

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

31 OCTOBER 2022

MFMA S71 REPORT

2022/2023 FINANCIAL YEAR

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GLOSSARY

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

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

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

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

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

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

CFO – Chief Financial Officer

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

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

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

FMG – Financial Management Grant

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

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

MSCOA – Municipal Standard Chart of Accounts

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

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

LED – Local Economic Development

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

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

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

MWIG – Municipal Water Infrastructure Grant

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

R & M – Repairs and Maintenance

SCM - Supply Chain Management

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

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

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

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance

	APPROVED BUDGET	YTD ACTUAL
Total Revenue By Source (Excluding Capital Transfers)	688 934 986	251 693 917
Total Operating Expenditure	626 160 559	213 723 181
Surplus/(Deficit)	62 774 427	37 970 737

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **31 October 2022** is **R251.7 million** which is **37%** of the total operating revenue budget, the year-to-date budget is **R229.6 million** which is below year-to date actual, a variance of **R22 million** or **10%** is observed, this variance is a result of equitable share which is not received monthly but in trenches three times a year as per approved transfer schedule. Operating revenue comprises of equitable share and other operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Operating revenue is explained by source in Section 1.4 Operating Revenue Performance.

The Municipality is largely dependent on government grants for its operations, service charges revenue recognized is only **R18.9 million** which is **8%** of the total generated operating revenue. No amount has been recognized relating to the proposed flat rate of **R50**.

Operating Expenditure Performance

Total Operating Expenditure as at **31 October 2022** is **R213.7 million** which is **34%** of the operating expenditure budget, the year-to-date budget is **R209.2 million** which is below year-to-date actual, a variance of **R4.5 million** or **2%** is observed, there are line items such as inventory and debt impairment has either slow or no movement in previous months, on the other hand other expenditure is moving almost twice the year to date budget. Operating expenditure is explained by source in Section 1.5 Operating Expenditure Performance.

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL
Total Capital Expenditure	332 161 738	80 106 365
Total Capital Financing	332 161 738	80 106 365

Total Capital Expenditure as at **31 October 2022** is **R80.1 million** which is **24%** of the capital budget, the year-to-date budget is **R110.9 million** which is above year-to-date actual, a variance of **R30.8 million** or **28%** is observed. This may indicate that capital grants are not spent in a required pace. Capital expenditure is explained by source in Section 1.6 Capital Expenditure and Funding.

Major Variances between actuals and year to date budget`

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

On Revenue there seem to be major variances between year-to-date budget and year to date actual, these variances are on interest on investments, Service charges, Fines, Penalties and forfeits, transfers and subsidies and other revenue. The variance on service charges, this is due to the delay in flat rate implementation, investment is low due to prioritization of payments of liabilities, transfers and subsidies variance is a result of grants which are not received monthly but in trenches as per approved transfer schedule.

Major variances on expenditure are on inventory consumed, debt impairment and other expenditure.

1.4. OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates										
Service charges - electricity revenue										
Service charges - water revenue		38 486	68 000	68 000	3 601	13 608	22 667	(9 059)	-40%	68 000
Service charges - sanitation revenue		12 513	12 500	12 500	1 290	5 286	4 167	1 119	27%	12 500
Service charges - refuse revenue										
Rental of facilities and equipment		195	183	183	17	68	61	7	12%	183
Interest earned - external investments		3 705	6 000	6 000	504	1 343	2 000	(657)	-33%	6 000
Interest earned - outstanding debtors		288	85	85	16	55	28	27	94%	85
Dividends received										
Fines, penalties and forfeits		209	150	150	4	15	50	(35)	-71%	150
Licences and permits		-	-	-	6	17	-	17	#DIV/0!	-
Agency services										
Transfers and subsidies		537 979	601 306	601 306	2 303	230 995	200 435	30 560	15%	601 306
Other revenue		1 085	711	711	108	306	237	69	29%	711
Gains		40	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		594 501	688 935	688 935	7 850	251 694	229 645	22 049	10%	688 935

The year-to-date actual indicates operating revenue of **R251.7 million** for **four months**, the year-to-date budget is **R229.6 million**. A variance of **R22 million** or **10%** is observed. The total revenue to-date represents **37%** of the operating revenue budget. Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

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

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R13.6 million**, which is below year-to-date budget of **R22.6 million**. A variance of **R9 million** or **40%** is observed. No amount has been recognized relating to the proposed flat rate of **R50 to date**, this is causing under billing of the variance mentioned above.

The municipality may have to adjust downward revenue projection in the adjustment budget. The municipality must fast track the billing of **R50** flat rate to ensure that the budget target is met.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R5.3 million** which is above year to date budget of **R4.1 million**. A variance of **R1.1 million** or **27%** is observed.

The billing is above the target, the municipality may have to adjust upwards in the adjustment budget.

Rent of facilities

Rental of facilities is amounts billed to WSSA, Avis and Waphatha Group for office space used. The year-to-date actual is **R68 thousand** which is above year-to-date budget of **R61 thousand**. A variance of **R7 thousand** or **12%** is observed.

The billing is above the target, the municipality may have to adjust upwards in the adjustment budget.

Interest on investment

Interest on investment is interest received when the Municipality makes cash investments. The year-to-date actual is **R1.3 million**, which is below year-to-date budget of **R2 million**. A variance of **R657 thousand** or **33%** is observed, Investment is low due to prioritization of payments of liabilities.

The interest on investment is below target, the municipality may have to revise its investment strategy to ensure budget target is met or may have to adjust downwards in the adjustment budget.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is **R55 thousand**, which is above to year-to-date budget of **R28 thousand**. variance of **R27 thousand** or **94%** is observed. This is due to low collection rate on businesses which are charged interest as per the municipal policy.

Interest earned on outstanding debtors is above target, the municipality must improve collection to ensure less consumers are charged interest. The municipality may have to adjust upwards in the adjustment budget.

Fines, penalties and forfeits

Fines, penalties and forfeits are mainly amounts charged on illegal connections, the year-to-date actual is **R15 thousand**, which is below the year-to-date budget of **R50 thousand**. A variance of **R35 thousand** or **71%** is observed. This is a positive indication that less consumers are illegally connected.

Municipality must keep up disconnection of illegal connections. The municipality may have to adjust upwards in the adjustment budget.

Licences and permits

This amount is for health certificates issued, the year-to-date actual is **R17 thousand**, the year-to-date budget is **R0**. A variance of **R17 thousand** or is observed.

There was no allocated budget in this revenue stream, the budget will be allocated in the adjustment budget.

Transfers and subsidies

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

Transfers and subsidies year to date actual is **R230.9 million**, which is above year-to-date budget of **R200.4 million**. A variance of **R30.5 million** or **15%** is observed.

This variance is mainly a result of equitable share which is not received monthly but in trenches three times a year as per approved transfer schedule.

Transfers and subsidies depend on the transfer schedule and cannot be benchmarked against the year-to-date budget.

Other revenue

Other revenue includes amounts for tender fees and any other revenue the Municipality may be entitled to receive, the year-to-date actual is **R306 thousand**, which is above year-to-date budget of **R237 thousand**. A variance of **R69 thousand** or **29%** is observed.

The other revenue depends on the sale of tender documents and skills development levy refund which are seasonal and cannot be benchmarked against the year-to-date budget.

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October										
Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		263 669	268 152	268 152	21 875	89 564	89 385	180	0%	268 152
Remuneration of councillors		8 616	8 771	8 771	703	3 052	2 924	129	4%	8 771
Debt impairment		20 001	14 000	14 000	-	-	4 667	(4 667)	-100%	14 000
Depreciation & asset impairment		101 119	80 000	80 000	6 667	26 667	26 667	(0)	0%	80 000
Finance charges		404	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		22 017	33 320	34 483	7 924	8 005	11 275	(3 271)	-29%	34 483
Contracted services		303 716	106 388	115 009	6 984	34 914	37 081	(2 167)	-6%	115 009
Transfers and subsidies		11 295	3 070	1 362	-	378	566	(188)	-33%	1 362
Other expenditure		131 178	112 460	105 005	9 624	51 143	36 627	14 516	40%	105 005
Losses		2 627	-	-	-	-	-	-		-
Total Expenditure		864 643	626 161	626 781	53 777	213 723	209 190	4 533	2%	626 781

The year-to-date actual indicates spending of **R213.7 million** for **four months**, the year-to-date budget is **R209.2 million** which is below year-to date actual, a variance of **R4.5 million** or **2%** is observed. The total expenditure to-date represents **34%** of the approved operational budget.

Employee Related Costs

Employee related costs year to date actual is **R89.5 million**, which is above the year-to-date budget of **R89.3 million**, a variance of **R180 thousand** or less than **1%** is observed. Employee related cost is a little bit above year-to-date budget, this variance is caused by overtime, standby allowance, acting allowance and long service bonus.

The above variance is not major therefore does not warrant remedy

Remuneration of Councillors

Remuneration of Councillors year to date actual is **R3 million**, which is above the year-to-date budget is **R2.9 million**, a variance of **R129 thousand** or **4%** is observed. The upper limits have been effected therefore the municipality back paid councillors.

The revised budget allocation is recommended in the next adjustment budget.

Debt impairment

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

Municipality calculate debt impairment once at year end.

Depreciation

This is non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R26.6 million**, which is equal to year-to-date budget of **R226.6 million**. A variance of **R0 million** or **0%** is observed.

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 stores (cleaning materials, stationery, water stock and materials and supplies), the year-to-date actual is **R8 million**, which is below the year-to-date budget of **R11.2 million**, a variance of **R3.2 million** or **29%** is observed. The variance may be caused by non-payments of bulk water and late capturing of requisition.

It is recommended that the municipality record all expenditure relating to bulk water and consumable stores in time.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R34.9 million** which is below the year-to-date budget is **R37 million**, a variance of **R2.1 million** or **6%** is observed.

The municipality need to review SLA and reconcile it with the budget for contracted services and adjust in the next adjustment if need be.

Transfers and subsidies paid

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support businesses. The year-to-date actual is **R378 thousand**, the year-to-date budget is **R466 thousand**, a variance of **R88 thousand** or **19%** is observed.

This expenditure item is seasonal therefore expenditure cannot be benchmarked.

Other expenditure

Other expenditure year to date actual is **R51.1 million**, which is above the year-to-date budget of **R36.6 million**, a variance of **R14.5 million** or **40%** is observed. Other expenditure includes monthly cost of electricity for water supply plants and other seasonal/once off expenditure items.

It is recommended that the municipality monitor closely this expenditure item.

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL
Finance Management grant	1 200 000	170 372
EPWP Incentive	8 517 000	7 989 521
Art centre Subsisies (Indonsa Grant)	1 911 000	1 029 844
Aviation Strategy	500 000	-
Municipal Systems Improvement Grant	2 787 000	-
Total Operating Grant Expenditure	14 915 000	9 189 737

Summary of Revenue and Operational Expenditure Performance

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M04 October

Description	Ref	2021/22		Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates							-			
Service charges - electricity revenue							-			
Service charges - water revenue		38 486	68 000	68 000	3 601	13 608	22 667	(9 059)	-40%	68 000
Service charges - sanitation revenue		12 513	12 500	12 500	1 290	5 286	4 167	1 119	27%	12 500
Service charges - refuse revenue								-		
Rental of facilities and equipment		195	183	183	17	68	61	7	12%	183
Interest earned - external investments		3 705	6 000	6 000	504	1 343	2 000	(657)	-33%	6 000
Interest earned - outstanding debtors		288	85	85	16	55	28	27	94%	85
Dividends received								-		
Fines, penalties and forfeits		209	150	150	4	15	50	(35)	-71%	150
Licences and permits		-	-	-	6	17	-	17	#DIV/0!	-
Agency services								-		
Transfers and subsidies		537 979	601 306	601 306	2 303	230 995	200 435	30 560	15%	601 306
Other revenue		1 085	711	711	108	306	237	69	29%	711
Gains		40	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		594 501	688 935	688 935	7 850	251 694	229 645	22 049	10%	688 935
Expenditure By Type										
Employee related costs		263 669	268 152	268 152	21 875	89 564	89 385	180	0%	268 152
Remuneration of councillors		8 616	8 771	8 771	703	3 052	2 924	129	4%	8 771
Debt impairment		20 001	14 000	14 000	-	-	4 667	(4 667)	-100%	14 000
Depreciation & asset impairment		101 119	80 000	80 000	6 667	26 667	26 667	(0)	0%	80 000
Finance charges		404	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		22 017	33 320	34 483	7 924	8 005	11 275	(3 271)	-29%	34 483
Contracted services		303 716	106 388	115 009	6 984	34 914	37 081	(2 167)	-6%	115 009
Transfers and subsidies		11 295	3 070	1 362	-	378	566	(188)	-33%	1 362
Other expenditure		131 178	112 460	105 005	9 624	51 143	36 627	14 516	40%	105 005
Losses		2 627	-	-	-	-	-	-		-
Total Expenditure		864 643	626 161	626 781	53 777	213 723	209 190	4 533	2%	626 781
Surplus/(Deficit)		(270 142)	62 774	62 154	(45 927)	37 971	20 454	17 516	0	62 154
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		611 248	372 306	372 306	31 201	86 373	124 102	(37 729)	(0)	372 306
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)		24 307	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460
Taxation								-		
Surplus/(Deficit) after taxation		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460

1.6. CAPITAL EXPENDITURE AND FUNDING

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

The summary report indicates the following: -

	APPROVED BUDGET	YTD ACTUAL
Total Capital Expenditure	380 723 390	80 106 365
Total Capital Financing	380 723 390	80 106 365

The capital expenditure amounts to **R80.1 million** which is **24%** of the capital budget, after a period of **four months**.

CAPITAL EXPENDITURE BY SOURCE	APPROVED BUDGET	YTD ACTUAL
Municipal Infrastructure Grant (MIG)	225 678 261	51 226 261
Regional Bulk Infrastructure (RBIG)	13 258 261	7 692 009
Water services infrastructure Grant (WSIG)	82 608 696	16 295 496
Rural Roads Asset Managemnt Systems Grant	2 199 130	-
Kwamajomela Manufacturing Centre Grant	-	615 943
Indonsa Grant	26 087	-
Other Assets	8 391 303	4 276 655
Total Operating Expenditure	332 161 738	80 106 365

Capital Grant Expenditure as per MFMA circular no. 58

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL
Municipal Infrastructure Grant (MIG)	259 530 000	58 284 068
Regional Bulk Infrastructure (RBIG)	15 247 000	8 753 921
Water services infrastructure Grant (WSIG)	95 000 000	18 626 658
Rural Roads Asset Managemnt Systems Grant	2 529 000	-
Kwamajomela Manufacturing Centre Grant	-	708 334
Indonsa Grant	26 087	-
Total Capital Grant Expenditure	372 332 087	86 372 981

Overall capital grant expenditure is sitting at **23%** of the approved capital budget, **MIG** is sitting at **22%**, **RBIG** at **57%**, **WSIG** at **20%**, **RAMS** at **0%**, **KwaMajomela Manufacturing Centre** at **50%** and **Indonsa Art Centre** at **0%**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 03 - Finance		-	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-	-	-
Single Year expenditure appropriation	2									
Vote 01 - Council		6 594	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		3 746	3 261	3 318	-	-	1 096	(1 096)	-100%	3 318
Vote 03 - Finance		2 918	478	478	-	-	159	(159)	-100%	478
Vote 04 - Community Development		7 451	26	2 067	1 255	1 255	235	1 020	433%	2 067
Vote 05 - Planning & Wsa		485 073	327 657	327 632	26 080	78 851	109 216	(30 365)	-28%	327 632
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	348	348	-	-	116	(116)	-100%	348
Vote 08 - Water Distribution		-	391	391	-	-	130	(130)	-100%	391
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Total Capital Expenditure		505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Capital Expenditure - Functional Classification										
Governance and administration		13 258	3 652	3 709	-	-	1 227	(1 227)	-100%	3 709
Executive and council		6 594	-	-	-	-	-	-	-	-
Finance and administration		6 664	3 652	3 709	-	-	1 227	(1 227)	-100%	3 709
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		485	70	683	639	639	91	548	600%	683
Community and social services		485	70	683	639	639	91	548	600%	683
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		6 965	6 112	7 515	616	4 253	2 193	2 060	94%	7 515
Planning and development		6 965	6 112	7 515	616	4 253	2 193	2 060	94%	7 515
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		485 073	322 284	322 284	26 080	75 214	107 428	(32 214)	-30%	322 284
Energy sources		-	-	-	-	-	-	-	-	-
Water management		485 073	322 284	322 284	26 080	75 214	107 428	(32 214)	-30%	322 284
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		-	43	43	-	-	14	(14)	-100%	43
Total Capital Expenditure - Functional Classification	3	505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Funded by:										
National Government		485 073	323 744	323 719	26 080	75 214	107 912	(32 698)	-30%	323 719
Provincial Government		7 451	26	1 428	616	616	164	452	275%	1 428
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National/ Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		492 524	323 770	325 147	26 696	75 830	108 076	(32 247)	-30%	325 147
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		13 258	8 391	9 088	639	4 277	2 877	1 399	49%	9 088
Total Capital Funding		505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235

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 2022/2023 budget, actual financial performance, actual capital expenditure, actual financial position, and actual cashflow as implemented by the accounting officer in terms of S62 of the MFMA.

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

MBRR Table C1 – Monthly Budget Statement Summary

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M04 October

Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	50 999	80 500	80 500	4 891	18 894	26 833	(7 939)	-30%	80 500
Investment revenue	3 705	6 000	6 000	504	1 343	2 000	(657)	-33%	6 000
Transfers and subsidies	537 979	601 306	601 306	2 303	230 995	200 435	30 560	15%	601 306
Other own revenue	1 817	1 129	1 129	152	461	376	85	23%	1 129
Total Revenue (excluding capital transfers and contributions)	594 501	688 935	688 935	7 850	251 694	229 645	22 049	10%	688 935
Employee costs	263 669	268 152	268 152	21 875	89 564	89 385	180	0%	268 152
Remuneration of Councillors	8 616	8 771	8 771	703	3 052	2 924	129	4%	8 771
Depreciation & asset impairment	101 119	80 000	80 000	6 667	26 667	26 667	(0)	-0%	80 000
Finance charges	404	-	-	-	-	-	-	-	-
Inventory consumed and bulk purchases	22 017	33 320	34 483	7 924	8 005	11 275	(3 271)	-29%	34 483
Transfers and subsidies	11 295	3 070	1 362	-	378	566	(188)	-33%	1 362
Other expenditure	457 522	232 848	234 013	16 608	86 057	78 374	7 683	10%	234 013
Total Expenditure	864 643	626 161	626 781	53 777	213 723	209 190	4 533	2%	626 781
Surplus/(Deficit)	(270 142)	62 774	62 154	(45 927)	37 971	20 454	17 516	86%	62 154
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	611 248	372 306	372 306	31 201	86 373	124 102	### ###	-30%	372 306
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind all)	24 307	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	365 413	435 080	434 460	(14 725)	124 344	144 556	(20 213)	-14%	434 460
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	365 413	435 080	434 460	(14 725)	124 344	144 556	(20 213)	-14%	434 460
Capital expenditure & funds sources									
Capital expenditure	505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Capital transfers recognised	492 524	323 770	325 147	26 696	75 830	108 076	(32 247)	-30%	325 147
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	13 258	8 391	9 088	639	4 277	2 877	1 399	49%	9 088
Total sources of capital funds	505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Financial position									
Total current assets	1 446 071	338 914	338 914		103 067				338 914
Total non current assets	4 622 238	4 188 965	4 191 038		4 675 678				4 191 038
Total current liabilities	355 836	224 332	224 332		277 335				224 332
Total non current liabilities	42 112	33 904	33 904		41 810				33 904
Community wealth/Equity	4 384 876	3 834 563	3 834 563		4 460 421				3 834 563
Cash flows									
Net cash from (used) operating	466 705	549 645	549 645	8 234	129 316	183 215	53 899	29%	549 645
Net cash from (used) investing	(505 782)	(332 162)	(332 162)	(27 335)	(80 106)	(110 721)	(30 614)	28%	(332 162)
Net cash from (used) financing	-	-	-	-	(259)	-	259	#DIV/0!	-
Cash/cash equivalents at the month/year end	(19 019)	290 159	290 159	-	107 234	145 171	37 936	26%	275 767
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	5 860	4 935	3 687	3 464	3 149	2 700	18 145	139 840	181 779
Creditors Age Analysis									
Total Creditors	-	4 534	2 044	87	-	-	-	-	6 665

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M04 October

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		530 987	594 535	594 535	789	230 564	198 178	32 385	16%	594 535
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		530 987	594 535	594 535	789	230 564	198 178	32 385	16%	594 535
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 011	2 011	2 011	21	36	670	(634)	-95%	2 011
Community and social services		2 011	1 911	1 911	16	26	637	(611)	-96%	1 911
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	100	100	5	10	33	(23)	-70%	100
Economic and environmental services		9 606	5 316	5 316	708	708	1 772	(1 064)	-60%	5 316
Planning and development		9 606	5 316	5 316	708	708	1 772	(1 064)	-60%	5 316
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		686 941	458 879	458 879	37 534	106 759	152 960	(46 201)	-30%	458 879
Energy sources		-	-	-	-	-	-	-	-	-
Water management		674 336	446 379	446 379	36 240	101 458	148 793	(47 335)	-32%	446 379
Waste water management		12 605	12 500	12 500	1 294	5 301	4 167	1 134	27%	12 500
Waste management		-	-	-	-	-	-	-	-	-
Other	4	511	500	500	-	-	167	(167)	-100%	500
Total Revenue - Functional	2	1 230 055	1 061 241	1 061 241	39 052	338 067	353 747	(15 680)	-4%	1 061 241
Expenditure - Functional										
Governance and administration		255 476	225 404	227 234	17 484	79 392	75 793	3 599	5%	227 234
Executive and council		61 104	47 846	49 699	3 482	22 546	16 615	5 931	36%	49 699
Finance and administration		194 372	177 558	177 535	14 001	56 845	59 178	(2 333)	-4%	177 535
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		24 796	25 580	26 554	2 388	9 208	8 637	571	7%	26 554
Community and social services		13 211	13 202	14 176	1 300	5 065	4 511	554	12%	14 176
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		11 586	12 378	12 378	1 088	4 143	4 126	17	0%	12 378
Economic and environmental services		24 502	23 962	23 266	1 332	5 086	7 854	(2 768)	-35%	23 266
Planning and development		24 502	23 962	23 266	1 332	5 086	7 854	(2 768)	-35%	23 266
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		551 986	337 266	335 829	31 388	116 702	112 263	4 440	4%	335 829
Energy sources		-	-	-	-	-	-	-	-	-
Water management		544 160	332 231	330 794	30 878	114 886	110 584	4 301	4%	330 794
Waste water management		7 826	5 035	5 035	510	1 817	1 678	138	8%	5 035
Waste management		-	-	-	-	-	-	-	-	-
Other		7 882	13 948	13 898	1 186	3 336	4 644	(1 308)	-28%	13 898
Total Expenditure - Functional	3	864 643	626 161	626 781	53 777	213 723	209 190	4 533	2%	626 781
Surplus/ (Deficit) for the year		365 413	435 080	434 460	(14 725)	124 344	144 556	(20 213)	-14%	434 460

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) - M04 October

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		448	850	850	36	36	283	(247)	-87.3%	850
Vote 03 - Finance		530 539	594 185	594 185	753	230 528	198 062	32 466	16.4%	594 185
Vote 04 - Community Development		10 481	2 011	2 011	729	744	670	74	11.0%	2 011
Vote 05 - Planning & Wsa		603 289	383 610	383 610	32 623	87 795	127 870	(40 075)	-31.3%	383 610
Vote 06 - Technical Services		9 612	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		63 082	68 085	68 085	3 617	13 663	22 695	(9 032)	-39.8%	68 085
Vote 09 - Waste Water		12 605	12 500	12 500	1 294	5 301	4 167	1 134	27.2%	12 500
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 230 055	1 061 241	1 061 241	39 052	338 067	353 747	(15 680)	-4.4%	1 061 241
Expenditure by Vote	1									
Vote 01 - Council		61 104	47 846	49 699	3 482	22 546	16 615	5 931	35.7%	49 699
Vote 02 - Corporate Services		124 394	98 375	98 290	8 977	35 948	32 782	3 166	9.7%	98 290
Vote 03 - Finance		70 814	79 473	79 792	4 270	16 279	26 521	(10 241)	-38.6%	79 792
Vote 04 - Community Development		43 410	49 413	49 360	4 912	19 558	16 403	3 155	19.2%	49 360
Vote 05 - Planning & Wsa		62 982	23 285	23 310	1 562	6 099	7 773	(1 674)	-21.5%	23 310
Vote 06 - Technical Services		8 604	5 992	6 012	637	2 967	2 004	963	48.1%	6 012
Vote 07 - Water Purification		48 620	36 762	36 762	4 519	17 195	12 254	4 941	40.3%	36 762
Vote 08 - Water Distribution		436 889	279 979	278 521	24 908	91 313	93 160	(1 847)	-2.0%	278 521
Vote 09 - Waste Water		7 826	5 035	5 035	510	1 817	1 678	138	8.2%	5 035
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	864 643	626 161	626 781	53 777	213 723	209 190	4 533	2.2%	626 781
Surplus/ (Deficit) for the year	2	365 413	435 080	434 460	(14 725)	124 344	144 556	(20 213)	-14.0%	434 460

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) - M04 October

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates							-			
Service charges - electricity revenue							-			
Service charges - water revenue		38 486	68 000	68 000	3 601	13 608	22 667	(9 059)	-40%	68 000
Service charges - sanitation revenue		12 513	12 500	12 500	1 290	5 286	4 167	1 119	27%	12 500
Service charges - refuse revenue								-		
Rental of facilities and equipment		195	183	183	17	68	61	7	12%	183
Interest earned - external investments		3 705	6 000	6 000	504	1 343	2 000	(657)	-33%	6 000
Interest earned - outstanding debtors		288	85	85	16	55	28	27	94%	85
Dividends received								-		
Fines, penalties and forfeits		209	150	150	4	15	50	(35)	-71%	150
Licences and permits		-	-	-	6	17	-	17	#DIV/0!	-
Agency services								-		
Transfers and subsidies		537 979	601 306	601 306	2 303	230 995	200 435	30 560	15%	601 306
Other revenue		1 085	711	711	108	306	237	69	29%	711
Gains		40	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		594 501	688 935	688 935	7 850	251 694	229 645	22 049	10%	688 935
Expenditure By Type										
Employee related costs		263 669	268 152	268 152	21 875	89 564	89 385	180	0%	268 152
Remuneration of councillors		8 616	8 771	8 771	703	3 052	2 924	129	4%	8 771
Debt impairment		20 001	14 000	14 000	-	-	4 667	(4 667)	-100%	14 000
Depreciation & asset impairment		101 119	80 000	80 000	6 667	26 667	26 667	(0)	0%	80 000
Finance charges		404	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		22 017	33 320	34 483	7 924	8 005	11 275	(3 271)	-29%	34 483
Contracted services		303 716	106 388	115 009	6 984	34 914	37 081	(2 167)	-6%	115 009
Transfers and subsidies		11 295	3 070	1 362	-	378	566	(188)	-33%	1 362
Other expenditure		131 178	112 460	105 005	9 624	51 143	36 627	14 516	40%	105 005
Losses		2 627	-	-	-	-	-	-		-
Total Expenditure		864 643	626 161	626 781	53 777	213 723	209 190	4 533	2%	626 781
Surplus/(Deficit)		(270 142)	62 774	62 154	(45 927)	37 971	20 454	17 516	0	62 154
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		611 248	372 306	372 306	31 201	86 373	124 102	(37 729)	(0)	372 306
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)		24 307	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460
Taxation								-		
Surplus/(Deficit) after taxation		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460
Atributable to minorities										
Surplus/(Deficit) attributable to municipality		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460
Share of surplus/ (deficit) of associate										
Surplus/ (Deficit) for the year		365 413	435 080	434 460	(14 725)	124 344	144 556			434 460

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) - M04 October

Vote Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	-	-	-	-	-	-	-
Vote 03 - Finance		-	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 01 - Council		6 594	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		3 746	3 261	3 318	-	-	1 096	(1 096)	-100%	3 318
Vote 03 - Finance		2 918	478	478	-	-	159	(159)	-100%	478
Vote 04 - Community Development		7 451	26	2 067	1 255	1 255	235	1 020	433%	2 067
Vote 05 - Planning & Wsa		485 073	327 657	327 632	26 080	78 851	109 216	(30 365)	-28%	327 632
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	348	348	-	-	116	(116)	-100%	348
Vote 08 - Water Distribution		-	391	391	-	-	130	(130)	-100%	391
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - ,		-	-	-	-	-	-	-	-	-
Vote 13 - ,		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Total Capital Expenditure		505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M04 October

Vote Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital Expenditure - Functional Classification										
Governance and administration		13 258	3 652	3 709	-	-	1 227	(1 227)	-100%	3 709
Executive and council		6 594	-	-	-	-	-	-		-
Finance and administration		6 664	3 652	3 709	-	-	1 227	(1 227)	-100%	3 709
Internal audit										
Community and public safety		485	70	683	639	639	91	548	600%	683
Community and social services		485	70	683	639	639	91	548	600%	683
Sport and recreation										
Public safety										
Housing										
Health										
Economic and environmental services		6 965	6 112	7 515	616	4 253	2 193	2 060	94%	7 515
Planning and development		6 965	6 112	7 515	616	4 253	2 193	2 060	94%	7 515
Road transport										
Environmental protection										
Trading services		485 073	322 284	322 284	26 080	75 214	107 428	(32 214)	-30%	322 284
Energy sources										
Water management		485 073	322 284	322 284	26 080	75 214	107 428	(32 214)	-30%	322 284
Waste water management		-	-	-	-	-	-	-		-
Waste management										
Other		-	43	43	-	-	14	(14)	-100%	43
Total Capital Expenditure - Functional Classification	3	505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235
Funded by:										
National Government		485 073	323 744	323 719	26 080	75 214	107 912	(32 698)	-30%	323 719
Provincial Government		7 451	26	1 428	616	616	164	452	275%	1 428
District Municipality										
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)										
Transfers recognised - capital		492 524	323 770	325 147	26 696	75 830	108 076	(32 247)	-30%	325 147
Borrowing	6									
Internally generated funds		13 258	8 391	9 088	639	4 277	2 877	1 399	49%	9 088
Total Capital Funding		505 782	332 162	334 235	27 335	80 106	110 954	(30 847)	-28%	334 235

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 - M04 October

Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		1 809 057	240 335	240 335	(27 179)	240 335
Call investment deposits		(480 000)	–	–	30 000	–
Consumer debtors		32 918	67 333	67 333	43 209	67 333
Other debtors		81 540	28 773	28 773	54 385	28 773
Current portion of long-term receivables		–	–	–	–	–
Inventory		2 556	2 473	2 473	2 651	2 473
Total current assets		1 446 071	338 914	338 914	103 067	338 914
Non current assets						
Long-term receivables		–	–	–	–	–
Investments						
Investment property						
Investments in Associate						
Property, plant and equipment		4 614 417	4 188 952	4 191 024	4 667 857	4 191 024
Biological						
Intangible		15	13	13	15	13
Other non-current assets		7 807	–	–	7 807	–
Total non current assets		4 622 238	4 188 965	4 191 038	4 675 678	4 191 038
TOTAL ASSETS		6 068 310	4 527 879	4 529 952	4 778 745	4 529 952
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		902	–	–	643	–
Consumer deposits		3 621	3 633	3 633	3 621	3 633
Trade and other payables		348 935	218 944	218 944	270 693	218 944
Provisions		2 378	1 755	1 755	2 378	1 755
Total current liabilities		355 836	224 332	224 332	277 335	224 332
Non current liabilities						
Borrowing		1 092	–	–	1 092	–
Provisions		41 020	33 904	33 904	40 718	33 904
Total non current liabilities		42 112	33 904	33 904	41 810	33 904
TOTAL LIABILITIES		397 948	258 236	258 236	319 145	258 236
NET ASSETS	2	5 670 362	4 269 643	4 271 716	4 459 600	4 271 716
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		4 384 876	3 834 563	3 834 563	4 460 421	3 834 563
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	4 384 876	3 834 563	3 834 563	4 460 421	3 834 563

MBRR Table C6 - Monthly Budget Statement Financial Position

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

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

CURRENT ASSETS

Cash

Cashbook balance as at 31 October 2022 indicate bank overdraft of **R27 million**

Call Investments Deposits

Call investments as at 31 October 2022 is **R30 million**

Consumer debtors

Consumer debtors include debtors from water, sanitation services and rental of facilities, the balance for the reporting period is **R43.2 million**. Debtors age analysis as per section 2.1 debtors' analysis is **R186.9 million**. Consumer debtors amounts to **R181.7 million** and the balance of **R5.2 million** is for Other Debtors.

Gross Consumer debtors	R181.7 million
Less Impairment	(R138.6 million)
Net Consumer Debtors	R43.2 million

Classification of Consumer Debtors per Service type

Water Debtors	R35.4 million
Sanitation Debtors	R7.7 million
Property Rentals Debtors	R48.7 thousand
Other Consumer debtors	R29.5 thousand
Total	R43.2 million

➤ **Water Debtors**

Net Water debtors after considering provision for bad debts amount to **R34.9 million**. Water debtors are amounts owed by consumers for water services billed.

Gross Water Debtors	R141.3 million
Less Impairment	(105.9 million)
Net Water Debtors	R35.4 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R7.6 million**. Sanitation debtors are amounts owed by consumers for sewer services billed.

Gross Sanitation Debtors	R40.4 million
Less Impairment	(R32.7 million)
Net Sanitation Debtors	R7.7 million

➤ **Property Rentals Debtors**

These are debtors accumulated from property rentals amounts to **R41.8 thousand**

➤ **Other Consumer debtors**

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

Gross Other Debtors	R29 thousand
Less Impairment	(R0 thousand)
Net Other Debtors	R29 thousand

Classification of Consumer Debtors per Customer group

Households	R155.4 million
Commercial/Businesses	R11.6 million
Organs of State (excl shared services of R5 mill)	R19.8 million

Total **R186.9 million**

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

Gross Households debtors	R155.4 million
Less Impairment	(R138.6 million)
Net Household debtors	R16.8 million

Other debtors

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R54.3 million**.

VAT Receivable	R27.5 million
Deposits Made	R16.6 million
Refunds & under/over banking	R7.2 million
Overpayments/Accrued Income/UIFW Expenditure	R2.3 million
Prepaid Expenses	R564 thousand
Insurance claims	R15.2 thousand
Salary advance	R125.7 thousand
Total	R54.3 million

➤ VAT Receivable

VAT Receivable amount to **R27.5 million**, this is the amount raised when input VAT is recognized less output VAT collected.

➤ Deposits Made

Deposits made amount to **R16.6 million**, this amount include Eskom deposits, Federal Air Deposits and Stowell Deposits.

Eskom Deposits	R16.2 million
Stowell Deposit	R200 thousand
Vryheid office	R2 thousand
Andrew Miller & Associates	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 with Eskom.

Stowell Deposit is the amount paid as a security deposit when Stowell was first contracted, and the deposit for office space rented in Vryheid.

Andrew Miller & Associates is the amount paid as a security deposit when they were first contracted.

➤ **Refunds & under/over banking**

Refunds & under/over banking amount to **R7.2 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking.

Shared services debtors	R5.2 million
under/over banking	R2 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.

➤ **Overpayments/Accrued Income/UIFW Expenditure**

Overpayments/Accrued Income/UIFW Expenditure amount to **R2.27 million**, these are payments made by the Municipality to be recovered and income expected to be received by the Municipality.

Overpayments	R906.9 thousand
Fruitless Expenditure to be recovered	R1.33 million
Accrued Income – Asset Disposal	R36.9 thousand

Overpayments include an amount of R4.7 million which has been provided for impairment because they are likely to be irrecoverable, those amounts are for Department of Water and sanitation amounting to R2.7 million, Amanzi Ichweba amounting to R1.4 million, BP Drakensburg amounting to R136.8 thousand, Tracker amounting to R134.2 thousand, World Focus amounting to R284.2 thousand. The balance for overpayments of R785.3 thousand is for Enduneni Constructors (R783 thousand), human resources (R116.8 thousand), Water purification – Ulundi (R4.7 thousand) and Lindani Catering (R1.9 thousand).

Fruitless expenditure to be recovered amounting to R1.33 million resulted from a claim of standing time due to consultant negligence.

Accrued Income – Asset Disposal is the amount of R36.9 thousand to be received from the actioner of assets disposed by the Municipality.

➤ **Prepaid Expense**

Prepaid Expense amounts to **R564 thousand**. Prepaid expense is made up of prepaid electricity

➤ **Insurance Claims**

Insurance Claims amounts to **R15.9 thousand**. This amount consists of an outstanding claim.

➤ **Salary advance**

Salary advance amounts to **R125.7 thousand**. This amount consists of advanced employee costs

Inventory

The current level of inventory is **R2.6 million**. Inventories include water stock and consumable stores.

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 **R4.6 billion**.

Opening balance	R4.6 billion
Additions	R80.1 million
Depreciation	(R26.6 million)
Closing Balance	R4.6 billion

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R14.8 thousand**.

Opening balance	R14.8 thousand
Additions	R 0
Depreciation	(R0)
Closing Balance	R14.8 thousand

Other non-current assets

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

CURRENT LIABILITIES

Borrowings

This is the current portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R643 thousand**.

Opening balance	R901.7 thousand
Payment	(R259.2 thousand)
Closing Balance	R642.5 thousand

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance is **R 3.6 million**

Trade and other payables

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R270.7 million**.

Trade Creditors	R262.2 thousand
Unspent Conditional Grants	R143.8 million
Retention	R41.7 million
Sessions	R500 thousand
Department of Water & Sanitation	R21.7 million
Output VAT	R7.9 million
Leave accrued	R19.07 million
Bonus	R5.4 million
Employee related cost	R1.8 million
Advance Payments	R3.2 million
Fleet Suspense account	(R1.5 million)
Salary Suspense Accounts	R346 thousand
Other Suspense account	(R3 thousand)
Water tankers	R22.1 million
Unallocated Deposits	R 471 hundred
Other trade creditors	R63.9 thousand
Zanamanzi	R5.3 million

Closing Balance **R270.7 million**

Current Provisions

Current provisions amount to **R2.3 million**, this provision is for post-retirement benefit (Medical aid) and long service awards that is paid in the current financial year.

Post Retirement benefit (Medical aid)	R 405 thousand
Long service awards	R1.9 million

NON-CURRENT LIABILITIES

Borrowings

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R1 million**.

Non-current Provisions

Non-current Provisions amounts to **R40.7 million**, this provision is for post-retirement benefit (Medical aid) and Long Service award.

Post Retirement benefit (Medical aid)	R27.1 million
Long Service award	R13.5 million

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R4.5 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M04 October

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		46 532	60 574	60 574	1 892	9 129	20 191	(11 063)	-55%	60 574
Other revenue		1 070 817	80 905	80 905	67 472	256 384	26 968	229 415	851%	80 905
Transfers and Subsidies - Operational		536 834	601 306	601 306	-	232 022	200 435	31 587	16%	601 306
Transfers and Subsidies - Capital		636 186	372 306	372 306	25 000	226 770	124 102	102 668	83%	372 306
Interest		3 705	6 000	6 000	92	457	2 000	(1 543)	-77%	6 000
Dividends								-		
Payments										
Suppliers and employees		(1 827 370)	(571 446)	(571 446)	(86 222)	(595 445)	(190 482)	404 963	-213%	(571 446)
Finance charges								-		
Transfers and Grants								-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		466 705	549 645	549 645	8 234	129 316	183 215	53 899	29%	549 645
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments								-		
Payments										
Capital assets		(505 782)	(332 162)	(332 162)	(27 335)	(80 106)	(110 721)	(30 614)	28%	(332 162)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(505 782)	(332 162)	(332 162)	(27 335)	(80 106)	(110 721)	(30 614)	28%	(332 162)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing								-		
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	(259)	-	259	#DIV/0!	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	(259)	-	259	#DIV/0!	-
NET INCREASE/ (DECREASE) IN CASH HELD		(39 077)	217 483	217 483	(19 101)	48 950	72 494			217 483
Cash/cash equivalents at beginning:		20 058	72 676	72 676	(55 463)	58 285	72 676			58 285
Cash/cash equivalents at month/year end:		(19 019)	290 159	290 159		107 234	145 171			275 767

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

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

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has budgeted to collect **R60.5 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 **R9.1 million** to date, which is **15%** of the budgeted collection. From the year-to-date billing, **34%** was collected as to date.

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

- The municipality is not only collecting the current billing but also the debtors from previous financial years.
- The municipality has a revised revenue enhancement strategy
- The municipality has an external debt collector to assist with the collection
- The Municipality has replaced and installed new meters to ensure billing is accurate and not estimated.
- Municipality has adopted an indigent policy and is in a process to write off indigent households.
- The municipality has adopted a flat rate of R50 to unmetered households

Other Revenue

Other revenue includes receipts from tender fees, hall hiring, fines and forfeits, and office space rental receipts. The population of other revenue is higher than expected and not credible, the Municipality is a continuous engagement with the system vendor to resolve population of this line item. Other revenue on table C4 is **R306 thousand**.

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational are to date are **R232 million**. This amount excludes FMG and EPWP which were incorrectly allocated thus not populating under Transfers and subsidies – Operational.

Equitable share	R228.6 million
Finance Management Grant	R1.2 million
Expanded public works program	R2.1 million
TOTAL	R232 million

Transfers and subsidies – Capital

Transfers and subsidies - Capital are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R226.7 million**. This amount excludes RBIG and WSIG which were incorrectly allocated thus not populating under Transfers and subsidies - Capital

Municipal Infrastructure Grant	R 165 million
Regional Bulk Infrastructure Grant	R 10 million
Water services Infrastructure grant	R 50 million
Rural Road asset Management grant	R 1.7 million
TOTAL	R226.7 million

Interest

Interest on investment is budgeted at **R6 million**, this estimate is based on previous year interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R457 thousand**. Interest on investment revenue on table C4 is **R1.3 million**, the difference does not populate because of the system technicality and will be corrected.

The interest on investment is below target, the municipality may have to revise its investment strategy to ensure budget target is met.

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 **R80.1 million**, the capital expenditure is excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed.

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid.

PART 2 – SUPPORTING DOCUMENTATION

2.1. DEBTORS ANALYSIS

Debtors age analysis as at 31 October 2022

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October

Description	NT Code	Budget Year 2022/23									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	4 556	3 858	2 840	2 614	2 517	1 982	14 479	107 970	140 816	129 562	-	(105 905)
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	1 268	1 053	829	838	606	547	3 607	31 640	40 387	37 238	-	(32 710)
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	20	9	6	0	-	-	9	-	45	9	-	(12)
Interest on Arrear Debtor Accounts	1810	16	15	12	11	25	171	51	230	532	488	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	102	204	69	-	83	419	4 255	71	5 202	4 827	-	-
Total By Income Source	2000	5 962	5 139	3 756	3 464	3 231	3 118	22 400	139 911	186 981	172 125	-	(138 626)
2021/22 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 385	1 807	1 192	1 067	558	928	6 677	5 256	19 870	14 487	-	-
Commercial	2300	734	516	309	293	439	262	1 464	7 620	11 636	10 077	-	-
Households	2400	2 843	2 617	2 255	2 104	2 235	1 928	14 259	127 035	155 475	147 561	-	-
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	5 962	5 139	3 756	3 464	3 231	3 118	22 400	139 911	186 981	172 125	-	-

Total debtors' amount to **R186.6 million**, which is an increase of **R3.3 million** from the closing balance of **R183 million** in August 2022. The debtors over 90 days amount to **R172.1 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2. CREDITORS ANALYSIS

Creditors age analysis as at 31 October 2022

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October

Description	NT Code	Budget Year 2022/23								Total
		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										
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	-	4 534	2 044	87	-	-	-	-	6 665
Bulk Water	0200									-
PAYE deductions	0300									-
VAT (output less input)	0400									-
Pensions / Retirement deductions	0500									-
Loan repayments	0600									-
Trade Creditors	0700									-
Auditor General	0800									-
Other	0900									-
Total By Customer Type	1000	-	4 534	2 044	87	-	-	-	-	6 665

2.3. INVESTMENT PORTFOLIO

Investments as at 31 October 2022

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

Investments by maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
Zululand District Municipality		0	Balance b/d	Yes	Variable	Available	N/A	N/A	N/A	60 000	-	-		60 000
Zululand District Municipality-Std Bank		60	Short term	Yes	Variable	0.0645	N/A	N/A	N/A	60 000	636	25 000		35 000
Zululand District Municipality		30	Call account	Yes	Variable	0.0505	N/A	N/A	N/A	35 000	145	10 000		25 000
Zululand District Municipality		30	Balance b/d	Yes	Variable	0.0645	N/A	N/A	N/A	25 000	133	25 000	-	-
Zululand District Municipality		30	Call account	Yes	Variable	0.0505	N/A	N/A	N/A	-	125		30 000	30 000
Municipality sub-total										30 000	1 038	60 000	30 000	30 000
Entities														
														-
														-
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTERES	2									30 000	1 038	60 000	30 000	30 000

2.4. ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M04 October

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		535 457	598 895	598 895	2 303	230 995	199 632	31 364	15.7%	598 895
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		524 645	586 391	586 391	-	228 692	195 464	33 228	17.0%	586 391
Expanded Public Works Programme Integrated Grant		9 612	8 517	8 517	2 130	2 130	2 839	(709)	-25.0%	8 517
Local Government Financial Management Grant		1 200	1 200	1 200	173	173	400	(227)	-56.7%	1 200
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	2 787	2 787	-	-	929	(929)	-100.0%	2 787
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		2 522	2 411	2 411	-	-	804	(804)	-100.0%	2 411
Capacity Building and Other Grants		2 522	2 411	2 411	-	-	804	(804)	-100.0%	2 411
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	537 979	601 306	601 306	2 303	230 995	200 435	30 560	15.2%	601 306
Capital Transfers and Grants										
National Government:		603 289	372 306	372 306	30 493	85 665	124 102	(38 437)	-31.0%	372 306
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		269 111	259 530	259 530	23 636	58 284	86 510	(28 226)	-32.6%	259 530
Regional Bulk Infrastructure Grant		222 531	15 247	15 247	4 966	8 754	5 082	3 672	72.2%	15 247
Rural Road Asset Management Systems Grant		1 647	2 529	2 529	-	-	843	(843)	-100.0%	2 529
Water Services Infrastructure Grant		110 000	95 000	95 000	1 891	18 627	31 667	(13 040)	-41.2%	95 000
Provincial Government:		32 266	-	-	708	708	-	708	-	-
Infrastructure Grant		32 266	-	-	708	708	-	708	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	635 555	372 306	372 306	31 201	86 373	124 102	(37 729)	-30.4%	372 306
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 173 534	973 612	973 612	33 505	317 368	324 537	(7 169)	-2.2%	973 612

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

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October

Description	Ref	2021/22	Budget Year 2022/23							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		750 714	551 382	551 384	47 744	188 561	184 194	4 367	2.4%	551 384
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		681 381	541 665	541 642	45 915	180 401	180 952	(551)	-0.3%	541 642
Expanded Public Works Programme Integrated Grant		24 299	8 517	8 517	1 803	7 990	2 839	5 151	181.4%	8 517
Local Government Financial Management Grant		1 200	1 200	1 200	25	170	400	(230)	-57.4%	1 200
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		41 379	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		1 022	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		1 433	-	25	-	-	3	(3)	-100.0%	25
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		1 866	2 381	3 000	-	1 030	864	166	19.2%	3 000
Capacity Building and Other Grants		1 866	2 381	3 000	-	1 030	864	166	19.2%	3 000
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
<i>KwazuluNatal Provincial Planning and Development Commission</i>		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		752 580	553 763	554 384	47 744	189 591	185 058	4 533	2.4%	554 384
Capital expenditure of Transfers and Grants										
National Government:		485 073	323 744	323 719	26 080	75 214	107 912	(32 698)	-30.3%	323 719
Municipal Infrastructure Grant		194 381	225 678	225 678	20 079	51 226	75 226	(24 000)	-31.9%	225 678
Regional Bulk Infrastructure Grant		194 437	13 258	13 258	4 347	7 692	4 419	3 273	74.1%	13 258
Rural Road Asset Management Systems Grant		-	2 199	2 174	-	-	730	(730)	-100.0%	2 174
Water Services Infrastructure Grant		96 255	82 609	82 609	1 654	16 295	27 536	(11 241)	-40.8%	82 609
Provincial Government:		7 451	26	1 428	616	616	164	452	274.6%	1 428
Infrastructure Grant		7 451	26	1 428	616	616	164	452	274.6%	1 428
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		492 524	323 770	325 147	26 696	75 830	108 076	(32 247)	-29.8%	325 147
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 245 104	877 534	879 531	74 440	265 420	293 134	(27 714)	-9.5%	879 531

All conditional grants actual year-to-date expenditure are below year-to-date budget on average this is since the financial year has just begun, though EPWP and RBIG year-to-date actual expenditure is above year to year-to-date budget.

Roll-overs Expenditure

The Municipality has two rolled over grants:

- Rural Road Asset Management Subsidy
- KwaMajomela manufacturing grant

ROLLED OVER GRANTS FROM 2021/2022	APPROVED BUDGET	YTD ACTUAL
Rural Road Asset Management Subsidy	768 977	-
Kwamajomela Manufacturing Centre Grant	1 641 817	615 943
Total Operating Grant Expenditure	2 410 795	615 943

The municipality has only KwaMajomela Manufacturing Centre Grant approved to be rolled over so far and expenditure amount above is inclusive of VAT as per **MFMA circular no. 58**.

The municipality is appealing from the department regarding Rural Road Asset Management Subsidy

DC26 Zululand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M04 October

Description	Ref	Budget Year 2022/23				
		Approved Rollover 2021/22	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						
EXPENDITURE						
<u>Operating expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total operating expenditure of Approved Roll-overs		-	-	-	-	
<u>Capital expenditure of Approved Roll-overs</u>						
National Government:		-	-	-	-	
Provincial Government:		1 642	616	616	(1 026)	-62.5%
Other Departments		1 642	616	616	(1 026)	-62.5%
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		1 642	616	616	(1 026)	-62.5%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		1 642	616	616	(1 026)	-62.5%

2.5. COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

Summary of Employee and Councillor remuneration	Ref	2021/22		Budget Year 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
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	-	-	-	-	-	-		-
Pension and UIF Contributions		514	661	661	44	171	220	(49)	-22%	661
Medical Aid Contributions		44	-	-	5	16	-	16	#DIV/0!	-
Motr Vehicle Allowance		1 727	1 805	1 805	157	622	602	20	3%	1 805
Cellphone Allowance		649	653	653	58	228	218	10	5%	653
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		5 682	5 652	5 652	440	2 016	1 884	132	7%	5 652
Sub Total - Councillors		8 616	8 771	8 771	703	3 052	2 924	129	4%	8 771
% increase	4		1.8%	1.8%						1.8%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 121	6 555	6 555	392	1 515	2 185	(670)	-31%	6 555
Pension and UIF Contributions		11	55	55	1	3	18	(15)	-83%	55
Medical Aid Contributions		48	57	57	-	-	19	(19)	-100%	57
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		-	-	-	-	-	-	-		-
Motr Vehicle Allowance		1 210	1 592	1 592	108	384	531	(147)	-28%	1 592
Cellphone Allowance		191	210	210	17	59	70	(11)	-15%	210
Housing Allowances		-	-	-	-	-	-	-		-
Other benefits and allowances		203	225	225	16	61	75	(14)	-19%	225
Payments in lieu of leave		354	-	-	-	185	-	185	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		7 138	8 695	8 695	533	2 207	2 898	(691)	-24%	8 695
% increase	4		21.8%	21.8%						21.8%
Other Municipal Staff										
Basic Salaries and Wages		172 378	185 935	185 935	15 032	60 669	61 978	(1 309)	-2%	185 935
Pension and UIF Contributions		22 997	25 886	25 886	2 069	8 156	8 629	(473)	-5%	25 886
Medical Aid Contributions		13 624	13 597	13 597	1 219	4 778	4 532	246	5%	13 597
Overtime		7 099	4 619	4 619	536	2 050	1 540	510	33%	4 619
Performance Bonus		11 678	12 786	12 786	820	4 480	4 262	218	5%	12 786
Motr Vehicle Allowance		8 704	9 561	9 561	855	3 322	3 187	135	4%	9 561
Cellphone Allowance		663	670	670	75	266	223	43	19%	670
Housing Allowances		1 379	1 379	1 379	116	645	460	185	40%	1 379
Other benefits and allowances		8 505	524	524	322	1 179	175	1 004	574%	524
Payments in lieu of leave		3 223	-	-	23	901	-	901	#DIV/0!	-
Long service awards		2 506	-	-	275	912	-	912	#DIV/0!	-
Post-retirement benefit obligations		3 775	4 500	4 500	-	-	1 500	(1 500)	-100%	4 500
Sub Total - Other Municipal Staff		256 532	259 457	259 457	21 342	87 357	86 486	871	1%	259 457
% increase	4		1.1%	1.1%						1.1%
Total Parent Municipality		272 286	276 923	276 923	22 578	92 617	92 308	309	0%	276 923

The municipality has no entity hence no board member fees have been budgeted and incurred

2.6. MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

DC26 Zululand - Supporting Table SC1 Material variance explanations - M04 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Service charges – Water revenue	40%	This is the amounts billed on customers for water used, the year-to-date actual is R13.6 million, which is below year-to-date budget of R22.6 million. A variance of R9 million or 40% is observed. No amount has been recognized relating to the proposed flat rate of R50 to date, this is causing under billing of the variance mentioned above.	The municipality may have to adjust downward revenue projection in the adjustment budget. The municipality must fast track the billing of R50 flat rate to ensure that the budget target is met
	Service charges – Sanitation revenue	27%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R5.3 million which is above year to date budget of R4.1 million. A variance of R1.1 million or 27% is observed.	The billing is above the target, the municipality may have to adjust upwards in the adjustment budget
	Rent of facilities	12%	Rental of facilities is amounts billed to WSSA, Avis and Waphatha Group for office space used. The year-to-date actual is R68 thousand which is above year-to-date budget of R61 thousand. A variance of R7 thousand or 12% is observed.	The billing is above the target, the municipality may have to adjust upwards in the adjustment budget
	Interest on investment	33%	Interest on investment is interest received when the Municipality makes cash investments. The year-to-date actual is R1.3 million, which is below year-to-date budget of R2 million. A variance of R657 thousand or 33% is observed. Investment is low due to prioritization of payments of liabilities.	The interest on investment is below target, the municipality may have to revise its investment strategy to ensure budget target is met or may have to adjust downwards in the adjustment budget
	Interest earned - outstanding debtors	94%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. The year-to-date actual is R55 thousand, which is above to year-to-date budget of R28 thousand. variance of R27 thousand or 94% is observed. This is due to low collection rate on businesses which are charged interest as per the municipal policy.	Interest earned on outstanding debtors is above target, the municipality must improve collection to ensure less consumers are charged interest. The municipality may have to adjust upwards in the adjustment budget.
	Fines, penalties and forfeits	71%	Fines, penalties and forfeits are mainly amounts charged on illegal connections, the year-to-date actual is R15 thousand, which is below the year-to-date budget of R50 thousand. A variance of R35 thousand or 71% is observed. This is a positive indication that less consumers are illegally connected.	Municipality must keep up disconnection of illegal connections. The municipality may have to adjust upwards in the adjustment budget.
	Licences and permits	0%	This amount is for health certificates issued, the year-to-date actual is R17 thousand, the year-to-date budget is R0. A variance of R17 thousand or is observed.	There was no allocated budget in this revenue stream, the budget will be allocated in the adjustment budget
	Transfers and subsidies	15%	Transfers and subsidies year to date actual is R230.9 million, which is above year-to-date budget of R200.4 million. A variance of R30.5 million or 15% is observed. This variance is mainly a result of equitable share which is not received monthly but in tranches three times a year as per approved transfer schedule.	Transfers and subsidies depend on the transfer schedule and cannot be benchmarked against the year-to-date budget.
	Other revenue		Other revenue includes amounts for tender fees and any other revenue the Municipality may be entitled to receive, the year-to-date actual is R306 thousand, which is above year-to-date budget of R237 thousand. A variance of R69 thousand or 29% is observed.	The other revenue depends on the sale of tender documents and skills development levy refund which are seasonal and cannot be benchmarked against the year-to-date budget.

DC26 Zululand - Supporting Table SC1 Material variance explanations - M04 October

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
2	Expenditure By Type			
	Employee Related Costs	0%	Employee related costs year to date actual is R89.5 million, which is above the year-to-date budget of R89.3 million, a variance of R180 thousand or less than 1% is observed. Employee related cost is a little bit above year-to-date budget, this variance is caused by overtime, standby allowance, acting allowance and long service bonus.	The above variance is not major therefore does not warrant remedy
	Remuneration of Councilors	4%	Remuneration of Councilors year to date actual is R3 million, which is above the year-to-date budget is R2.9 million, a variance of R129 thousand or 4% is observed. The upper limits have been effected therefore the municipality back paid councilors.	The revised budget allocation is recommended in the next adjustment budget.
	Debt impairment		Debt impairment is the amount for provision for non-collection as per council policy. provision for non-collection assessment and calculation is done at year end. National treasury recommend that the assessment and calculations be done monthly.	Municipality calculate debt impairment once at year end.
	Depreciation	0%	This is non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R26.6 million, which is equal to year-to-date budget of R26.6 million. A variance of R0 million or 0% is observed.	
	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 stores (cleaning materials, stationery, water stock and materials and supplies), the year-to-date actual is R8 million, which is below the year-to-date budget of R11.2 million, a variance of R3.2 million or 29% is observed. The variance may be caused by non-payments of bulk water and late capturing of requisition.	It is recommended that the municipality record all expenditure relating to bulk water and consumable stores in time.
	Contracted services	6%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R34.9 million which is below the year-to-date budget is R37 million, a variance of R2.1 million or 6% is observed.	The municipality need to review SLA and reconcile it with the budget for contracted services and adjust in the next adjustment if need be.
	Transfers and subsidies paid	19%	Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support businesses. The year-to-date actual is R378 thousand, the year-to-date budget is R466 thousand, a variance of R88 thousand or 19% is observed.	This expenditure item is seasonal therefore expenditure cannot be benchmarked.
	Other expenditure	40%	Other expenditure year to date actual is R51.1 million, which is above the year-to-date budget of R36.6 million, a variance of R14.5 million or 40% is observed. Other expenditure includes monthly cost of electricity for water supply plants and other seasonal/once off expenditure items.	It is recommended that the municipality monitor closely this expenditure item.
3	Capital Expenditure			
	Client elected Not to populate this sheet			
4	Financial Position			
	Client elected Not to populate this sheet			
5	Cash Flow			
	Client elected Not to populate this sheet			
6	Measureable performance			
	Client elected Not to populate this sheet			
7	Municipal Entities			
	Client elected Not to populate this sheet			

2.7. PARENT MUNICIPALITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.8. MUNICIPAL ENTITY FINANCIAL PERFORMANCE

The Municipality does not have any entities.

2.9. CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M04 October

Month	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July	42 148	27 680	27 680	5 503	5 503	27 680	22 178	80.1%	2%
August	42 148	27 680	27 680	14 273	19 776	55 360	35 585	64.3%	6%
September	42 148	27 680	27 683	32 995	52 771	83 044	30 273	36.5%	16%
October	42 148	27 680	27 910	27 335	80 106	110 954	30 847	27.8%	24%
November	42 148	27 680	27 910	-		138 864	-		
December	42 148	27 680	27 910	-		166 774	-		
January	42 148	27 680	27 910	-		194 684	-		
February	42 148	27 680	27 910	-		222 594	-		
March	42 148	27 680	27 910	-		250 504	-		
April	42 148	27 680	27 910	-		278 414	-		
May	42 148	27 680	27 910	-		306 325	-		
June	42 148	27 680	27 910	-		334 235	-		
Total Capital expenditure	505 782	332 162	334 235	80 106					

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

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 - M04 October

Description	Ref	Budget Year 2022/23								
		2021/22 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		485 073	327 657	327 632	26 080	78 851	109 216	30 365	27.8%	327 632
Roads Infrastructure		-	6 112	6 087	-	3 637	2 035	(1 603)	-78.8%	6 087
Roads		-	6 112	6 087	-	3 637	2 035	(1 603)	-78.8%	6 087
Attenuation		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		485 073	321 545	295 632	24 033	65 178	98 544	33 366	33.9%	295 632
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		8 702	-	52 000	2 718	6 081	16 109	10 028	62.2%	52 000
Reservoirs		-	-	21 304	1 467	2 727	7 892	5 165	65.4%	21 304
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		74 910	-	34 783	4 184	10 282	11 594	1 312	11.3%	34 783
Bulk Mains		241 577	321 545	124 803	9 680	33 466	41 601	8 135	19.6%	124 803
Distribution		159 884	-	62 742	5 984	12 622	20 914	8 292	39.6%	62 742
Distribution Points		-	-	-	-	-	434	434	100.0%	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	25 913	2 047	10 036	8 638	(1 398)	-16.2%	25 913
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	-	25 913	2 047	10 036	8 638	(1 398)	-16.2%	25 913
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		6 965	-	1 428	616	616	159	(457)	-288.3%	1 428
Community Facilities		6 965	-	1 428	616	616	159	(457)	-288.3%	1 428
Halls		-	-	-	-	-	-	-	-	-
Centres		6 965	-	1 428	616	616	159	(457)	-288.3%	1 428
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		6 594	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		6 594	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	391	391	-	-	130	130	100.0%	391
Operational Buildings		-	391	391	-	-	130	130	100.0%	391
Municipal Offices		-	391	391	-	-	130	130	100.0%	391
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Computer Equipment		6 572	2 609	2 609	-	-	870	870	100.0%	2 609
Computer Equipment		6 572	2 609	2 609	-	-	870	870	100.0%	2 609
Furniture and Office Equipment		92	1 043	1 101	-	-	357	357	100.0%	1 101
Furniture and Office Equipment		92	1 043	1 101	-	-	357	357	100.0%	1 101
Machinery and Equipment		485	461	1 074	639	639	222	(418)	-188.3%	1 074
Machinery and Equipment		485	461	1 074	639	639	222	(418)	-188.3%	1 074
Transport Assets		-	-	-	-	-	-	-	-	-
Transport Assets		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	505 782	332 162	334 235	27 335	80 106	110 954	30 847	27.8%	334 235

2.10. OTHER SUPPORTING DOCUMENTS

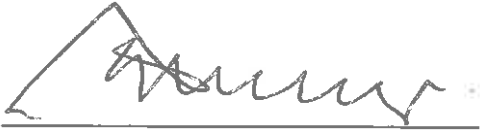
No other financial information outside of information contained in Schedule C is available

2.11. IN-YEAR REPORT OF MUNICIPAL ENTITIES

The Municipality does not have any entities.

2.12. MUNICIPAL MANAGERS QUALITY CERTIFICATION

I, **R.N. Hlongwa**, Municipal Manager of Zululand District Municipality, hereby certify that the 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: 2022/11/14