

ZULULAND DISTRICT MUNICIPALITY



MONTHLY BUDGET STATEMENT AND SUPPORTING DOCUMENTATION FOR PERIOD ENDED

30 JUNE 2024

MFMA S52(d) REPORT

2023/2024 FINANCIAL YEAR

Table of Contents

GLOSSARY.....1

PART 1 – IN-YEAR REPORT3

1.1. MAYORS REPORT 3
1.2. COUNCIL RESOLUTION 3
1.3. EXECUTIVE SUMMARY 3
1.4. OPERATING REVENUE PERFORMANCE..... 6
1.5. OPERATING EXPENDITURE PERFORMANCE..... 9
1.6. CAPITAL EXPENDITURE AND FUNDING..... 12
1.7. IN-YEAR BUDGET TABLES..... 15
 MBRR Table C2 – Quarterly Budget Statement Financial Performance (revenue and expenditure by functional classification)..... 17
 MBRR Table C4 - Quartely Budget Statement Financial Performance (revenue and expenditure by source)..... 19
 MBRR Table C5 - Quarterly Budget Statement Capital Expenditure by vote, functional classification and funding source 20
 MBRR Table C6 - Quarterly Budget Statement Financial Position 21
 MBRR Table C7 - Quarterly Budget Statement Cash Flow Statement 28

PART 2 – SUPPORTING DOCUMENTATION31

2.1 DEBTORS ANALYSIS..... 31
2.2 CREDITORS ANALYSIS 31
2.3 INVESTMENT PORTFOLIO..... 32
2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE 33
2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS..... 36
2.6 MATERIAL VARIENCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN 38
2.7 ACTUAL AND REVISED TARGETS FOR CASH RECEIPTS..... 40
2.8 MUNICIPAL ENTITY FINANCIAL OPERATING EXPENDITURE PERFORMANCE BUDGET 40
2.9 MUNICIPAL ENTITY FINANCIAL CAPITAL EXPENDITURE PERFORMANCE 40
2.10 CAPITAL PROGRAMME PERFORMANCE 41
2.11 SUMMARY OF CAPITAL EXPENDITURE BY ASSET CLASS AND SUB-CLASS..... 42
2.12 EXPENDITURE ON REPAIRS AND MAINTAINANCEBY ASSET CLASS 43
2.13 DEPRECIATION BY ASSET CLASS 45
2.14 MUNICIPAL MANAGERS QUALITY CERTIFICATION..... 48

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 Quarterly budget statement review be noted.

1.3. EXECUTIVE SUMMARY

BUDGET PERFORMANCE ANALYSIS

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

Summary Statement of Financial Performance

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL %
Total Revenue By Source (Excluding Capital Transfers)	718 247 500	826 455 472.00	833 073 339	826 455 472	6 617 867	1%	101
Total Operating Expenditure	722 102 135	938 830 725.00	890 174 606	938 830 725	-48 656 119	-5%	95
Surplus/(Deficit)	-3 854 635	-112 375 253.00	-57 101 267	-112 375 253	55 273 986		

GRANTS RECIEPTS AND EXPENDITURE AS AT 30 JUNE 2024	APPROVED BUDGET	ADJUSTED BUDGET	RECIEPTS	YTD ACTUAL	VARIENCE YTD & ADJUSTED BUDGET	PERCENTAGE SPENT
Municipal Infrastructure Grant (MIG)	271 683 000.00	253 512 000.00	253 512 000.00	253 512 000.00	-	100
Regional Bulk Infrastructure (RBIG)	430 905 000.00	413 905 000.00	413 905 000.00	413 905 000.00	-	100
Water services infrastructure Grant (WSIG)	100 000 000.00	95 000 000.00	95 000 000.00	95 000 000.00	-	100
Rural Roads Asset Managemnt Systems Grant	2 539 000.00	2 969 000.00	2 969 000.00	2 969 000.00	-	100
Aviation Strategy	2 000 000.00	2 000 000.00	2 000 000.00	1 047 236.00	952 764.00	52
Indonsa Grant	1 911 000.00	1 911 000.00	1 911 000.00	210 352.00	1 700 648.00	11
FMG	1 200 000.00	1 200 000.00	1 200 000.00	1 200 000.00	-	100
EPWP	7 077 000.00	7 077 000.00	7 077 000.00	7 077 000.00	-	100
NSF	-	100 554 533.00	100 554 533.00	100 554 533.00	-	100
LGSETA Waste Water Employyes		169 000.00	169 000.00	169 000.00	-	100
LGSETA MFMP		210 000.00	210 000.00	210 000.00	-	100
LGSETA-Fire and Rescue- Non Employees		1 314 814.26	1 314 814.26	1 314 814.26	-	100
AMAFA		200 000.00	200 000.00	198 000.00	2 000.00	99
ART COUNCIL SA	57 342.97	57 342.97	57 342.97	57 341.02	1.95	100
	817 315 000.00	880 022 347.26	880 022 347.26	877 366 935.26	2 655 412.00	100

Operating Revenue Performance

Total operating revenue generated by the Municipality as at **30 June 2024** is **R833.07 million** which is **101%** of the approved adjusted operating revenue budget. The **R833.07 million** year to date actual is above baseline projection or year-to-date budget of **R826.4 million**, a variance of **R6.6 million** or **1%** is observed.

Service Charges

The Municipality is largely dependent on government grants and partly service charges for its operations. Service charges revenue recognized from exchange revenue is only **R74.9 million** which is **9%** of the total generated revenue.

The Municipality has adjusted the budget of collection to **R52.9 million** on service charges, the estimated collection amount is based on the 60% collection rate. The collection rate is also based on previous years actual collection and initiatives the municipality has taken to improve collection. The Municipality has collected **R32.4 million** to date. This is **61%** of budgeted collection and **43%** of year-to-date billing.

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

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

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

Operating Expenditure Performance

Total Operating Expenditure as at **30 June 2024** is **R890.1 million** which is **95%** of the approved adjusted operating expenditure budget. The **R890.1 million** year to date actual is **below** the baseline projection or year-to-date budget of **R938.8 million**, a variance of **R48.6 million** or less than **1%** is observed.

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

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

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

Capital Expenditure and Funding

Summary Statement of Capital Expenditure and Funding

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL %
Total Capital Expenditure	790 424 351	764 398 075.00	712 212 856	764 398 075	-52 185 219	-7%	93
Total Capital Financing	790 424 351	764 398 075.00	712 212 856	764 398 075	-52 185 219	-7%	93

Total Capital Expenditure as at **30 June 2024** is **R712.2 million** which is **93%** of the approved adjusted capital budget. The **R712.2 million** year to date actual is **below** the **twelve months** baseline projection or year-to-date budget of **R764.3 million**, a variance of **R52.1 million** or less than **1%** 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 **100%**, **RBIG** is at **100%**, **WSIG** is at **100%** **RRAMG** is at **100%**, **Art Centre Subsidies** is at **0%** and **Aviation strategy** is at **0%**.

Financial Position Framework

Summary of Statement of Financial position:

FINANCIAL POSITION	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD ACTUAL EXPENDITURE %
Total current assets	480 491 843	251 267 774.00	193 583 946	77
Total non current assets	6 247 524 827	5 674 236 450.00	5 608 254 133	99
Total current liabilities	352 992 453	507 768 409.00	467 556 033	92
Total non current liabilities	128 340 000	132 310 738.00	126 291 844	95
TOTAL COMMUNITY WEALTH/ EQUITY	5 445 411 852	4 627 968 434.00	5 214 495 861	113

The current assets year to date actual is **R193.5 million** which is **77%** of the approved adjusted budget. **Non - Current assets** year to date actual is **R5.6 billion** which is **99%** of the approved adjusted budget. **Current Liabilities** year to date actual is **R467.5 million** which is **74%** of the approved adjusted budget. **Non - Current Liabilities** year to date is **R126.2 million**, which is **95%** of the approved adjusted budget. **Accumulated surplus** year to date actual is **R5.2 billion** which is **113%** of the approved budget.

Current assets amount to **R193.5 million**, included in the current assets is **a bank balance of R57 million**.

Current liabilities amount to **R467.5 million**, this includes **unspent conditional grants** amounting to **R107.6 million**. This is due to the ledger not being update due to year end payments.

The Current ratio is 0.41:1 [**R193.5 million/R467.5 million**], which is the Minimum current ratio norm of **1:1**

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

1.4. OPERATING REVENUE PERFORMANCE

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

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								-		
Service charges - Water		39 170	51 532	53 518	5 655	58 877	53 518	5 359	10%	53 518
Service charges - Waste Water Management		14 831	16 406	15 597	1 520	16 024	15 597	427	3%	15 597
Service charges - Waste management								-		
Sale of Goods and Rendering of Services		1 426	1 001	755	3	735	755	(20)	-3%	755
Agency services								-		
Interest								-		
Interest earned from Receivables		75	521	784	(0)	691	784	(93)	-12%	784
Interest from Current and Non Current Assets		7 433	3 000	7 500	3 956	15 208	7 500	7 708	103%	7 500
Dividends								-		
Rent on Land								-		
Rental from Fixed Assets		181	500	458	37	549	458	90	20%	458
Licence and permits		88	60	103	7	107	103	3	3%	103
Operational Revenue		563	369	442	1	594	442	152	34%	442
Non-Exchange Revenue										
Property rates								-		
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		910	1 000	853	4	673	853	(180)	-21%	853
Licence and permits								-		
Transfers and subsidies - Operational		658 830	643 859	746 445	-	738 936	746 445	(7 508)	-1%	746 445
Interest		-	-	-	-	-	-	-		-
Fuel Levy								-		
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		2 894	-	-	30	680	-	680	#DIV/0!	-
Other Gains		4 385	-	-	0	0	-	0	#DIV/0!	-
Discontinued Operations								-		
Total Revenue (excluding capital transfers and contributions)		730 785	718 248	826 455	11 212	833 073	826 455	6 618	1%	826 455

The year-to-date actual indicates operating revenue of **R833.07 million** for **quarter four**, The **R833.07 million** year to date actual is **above** the Baseline projection or year-to-date budget of **R826.4 million**, a variance of **R6.6 million** or **1%** is observed. The total revenue to-date represents **101%** of the adjusted operating revenue budget. Included in operating revenue is the amount of revenue recognized on operating conditional grants in terms of Municipal Budget and Reporting Regulations (MBRR).

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

Exchange Revenue

Service charges – Water revenue

This is the amounts billed on customers for water used, the year-to-date actual is **R58.8 million** which is **110%** of the approved adjusted budget. the **R58.8 million** year to date actual is **above** baseline projection or year-to-date budget of **R53.5 million**. A variance of **R5.3 million** or **10%** is observed.

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

Service charges – Sanitation revenue

This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is **R16.02 million** which is **103%** of the approved adjusted budget. The **R16.02 million** year to date actual is **above** the baseline projection or year-to-date budget of **R15.5 million**. A variance of **R427 thousand** or **3%** 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 **R735 thousands** which is **97%** of the approved adjusted budget. the **R735 thousands** year to date actual is **below** the baseline projection or year-to-date budget of **R755 thousand**. A variance of **R20 thousand** or less than **1%** is observed. There has been an improvement in sale of tender documents.

Interest earned - outstanding debtors

Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is **R691 thousand** which is **88%** of the approved adjusted budget. The **R691 thousand** year to date actual is **above** the baseline projection or year-to-date budget of **R784 thousand**. A variance of **R93 thousand** or less than **1%** is observed.

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

Interest from Current and Non-Current Assets

Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is **R15.2 million** which is **203%** of the approved adjusted budget. The **R15.2 million** year to date actual is **above** the baseline projection or year-to-date budget of **R7.5 million**. A variance of **R7.7 million** or **103%** is observed.

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

Rental from Fixed Assets

Rental of facilities is amounts billed for office space leased out, the year-to-date actual is **R549 thousand** which is **120%** of the approved adjusted budget. the **R549 thousand** year to date actual is **above** the baseline projection or year-to-date budget of **R458 thousand**. A variance of **R90 thousand** or **20%** is observed.

Licences and Permits

Licences and permits year-to-date actual is **R107 thousand** which is **103%** of the approved adjusted budget. the **R107 thousand** year to date actual is **above** the baseline projection or year-to-date budget of **R103 thousand**. A variance of **R4 thousand** or **3%** is observed.

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

Operational revenue

Operational revenue year-to-date actual is **R594 thousand** which is **134%** of the approved budget. the **R594 thousand** year to date actual is **Above** baseline projection or year-to-date budget of **R442 thousand**. A variance of **R152 thousand** or **34%** is observed.

The municipality received insurance refund and skills levy refund.

Non-Exchange Revenue

Fines, penalties, and forfeits

Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is **R673 thousand** which is **79%** of the approved adjusted budget. the **R673 thousand** year to date actual is **below** the baseline projection or year-to-date budget of **R853 thousand**. A variance of **R180 thousand** or less than **1%** is observed.

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

The municipality must keep up the disconnection of illegal connections.

Transfers and subsidies

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

Transfers and subsidies year to date actual is **R738.9 million** which is **99%** of the approved adjusted budget. The **R738.9 million** year to date actual is **below** the baseline projection or year-to-date budget of **R746.4 million**. A variance of **R7.5 million** or less than **1%** is observed.

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

1.5. OPERATING EXPENDITURE PERFORMANCE

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

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		286 293	290 728	301 142	28 282	302 463	301 142	1 321	0%	301 142
Remuneration of councillors		9 276	9 486	9 784	1 458	10 362	9 784	578	6%	9 784
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		51 978	42 130	45 752	77	20 600	45 752	(25 152)	-55%	45 752
Debt impairment		26 735	10 000	10 000	-	-	10 000	(10 000)	-100%	10 000
Depreciation and amortisation		100 254	90 000	90 000	8 747	103 686	90 000	13 686	15%	90 000
Interest		553	1 000	1 000	7 193	7 648	1 000	6 648	665%	1 000
Contracted services		363 587	128 719	274 094	14 255	265 206	274 094	(8 888)	-3%	274 094
Transfers and subsidies		4 683	6 000	4 264	252	3 512	4 264	(752)	-18%	4 264
Irrecoverable debts written off		2 192	-	-	1 553	1 581	-	1 581	#DIV/0!	-
Operational costs		175 045	144 039	202 795	17 405	185 206	202 795	(17 589)	-9%	202 795
Losses on Disposal of Assets		679	-	-	16	506	-	506	#DIV/0!	-
Other Losses		309	-	-	-	-	-	-		-
Total Expenditure		1 021 583	722 102	938 831	79 236	900 770	938 831	(38 061)	-4%	938 831
Surplus/(Deficit)		(290 798)	(3 855)	(112 375)	(68 024)	(67 697)	(112 375)	44 678	(0)	(112 375)
Transfers and subsidies - capital (monetary allocations)		610 502	805 127	769 832	-	668 096	769 832	(101 735)	(0)	769 832
Transfers and subsidies - capital (in-kind)		-	-	-	28	28	-	28	#DIV/0!	-
Surplus/(Deficit) after capital transfers & contributions		319 704	801 272	657 457	(67 996)	600 427	657 457	(57 029)	(0)	657 457
Income Tax										
Surplus/(Deficit) after income tax		319 704	801 272	657 457	(67 996)	600 427	657 457			657 457
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		319 704	801 272	657 457	(67 996)	600 427	657 457			657 457
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		319 704	801 272	657 457	(67 996)	600 427	657 457			657 457

The year-to-date actual indicate spending of **R890.1 million** for **quarter four**, which is **95%** of the approved adjusted operating expenditure budget. The **R890.1 million** year to date actual is **below** the baseline projection or year-to-date budget of **R938.8 million**, a variance of **R48.6 million** or less than **1%** 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 **R302.4 million** which is **93%** of the approved adjusted budget. The **R302.4 million** year to date actual is **above** the baseline projection or year-to-date budget of **R301.1 million**. A variance of **R1.3 million** or **0%** is observed.

Variance is less than 5%. The municipality will make sure that the salary bill is kept within the limits of the monthly projections.

Remuneration of Councillors

Remuneration of Councilors are amounts paid for councilors allowances, service-related benefits, and contributions. The year-to-date actual is **R10.3 million** which is **91%** of the approved adjusted budget. The **R10.3 million** year to date actual is **above** the baseline projection or year-to-date budget of **R9.7 million**. A variance of **R578 thousand** or **6%** is observed.

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

Bulk purchases – electricity

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

Inventory Consumed

Inventory Consumed are expenses incurred in terms of GRAP 12 such as consumable, materials and suppliers and water inventory. The year-to-date actual is **R20.6 million** which is **45%** of the approved budget. the **R20.6 million** year to date actual is **below** baseline projection or year-to-date budget of **R45.7 million**. A variance of **R25.1 million** or **55%** is observed.

The municipality has started paying for bulk water service providers

Debt impairment

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

Depreciation

This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is **R103.6 million** which is **105%** of the approved adjusted budget. The **R103.6 million** year to date actual is **below** the baseline projection or year-to-date budget of **R90 million**. A variance of **R13.6 million** or **15%** is observed.

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

Finance charges

Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is **R7.6 million** which is **765%** of the approved adjusted budget. The **R7.6 million** year to date actual is **above** the baseline projection or year-to-date budget of **R1 million**. A variance of **R6.6 million** or **665%** is observed.

Reasons for variances can be attributed to the early payment of the account during this period and the payment of interest on loan.

Municipality need to keep up early payments to minimise this expenditure.

Contracted services

Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is **R25.02 million** which is **93%** of the approved adjusted budget. The **R256.02 million** year to date actual is above the baseline projection or year-to-date budget of **R274.09 million**. A variance of **R18.07 million** or less than **1%** is observed.

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

Transfers and subsidies paid.

Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is **R3.5 million** which is **72%** of the approved budget. The **R3.5 million** year to date actual is **below** the Baseline projection or year-to-date budget of **R4.2 million**. A variance of **R752 thousand** or less than **1%** is observed.

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

Irrecoverable debt written off

Irrecoverable debt written off year-to-date actual is **R1.5 million** which is **0%** of the approved budget. the **R1.5 million** year to date actual cannot be benchmarked against year-to-date budget because it has no budget. A variance of **R1.5 million** or **0%** is observed.

Operational costs

Operational costs are all other expenditure not classified above. The year-to-date actual is **R183.7 million** which is **91%** of the approved adjusted budget. The **R183.7 million** year to date actual is **below** the baseline projection or year-to-date budget of **R202.7 million**. A variance of **R19 million** or less than **1%** is observed. The municipality is still finalising some year end payments.

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

Operating Grants Expenditure Performance

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

CONDITIONAL OPERATING GRANTS EXPENDITURE	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Finance Management grant (FMG)	1 200 000	1 200 000	1 200 000	1 100 000	100 000	9%	100
National Skills Fund	77 642 406	100 554 533.00	100 554 533	100 554 533	-	0%	100
EPWP Incentive	7 077 000	7 077 000.00	7 077 000	7 077 000	-	0%	100
Art centre Subsidies (Indonsa Grant)	1 385 000	1 385 000	210 352	1 385 000	-1 174 648	-85%	15
Aviation Strategy	2 000 000	2 000 000.00	1 047 236	2 000 000	-952 764	-48%	52
LGWS SETA Grant: MFMP	210 000	210 000	210 000	210 000	-	0%	100
LGWS SETA Grant: Wastewater employees	169 000	169 000	169 000	169 000	-	0%	100
LGWS SETA Grant: Fire and Rescue Non-Emplo	752 614	1 314 814.26	1 314 814	1 314 814	-	0%	100
Amafa Kazulu Grant	200 000	200 000.00	198 000	200 000	-2 000	-1%	99
Total Operating Grant Expenditure	90 636 020	114 110 347.26	111 980 935	114 010 347	-2 029 412	-2%	98

FMG 100%, NSF 103%, EPWP Incentive 100%, Art center subsidies (Indonsa Grant) 15%, Aviation Strategy 52%, LGWS SETA: MFMP 100%, LGWS SETA: Wastewater- Non employee 100%, LGWS SETA: Fire and rescue Employee 100%, LGWS SETA: Fire and rescue non-employee 100% and Amafa 99%.

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

1.6. CAPITAL EXPENDITURE AND FUNDING

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

The summary report indicates the following: -

	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL %
Total Capital Expenditure	790 424 351	764 398 075.00	762 902 075	764 398 075	-1 496 000	0%	100
Total Capital Financing	790 424 351	764 398 075.00	762 902 075	764 398 075	-1 496 000	0%	100

The capital expenditure amounts to **R762.9 million**, which is **100%** of the capital approved adjusted budget, after a period of **twelve months**.

Capital budget summary

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

Vote Description	Ref	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									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	148	-	-	148	(148)	-100%	148
Vote 03 - Finance		-	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	148	-	-	148	(148)	-100%	148
Single Year expenditure appropriation	2									
Vote 01 - Council		173	-	180	-	167	180	(13)	-7%	180
Vote 02 - Corporate Services		833	2 250	2 320	49	1 927	2 320	(393)	-17%	2 320
Vote 03 - Finance		2 064	650	650	58	58	650	(592)	-91%	650
Vote 04 - Community Development		3 277	457	795	28	28	795	(767)	-96%	795
Vote 05 - Planning & Wsa		491 521	700 110	673 309	84 144	669 498	673 309	(3 810)	-1%	673 309
Vote 06 - Technical Services		-	-	40	-	-	40	(40)	-100%	40
Vote 07 - Water Purification		474	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	86 957	86 957	44 246	44 246	86 957	(42 710)	-49%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	#REF!
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	498 342	790 424	764 250	128 525	715 925	764 250	(48 325)	-6%	#REF!
Total Capital Expenditure		498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	#REF!
Capital Expenditure - Functional Classification										
Governance and administration		3 061	2 900	3 150	107	2 152	3 150	(998)	-32%	3 150
Executive and council		173	-	180	-	167	180	(13)	-7%	180
Finance and administration		2 888	2 900	2 970	107	1 985	2 970	(985)	-33%	2 970
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 551	457	795	28	28	795	(767)	-96%	795
Community and social services		1 551	457	795	28	28	795	(767)	-96%	795
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 726	2 208	2 582	75	1 932	2 582	(650)	-25%	2 582
Planning and development		1 726	2 208	2 582	75	1 932	2 582	(650)	-25%	2 582
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		491 995	784 859	757 724	128 316	711 812	757 724	(45 911)	-6%	757 724
Energy sources		-	-	-	-	-	-	-	-	-
Water management		491 995	784 859	757 724	128 316	711 812	757 724	(45 911)	-6%	757 724
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		9	-	148	-	-	148	(148)	-100%	148
Total Capital Expenditure - Functional Classification	3	498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	764 398
Funded by:										
National Government		490 152	700 110	672 051	84 144	669 498	672 051	(2 553)	0%	672 051
Provincial Government		2 797	457	2 200	-	-	2 200	(2 200)	-100%	2 200
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	28	28	-	28	#DIV/0!	-
Transfers recognised - capital		492 948	700 568	674 252	84 172	669 526	674 252	(4 725)	-1%	674 252
Borrowing	6	191	86 957	86 957	44 246	44 246	86 957	(42 710)	-49%	86 957
Internally generated funds		5 203	2 900	3 190	107	2 152	3 190	(1 038)	-33%	3 190
Total Capital Funding		498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	764 398

Governance and administration

Governance and administration year-to-date actual are **R2.1 million** which is **67%** of the approved adjusted budget. the **R2.1 million** year to date actual is **below** the baseline projection or year-to-date budget of **R3.1 million**. A variance of **R1.04 million** or less than **33%** is observed.

Community and public safety

Community and public safety year-to-date actual are **R27.8 million** which is **4%** of the approved adjusted budget. the **R27.8** year to date actual is **below** the baseline projection or year-to-date budget of **R795 thousand**. A variance of **R767 thousand** or **96%** is observed.

Economic and environmental services

Economic and environmental services year-to-date actual is **R1.9 million** which is **75%** of the approved adjusted budget. the **R1.9 million** year to date actual is **below** the baseline projection or year-to-date budget of **R2.5 million**. A variance of **R650 thousand** or less than **1%** is observed.

Trading services

Trading services year-to-date actual is **R708.1 million** which is **93%** of the approved adjusted budget. the **R708.1 million** year to date actual is **below** the baseline projection or year-to-date budget of **R757.7 million**. A variance of **R49.5 million** or less than **1%** is observed.

CAPITAL EXPENDITURE BY SOURCE EXCLUSIVE OF VAT	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	236 246 089	220 445 216.96	220 445 217	220 445 217	-	0%	100
Regional Bulk Infrastructure (RBIG)	374 700 000	359 917 391.30	359 917 391	359 917 391	-	0%	100
Water services infrastructure Grant (WSIG)	86 956 523	82 608 695.65	82 608 696	82 608 696	-	0%	100
Rural Roads Asset Managemnt Systems Grant	2 207 826	2 581 739	2 581 739	2 581 739	-	0%	100
Borrowings (Backup Generator)	86 956 522	86 956 522	44 246 337	86 956 522	-42 710 185.41	-49%	51
Art centre Subsisies (Indonsa Grant)	457 391	457 391	-	457 391	-457 391.00	-100%	-
Aviation Strategy	-	843 478.00	-	843 478	-843 478.00	-100%	-
Donations (Furniture)	-	27 847.53	27 848	27 848	-	0%	100
Other Assets	2 900 000	3 150 000.00	2 152 413	3 150 000	-997 587.00	-32%	68
Total Operating Expenditure	790 424 351	756 988 281.57	711 979 640	756 988 282	-45 008 641	-6%	94

Capital Grant Expenditure as per MFMA circular no. 58

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

CAPITAL GRANTS EXPENDITURE (INCLUDING VAT AS PER MFMA CIRCULAR NO. 58)	APPROVED BUDGET	ADJUSTED BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %	YTD ACTUAL EXPENDITURE %
Municipal Infrastructure Grant (MIG)	271 683 000	253 512 000	253 512 000	253 512 000	-	0%	100
Regional Bulk Infrastructure (RBIG)	430 905 000	413 905 000	413 905 000	413 905 000	0.00	0%	100
Water services infrastructure Grant (WSIG)	100 000 000	95 000 000	95 000 000	95 000 000	-	0%	100
Rural Roads Asset Managemnt Systems Grant	2 539 000	2 969 000	2 969 000	2 969 000	-	0%	100
Aviation Strategy	-	970 000	-	970 000	-970 000	-100%	-
Indonsa Grant	526 000	526 000	-	526 000	-526 000	-100%	-
Total Capital Grant Expenditure	805 653 000	766 881 999.70	765 386 000	766 882 000	-1 496 000	0%	100

Overall capital grant expenditure inclusive of VAT is sitting at **100%** of the approved capital budget, **MIG** is sitting at **100%**, **RBIG** at **100%**, **WSIG** at **100%**, **RAMS** at **100%**, **Aviation strategy** at **0%** and **Indonsa Subsidy** at **0%**.

1.7. IN-YEAR BUDGET TABLES

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

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

DC26 Zululand - Table C1 Monthly Budget Statement Summary - M12 June

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	69 115	7 175	74 901	69 115	5 786	8%	69 115
Investment revenue	7 433	3 000	7 500	3 956	15 208	7 500	7 708	103%	7 500
Transfers and subsidies - Operational	658 830	643 859	746 445	-	738 936	746 445	(7 508)		746 445
Other own revenue	10 521	3 451	3 396	81	4 029	3 396	632	19%	-
Total Revenue (excluding capital transfers and contributions)	730 785	718 248	826 455	11 212	833 073	826 455	6 618	1%	826 455
Employee costs	286 293	290 728	301 142	28 282	302 463	301 142	1 321		301 142
Remuneration of Councillors	9 276	9 486	9 784	1 458	10 362	9 784	578		9 784
Depreciation and amortisation	100 254	90 000	90 000	8 747	103 686	90 000	13 686		90 000
Interest	553	1 000	1 000	7 193	7 648	1 000	6 648		1 000
Inventory consumed and bulk purchases	51 978	42 130	45 752	77	20 600	45 752	(25 152)		45 752
Transfers and subsidies	4 683	6 000	4 264	252	3 512	4 264	(752)	-18%	4 264
Other expenditure	568 547	282 758	486 889	33 228	452 499	486 889	(34 390)	-7%	486 889
Total Expenditure	1 021 583	722 102	938 831	79 236	900 770	938 831	(38 061)	-4%	938 831
Surplus/(Deficit)	(290 798)	(3 855)	(112 375)	(68 024)	(67 697)	(112 375)	44 678	-40%	(112 375)
Transfers and subsidies - capital (monetary allocations)	610 502	805 127	769 832	-	668 096	769 832	###	-13%	769 832
Transfers and subsidies - capital (in-kind)	-	-	-	28	28	-	28	#DIV/0!	-
Surplus/(Deficit) after capital transfers & contributions	319 704	801 272	657 457	(67 996)	600 427	657 457	(57 029)	-9%	657 457
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	319 704	801 272	657 457	(67 996)	600 427	657 457	(57 029)	-9%	657 457
Capital expenditure & funds sources									
Capital expenditure	498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	#REF!
Capital transfers recognised	492 948	700 568	674 252	84 172	669 526	674 252	(4 725)	-1%	674 252
Borrowing	191	86 957	86 957	44 246	44 246	86 957	(42 710)	-49%	86 957
Internally generated funds	5 203	2 900	3 190	107	2 152	3 190	(1 038)	-33%	3 190
Total sources of capital funds	498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	764 398
Financial position									
Total current assets	144 961	480 492	251 268		196 832				251 268
Total non current assets	5 000 233	6 247 525	5 674 236		5 611 966				5 674 236
Total current liabilities	509 937	352 992	507 768		486 694				507 768
Total non current liabilities	45 231	128 340	132 311		124 709				132 311
Community wealth/Equity	4 597 982	5 445 412	4 627 968		5 214 496				4 627 968
Cash flows									
Net cash from (used) operating	1 830 973	993 132	987 947	117 891	2 349 136	987 947	#####	-138%	987 947
Net cash from (used) investing	(496 168)	(789 967)	(760 051)	(124 784)	(711 533)	(760 051)	(48 518)	6%	(760 051)
Net cash from (used) financing	(1 091)	90 000	90 000	(8 609)	90 283	90 000	(283)	-0%	90 000
Cash/cash equivalents at the month/year end	1 354 182	466 282	345 323	-	1 755 312	345 323	#####	-408%	345 323
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	9 158	6 238	5 195	4 879	5 074	4 466	22 479	180 807	238 296
Creditors Age Analysis									
Total Creditors	804	-	63	-	-	-	-	-	867

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) - M12 June

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										
<i>Governance and administration</i>		665 320	637 831	744 146	4 026	749 736	744 146	5 590	1%	744 146
Executive and council	8	-	-	-	-	-	-	-	-	-
Finance and administration	665 312	637 831	744 146	4 026	749 736	744 146	5 590	1%	744 146	
Internal audit	-	-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		2 285	2 482	2 773	35	578	2 773	(2 195)	-79%	2 773
Community and social services	2 209	1 922	2 170	28	471	2 170	(1 699)	-78%	2 170	
Sport and recreation	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Health	76	560	603	7	107	603	(497)	-82%	603	
<i>Economic and environmental services</i>		4 171	2 539	3 171	-	2 254	3 171	(917)	-29%	3 171
Planning and development	4 171	2 539	3 171	-	2 254	3 171	(917)	-29%	3 171	
Road transport	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		668 995	878 523	844 142	7 178	748 585	844 142	(95 558)	-11%	844 142
Energy sources	-	-	-	-	-	-	-	-	-	-
Water management	654 093	862 087	828 240	5 655	732 204	828 240	(96 036)	-12%	828 240	
Waste water management	14 903	16 436	15 902	1 523	16 380	15 902	478	3%	15 902	
Waste management	-	-	-	-	-	-	-	-	-	-
<i>Other</i>	4	516	2 000	2 055	1	45	2 055	(2 010)	-98%	2 055
Total Revenue - Functional	2	1 341 287	1 523 375	1 596 287	11 240	1 501 198	1 596 287	(95 090)	-6%	1 596 287
Expenditure - Functional										
<i>Governance and administration</i>		329 923	256 489	414 023	34 666	400 015	414 023	(14 008)	-3%	414 023
Executive and council	63 257	45 360	67 354	5 832	62 515	67 354	(4 839)	-7%	67 354	
Finance and administration	266 667	176 201	297 507	24 246	284 889	297 507	(12 617)	-4%	297 507	
Internal audit	-	34 928	49 162	4 587	52 610	49 162	3 448	7%	49 162	
<i>Community and public safety</i>		27 553	28 878	27 936	2 975	25 447	27 936	(2 490)	-9%	27 936
Community and social services	14 564	8 257	9 665	1 293	7 802	9 665	(1 864)	-19%	9 665	
Sport and recreation	-	-	-	-	-	-	-	-	-	-
Public safety	-	5 887	5 997	606	7 175	5 997	1 178	20%	5 997	
Housing	-	-	-	-	-	-	-	-	-	-
Health	12 989	14 734	12 274	1 076	10 470	12 274	(1 804)	-15%	12 274	
<i>Economic and environmental services</i>		22 711	28 742	30 595	2 380	25 948	30 595	(4 646)	-15%	30 595
Planning and development	22 711	28 742	30 595	2 380	25 948	30 595	(4 646)	-15%	30 595	
Road transport	-	-	-	-	-	-	-	-	-	-
Environmental protection	-	-	-	-	-	-	-	-	-	-
<i>Trading services</i>		632 167	394 049	454 065	37 165	437 792	454 065	(16 272)	-4%	454 065
Energy sources	-	-	-	-	-	-	-	-	-	-
Water management	620 495	386 071	443 973	36 386	429 084	443 973	(14 889)	-3%	443 973	
Waste water management	11 672	7 978	10 092	779	8 708	10 092	(1 384)	-14%	10 092	
Waste management	-	-	-	-	-	-	-	-	-	-
<i>Other</i>		9 229	13 944	12 212	2 051	11 568	12 212	(644)	-5%	12 212
Total Expenditure - Functional	3	1 021 583	722 102	938 831	79 236	900 770	938 831	(38 061)	-4%	938 831
Surplus/ (Deficit) for the year		319 704	801 272	657 457	(67 996)	600 427	657 457	(57 029)	-9%	657 457

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

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

DC26 Zululand - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M12 June

Vote Description	Ref	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	104 763	30	100 723	104 763	(4 040)	-3.9%	104 763
Vote 03 - Finance		604 660	637 481	641 438	3 997	649 058	641 438	7 620	1.2%	641 438
Vote 04 - Community Development		3 953	2 482	2 773	35	578	2 773	(2 195)	-79.2%	2 773
Vote 05 - Planning & Wsa		617 377	812 204	777 111	-	674 896	777 111	(102 215)	-13.2%	777 111
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		39 245	52 422	54 300	5 655	59 562	54 300	5 262	9.7%	54 300
Vote 09 - Waste Water		14 903	16 436	15 902	1 523	16 380	15 902	478	3.0%	15 902
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	1 341 287	1 523 375	1 596 287	11 240	1 501 198	1 596 287	(95 090)	-6.0%	1 596 287
Expenditure by Vote	1									
Vote 01 - Council		63 257	53 791	77 694	6 299	71 621	77 694	(6 073)	-7.8%	77 694
Vote 02 - Corporate Services		187 183	149 411	265 864	23 544	271 607	265 864	5 744	2.2%	265 864
Vote 03 - Finance		72 389	61 343	67 418	5 758	55 127	67 418	(12 291)	-18.2%	67 418
Vote 04 - Community Development		55 014	50 380	60 871	5 907	56 202	60 871	(4 669)	-7.7%	60 871
Vote 05 - Planning & Wsa		61 591	21 391	23 997	1 462	19 248	23 997	(4 749)	-19.8%	23 997
Vote 06 - Technical Services		9 306	10 202	5 812	545	5 356	5 812	(457)	-7.9%	5 812
Vote 07 - Water Purification		52 109	43 820	45 372	4 203	50 006	45 372	4 634	10.2%	45 372
Vote 08 - Water Distribution		509 062	323 787	381 712	30 740	362 896	381 712	(18 816)	-4.9%	381 712
Vote 09 - Waste Water		11 672	7 978	10 092	779	8 708	10 092	(1 384)	-13.7%	10 092
Vote 10 -		-	-	-	-	-	-	-	-	-
Vote 11 -		-	-	-	-	-	-	-	-	-
Vote 12 -		-	-	-	-	-	-	-	-	-
Vote 13 -		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	1 021 583	722 102	938 831	79 236	900 770	938 831	(38 061)	-4.1%	938 831
Surplus/ (Deficit) for the year	2	319 704	801 272	657 457	(67 996)	600 427	657 457	(57 029)	-8.7%	657 457

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

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

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

Description	Ref	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	53 518	5 655	58 877	53 518	5 359	10%	53 518
Service charges - Waste Water Management		14 831	16 406	15 597	1 520	16 024	15 597	427	3%	15 597
Service charges - Waste management							-			
Sale of Goods and Rendering of Services		1 426	1 001	755	3	735	755	(20)	-3%	755
Agency services							-			
Interest							-			
Interest earned from Receivables		75	521	784	(0)	691	784	(93)	-12%	784
Interest from Current and Non Current Assets		7 433	3 000	7 500	3 956	15 208	7 500	7 708	103%	7 500
Dividends							-			
Rent on Land							-			
Rental from Fixed Assets		181	500	458	37	549	458	90	20%	458
Licence and permits		88	60	103	7	107	103	3	3%	103
Operational Revenue		563	369	442	1	594	442	152	34%	442
Non-Exchange Revenue										
Property rates							-			
Surcharges and Taxes		-	-	-	-	-	-			
Fines, penalties and forfeits		910	1 000	853	4	673	853	(180)	-21%	853
Licence and permits							-			
Transfers and subsidies - Operational		658 830	643 859	746 445	-	738 936	746 445	(7 508)	-1%	746 445
Interest		-	-	-	-	-	-			
Fuel Levy							-			
Operational Revenue		-	-	-	-	-	-			
Gains on disposal of Assets		2 894	-	-	30	680	-	680	#DIV/0!	-
Other Gains		4 385	-	-	0	0	-	0	#DIV/0!	-
Discontinued Operations							-			
Total Revenue (excluding capital transfers and contributions)		730 785	718 248	826 455	11 212	833 073	826 455	6 618	1%	826 455
Expenditure By Type										
Employee related costs		286 293	290 728	301 142	28 282	302 463	301 142	1 321	0%	301 142
Remuneration of councillors		9 276	9 486	9 784	1 458	10 362	9 784	578	6%	9 784
Bulk purchases - electricity		-	-	-	-	-	-			
Inventory consumed		51 978	42 130	45 752	77	20 600	45 752	(25 152)	-55%	45 752
Debt impairment		26 735	10 000	10 000	-	-	10 000	(10 000)	-100%	10 000
Depreciation and amortisation		100 254	90 000	90 000	8 747	103 686	90 000	13 686	15%	90 000
Interest		553	1 000	1 000	7 193	7 648	1 000	6 648	665%	1 000
Contracted services		363 587	128 719	274 094	14 255	265 206	274 094	(8 888)	-3%	274 094
Transfers and subsidies		4 683	6 000	4 264	252	3 512	4 264	(752)	-18%	4 264
Irrecoverable debts written off		2 192	-	-	1 553	1 581	-	1 581	#DIV/0!	-
Operational costs		175 045	144 039	202 795	17 405	185 206	202 795	(17 589)	-9%	202 795
Losses on Disposal of Assets		679	-	-	16	506	-	506	#DIV/0!	-
Other Losses		309	-	-	-	-	-			
Total Expenditure		1 021 583	722 102	938 831	79 236	900 770	938 831	(38 061)	-4%	938 831
Surplus/(Deficit)		(290 798)	(3 855)	(112 375)	(68 024)	(67 697)	(112 375)	44 678	(0)	(112 375)
Transfers and subsidies - capital (monetary allocations)		610 502	805 127	769 832	-	668 096	769 832	(101 735)	(0)	769 832
Transfers and subsidies - capital (in-kind)		-	-	-	28	28	-	28	#DIV/0!	-
Surplus/(Deficit) after capital transfers & contributions		319 704	801 272	657 457	(67 996)	600 427	657 457	(57 029)	(0)	657 457
Income Tax										
Surplus/(Deficit) after income tax		319 704	801 272	657 457	(67 996)	600 427	657 457			657 457
Share of Surplus/Deficit attributable to Joint Venture										
Share of Surplus/Deficit attributable to Minorities										
Surplus/(Deficit) attributable to municipality		319 704	801 272	657 457	(67 996)	600 427	657 457			657 457
Share of Surplus/Deficit attributable to Associate										
Intercompany/Parent subsidiary transactions										
Surplus/ (Deficit) for the year		319 704	801 272	657 457	(67 996)	600 427	657 457			657 457

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

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

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

Vote Description	Ref	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									
Multi-Year expenditure appropriation	2									
Vote 01 - Council		-	-	-	-	-	-	-	-	-
Vote 02 - Corporate Services		-	-	148	-	-	148	(148)	-100%	148
Vote 03 - Finance		-	-	-	-	-	-	-	-	-
Vote 04 - Community Development		-	-	-	-	-	-	-	-	-
Vote 05 - Planning & Wsa		-	-	-	-	-	-	-	-	-
Vote 06 - Technical Services		-	-	-	-	-	-	-	-	-
Vote 07 - Water Purification		-	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	-	-	-	-	-	-	-	-
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	-
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	-	148	-	-	148	(148)	-100%	148
Single Year expenditure appropriation	2									
Vote 01 - Council		173	-	180	-	167	180	(13)	-7%	180
Vote 02 - Corporate Services		833	2 250	2 320	49	1 927	2 320	(393)	-17%	2 320
Vote 03 - Finance		2 064	650	650	58	58	650	(592)	-91%	650
Vote 04 - Community Development		3 277	457	795	28	28	795	(767)	-96%	795
Vote 05 - Planning & Wsa		491 521	700 110	673 309	84 144	669 498	673 309	(3 810)	-1%	673 309
Vote 06 - Technical Services		-	-	40	-	-	40	(40)	-100%	40
Vote 07 - Water Purification		474	-	-	-	-	-	-	-	-
Vote 08 - Water Distribution		-	86 957	86 957	44 246	44 246	86 957	(42 710)	-49%	86 957
Vote 09 - Waste Water		-	-	-	-	-	-	-	-	#REF!
Vote 10 - .		-	-	-	-	-	-	-	-	-
Vote 11 - .		-	-	-	-	-	-	-	-	-
Vote 12 - .		-	-	-	-	-	-	-	-	-
Vote 13 - .		-	-	-	-	-	-	-	-	-
Vote 14 - *		-	-	-	-	-	-	-	-	-
Vote 15 - Other		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	498 342	790 424	764 250	128 525	715 925	764 250	(48 325)	-6%	#REF!
Total Capital Expenditure		498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	#REF!
Capital Expenditure - Functional Classification										
Governance and administration		3 061	2 900	3 150	107	2 152	3 150	(988)	-32%	3 150
Executive and council		173	-	180	-	167	180	(13)	-7%	180
Finance and administration		2 888	2 900	2 970	107	1 985	2 970	(985)	-33%	2 970
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		1 551	457	795	28	28	795	(767)	-96%	795
Community and social services		1 551	457	795	28	28	795	(767)	-96%	795
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		1 726	2 208	2 582	75	1 932	2 582	(650)	-25%	2 582
Planning and development		1 726	2 208	2 582	75	1 932	2 582	(650)	-25%	2 582
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		491 995	784 859	757 724	128 316	711 812	757 724	(45 911)	-6%	757 724
Energy sources		-	-	-	-	-	-	-	-	-
Water management		491 995	784 859	757 724	128 316	711 812	757 724	(45 911)	-6%	757 724
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other		9	-	148	-	-	148	(148)	-100%	148
Total Capital Expenditure - Functional Classification	3	498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	764 398
Funded by:										
National Government		490 152	700 110	672 051	84 144	669 498	672 051	(2 553)	0%	672 051
Provincial Government		2 797	457	2 200	-	-	2 200	(2 200)	-100%	2 200
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	28	28	-	28	#DIV/0!	-
Transfers recognised - capital		492 948	700 568	674 252	84 172	669 526	674 252	(4 725)	-1%	674 252
Borrowing	6	191	86 957	86 957	44 246	44 246	86 957	(42 710)	-49%	86 957
Internally generated funds		5 203	2 900	3 190	107	2 152	3 190	(1 038)	-33%	3 190
Total Capital Funding		498 342	790 424	764 398	128 525	715 925	764 398	(48 473)	-6%	764 398

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

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

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

Description	Ref	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	92 098	57 071	92 098
Trade and other receivables from exchange transactions		6 442	59 575	46 729	44 576	46 729
Receivables from non-exchange transactions		131	–	7 109	7 220	7 109
Current portion of non-current receivables		–	–	–	–	–
Inventory		2 836	2 556	2 824	4 180	2 824
VAT		82 604	50 650	76 819	55 550	76 819
Other current assets		25 522	22 422	25 688	28 235	25 688
Total current assets		144 961	480 492	251 268	196 832	251 268
Non current assets						
Investments						
Investment property						
Property, plant and equipment		4 992 365	6 247 523	5 666 368	5 604 122	5 666 368
Biological assets						
Living and non-living resources						
Heritage assets		7 817	–	7 817	7 817	7 817
Intangible assets		52	1	52	28	52
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		5 000 233	6 247 525	5 674 236	5 611 966	5 674 236
TOTAL ASSETS		5 145 195	6 728 017	5 925 504	5 808 798	5 925 504
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		1 484	–	1 484	19 468	1 484
Consumer deposits		3 620	3 633	3 620	3 353	3 620
Trade and other payables from exchange transactions		472 664	338 908	494 461	317 067	494 461
Trade and other payables from non-exchange transactions		1 560	–	–	109 243	–
Provision		29 677	2 378	2 154	29 677	2 154
VAT		933	8 073	6 050	7 884	6 050
Other current liabilities		–	–	–	–	–
Total current liabilities		509 937	352 992	507 768	486 694	507 768
Non current liabilities						
Financial liabilities		1 744	90 000	91 202	81 222	91 202
Provision		43 487	38 340	41 109	43 487	41 109
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		–	–	–	–	–
Total non current liabilities		45 231	128 340	132 311	124 709	132 311
TOTAL LIABILITIES		555 169	481 332	640 079	611 403	640 079
NET ASSETS	2	4 590 026	6 246 684	5 285 425	5 197 395	5 285 425
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		4 597 982	5 445 412	4 627 968	5 214 496	4 627 968
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	4 597 982	5 445 412	4 627 968	5 214 496	4 627 968

MBRR Table C6 - Monthly Budget Statement Financial Position

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

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

CURRENT ASSETS

Cash and cash equivalents

Cash and cash equivalents balance as at 30 June 2024 indicate a balance of **R57.07 million**.

Bank balance R57.07 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 **R44.5 million**. Debtors age analysis indicates the amount of **R238.2 million**. The consumer debtors' amount to **R236.7 million** included in this amount is other receivables from exchange amount to **R1.8 million** and included in **R236.7 million** is the balance of **R4.3 million** for shared services.

Gross Consumer debtors	R236.7 million
Debtors Impairment	(192.1 million)
Net Consumer Debtors	R44.5 million

Classification of Consumer Debtors per Service type

Water Debtors	R36.4 million
Sanitation Debtors	R5.7 million
Property rental	R291.1 thousand
Other Consumer debtors	R268.4 thousand
Other receivables from exchange	R1.8 million
Total	R44.5 million

➤ **Water Debtors**

Net Water debtors, after considering provision for bad debts, amount to **R36.4 million**

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

Gross Water Debtors	R185.7 million
Less Impairment	(149.3 million)
Net Water Debtors	R36.4 million

➤ **Sanitation Debtors**

Net Sanitation debtors, after considering provision for bad debts amount to **R5.7 million**

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

Gross Sanitation Debtors	R47.4 million
Less Impairment	(R41.7 million)
Net Sanitation Debtors	R5.7 million

➤ **Property Rental**

Property rental debtors' amount to **R287.3 thousand**, these are sundry debtors.

Gross Other Debtors	R332 thousand
Less Impairment	(R40.8 thousand)
Net Other Debtors	R291.1 thousand

➤ **Other Consumer debtors**

Other consumer debtors' amount to **R274.5 thousand**, these are sundry debtors.

Gross Other Debtors	R284.2 thousand
Less Impairment	(R15.7 thousand)
Net Other Debtors	R268.4 thousand

➤ **Other receivables from exchange**

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

Other receivables from exchange	R2.8 million
Prepay/Adv: Recov emp: Opening balance	R1.06 million
Less Impairment	(R1.06 million)
Net other receivables from exchange	R1.8 million

Classification of Consumer Debtors per Customer group

Households	R189.6 million
Commercial/Businesses (excl prepaid exp R1.8 mil)	R17.5 million
Organs of State (excl shared services of R4.3 mill)	R31.07 million
Total	R237.2 million

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

Gross Households debtors	R189.6 million
Gross Business	R117.5 million
Less Impairment	(R192.1 million)
Net Household and businesses debtors	R15 million

Receivables from non-exchange transactions

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

Inventory

The current level of inventory is **R4.1 million**. Inventories include water stock and consumable stores.

VAT Receivable

VAT Receivable amount to **R52.3 million**, this is the amount raised when input VAT is recognized less output VAT collected as per VAT reconciliation.

Other current assets

Other debtors are debtors that arise from non-exchange transactions, the balance for the reporting period is **R28.6 million**.

Deposits Made	R18.2 million
Refunds & under/over banking	R9.8 million
Salary suspense	R100.6 thousand
Total	R28.6 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 **R9.8 million**, these are shared services debtors to be collected or refunded from Local Municipalities, and small differences caused by under/over banking:

Under/over banking	R9.8 million
--------------------	--------------

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

NON-CURRENT ASSETS

Long term receivables

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

Property plant and equipment

Property plant and equipment is the infrastructure and immovable assets owned by the municipality which the municipality uses to provide services to communities. The balance of Property plant and equipment include current year capital acquisition from table C5 and depreciation from table C4, the carrying value of all assets owned by the municipality is **R5.5 billion**

Opening balance	R5.6 billion
Additions	(R638.7 million)
Depreciation	(R103.6 million)
Closing Balance	R5.5 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 **R31.9 thousand**.

Opening balance	R31.9 thousand
Additions	(R0)
Disposals	(R22.1 thousand)
Depreciation	(R1.9 thousand)
Closing Balance	R28 thousand

CURRENT LIABILITIES

Consumer deposits

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

Trade and other payables from exchange transactions

Trade and other payables are amounts owed by the municipality to service providers. Trade and other payables are **R299.4 million**.

Trade Creditors	R48.05 million
Retention	R80.2 million
Department of Water & Sanitation	R62.6 million
Employee related cost	R457 thousand
Advance Payments	R2.1 million
Other Suspense account	R307 thousand
Water tankers	R10.7 million
Zanamanzi	R3.3 million
Session	R4.9 million
Unallocated deposit	R490 thousand
Closing Balance	R299.4 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 **R107.2 million**.

VAT Payables

VAT payable amount to **R7.8 million**, this is the amount paid when output VAT is recognized less input VAT paid as per VAT reconciliation.

Loan Payable

Loan payable **R17.4 million** this is short term or current portion of loan payable within 12 months or within the current financial year.

Current Provision

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

Long service awards	R1.6 million
Medical aid benefits	R500 thousand

NON-CURRENT LIABILITIES

Non-current financial liabilities

BCX Financial liability

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

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

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

LUMD INV (PTY) LTD Financial liability

At commencement of the lease term, finance leases should be recorded as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments.

Finance lease payments should be apportioned between the finance charge and the reduction of the outstanding liability (the finance charge to be allocated so as to produce a constant periodic rate of interest on the remaining balance of the liability. This liability amounts to **R782.5**

thousand

The municipality is in lease contract with LUMD Investment (Pty) Ltd, the contract is for the rental of property that the municipality will use for the agreed period.

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

Loan

This is the long term portion of liability that the municipality acquired to backup generators for water treatment works. This liability amounts to **R80.6 million**.

Non-current Provisions

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

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

Accumulated surplus

Accumulated surplus is the net worth of the Municipality, sitting at **R5.2 billion**

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

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	52 998	4 170	32 465	52 998	(20 534)	-39%	52 998
Other revenue		1 393 314	162 144	185 243	106 511	2 051 106	185 243	1 865 864	1007%	185 243
Transfers and Subsidies - Operational		661 838	643 859	746 330	2 297	746 330	746 330	(0)	0%	746 330
Transfers and Subsidies - Capital		610 306	805 127	768 386	-	768 386	768 386	-		768 386
Interest		6 722	3 000	7 500	89	6 095	7 500	(1 405)	-19%	7 500
Dividends										
Payments										
Suppliers and employees		(868 156)	(672 640)	(772 510)	4 823	(1 255 247)	(772 510)	482 736	-62%	(772 510)
Interest										
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 830 973	993 132	987 947	117 891	2 349 136	987 947	#####	-138%	987 947
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	30	680	-	680	#DIV/0!	-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments										
Payments										
Capital assets		(496 168)	(789 967)	(760 051)	(124 813)	(712 213)	(760 051)	(47 838)	6%	(760 051)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(496 168)	(789 967)	(760 051)	(124 784)	(711 533)	(760 051)	(48 518)	6%	(760 051)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing		-	100 000	100 000	-	100 000	100 000	-		100 000
Increase (decrease) in consumer deposits		(1)	-	-	-	9	-	9	#DIV/0!	-
Payments										
Repayment of borrowing		(1 090)	(10 000)	(10 000)	(8 609)	(9 726)	(10 000)	(274)	3%	(10 000)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(1 091)	90 000	90 000	(8 609)	90 283	90 000	(283)	0%	90 000
NET INCREASE/ (DECREASE) IN CASH HELD		1 333 714	293 165	317 896	(15 502)	1 727 885	317 896			317 896
Cash/cash equivalents at beginning:		20 468	173 117	27 427	(89 840)	27 427	27 427			27 427
Cash/cash equivalents at month/year end:		1 354 182	466 282	345 323		1 755 312	345 323			345 323

MBRR Table C7 - Monthly Budget Statement Cash Flow Statement

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

CASHFLOW FROM OPERATING ACTIVITIES

Service charges

The Municipality has adjusted budgeted collection to **R52.9 million** on service charges, the estimated collection amount is based on the 65% collection rate. The collection rate is also based on previous years' actual collection and initiatives the Municipality has taken to improve collection. The Municipality has collected **R32.4 million** to date. This is **61%** of budgeted collection and **43%** 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 **R746.3 million**. This amount includes Aviation Strategy Equitable share and Art Centre Subsidy which were received thus far but does not include National Skills Fund under Transfers and subsidies – Operational:

Equitable share	R631.6 million
Indonsa Grant	R1.9 million
FMG	R1.2 million
EPWP	R7.07 million
NSF	R100.5 million
LG SETA	R1.6 million
Amafa Research	R200 thousand
Art council	R23.1 thousand
TOTAL	R746.3 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 **R768.3 million**. This amount includes RBIG, MIG, RRAMS, TSUCM_COGTA Boreholes and WSIG which were received thus far under Transfers and subsidies - Capital.

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

Interest

Interest on the investment budget has been adjusted to **R7.5 million**, this estimate is based on the year – to – date actual interest income, the interest includes interest on investments made and interest on bank balance. Year to date actual Interest is **R6.09 million**. Interest on investment revenue on table C4 is **R15.2 million** which does not reconcile the one in the cash flow. The municipality will rectify the system errors.

Payments - Suppliers and employees

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

CASHFLOW FROM INVESTING ACTIVITIES

Payments - Capital Assets

Capital expenditure to date is **R762.9 million**, the capital expenditure excluding VAT portion, MFMA MSCOA circular number 11 issued 04 December 2020 highlighted the VAT issue and corrections are being developed. The Municipality is in a process of developing an action plan to address these inefficiencies.

Borrowing Long Term

Borrowing long term year-to-date is **R82.8 million**, this loan made by the municipality to fund the procurement of backup generators

Cash and cash equivalents at the end

Cash and cash equivalents are the cash available at the end of the reporting period after all expenses have been paid. Cash and cash equivalents to date is **R 57.07 million** in the financial position but in the cash flow it is **R1.7 billion**.

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

PART 2 – SUPPORTING DOCUMENTATION

2.1 DEBTORS ANALYSIS

Debtors age analysis as of 30 June 2024

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

Description	NT Code	Budget Year 2023/24									Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr					
R thousands														
Debtors Age Analysis By Income Source														
Trade and Other Receivables from Exchange Transactions - Water	1200	7 557	4 815	4 243	3 815	4 161	3 606	17 986	138 552	184 736	168 120	-	-	150 369
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	1 547	1 014	874	893	847	795	3 930	37 490	47 390	43 954	-	-	41 772
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	47	18	18	114	11	11	58	51	326	244	-	-	57
Interest on Arrear Debtor Accounts	1810	-	61	58	58	55	54	385	495	1 166	1 047	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	6	331	2	-	-	-	120	4 219	4 678	4 339	-	-	-
Total By Income Source	2000	9 158	6 238	5 195	4 879	5 074	4 466	22 479	180 807	238 296	217 705	-	-	192 198
2022/23 - totals only		9790533	3626975	3446360	4080180	3896452	2596674	16689529	157107856	201 235	184 371	0	-136457699	
Debtors Age Analysis By Customer Group														
Organs of State	2200	4 038	1 450	1 060	1 108	1 126	1 027	5 042	16 229	31 079	24 532	-	-	-
Commercial	2300	1 177	792	542	711	738	494	2 039	11 047	17 539	15 029	-	-	-
Households	2400	3 943	3 997	3 593	3 060	3 210	2 945	15 398	153 531	189 677	178 144	-	-	192 198
Other	2500	-	-	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Group	2600	9 158	6 238	5 195	4 879	5 074	4 466	22 479	180 807	238 296	217 705	-	-	192 198

Total debtors' amount to **R237.2 million**, which is an increase of **R3.8 thousand** from the closing balance of **R233.4 million** in the previous month. The debtors over 90 days amount to **R211.9 million**. This is concerning and needs intervention since debtors above 60 days should be restricted in terms of the Municipality's credit control policy.

2.2 CREDITORS ANALYSIS

Creditors age analysis as at 30 June 2024

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

Description	NT Code	Budget Year 2023/24									Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year			
R thousands												
Creditors Age Analysis By Customer Type												
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	804	-	63	-	-	-	-	-	-	867	1 183
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	804	-	63	-	-	-	-	-	-	867	1 183

2.3 INVESTMENT PORTFOLIO

Investments as at 30 June 2024

DC26 Zululand - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M12 June 2024

Investments by maturity Name of institution & investment ID	Ref	Period of Investment Yrs/Months	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands														
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	-		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		0.766667	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	17 August 2023	254 800		(30 000)		224 226
ABSA CALL ACCOUNT		1.2	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	30 August 2023	224 226	(574)	(20 000)		204 226
ABSA CALL ACCOUNT		1.4	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	08 September 2023	204 226		(30 000)		174 226
ABSA CALL ACCOUNT		1.366667	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	14 September 2023	174 226	(301)	(25 000)		149 226
ABSA CALL ACCOUNT		1.566667	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	20 September 2023	149 226		(50 000)		99 226
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	26 September 2023	99 226		-	86 000	185 226
ABSA SHORT TERM		2	SHORT TERM	YES	VARIABLE	0.089	-	N/A	03 October 2023	185 226	(2 675)	(50 000)		135 226
ABSA SHORT TERM		2.066667	SHORT TERM	YES	VARIABLE	0.089	-	N/A	05 October 2023	135 226	(168)	(75 000)		60 226
ABSA SHORT TERM		3.066667	SHORT TERM	YES	VARIABLE	0.089	-	N/A	19 October 2023	60 226		(10 000)		50 226
ABSA SHORT TERM		2.533333	SHORT TERM	YES	VARIABLE	0.089	-	N/A	19 October 2023	50 226		(36 800)		13 426
STANDARD BANK		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	05 December 2023	13 426			40 000	53 426
STANDARD BANK		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	06 December 2023	53 426	(172)	(25 000)		28 426
STANDARD BANK		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	07 December 2023	28 426			40 000	68 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	06 December 2023	68 426			75 000	143 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	07 December 2023	143 426			75 000	218 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	07 December 2023	218 426	(268)		25 000	243 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.944	-	N/A	07 December 2023	243 426			100 000	343 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	18 December 2023	343 426		(40 000)		303 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	22 December 2023	303 426		(30 000)		273 426
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	14 January 2024	274 000	(1 000)	(30 000)		244 000
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	23 January 2024	244 000	(311)	(20 000)		224 000
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	23 January 2024	224 000				220 570
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	24 February 2024	220 570	(623)	(40 000)		180 570
ABSA CALL ACCOUNT		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	25 February 2024	180 570	(70)	(50 000)		130 570
ABSA SHORT TERM		1	SHORT TERM	YES	VARIABLE	0.089	-	N/A	14 March 2024	130 570	(4 246)	(50)		130 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	13 March 2024	130 000	(238)	(50 000)		80 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.089	-	N/A	14 March 2024	80 000		(5 000)		75 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	13 March 2024	75 000		-	150 000	225 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	24 April 2024	225 000		(25 000)	-	200 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	25 April 2024	200 000	(497)	(10 000)		190 000
ABSA CALL ACCOUNT		0	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	26 April 2024	190 000		(15 000)		175 000
ABSA CALL ACCOUNT		1	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	03 May 2024	175 000		(5 000)		170 000
ABSA CALL ACCOUNT		2	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	07 May 2024	170 000		(28 000)		142 000
ABSA CALL ACCOUNT		3	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	23 May 2024	142 000		(18 000)		124 000
ABSA CALL ACCOUNT		4	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	31 May 2024	124 000		(6 000)		118 000
ABSA CALL ACCOUNT		5	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	31 May 2024	118 000		(10 000)		108 000
ABSA CALL ACCOUNT		6	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	04 June 2024	108 000		(2 000)		106 000
ABSA CALL ACCOUNT		7	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	07 June 2024	106 000		(7 500)		98 500
ABSA CALL ACCOUNT		8	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	13 June 2024	98 500		(20 000)		78 500
ABSA CALL ACCOUNT		9	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	19 June 2024	78 500		(15 000)		63 500
ABSA CALL ACCOUNT		10	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	24 June 2024	63 500		(5 000)		58 500
ABSA CALL ACCOUNT		11	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	24 June 2024	58 500		(10 000)		48 500
ABSA CALL ACCOUNT		12	CALL ACCOUNT	YES	VARIABLE	0.944	-	N/A	28 June 2024	48 500		(48 500)		-
Municipality sub-total										-	15 208	(921 800)	921 800	-
Entities														
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND LI	2									-	15 208	(921 800)	921 800	-

2.4 ALLOCATION OF GRANT RECEIPTS AND EXPENDITURE

Grants Receipts

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

Description	Ref	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:	1,2									
Operating Transfers and Grants										
National Government:		596 108	639 948	639 948	-	639 002	639 948	(946)	-0.1%	639 948
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		586 391	631 671	631 671	-	631 671	631 671	-	0.0%	631 671
Expanded Public Works Programme Integrated Grant		8 517	7 077	7 077	-	6 682	7 077	(395)	-5.6%	7 077
Local Government Financial Management Grant		1 200	1 200	1 200	-	649	1 200	(551)	-45.9%	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	4 168	-	443	4 168	(3 726)	-89.4%	4 168
Capacity Building and Other Grants		2 631	3 911	4 168	-	443	4 168	(3 726)	-89.4%	4 168
Other transfers and grants [insert description]		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		60 091	-	102 328	-	99 492	102 328	(2 836)	-2.8%	102 328
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		478	-	1 694	-	1 132	1 694	(562)	-33.2%	1 694
National Skills Fund		59 613	-	100 634	-	98 360	100 634	(2 274)	-2.3%	100 634
Unspecified		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	658 830	643 859	746 445	-	738 936	746 445	(7 508)	-1.0%	746 445
Capital Transfers and Grants										
National Government:		607 306	805 127	768 386	-	668 096	768 386	(100 290)	-13.1%	768 386
Municipal Disaster Relief Grant		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		259 530	271 683	256 512	-	230 361	256 512	(26 151)	-10.2%	256 512
Regional Bulk Infrastructure Grant		250 247	430 905	413 905	-	342 282	413 905	(71 623)	-17.3%	413 905
Rural Road Asset Management Systems Grant		2 529	2 539	2 969	-	2 136	2 969	(833)	-28.0%	2 969
Water Services Infrastructure Grant		95 000	100 000	95 000	-	93 318	95 000	(1 682)	-1.8%	95 000
Provincial Government:		3 196	-	1 446	-	-	1 446	(1 446)	-100.0%	1 446
Infrastructure Grant		3 196	-	1 446	-	-	1 446	(1 446)	-100.0%	1 446
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	28	28	-	28	-	-
[insert description]		-	-	-	28	28	-	28	-	-
Unspecified		-	-	-	28	28	-	28	-	-
Total Capital Transfers and Grants	5	610 502	805 127	769 832	28	668 124	769 832	(101 708)	-13.2%	769 832
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	1 269 332	1 448 986	1 516 276	28	1 407 060	1 516 276	(109 216)	-7.2%	1 516 276

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

Grant Expenditure

DC26 Zululand - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M 12 June

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										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		836 701	627 267	741 705	53 119	686 045	741 705	(55 660)	-7.5%	741 705
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Equitable Share		785 529	618 990	733 428	52 288	677 768	733 428	(55 660)	-7.6%	733 428
Expanded Public Works Programme Integrated Grant		8 532	7 077	7 077	297	7 077	7 077	-	-	7 077
Local Government Financial Management Grant		1 200	1 200	1 200	533	1 200	1 200	0	0.0%	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:		2 289	3 385	3 348	934	1 376	3 348	(1 971)	-58.9%	3 348
Capacity Building and Other Grants		2 289	3 385	3 348	934	1 376	3 348	(1 971)	-58.9%	3 348
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		59 798	-	102 328	-	100 419	102 328	(1 909)	-1.9%	102 328
Electricity Distribution Industry Holdings		-	-	-	-	-	-	-	-	-
KwazuluNatal Provincial Planning and Development Commission		-	-	-	-	-	-	-	-	-
Local Government Water and Related Service SETA		478	-	1 694	-	1 694	1 694	-	-	1 694
National Skills Fund		59 320	-	100 634	-	98 725	100 634	(1 909)	-1.9%	100 634
Total operating expenditure of Transfers and Grants:		898 788	630 652	847 381	54 052	787 840	847 381	(59 541)	-7.0%	847 381
Capital expenditure of Transfers and Grants										
National Government:		490 152	700 110	668 162	7 054	592 408	668 162	(75 754)	-11.3%	668 162
Municipal Infrastructure Grant		194 387	236 246	223 054	3 099	205 330	223 054	(17 724)	-7.9%	223 054
Regional Bulk Infrastructure Grant		218 770	374 700	359 917	3 955	303 567	359 917	(56 350)	-15.7%	359 917
Rural Road Asset Management Systems Grant		-	2 208	2 582	-	1 858	2 582	(724)	-28.0%	2 582
Water Services Infrastructure Grant		76 994	86 957	82 609	-	81 653	82 609	(955)	-1.2%	82 609
Provincial Government:		2 797	457	2 200	-	-	2 200	(2 200)	-100.0%	2 200
Capacity Building and Other Grants		-	-	148	-	-	148	(148)	-100.0%	148
Infrastructure Grant		2 797	457	2 052	-	-	2 052	(2 052)	-100.0%	2 052
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	28	28	-	28	#DIV/0!	-
Unspecified		-	-	-	28	28	-	28	-	-
Total capital expenditure of Transfers and Grants		492 948	700 568	670 362	7 082	592 436	670 362	(77 926)	-11.6%	670 362
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		1 391 736	1 331 220	1 517 743	61 134	1 380 276	1 517 743	(137 467)	-9.1%	1 517 743

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 - M12 June

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:		1 446	-	-	1 446	100.0%
Water Services Operating Subsidy		1 446	-	-	(1 446)	-100.0%
Provincial Government:		-	-	-	-	
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total operating expenditure of Approved Roll-overs		1 446	-	-	1 446	100.0%
Capital expenditure of Approved Roll-overs						
National Government:		-	-	-	-	
Provincial Government:		1 642	-	-	1 642	100.0%
Other Departments		1 642	-	-	(1 642)	-100.0%
District Municipality:		-	-	-	-	
Other grant providers:		-	-	-	-	
Total capital expenditure of Approved Roll-overs		1 642	-	-	1 642	100.0%
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		3 088	-	-	3 088	100.0%

2.5 COUNCILLOR AND BOARD MEMBER ALLOWENCES AND EMPLOYEE BENEFITS

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

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)	1									
Basic Salaries and Wages		-	-	-	-	-	-	-	-	
Pension and UIF Contributions		509	512	506	44	517	506	11	2%	
Medical Aid Contributions		54	55	41	3	41	41	-	-	
Motor Vehicle Allowance		1 889	1 962	2 214	300	2 224	2 214	10	0%	
Cellphone Allowance		681	694	813	149	859	813	46	6%	
Housing Allowances		360	180	180	15	180	180	-	-	
Other benefits and allowances		5 782	6 084	6 030	946	6 542	6 030	512	8%	
Sub Total - Councillors		9 276	9 486	9 784	1 458	10 362	9 784	578	6%	
% increase	4		2.3%	5.5%					5.5%	
Senior Managers of the Municipality	3									
Basic Salaries and Wages		6 237	6 191	8 239	1 264	8 273	8 239	34	0%	
Pension and UIF Contributions		176	62	408	31	356	408	(52)	-13%	
Medical Aid Contributions		59	3	122	10	117	122	(6)	-5%	
Overtime		-	-	-	-	-	-	-	-	
Performance Bonus		650	-	-	166	707	-	707	#DIV/0!	
Motor Vehicle Allowance		1 640	1 542	1 933	312	2 051	1 933	118	6%	
Cellphone Allowance		257	238	313	23	296	313	(16)	-5%	
Housing Allowances		13	-	12	1	13	12	1	5%	
Other benefits and allowances		309	195	302	166	442	302	140	46%	
Payments in lieu of leave		374	-	-	160	255	-	255	#DIV/0!	
Long service awards		132	-	-	-	-	-	-	-	
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	
Entertainment		-	-	-	-	-	-	-	-	
Scarcity		-	-	-	-	-	-	-	-	
Acting and post related allowance		97	-	-	-	1	-	-	-	
In kind benefits		-	-	-	-	-	-	-	-	
Sub Total - Senior Managers of Municipality		9 945	8 230	11 329	2 134	12 511	11 329	1 182	10%	
% increase	4		-17.2%	13.9%					13.9%	
Other Municipal Staff										
Basic Salaries and Wages		184 934	206 063	211 344	17 359	201 024	211 344	(10 320)	-5%	
Pension and UIF Contributions		24 857	27 991	28 031	2 396	27 014	28 031	(1 016)	-4%	
Medical Aid Contributions		14 860	15 496	15 500	1 520	16 898	15 500	1 398	9%	
Overtime		6 703	5 448	5 448	835	8 370	5 448	2 922	54%	
Performance Bonus		12 696	13 983	14 081	1 935	13 275	14 081	(806)	-6%	
Motor Vehicle Allowance		10 357	10 682	12 498	993	11 436	12 498	(1 062)	-8%	
Cellphone Allowance		740	828	918	71	801	918	(116)	-13%	
Housing Allowances		1 669	1 724	1 712	149	1 699	1 712	(13)	-1%	
Other benefits and allowances		4 065	282	282	634	5 045	282	4 763	1690%	
Payments in lieu of leave		5 523	-	-	97	2 124	-	2 124	#DIV/0!	
Long service awards		3 358	-	-	108	1 754	-	1 754	#DIV/0!	
Post-retirement benefit obligations	2	5 393	-	-	-	-	-	-	-	
Entertainment		-	-	-	-	-	-	-	-	
Scarcity		-	-	-	-	-	-	-	-	
Acting and post related allowance		1 191	-	-	52	511	-	511	#DIV/0!	
In kind benefits		-	-	-	-	-	-	-	-	
Sub Total - Other Municipal Staff		276 347	282 498	289 813	26 147	289 952	289 813	139	0%	
% increase	4		2.2%	4.9%					4.9%	
Total Parent Municipality		295 569	300 214	310 926	29 739	312 825	310 926	1 899	1%	
			1.6%	5.2%					5.2%	
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages		-	-	-	-	-	-	-	-	
Pension and UIF Contributions		-	-	-	-	-	-	-	-	
Medical Aid Contributions		-	-	-	-	-	-	-	-	
Overtime		-	-	-	-	-	-	-	-	
Performance Bonus		-	-	-	-	-	-	-	-	
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	
Cellphone Allowance		-	-	-	-	-	-	-	-	
Housing Allowances		-	-	-	-	-	-	-	-	
Other benefits and allowances		-	-	-	-	-	-	-	-	
Board Fees	5	-	-	-	-	-	-	-	-	
Payments in lieu of leave		-	-	-	-	-	-	-	-	
Long service awards		-	-	-	-	-	-	-	-	
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	
Entertainment		-	-	-	-	-	-	-	-	
Scarcity		-	-	-	-	-	-	-	-	
Acting and post related allowance		-	-	-	-	-	-	-	-	
In kind benefits		-	-	-	-	-	-	-	-	
Sub Total - Executive members Board	2	-	-	-	-	-	-	-	-	
% increase	4									

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

Summary of Employee and Councillor remuneration	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	A	B	C						D
Senior Managers of Entities										
Basic Salaries and Wages								-		
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance								-		
Cellphone Allowance								-		
Housing Allowances								-		
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations	2							-		
Entertainment										
Scarcity										
Acting and postrelated allowance										
In kind benefits										
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-		-
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages								-		
Pension and UIF Contributions								-		
Medical Aid Contributions								-		
Overtime								-		
Performance Bonus								-		
Motor Vehicle Allowance								-		
Cellphone Allowance								-		
Housing Allowances								-		
Other benefits and allowances								-		
Payments in lieu of leave								-		
Long service awards								-		
Post-retirement benefit obligations								-		
Entertainment										
Scarcity										
Acting and postrelated allowance										
In kind benefits										
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-		-
% increase	4									
Total Municipal Entities		-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS										
		295 569	300 214	310 926	29 739	312 825	310 926	1 899	1%	310 926
% increase	4		1.6%	5.2%						5.2%
TOTAL MANAGERS AND STAFF		286 293	290 728	301 142	28 282	302 463	301 142	1 321	0%	301 142

The municipality has no active entity.

2.6 MATERIAL VARIANCES TO SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN.

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

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
1	Revenue			
	Service charges – Water revenue	10%	This is the amounts billed on customers for water used, the year-to-date actual is R58.8 million which is 110% of the approved adjusted budget the R58.8 million year to date actual is above baseline projection or year-to-date budget of R53.5 million. A variance of R5.3 million or 10% is observed.	The municipality need to keep up billing and install meters where and when needed.
	Service charges – Sanitation revenue	3%	This is the amounts billed on customers that are connected to the sewer system, the year-to-date actual is R16.02 million which is 103% of the approved adjusted budget. The R16.02 million year to date actual is above the baseline projection or year-to-date budget of R15.5 million. A variance of R427 thousand or 3% is observed.	
	Sale of goods and rendering of service	-1%	This is the amount on sale of goods and rendering of services, the year-to-date actual is R735 thousands which is 97% of the approved adjusted budget the R735 thousands year to date actual is below the baseline projection or year-to-date budget of R755 thousand. A variance of R20 thousand or less than 1% is observed. There has been an improvement in sale of tender documents.	
	Interest earned - outstanding debtors	-1%	Interest earned - outstanding debtors is charged on businesses for accounts in arrears. the year-to-date actual is R691 thousand which is 88% of the approved adjusted budget. The R691 thousand year to date actual is above the baseline projection or year-to-date budget of R784 thousand. A variance of R93 thousand or less than 1% is observed. Reasons for variances can be attributed to businesses' slow adherence to payment terms.	The municipality must implement stringent measures to ensure businesses pay on time.
	Interest from Current and Non-Current Assets	103%	Interest on investment is interest received when the Municipality makes cash investments, the year-to-date actual is R15.2 million which is 203% of the approved adjusted budget. The R15.2 million year to date actual is above the baseline projection or year-to-date budget of R7.5 million. A variance of R7.7 million or 103% is observed. Reasons for variances can be attributed to the availability of cash to be invested to date.	
	Rental from Fixed Assets	20%	Rental of facilities is amounts billed for office space leased out, the year-to-date actual is R549 thousand which is 120% of the approved adjusted budget. the R549 thousand year to date actual is above the baseline projection or year-to-date budget of R458 thousand. A variance of R90 thousand or 20% is observed.	
	Licences and Permits	3%	Licences and permits year-to-date actual is R107 thousand which is 103% of the approved adjusted budget. the R107 thousand year to date actual is above the baseline projection or year-to-date budget of R103 thousand. A variance of R4 thousand or 3% is observed.	
	Operational revenue	34%	Operational revenue year-to-date actual is R594 thousand which is 134% of the approved budget the R594 thousand year to date actual is Above baseline projection or year-to-date budget of R442 thousand. A variance of R152 thousand or 34% is observed.	The municipality received insurance refund and skills levy refund.
	Fines, penalties, and forfeits	-1%	Fines, penalties, and forfeits are mainly amounts charged on illegal connections. the year-to-date actual is R673 thousand which is 79% of the approved adjusted budget the R673 thousand year to date actual is below the baseline projection or year-to-date budget of R853 thousand. A variance of R180 thousand or less than 1% is observed. Reasons for variances can be attributed to a positive indication that some customers are not illegally connecting or there are some illegal connections not yet discovered.	The municipality must keep up the disconnection of illegal connections.
	Transfers and subsidies	-1%	Transfers and subsidies year to date actual is R738.9 million which is 99% of the approved adjusted budget. The R738.9 million year to date actual is below the baseline projection or year-to-date budget of R746.4 million. A variance of R7.5 million or less than 1% is observed. Reasons for variances can be attributed to the nature of transfers and subsidies which depend on the transfer schedule and cannot be benchmarked against the year-to-date budget. Grants are not received monthly but in trenches as per approved transfer schedule.	

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

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
R thousands				
2	Expenditure By Type			
	Employee Related Costs	0%	Employee-related costs are amounts paid for salaries, allowances, service-related benefits and contributions. The year-to-date actual is R302.4 million which is 93% of the approved adjusted budget. The R302.4 million year to date actual is above the baseline projection or year-to-date budget of R301.1 million. A variance of R1.3 million or 0% is observed. The municipality will make sure that the salary bill is kept within the limits of the monthly projections.	
	Remuneration of Councillors	6%	Remuneration of Councillors are amounts paid for councillors allowances, service-related benefits, and contributions. The year-to-date actual is R10.3 million which is 91% of the approved adjusted budget. The R10.3 million year to date actual is above the baseline projection or year-to-date budget of R9.7 million. A variance of R578 thousand or 6% is observed.	The municipality will make sure that the salary bill is kept within the limits of the monthly projections.
	Inventory Consumed	55%	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 R20.6 million which is 45% of the approved budget. The R20.6 million year to date actual is below baseline projection or year-to-date budget of R45.7 million. A variance of R25.1 million or 55% is observed.	The municipality has started paying for bulk water service providers
	Depreciation	15%	This is a non-cash item budgeted for as per the stipulation of the accounting standards. The year-to-date actual is R103.6 million which is 105% of the approved adjusted budget. The R103.6 million year to date actual is below the baseline projection or year-to-date budget of R90 million. A variance of R13.6 million or 15% is observed.	The municipality need to budget using depreciation method stipulated in the policy.
	Finance charges	665%	Finance charges are amounts for interest paid on overdue accounts and finance lease for laptops. The year-to-date actual is R7.6 million which is 765% of the approved adjusted budget. The R7.6 million year to date actual is above the baseline projection or year-to-date budget of R1 million. A variance of R6.6 million or 665% is observed. Reasons for variances can be attributed to the early payment of the account during this period and the payment of interest on loan.	Municipality need to keep up early payments to minimise this expenditure.
	Contracted services	-1%	Contracted services include Outsourced services, Consultants and professional fees, and Contractors. The year-to-date actual is R25.02 million which is 93% of the approved adjusted budget. The R25.02 million year to date actual is above the baseline projection or year-to-date budget of R274.09 million. A variance of R18.07 million or less than 1% is observed. Reasons for variances can be attributed to current commitments beyond contracted services budget.	The municipality must review SLAs and try to minimise costs as low as possible in this line-item.
	Transfers and subsidies paid.	-1%	Transfers and subsidies are amounts paid as subsidies to the communities for poverty alleviation and transfers to support SMMES, and co-operatives. The year-to-date actual is R3.5 million which is 72% of the approved budget. The R3.5 million year to date actual is below the Baseline projection or year-to-date budget of R4.2 million. A variance of R752 thousand or less than 1% is observed. Reasons for variances can be attributed to the fact that this line item is for seasonal expenditure.	The municipality need to monitor this line item.
	Irrecoverable debt written off	0%	Irrecoverable debt written off year-to-date actual is R1.5 million which is 0% of the approved budget. The R1.5 million year to date actual cannot be benchmarked against year-to-date budget because it has no budget. A variance of R1.5 million or 0% is observed.	
	Operational costs	-1%	Operational costs are all other expenditure not classified above. The year-to-date actual is R183.7 million which is 91% of the approved adjusted budget. The R183.7 million year to date actual is below the baseline projection or year-to-date budget of R202.7 million. A variance of R19 million or less than 1% is observed. The municipality is still finalising some year end payments. Reasons for variances can be attributed to the increase in the costs of running an organisation such as, Eskom.	The expenditure being monitored by the municipality to keep it within the budget.
3	Capital Expenditure			
	Governance and administration	-33%	Governance and administration year-to-date actual are R2.1 million which is 67% of the approved adjusted budget. The R2.1 million year to date actual is below the baseline projection or year-to-date budget of R3.1 million. A variance of R1.04 million or less than 33% is observed.	
	Community and public safety	96%	Community and public safety year-to-date actual are R27.8 million which is 4% of the approved adjusted budget. The R27.8 year to date actual is below the baseline projection or year-to-date budget of R795 thousand. A variance of R767 thousand or 96% is observed.	
	Economic and environmental services	-1%	Economic and environmental services year-to-date actual is R1.9 million which is 75% of the approved adjusted budget. The R1.9 million year to date actual is below the baseline projection or year-to-date budget of R2.5 million. A variance of R650 thousand or less than 1% is observed.	
	Trading services	-1%	Trading services year-to-date actual is R708.1 million which is 93% of the approved adjusted budget. The R708.1 million year to date actual is below the baseline projection or year-to-date budget of R757.7 million. A variance of R49.5 million or less than 1% is observed.	

2.7 ACTUAL AND REVISED TARGETS FOR CASH RECEIPTS

DC26 Zululand - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M12 June

Description	Ref	Budget Year 2023/24												2023/24 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome			
Cash Receipts By Source																
Properly rates																
Service charges - Electricity revenue																
Service charges - Water revenue		928	1 881	2 063	3 448	317	1 813	1 886	2 019	2 073	2 823	1 712	19 129	40 092	47 222	49 394
Service charges - Waste Water Management		381	742	614	1 016	228	544	591	670	759	952	836	5 575	12 907	13 544	14 167
Service charges - Waste Mangement																
Rental of facilities and equipment		45	49	45	36	-	36	71	36	-	165	42	462	985	1 084	1 133
Interest earned - external investments			574	301	2 843	172	268	311	693	238	497	110	1 494	7 500	7 500	7 845
Interest earned - outstanding debtors															495	517
Dividends received																
Fines, penalties and forfeits		20	64	79	21	4	13	3	26	84	77	278	184	853	1 467	1 534
Licences and permits		5	11	8	9	14	4	6	9	8	21	4	4	103	176	184
Agency services																
Transfers and Subsidies - Operational		266 152	2 969	48 282	165	3 395	240 307	547	22 386	159 269	-	562	2 297	746 330	768 030	711 934
Other revenue		131 675	231 394	200 542	189 135	18 728	471 984	94 441	94 489	367 820	67 319	75 777	(1 760 002)	183 301	119 171	115 870
Cash Receipts by Source		399 204	237 683	251 934	196 673	22 856	714 968	97 857	120 329	530 251	71 853	79 321	(1 730 857)	992 072	958 689	902 580
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	74 000	-	93 867	47 942	-	-	-	768 386	576 195	651 991
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)																
Proceeds on Disposal of Fixed and Intangible Assets												650	(650)			
Short term loans																
Borrowing long term/refinancing							100 000							100 000		
Increase (decrease) in consumer deposits		(0)	7	1	1	(1)	0	0	1				(9)		(3)	
Decrease (increase) in non-current receivables																
Decrease (increase) in non-current investments																
Total Cash Receipts by Source		503 204	388 490	337 935	238 451	192 855	888 968	97 857	214 197	578 193	71 853	79 971	(1 731 516)	1 860 458	1 534 880	1 554 571
Cash Payments by Type																
Employee related costs		26 127	26 418	26 816	26 778	26 586	18 434	36 638	25 094	26 063	26 496	27 167	9 770	302 387	310 172	324 440
Remuneration of councillors										743	735	715	805	6 946	9 465	9 901
Interest																
Bulk purchases - Electricity		12 282	4 787	13 201	5 143	16 800	3 774	7 765	5 911	6 930	3 848	7 535	(87 976)			
Acquisitions - water & other inventory		7 556				191			2 160	12 885		(12 601)	40 516	50 707	29 010	30 344
Contracted services		131	(6 308)	(49 127)	(113 256)	(89 149)	(70 637)	(10 628)	(10 369)	(68 776)	(53 549)	(1 031)	781 531	308 833	309 181	216 969
Transfers and subsidies - other municipalities																
Transfers and subsidies - other															2 415	2 526
Other expenditure		239 289	84 467	106 769	152 667	160 442	227 375	51 662	62 419	144 295	68 626	5 748	(1 204 120)	99 639	129 706	135 672
Cash Payments by Type		285 385	109 364	97 659	71 332	114 870	178 946	85 436	85 958	122 131	46 137	27 623	(453 334)	771 510	789 948	719 853
Other Cash Flows/Payments by Type																
Capital assets			57 911	49 277	113 514	90 763	101 101	10 678	10 959	97 963	53 993	1 240	172 652	760 051	500 595	571 681
Repayment of borrowing						173				944	138	(138)	8 883	10 000	18 096	17 430
Other Cash Flows/Payments			2 690	8 299	1 429	615	6 337	354	35	12 931	2 536		(34 226)	1 000	2 000	3 000
Total Cash Payments by Type		285 385	169 965	155 234	186 275	206 421	286 385	96 468	96 952	233 970	102 805	28 726	(306 025)	1 542 561	1 310 640	1 311 963
NET INCREASE/(DECREASE) IN CASH HELD		217 819	218 525	182 701	52 176	(13 566)	602 584	1 389	117 245	344 223	(30 951)	51 245	(1 425 491)	317 896	224 240	242 607
Cash/cash equivalents at the month/year beginning:		27 427	245 245	463 770	646 471	698 647	685 081	1 287 664	1 289 053	1 406 298	1 750 521	1 719 569	1 770 814	27 427	345 323	569 564
Cash/cash equivalents at the month/year end:		245 245	463 770	646 471	698 647	685 081	1 287 664	1 289 053	1 406 298	1 750 521	1 719 569	1 770 814	345 323	345 323	569 564	812 171

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 - M12 June

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%	8%
September	32 995	65 890	65 890	49 277	49 277	197 655	148 378	75.1%	6%
October	27 335	65 998	65 998	113 514	113 514	263 652	150 138	56.9%	15%
November	18 645	65 998	65 998	90 763	90 763	329 650	238 887	72.5%	12%
December	46 356	65 998	65 998	101 101	101 101	395 648	294 547	74.4%	13%
January	7 250	65 998	65 998	10 678	10 678	461 646	450 968	97.7%	1%
February	13 944	59 248	59 248	10 959	10 959	520 893	509 934	97.9%	1%
March	27 728	59 248	59 248	97 963	97 963	580 141	482 178	83.1%	13%
April	70 518	59 248	59 248	53 993	53 993	639 389	585 395	91.6%	0
May	127 629	59 416	59 416	1 240	53 993	698 805	644 812	92.3%	0
June	105 809	65 593	65 593	124 813	124 813	764 398	639 585	83.7%	0
Total Capital expenditure	497 986	764 398	764 398	712 213					

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 - M12 June

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									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		491 521	700 110	673 309	84 070	669 424	673 309	3 885	0.6%	673 309
Roads Infrastructure		-	2 208	2 582	-	1 858	2 582	724	28.0%	2 582
Roads		-	2 208	2 582	-	1 858	2 582	724	28.0%	2 582
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-		-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	-	-	-	-		-
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		491 521	693 120	670 727	84 070	667 566	670 727	3 161	0.5%	670 727
Dams and Weirs										
Boreholes		68 814	79 130	36 388	3 850	35 737	36 388	650	1.8%	36 388
Reservoirs		11 062	15 086	9 197	-	9 197	9 197	0	0.0%	9 197
Pump Stations		-	-	-	-	-	-	-		-
Water Treatment Works		63 564	66 957	123 040	13 802	122 903	123 040	136	0.1%	123 040
Bulk Mains		311 748	508 469	461 962	64 811	459 202	461 962	2 761	0.6%	461 962
Distribution		36 333	23 478	40 140	1 607	40 526	40 140	(386)	-1.0%	40 140
Distribution Points		-	-	-	-	-	-	-		-
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	4 783	-	-	-	-	-		-
Pump Station										
Reticulation		-	4 783	-	-	-	-	-		-
Waste Water Treatment Works										
Outfall Sewers										
Toilet Facilities		-	-	-	-	-	-	-		-
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-		-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-		-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-		-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-		-
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

DC26 Zululand - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M12 June

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										
Community Assets		1 726	-	-	-	-	-	-	-	-
Community Facilities		1 726	-	-	-	-	-	-	-	-
Halls										
Centres		1 726	-	-	-	-	-	-	-	-
Crèches										
Clinics/Care Centres										
Fire/Ambulance Stations										
Testing Stations										
Museums										
Galleries										
Theatres										
Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities										
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets										
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties										
Revenue Generating										
Improved Property										
Unimproved Property										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets										
Operational Buildings										
Municipal Offices										
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing										
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets										
Biological or Cultivated Assets										
Intangible Assets		51	-	-	-	-	-	-	-	-
Servitudes										
Licences and Rights		51	-	-	-	-	-	-	-	-
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		51	-	-	-	-	-	-	-	-
Load Settlement Software Applications										
Unspecified										
Computer Equipment		2 158	2 350	2 385	82	1 000	2 385	1 385	58.1%	2 385
Computer Equipment		2 158	2 350	2 385	82	1 000	2 385	1 385	58.1%	2 385
Furniture and Office Equipment		1 085	550	518	127	335	518	183	35.3%	518
Furniture and Office Equipment		1 085	550	518	127	335	518	183	35.3%	518
Machinery and Equipment		1 610	87 414	87 952	44 246	44 246	87 952	43 705	49.7%	87 952
Machinery and Equipment		1 610	87 414	87 952	44 246	44 246	87 952	43 705	49.7%	87 952
Transport Assets		-	-	235	-	920	235	(685)	-291.3%	235
Transport Assets		-	-	235	-	920	235	(685)	-291.3%	235
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	498 151	790 424	764 398	128 525	715 925	764 398	48 473	6.3%	764 398

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 - M12 June

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		142 087	70 000	70 183	1 843	57 450	70 183	12 733	18.1%	70 183
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads										
Road Structures										
Road Furniture										
Capital Spares										
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants										
HV Substations										
HV Switching Station										
HV Transmission Conductors										
MV Substations										
MV Switching Stations										
MV Networks										
LV Networks										
Capital Spares										
Water Supply Infrastructure		142 087	70 000	70 183	1 843	57 450	70 183	12 733	18.1%	70 183
Dams and Weirs										
Boreholes										
Reservoirs										
Pump Stations										
Water Treatment Works										
Bulk Mains		56 019	20 000	20 570	1 843	18 838	20 570	1 732	8.4%	20 570
Distribution										
Distribution Points		86 067	50 000	49 613	-	38 613	49 613	11 000	22.2%	49 613
PRV Stations										
Capital Spares										
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Pump Station										
Reticulation										
Waste Water Treatment Works		-	-	-	-	-	-	-	-	-
Outfall Sewers										
Toilet Facilities										
Capital Spares										
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites										
Waste Transfer Stations										
Waste Processing Facilities										
Waste Drop-off Points										
Waste Separation Facilities										
Electricity Generation Facilities										
Capital Spares										
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines										
Rail Structures										
Rail Furniture										
Drainage Collection										
Storm water Conveyance										
Attenuation										
MV Substations										
LV Networks										
Capital Spares										
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares										
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										

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

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										
Community Assets		-	-	1 830	911	911	1 830	919	50.2%	1 830
Community Facilities		-	-	1 830	911	911	1 830	919	50.2%	1 830
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	1 830	911	911	1 830	919	50.2%	1 830
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		-	-	-	-	-	-	-	-	-
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		1 020	3 200	881	135	835	881	46	5.2%	881
Operational Buildings		1 020	3 200	881	135	835	881	46	5.2%	881
Municipal Offices		1 020	3 200	881	135	835	881	46	5.2%	881
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	-	-	-	-	-	-	-	-
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	-	-	-	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		-	-	-	-	-	-	-	-	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		-	-	-	-	-	-	-	-	-
Load Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		20	-	-	-	-	-	-	-	-
Computer Equipment		20	-	-	-	-	-	-	-	-
Furniture and Office Equipment		40	200	10	-	-	10	10	100.0%	10
Furniture and Office Equipment		40	200	10	-	-	10	10	100.0%	10
Machinery and Equipment		29	-	40	-	-	40	40	100.0%	40
Machinery and Equipment		29	-	40	-	-	40	40	100.0%	40
Transport Assets		4 728	1 500	4 681	690	5 371	4 681	(690)	-14.7%	4 681
Transport Assets		4 728	1 500	4 681	690	5 371	4 681	(690)	-14.7%	4 681
Land		-	-	-	-	-	-	-	-	-
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Living resources		-	-	-	-	-	-	-	-	-
Mature		-	-	-	-	-	-	-	-	-
Polking and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Immatre		-	-	-	-	-	-	-	-	-
Polking and Protection		-	-	-	-	-	-	-	-	-
Zoological plants and animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	147 925	74 900	77 625	3 578	64 567	77 625	13 058	16.8%	77 625

2.13 DEPRECIATION BY ASSET CLASS

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

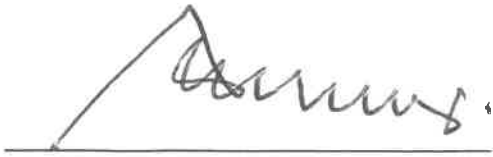
Description	Ref	Budget Year 2023/24								
		2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		88 946	80 877	80 877	7 750	92 557	80 877	(11 680)	-14.4%	80 877
Roads Infrastructure		587	718	718	-	-	718	718	100.0%	718
Roads		587	718	718	-	-	718	718	100.0%	718
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		28	36	36	-	-	36	36	100.0%	36
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		28	36	36	-	-	36	36	100.0%	36
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		86 306	77 892	77 892	7 528	89 902	77 892	(12 010)	-15.4%	77 892
Dams and Weirs		2 197	2 285	2 285	186	2 231	2 285	55	2.4%	2 285
Boreholes		1 572	471	471	133	1 595	471	(1 124)	-239.0%	471
Reservoirs		7 184	7 026	7 026	620	7 435	7 026	(409)	-5.8%	7 026
Pump Stations		5 203	4 451	4 451	443	5 309	4 451	(858)	-19.3%	4 451
Water Treatment Works		7 060	6 502	6 502	651	7 798	6 502	(1 296)	-19.9%	6 502
Bulk Mains		39 339	34 795	34 795	3 469	41 309	34 795	(6 513)	-18.7%	34 795
Distribution		23 677	22 280	22 280	2 020	24 145	22 280	(1 866)	-8.4%	22 280
Distribution Points		-	-	-	-	-	-	-	-	-
PRV Stations		74	81	81	7	80	81	1	1.0%	81
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		2 026	2 231	2 231	222	2 655	2 231	(424)	-19.0%	2 231
Pump Station		(174)	193	193	15	179	193	14	7.1%	193
Reticulation		1 686	1 717	1 717	140	1 686	1 717	31	1.8%	1 717
Waste Water Treatment Works		514	322	322	66	790	322	(468)	-145.4%	322
Outfall Sewers		-	-	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	-	-	-	-	-
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-

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

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									
Depreciation by Asset Class/Sub-class										
Community Assets		30	852	852	102	1 226	852	(374)	-43.9%	852
Community Facilities		(105)	622	622	91	1 091	622	(470)	-75.6%	622
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Purts		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		143	-	-	29	344	-	(344)	#DIV/0!	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		(248)	622	622	62	748	622	(126)	-20.3%	622
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		135	230	230	11	135	230	95	41.4%	230
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		135	230	230	11	135	230	95	41.4%	230
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Monuments		-	-	-	-	-	-	-	-	-
Historic Buildings		-	-	-	-	-	-	-	-	-
Works of Art		-	-	-	-	-	-	-	-	-
Conservation Areas		-	-	-	-	-	-	-	-	-
Other Heritage		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		2 904	1 366	1 366	142	1 608	1 366	(243)	-17.8%	1 366
Operational Buildings		2 904	1 366	1 366	142	1 608	1 366	(243)	-17.8%	1 366
Municipal Offices		2 904	1 312	1 312	142	1 608	1 312	(296)	-22.5%	1 312
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Workshops		-	-	-	-	-	-	-	-	-
Yards		-	-	-	-	-	-	-	-	-
Stores		-	53	53	-	-	53	53	100.0%	53
Laboratories		-	-	-	-	-	-	-	-	-
Training Centres		-	-	-	-	-	-	-	-	-
Manufacturing Plant		-	-	-	-	-	-	-	-	-
Depots		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Staff Housing		-	-	-	-	-	-	-	-	-
Social Housing		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Biological or Cultivated Assets		-	-	-	-	-	-	-	-	-
Intangible Assets		18	-	-	2	24	-	(24)	#DIV/0!	-
Servitudes		-	-	-	-	-	-	-	-	-
Licences and Rights		18	-	-	2	24	-	(24)	#DIV/0!	-
Water Rights		-	-	-	-	-	-	-	-	-
Effluent Licenses		-	-	-	-	-	-	-	-	-
Solid Waste Licenses		-	-	-	-	-	-	-	-	-
Computer Software and Applications		18	-	-	2	24	-	(24)	#DIV/0!	-
Lead Settlement Software Applications		-	-	-	-	-	-	-	-	-
Unspecified		-	-	-	-	-	-	-	-	-
Computer Equipment		2 770	992	992	232	2 784	992	(1 792)	-180.7%	992
Computer Equipment		2 770	992	992	232	2 784	992	(1 792)	-180.7%	992
Furniture and Office Equipment		505	555	555	47	560	555	(4)	-0.8%	555
Furniture and Office Equipment		505	555	555	47	560	555	(4)	-0.8%	555
Machinery and Equipment		722	368	368	139	1 025	368	(658)	-179.0%	368
Machinery and Equipment		722	368	368	139	1 025	368	(658)	-179.0%	368
Transport Assets		4 359	4 991	4 991	332	3 903	4 991	1 088	21.8%	4 991
Transport Assets		4 359	4 991	4 991	332	3 903	4 991	1 088	21.8%	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	100 254	90 000	90 000	8 747	103 686	90 000	(13 686)	-15.2%	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.



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

Date : 12/07/2024