Analysis By Income Source</b>													
Trade and Other Receivables from Exchange Transactions - Water	1200	6 231	4 739	4 867	4 098	3 603	3 632	16 215	137 149	180 534	164 697	-	141 272
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	1 317	1 109	1 041	932	934	827	3 606	37 367	47 131	43 665	-	26 562
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	18	114	11	11	11	11	53	35	262	120	-	27
Interest on Arrear Debtor Accounts	1810	59	59	56	55	-	288	132	465	1 112	939	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	4	-	-	-	-	1	807	3 603	4 414	4 410	-	15
<b>Total By Income Source</b>	<b>2000</b>	<b>7 628</b>	<b>6 020</b>	<b>5 974</b>	<b>5 095</b>	<b>4 547</b>	<b>4 759</b>	<b>20 812</b>	<b>178 618</b>	<b>233 454</b>	<b>213 832</b>	<b>-</b>	<b>167 876</b>
<b>2022/23 - totals only</b>		<b>5230512</b>	<b>5276451</b>	<b>5218512</b>	<b>4274836</b>	<b>2877359</b>	<b>3826874</b>	<b>16940284</b>	<b>159616176</b>	<b>203 261</b>	<b>187 536</b>	<b>0</b>	<b>138614150 417</b>
<b>Debtors Age Analysis By Customer Group</b>													
Organs of State	2200	2 502	1 760	1 744	1 352	1 624	1 546	4 270	15 333	30 131	24 125	-	-
Commercial	2300	1 080	896	813	624	379	398	1 725	10 798	16 713	13 924	-	-
Households	2400	4 045	3 364	3 417	3 120	2 544	2 814	14 818	152 487	186 609	175 783	-	167 876
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>7 628</b>	<b>6 020</b>	<b>5 974</b>	<b>5 095</b>	<b>4 547</b>	<b>4 759</b>	<b>20 812</b>	<b>178 618</b>	<b>233 454</b>	<b>213 832</b>	<b>-</b>	<b>167 876</b>

Total debtors' amount to **R233.4 million**, which is an increase of **R900 thousand** from the closing balance of **R232.5 million** in the previous month. The debtors over 90 days amount to **R213.8 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

### 2.2 CREDITORS ANALYSIS

#### Creditors age analysis as at 30 April 2024

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
<b>Creditors Age Analysis By Customer Type</b>												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	1 094
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	159	-	7	-	-	-	-	-	-	-	166
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
<b>Total By Customer Type</b>	<b>1000</b>	<b>159</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 094</b>

## 2.3 INVESTMENT PORTFOLIO

### Investments as at 30 April 2024

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M10 April 2024														
Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands														
<b>Municipality</b>														
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	-	-		64 000	64 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	64 000	-		40 000	104 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	104 000	-		150 800	254 800
ABSA CALL ACCOUNT		0.7666667	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	17 August 2023	254 800		(30 000)		224 226
ABSA CALL ACCOUNT		1.2	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 August 2023	224 226	(574)	(20 000)		204 226
ABSA CALL ACCOUNT		1.4	CALL ACCOUNT	YES	VARIABLE	0.089	-		08 September 2023	204 226		(30 000)		174 226
ABSA CALL ACCOUNT		1.3666667	CALL ACCOUNT	YES	VARIABLE	0.089	-		14 September 2023	174 226	(301)	(25 000)		149 226
ABSA CALL ACCOUNT		1.5666667	CALL ACCOUNT	YES	VARIABLE	0.089	-		20 September 2023	149 226		(50 000)		99 226
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	26 September 2023	99 226		-	86 000	185 226
ABSA SHORT TERM		2	SHORT TERM	YES	VARIABLE	0.089	-	N/A	03 October 2023	185 226	(2 675)	(50 000)		135 226
ABSA SHORT TERM		2.0666667	SHORT TERM	YES	VARIABLE	0.089	-	N/A	05 October 2023	135 226	(168)	(75 000)		60 226
ABSA SHORT TERM		3.0666667	SHORT TERM	YES	VARIABLE	0.089	-	N/A	19 October 2023	60 226		(10 000)		50 226
ABSA SHORT TERM		2.5333333	SHORT TERM	YES	VARIABLE	0.089	-	N/A	19 October 2023	50 226		(36 800)		13 426
STANDARD BANK		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	05 December 2023	13 426			40 000	53 426
STANDARD BANK		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	06 December 2023	53 426	(172)	(25 000)		28 426
STANDARD BANK		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	07 December 2023	28 426			40 000	68 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	06 December 2023	68 426			75 000	143 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	07 December 2023	143 426			75 000	218 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	07 December 2023	218 426	(268)		25 000	243 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.944	-	N/A	07 December 2023	243 426			100 000	343 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	18 December 2023	343 426		(40 000)		303 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	22 December 2023	303 426		(30 000)		273 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	14 January 2024	274 000	(1 000)	(30 000)		244 000
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	23 January 2024	244 000	(311)	(20 000)		224 000
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	23 January 2024	224 000				220 570
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	24 February 2024	220 570	(623)	(40 000)		180 570
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	25 February 2024	180 570	(70)	(50 000)		130 570
ABSA SHORT TERM		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	14 March 2024	130 570	(4 246)	(570)		130 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	13 March 2024	130 000	(238)	(50 000)		80 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	14 March 2024	80 000		(5 000)		75 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	13 March 2024	75 000		-	150 000	225 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	24 April 2024	225 000		(25 000)		200 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	25 April 2024	200 000	(497)	(10 000)		190 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	26 April 2024	190 000		(15 000)		175 000
<b>Municipality sub-total</b>										-	(11 142)	(667 370)	845 800	175 000

## 2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

### Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>RECEIPTS:</b>	1,2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		596 108	639 948	639 553	18	639 002	533 053	105 949	19.9%	639 553
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		586 391	631 671	631 671	-	631 671	526 393	105 279	20.0%	631 671
Expanded Public Works Programme Integrated Grant		8 517	7 077	6 682	-	6 682	5 661	1 022	18.0%	6 682
Local Government Financial Management Grant		1 200	1 200	1 200	18	649	1 000	(351)	-35.1%	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]		-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		2 631	3 911	4 145	-	443	3 440	(2 997)	-87.1%	4 145
Capacity Building and Other Grants		2 631	3 911	4 145	-	443	3 440	(2 997)	-87.1%	4 145
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		60 091	-	99 492	-	99 492	72 243	27 249	37.7%	99 492
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		478	-	1 132	-	1 132	794	337	42.5%	1 132
National Skills Fund		59 613	-	98 360	-	98 360	71 449	26 912	37.7%	98 360
Unspecified		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	5	658 830	643 859	743 190	18	738 936	608 736	130 201	21.4%	743 190
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		607 306	805 127	764 956	61 479	668 096	646 837	21 260	3.3%	764 956
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		259 530	271 683	253 512	37 331	230 361	215 500	14 861	6.9%	253 512
Regional Bulk Infrastructure Grant		250 247	430 905	413 905	20 778	342 282	348 888	(6 606)	-1.9%	413 905
Rural Road Asset Management Systems Grant		2 529	2 539	2 539	1 023	2 136	2 116	20	1.0%	2 539
Water Services Infrastructure Grant		95 000	100 000	95 000	2 346	93 318	80 333	12 984	16.2%	95 000
<b>Provincial Government:</b>		3 196	-	1 446	-	-	868	(868)	-100.0%	1 446
Infrastructure Grant		3 196	-	1 446	-	-	868	(868)	-100.0%	1 446
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Total Capital Transfers and Grants</b>	5	610 502	805 127	766 402	61 479	668 096	647 704	20 392	3.1%	766 402
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	5	1 269 332	1 448 986	1 509 592	61 497	1 407 033	1 256 440	150 593	12.0%	1 509 592

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 - M 10 April

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>										
<b>EXPENDITURE</b>										
<b>Operating expenditure of Transfers and Grants</b>										
National Government:		823 413	627 267	631 829	47 824	577 863	525 712	52 151	9.9%	631 829
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		772 241	618 990	623 947	47 806	570 532	519 052	51 481	9.9%	623 947
Expanded Public Works Programme Integrated Grant		8 532	7 077	6 682	-	6 682	5 661	1 021	18.0%	6 682
Local Government Financial Management Grant		1 200	1 200	1 200	18	649	1 000	(351)	-35.1%	1 200
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		33 001	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		2 199	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		6 240	-	-	-	-	-	-	-	-
Provincial Government:		2 689	3 385	2 475	-	443	2 038	(1 595)	-78.3%	2 475
Capacity Building and Other Grants		2 689	3 385	2 475	-	443	2 038	(1 595)	-78.3%	2 475
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		59 798	-	99 492	-	99 857	73 665	26 192	35.6%	99 492
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		478	-	1 132	-	1 132	799	332	41.5%	1 132
National Skills Fund		59 320	-	98 360	-	98 725	72 865	25 860	35.5%	98 360
<b>Total operating expenditure of Transfers and Grants:</b>		<b>885 900</b>	<b>630 652</b>	<b>733 797</b>	<b>47 824</b>	<b>678 162</b>	<b>601 415</b>	<b>76 748</b>	<b>12.8%</b>	<b>733 797</b>
<b>Capital expenditure of Transfers and Grants</b>										
National Government:		490 152	700 110	665 179	53 993	584 764	562 467	22 297	4.0%	665 179
Municipal Infrastructure Grant		194 387	236 246	220 445	32 700	201 640	187 391	14 248	7.6%	220 445
Regional Bulk Infrastructure Grant		218 770	374 700	359 917	18 338	299 613	303 380	(3 768)	-1.2%	359 917
Rural Road Asset Management Systems Grant		-	2 208	2 208	890	1 858	1 840	18	1.0%	2 208
Water Services Infrastructure Grant		76 994	86 957	82 609	2 066	81 653	69 855	11 798	16.9%	82 609
Provincial Government:		2 797	457	2 558	-	-	1 814	(1 814)	-100.0%	2 558
Capacity Building and Other Grants		-	-	843	-	-	679	(679)	-100.0%	843
Infrastructure Grant		2 797	457	1 715	-	-	1 136	(1 136)	-100.0%	1 715
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<b>Total capital expenditure of Transfers and Grants</b>		<b>492 948</b>	<b>700 568</b>	<b>667 737</b>	<b>53 993</b>	<b>584 764</b>	<b>564 281</b>	<b>20 483</b>	<b>3.6%</b>	<b>667 737</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>		<b>1 378 848</b>	<b>1 331 220</b>	<b>1 401 534</b>	<b>101 817</b>	<b>1 262 926</b>	<b>1 165 696</b>	<b>97 230</b>	<b>8.3%</b>	<b>1 401 534</b>

## 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**.

DC26 Zululand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M10 April

Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						%
<b>EXPENDITURE</b>						
<u>Operating expenditure of Approved Roll-overs</u>						
National Government:		1 446	-	-	1 446	100.0%
Water Services Operating Subsidy		1 446	-	-	(1 446)	-100.0%
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
<b>Total operating expenditure of Approved Roll-overs</b>		<b>1 446</b>	<b>-</b>	<b>-</b>	<b>1 446</b>	<b>100.0%</b>
<u>Capital expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Provincial Government:		1 642	-	-	1 642	100.0%
Other Departments		1 642	-	-	(1 642)	-100.0%
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
<b>Total capital expenditure of Approved Roll-overs</b>		<b>1 642</b>	<b>-</b>	<b>-</b>	<b>1 642</b>	<b>100.0%</b>
<b>TOTAL EXPENDITURE OF APPROVED ROLL-OVERS</b>		<b>3 088</b>	<b>-</b>	<b>-</b>	<b>3 088</b>	<b>100.0%</b>

## 2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

Summary of Employee and Councillor remuneration	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>	1									
Basic Salaries and Wages		-	-	-	-	226	-	226	#DIV/0!	-
Pension and UIF Contributions		509	512	506	44	428	423	5	1%	506
Medical Aid Contributions		54	55	41	3	34	37	(3)	-9%	41
Motr Vehicle Allowance		1 889	1 962	2 214	170	1 763	1 786	(23)	-1%	2 214
Cellphone Allowance		681	694	813	61	648	650	(2)	0%	813
Housing Allowances		360	180	180	15	150	150	-		180
Other benefits and allowances		5 782	6 084	6 030	491	4 914	5 038	(123)	-2%	6 030
<b>Sub Total - Councillors</b>		<b>9 276</b>	<b>9 486</b>	<b>9 784</b>	<b>784</b>	<b>8 163</b>	<b>8 084</b>	<b>79</b>	<b>1%</b>	<b>9 784</b>
<b>% increase</b>	4		<b>2.3%</b>	<b>5.5%</b>						<b>5.5%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		6 237	6 191	8 050	596	6 411	6 275	137	2%	8 050
Pension and UIF Contributions		176	62	408	29	296	259	36	14%	408
Medical Aid Contributions		59	3	122	10	96	74	22	30%	122
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		650	-	-	452	452	-	452	#DIV/0!	-
Motr Vehicle Allowance		1 640	1 542	1 933	147	1 592	1 520	73	5%	1 933
Cellphone Allowance		257	238	313	23	250	243	7	3%	313
Housing Allowances		13	-	12	1	11	7	3	46%	12
Other benefits and allowances		309	195	195	18	258	163	96	59%	195
Payments in lieu of leave		374	-	-	-	95	-	95	#DIV/0!	-
Long service awards		132	-	-	-	-	-	-		-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		97	-	-	-	1	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Senior Managers of Municipality</b>		<b>9 945</b>	<b>8 230</b>	<b>11 034</b>	<b>1 276</b>	<b>9 462</b>	<b>8 541</b>	<b>921</b>	<b>11%</b>	<b>11 034</b>
<b>% increase</b>	4		<b>-17.2%</b>	<b>10.9%</b>						<b>10.9%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		184 973	206 063	205 954	16 764	166 791	171 654	(4 862)	-3%	205 954
Pension and UIF Contributions		24 857	27 991	28 028	2 295	22 288	23 348	(1 060)	-5%	28 028
Medical Aid Contributions		14 860	15 496	15 500	1 481	13 917	12 916	1 001	8%	15 500
Overtime		6 703	5 448	5 448	856	6 403	4 540	1 863	41%	5 448
Performance Bonus		12 696	13 983	14 081	430	10 642	11 712	(1 070)	-9%	14 081
Motr Vehicle Allowance		10 357	10 682	10 776	986	9 460	8 958	502	6%	10 776
Cellphone Allowance		740	828	808	68	661	678	(17)	-3%	808
Housing Allowances		1 669	1 724	1 712	143	1 410	1 430	(20)	-1%	1 712
Other benefits and allowances		4 065	282	276	479	4 054	232	3 823	1651%	276
Payments in lieu of leave		5 523	-	-	154	2 877	-	2 877	#DIV/0!	-
Long service awards		3 358	-	-	133	1 684	-	1 684	#DIV/0!	-
Post-retirement benefit obligations	2	5 393	-	-	-	-	-	-		-
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		1 191	-	-	46	433	-	433	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-		-
<b>Sub Total - Other Municipal Staff</b>		<b>276 386</b>	<b>282 498</b>	<b>282 582</b>	<b>23 835</b>	<b>240 621</b>	<b>235 467</b>	<b>5 154</b>	<b>2%</b>	<b>282 582</b>
<b>% increase</b>	4		<b>2.2%</b>	<b>2.2%</b>						<b>2.2%</b>
<b>Total Parent Municipality</b>		<b>295 607</b>	<b>300 214</b>	<b>303 400</b>	<b>25 895</b>	<b>258 245</b>	<b>252 092</b>	<b>6 154</b>	<b>2%</b>	<b>303 400</b>

The municipality has no active entity.



## 2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.

DC26 Zululand - Supporting Table SC1 Material variance explanations - M09 March

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	<b>Revenue</b>			
	Service charges – Water revenue	7%	This is the amounts billed on customers for water used, the year-to-date actual is R42 million which is 78% of the approved adjusted budget. The R42 million year to date actual is above baseline projection or year-to-date budget of R39.4 million. A variance of R26 million or 7% is observed.	The municipality need to keep up billing and install meters where and when needed.
	Service charges – Sanitation revenue	-10%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R10.8 million which is 69% of the approved adjusted budget. The R10.8 million year to date actual is below the baseline projection or year-to-date budget of R11.9 million. A variance of R117 Thousands or less than 10% is observed. Reasons for variances can be attributed to businesses slow adherence to payment terms.	The municipality need to restrict non-paying consumers from services and disconnect all illegal connections.
	Sale of goods and rendering of service	10%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R720 thousands which is 92% of the approved adjusted budget. The R720 thousands year to date actual is above the baseline projection or year-to-date budget of R652 thousand. A variance of R82 thousand or 10% is observed	
	Interest earned - outstanding debtors	15%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears, the year-to-date actual is R572 thousand which is 72% of the approved adjusted budget. The R572 thousand year to date actual is above the baseline projection or year-to-date budget of R496 thousand. A variance of R76 thousand or 15% is observed. Reasons for variances can be attributed to businesses' slow adherence to payment terms.	The municipality must implement stringent measures to ensure businesses pay on time.
	Interest from Current and Non-Current Assets	163%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R10.6 million which is 141% of the approved adjusted budget. The R10.6 million year to date actual is above the baseline projection or year-to-date budget of R4 million. A variance of R6.5 million or 163% is observed. Reasons for variances can be attributed to the availability of cash to be invested to date.	
	Rental from Fixed Assets	-15%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R303 thousand which is 66% of the approved adjusted budget, the R303 thousand year to date actual is below the baseline projection or year-to-date budget of R358 thousand. A variance of R55 thousand or less than 15% is observed. Reasons for variances can be attributed to the fact that the municipality has limited space to rent.	
	Licences and Permits	20%	Licences and permits year-to-date actual is R74 thousand which is 72% of the approved adjusted budget, the R74 thousand year to date actual is above the baseline projection or year-to-date budget of R62 thousand. A variance of R12 thousand or 20% is observed. Reasons for variances can be attributed to the retailers not adhering to health inspections regulations.	
	Operational revenue	47%	Operational revenue year-to-date actual is R450 thousand which is 101% of the approved budget, the R450 thousand year to date actual is Above baseline projection or year-to-date budget of R306 thousand. A variance of R144 thousand or 47% is observed	The municipality need to adjust this line item in the adjustment budget
	Fines, penalties, and forfeits	-55%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections, the year-to-date actual is R314 thousand which is 36% of the approved adjusted budget, the R314 thousand year to date actual is Below the baseline projection or year-to-date budget of R691 thousand. A variance of R377 thousand or less than 55% is observed. Reasons for variances can be attributed to a negative indication that some illegally connected consumers are not yet discovered.	Municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	36%	Transfers and subsidies year to date actual is R738.9 million which is 99% of the approved adjusted budget. The R738.9 million year to date actual is above the baseline projection or year-to-date budget of R541.5 million. A variance of R197.4 million or 36.5% is observed. Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in tranches as per approved transfer schedule.	

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	<b>R thousands</b>			
2	<b>Expenditure By Type</b>			
	Employee Related Costs	3%	Employee-related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R224.9 million which is 76% of the approved adjusted budget. The R224.9 million year to date actual is above the baseline projection or year-to-date budget of R219.2 million. A variance of R5.7 million or 3% is observed.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections.
	Remuneration of Councillors	2%	Remuneration of Councillors are amounts paid for councillors allowances, service-related benefits, and contributions. The year-to-date actual is R7.3 million which is 75% of the approved adjusted budget. The R7.3 million year to date actual is above the baseline projection or year-to-date budget of R7.2 million. A variance of R145 thousand or 2% is observed.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections.
	Inventory Consumed	-43%	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 R18.8 million which is 17% of the approved budget. The R18.8 million year to date actual is below baseline projection or year-to-date budget of R33.2 million. A variance of R14.4 million or less than 43% is observed. Reasons for variances can be attributed to the store requisition books being in the process of capturing.	The municipality need fast pace the capturing of requisition books to reflect correct amount of expenditure.
	Depreciation	11%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R74.6 million which is 82% of the approved adjusted budget. The R74.6 million year to date actual is below the baseline projection or year-to-date budget of R67.5 million. A variance of R7.1 million or 11% is observed.	The municipality need to budget using depreciation method stipulated in the policy.
	Finance charges	-39%	Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is R454 thousand which is 45% of the approved adjusted budget. The R454 thousand year to date actual is below the baseline projection or year-to-date budget of R750 thousand. A variance of R296 thousand or less than 39% is observed. Reasons for variances can be attributed to the early payment of the account during this period.	Municipality need to keep up early payments to minimise this expenditure.
	Contracted services	42%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R227.9 million which is 96% of the approved adjusted budget. The R227.9 million year to date actual is above the baseline projection or year-to-date budget of R160.9 million. A variance of R67.07 million or 42% is observed. Reasons for variances can be attributed to unexpected or beyond control events which leads to contracted services.	The municipality must review SLAs and try to minimise costs as low as possible in this line-item.
	Transfers and subsidies paid.	-1%	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 R26.9 million which is 71% of the approved budget. The R26.9 million year to date actual is Below the Baseline projection or year-to-date budget of R27.1 million. A variance of R17 thousand or less than 1% is observed. Reasons for variances can be attributed to the fact that this line item is for seasonal expenditure.	The municipality need to monitor this line item.
	Irrecoverable debt written off	0%	Irrecoverable debt written off year-to-date actual is R28 thousand which is 0% of the approved budget. The R28 thousand year to date actual cannot be benchmarked against year-to-date budget because it has no budget. A variance of R28 thousand or 0% is observed.	
	Operational costs	36%	Operational costs are all other expenditure not classified above. The year-to-date actual is R142 million which is 104% of the approved budget. The R142 million year to date actual is above the baseline projection or year-to-date budget of R104.7 million. A variance of R37.3 million or 36% is observed. Reasons for variances can be attributed to the increase in the costs of running an organisation such as, Eskom, Wet fuel, hire charges and Management fees.	The expenditure being monitored by the municipality to keep it within the budget.

**DC26 Zululand - Supporting Table SC1 Material variance explanations - M09 March**

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
3	<b>Capital Expenditure</b>			
	Governance and administration	-41%	Governance and administration year-to-date actual are R13.9 million which is 44% of the approved adjusted budget. the R13.9 million year to date actual is below the baseline projection or year-to-date budget of R23.5 million. A variance of R960 thousand or less than 41% is observed.	
	Community and public safety	-100%	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 baseline projection or year-to-date budget of R343 thousand. A variance of R343 thousand or less than 100% is observed.	
	Economic and environmental services	-42%	Economic and environmental services year-to-date actual is R968 thousand which is 44% of the approved adjusted budget. the R968 thousand year to date actual is below the baseline projection or year-to-date budget of R16.5 million. A variance of R688 thousand or less than 42% is observed.	
	Trading services	-8%	Trading services year-to-date actual is R529.8 million which is 58% of the approved adjusted budget. the R529.8 million year to date actual is below the baseline projection or year-to-date budget of R575.1 million. A variance of R453.8 million or less than 8% is observed.	

## 2.7 ACTUAL AND REVISED TARGETS FOR CASH RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M10 April

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework			
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget				
<b>R thousands</b>	1																
<b>Cash Receipts By Source</b>																	
Property rates																	
Service charges - Electricity revenue																	
Service charges - Water revenue		928	1 881	2 063	3 448	317	1 813	1 886	2 019	2 073	2 823	3 341	17 500	40 092	47 222	49 394	
Service charges - Waste Water Management		381	742	614	1 016	228	544	591	670	759	952	1 076	5 335	12 907	13 544	14 167	
Service charges - Waste Mangement																	
Rental of facilities and equipment		45	49	45	36	-	36	71	36	-	165	82	422	985	1 094	1 138	
Interest earned - external investments		-	574	301	2 843	172	268	311	693	238	497	625	979	7 500	7 500	7 845	
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-	-	-	-	461	482	
Dividends received																	
Fines, penalties and forfeits		20	64	79	21	4	13	3	26	84	77	71	391	853	1 467	1 534	
Licences and permits		5	11	8	9	14	4	6	9	8	21	9	(1)	103	176	184	
Agency services																	
Transfers and Subsidies - Operational		266 152	2 969	48 282	165	3 395	240 307	547	22 386	159 269	-	61 923	(62 318)	743 076	678 525	711 934	
Other revenue		131 675	231 394	200 542	189 135	18 728	471 984	94 441	94 489	367 820	67 319	14 019	(1 713 312)	168 233	118 468	128 912	
<b>Cash Receipts by Source</b>		<b>399 204</b>	<b>237 683</b>	<b>251 934</b>	<b>196 673</b>	<b>22 856</b>	<b>714 968</b>	<b>97 857</b>	<b>120 329</b>	<b>530 251</b>	<b>71 853</b>	<b>81 146</b>	<b>(1 751 004)</b>	<b>973 750</b>	<b>868 457</b>	<b>915 593</b>	
<b>Other Cash Flows by Source</b>																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		104 000	150 800	86 000	41 777	170 000	74 000	-	93 867	47 942	-	63 746	(67 176)	764 956	576 195	651 991	
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		-	-	-	-	-	100 000	-	-	-	-	8 333	(8 333)	100 000	-	-	
Increase (decrease) in consumer deposits		(0)	7	1	1	(1)	0	0	1	-	-	-	(9)	-	(82)	-	
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Cash Receipts by Source</b>		<b>503 204</b>	<b>388 490</b>	<b>337 935</b>	<b>238 451</b>	<b>192 855</b>	<b>888 968</b>	<b>97 857</b>	<b>214 197</b>	<b>578 193</b>	<b>71 853</b>	<b>153 225</b>	<b>(1 826 523)</b>	<b>1 838 706</b>	<b>1 444 570</b>	<b>1 567 584</b>	
<b>Cash Payments by Type</b>																	
Employee related costs		26 127	26 418	26 816	26 778	26 586	18 434	36 638	25 094	26 063	26 496	24 572	4 839	294 861	322 345	337 062	
Remuneration of councillors		-	-	-	-	-	-	-	743	735	715	829	6 922	9 944	9 465	9 901	
Interest																	
Bulk purchases - Electricity		12 282	4 787	13 201	5 143	16 800	3 774	7 765	5 911	6 930	3 848	-	(80 441)	-	-	-	
Acquisitions - water & other inventory		7 556	-	-	-	191	-	-	2 160	12 885	-	4 226	23 690	50 707	46 368	48 501	
Contracted services		131	(6 308)	(49 127)	(113 256)	(89 149)	(70 637)	(10 628)	(10 369)	(68 776)	(53 549)	21 854	712 059	262 246	179 822	186 342	
Transfers and subsidies - other municipalities																	
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure		239 289	84 467	106 769	152 667	160 442	227 375	51 662	62 419	144 295	68 626	13 851	(1 145 653)	166 209	202 103	173 937	
<b>Cash Payments by Type</b>		<b>285 385</b>	<b>109 364</b>	<b>97 659</b>	<b>71 332</b>	<b>114 870</b>	<b>178 946</b>	<b>85 436</b>	<b>85 958</b>	<b>122 131</b>	<b>46 137</b>	<b>65 331</b>	<b>(478 584)</b>	<b>783 967</b>	<b>760 103</b>	<b>755 743</b>	
<b>Other Cash Flows/Payments by Type</b>																	
Capital assets		-	57 911	49 277	113 514	90 763	101 101	10 678	10 959	97 963	53 993	63 116	108 112	757 386	505 844	571 899	
Repayment of borrowing		-	-	-	-	173	-	-	-	944	138	833	7 912	10 000	18 096	18 416	
Other Cash Flows/Payments		-	2 690	8 299	1 429	615	6 337	354	35	12 931	2 536	83	(34 309)	1 000	2 000	3 000	
<b>Total Cash Payments by Type</b>		<b>285 385</b>	<b>169 965</b>	<b>155 234</b>	<b>186 275</b>	<b>206 421</b>	<b>286 385</b>	<b>96 468</b>	<b>96 952</b>	<b>233 970</b>	<b>102 805</b>	<b>129 363</b>	<b>(396 870)</b>	<b>1 552 353</b>	<b>1 286 044</b>	<b>1 349 057</b>	
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>217 819</b>	<b>218 525</b>	<b>182 701</b>	<b>52 176</b>	<b>(13 566)</b>	<b>602 584</b>	<b>1 389</b>	<b>117 245</b>	<b>344 223</b>	<b>(30 951)</b>	<b>23 863</b>	<b>(1 429 653)</b>	<b>286 353</b>	<b>158 525</b>	<b>218 526</b>	
Cash/cash equivalents at the month/year beginning:		27 427	245 245	463 770	646 471	698 647	685 081	1 287 664	1 289 053	1 406 298	1 750 521	1 719 569	1 743 432	27 427	313 779	472 304	
Cash/cash equivalents at the month/year end:		245 245	463 770	646 471	698 647	685 081	1 287 664	1 289 053	1 406 298	1 750 521	1 719 569	1 743 432	313 779	313 779	472 304	690 831	

## 2.8 MUNICIPAL ENTITY FINANCIAL OPERATING EXPENDITURE PERFORMANCE BUDGET

The municipality does not have an entity.

## 2.9 MUNICIPAL ENTITY FINANCIAL CAPITAL EXPENDITURE PERFORMANCE

The municipality does not have an entity.

## 2.10 CAPITAL PROGRAMME PERFORMANCE

### Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M10 April

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
<b>R thousands</b>									
<b>Monthly expenditure performance trend</b>									
July	5 503	65 875	65 875	–	–	65 875	65 875	100.0%	0%
August	14 273	65 890	65 890	57 911	57 911	131 765	73 853	56.0%	8%
September	32 995	65 890	65 890	49 277	49 277	197 655	148 378	75.1%	7%
October	27 335	65 998	65 998	113 514	113 514	263 652	150 138	56.9%	15%
November	18 645	65 998	65 998	90 763	90 763	329 650	238 887	72.5%	12%
December	46 356	65 998	65 998	101 101	101 101	395 648	294 547	74.4%	13%
January	7 250	65 998	65 998	10 678	10 678	461 646	450 968	97.7%	1%
February	13 944	59 248	59 248	10 959	10 959	520 893	509 934	97.9%	1%
March	27 728	59 248	59 248	97 963	97 963	580 141	482 178	83.1%	13%
April	70 518	59 248	59 248	53 993	53 993	639 389	585 395	91.6%	0
May	127 629	59 248	59 248	–	53 993	698 636	644 643	92.3%	0
June	105 809	59 248	59 248	–	–	757 884	757 884	100.0%	–
<b>Total Capital expenditure</b>	<b>497 986</b>	<b>757 884</b>	<b>757 884</b>	<b>586 159</b>					

## 2.11 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 - M10 April

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		491 521	700 110	667 132	53 993	584 764	563 781	(20 983)	-3.7%	667 132
Roads Infrastructure		-	2 208	2 208	890	1 858	1 840	(18)	-1.0%	2 208
Roads		-	2 208	2 208	890	1 858	1 840	(18)	-1.0%	2 208
Road Structures		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		491 521	693 120	664 229	53 104	582 906	560 123	(22 783)	-4.1%	664 229
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		68 814	79 130	38 092	3 369	31 887	40 903	9 016	22.0%	38 092
Reservoirs		11 062	15 086	9 356	582	9 197	8 063	(1 134)	-14.1%	9 356
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		63 564	66 957	111 969	13 354	109 102	84 397	(24 705)	-29.3%	111 969
Bulk Mains		311 748	508 469	461 685	21 975	393 801	393 612	(188)	0.0%	461 685
Distribution		36 333	23 478	43 126	13 825	38 919	33 148	(5 771)	-17.4%	43 126
Distribution Points		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	4 783	696	-	-	1 818	1 818	100.0%	696
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	4 783	-	-	-	1 258	1 258	100.0%	-
Toilet Facilities		-	-	696	-	-	560	560	100.0%	696
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		1 726	-	-	-	-	-	-	-	-
Community Facilities		1 726	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		1 726	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		51	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		51	-	-	-	-	-	-	-	-
Computer Software and Applications		51	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		2 158	2 350	2 385	-	918	1 998	1 080	54.1%	2 385
Computer Equipment		2 158	2 350	2 385	-	918	1 998	1 080	54.1%	2 385
<b>Furniture and Office Equipment</b>		1 085	550	718	-	207	585	378	64.6%	718
Furniture and Office Equipment		1 085	550	718	-	207	585	378	64.6%	718
<b>Machinery and Equipment</b>		1 210	87 414	87 414	-	-	72 845	72 845	100.0%	87 414
Machinery and Equipment		1 210	87 414	87 414	-	-	72 845	72 845	100.0%	87 414
<b>Transport Assets</b>		-	-	235	-	270	179	(91)	-50.6%	235
Transport Assets		-	-	235	-	270	179	(91)	-50.6%	235
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	1	497 751	790 424	757 884	53 993	586 159	639 389	53 230	8.3%	757 884

## 2.12 EXPENDITURE ON REPAIRS AND MAINTAINANCEBY ASSET CLASS

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M10 April

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		130 598	70 000	69 500	344	49 110	57 967	8 857	15.3%	69 500
Roads Infrastructure		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
<i>Attenuation</i>		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		130 598	70 000	69 500	344	49 110	57 967	8 857	15.3%	69 500
<i>Bulk Mains</i>		44 531	20 000	19 500	344	15 943	16 300	357	2.2%	19 500
<i>Distribution</i>		-	-	-	-	-	-	-	-	-
<i>Distribution Points</i>		86 067	50 000	50 000	-	33 167	41 667	8 500	20.4%	50 000
<i>PRV Stations</i>		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
<i>Pump Station</i>		-	-	-	-	-	-	-	-	-
<i>Reticulation</i>		-	-	-	-	-	-	-	-	-
<i>Waste Water Treatment Works</i>		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
<i>Landfill Sites</i>		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
<i>Rail Lines</i>		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
<i>Sand Pumps</i>		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		-	-	1 030	-	-	801	801	100.0%	1 030
Community Facilities		-	-	1 030	-	-	801	801	100.0%	1 030
<i>Airports</i>		-	-	1 030	-	-	801	801	100.0%	1 030
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
<i>Improved Property</i>		-	-	-	-	-	-	-	-	-
<i>Unimproved Property</i>		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		1 420	3 200	1 425	4	693	1 374	681	49.5%	1 425
Operational Buildings		1 420	3 200	1 425	4	693	1 374	681	49.5%	1 425
<i>Municipal Offices</i>		1 420	3 200	1 425	4	693	1 374	681	49.5%	1 425
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
<i>Capital Spares</i>		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
<i>Unspecified</i>		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		20	-	-	-	-	-	-	-	-
Computer Equipment		20	-	-	-	-	-	-	-	-
<b>Furniture and Office Equipment</b>		40	200	11	-	-	82	82	100.0%	11
Furniture and Office Equipment		40	200	11	-	-	82	82	100.0%	11
<b>Machinery and Equipment</b>		29	-	50	-	-	40	40	100.0%	50
Machinery and Equipment		29	-	50	-	-	40	40	100.0%	50
<b>Transport Assets</b>		4 728	1 500	3 145	16	3 144	2 294	(850)	-37.1%	3 145
Transport Assets		4 728	1 500	3 145	16	3 144	2 294	(850)	-37.1%	3 145
<b>Land</b>		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
<i>Policing and Protection</i>		-	-	-	-	-	-	-	-	-
<i>Zoological plants and animals</i>		-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	1	136 836	74 900	75 161	364	52 948	62 558	9 611	15.4%	75 161

## 2.13 DEPRECIATION BY ASSET CLASS

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M10 April										
Description	Ref	2022/23 Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2023/24					
					Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>	1									
<b>Depreciation by Asset Class/Sub-class</b>										
<b>Infrastructure</b>		<b>88 946</b>	<b>80 877</b>	<b>80 877</b>	<b>8 465</b>	<b>77 057</b>	<b>67 398</b>	(9 659)	-14.3%	<b>80 877</b>
Roads Infrastructure		587	718	718	-	-	598	598	100.0%	718
Roads		587	718	718	-	-	598	598	100.0%	718
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		28	36	36	-	-	30	30	100.0%	36
LV Networks		28	36	36	-	-	30	30	100.0%	36
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		86 306	77 892	77 892	8 231	74 845	64 910	(9 935)	-15.3%	77 892
Dams and Weirs		2 197	2 285	2 285	186	1 859	1 904	45	2.4%	2 285
Boreholes		1 572	471	471	133	1 329	392	(937)	-239.0%	471
Reservoirs		7 184	7 026	7 026	636	6 196	5 855	(340)	-5.8%	7 026
Pump Stations		5 203	4 451	4 451	457	4 424	3 710	(714)	-19.3%	4 451
Water Treatment Works		7 060	6 502	6 502	684	6 495	5 418	(1 077)	-19.9%	6 502
Bulk Mains		39 339	34 795	34 795	3 915	34 370	28 996	(5 374)	-18.5%	34 795
Distribution		23 677	22 280	22 280	2 213	20 105	18 566	(1 539)	-8.3%	22 280
PRV Stations		74	81	81	7	67	68	1	1.0%	81
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		2 026	2 231	2 231	234	2 212	1 860	(352)	-18.9%	2 231
Pump Station		(174)	193	193	28	148	160	12	7.7%	193
Reticulation		1 686	1 717	1 717	140	1 405	1 431	26	1.8%	1 717
Waste Water Treatment Works		514	322	322	66	659	268	(390)	-145.4%	322
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Community Assets</b>		<b>30</b>	<b>852</b>	<b>852</b>	<b>102</b>	<b>1 022</b>	<b>710</b>	<b>(312)</b>	<b>-43.9%</b>	<b>852</b>
Community Facilities		(105)	622	622	91	909	518	(391)	-75.6%	622
Markets		143	-	-	29	286	-	(286)	#DIV/0!	-
Airports		(248)	622	622	62	623	518	(105)	-20.3%	622
Sport and Recreation Facilities		135	230	230	11	112	192	79	41.4%	230
Outdoor Facilities		135	230	230	11	112	192	79	41.4%	230
<b>Heritage assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other Heritage		-	-	-	-	-	-	-	-	-
<b>Investment properties</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Revenue Generating		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
<b>Other assets</b>		<b>2 904</b>	<b>1 366</b>	<b>1 366</b>	<b>351</b>	<b>1 325</b>	<b>1 138</b>	<b>(187)</b>	<b>-16.4%</b>	<b>1 366</b>
Operational Buildings		2 904	1 366	1 366	351	1 325	1 138	(187)	-16.4%	1 366
Municipal Offices		2 904	1 312	1 312	351	1 325	1 094	(231)	-21.1%	1 312
Stores		-	53	53	-	-	44	44	100.0%	53
Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
<b>Biological or Cultivated Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
<b>Intangible Assets</b>		<b>18</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>20</b>	<b>-</b>	<b>(20)</b>	<b>#DIV/0!</b>	<b>-</b>
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		18	-	-	2	20	-	(20)	#DIV/0!	-
Computer Software and Applications		18	-	-	2	20	-	(20)	#DIV/0!	-
Unspecified		-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		<b>2 770</b>	<b>992</b>	<b>992</b>	<b>1 327</b>	<b>2 320</b>	<b>827</b>	<b>(1 493)</b>	<b>-180.6%</b>	<b>992</b>
Computer Equipment		2 770	992	992	1 327	2 320	827	(1 493)	-180.6%	992
<b>Furniture and Office Equipment</b>		<b>505</b>	<b>555</b>	<b>555</b>	<b>180</b>	<b>465</b>	<b>463</b>	<b>(2)</b>	<b>-0.5%</b>	<b>555</b>
Furniture and Office Equipment		505	555	555	180	465	463	(2)	-0.5%	555
<b>Machinery and Equipment</b>		<b>717</b>	<b>368</b>	<b>368</b>	<b>361</b>	<b>804</b>	<b>306</b>	<b>(498)</b>	<b>-162.4%</b>	<b>368</b>
Machinery and Equipment		717	368	368	361	804	306	(498)	-162.4%	368
<b>Transport Assets</b>		<b>4 359</b>	<b>4 991</b>	<b>4 991</b>	<b>824</b>	<b>3 251</b>	<b>4 159</b>	<b>909</b>	<b>21.8%</b>	<b>4 991</b>
Transport Assets		4 359	4 991	4 991	824	3 251	4 159	909	21.8%	4 991
<b>Land</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land		-	-	-	-	-	-	-	-	-
<b>Zoo's, Marine and Non-biological Animals</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
<b>Living resources</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
<b>Total Depreciation</b>	1	<b>100 249</b>	<b>90 000</b>	<b>90 000</b>	<b>11 611</b>	<b>86 262</b>	<b>75 000</b>	<b>(11 262)</b>	<b>-15.0%</b>	<b>90 000</b>



## 2.14 MUNICIPAL MANAGERS QUALITY CERTIFICATION

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



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

Date : 2024/05/14