



INTERNAL MEMO

DATE : 14 DECEMBER 2023
TO : THE HONOURABLE MAYOR
FROM : MUNICIPAL MANAGER
RE : MONTHLY BUDGET STATEMENT

Kindly find the attached monthly budget statement for your Review, in compliance with the S71 (1) of the Municipal Finance Management Act. The budget statement is for the period ending **30 November 2023**.

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

In terms of S54 of the Municipal Finance Management Act

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

Yours Faithfully

N.S. MSIBI

Chief Financial Officer

R.N. HLONGWA

Municipal Manager

"Service Delivery through Integrity"

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

30 NOVEMBER 2023

MFMA S71 REPORT

2023/2024 FINANCIAL YEAR

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GLOSSARY

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

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

AFS – Annual Financial Statements.

Budget – the financial plan of the municipality.

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

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

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

CFO – Chief Financial Officer

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

DWAF – Department of Water Affairs

EPWP – Expanded Public Works Program

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

FMG – Financial Management Grant

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

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

MSCOA – Municipal Standard Chart of Accounts

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

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

LED – Local Economic Development

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

MIG – Municipal Infrastructure Grant

MSIG – Municipal Systems Improvement Grant

WSIG – Water services Infrastructure Grant

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

MWIG – Municipal Water Infrastructure Grant

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

R & M – Repairs and Maintenance

SCM - Supply Chain Management

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

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

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

Virement – transfer of budget

ZDM – Zululand District Municipality

PART 1 – IN-YEAR REPORT

1.1. MAYORS REPORT

To be attached

1.2. COUNCIL RESOLUTION

The Monthly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Revenue By Source (Excluding Capital Transfers)	718 247 500	347 169 312	316 805 902	30 363 409	10%	48%
Total Operating Expenditure	722 102 135	305 159 426	318 421 778	-13 262 352	-4%	42%
Surplus/(Deficit)	-3 854 635	42 009 886	-1 615 875	43 625 762		

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 November 2023** is **R347.1 million** which is **48%** of the approved operating revenue budget. The **R347.1 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R316.8 million**, a variance of **R30.3 million** or **10%** is observed.

The Municipality is largely dependent on government grants and partly service charges for its operations. Service charges revenue recognized from exchange revenue is only **R25.7 million** which is **7%** of the total generated revenue.

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

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

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

Operating Expenditure Performance

Total Operating Expenditure as at **30 November 2023** is **R305.1 million** which is **42%** of the approved operating expenditure budget. The **R305.1 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R318.4 million**, a variance of **R13.2 million** or **4%** is observed.

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

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

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

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	790 494 351	311 465 134	329 330 365	-17 865 231	-5%	39%
Total Capital Financing	790 494 351	311 465 134	329 330 365	-17 865 231	-5%	39%

Total Capital Expenditure as at **30 November 2023** is **R311.4 million** which is **39%** of the approved capital budget. The **R311.4 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R329.3 million**, a variance of **R17.8 million** or **5%** of the received grants is observed.

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

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

Reasons for variances can be attributed to capital grants not being spent at similar pace as year-to-date budget. **MIG** is at **35%**, **RBIG** is at **48%**, **WSIG** is at **57%** **RRAMG** is at **44%**, **Art Centre Subsidies** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	YTD ACTUAL	%
Total current assets	480 491 843	182 859 532	38%
Total non current assets	6 247 524 827	5 311 303 511	85%
Total current liabilities	352 992 453	424 112 711	120%
Total non current liabilities	128 340 000	44 688 738	35%
TOTAL COMMUNITY WEALTH/ EQUITY	5 445 411 852	5 027 353 719	92.3%

The current assets year to date actual is **R182.8 million** which is **38%** of the approved budget. **Non - Current assets** year to date actual is **R5.3 billion** which is **85%** of the approved budget. **Current Liabilities** year to date actual is **R424.1 million** which is **120%** of the approved budget. **Non - Current Liabilities** year to date is **R44.6 million** which is **35%** of the approved budget. **Accumulated surplus** year to date actual is **R5.02 billion** which is **92.3%** of the approved budget.

Current assets amount to **R182.8 million**, included in current assets is cash of **R45.8 million and cash investment of R14 million**.

Current liabilities amount to **R424.1 million**, this includes unspent conditional grants amounting to **R203.5 million**.

The Current ratio is 0.43:1 [**182.5 million/424.1 million**], which is below the current ratio norm of **2:1**

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

1.4. OPERATING REVENUE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity					(2)	20 508	21 472	-		
Service charges - Water		39 170	51 532	51 532				(964)	-4%	51 532
Service charges - Waste Water Management		14 831	16 406	16 406	107	5 226	6 836	(1 610)	-24%	16 406
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		1 426	1 001	1 001	152	522	417	105	25%	1 001
Agency services								-		
Interest								-		
Interest earned from Receivables		75	521	521	236	348	217	131	60%	521
Interest from Current and Non Current Assets		7 433	3 000	3 000	172	3 889	1 250			3 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		181	500	500	-	160	208	(48)	-23%	500
Licence and permits		88	60	60	14	48	25	23	91%	60
Operational Revenue		563	369	369	44	76	154	(78)	-51%	369
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		910	1 000	1 000	4	188	417	(229)		1 000
Licence and permits								-		
Transfers and subsidies - Operational		658 830	643 859	692 422	3 339	316 204	285 811	30 393		692 422
Interest								-		
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		2 894	-	-	-	-	-	-		-
Other Gains		4 385	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		730 785	718 248	766 810	4 064	347 169	316 806	30 363	10%	766 810

The year-to-date actual indicates operating revenue of **R347.1 million** for **five months**, The **R347.1 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R316.8 million**, a variance of **R30.3 million** or **10%** is observed. The total revenue to-date represents **48%** of the operating revenue budget. Included in operating revenue is an amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

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

Exchange Revenue

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R20.5 million** which is **40%** of the approved budget. the **R20.5 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R21.4 million**. A variance of **R964 thousand** or **4%** is observed.

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R5.2 million** which is **32%** of the approved budget. The **R5.2 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R6.8 million**. A variance of **R1.6 million** or **24%** is observed.

Sale of goods and rendering of service

This is the amount on sale of goods and rendering of services, the year-to-date actual is **R522 thousands** which is **52%** of the approved budget. the **R522 thousands** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R417 thousand**. A variance of **R105 thousand** or **25%** is observed.

Interest from Current and Non-Current Assets

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R3.8 million** which is **130%** of the approved budget. The **R3.8 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R1.2 million**. A variance of **R2.6 million** or **211%** is observed.

Reasons for variances can be attributed to the fact that there was more cash available to be invested.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is **R348 thousand** which is **67%** of the approved budget. The **R348 thousand** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R217 thousand**. A variance of **R131 thousand** or **60%** is observed.

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

Rent of facilities

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R160 thousand** which is **32%** of the approved budget. the **R160 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R208 thousand**. A variance of **R48 thousand** or less than **23%** is observed.

Licences and Permits

Licences and permits year-to-date actual is **R48 thousand** which is **80%** of the approved budget. the **R48 thousand** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R25 thousand**. A variance of **R23 thousand** or **91%** is observed.

Operational revenue

Operational revenue year-to-date actual is **R76 thousand** which is **21%** of the approved budget. the **R76 thousand** year to date actual is **below five months** baseline projection or year-to-date budget of **R154 thousand**. A variance of **R78 thousand** or **51%** is observed.

Non-Exchange Revenue

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is **R187 thousand** which is **19%** of the approved budget. the **R187 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R417 thousand**. A variance of **R229 thousand** or **55%** is observed.

Reasons for variances can be attributed to a negative indication that some illegally connected consumers are not yet discovered. Municipality must keep up the disconnection of illegal connections.

Transfers and subsidies

Transfers and subsidies (grants) are amounts gazetted as per Division of Revenue act (DoRA), 2023; and provincial gazette, Transfers and subsidies is revenue recognized as operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR). Transfers and subsidies (Grants) are recognised/recorded as revenue when condition has been met, except for equitable share which is not a conditional grant.

Transfers and subsidies year to date actual is **R316.2 million** which is **49%** of the approved budget. The **R316.2 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R285.8 million**. A variance of **R30.3 million** or **11%** is observed.

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

1.5. OPERATING EXPENDITURE PERFORMANCE

DC26 Zululand - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Expenditure By Type										
Employee related costs		286 176	290 728	290 728	24 158	123 946	121 138	2 809	2%	290 728
Remuneration of councillors		9 276	9 486	9 486	750	3 782	3 953	(171)	-4%	9 486
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		51 978	42 130	43 952	2 671	3 018	18 662	(15 644)		43 952
Debt impairment		6 428	10 000	10 000	-	-	4 167	(4 167)	-100%	10 000
Depreciation and amortisation		100 249	90 000	90 000	(26 667)	-	37 500	(37 500)	-100%	90 000
Interest		553	1 000	1 000	52	208	417	(208)	-50%	1 000
Contracted services		364 771	128 719	215 523	10 474	92 987	69 592	23 395	34%	215 523
Transfers and subsidies		4 683	6 000	4 154	-	2 008	1 270	738	58%	4 154
Irrecoverable debts written off		2 192	-	-	-	28	-	28		-
Operational costs		163 288	144 039	135 353	26 871	79 182	61 724	17 458	28%	135 353
Losses on Disposal of Assets		679	-	-	-	-	-	-		-
Other Losses		309	-	-	-	-	-	-		-
Total Expenditure		990 582	722 102	800 195	38 309	305 159	318 422	(13 262)	-4%	800 195

The year-to-date actual indicate spending of **R305.1 million** for **five months**, which is **42%** of the approved operating expenditure budget. The **R305.1 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R318.4 million**, a variance of **R13.2 million** or **4%** is observed.

Employee Related Costs

Employee-related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is **R123.9 million** which is **43%** of the approved budget. The **R123.9 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R121.1 million**. A variance of **R2.8 million** or **2%** is observed.

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

Remuneration of Councillors

Remuneration of Councilors are amounts paid for councilors allowances, service-related benefits, and contributions. The year-to-date actual is **R3.7 million** which is **40%** of the approved budget. The **R3.7 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R3.9 million**. A variance of **R171 thousand** or **4%** 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, materials and suppliers and water inventory. The year-to-date actual is **R3 million** which is **7%** of the approved budget. the **R3 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R18.6 million**. A variance of **R15.6 million** or **84%** is observed.

Debt impairment

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

Depreciation

This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R0** which is **0%** of the approved budget. The **R0** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R37.5 million**. A variance of **R37.5 million** or **100%** is observed.

Finance charges

Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is **R208 thousand** which is **21%** of the approved budget. The **R208 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R417 thousand**. A variance of **R208 thousand** or **50%** is observed.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R92.9 million** which is **72%** of the approved budget. The **R92.9 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R69.5 million**. A variance of **R23.3 million** or **34%** is observed.

The municipality must review SLAs and try to minimise costs as low as possible in this line-item cost.

Transfers and subsidies paid.

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is **R2 million** which is **33%** of the approved budget. The **R2 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R1.2 million**. A variance of **R738 thousand** or **58%** is observed.

Irrecoverable debt written off

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

Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R79.1 million** which is **55%** of the approved budget. The **R79.1 million** year to date actual is **above** the **five months** baseline projection or year-to-date budget of **R61.7 million**. A variance of **R17.4 million** or **28%** is observed.

The expenditure being is monitored by the municipality to keep it within the budget.

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 000	426 711	500 000	-73 289	-15%	36%
National Skills Fund	47 892 177	47 440 250	19 955 074	27 485 176	138%	99%
EPWP Incentive	7 077 000	5 903 798	2 948 750	2 955 048	100%	83%
Art centre Subsidies (Indonsa Grant)	1 385 000	-	577 083	-577 083	-100%	0%
Aviation Strategy	2 000 000	-	833 333	-833 333	-100%	0%
LGWS SETA Grant	210 000	-	87 500	-87 500	-100%	0%
Amafa Kazulu Grant	200 000	198 000	83 333	114 667	138%	99%
Total Operating Grant Expenditure	59 554 177	53 770 759	24 985 074	28 956 518	0	90%

FMG **36%**, NSF **99%**, EPWP Incentive **83%**, Art center subsidies (Indonsa Grant) **0%**, Aviation Strategy **0%**, LGWS SETA **0%** and Amafa **99%**.

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

1.6. CAPITAL EXPENDITURE AND FUNDING

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

The summary report indicates the following: -

	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Total Capital Expenditure	790 494 351	311 465 134	329 330 365	-17 865 231	-5%	39%
Total Capital Financing	790 494 351	311 465 134	329 330 365	-17 865 231	-5%	39%

The capital expenditure amounts to **R311.4**, which is **39%** of the capital approved budget, after a period of **five months**.

Capital budget summary

DC26 Zululand - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M05 November

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	970	-	-	216	(216)	-100%	970
Vote 03 - Finance		-	250	250	-	-	104	(104)	-100%	250
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	250	1 220	-	-	320	(320)	-100%	1 220
Single Year expenditure appropriation	2									
Vote 01 - Council		173	-	10	7	7	42	(34)	-82%	10
Vote 02 - Corporate Services		833	2 250	2 480	546	632	987	(355)	-36%	2 480
Vote 03 - Finance		2 064	400	400	-	-	167	(167)	-100%	400
Vote 04 - Community Development		2 878	457	457	-	-	191	(191)	-100%	457
Vote 05 - Planning & Wsa		491 521	700 110	700 110	90 210	310 826	291 713	19 113	7%	700 110
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		474	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	86 957	86 957	-	-	36 232	(36 232)	-100%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	497 942	790 174	790 414	90 763	311 465	329 330	(17 865)	-5%	790 414
Total Capital Expenditure		497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634
Capital Expenditure - Functional Classification										
Governance and administration		3 061	2 900	3 140	554	640	1 299	(660)	-51%	3 140
Executive and council		173	-	10	7	7	42	(34)	-82%	10
Finance and administration		2 888	2 900	3 130	546	632	1 258	(625)	-50%	3 130
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 152	457	457	-	-	191	(191)	-100%	457
Community and social services		1 152	457	457	-	-	191	(191)	-100%	457
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 726	2 208	2 208	968	968	920	48	5%	2 208
Planning and development		1 726	2 208	2 208	968	968	920	48	5%	2 208
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		491 995	784 859	784 859	89 242	309 858	327 025	(17 167)	-5%	784 859
Energy sources		-	-	-	-	-	-	-	-	-
Water management		491 995	784 859	784 859	89 242	309 858	327 025	(17 167)	-5%	784 859
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		9	-	970	-	-	216	(216)	-100%	970
Total Capital Expenditure - Functional Classification	3	497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634
Funded by:										
National Government		490 152	700 110	700 110	90 210	310 826	291 713	19 113	7%	700 110
Provincial Government		2 797	457	1 427	-	-	406	(406)	-100%	1 427
District Municipality (Nat / Prov Departm Agencies, Households, Non-profit)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		492 948	700 568	701 538	90 210	310 826	292 119	18 707	6%	701 538
Borrowing	6	191	86 957	86 957	-	-	36 232	(36 232)	-100%	86 957
Internally generated funds		4 803	2 900	3 140	554	640	1 299	(660)	-51%	3 140
Total Capital Funding		497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634

Governance and administration

Governance and administration year-to-date actual are **R640 thousand** which is **22%** of the approved budget. the **R640 thousand** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R1.2 million**. A variance of **R660 thousand** or **51%** is observed.

Community and public safety

Community and public safety year-to-date actual are **R0** which is **0%** of the approved budget. the **R0** year to date actual is **below** the **four months** baseline projection or year-to-date budget of **R191 thousand**. A variance of **R191 thousand** or **100%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R968 thousand** which is **44%** of the approved budget. the **R968 thousand** year to date actual is above the **five months** baseline projection or year-to-date budget of **R920 thousand**. A variance of **R48 thousand** or **5%** is observed.

Trading services

Trading services year-to-date actual is **R309.8 million** which is **39%** of the approved budget. the **R309.8 million** year to date actual is **below** the **five months** baseline projection or year-to-date budget of **R327.02 million**. A variance of **R17.1 million** or **5%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	236 246 089	82 082 972	98 435 870	-16 352 898.43	-17%	35%
Regional Bulk Infrastructure (RBIG)	374 700 000	178 166 344	156 125 000	22 041 343.79	14%	48%
Water services infrastructure Grant (WSIG)	86 956 523	49 608 329	36 231 885	13 376 443.93	37%	57%
Rural Roads Asset Managemnt Systems Grant	2 207 826	967 989	919 928	48 061.80	5%	44%
Borrowings (Backup Generator)	86 956 522	-	36 231 884	-36 231 884.17	-100%	0%
Art centre Subsisies (Indonsa Grant)	457 391	-	190 580	-190 579.58	-100%	0%
Other Assets	2 970 000	639 501	1 237 500	-597 999.42	-48%	22%
Total Operating Expenditure	790 494 351	311 465 134	329 372 646	-17 907 512	-5%	58%

Capital Grant Expenditure as per MFMA circular no. 58

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	271 683 000	93 918 102	113 201 250	-19 283 148	-17%	35%
Regional Bulk Infrastructure (RBIG)	430 905 000	203 725 158	107 726 250	95 998 908	89%	47%
Water services infrastructure Grant (WSIG)	100 000 000	56 626 822	25 000 000	31 626 822	127%	57%
Rural Roads Asset Managemnt Systems Grant	2 539 000	1 113 188	634 750	478 438	75%	44%
Indonsa Grant	526 000	-	131 500	-131 500	-100%	0%
Total Capital Grant Expenditure	805 653 000	355 383 269	246 693 750	108 689 519	44%	59%

Overall capital grant expenditure inclusive of VAT is sitting at **41%** of the approved capital budget, **MIG** is sitting at **35%**, **RBIG** at **47%**, **WSIG** at **57%**, **RAMS** at **44%** and **Indonsa Subsidy** at **0%**.

1.7. IN-YEAR BUDGET TABLES

The following part of in-year reporting presented below focuses on monthly budget statement tables as required in terms of regulation 28 of the Municipal Budget and Reporting Regulations. These tables clearly outline the municipality's **2023/2024** budget, actual financial performance, actual capital expenditure, actual financial position, and actual cashflow as implemented by the accounting officer in terms of S62 of the MFMA.

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

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M05 November

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	–	–	–	–	–	–	–		–
Service charges	54 001	67 938	67 938	105	25 734	28 307	(2 573)	-9%	67 938
Investment revenue	7 433	–	–	–	–	–	–		–
Transfers and subsidies - Operational	7 433	3 000	3 000	172	3 889	1 250	2 639	211%	3 000
Other own revenue	661 917	647 310	695 872	3 788	317 546	287 248	30 297	11%	–
Total Revenue (excluding capital transfers and contributions)	730 785	718 248	766 810	4 064	347 169	316 806	30 363	10%	766 810
Employee costs	286 176	290 728	290 728	24 158	123 946	121 138	2 809		290 728
Remuneration of Councillors	9 276	9 486	9 486	750	3 782	3 953	(171)		9 486
Depreciation and amortisation	100 249	90 000	90 000	(26 667)	–	37 500	(37 500)		90 000
Interest	553	1 000	1 000	52	208	417	(208)		1 000
Inventory consumed and bulk purchases	51 978	42 130	43 952	2 671	3 018	18 662	(15 644)		43 952
Transfers and subsidies	4 683	6 000	4 154	–	2 008	1 270	738	58%	4 154
Other expenditure	537 668	282 758	360 875	37 345	172 196	135 483	36 714	27%	360 875
Total Expenditure	990 582	722 102	800 195	38 309	305 159	318 422	(13 262)	-4%	800 195
Surplus/(Deficit)	(259 797)	(3 855)	(33 385)	(34 245)	42 010	(1 616)	43 626	-2700%	(33 385)
Transfers and subsidies - capital (monetary)	610 502	805 127	805 127	103 392	355 383	335 470	19 914	6%	805 127
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	350 705	801 272	771 742	69 147	397 393	333 854	63 539	19%	771 742
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	350 705	801 272	771 742	69 147	397 393	333 854	63 539	19%	771 742
Capital expenditure & funds sources									
Capital expenditure	497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634
Capital transfers recognised	492 948	700 568	701 538	90 210	310 826	292 119	18 707	6%	701 538
Borrowing	191	86 957	86 957	–	–	36 232	(36 232)	-100%	86 957
Internally generated funds	4 803	2 900	3 140	554	640	1 299	(660)	-51%	3 140
Total sources of capital funds	497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634
Financial position									
Total current assets	166 344	480 492	480 492		196 705				480 492
Total non current assets	4 999 838	6 247 525	6 248 735		5 311 304				6 248 735
Total current liabilities	500 466	352 992	352 992		427 723				352 992
Total non current liabilities	44 689	128 340	128 340		44 689				128 340
Community wealth/Equity	4 707 986	5 445 412	5 445 412		5 040 270				5 445 412
Cash flows									
Net cash from (used) operating	1 822 004	993 132	993 132	–	891 920	413 805	(478 115)	-116%	993 132
Net cash from (used) investing	(496 168)	(789 967)	(789 967)	–	(220 702)	(329 153)	(108 451)	33%	(789 967)
Net cash from (used) financing	(1 090)	90 000	90 000	–	2	37 500	37 498	100%	90 000
Cash/cash equivalents at the month/year end	1 345 214	466 282	466 282	–	698 647	295 269	(403 378)	-137%	320 591
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	–	–	–	–	–	–	–	–	–
Creditors Age Analysis									
Total Creditors	–	–	–	–	–	–	–	–	–

MBRR Table C1 – Monthly Budget Statement Summary

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

DC26 Zululand - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		665 320	637 831	686 193	326	315 678	283 239	32 439	11%	686 193
Executive and council	8	8	-	-	-	-	-	-	-	-
Finance and administration		665 312	637 831	686 193	326	315 678	283 239	32 439	11%	686 193
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		2 285	2 482	2 682	207	262	1 094	(833)	-76%	2 682
Community and social services		2 209	1 922	2 122	193	214	861	(647)	-75%	2 122
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		76	560	560	14	48	233	(186)	-80%	560
Economic and environmental services		4 171	2 539	2 539	1 113	1 113	1 058	55	5%	2 539
Planning and development		4 171	2 539	2 539	1 113	1 113	1 058	55	5%	2 539
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		668 995	878 523	878 523	105 808	385 468	366 051	19 417	5%	878 523
Energy sources		-	-	-	-	-	-	-	-	-
Water management		654 093	862 087	862 087	105 698	380 079	359 203	20 877	6%	862 087
Waste water management		14 903	16 436	16 436	111	5 388	6 848	(1 460)	-21%	16 436
Waste management		-	-	-	-	-	-	-	-	-
Other	4	516	2 000	2 000	2	32	833	(801)	-96%	2 000
Total Revenue - Functional	2	1 341 287	1 523 375	1 571 937	107 456	702 553	652 275	50 277	8%	1 571 937
Expenditure - Functional										
Governance and administration		329 433	256 489	321 888	24 038	160 810	124 395	36 415	29%	321 888
Executive and council		63 257	45 360	44 198	2 943	28 377	18 904	9 473	50%	44 198
Finance and administration		266 177	176 201	242 751	16 363	112 609	90 933	21 676	24%	242 751
Internal audit		-	34 928	34 938	4 732	19 824	14 558	5 266	36%	34 938
Community and public safety		27 553	28 878	28 660	2 438	10 826	12 045	(1 218)	-10%	28 660
Community and social services		14 564	8 257	8 555	1 021	2 899	3 516	(617)	-18%	8 555
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	5 887	5 887	616	3 106	2 453	653	27%	5 887
Housing		-	-	-	-	-	-	-	-	-
Health		12 989	14 734	14 218	801	4 822	6 076	(1 254)	-21%	14 218
Economic and environmental services		22 711	28 742	30 134	1 862	11 070	12 215	(1 146)	-9%	30 134
Planning and development		22 711	28 742	30 134	1 862	11 070	12 215	(1 146)	-9%	30 134
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		601 261	394 049	407 169	9 185	118 152	164 238	(46 085)	-28%	407 169
Energy sources		-	-	-	-	-	-	-	-	-
Water management		602 876	386 071	399 191	8 490	114 794	160 913	(46 120)	-29%	399 191
Waste water management		(1 616)	7 978	7 978	694	3 359	3 324	34	1%	7 978
Waste management		-	-	-	-	-	-	-	-	-
Other		9 624	13 944	12 344	787	4 301	5 529	(1 228)	-22%	12 344
Total Expenditure - Functional	3	990 582	722 102	800 195	38 309	305 159	318 422	(13 262)	-4%	800 195
Surplus/ (Deficit) for the year		350 705	801 272	771 742	69 147	397 393	333 854	63 539	19%	771 742

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 areas 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) - M05 November

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 01 - Council		8	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		61 142	2 350	50 713	(71)	47 513	18 455	29 058	157.4%	50 713
Vote 03 - Finance		604 660	637 481	637 481	399	268 197	265 617	2 580	1.0%	637 481
Vote 04 - Community Development		3 953	2 482	2 682	207	262	1 094	(833)	-76.1%	2 682
Vote 05 - Planning & Wsa		617 377	812 204	812 204	106 577	360 337	338 418	21 919	6.5%	812 204
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		39 245	52 422	52 422	234	20 855	21 842	(987)	-4.5%	52 422
Vote 09 - Waste Water		14 903	16 436	16 436	111	5 388	6 848	(1 460)	-21.3%	16 436
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 341 287	1 523 375	1 571 937	107 456	702 553	652 275	50 277	7.7%	1 571 937
Expenditure by Vote	1									
Vote 01 - Council		63 257	53 791	52 639	3 941	31 617	22 422	9 195	41.0%	52 639
Vote 02 - Corporate Services		188 332	149 411	213 592	15 275	107 135	79 550	27 586	34.7%	213 592
Vote 03 - Finance		71 138	61 343	60 685	4 813	22 112	25 344	(3 232)	-12.8%	60 685
Vote 04 - Community Development		55 021	50 380	52 972	4 450	21 832	21 395	438	2.0%	52 972
Vote 05 - Planning & Wsa		61 591	21 391	21 411	1 609	8 981	8 921	59	0.7%	21 411
Vote 06 - Technical Services		9 306	10 202	10 416	(1 141)	612	4 345	(3 733)	-85.9%	10 416
Vote 07 - Water Purification		52 109	43 820	43 820	3 811	20 062	18 258	1 804	9.9%	43 820
Vote 08 - Water Distribution		491 444	323 787	336 683	4 857	89 449	134 863	(45 414)	-33.7%	336 683
Vote 09 - Waste Water		(1 616)	7 978	7 978	694	3 359	3 324	34	1.0%	7 978
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	990 582	722 102	800 195	38 309	305 159	318 422	(13 262)	-4.2%	800 195
Surplus/ (Deficit) for the year	2	350 705	801 272	771 742	69 147	397 393	333 854	63 539	19.0%	771 742

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) - M05 November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity							-			
Service charges - Water		39 170	51 532	51 532	(2)	20 508	21 472	(964)	-4%	51 532
Service charges - Waste Water Management		14 831	16 406	16 406	107	5 226	6 836	(1 610)	-24%	16 406
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		1 426	1 001	1 001	152	522	417	105	25%	1 001
Agency services								-		
Interest								-		
Interest earned from Receivables		75	521	521	236	348	217	131	60%	521
Interest from Current and Non Current Assets		7 433	3 000	3 000	172	3 889	1 250			3 000
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		181	500	500	-	160	208	(48)	-23%	500
Licence and permits		88	60	60	14	48	25	23	91%	60
Operational Revenue		563	369	369	44	76	154	(78)	-51%	369
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		910	1 000	1 000	4	188	417	(229)		1 000
Licence and permits								-		
Transfers and subsidies - Operational		658 830	643 859	692 422	3 339	316 204	285 811	30 393		692 422
Interest								-		
Fuel Levy								-		
Operational Revenue								-		
Gains on disposal of Assets		2 894	-	-	-	-	-	-		-
Other Gains		4 385	-	-	-	-	-	-		-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		730 785	718 248	766 810	4 064	347 169	316 806	30 363	10%	766 810
Expenditure By Type										
Employee related costs		286 176	290 728	290 728	24 158	123 946	121 138	2 809	2%	290 728
Remuneration of councillors		9 276	9 486	9 486	750	3 782	3 953	(171)	-4%	9 486
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		51 978	42 130	43 952	2 671	3 018	18 662	(15 644)		43 952
Debt impairment		6 428	10 000	10 000	-	-	4 167	(4 167)	-100%	10 000
Depreciation and amortisation		100 249	90 000	90 000	(26 667)	-	37 500	(37 500)	-100%	90 000
Interest		553	1 000	1 000	52	208	417	(208)	-50%	1 000
Contracted services		364 771	128 719	215 523	10 474	92 987	69 592	23 395	34%	215 523
Transfers and subsidies		4 683	6 000	4 154	-	2 008	1 270	738	58%	4 154
Irrecoverable debts written off		2 192	-	-	-	28	-	28		-
Operational costs		163 288	144 039	135 353	26 871	79 182	61 724	17 458	28%	135 353
Losses on Disposal of Assets		679	-	-	-	-	-	-		-
Other Losses		309	-	-	-	-	-	-		-
Total Expenditure		990 582	722 102	800 195	38 309	305 159	318 422	(13 262)	-4%	800 195
Surplus/(Deficit)		(259 797)	(3 855)	(33 385)	(34 245)	42 010	(1 616)	43 626	(0)	(33 385)
Transfers and subsidies - capital (monetary allocations)		610 502	805 127	805 127	103 392	355 383	335 470	19 914	0	805 127
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		350 705	801 272	771 742	69 147	397 393	333 854			771 742
Income Tax										
Surplus/(Deficit) after income tax		350 705	801 272	771 742	69 147	397 393	333 854			771 742
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		350 705	801 272	771 742	69 147	397 393	333 854			771 742
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		350 705	801 272	771 742	69 147	397 393	333 854			771 742

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) - M05 November

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	970	-	-	216	(216)	-100%	970
Vote 03 - Finance		-	250	250	-	-	104	(104)	-100%	250
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	250	1 220	-	-	320	(320)	-100%	1 220
Single Year expenditure appropriation	2									
Vote 01 - Council		173	-	10	7	7	42	(34)	-82%	10
Vote 02 - Corporate Services		833	2 250	2 480	546	632	987	(355)	-36%	2 480
Vote 03 - Finance		2 064	400	400	-	-	167	(167)	-100%	400
Vote 04 - Community Development		2 878	457	457	-	-	191	(191)	-100%	457
Vote 05 - Planning & Wsa		491 521	700 110	700 110	90 210	310 826	291 713	19 113	7%	700 110
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		474	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	86 957	86 957	-	-	36 232	(36 232)	-100%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	497 942	790 174	790 414	90 763	311 465	329 330	(17 865)	-5%	790 414
Total Capital Expenditure		497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634
Capital Expenditure - Functional Classification										
Governance and administration		3 061	2 900	3 140	554	640	1 299	(660)	-51%	3 140
Executive and council		173	-	10	7	7	42	(34)	-82%	10
Finance and administration		2 888	2 900	3 130	546	632	1 258	(625)	-50%	3 130
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 152	457	457	-	-	191	(191)	-100%	457
Community and social services		1 152	457	457	-	-	191	(191)	-100%	457
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 726	2 208	2 208	968	968	920	48	5%	2 208
Planning and development		1 726	2 208	2 208	968	968	920	48	5%	2 208
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		491 995	784 859	784 859	89 242	309 858	327 025	(17 167)	-5%	784 859
Energy sources		-	-	-	-	-	-	-	-	-
Water management		491 995	784 859	784 859	89 242	309 858	327 025	(17 167)	-5%	784 859
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		9	-	970	-	-	216	(216)	-100%	970
Total Capital Expenditure - Functional Classification	3	497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634
Funded by:										
National Government		490 152	700 110	700 110	90 210	310 826	291 713	19 113	7%	700 110
Provincial Government		2 797	457	1 427	-	-	406	(406)	-100%	1 427
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		492 948	700 568	701 538	90 210	310 826	292 119	18 707	6%	701 538
Borrowing		191	86 957	86 957	-	-	36 232	(36 232)	-100%	86 957
Internally generated funds		4 803	2 900	3 140	554	640	1 299	(660)	-51%	3 140
Total Capital Funding	6	497 942	790 424	791 634	90 763	311 465	329 650	(18 185)	-6%	791 634

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 - M05 November

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		27 427	345 288	345 288	59 870	345 288
Trade and other receivables from exchange transactions		29 625	59 575	59 575	54 871	59 575
Receivables from non-exchange transactions		168	–	–	6 978	–
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 824	2 556	2 556	4 486	2 556
VAT		80 813	50 650	50 650	45 654	50 650
Other current assets		25 486	22 422	22 422	24 846	22 422
Total current assets		166 344	480 492	480 492	196 705	480 492
Non current assets						
Investments						
Investment property						
Property, plant and equipment		4 991 970	6 247 523	6 248 733	5 303 435	6 248 733
Biological assets						
Living and non-living resources						
Heritage assets		7 817	–	–	7 817	–
Intangible assets		52	1	1	52	1
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		4 999 838	6 247 525	6 248 735	5 311 304	6 248 735
TOTAL ASSETS		5 166 182	6 728 017	6 729 227	5 508 009	6 729 227
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		1 484	–	–	1 484	–
Consumer deposits		3 620	3 633	3 633	3 628	3 633
Trade and other payables from exchange transactions		487 727	338 908	338 908	209 806	338 908
Trade and other payables from non-exchange transactions		1 560	–	–	203 512	–
Provision		1 654	1 973	1 973	1 654	1 973
VAT		3 921	8 073	8 073	7 139	8 073
Other current liabilities		500	405	405	500	405
Total current liabilities		500 466	352 992	352 992	427 723	352 992
Non current liabilities						
Financial liabilities		1 202	90 000	90 000	1 202	90 000
Provision		43 487	38 340	38 340	43 487	38 340
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		44 689	128 340	128 340	44 689	128 340
TOTAL LIABILITIES		545 155	481 332	481 332	472 412	481 332
NET ASSETS	2	4 621 027	6 246 684	6 247 894	5 035 597	6 247 894
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		4 707 986	5 445 412	5 445 412	5 040 270	5 445 412
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	4 707 986	5 445 412	5 445 412	5 040 270	5 445 412

MBRR Table C6 - Monthly Budget Statement Financial Position

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

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

CURRENT ASSETS

Cash and cash equivalents

Cash and cash equivalents balance as at 30 November 2023 indicate a balance of **R59.8 million**.

Bank balance	R45.8 million
Cash float	R8 hundred
Call Investments Deposits	R14 million.

Trade and other receivables from exchange transactions

Trade and other receivables from exchange transactions include debtors from water, sanitation services, rental of facilities, the balance for the reporting period is **R41.7 million**. Debtors age analysis as per section 2.2 debtors' analysis is **R218.3 million**. Consumer debtors' amount to **R207.8 million** and other receivables from exchange amount to **R1.8 million** which sums up to **R210.6** and the balance of **R5.4 million** is for shared services casted in Other Debtors.

Gross Consumer debtors	R210.6 million
Less Impairment	(R168.9 million)
Net Consumer Debtors	R41.7 million

Classification of Consumer Debtors per Service type

Water Debtors	R22.4 million
Sanitation Debtors	R17.3 million
Other Consumer debtors	R124.3 thousand
Other receivables from exchange	R1.8 million
Total	R41.7 million

➤ **Water Debtors**

Net Water debtors, after considering provision for bad debts amount to **R22.4 million**

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

Gross Water Debtors	R163.7 million
Less Impairment	(141.2 million)
Net Water Debtors	R22.4 million

➤ **Sanitation Debtors**

Net Sanitation debtors after considering provision for bad debts amount to **R17.3 million**

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

Gross Sanitation Debtors	R43.8 million
Less Impairment	(R26.5 million)
Net Sanitation Debtors	R17.3 million

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R124.3 thousand**, these are sundry debtors.

Gross Other Debtors	R166.6 thousand
Less Impairment	(R42.2 thousand)
Net Other Debtors	R124.3 thousand

➤ **Other receivables from exchange**

These are debtors accumulated from property rentals amounts to **R93.1 thousand**

Other receivables from exchange	R2.8 million
Less Impairment	(R1.06 million)
Net other receivables from exchange	R1.8 million

Classification of Consumer Debtors per Customer group

Households	R170.6 million
Commercial/Businesses (excl prepaid exp R1.8 mil)	R14.6 million
Organs of State (excl shared services of R5.4 mill)	R25.3 million
Total	R210.6 million

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

Gross Households debtors	R170.6 million
Gross Business	R14.6 million
Less Impairment	(R167.8 million)
Net Household debtors	R17.4 million

Receivables from non-exchange transactions

UIFW to be recovered amounting to **R6.9 million** resulted from a claim of standing time due to consultant negligence.

Inventory

The current level of inventory is **R4.4 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amount to **R46 million**, this is the amount raised when input VAT is recognized less output VAT collected as per VAT reconciliation.

Other current assets

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R23.7 million**.

Deposits Made	R18.2 million
Refunds & under/over banking	R 5.5 million
Overpayments/Accrued Income	R36.9 thousand
Salary advance	R31.07 thousand
Total	R23.7 million

➤ Deposits Made

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

Eskom Deposits	R18 million
Stowell Deposits	R200 thousand

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

➤ Refunds & under/over banking

Refunds & under/over banking amount to **R5.5 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	R5.5 million
Under/over banking	R3 thousand

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

➤ Accrued Income – Reversal

is the amount of **R36.9 thousand** to be received from the actioner of assets disposed by the Municipality.

➤ Salary advance

Salary advances amounts to **R31.07 thousand**. This amount consists of advanced employee costs.

NON-CURRENT ASSETS

Long term receivables

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

Property plant and equipment

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

Opening balance	R5 billion
Additions	R311.4 million
Depreciation	(R0 million)
Closing Balance	R5.3 billion

Heritage assets

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

Intangible

Intangible assets include software licenses owned by the Municipality; the current balance of intangible assets is **R51 thousand**.

Opening balance	R51 thousand
Additions	R1 thousand
Depreciation	(R0)
Closing Balance	R51 thousand

CURRENT LIABILITIES

Financial liabilities

This is the current portion of the finance lease agreement the Municipality entered into to procure laptops. The current balance owed amount to **R1.3 million**.

Opening balance	R1.4 million
Payment	(R172.8 thousand)
Closing Balance	R1.3 million

Consumer deposits

Consumer deposits are deposit amounts of customers that have accounts with the municipality, the current balance is **R3.6 million**.

Trade and other payables from exchange transactions

Trade and other payables are amounts owed by the municipality to service providers. This amount includes unspent conditional grants. Trade and other payables are **R207.8 million**.

Trade Creditors	R9.8 million
Retention	R70.3 million
Department of Water & Sanitation	R62.6 million
Leave accrued	R21.7 million
Bonus	R5.7 million
Employee related cost	R1.9 million
Advance Payments	R2.9 million
Salary Suspense Accounts	R397.2 thousand
Other Suspense account	R66.3 thousand
Water tankers	R13.4 million
Abaqulusi Municipality	R8.5 million
Zanamanzi	R9.6 million
Closing Balance	R207.8 million

Trade and other payables from non-exchange transactions

This is the amount of unspent conditional grants which will be recognized when the conditions are met. Unspent conditional grants amount to **R203.5 million**.

Current Provision

Current provisions amount to **R1.6 million**, this provision is for post-retirement benefit (Medical aid) and long service awards that is paid in the current financial year:

Long service awards	R1.6 million
---------------------	--------------

VAT Payables

VAT payable amount to **R5.6 million**, this is the amount paid when output VAT is recognized less input VAT paid as per VAT reconciliation.

Other current liabilities

Other current liabilities amount to **R500 thousand**, this is the amount for medical benefit awarded to the people who have retired from the service of the municipality:

Post Retirement benefit (Medical aid)	R 500 thousand
---------------------------------------	----------------

NON-CURRENT LIABILITIES

Non-current financial liabilities

This is the long-term portion of the finance lease agreement the Municipality entered into to procure laptops amounting to **R1.2 million**.

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

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

Non-current Provisions

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

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

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.02 billion**

DC26 Zululand - Table C7 Monthly Budget Statement - Cash Flow - M05 November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates								-		
Service charges		26 949	51 642	51 642	545	11 616	21 517	(9 901)	-46%	51 642
Other revenue		1 387 129	162 144	162 144	18 745	771 890	67 560	704 330	1043%	162 144
Transfers and Subsidies - Operational		661 838	643 859	643 859	3 395	320 962	268 275	52 688	20%	643 859
Transfers and Subsidies - Capital		610 306	805 127	805 127	170 000	552 577	335 470	217 107	65%	805 127
Interest		3 937	3 000	3 000	172	3 889	1 250	2 639	211%	3 000
Dividends								-		
Payments										
Suppliers and employees		(868 156)	(672 640)	(672 640)	(115 485)	(691 643)	(280 267)	411 376	-147%	(672 640)
Interest								-		
Transfers and Subsidies		-	-	-	-	-	-	-		
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 822 004	993 132	993 132	77 371	969 291	413 805	(555 486)	-134%	993 132
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		(496 168)	(789 967)	(789 967)	(90 763)	(311 465)	(329 153)	(17 688)	5%	(789 967)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(496 168)	(789 967)	(789 967)	(90 763)	(311 465)	(329 153)	(17 688)	5%	(789 967)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans								-		
Borrowing long term/refinancing		-	100 000	100 000	-	-	41 667	(41 667)	-100%	100 000
Increase (decrease) in consumer deposits		-	-	-	(1)	1	-	1	#DIV/0!	-
Payments										
Repayment of borrowing		(1 090)	(10 000)	(10 000)	(173)	(173)	(4 167)	(3 994)	96%	(10 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 090)	90 000	90 000	(174)	(172)	37 500	37 672	100%	90 000
NET INCREASE/ (DECREASE) IN CASH HELD		1 324 746	293 165	293 165	(13 566)	657 654	122 152			293 165
Cash/cash equivalents at beginning:		20 468	173 117	173 117	390	27 427	173 117			27 427
Cash/cash equivalents at month/year end:		1 345 214	466 282	466 282		685 081	295 269			320 591

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 **R51.6 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 **R11.6 million** to date. This is **22%** of budgeted collection and **57%** of year-to-date billing.

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

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

Other Revenue

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

Transfers and subsidies – Operational

Transfers and subsidies - Operational are expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Operating grants have been received as scheduled. Transfers and subsidies operational year to date are **R320.9 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far but does not include National Skills Fund under Transfers and subsidies – Operational:

Equitable share	R263.1 million
Indonsa Grant	R955 thousand
Aviation Strategy	R2 million
FMG	R1.2 million
EPWP	R4.9 million
NSF	R47.8 million
LG SETA	R584.5 thousand
Amafa Research	R180 thousand
TOTAL	R320.9 million

Transfers and subsidies – Capital

Transfers and subsidies - Capital is expected to be received as per DoRA, and as per transfer schedule issued by National Treasury. Capital grants have been received to date, Transfers and subsidies Capital are **R552.5 million**. This amount includes RBIG, MIG, RRAMS, TSUCM_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

Municipal Infrastructure Grant	R 150 million
Water Services Infrastructure Grant	R 80 million
Régional Bulk Infrastructure Grant	R 320.8 million
Rural Road Asset Management Subsidy	R 1.7 million
TOTAL	R552.5 million

Interest

Interest on investment budget is at **R3 million**, this estimate is based on the approved budget interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R3.8 million**. Interest on investment revenue on table C4 is **R3.8 million** which reconcile the one in the cash flow.

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 **R311.4 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in a process of developing an action plan to address these inefficiencies.

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date is **R59.8 million** in the financial position but in the cash flow it is **R685.08 million**.

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

PART 2 – SUPPORTING DOCUMENTATION

2.1 DEBTORS ANALYSIS

Debtors age analysis as of 30 November 2023

DC26 Zululand - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	NT Code	Budget Year 2023/24									Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.to Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total			
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	11 455	3 856	3 000	3 051	2 630	1 953	13 968	127 392	167 305	148 994	-	120 151
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	2 572	784	646	603	616	616	3 328	35 596	44 761	40 759	-	34 548
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Arrear Debtor Accounts	1810	324	37	34	-	8	26	120	348	898	503	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	26	23	11	123	720	113	622	3 764	5 401	5 342	-	39
Total By Income Source	2000	14 377	4 700	3 690	3 777	3 975	2 707	18 039	167 100	218 365	195 598	-	154 738
2022/23 - totals only		6662814	4537887	4061960	3483208	3292621	3007798	22514866	142272903	189 834	174 571	0	138614150 4/7
Debtors Age Analysis By Customer Group													
Organs of State	2200	5 092	901	491	618	1 148	571	3 196	13 303	25 321	18 837	-	-
Commercial	2300	2 003	561	402	260	237	221	1 417	9 569	14 669	11 704	-	-
Households	2400	7 282	3 238	2 797	2 900	2 590	1 915	13 425	144 228	178 375	165 058	-	154 738
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	14 377	4 700	3 690	3 777	3 975	2 707	18 039	167 100	218 365	195 598	-	154 738

Total debtors' amount to **R218.3 million**, which is an increase of **R4.8 million** from the closing balance of **R213.5 million** in the previous month. The debtors over 90 days amount to **R195.5 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 30 November 2023

DC26 Zululand - Supporting Table SC4 Monthly Budget Statement - aged creditors - M05 November

Description	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100										9 860
Bulk Water	0200										-
PAYE deductions	0300										-
VAT (output less input)	0400										-
Pensions / Retirement deductions	0500										-
Loan repayments	0600										-
Trade Creditors	0700	91	-	-	-	-	-	-	-		91
Auditor General	0800										-
Other	0900										-
Total By Customer Type	1000	91	-	-	-	-	-	-	-	91	9 860

2.3 INVESTMENT PORTFOLIO

Investments as at 30 November 2023

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M05 November

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
Municipality														
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	-	-		64 000	64 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	64 000	524		40 000	104 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 June 2024	104 000	-		150 800	254 800
ABSA CALL ACCOUNT		0.76666667	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	17 August 2023	254 800	-	(30 000)		224 800
ABSA CALL ACCOUNT		1.2	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 August 2023	224 800		(20 000)		204 800
ABSA CALL ACCOUNT		1.4	CALL ACCOUNT	YES	VARIABLE	0.089	-		08 September 2023	204 800		(30 000)		174 800
ABSA CALL ACCOUNT		1.36666667	CALL ACCOUNT	YES	VARIABLE	0.089	-		14 September 2023	174 800		(25 000)		149 800
ABSA CALL ACCOUNT		1.56666667	CALL ACCOUNT	YES	VARIABLE	0.089	-		20 September 2023	149 800		(50 000)		99 800
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	26 September 2023	99 800	2 151	-	86 000	185 800
ABSA SHORT TERM		2	SHORT TERM	YES	VARIABLE	0.089	-	N/A	03 October 2023	185 800		(50 000)		135 800
ABSA SHORT TERM		2.06666667	SHORT TERM	YES	VARIABLE	0.089	-	N/A	05 October 2023	135 800		(75 000)		60 800
ABSA SHORT TERM		3.06666667	SHORT TERM	YES	VARIABLE	0.089	-	N/A	19 October 2023	60 800		(10 000)		50 800
ABSA SHORT TERM		2.53333333	SHORT TERM	YES	VARIABLE	0.089	-	N/A	19 October 2023	50 800		(36 800)		14 000
Municipality sub-total										-	2 675	(326 800)	340 800	14 000
Entities														
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									-		(326 800)	340 800	14 000

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

DC26 Zululand - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
RECEIPTS:										
Operating Transfers and Grants										
National Government:	1,2	596 108	639 948	639 948	3 260	268 551	266 645	1 906	0.7%	639 948
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		586 391	631 671	631 671	-	263 196	263 196	(0)	0.0%	631 671
Expanded Public Works Programme Integrated Grant		8 517	7 077	7 077	3 185	4 954	2 949	2 005	68.0%	7 077
Local Government Financial Management Grant		1 200	1 200	1 200	75	401	500	(99)	-19.9%	1 200
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant	3	-	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		-	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
Provincial Government:		2 631	3 911	4 111	193	213	1 690	(1 477)	-87.4%	4 111
Capacity Building and Other Grants		2 631	3 911	4 111	193	213	1 690	(1 477)	-87.4%	4 111
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		60 091	-	48 363	(114)	47 440	17 476	29 964	171.5%	48 363
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		478	-	471	(114)	-	61	(61)	-100.0%	471
National Skills Fund		59 613	-	47 892	-	47 440	17 415	30 025	172.4%	47 892
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	658 830	643 859	692 422	3 339	316 204	285 811	30 393	10.6%	692 422
Capital Transfers and Grants										
National Government:		607 306	805 127	805 127	103 392	355 383	335 470	19 914	5.9%	805 127
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		259 530	271 683	271 683	20 355	93 918	113 201	(19 283)	-17.0%	271 683
Regional Bulk Infrastructure Grant		250 247	430 905	430 905	67 847	203 725	179 544	24 181	13.5%	430 905
Rural Road Asset Management Systems Grant		2 529	2 539	2 539	1 113	1 113	1 058	55	5.2%	2 539
Water Services Infrastructure Grant		95 000	100 000	100 000	14 077	56 627	41 667	14 960	35.9%	100 000
Provincial Government:		3 196	-	-	-	-	-	-	-	-
Infrastructure Grant		3 196	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	610 502	805 127	805 127	103 392	355 383	335 470	19 914	5.9%	805 127
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 269 332	1 448 986	1 497 549	106 731	671 587	621 280	50 307	8.1%	1 497 549

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

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M05 November

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		825 595	627 267	628 717	62 027	257 278	261 656	(4 377)	-1.7%	628 717
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		774 422	618 990	620 440	60 791	250 966	258 207	(7 241)	-2.8%	620 440
Expanded Public Works Programme Integrated Grant		8 532	7 077	7 077	1 153	5 904	2 949	2 955	100.2%	7 077
Local Government Financial Management Grant		1 200	1 200	1 200	83	409	500	(91)	-18.2%	1 200
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		33 001	-	-	-	-	-	-	-	-
Municipal Systems Improvement Grant		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant		2 199	-	-	-	-	-	-	-	-
Water Services Infrastructure Grant		6 240	-	-	-	-	-	-	-	-
Provincial Government:		2 689	3 385	1 915	205	231	1 167	(937)	-80.2%	1 915
Capacity Building and Other Grants		2 689	3 385	1 915	205	231	1 167	(937)	-80.2%	1 915
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		59 798	-	78 113	210	47 650	17 495	30 156	172.4%	78 113
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		478	-	471	210	210	79	131	165.0%	471
National Skills Fund		59 320	-	77 642	-	47 440	17 415	30 025	172.4%	77 642
Total operating expenditure of Transfers and Grants:		888 081	630 652	708 745	62 441	305 159	280 318	24 842	8.9%	708 745
Capital expenditure of Transfers and Grants										
National Government:		490 152	700 110	700 110	90 210	310 826	291 713	19 113	6.6%	700 110
Municipal Infrastructure Grant		194 387	236 246	236 246	17 862	82 083	98 436	(16 353)	-16.6%	236 246
Regional Bulk Infrastructure Grant		218 770	374 700	374 700	59 077	178 166	156 125	22 041	14.1%	374 700
Rural Road Asset Management Systems Grant		-	2 208	2 208	968	968	920	48	5.2%	2 208
Water Services Infrastructure Grant		76 994	86 957	86 957	12 303	49 608	36 232	13 376	36.9%	86 957
Provincial Government:		2 797	457	1 427	-	-	406	(406)	-100.0%	1 427
Capacity Building and Other Grants		-	-	970	-	-	216	(216)	-100.0%	970
Infrastructure Grant		2 797	457	457	-	-	191	(191)	-100.0%	457
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		492 948	700 568	701 538	90 210	310 826	292 119	18 707	6.4%	701 538
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 381 030	1 331 220	1 410 283	152 651	615 985	572 437	43 549	7.6%	1 410 283

Grants Roll over

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

DC26 Zululand - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - M05 November						
Description	Ref	Budget Year 2023/24				
		Approved Rollover 2022/23	Monthly actual	YearTD actual	YTD variance	YTD variance %
R thousands						%
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		80	80	80	(0)	0.0%
NATIONAL SKILLS FUND		80	80	80	(0)	0.0%
Provincial Government:		34	7	33	1	4.3%
ART COUNCIL SA		34	7	33	1	4.3%
TSUCM_COGTA BOREHOLES		1 446	-	-	1 446	100.0%
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total operating expenditure of Approved Roll-overs		1 560	86	113	1 447	92.8%
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Provincial Government:		-	-	-	-	
Other Departments		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		-	-	-	-	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		1 560	86	113	1 447	92.8%

2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

DC26 Zululand - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councillor remuneration	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	-
Pension and UIF Contributions		509	512	512	43	207	213	(7)	-3%	512
Medical Aid Contributions		54	55	55	3	17	23	(6)	-25%	55
Motor Vehicle Allowance		1 889	1 962	1 962	164	818	817	0	0%	1 962
Cellphone Allowance		681	694	694	58	289	289	-	-	694
Housing Allowances		360	180	180	15	75	75	-	-	180
Other benefits and allowances		5 782	6 084	6 084	467	2 377	2 535	(158)	-6%	6 084
Sub Total - Councillors		9 276	9 486	9 486	750	3 782	3 953	(171)	-4%	9 486
% increase	4		2.3%	2.3%						2.3%
Senior Managers of the Municipality										
Basic Salaries and Wages		6 237	6 191	6 191	673	3 356	2 580	776	30%	6 191
Pension and UIF Contributions		176	62	62	30	148	26	122	474%	62
Medical Aid Contributions		59	3	3	10	45	1	44	3762%	3
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		650	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		1 640	1 542	1 542	166	838	643	195	30%	1 542
Cellphone Allowance		257	238	238	26	131	99	32	33%	238
Housing Allowances		13	-	-	1	5	-	5	#DIV/0!	-
Other benefits and allowances		309	195	195	21	167	81	86	105%	195
Payments in lieu of leave		374	-	-	-	95	-	95	#DIV/0!	-
Long service awards		132	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		97	-	-	-	16	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		9 945	8 230	8 230	928	4 802	3 429	1 372	40%	8 230
% increase	4		-17.2%	-17.2%						-17.2%
Other Municipal Staff										
Basic Salaries and Wages		184 973	206 063	206 063	16 694	82 430	85 860	(3 429)	-4%	206 063
Pension and UIF Contributions		24 702	27 991	27 991	2 231	11 019	11 663	(644)	-6%	27 991
Medical Aid Contributions		14 860	15 496	15 496	1 335	6 694	6 457	237	4%	15 496
Overtime		6 703	5 448	5 448	388	2 786	2 270	516	23%	5 448
Performance Bonus		12 696	13 983	13 983	1 010	5 977	5 826	151	3%	13 983
Motor Vehicle Allowance		10 357	10 682	10 682	935	4 575	4 451	124	3%	10 682
Cellphone Allowance		740	828	828	65	321	345	(24)	-7%	828
Housing Allowances		1 669	1 724	1 724	140	690	718	(28)	-4%	1 724
Other benefits and allowances		4 065	282	282	67	1 598	117	1 480	1260%	282
Payments in lieu of leave		5 523	-	-	124	1 949	-	1 949	#DIV/0!	-
Long service awards		3 358	-	-	216	866	-	866	#DIV/0!	-
Post-retirement benefit obligations		5 393	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		1 191	-	-	26	240	-	240	#DIV/0!	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		276 230	282 498	282 498	23 230	119 145	117 708	1 437	1%	282 498
% increase	4		2.3%	2.3%						2.3%
Total Parent Municipality		295 452	300 214	300 214	24 907	127 728	125 090	2 638	2%	300 214

The municipality has no active entity.

2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

2.7 ACTUAL AND REVISED TARGETS FOR CASH RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M05 November

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework			
		July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Budget	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Cash Receipts By Source																	
Property rates																	
Service charges - Electricity revenue																	
Service charges - Water revenue		928	1 881	2 063	3 448	317	3 214	3 214	3 214	3 214	3 214	3 214	10 650	38 572	43 529	48 873	
Service charges - Waste Water Management		381	742	614	1 016	228	1 089	1 089	1 089	1 089	1 089	1 089	3 555	13 069	14 685	16 426	
Service charges - Waste Management																	
Rental of facilities and equipment		45	49	45	36	-	90	90	90	90	90	90	364	1 075	1 127	1 181	
Interest earned - external investments		-	574	301	2 843	172	250	250	250	250	250	250	(2 389)	3 000	3 144	3 295	
Interest earned - outstanding debtors																	
Dividends received																	
Fines, penalties and forfeits		20	64	79	21	4	83	83	83	83	83	83	312	1 000	1 048	1 098	
Licences and permits		5	11	8	9	14	5	5	5	5	5	5	(18)	60	63	66	
Agency services																	
Transfers and Subsidies - Operational		266 152	2 969	48 282	165	3 395	53 655	53 655	53 655	53 655	53 655	53 655	967	643 859	679 032	720 445	
Other revenue		131 675	231 401	200 542	189 135	18 728	13 334	13 334	13 334	13 334	13 334	13 334	(691 476)	160 009	115 496	124 647	
Cash Receipts by Source		399 159	237 068	251 588	193 794	22 685	71 381	71 381	71 381	71 381	71 381	71 381	(676 009)	856 570	853 854	911 555	
Other Cash Flows by Source																	
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		104 000	150 800	86 000	41 777	170 000	67 094	67 094	67 094	67 094	67 094	67 094	###	805 127	552 968	611 515	
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds on Disposal of Fixed and Intangible Assets																	
Short term loans																	
Borrowing long term/refinancing		-	-	-	-	-	8 333	8 333	8 333	8 333	8 333	8 333	50 000	100 000	-	-	
Increase (decrease) in consumer deposits		-	-	1	1	(1)	-	-	-	-	-	-	(1)	-	-	-	
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Decrease (increase) in non-current investments		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Cash Receipts by Source		503 159	387 868	337 589	235 572	192 684	146 808	146 808	146 808	146 808	146 808	146 808	(776 023)	1 761 697	1 406 822	1 523 070	
Cash Payments by Type																	
Employee related costs		26 127	26 418	26 816	26 778	26 586	24 344	24 344	24 344	24 344	24 344	24 344	13 341	292 133	298 671	312 940	
Remuneration of councillors		-	-	-	-	-	790	790	790	790	790	790	4 743	9 486	9 941	10 418	
Interest																	
Bulk purchases - Electricity		12 282	4 787	13 201	5 143	16 800	-	-	-	-	-	-	(52 213)	-	-	-	
Acquisitions - water & other inventory		7 556	-	-	-	191	4 037	4 037	4 037	4 037	4 037	4 037	16 478	48 450	50 736	53 133	
Contracted services		131	(6 308)	(49 127)	(113 256)	(89 149)	12 336	12 336	12 336	12 336	12 336	12 336	331 722	148 027	152 625	159 854	
Transfers and subsidies - other municipalities																	
Transfers and subsidies - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other expenditure		239 289	84 467	106 769	152 667	160 442	14 462	14 462	14 462	14 462	14 462	14 462	(656 862)	173 544	187 490	196 589	
Cash Payments by Type		285 385	109 364	97 659	71 332	114 870	55 970	55 970	55 970	55 970	55 970	55 970	(342 791)	671 640	699 464	732 935	
Other Cash Flows/Payments by Type																	
Capital assets		-	57 911	49 277	113 514	90 763	65 831	65 831	65 831	65 831	65 831	65 831	83 518	789 967	480 842	531 752	
Repayment of borrowing		-	-	-	-	173	833	833	833	833	833	833	4 827	10 000	10 000	10 000	
Other Cash Flows/Payments		-	2 690	8 299	1 429	615	83	83	83	83	83	83	(12 532)	1 000	1 000	1 000	
Total Cash Payments by Type		285 385	169 965	155 234	186 275	206 421	122 717	122 717	122 717	122 717	122 717	122 717	(266 978)	1 472 607	1 191 306	1 275 687	
NET INCREASE/(DECREASE) IN CASH HELD		217 774	217 903	182 355	49 297	(13 738)	24 091	24 091	24 091	24 091	24 091	24 091	(509 046)	289 090	215 516	247 384	
Cash/cash equivalents at the monthly/year beginning:		27 427	245 201	463 103	645 458	694 755	681 017	705 108	729 199	753 290	777 381	801 472	825 562	27 427	316 516	532 032	
Cash/cash equivalents at the monthly/year end:		245 201	463 103	645 458	694 755	681 017	705 108	729 199	753 290	777 381	801 472	825 562	316 516	316 516	532 032	779 416	

2.8 MUNICIPAL ENTITY FINANCIAL OPERATING EXPENDITURE PERFORMANCE BUDGET

The municipality does not have an entity.

2.9 MUNICIPAL ENTITY FINANCIAL CAPITAL EXPENDITURE PERFORMANCE

The municipality does not have an entity.

2.10 CAPITAL PROGRAMME PERFORMANCE

Capital Expenditure by month

DC26 Zululand - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - M05 November

Month	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	% spend of Original Budget
R thousands								%	
Monthly expenditure performance trend									
July	5 503	65 875	65 875	-	-	65 875	65 875	100.0%	0%
August	14 273	65 890	65 890	57 911	57 911	131 765	73 853	56.0%	7%
September	32 995	65 890	65 890	49 277	107 188	197 655	90 467	45.8%	14%
October	27 335	65 998	65 998	113 514	220 702	263 652	42 951	16.3%	28%
November	18 645	65 998	65 998	90 763	311 465	329 650	18 185	5.5%	39%
December	46 356	65 998	65 998	-	-	395 648	395 648	100.0%	0%
January	7 250	65 998	65 998	-	-	461 646	461 646	100.0%	0%
February	13 944	65 998	65 998	-	-	527 643	527 643	100.0%	0%
March	27 728	65 998	65 998	-	-	593 641	593 641	100.0%	0%
April	70 518	65 998	65 998	-	-	659 639	659 639	100.0%	-
May	127 629	65 998	65 998	-	-	725 637	725 637	100.0%	-
June	105 765	65 998	65 998	-	-	791 634	791 634	100.0%	-
Total Capital expenditure	497 942	791 634	791 634	311 465					

2.11 SUMMARY OF CAPITAL EXPENDITURE BY ASSET CLASS AND SUB-CLASS

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M05 November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		491 521	700 110	700 910	90 210	310 826	291 891	(18 935)	-6.5%	700 910
Roads Infrastructure		-	2 208	2 208	968	968	920	(48)	-5.2%	2 208
Roads		-	2 208	2 208	968	968	920	(48)	-5.2%	2 208
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		491 521	693 120	692 468	89 242	309 858	288 563	(21 295)	-7.4%	692 468
Dams and Weirs		-	-	-	-	-	-	-	-	-
Boreholes		68 814	79 130	72 907	1 367	17 860	30 708	12 847	41.8%	72 907
Reservoirs		11 062	15 086	10 178	395	404	4 501	4 098	91.0%	10 178
Pump Stations		-	-	-	-	-	-	-	-	-
Water Treatment Works		63 564	66 957	79 913	11 925	41 849	32 610	(9 239)	-28.3%	79 913
Bulk Mains		311 748	508 469	497 710	73 308	232 395	207 950	(24 445)	-11.8%	497 710
Distribution		36 333	23 478	31 760	2 247	17 350	12 794	(4 555)	-35.6%	31 760
Distribution Points		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	4 783	6 235	-	-	2 408	2 408	100.0%	6 235
Pump Station		-	-	-	-	-	-	-	-	-
Reticulation		-	4 783	5 435	-	-	2 230	2 230	100.0%	5 435
Toilet Facilities		-	-	800	-	-	178	178	100.0%	800
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Community Assets		1 726	-	-	-	-	-	-	-	-
Community Facilities		1 726	-	-	-	-	-	-	-	-
Centres		1 726	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Operational Buildings		-	-	-	-	-	-	-	-	-
Municipal Offices		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		51	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		51	-	-	-	-	-	-	-	-
Computer Software and Applications		51	-	-	-	-	-	-	-	-
Computer Equipment		2 158	2 350	2 350	159	245	1 038	793	76.4%	2 350
Computer Equipment		2 158	2 350	2 350	159	245	1 038	793	76.4%	2 350
Furniture and Office Equipment		1 085	550	690	160	160	266	106	39.9%	690
Furniture and Office Equipment		1 085	550	690	160	160	266	106	39.9%	690
Machinery and Equipment		1 210	87 414	87 414	-	-	36 422	36 422	100.0%	87 414
Machinery and Equipment		1 210	87 414	87 414	-	-	36 422	36 422	100.0%	87 414
Transport Assets		-	-	270	235	235	34	(201)	-595.4%	270
Transport Assets		-	-	270	235	235	34	(201)	-595.4%	270
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	1	497 751	790 424	791 634	90 763	311 465	329 650	18 185	5.5%	791 634

2.12 EXPENDITURE ON REPAIRS AND MAINTAINANCEBY ASSET CLASS

DC26 Zululand - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M05 November

Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		131 760	70 000	69 800	6 125	15 807	29 083	13 276	45.6%	69 800
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		131 760	70 000	69 800	6 125	15 807	29 083	13 276	45.6%	69 800
Bulk Mains		45 692	20 000	19 800	6 549	7 753	8 250	497	6.0%	19 800
Distribution Points		86 067	50 000	50 000	(424)	8 054	20 833	12 780	61.3%	50 000
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Community Assets		-	-	1 030	-	-	229	229	100.0%	1 030
Community Facilities		-	-	1 030	-	-	229	229	100.0%	1 030
Airports		-	-	1 030	-	-	229	229	100.0%	1 030
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Other assets		1 420	3 200	2 221	13	406	1 182	775	65.6%	2 221
Operational Buildings		1 420	3 200	2 221	13	406	1 182	775	65.6%	2 221
Municipal Offices		1 420	3 200	2 221	13	406	1 182	775	65.6%	2 221
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		20	-	-	-	-	-	-	-	-
Computer Equipment		20	-	-	-	-	-	-	-	-
Furniture and Office Equipment		40	200	200	-	-	83	83	100.0%	200
Furniture and Office Equipment		40	200	200	-	-	83	83	100.0%	200
Machinery and Equipment		29	-	50	-	-	15	15	100.0%	50
Machinery and Equipment		29	-	50	-	-	15	15	100.0%	50
Transport Assets		4 728	1 500	1 500	0	1 595	625	(970)	-155.2%	1 500
Transport Assets		4 728	1 500	1 500	0	1 595	625	(970)	-155.2%	1 500
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immature		-	-	-	-	-	-	-	-	-
Policing and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	137 997	74 900	74 801	6 138	17 808	31 217	13 409	43.0%	74 801

2.13 DEPRECIATION BY ASSET CLASS

DC26 Zululand - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M05 November

Description	Ref	2022/23		Budget Year 2023/24						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		88 946	80 877	80 877	(23 959)	–	33 699	33 699	100.0%	80 877
Roads Infrastructure		587	718	718	(213)	–	299	299	100.0%	718
Roads		587	718	718	(213)	–	299	299	100.0%	718
Storm water Infrastructure		–	–	–	–	–	–	–	–	–
Attenuation		–	–	–	–	–	–	–	–	–
Electrical Infrastructure		28	36	36	(11)	–	15	15	100.0%	36
LV Networks		28	36	36	(11)	–	15	15	100.0%	36
Capital Spares		–	–	–	–	–	–	–	–	–
Water Supply Infrastructure		86 306	77 892	77 892	(23 075)	–	32 455	32 455	100.0%	77 892
Dams and Weirs		2 197	2 285	2 285	(677)	–	952	952	100.0%	2 285
Boreholes		1 572	471	471	(139)	–	196	196	100.0%	471
Reservoirs		7 184	7 026	7 026	(2 082)	–	2 928	2 928	100.0%	7 026
Pump Stations		5 203	4 451	4 451	(1 319)	–	1 855	1 855	100.0%	4 451
Water Treatment Works		7 060	6 502	6 502	(1 926)	–	2 709	2 709	100.0%	6 502
Bulk Mains		39 339	34 795	34 795	(10 308)	–	14 498	14 498	100.0%	34 795
Distribution		23 677	22 280	22 280	(6 600)	–	9 283	9 283	100.0%	22 280
Distribution Points		–	–	–	–	–	–	–	–	–
PRV Stations		74	81	81	(24)	–	34	34	100.0%	81
Capital Spares		–	–	–	–	–	–	–	–	–
Sanitation Infrastructure		2 026	2 231	2 231	(661)	–	930	930	100.0%	2 231
Pump Station		(174)	193	193	(57)	–	80	80	100.0%	193
Reticulation		1 686	1 717	1 717	(509)	–	715	715	100.0%	1 717
Waste Water Treatment Works		514	322	322	(95)	–	134	134	100.0%	322
Solid Waste Infrastructure		–	–	–	–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–	–	–	–
Rail Infrastructure		–	–	–	–	–	–	–	–	–
Rail Lines		–	–	–	–	–	–	–	–	–
Coastal Infrastructure		–	–	–	–	–	–	–	–	–
Sand Pumps		–	–	–	–	–	–	–	–	–
Information and Communication Infrastructure		–	–	–	–	–	–	–	–	–
Data Centres		–	–	–	–	–	–	–	–	–
Community Assets		30	852	852	(252)	–	355	355	100.0%	852
Community Facilities		(105)	622	622	(184)	–	259	259	100.0%	622
Markets		143	–	–	–	–	–	–	–	–
Airports		(248)	622	622	(184)	–	259	259	100.0%	622
Sport and Recreation Facilities		135	230	230	(68)	–	96	96	100.0%	230
Indoor Facilities		–	–	–	–	–	–	–	–	–
Outdoor Facilities		135	230	230	(68)	–	96	96	100.0%	230
Capital Spares		–	–	–	–	–	–	–	–	–
Heritage assets		–	–	–	–	–	–	–	–	–
Other Heritage		–	–	–	–	–	–	–	–	–
Investment properties		–	–	–	–	–	–	–	–	–
Revenue Generating		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Non-revenue Generating		–	–	–	–	–	–	–	–	–
Unimproved Property		–	–	–	–	–	–	–	–	–
Other assets		2 904	1 366	1 366	(405)	–	569	569	100.0%	1 366
Operational Buildings		2 904	1 366	1 366	(405)	–	569	569	100.0%	1 366
Municipal Offices		2 904	1 312	1 312	(389)	–	547	547	100.0%	1 312
Stores		–	53	53	(16)	–	22	22	100.0%	53
Housing		–	–	–	–	–	–	–	–	–
Staff Housing		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–	–	–	–	–
Intangible Assets		18	–	–	(5)	–	–	–	–	–
Servitudes		–	–	–	–	–	–	–	–	–
Licences and Rights		18	–	–	(5)	–	–	–	–	–
Computer Software and Applications		18	–	–	(5)	–	–	–	–	–
Computer Equipment		2 770	992	992	(294)	–	413	413	100.0%	992
Computer Equipment		2 770	992	992	(294)	–	413	413	100.0%	992
Furniture and Office Equipment		505	555	555	(165)	–	231	231	100.0%	555
Furniture and Office Equipment		505	555	555	(165)	–	231	231	100.0%	555
Machinery and Equipment		717	368	368	(109)	–	153	153	100.0%	368
Machinery and Equipment		717	368	368	(109)	–	153	153	100.0%	368
Transport Assets		4 359	4 991	4 991	(1 479)	–	2 080	2 080	100.0%	4 991
Transport Assets		4 359	4 991	4 991	(1 479)	–	2 080	2 080	100.0%	4 991
Land		–	–	–	–	–	–	–	–	–
Land		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–	–	–
Living resources		–	–	–	–	–	–	–	–	–
Mature		–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Immature		–	–	–	–	–	–	–	–	–
Policing and Protection		–	–	–	–	–	–	–	–	–
Zoological plants and animals		–	–	–	–	–	–	–	–	–
Total Depreciation	1	100 249	90 000	90 000	(26 667)	–	37 500	37 500	100.0%	90 000

2.14 MUNICIPAL MANAGERS QUALITY CERTIFICATION

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



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

Date : 14/12/2023