

Umdoni Municipality



In-Year Report of the Municipality

Prepared in terms of the Local Government Municipal Finance Management Act
(56/2003): Municipal Budget and Reporting Regulations, Government Gazette
32141, 17 May 2009

Monthly Budget Statement

October 2024

2024/25 Financial Year

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Glossary

Accrual Accounting – An accounting method that measures the performance and position of the municipality by recognising events regardless of when cash transactions occur.

Adjustment Budget – Prescribed in section 28 of the MFMA

Allocations – Money received from other Municipalities, Provincial or National Government.

Budget – Financial Plan of the Municipality.

Budget Related Policy – Policy of a municipality affecting or affected by the budget, examples include credit control policy, rates policy, tariff policy and funding and reserves policy.

Capital Expenditure – Expenditure on items such as machinery, buildings, land, infrastructure (roads).

Cash Flow Statement – Provides aggregate data regarding all cash inflows the municipality receives from both its ongoing operations and external investment sources, as well as all cash outflows that pay for municipality's activities and investments during a month.

DORA – Division of Revenue Act. Annual legislation reflecting total allocations per municipality made by provincial and national governments.

Equitable Share – A general grant paid to municipalities predominantly targeted to help with free basic services.

Fruitless and Wasteful Expenditure – Expenditure made in vain, that would have been avoided had reasonable care been exercised.

MBRR – Local Government Municipal Budget and Reporting Regulations.

MIG – Municipal Infrastructure Grant

MTREF – Medium Term Revenue and Expenditure Framework.

Operating Expenditure – Day to day expenses of the Municipality such as salaries, repairs and maintenance and general expenses.

Strategic Objectives – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards achieving those objectives.

Unauthorised Expenditure – Spending without budget or in excess of the approved budget

Vote – A department

SECTION 1 – EXECUTIVE SUMMARY

1.1 Introduction

MFMA Accountability cycle begins with the preparation and approval of the IDP, MTERF and SDBIP, which is followed by in year reporting, Annual Financial Statements, Annual Audit (Audit Report) and ultimately Annual and Oversight Reports. The MFMA legislates what must be reported on, by when, and the MFMA Budget and Reporting Regulations prescribes the format of the reports.

MFMA Section 71 states that the Accounting Officer must within 10 working days of the end of each month, submit a report to the Mayor on the implementation of the budget and the financial state of affairs of the municipality.

Municipal budget regulations sub-heading 2.5 requires that this report must be in the Section 71 of the MFMA format, which requires that this report must be prepared in the following manner:

- Actual Revenue per revenue source;
- Actual expenditure per vote;
- Actual Capital Expenditure per vote;
- The amount of any allocations received,
- Actual Expenditure on allocations received,
- Actual Expenditure on those allocations,
- Where necessary, explanations on:
 - Any material variances from the municipality's projected revenue per source, and from the municipality's expenditure projections per vote.
 - Any material variances from the SDBIP, and
 - Remedial or corrective steps taken or to be taken by the municipality

The statement must include: -

- Projections of municipality's revenue and expenditure for the rest of the financial year, and any revisions from initial projections;

The amounts reflected in the statement must in each case be compared with corresponding amounts budgeted for in the municipality's approved budget. This report has been prepared using the accrual method of accounting. The general idea is that economic events are recognised by matching revenues to expenses (the matching principle) at the time in which the transaction occurs rather than when payment is received or made. This method allows the current cash inflows/outflows to be combined with future expected cash inflows/outflows to give a more accurate picture of the municipality's current financial position.

Table C1 & C4 - Monthly Budget Statement Summary

Operating Revenue

In terms of financial performance, the actual year-to-date revenue accrued is R141,2 million against year-to-date budget of R134,3 million giving rise to a variance of 5%. Variance contributing factors are explained in the sub headings of the revenue items.

Property Rates

The amount accrued on rates amounts to R51,6 million, against the expected R43,3 million. This has resulted to 19% variance. The variance is caused by the customers who opted for annual debit raising.

Refuse Removal

Amount accrued on refuse removal is R5.5 million against the expected R4,6 million. Variance is sitting at 21%. The variance is caused by the customers who opted for annual debit raising.

Investment Revenue

This relates to interests received on the call account deposits held. Interest recognised amounts to R3 million against the expected R4.1 million. The variance is 27%, the variance is caused by the fact that interest from other banks is not yet received except for Standard Bank.

Other Own Revenue

Rental of facilities and Equipment; R2,4 million has been recognised instead of the expected R2,5 million. Variance is sitting 0% and immaterial as its below 10%

Fines; Rnil has been recognised instead of the expected R554 460,67. Variance is 100%. A percentage is below than anticipated and is expected to improve during holiday seasons.

Licenses and permits; R731 972,99 has been recognised, and the municipality expected to recognised R2.1 million. Variance is sitting at 66%. Two months of the first quarter municipality was not operational.

Agency Fees; The amount recognised amounts to R318 272,77 and the municipality expected to recognise R829 092,00. Variance is sitting at 62%. Two months of the first quarter municipality was not operational. This is expected to improve during the year.

Operational Revenue; R194 279,53 has been recognised instead of the expected R127 456,00. This category includes general revenue sources like building plan fees, subdivisions revenue, campsite fees and scholar patrol revenue. The variance is 52%. The variance is so high since it's still the beginning of the second quarter, it is expected to improve during the financial year.

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Interest earned from receivables; R620 196,60 has been accrued instead of the expected R76 332,00. Variance is 712%. The variance is due to the increasing old debt and the impact of the July and August community strike which affected the service delivery very negatively hence debt is increasing and low collection rate.

Grants and Subsidies

All the grants have been received. However, in the statement of financial performance only revenue recognised based on conditions met is reported for conditional grants. For unconditional grants, like equitable share the total receipts are reported under this category. The amount recognised to date is R80,8 million. Variance amounts to 19%. The municipality has just received the first tranche, variance to improve as the financial year progresses.

Operating Expenditure

On the operating expenditure, R107,7 million was spent against the year-to-date budget of R150,9 million giving rise to a variance of 29%. Major contributors to this variance are Contracted Services with a variance of R15,3 million, Employee related costs of R13,4 million and Operational Costs with a variance of R6,9 million.

Employee Costs

R46,7 million has been spent to date on employee related costs against the expected R60.2 million. The variance is sitting at 22%. The variance is due to vacant posts not filled resulting from the resignations, retirements and deaths. In addition to that, there is an impact of provisions which will be recognised at year-end.

Remuneration of Councillors

Amount spent totals to R 5.2 million against the year-to-date budget of R5,8 million. Variance is sitting at 11%.

Operational Costs

This line item includes all the other operating expenses like accommodation, telephone, electricity, protective clothing, audit fees etc. Expenditure is R15,2 million against the expected budget of R22.1 million. The variance is sitting at 31%. The variance is caused by the once off transactions which will be paid during the financial year like the insurance, management fee (SALGA) and audit fees etc. The Municipality was also not fully operational in July and August 2024.

Debt Impairment

Expenditure is R0 against the expected budget of R2.3 million. The debtors are assessed on a regular basis and will be impaired at year end.

Depreciation & Asset Impairment

Expenditure is R14 million against the expected budget of R13,6 million. The variance is 3%. The variance is immaterial as it's below 10%.

Inventory Consumed

This category includes budget for cleaning material, material for roads maintenance and stationery. Expenditure is R269 930,74 against the expected budget of R4 million. Variance is sitting at 93%. There are transactions undergoing SCM processes in October 2024 and expenditure will reflect once payment is made.

Contracted Services

Expenditure is R26,1 million against the year-to-date budget of R41,4 million. Variance is 37%. The variance is at this stage because it's the beginning of the second quarter. It will improve as the financial year progresses.

Transfers and Subsidies

Expenditure is R105 020,35 against the year-to-date budget of R1,1million. The variance is 91%. More expenditure will be incurred when further payments are done during the course of the financial year.

Capital Expenditure

On Capital Expenditure the municipality has spent a total of R8.8 million against the expected R16.6 million budget to date. This will be explained more on table C5 where departmental expenditures are reflected.

CAPITAL EXPENDITURE (VAT EXCLUSIVE)

Funding	Year-to-Date Actual	Year-to-Date Budget	Full Year Projection	Percentage Spent to date
Conditional – MIG & FMG	6 901 344,48	11 551 440,00	34 654 393,00	20%
Unconditional – Own Funding	1 995 997,66	4 911 448,00	14 734 413,00	14%
Conditional-Provincial Grants	0	217 388,00	652 174,00	0%
TOTAL	8 897 342,14	16 680 276,00	50 040 980,00	18%

Financial Position

The municipality's current assets exceed the current liabilities. The municipality's ability to pay its short term liabilities is tested by taking the total current assets and dividing them by current liabilities (current ratio 5,23:1). The ratio is above the norm of 1,5 – 2:1, which reflects healthy financial state. This test is mainly used to give an idea of the municipality's ability to pay back its short term liabilities using the current assets.

	5,23
Current Assets	281 205 452
Current Liabilities	53 751 439

Cash Flows

The municipality ended the month with a positive cash and cash equivalents balance (R176,8 million).

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Table C1- Monthly Budget Statement Summary

The table below reflects on the summary of the total municipality's budget against year to date collections/recognised or expenditures.

KZN212 Umdoni - Table C1 Monthly Budget Statement Summary - M04 October									
Description	2023/24	Budget Year 2024/25							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
Financial Performance									
Property rates	120 535	130 005	130 005	8 272	51 676	43 335	8 341	19%	130 005
Service charges	11 151	13 833	13 833	853	5 597	4 611	986	21%	13 833
Investment revenue	14 608	12 500	12 500	(388)	3 057	4 167	(1 110)	-27%	12 500
Transfers and subsidies - Operational	195 692	203 785	203 785	74	80 860	67 928	12 932	19%	203 785
Other own revenue	34 217	43 049	43 049	3 022	54	14 350	(14 295)	-100%	43 049
Total Revenue (excluding capital transfers and	376 202	403 171	403 171	11 833	141 245	134 390	6 855	5%	403 171
Employee costs	150 815	180 736	180 736	9 567	46 776	60 245	(13 470)	-22%	180 736
Remuneration of Councillors	16 335	17 631	17 631	3 946	5 229	5 877	(648)	-11%	17 631
Depreciation and amortisation	46 593	40 873	40 873	3 502	14 007	13 624	382	3%	40 873
Interest	3 075	2	2	-	-	1	(1)	-100%	2
Inventory consumed and bulk purchases	6 723	12 076	12 076	270	270	4 025	(3 755)	-93%	12 076
Transfers and subsidies	2 937	3 505	3 505	99	105	1 168	(1 063)	-91%	3 505
Other expenditure	185 162	197 891	197 891	13 003	41 355	65 964	(24 609)	-37%	197 891
Total Expenditure	411 641	452 715	452 715	30 387	107 741	150 905	(43 164)	-29%	452 715
Surplus/(Deficit)	(35 438)	(49 544)	(49 544)	(18 554)	33 503	(16 515)	50 018	-303%	(49 544)
Transfers and subsidies - capital (monetary allocations)	38 879	40 603	40 603	1 439	7 005	13 534	(6 529)	-48%	40 603
Transfers and subsidies - capital (in-kind)	3 670	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	7 111	(8 941)	(8 941)	(17 115)	40 509	(2 980)	43 489	-1459%	(8 941)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	7 111	(8 941)	(8 941)	(17 115)	40 509	(2 980)	43 489	-1459%	(8 941)
Capital expenditure & funds sources									
Capital expenditure	51 003	50 041	50 041	4 057	8 897	16 680	(7 783)	-47%	50 041
Capital transfers recognised	34 190	35 307	35 307	2 061	6 901	11 769	(4 868)	-41%	35 307
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	16 813	14 734	14 734	1 996	1 996	4 911	(2 915)	-59%	14 734
Total sources of capital funds	51 003	50 041	50 041	4 057	8 897	16 680	(7 783)	-47%	50 041
Financial position									
Total current assets	249 095	290 619	290 619		281 205				290 619
Total non current assets	661 310	676 939	676 939		656 200				676 939
Total current liabilities	67 259	170 961	170 961		53 751				170 961
Total non current liabilities	31 842	64 590	64 590		55 494				64 590
Community wealth/Equity	787 652	732 008	732 008		845 275				732 008
Cash flows									
Net cash from (used) operating	35 728	51 281	51 281	(6 669)	35 739	17 094	(18 645)	-109%	51 281
Net cash from (used) investing	(50 471)	(54 067)	(54 067)	(2 328)	(5 353)	(18 022)	(12 670)	70%	(54 067)
Net cash from (used) financing	(44)	50	50	(4)	60	17	(43)	-259%	50
Cash/cash equivalents at the month/year end	146 398	128 658	128 658	-	176 844	130 482	(46 362)	-36%	143 662
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis									
Total By Income Source	7 156	3 953	22 696	4 126	172 700	-	-	-	210 630
Creditors Age Analysis									
Total Creditors	2 677	-	-	-	-	-	-	-	2 677

Table C2: Statement of Financial Performance by Standard Classification

This table reflects the operating budget in the standard classification which are the Government Finance Statistics Functions and Sub-Functions. These are used by National Treasury to assist the compilation of national and international accounts for comparison purposes, regardless of organisational structures used by different institutions. The main functions are Governance and administration, Community and public safety, Economic and environmental services, and Trading Services. It is for this reason that the financial performance is reported in standard classification, Table C2 and by municipal vote, Table C3.

KZN212 Umdoni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) -										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
Revenue - Functional									%	
Governance and administration		336 686	346 619	346 619	10 151	129 443	115 540	13 903	12%	346 619
Executive and council		173 625	182 963	182 963	2	76 233	60 988	15 246	25%	182 963
Finance and administration		163 061	163 656	163 656	10 149	53 210	54 552	(1 343)	-2%	163 656
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		12 149	11 766	11 766	31	125	3 922	(3 797)	-97%	11 766
Community and social services		8 756	11 295	11 295	15	75	3 765	(3 690)	-98%	11 295
Sport and recreation		2 558	419	419	13	37	140	(103)	-73%	419
Public safety		-	29	29	-	-	10	(10)	-100%	29
Housing		836	24	24	3	13	8	5	63%	24
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		56 838	71 355	71 355	2 011	12 466	23 785	(11 319)	-48%	71 355
Planning and development		5 071	2 623	2 623	92	183	874	(691)	-79%	2 623
Road transport		51 767	68 732	68 732	1 919	12 283	22 911	(10 628)	-46%	68 732
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		13 078	14 033	14 033	1 078	6 216	4 678	1 539	33%	14 033
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		13 078	14 033	14 033	1 078	6 216	4 678	1 539	33%	14 033
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	418 752	443 774	443 774	13 272	148 250	147 924	326	0%	443 774
Expenditure - Functional										
Governance and administration		189 980	203 107	203 107	(495)	44 378	67 702	(23 324)	-34%	203 107
Executive and council		42 055	46 753	46 753	8 321	12 338	15 584	(3 246)	-21%	46 753
Finance and administration		146 787	154 671	154 671	(9 064)	31 720	51 557	(19 837)	-38%	154 671
Internal audit		1 138	1 683	1 683	248	320	561	(241)	-43%	1 683
Community and public safety		59 217	75 973	75 973	11 070	16 929	25 324	(8 395)	-33%	75 973
Community and social services		23 716	32 201	32 201	4 743	7 519	10 734	(3 214)	-30%	32 201
Sport and recreation		25 751	31 983	31 983	4 180	6 573	10 661	(4 088)	-38%	31 983
Public safety		6 623	7 262	7 262	1 524	2 016	2 421	(404)	-17%	7 262
Housing		3 127	4 526	4 526	624	821	1 509	(688)	-46%	4 526
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		126 179	129 729	129 729	13 869	37 264	43 243	(5 978)	-14%	129 729
Planning and development		17 771	21 546	21 546	(102)	3 887	7 182	(3 295)	-46%	21 546
Road transport		108 408	108 183	108 183	13 971	33 377	36 061	(2 683)	-7%	108 183
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		36 264	43 907	43 907	5 942	9 170	14 636	(5 466)	-37%	43 907
Energy sources		4 019	4 794	4 794	682	1 049	1 598	(549)	-34%	4 794
Water management		-	-	-	-	-	-	-	-	-
Waste water management		550	-	-	166	207	-	207	-	-
Waste management		31 695	39 114	39 114	5 094	7 914	13 038	(5 124)	-39%	39 114
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	411 641	452 715	452 715	30 387	107 741	150 904	(43 162)	-29%	452 715
Surplus/ (Deficit) for the year		7 111	(8 941)	(8 941)	(17 115)	40 509	(2 979)	43 488	-1460%	(8 941)

Table C3: Monthly Financial Performance (Revenue and Expenditure by vote)

Operating budget of the institution is approved by council on municipal vote level. The municipal votes are Council, Financial Services, Technical Services, Corporate Services, Community Services, and Strategic Planning and Development. Unauthorised expenditure occurs if the total budget in a vote is exceeded by expenditure. No department is overspending. Therefore, no unauthorised expenditure incurred.

KZN212 Umdoni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) -										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue by Vote	1									
Vote 1 - COUNCIL GENERAL		173 625	182 228	182 228	2	76 233	60 743	15 491	25,5%	182 228
Vote 2 - FINANCIAL SERVICES		151 633	156 220	156 220	9 402	50 569	52 073	(1 504)	-2,9%	156 220
Vote 3 - TECHNICAL SERVICES		57 758	71 342	71 342	2 526	17 152	23 781	(6 629)	-27,9%	71 342
Vote 4 - CORPORATE SERVICES		11 428	7 437	7 437	747	2 640	2 479	161	6,5%	7 437
Vote 5 - COMMUNITY SERVICES		19 237	23 924	23 924	503	1 472	7 975	(6 503)	-81,5%	23 924
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		5 071	2 623	2 623	92	183	874	(691)	-79,0%	2 623
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	418 752	443 774	443 774	13 272	148 250	147 924	326	0,2%	443 774
Expenditure by Vote	1									
Vote 1 - COUNCIL GENERAL		44 388	50 586	50 586	8 794	13 250	16 862	(3 612)	-21,4%	50 586
Vote 2 - FINANCIAL SERVICES		61 158	50 296	50 296	(18 242)	7 627	16 765	(9 138)	-54,5%	50 296
Vote 3 - TECHNICAL SERVICES		132 055	134 352	134 352	15 896	38 189	44 784	(6 594)	-14,7%	134 352
Vote 4 - CORPORATE SERVICES		62 696	77 910	77 910	6 683	16 973	25 970	(8 997)	-34,6%	77 910
Vote 5 - COMMUNITY SERVICES		93 975	119 529	119 529	17 076	27 996	39 843	(11 847)	-29,7%	119 529
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		17 370	20 043	20 043	179	3 706	6 681	(2 974)	-44,5%	20 043
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	411 641	452 715	452 715	30 387	107 741	150 904	(43 162)	-28,6%	452 715
Surplus/ (Deficit) for the year	2	7 111	(8 941)	(8 941)	(17 115)	40 509	(2 979)	43 488	-1459,6%	(8 941)

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Table C4- Statement of Financial Performance

The operating revenue and operating expenditure disclosed on table A1 emanates from this table. The explanations for variances have been provided on pages 5 to 7.

KZN212 Umdoni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) -										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue		41 952	50 034	50 034	1 932	13 261	16 678	(3 417)	-20%	50 034
Service charges - Electricity		-	-	-	0	1	-	1		-
Service charges - Water		-	-	-	-	-	-	-		-
Service charges - Waste Water Management		-	-	-	-	-	-	-		-
Service charges - Waste management		11 151	13 833	13 833	852	5 596	4 611	985	21%	13 833
Sale of Goods and Rendering of Services		3 572	13 098	13 098	480	975	4 366	(3 391)	-78%	13 098
Agency services		2 589	2 487	2 487	-	318	829	(511)	-62%	2 487
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		1 877	229	229	226	620	76	544	712%	229
Interest earned from Current and Non Current Assets		14 608	12 500	12 500	(388)	3 057	4 167	(1 110)	-27%	12 500
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		7 620	7 504	7 504	676	2 492	2 501	(9)	0%	7 504
Licence and permits		2	2	2	-	7	1	7	1261%	2
Operational Revenue		533	382	382	85	194	127	67	52%	382
Non-Exchange Revenue		334 250	353 137	353 137	9 901	127 984	117 712	10 272	9%	353 137
Property rates		120 535	130 005	130 005	8 272	51 676	43 335	8 341	19%	130 005
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		1 198	1 663	1 663	0	0	554	(554)	-100%	1 663
Licence and permits		2 951	6 473	6 473	374	732	2 158	(1 426)	-66%	6 473
Transfer and subsidies - Operational		195 692	203 785	203 785	74	80 860	67 928	12 932	19%	203 785
Interest		12 152	11 210	11 210	1 181	(5 285)	3 737	(9 022)	-241%	11 210
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		1 722	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and		376 202	403 171	403 171	11 833	141 245	134 390	6 855	5%	403 171
Expenditure By Type										
Employee related costs		150 815	180 736	180 736	9 567	46 776	60 245	(13 469)	-22%	180 736
Remuneration of councillors		16 335	17 631	17 631	3 946	5 229	5 877	(648)	-11%	17 631
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		6 723	12 076	12 076	270	270	4 025	(3 755)	-93%	12 076
Debt impairment		24 747	7 000	7 000	-	-	2 333	(2 333)	-100%	7 000
Depreciation and amortisation		46 593	40 873	40 873	3 502	14 007	13 624	383	3%	40 873
Interest		3 075	2	2	-	-	1	(1)	-100%	2
Contracted services		104 540	124 356	124 356	7 359	26 114	41 452	(15 338)	-37%	124 356
Transfers and subsidies		2 937	3 505	3 505	99	105	1 168	(1 063)	-91%	3 505
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		53 973	66 535	66 535	5 644	15 240	22 178	(6 938)	-31%	66 535
Losses on Disposal of Assets		1 901	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		411 641	452 715	452 715	30 387	107 741	150 904	(43 162)	-29%	452 715
Surplus/(Deficit)		(35 438)	(49 544)	(49 544)	(18 554)	33 503	(16 514)	50 017	(0)	(49 544)
Transfers and subsidies - capital (monetary allocations)		38 879	40 603	40 603	1 439	7 005	13 534	(6 529)	(0)	40 603
Transfers and subsidies - capital (in-kind)		3 670	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		7 111	(8 941)	(8 941)	(17 115)	40 509	(2 979)			(8 941)
Income Tax		-	-	-	-	-	-	-		-
Surplus/(Deficit) after income tax		7 111	(8 941)	(8 941)	(17 115)	40 509	(2 979)			(8 941)
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-		-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-		-
Surplus/(Deficit) attributable to municipality		7 111	(8 941)	(8 941)	(17 115)	40 509	(2 979)			(8 941)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-		-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year		7 111	(8 941)	(8 941)	(17 115)	40 509	(2 979)			(8 941)

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Table C5: Capital Expenditure (Municipal Vote, standard classification, and funding)

Actual expenditure incurred is R8,8 million whilst year to date expenditure is sitting at R16,6 million. The overall variance is sitting at 47%. Grant spending is still very low because it's the beginning of the second quarter year it will improve as the financial year progresses.

KZN212 Umdoni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -									
Vote Description	Ref	2023/24	Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %
R thousands	1								
Multi-Year expenditure appropriation	2								
Vote 1 - COUNCIL GENERAL		-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-
Vote 3 - TECHNICAL SERVICES		-	87	87	-	-	29	(29)	-100%
Vote 4 - CORPORATE SERVICES		-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY SERVICES		-	-	-	-	-	-	-	-
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	-	87	87	-	-	29	(29)	-100%
Single Year expenditure appropriation	2								
Vote 1 - COUNCIL GENERAL		192	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		(43 082)	174	174	145	145	58	87	150%
Vote 3 - TECHNICAL SERVICES		42 332	44 410	44 410	3 682	8 522	14 803	(6 281)	-42%
Vote 4 - CORPORATE SERVICES		6 518	4 666	4 666	230	230	1 555	(1 325)	-85%
Vote 5 - COMMUNITY SERVICES		239	-	-	-	-	-	-	-
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		1 659	704	704	-	-	235	(235)	-100%
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	7 858	49 954	49 954	4 057	8 897	16 651	(7 754)	-47%
Total Capital Expenditure	3	7 858	50 041	50 041	4 057	8 897	16 680	(7 783)	-47%
Capital Expenditure - Functional Classification									
Governance and administration		7 792	4 840	4 840	375	375	1 613	(1 238)	-77%
Executive and council		192	-	-	-	-	-	-	-
Finance and administration		7 600	4 840	4 840	375	375	1 613	(1 238)	-77%
Internal audit		-	-	-	-	-	-	-	-
Community and public safety		11 398	20 291	20 291	2 061	5 922	6 764	(842)	-12%
Community and social services		13 302	17 682	17 682	1 709	3 567	5 894	(2 327)	-39%
Sport and recreation		(1 904)	2 609	2 609	352	2 355	870	1 485	171%
Public safety		-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-
Economic and environmental services		(12 028)	22 302	22 302	1 621	2 601	7 434	(4 833)	-65%
Planning and development		1 659	704	704	-	-	235	(235)	-100%
Road transport		(13 687)	21 597	21 597	1 621	2 601	7 199	(4 599)	-64%
Environmental protection		-	-	-	-	-	-	-	-
Trading services		696	2 609	2 609	-	-	870	(870)	-100%
Energy sources		-	2 609	2 609	-	-	870	(870)	-100%
Water management		-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-
Waste management		696	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	7 858	50 041	50 041	4 057	8 897	16 680	(7 783)	-47%
Funded by:									
National Government		31 513	34 654	34 654	2 061	6 901	11 551	(4 650)	-40%
Provincial Government		1 659	652	652	-	-	217	(217)	-100%
District Municipality		-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat/ Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatbns, Higher Educ Institutions)		-	-	-	-	-	-	-	-
Transfers recognised - capital		33 172	35 307	35 307	2 061	6 901	11 769	(4 867)	-41%
Borrowing	6	-	-	-	-	-	-	-	-
Internally generated funds		16 662	14 734	14 734	1 996	1 996	4 911	(2 915)	-59%
Total Capital Funding	7	49 834	50 041	50 041	4 057	8 897	16 680	(7 783)	-47%

Table C6: Statement of Financial Position

The table below depicts the financial position of the institution in a greater detail. Our current assets are more than the current liabilities, which then indicates strong liquidity position of the institution.

KZN212 Umdoni - Table C6 Monthly Budget Statement - Financial Position -						
Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
R thousands						
ASSETS	1					
Current assets						
Cash and cash equivalents		146 398	128 604	128 604	176 844	128 604
Trade and other receivables from exchange transactions		16 313	22 743	22 743	20 361	22 743
Receivables from non-exchange transactions		69 199	108 684	108 684	66 313	108 684
Current portion of non-current receivables		-	-	-	-	-
Inventory		-	-	-	-	-
VAT		17 003	30 143	30 143	17 506	30 143
Other current assets		182	446	446	182	446
Total current assets		249 095	290 619	290 619	281 205	290 619
Non current assets						
Investments		-	-	-	-	-
Investment property		7 511	4 752	4 752	7 380	4 752
Property, plant and equipment		653 467	671 912	671 912	648 500	671 912
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		261	261	261	261	261
Intangible assets		71	14	14	60	14
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		661 310	676 939	676 939	656 200	676 939
TOTAL ASSETS		910 405	967 558	967 558	937 406	967 558
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		301	40	40	301	40
Consumer deposits		2 526	2 547	2 547	2 471	2 547
Trade and other payables from exchange transactions		53 049	157 329	157 329	35 335	157 329
Trade and other payables from non-exchange transactions		6 935	4	4	10 994	4
Provision		4 289	3 171	3 171	4 055	3 171
VAT		158	7 870	7 870	595	7 870
Other current liabilities		-	-	-	-	-
Total current liabilities		67 259	170 961	170 961	53 751	170 961
Non current liabilities						
Financial liabilities		175	110	110	175	110
Provision		31 667	36 189	36 189	31 667	36 189
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		23 652	28 290	28 290	23 652	28 290
Total non current liabilities		55 494	64 590	64 590	55 494	64 590
TOTAL LIABILITIES		122 753	235 550	235 550	109 245	235 550
NET ASSETS	2	787 652	732 008	732 008	828 160	732 008
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		784 288	728 865	728 865	841 912	728 865
Reserves and funds		3 363	3 143	3 143	3 363	3 143
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	787 652	732 008	732 008	845 275	732 008

Table C7: Cash flow

The table below reflects positive cash flow position. The closing balance of cash and cash equivalents as at end of October 2024 is R176.8 million. This is more than the budgeted R130.4 million. Narrations per category are as follows;

Property Rates

Collections are R35,9 million to date are less than the anticipated year to date budget of R39,7 million. Variance is sitting at 9%. This variance is a result of community riots, and the municipality was not operational in July and August it's results in under collection.

Service Charges

The amount accrued on service charges amounts to R3,2 million against the expected R3,9 million. The variance is 16%. This variance is a result of community riots, and the municipality was not operational in July and August.

Other Revenue

The variance is due to the anticipated refunds from SARS. The municipality has appointed the consultant to assist in resolving the vat issues.

Interest

An amount of R3 million was recognised against the expected interest of R4.2 million which results in a variance of R28%, this variance will be monitored.

Transfers and Subsidies - Operational

All grants and subsidies operational that were expected to be received were received in July & August as per NT payment schedule.

Suppliers and Employees

Payments to suppliers and employees are lower due to underspending in most of the expenditure categories as explained in the preceding sections of this report.

Transfers and Grants

Variance is due to the fact that the spending is still low since it's was still the first quarter it is expected to improve during the year.

Capital Assets

Actual expenditure is lower than the year to date budget expenditure because we were still in the first quarter and because of the disturbances that occurred in July and August that had negative impact on the service delivery.

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Consumer deposits

The budget under this category is meant for movements in the consumer deposits of which the municipality does not have control over those deposits i.e. verge deposits.

KZN212 Umdoni - Table C7 Monthly Budget Statement - Cash Flow - M04 October										
Description	Ref	2023/24	Budget Year 2024/25							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		107 431	119 240	119 240	16 311	35 983	39 747	(3 764)	-9%	119 240
Service charges		11 151	11 758	11 758	1 790	3 289	3 919	(630)	-16%	11 758
Other revenue		11 310	58 233	58 233	4 241	8 204	19 411	(11 207)	-58%	58 233
Transfers and Subsidies - Operational		194 693	198 806	198 806	-	78 442	66 269	12 173	18%	198 806
Transfers and Subsidies - Capital		38 171	40 603	40 603	-	13 482	13 534	(52)	0%	40 603
Interest		14 608	12 695	12 695	188	3 057	4 232	(1 175)	-28%	12 695
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(338 692)	(386 545)	(386 545)	(29 106)	(106 516)	(128 848)	(22 333)	17%	(386 545)
Interest		(6)	(2)	(2)			(1)	(1)	100%	(2)
Transfers and Subsidies		(2 937)	(3 505)	(3 505)	(93)	(202)	(1 168)	(966)	83%	(3 505)
NET CASH FROM/(USED) OPERATING ACTIVITIES		35 728	51 281	51 281	(6 669)	35 739	17 094	(18 645)	-109%	51 281
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		532	-	-			-	-		-
Decrease (increase) in non-current receivables		-	-	-			-	-		-
Decrease (increase) in non-current investments		-	-	-			-	-		-
Payments										
Capital assets		(51 003)	(54 067)	(54 067)	(2 328)	(5 353)	(18 022)	(12 670)	70%	(54 067)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(50 471)	(54 067)	(54 067)	(2 328)	(5 353)	(18 022)	(12 670)	70%	(54 067)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		(44)	-	-			-	-		-
Borrowing long term/ refinancing		-	-	-			-	-		-
Increase (decrease) in consumer deposits		-	50	50	(4)	60	17	43	259%	50
Payments										
Repayment of borrowing		-	-	-			-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(44)	50	50	(4)	60	17	(43)	-259%	50
NET INCREASE/ (DECREASE) IN CASH HELD		(14 787)	(2 736)	(2 736)	(9 000)	30 446	(912)			(2 736)
Cash/cash equivalents at beginning:		161 185	131 394	131 394		146 398	131 394			146 398
Cash/cash equivalents at month/year end:		146 398	128 658	128 658		176 844	130 482			143 662

PART 2: SUPPORTING DOCUMENTATION

Table SC1: Material Variances and explanations

KZN212 Umdoni - Supporting Table SC1 Material variance explanations - M04 October				
Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue			
	Property rates	19%	The variance is caused by the customers who opted for annual debit raising.	To re-evaluate after payment of annual rates and refuse.
	Service charges - Waste management	21%	The variance is caused by the customers who opted for annual debit raising.	To re-evaluate after payment of annual rates and refuse.
	Investment Revenue	-27%	This 10% variance will change as the financial year progresses	This dependant on interest rates after SARB committee meets.
	Own Other revenue:	52%	The variance is so high because of the skills levy refund receive that was more than anticipated	No action required to monitor the variance
	Rental of facilities	0%	N/A	N/A
	Fines	-100%	Fines have not yet recognised, it is then expected to be recognised in the month of November 2024	To follow up if the amounts were recognised in October 2024
	Licenses and permits	-66%	The variance is so high because the municipality was not operational in July and August 2024	No action required to monitor the variance
	Agency Fees	-62%	Two months of the first quarter municipality was not operational. The variance is 62% under collected	No action required to monitor the variance the variance will improve in the following month.
	Operational Revenue	52%	The variance is 52% more than anticipated due to skills development levy refund	To re-evaluate monthly should the variance become material
	Interest earned from receivables	712%	The variance is due to the increasing old debt and the impact of the July and August community strike which affected the	This trend will continue due to the high debtors books
	Grants and subsidies	19%	The budget is exceeded due to equitable share received in July 2024.	On going monitoring to establish that all grant expenditure are recognised.
2	Expenditure By Type			
	Employee Costs	-22%	The variance is due to vacant positions which have not yet been filled.	Monitor to establish if the variance increases beyond 45%.
	Remuneration of Councillors	-11%	The variance is due to vacant positions which have not yet been filled.	Monitor to establish that budget is not exceeded
	Operational Costs	-31%	Operational costs are so huge because the municipality was not operational in July and August	No action required to monitor the variance
	Debt Impairment	-93%	The debtors are assessed on a regular basis and will be impaired at year end.	Impairment take place at year end.
	Depreciation & Asset Impairment	3%	N/A	N/A
	Inventory Consumed	-93%	There are transactions undergoing SCM processes in October 2024 and expenditure will reflect once payment is made	To prioritize service purchases and monitor the budget
	Contracted Services	-37%	The variance is at this stage because it's the beginning of the second quarter. It will improve as the financial year	To prioritize service purchases and monitor the budget
	Transfers and Subsidies	-91%	More expenditure will be incurred when further payments are done during the course of the financial year. Variance 91%	Ensure that the budget is not exceeded and only deserving expenditure is processed.
3	Capital Expenditure			
	Capital Assets	-47%	Unforeseen circumstances which occurred in the municipality during July and August resulted negatively in the service	Capital expenditure will improve with the spending on internal funds and MIG projects

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Table SC3: Aged Debtors

The municipality is being owed a total amount of R210.6 million, of which the biggest portion is owed by households sitting at R144,3 million.

The second biggest is government departments that are sitting at R44,2 million. Business debtors owing just over R16.2 million.

KZN212 Umdoni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October													
Description	NT Code	Budget Year 2024/25										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200									-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300									-	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	3 712	2 888	20 540	2 111	90 606				119 857	92 717	-	-
Receivables from Exchange Transactions - Waste Water Management	1500									-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 302	347	1 322	241	10 785				13 997	11 026	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700									-	-	-	-
Interest on Arrear Debtor Accounts	1810	49	71	181	101	38 907				39 309	39 008	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-	-	-
Other	1900	2 094	647	652	1 672	32 401				37 467	34 074	-	-
Total By Income Source	2000	7 156	3 953	22 696	4 126	172 700	-	-	-	210 630	176 825	-	-
2023/24 - totals only													
										-	-		
Debtors Age Analysis By Customer Group													
Organs of State	2200	1 167	531	12 307	658	29 560				44 223	30 217	-	-
Commercial	2300	701	357	1 315	326	13 596				16 296	13 922	-	-
Households	2400	5 358	2 959	8 788	3 047	124 179				144 332	127 226	-	-
Other	2500	(69)	105	284	94	5 365				5 780	5 460	-	-
Total By Customer Group	2600	7 156	3 953	22 696	4 126	172 700	-	-	-	210 630	176 825	-	-

Table SC4: Aged Creditors

The municipality owes suppliers an amount of R2.6 million. There are instances of delays in payment where work still needs to be verified and when there are queries relating to the payment and discrepancies in the invoice.

KZN212 Umdoni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M04 October											
Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	11	-	-	-	-	-	-	-	11	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	2 666	-	-	-	-	-	-	-	2 666	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	2 677	-	-	-	-	-	-	-	2 677	-

Table SC5: Investment Portfolio Analysis

All the call deposits are highly liquid short-term investments and are held for the purpose of meeting short-term commitments rather than the purpose of earning a return (interest).

The table below reflects on account balances (excluding the main account) as at the end of October 2024. Total cash available was R179.4 million. The cash coverage is 05 months.

	5 Month
Cash and cash equivalents	-2 617 001
Unspent Conditional Grants	11 000 044
Overdraft	-
Short Term Investments	179 461 298
Total Annual Operational Expenditure	404 841 949

KZN212 Umdoni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M04 October

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate %	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months												
Municipality														
ABSA :32-3600-6170		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	22 988				22 988
ABSA :2081 665 687		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	30 000				30 000
ABSA :2081 665 726		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	35 000				35 000
FNB :6 222 5155 391		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	23 708				23 708
STD BANK :5876 211 6/007		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	3 301				3 301
STD BANK 5 876 211 6/015		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	12 926	107			13 033
STD BANK 058762116/028		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	6 091	41			6 132
STD BANK 058762116/029		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	4 512	31			4 543
STD BANK 058762116/032		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	-	-			-
STD BANK 058762116/035		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	1 368	9			1 377
NEDBANK : 7881017759/94		No specified term	CALL DEPOSIT	Yes		0	No	No	30/12/2024	39 379				39 379
-										-				-
Municipality sub-total										179 273	188		-	179 461

Table SC6: Grants Receipts

All grants that were expected to be received since in July 2024 were received no grants were received in October 2024.

KZN212 Umdoni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M03 September										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		188 027	192 862	192 862	-	79 056	48 216	30 841	64,0%	192 862
Operational Revenue:General Revenue:Equitable Share		173 612	182 950	182 950	-	76 229	45 738	30 492	66,7%	182 950
Operational Revenue:General Revenue:Fuel Levy	3	-	-	-	-	-	-	-	-	-
Emergency Medical Service		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 601	1 249	1 249	-	313	312	1	0,2%	1 249
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 950	1 900	1 900	-	1 900	475	1 425	300,0%	1 900
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		9 400	5 033	5 033	-	-	1 258	(1 258)	-100,0%	5 033
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		1 464	1 730	1 730	-	614	432	182	42,1%	1 730
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		11 917	10 976	10 976	-	-	2 744	(2 744)	-100,0%	10 976
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Capacity Building and Other		8 417	10 976	10 976	-	-	2 744	(2 744)	-100,0%	10 976
Capacity Building and Other		2 500	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		1 000	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	199 944	203 838	203 838	-	79 056	50 960	28 097	55,1%	203 838
Capital Transfers and Grants										
National Government:		36 171	39 853	39 853	-	12 874	9 963	2 911	29,2%	39 853
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		36 171	36 853	36 853	-	11 674	9 213	2 461	26,7%	36 853
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	3 000	3 000	-	1 200	750	450	60,0%	3 000
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Provincial Government:		2 000	750	750	-	-	188	(188)	-100,0%	750
Specify (Add grant description)		2 000	750	750	-	-	188	(188)	-100,0%	750
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	38 171	40 603	40 603	-	12 874	10 151	2 723	26,8%	40 603
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	238 115	244 441	244 441	-	91 930	61 110	30 820	50,4%	244 441

Table SC7: Grants expenditure

The table below reflects expenditure on grants' expenditures as at October 2024. Also, these amounts are inclusive of VAT.

KZN212 Umdoni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M04 October										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		10 515	192 862	192 862	74	4 631	64 287	(59 656)	-92,8%	192 862
Operational Revenue:General Revenue:Equible Share		-	182 950	182 950	-	-	60 983	(60 983)	-100,0%	182 950
Emergency Medical Service		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand-side [Schedule 5B]		-	-	-	-	-	-	-	-	-
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]		1 601	1 249	1 249	-	-	416	(416)	-100,0%	1 249
HIV and Aids		-	-	-	-	-	-	-	-	-
Housing Accreditation		-	-	-	-	-	-	-	-	-
Housing Top structure		-	-	-	-	-	-	-	-	-
Infrastructure Skills Development Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 950	1 900	1 900	69	714	633	81	12,7%	1 900
Mitchell's Plain Urban Renewal		-	-	-	-	-	-	-	-	-
Municipal Demarcation and Transition Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Disaster Grant [Schedule 5B]		5 501	5 033	5 033	-	3 899	1 678	2 222	132,4%	5 033
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		1 464	1 730	1 730	5	18	577	(559)	-96,9%	1 730
Provincial Government:		11 430	10 976	10 976	934	3 458	3 659	(200)	-5,5%	10 976
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		834	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		8 417	10 976	10 976	934	3 458	3 659	(200)	-5,5%	10 976
District Municipality:		-	-	-	-	-	-	-	-	-
Total operating expenditure of Transfers and Grants:		21 945	203 838	203 838	1 007	8 090	67 946	(59 856)	-88,1%	203 838
Capital expenditure of Transfers and Grants										
National Government:		36 171	39 799	39 799	1 439	7 005	13 266	(6 261)	-47,2%	39 799
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		36 171	36 799	36 799	1 439	7 005	12 266	(5 261)	-42,9%	36 799
Municipal Water Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Neighbourhood Development Partnership Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Public Transport Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Household Infrastructure Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Rural Road Asset Management Systems Grant [Schedule 5B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	3 000	3 000	-	-	1 000	(1 000)	-100,0%	3 000
Provincial Government:		2 708	750	750	-	-	63	(63)	-100,0%	750
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Transfer from Operational Revenue		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		38 879	40 549	40 549	1 439	7 005	13 329	(6 323)	-47,4%	40 549
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		60 824	244 387	244 387	2 446	15 095	81 275	(66 180)	-81,4%	244 387

UMDONI MUNICIPALITY IN-YEAR REPORT FOR OCTOBER (M04) 2024/25 FINANCIAL YEAR

Table SC8: Councillor and Staff benefits

The table below reflects on councillor's benefits, senior managers and other municipal staff. Total amount spent on salaries and councillors remuneration as at October 2024 is R52 million.

KZN212 Umdoni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October										
Summary of Employee and Councillor remuneration	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		14 307	15 366	15 366	3 475	4 581	5 122	(541)	-11%	15 366
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		356	564	564	72	96	188	(92)	-49%	564
Cellphone Allowance		1 672	1 701	1 701	399	553	567	(14)	-2%	1 701
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		16 335	17 631	17 631	3 946	5 229	5 877	(648)	-11%	17 631
% increase	4		7,9%	7,9%						7,9%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		4 768	5 437	5 437	1 192	1 576	1 812	(236)	-13%	5 437
Pension and UIF Contributions		12	13	13	3	4	4	(1)	-12%	13
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		380	449	449	14	27	150	(123)	-82%	449
Cellphone Allowance		57	58	58	12	16	19	(3)	-15%	58
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		41	1	1	0	0	0	(0)	-24%	1
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		5 259	5 958	5 958	1 221	1 623	1 986	(363)	-18%	5 958
% increase	4		13,3%	13,3%						13,3%
Other Municipal Staff										
Basic Salaries and Wages		95 584	112 391	112 391	4 879	31 970	37 464	(5 494)	-15%	112 391
Pension and UIF Contributions		16 447	20 409	20 409	1 386	5 519	6 803	(1 284)	-19%	20 409
Medical Aid Contributions		6 996	11 154	11 154	1 784	2 377	3 718	(1 341)	-36%	11 154
Overtime		11 780	7 684	7 684	1 301	3 478	2 561	917	36%	7 684
Performance Bonus		7 247	9 130	9 130	50	73	3 043	(2 970)	-98%	9 130
Motor Vehicle Allowance		-	83	83	(66)	80	28	52	186%	83
Cellphone Allowance		234	279	279	(248)	82	93	(11)	-12%	279
Housing Allowances		524	2 097	2 097	50	178	699	(521)	-75%	2 097
Other benefits and allowances		1 028	1 989	1 989	(46)	734	663	71	11%	1 989
Payments in lieu of leave		1 630	3 500	3 500	177	269	1 167	(898)	-77%	3 500
Long service awards		856	1 785	1 785	271	393	595	(202)	-34%	1 785
Post-retirement benefit obligations	2	4 066	4 278	4 278	(1 191)	-	1 426	(1 426)	-100%	4 278
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		146 394	174 779	174 779	8 346	45 152	58 260	(13 107)	-22%	174 779
% increase	4		19,4%	19,4%						19,4%
Total Parent Municipality		167 987	198 368	198 368	13 513	52 005	66 123	(14 118)	-21%	198 368

Repairs and Maintenance

The table below depicts the total budget for repairs and maintenance and the spending for the month of October 2024. Total amount spent to date equals to R7 million against the expected budget of R17,5 million. The variance is sitting at 59,4%. During the months of July and August 2024, the Municipality was not operational which had an impact on expenditure for repairs and maintenance.

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KZN212 Umdoni - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M04 October										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly Actual	YearTD Actual	YearTD Budget	YTD Variance	YTD Variance %	Full Year Forecast
R thousands	1									
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		39 474	35 840	35 840	2 669	6 617	11 947	(5 330)	-44,6%	35 840
Roads Infrastructure		2 608	7 807	7 807	25	25	2 602	(2 578)	-99,1%	7 807
Roads		1 616	6 580	6 580	-	-	2 193	(2 193)	-100,0%	6 580
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		992	1 227	1 227	25	25	409	(384)	-94,0%	1 227
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 962	3 000	3 000	458	458	1 000	(542)	-54,2%	3 000
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		2 962	3 000	3 000	458	458	1 000	(542)	-54,2%	3 000
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sanitation Infrastructure		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		33 903	25 033	25 033	2 187	6 135	8 344	(2 209)	-26,5%	25 033
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		33 903	25 033	25 033	2 187	6 135	8 344	(2 209)	-26,5%	25 033
Information and Communication Infrastructure		-	-	-	-	-	-	-	-	-
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		2 901	3 440	3 440	61	243	1 147	(903)	-78,8%	3 440
Community Facilities		2 276	2 480	2 480	17	68	827	(759)	-91,8%	2 480
Halls		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		39	280	280	-	-	93	(93)	-100,0%	280
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Parks		-	-	-	-	-	-	-	-	-
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		238	360	360	17	68	120	(52)	-43,4%	360
Public Ablution Facilities		1 999	1 840	1 840	-	-	613	(613)	-100,0%	1 840
Markets		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		625	960	960	44	175	320	(145)	-45,2%	960
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		625	960	960	44	175	320	(145)	-45,2%	960
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Revenue Generating		-	-	-	-	-	-	-	-	-
Non-revenue Generating		-	-	-	-	-	-	-	-	-
Improved Property		-	-	-	-	-	-	-	-	-
Unimproved Property		-	-	-	-	-	-	-	-	-
Other assets		2 544	5 302	5 302	42	162	1 767	(1 605)	-90,8%	5 302
Operational Buildings		2 544	5 302	5 302	42	162	1 767	(1 605)	-90,8%	5 302
Municipal Offices		2 544	5 302	5 302	42	162	1 767	(1 605)	-90,8%	5 302
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Computer Equipment		-	24	24	-	-	8	(8)	-100,0%	24
Computer Equipment		-	24	24	-	-	8	(8)	-100,0%	24
Furniture and Office Equipment		-	48	48	-	-	16	(16)	-100,0%	48
Furniture and Office Equipment		-	48	48	-	-	16	(16)	-100,0%	48
Machinery and Equipment		1 859	2 951	2 951	50	50	984	(934)	-94,9%	2 951
Machinery and Equipment		1 859	2 951	2 951	50	50	984	(934)	-94,9%	2 951
Transport Assets		3 603	4 908	4 908	26	26	1 636	(1 610)	-98,4%	4 908
Transport Assets		3 603	4 908	4 908	26	26	1 636	(1 610)	-98,4%	4 908
Land		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals		-	-	-	-	-	-	-	-	-
Total Repairs and Maintenance Expenditure	1	50 380	52 513	52 513	2 848	7 099	17 504	10 406	59,4%	52 513



I, _____ (Full Names), the Municipal Manager of Umdoni Municipality hereby certify that the **Section 71 Report** for the Month ended 31st October 2024 has been prepared in accordance with the Local Government: Municipal Finance Management Act 2003 (Act 56 of 2003) and regulations made under the Act.

MR N.G. KUMALO

ACTING MUNICIPAL MANAGER

DATE