

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

December 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 R 238.8 million against year-to-date budget of R201.5 million giving rise to a variance of 18%. Variance contributing factors are explained in the sub headings of the revenue items.

Property Rates

The amount accrued on rates amounts to R68.1 million, against the expected R65 million. This has resulted to 5% variance. The variance is caused by the customers who opted for annual debit raising.

Refuse Removal

Amount accrued on refuse removal is R7.3 million against the expected R6.9 million. Variance is sitting at 6%. 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 R5.7 million against the expected R6.2 million. The variance is 8%, this variance will adjust itself as the year progresses.

Other Own Revenue

Rental of facilities and Equipment; R3.9 million has been recognised instead of the expected R3.7 million. Variance is sitting 5% and immaterial as its below 10%

Fines; R537.26 has been recognised instead of the expected R831 691.00. Variance is 100%. A percentage is below than anticipated because traffic fines report is being reconciled by the finance department once reconciled it will then be loaded into the financial system and will reflect in the January report.

Licenses and permits; R1.3 million has been recognised, and the municipality expected to recognised R3.2 million. Variance is sitting at 58%. Two months of the first quarter municipality was not operational.

Agency Fees; The amount recognised amounts to R785 660.74 and the municipality expected to recognise R1.2 million Variance is sitting at 37%. Two months of the first quarter municipality was not operational. This is expected to improve during the year.

Operational Revenue; R236 050.11 has been recognised instead of the expected R191 186,50. This category includes general revenue sources like building plan fees, subdivisions revenue, campsite fees and scholar patrol revenue. The variance is 23%. The variance is so high since it's still in the second quarter, it is expected to improve during the financial year.

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Interest earned from receivables; R984 672.51 has been accrued instead of the expected R114 505.50. Variance is 760%. 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 R142.4 million. Variance amounts to 40%. The municipality has just received the first tranche and second trench for Equitable share, Disaster relief grant, Municipal infrastructure grant and Integrated electrification programme and Expanded public work programme, variance to improve as the financial year progresses.

Operating Expenditure

On the operating expenditure, R191.6 million was spent against the year-to-date budget of R226.3 million giving rise to a variance of 15%. Major contributors to this variance are Employee related cost with a variance of R11.6 million, Operational cost R7.3 million and Contacted services with a variance of R7 million.

Employee Costs

R78.7 million has been spent to date on employee related costs against the expected R90.3 million. The variance is sitting at 13%. 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 R8.5 million against the year-to-date budget of R8.8 million. Variance is sitting at 3%.

Operational Costs

This line item includes all the other operating expenses like accommodation, telephone, electricity, protective clothing, audit fees etc. Expenditure is R25.9 million against the expected budget of R33.2 million. The variance is sitting at 22%. 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 R3.5 million. The debtors are assessed on a regular basis and will be impaired at year end.

Depreciation & Asset Impairment

Expenditure is R21 million against the expected budget of R20.4 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 R1.7 against the expected budget of R6 million. Variance is sitting at 71%. There are transactions that were undergoing SCM processes in December 2024 and expenditure will reflect once payment is made.

Contracted Services

Expenditure is R55.1 million against the year-to-date budget of R62.1 million. Variance is 11%. There are transactions that were undergoing SCM processes in December 2024 and expenditure will reflect once payment is made.

Transfers and Subsidies

Expenditure is R609 618.37 against the year-to-date budget of R1.7 million. The variance is 65%. 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 R26.4 million against the expected R25 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	14 657 830.77	17 327 196.50	34 654 393,00	42.3%
Unconditional – Own Funding	11 788 041.26	6 367 206.50	14 734 413,00	80%
Conditional-Provincial Grants	0	326 087	652 174,00	0%
TOTAL	26 445 872,03	25 020 490,00	50 040 980,00	50%

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 4,47:1). 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.

	4,47
Current Assets	303 576 267
Current Liabilities	67 855 467

Cash Flows

The municipality ended the month with a positive cash and cash equivalents balance R190.1 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 - M06 December									
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	8 418	68 185	65 003	3 182	5%	130 005
Service charges	11 151	13 833	13 833	874	7 341	6 916	425	6%	13 833
Investment revenue	14 608	12 500	12 500	1 705	5 762	6 250	(488)	-8%	12 500
Transfers and subsidies - Operational	195 692	203 785	203 785	61 481	142 453	101 892	40 561	40%	203 785
Other own revenue	34 217	43 049	43 049	3 341	15 082	21 524	(6 442)	-30%	43 049
Total Revenue (excluding capital transfers and	376 202	403 171	403 171	75 819	238 823	201 586	37 238	18%	403 171
Employee costs	150 815	180 736	180 736	12 879	78 736	90 368	(11 632)	-13%	180 736
Remuneration of Councillors	16 335	17 631	17 631	1 974	8 526	8 816	(290)	-3%	17 631
Depreciation and amortisation	46 593	40 873	40 873	3 502	21 010	20 437	574	3%	40 873
Interest	3 075	2	2	-	-	1	(1)	-100%	2
Inventory consumed and bulk purchases	6 723	12 076	12 076	1 229	1 755	6 038	(4 283)	-71%	12 076
Transfers and subsidies	2 937	3 505	3 505	90	610	1 753	(1 143)	-65%	3 505
Other expenditure	185 162	197 891	197 891	12 706	81 049	98 945	(17 896)	-18%	197 891
Total Expenditure	411 641	452 715	452 715	32 379	191 687	226 358	(34 671)	-15%	452 715
Surplus/(Deficit)	(35 438)	(49 544)	(49 544)	43 440	47 137	(24 772)	71 909	-290%	(49 544)
Transfers and subsidies - capital (monetary allocations)	38 879	40 603	40 603	-	15 925	20 301	(4 376)	-22%	40 603
Transfers and subsidies - capital (in-kind)	3 670	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	7 111	(8 941)	(8 941)	43 440	63 062	(4 471)	67 533	-1511%	(8 941)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	7 111	(8 941)	(8 941)	43 440	63 062	(4 471)	67 533	-1511%	(8 941)
Capital expenditure & funds sources									
Capital expenditure	51 003	50 041	50 041	219	26 446	25 020	1 425	6%	50 041
Capital transfers recognised	34 190	35 307	35 307	-	14 658	17 653	(2 995)	-17%	35 307
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	16 813	14 734	14 734	219	11 788	7 367	4 421	60%	14 734
Total sources of capital funds	51 003	50 041	50 041	219	26 446	25 020	1 425	6%	50 041
Financial position									
Total current assets	249 095	290 619	290 619		303 576				290 619
Total non current assets	661 310	676 939	676 939		666 746				676 939
Total current liabilities	67 259	170 961	170 961		67 855				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		846 972				732 008
Cash flows									
Net cash from (used) operating	35 728	51 281	51 281	27 770	64 976	25 641	(39 336)	-153%	51 281
Net cash from (used) investing	(50 471)	(54 067)	(54 067)	(1 399)	(21 295)	(27 034)	(5 738)	21%	(54 067)
Net cash from (used) financing	(44)	50	50	6	61	25	(36)	-143%	50
Cash/cash equivalents at the month/year end	146 398	128 658	128 658	-	190 140	130 026	(60 114)	-46%	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	2 258	5 265	4 327	3 667	3 329	196 146	-	-	214 991
Creditors Age Analysis									
Total Creditors	1 108	-	-	-	-	-	-	-	1 108

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) - M06 December										
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
Revenue - Functional										
<i>Governance and administration</i>		336 686	346 619	346 619	73 256	213 760	173 310	40 450	23%	346 619
Executive and council		173 625	182 963	182 963	60 928	137 163	91 481	45 682	50%	182 963
Finance and administration		163 061	163 656	163 656	12 329	76 597	81 828	(5 232)	-6%	163 656
Internal audit		-	-	-	-	-	-	-	-	-
<i>Community and public safety</i>		12 149	11 766	11 766	176	346	5 883	(5 537)	-94%	11 766
Community and social services		8 756	11 295	11 295	15	109	5 647	(5 539)	-98%	11 295
Sport and recreation		2 558	419	419	158	219	210	9	4%	419
Public safety		-	29	29	-	-	14	(14)	-100%	29
Housing		836	24	24	3	19	12	7	59%	24
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		56 838	71 355	71 355	1 328	32 318	35 678	(3 360)	-9%	71 355
Planning and development		5 071	2 623	2 623	576	907	1 312	(404)	-31%	2 623
Road transport		51 767	68 732	68 732	753	31 411	34 366	(2 956)	-9%	68 732
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		13 078	14 033	14 033	1 058	8 325	7 016	1 308	19%	14 033
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		13 078	14 033	14 033	1 058	8 325	7 016	1 308	19%	14 033
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	418 752	443 774	443 774	75 819	254 749	221 887	32 862	15%	443 774
Expenditure - Functional										
<i>Governance and administration</i>		189 980	203 107	203 107	15 162	77 958	101 553	(23 596)	-23%	203 107
Executive and council		42 055	46 753	46 753	4 691	22 587	23 377	(790)	-3%	46 753
Finance and administration		146 787	154 671	154 671	10 388	54 807	77 335	(22 528)	-29%	154 671
Internal audit		1 138	1 683	1 683	83	564	841	(277)	-33%	1 683
<i>Community and public safety</i>		59 217	75 973	75 973	5 596	29 417	37 986	(8 569)	-23%	75 973
Community and social services		23 716	32 201	32 201	2 173	12 497	16 101	(3 603)	-22%	32 201
Sport and recreation		25 751	31 983	31 983	2 590	12 010	15 992	(3 982)	-25%	31 983
Public safety		6 623	7 262	7 262	627	3 526	3 631	(105)	-3%	7 262
Housing		3 127	4 526	4 526	205	1 384	2 263	(879)	-39%	4 526
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		126 179	129 729	129 729	8 661	67 685	64 864	2 821	4%	129 729
Planning and development		17 771	21 546	21 546	1 321	6 587	10 773	(4 186)	-39%	21 546
Road transport		108 408	108 183	108 183	7 340	61 098	54 091	7 007	13%	108 183
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		36 264	43 907	43 907	2 960	16 627	21 954	(5 327)	-24%	43 907
Energy sources		4 019	4 794	4 794	708	1 757	2 397	(640)	-27%	4 794
Water management		-	-	-	-	-	-	-	-	-
Waste water management		550	-	-	105	424	-	424	-	-
Waste management		31 695	39 114	39 114	2 147	14 445	19 557	(5 112)	-26%	39 114
<i>Other</i>		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	411 641	452 715	452 715	32 379	191 687	226 358	(34 671)	-15%	452 715
Surplus/ (Deficit) for the year		7 111	(8 941)	(8 941)	43 440	63 062	(4 471)	67 533	-1511%	(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) - M06 December										
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	60 928	137 163	91 114	46 049	50,5%	182 228
Vote 2 - FINANCIAL SERVICES		151 633	156 220	156 220	11 641	72 506	78 110	(5 604)	-7,2%	156 220
Vote 3 - TECHNICAL SERVICES		57 758	71 342	71 342	1 061	37 191	35 671	1 520	4,3%	71 342
Vote 4 - CORPORATE SERVICES		11 428	7 437	7 437	688	4 090	3 718	372	10,0%	7 437
Vote 5 - COMMUNITY SERVICES		19 237	23 924	23 924	926	2 891	11 962	(9 071)	-75,8%	23 924
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		5 071	2 623	2 623	576	907	1 312	(404)	-30,8%	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	75 819	254 749	221 887	32 862	14,8%	443 774
Expenditure by Vote	1									
Vote 1 - COUNCIL GENERAL		44 388	50 586	50 586	4 774	23 742	25 293	(1 550)	-6,1%	50 586
Vote 2 - FINANCIAL SERVICES		60 321	50 296	50 296	3 255	13 574	25 148	(11 575)	-46,0%	50 296
Vote 3 - TECHNICAL SERVICES		132 055	134 352	134 352	9 290	70 889	67 176	3 713	5,5%	134 352
Vote 4 - CORPORATE SERVICES		62 696	77 910	77 910	4 931	29 915	38 955	(9 040)	-23,2%	77 910
Vote 5 - COMMUNITY SERVICES		93 975	119 529	119 529	8 834	47 258	59 764	(12 507)	-20,9%	119 529
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		18 207	20 043	20 043	1 296	6 309	10 021	(3 713)	-37,0%	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	32 379	191 687	226 358	(34 671)	-15,3%	452 715
Surplus/ (Deficit) for the year	2	7 111	(8 941)	(8 941)	43 440	63 062	(4 471)	67 533	-1510,6%	(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) - M06 December										
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										
Exchange Revenue		41 952	50 034	50 034	4 332	29 625	25 017	4 608	18%	50 034
Service charges - Electricity		-	-	-	-	1	-	1		-
Service charges - Water		-	-	-	-	-	-	-		-
Service charges - Waste Water Management		-	-	-	-	-	-	-		-
Service charges - Waste management		11 151	13 833	13 833	874	7 340	6 916	424	6%	13 833
Sale of Goods and Rendering of Services		3 572	13 098	13 098	387	10 568	6 549	4 019	61%	13 098
Agency services		2 589	2 487	2 487	467	786	1 244	(458)	-37%	2 487
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		1 877	229	229	184	985	115	870	760%	229
Interest earned from Current and Non Current Assets		14 608	12 500	12 500	1 705	5 762	6 250	(488)	-8%	12 500
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		7 620	7 504	7 504	690	3 941	3 752	189	5%	7 504
Licence and permits		2	2	2	-	7	1	6	805%	2
Operational Revenue		533	382	382	24	236	191	45	23%	382
Non-Exchange Revenue		334 250	353 137	353 137	71 487	209 198	176 568	32 630	18%	353 137
Property rates		120 535	130 005	130 005	8 418	68 185	65 003	3 182	5%	130 005
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		1 198	1 663	1 663	0	1	832	(831)	-100%	1 663
Licence and permits		2 951	6 473	6 473	289	1 371	3 237	(1 866)	-58%	6 473
Transfer and subsidies - Operational		195 692	203 785	203 785	61 481	142 453	101 892	40 561	40%	203 785
Interest		12 152	11 210	11 210	1 300	(2 811)	5 605	(8 416)	-150%	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	75 819	238 823	201 586	37 238	18%	403 171
Expenditure By Type										
Employee related costs		150 815	180 736	180 736	12 879	78 736	90 368	(11 632)	-13%	180 736
Remuneration of councillors		16 335	17 631	17 631	1 974	8 526	8 816	(290)	-3%	17 631
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		6 723	12 076	12 076	1 229	1 755	6 038	(4 283)	-71%	12 076
Debt impairment		24 747	7 000	7 000	-	-	3 500	(3 500)	-100%	7 000
Depreciation and amortisation		46 593	40 873	40 873	3 502	21 010	20 437	574	3%	40 873
Interest		3 075	2	2	-	-	1	(1)	-100%	2
Contracted services		104 540	124 356	124 356	8 853	55 105	62 178	(7 073)	-11%	124 356
Transfers and subsidies		2 937	3 505	3 505	90	610	1 753	(1 143)	-65%	3 505
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		53 973	66 535	66 535	3 853	25 945	33 267	(7 323)	-22%	66 535
Losses on Disposal of Assets		1 901	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		411 641	452 715	452 715	32 379	191 687	226 358	(34 671)	-15%	452 715
Surplus/(Deficit)		(35 438)	(49 544)	(49 544)	43 440	47 137	(24 772)	71 909	(0)	(49 544)
Transfers and subsidies - capital (monetary allocations)		38 879	40 603	40 603	-	15 925	20 301	(4 376)	(0)	40 603
Transfers and subsidies - capital (in-kind)		3 670	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		7 111	(8 941)	(8 941)	43 440	63 062	(4 471)			(8 941)
Income Tax		-	-	-	-	-	-	-		-
Surplus/(Deficit) after income tax		7 111	(8 941)	(8 941)	43 440	63 062	(4 471)			(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)	43 440	63 062	(4 471)			(8 941)
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		7 111	(8 941)	(8 941)	43 440	63 062	(4 471)			(8 941)

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

Actual expenditure incurred is R26.4 million whilst year to date expenditure is sitting at R25 million. The overall variance is sitting at 6%. Grant spending and capex funded by operational revenue improved in November 2024.

KZN212 Umdoni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December										
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	1									
Multi-Year expenditure appropriation	2									
Vote 1 - COUNCIL GENERAL		-	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 3 - TECHNICAL SERVICES		-	87	87	-	-	43	(43)	-100%	87
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	-	-	43	(43)	-100%	87
Single Year expenditure appropriation	2									
Vote 1 - COUNCIL GENERAL		192	-	-	-	-	-	-	-	-
Vote 2 - FINANCIAL SERVICES		63	174	174	-	145	87	58	67%	174
Vote 3 - TECHNICAL SERVICES		42 332	44 410	44 410	-	22 056	22 205	(149)	-1%	44 410
Vote 4 - CORPORATE SERVICES		6 518	4 666	4 666	219	4 245	2 333	1 912	82%	4 666
Vote 5 - COMMUNITY SERVICES		239	-	-	-	-	-	-	-	-
Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT		1 659	704	704	-	-	352	(352)	-100%	704
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	51 003	49 954	49 954	219	26 446	24 977	1 469	6%	49 954
Total Capital Expenditure	3	51 003	50 041	50 041	219	26 446	25 020	1 425	6%	50 041
Capital Expenditure - Functional Classification										
Governance and administration		7 792	4 840	4 840	219	4 390	2 420	1 971	81%	4 840
Executive and council		192	-	-	-	-	-	-	-	-
Finance and administration		7 600	4 840	4 840	219	4 390	2 420	1 971	81%	4 840
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		21 345	20 291	20 291	-	22 056	10 146	11 910	117%	20 291
Community and social services		13 302	17 682	17 682	-	-	8 841	(8 841)	-100%	17 682
Sport and recreation		8 042	2 609	2 609	-	22 056	1 304	20 751	1591%	2 609
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		21 171	22 302	22 302	-	-	11 151	(11 151)	-100%	22 302
Planning and development		1 659	704	704	-	-	352	(352)	-100%	704
Road transport		19 512	21 597	21 597	-	-	10 799	(10 799)	-100%	21 597
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		696	2 609	2 609	-	-	1 304	(1 304)	-100%	2 609
Energy sources		-	2 609	2 609	-	-	1 304	(1 304)	-100%	2 609
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		696	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	51 003	50 041	50 041	219	26 446	25 020	1 425	6%	50 041
Funded by:										
National Government		32 531	34 654	34 654	-	14 658	17 327	(2 669)	-15%	34 654
Provincial Government		1 659	652	652	-	-	326	(326)	-100%	652
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		34 190	35 307	35 307	-	14 658	17 653	(2 995)	-17%	35 307
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds	6	16 813	14 734	14 734	219	11 788	7 367	4 421	60%	14 734
Total Capital Funding	7	51 003	50 041	50 041	219	26 446	25 020	1 425	6%	50 041

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 - M06 December						
Description	Ref	2023/24	Budget Year 2024/25			
R thousands		Audited Outcome	Original Budget	Adjusted Budget	YearTD Actual	Full Year Forecast
ASSETS	1					
Current assets						
Cash and cash equivalents		146 398	128 604	128 604	190 140	128 604
Trade and other receivables from exchange transactions		16 313	22 743	22 743	22 216	22 743
Receivables from non-exchange transactions		69 199	108 684	108 684	68 685	108 684
Current portion of non-current receivables		–	–	–	–	–
Inventory		–	–	–	–	–
VAT		17 003	30 143	30 143	22 354	30 143
Other current assets		182	446	446	182	446
Total current assets		249 095	290 619	290 619	303 576	290 619
Non current assets						
Investments		–	–	–	–	–
Investment property		7 511	4 752	4 752	7 314	4 752
Property, plant and equipment		653 467	671 912	671 912	659 116	671 912
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		261	261	261	261	261
Intangible assets		71	14	14	54	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	666 746	676 939
TOTAL ASSETS		910 405	967 558	967 558	970 322	967 558
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		301	40	40	301	40
Consumer deposits		2 526	2 547	2 547	2 487	2 547
Trade and other payables from exchange transactions		53 049	157 329	157 329	40 377	157 329
Trade and other payables from non-exchange transactions		6 935	4	4	20 127	4
Provision		4 289	3 171	3 171	3 975	3 171
VAT		158	7 870	7 870	588	7 870
Other current liabilities		–	–	–	–	–
Total current liabilities		67 259	170 961	170 961	67 855	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		–	28 290	28 290	23 652	28 290
Total non current liabilities		31 842	64 590	64 590	55 494	64 590
TOTAL LIABILITIES		99 101	235 550	235 550	123 349	235 550
NET ASSETS	2	811 304	732 008	732 008	846 972	732 008
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		784 288	728 865	728 865	843 609	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	846 972	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 December 2024 is R190.1 million. This is more than the budgeted R130 million. Narrations per category are as follows;

Property Rates

Collections are R52,9 million to date are less than the anticipated year to date budget of R59,6 million. Variance is sitting at 11%. This variance is a result of community riots, and the municipality was not operational in July and August which had negative impact and under collection.

Service Charges

The amount accrued on service charges amounts to R5 million against the expected R5,8 million. The variance is 15%. This variance is a result of community riots, and the municipality was not operational in July and August and under collection.

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 and INEP which has not yet been received in full.

Interest

An amount of R5.5 million was recognised against the expected interest of R6.3 million which results in a variance of R12%, this variance will be monitored.

Transfers and Subsidies - Operational

All grants and subsidies operational that were expected to be received were received as per NT payment schedule except for MIG and Library grant which is expected to be receive in January.

Suppliers and Employees

Payments to suppliers and employees have very insignificant variance which is 2% as it's below a variance of 10%.

Transfers and Grants

Variance is due to the fact that the spending is still low because the municipality was not operational in July and August.

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Capital Assets

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

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 - M06 December										
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										
CASH FLOW FROM OPERATING ACTIVITIES	1								%	
Receipts										
Property rates		107 431	119 240	119 240	7 452	52 958	59 620	(6 663)	-11%	119 240
Service charges		11 151	11 758	11 758	615	5 025	5 879	(854)	-15%	11 758
Other revenue		11 310	58 233	58 233	11 741	20 533	29 116	(8 583)	-29%	58 233
Transfers and Subsidies - Operational		194 693	198 806	198 806	61 486	154 781	99 403	55 378	56%	198 806
Transfers and Subsidies - Capital		38 171	40 603	40 603	-	16 789	20 301	(3 512)	-17%	40 603
Interest		14 608	12 695	12 695	1 000	5 574	6 347	(774)	-12%	12 695
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(338 692)	(386 545)	(386 545)	(54 438)	(190 255)	(193 273)	(3 018)	2%	(386 545)
Interest		(6)	(2)	(2)	-	-	(1)	(1)	100%	(2)
Transfers and Subsidies		(2 937)	(3 505)	(3 505)	(86)	(428)	(1 753)	(1 325)	76%	(3 505)
NET CASH FROM/(USED) OPERATING ACTIVITIES		35 728	51 281	51 281	27 770	64 976	25 641	(39 336)	-153%	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)	(1 399)	(21 295)	(27 034)	(5 738)	21%	(54 067)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(50 471)	(54 067)	(54 067)	(1 399)	(21 295)	(27 034)	(5 738)	21%	(54 067)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		(44)	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	50	50	6	61	25	36	143%	50
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(44)	50	50	6	61	25	(36)	-143%	50
NET INCREASE/(DECREASE) IN CASH HELD		(14 787)	(2 736)	(2 736)	26 376	43 742	(1 368)			(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		190 140	130 026			143 662

PART 2: SUPPORTING DOCUMENTATION

Table SC1: Material Variances and explanations

KZN212 Umdoni - Supporting Table SC1 Material variance explanations - M06 December				
Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue			
	Property rates	5%	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	6%	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	-8%	This 8% variance will change as the financial year progresses	This dependant on interest rates after SARB committee meets.
	Own Other revenue:	23%	The variance is so high because of the skills levy refund receive that was more than anticipated and INEP that was recognised.	No action required to monitor the variance
	Rental of facilities	5%	N/A	N/A
	Fines	-100%	Traffic fines report is being reconciled by the finance department,once reconciled it will then be loaded into the financial system and appear in	To follow up if the amounts were recognised in December 2024
	Licenses and permits	-58%	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	-37%	Two months of the first quarter municipality was not operational.The variance is 37% under collected	No action required to monitor the variance the variance will improve in the following month.
	Operational Revenue	23%	The variance is 23 % more than anticipated due to skills development levy refund	To re-evaluate monthly should the variance become material
	Interest earned from receivables	760%	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	This trend will continue due to the high debtors books
	Grants and subsidies	40%	The budget is exceeded due to equitable share received in December and the grants recognised.	On going monitoring to establish that all grant expenditure are recognised.
2	Expenditure By Type			
	Employee Costs	-13%	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	-3%	The variance is due to vacant positions which have not yet been filled.	Monitor to establish that budget is not exceeded
	Operational Costs	-22%	Operational costs are so huge because the municipality was not operational in July and August	No action required to monitor the variance
	Debt Impairment	-71%	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	-71%	There are transactions undergoing SCM processes in December 2024 and expenditure will reflect once payment is made	To prioritize service purchases and monitor the budget
	Contracted Services	-11%	There are transactions undergoing SCM processes in December 2024 and expenditure will reflect once payment is made	To prioritize service purchases and monitor the budget
	Transfers and Subsidies	-65%	More expenditure will be incurred when further payments are done during the course of the financial year.	Ensure that the budget is not exceeded and only deserving expenditure is processed.
3	Capital Expenditure			
	Capital Assets	6%	Actual expenditure is more than budgeted expenditure which is good performance,expenditure will adjust itself in the coming months.	No action required to monitor the variance

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Table SC3: Aged Debtors

The municipality is being owed a total amount of R214.9 million, of which the biggest portion is owed by households sitting at R148.3 million.

The second biggest is government departments that are sitting at R44.5 million. Business debtors owing just over R15.7 million.

KZN212 Umdoni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December													
Description	NT Code	Budget Year 2024/25											
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
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	7 037	3 866	2 796	2 435	2 268	109 334			127 736	114 037	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	6			6	6	-	-
Receivables from Exchange Transactions - Waste Management	1600	826	454	379	314	294	11 618			13 884	12 225	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	3	3	3	3	3	774			789	780	-	-
Interest on Arrear Debtor Accounts	1810	-	55	83	107	127	41 083			41 455	41 318	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820									-	-	-	-
Other	1900	(5 608)	887	1 067	807	637	33 332			31 121	34 776	-	-
Total By Income Source	2000	2 258	5 265	4 327	3 667	3 329	196 146	-	-	214 991	203 142	-	-
2023/24 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	253	645	551	472	361	42 235			44 517	43 068	-	-
Commercial	2300	347	511	408	342	326	13 835			15 770	14 504	-	-
Households	2400	1 472	3 987	3 226	2 749	2 541	134 346			148 322	139 636	-	-
Other	2500	185	122	141	104	101	5 730			6 382	5 934	-	-
Total By Customer Group	2600	2 258	5 265	4 327	3 667	3 329	196 146	-	-	214 991	203 142	-	-

Table SC4: Aged Creditors

The municipality owes suppliers an amount of R1.1million. 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 - M06 December											
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	1 108	-	-	-	-	-	-	-	1 108	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	1 108	-	-	-	-	-	-	-	1 108	-

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 December 2024. Total cash available was R151.4 million. The cash coverage is 05 months.

	5 Month
Cash and cash equivalents	38 684 130
Unspent Conditional Grants	20 295 502
Overdraft	-
Short Term Investments	151 456 130
Total Annual Operational Expenditure	404 841 949

+

KZN212 Umdoni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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 ^a	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 ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	22 988	407			23 396
ABSA :2081 665 687		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	30 000	710	(30 710)		-
ABSA :2081 665 726		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	35 000				35 000
FNB :6 222 5155 391		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	24 007	144			24 151
STD BANK :5876 211 6/007		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	3 322	21	(21)		3 322
STD BANK :5 876 211 6/015		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	13 115	84		21	13 220
STD BANK :058762116/028		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	6 172	41			6 213
STD BANK :058762116/029		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	4 573	30			4 603
STD BANK :058762116/032		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	-	9			9
STD BANK :058762116/035		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	1 386				1 386
NEDBANK : 7881017759/94		No specified ter	CALL DEPOSIT	Yes		0	No	No	30/12/2024	39 898	259			40 158
-										-				-
Municipality sub-total										180 461	1 705		21	151 456

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Table SC6: Grants Receipts

All grants that were expected to be received since in July 2024 were received two grants were received in December 2024.

KZN212 Umdoni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December										
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	61 486	155 560	96 431	59 129	61,3%	192 862
Operational Revenue:General Revenue:Equitable Share		173 612	182 950	182 950	60 924	137 153	91 475	45 678	49,9%	182 950
Operational:Revenue:General Revenue:Fuel Levy		-	-	-	-	-	-	-	-	-
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	562	875	625	251	40,1%	1 249
Integrated City Development Grant		-	-	-	-	-	-	-	-	-
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Local Government Financial Management Grant [Schedule 5B]		1 950	1 900	1 900	-	1 900	950	950	100,0%	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	-	14 853	2 517	12 336	490,2%	5 033
Health Hygiene in Informal Settlements		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		1 464	1 730	1 730	-	779	865	(86)	-9,9%	1 730
Water Services Infrastructure Grant		-	-	-	-	-	-	-	-	-
Provincial Government:		11 917	10 976	10 976	-	-	5 488	(5 488)	-100,0%	10 976
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Specify (Add grant description)		-	-	-	-	-	-	-	-	-
Capacity Building and Other		8 417	10 976	10 976	-	-	5 488	(5 488)	-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	61 486	155 560	101 919	53 641	52,6%	203 838
Capital Transfers and Grants										
National Government:		36 171	39 853	39 853	-	16 010	19 926	(3 917)	-19,7%	39 853
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant [Schedule 5B]		36 171	36 853	36 853	-	14 810	18 426	(3 617)	-19,6%	36 853
Municipal Disaster Recovery Grant [Schedule 4B]		-	-	-	-	-	-	-	-	-
Energy Efficiency and Demand Side Management Grant		-	3 000	3 000	-	1 200	1 500	(300)	-20,0%	3 000
Khayelitsha Urban Renewal		-	-	-	-	-	-	-	-	-
Provincial Government:		2 000	750	750	-	-	375	(375)	-100,0%	750
Specify (Add grant description)		2 000	750	750	-	-	375	(375)	-100,0%	750
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	-	16 010	20 301	(4 292)	-21,1%	40 603
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	238 115	244 441	244 441	61 486	171 570	122 220	49 350	40,4%	244 441

Table SC7: Grants expenditure

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

KZN212 Umdoni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December										
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	561	5 495	96 431	(90 936)	-94,3%	192 862
Operational Revenue:General Revenue:Equitable Share		-	182 950	182 950			91 475	(91 475)	-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	514	622	625	(3)	-0,4%	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	43	947	950	(3)	-0,4%	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	2 517	1 383	54,9%	5 033
Health Hygiene in Informal Settlements		-	-	-			-	-		-
Municipal Infrastructure Grant [Schedule 5B]		1 464	1 730	1 730	5	27	865	(838)	-96,9%	1 730
Provincial Government:		11 430	10 976	10 976	1 016	6 031	5 488	543	9,9%	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	1 016	6 031	5 488	543	9,9%	10 976
District Municipality:		-	-	-			-	-		-
Total operating expenditure of Transfers and Grants:		21 945	203 838	203 838	1 577	11 526	101 919	(90 393)	-88,7%	203 838
Capital expenditure of Transfers and Grants										
National Government:		36 171	39 799	39 799	-	15 925	19 900	(3 974)	-20,0%	39 799
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]		-	-	-			-	-		-
Municipal Infrastructure Grant [Schedule 5B]		36 171	36 799	36 799	-	15 925	18 400	(2 474)	-13,4%	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	-	-	1 500	(1 500)	-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	-	15 925	19 962	(4 037)	-20,2%	40 549
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		60 824	244 387	244 387	1 577	27 451	121 881	(94 430)	-77,5%	244 387

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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 December 2024 is R87.2 million.

KZN212 Umdoni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December										
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	1 816	7 561	7 683	(122)	-2%	15 366
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		356	564	564	24	144	282	(139)	-49%	564
Cellphone Allowance		1 672	1 701	1 701	134	822	850	(29)	-3%	1 701
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		-	-	-	-	-	-	-	-	-
Sub Total - Councillors		16 335	17 631	17 631	1 974	8 526	8 816	(290)	-3%	17 631
% increase	4		7,9%	7,9%						7,9%
Senior Managers of the Municipality										
Basic Salaries and Wages	3	4 768	5 437	5 437	321	2 219	2 719	(500)	-18%	5 437
Pension and UIF Contributions		12	13	13	1	6	6	(1)	-11%	13
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		380	449	449	-	27	225	(198)	-88%	449
Cellphone Allowance		57	58	58	2	21	29	(8)	-28%	58
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		41	1	1	0	0	0	(0)	-33%	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	324	2 272	2 979	(706)	-24%	5 958
% increase	4		13,3%	13,3%						13,3%
Other Municipal Staff										
Basic Salaries and Wages		95 584	112 391	112 391	8 547	48 609	56 196	(7 587)	-14%	112 391
Pension and UIF Contributions		16 447	20 409	20 409	1 356	8 240	10 205	(1 965)	-19%	20 409
Medical Aid Contributions		6 996	11 154	11 154	592	3 559	5 577	(2 018)	-36%	11 154
Overtime		11 780	7 684	7 684	1 078	6 107	3 842	2 266	59%	7 684
Performance Bonus		7 247	9 130	9 130	157	7 193	4 565	2 628	58%	9 130
Motor Vehicle Allowance		-	83	83	-	80	42	38	91%	83
Cellphone Allowance		234	279	279	21	124	140	(16)	-11%	279
Housing Allowances		524	2 097	2 097	44	266	1 048	(782)	-75%	2 097
Other benefits and allowances		1 028	1 989	1 989	718	1 133	994	139	14%	1 989
Payments in lieu of leave		1 630	3 500	3 500	18	669	1 750	(1 081)	-62%	3 500
Long service awards		856	1 785	1 785	-	-	893	(893)	-100%	1 785
Post-retirement benefit obligations	2	4 066	4 278	4 278	24	484	2 139	(1 655)	-77%	4 278
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		146 394	174 779	174 779	12 554	76 464	87 389	(10 926)	-13%	174 779
% increase	4		19,4%	19,4%						19,4%
Total Parent Municipality		167 987	198 368	198 368	14 853	87 262	99 184	(11 922)	-12%	198 368

Repairs and Maintenance

The table below depicts the total budget for repairs and maintenance and the spending for the month of December 2024. Total amount spent to date equals to R21.8 million against the expected budget of R26,2 million. The variance is sitting at 16,8%. 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 - M06 December										
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	2 586	19 927	17 920	2 007	11,2%	35 840
Roads Infrastructure		2 608	7 807	7 807	164	330	3 904	(3 574)	-91,5%	7 807
Roads		1 616	6 580	6 580	164	246	3 290	(3 044)	-92,5%	6 580
Road Structures										
Road Furniture		992	1 227	1 227		84	614	(530)	-86,3%	1 227
Capital Spares										
Storm water Infrastructure										
Drainage Collection										
Storm water Conveyance										
Attenuation										
Electrical Infrastructure		2 962	3 000	3 000	708	1 166	1 500	(334)	-22,3%	3 000
MV Networks										
LV Networks		2 962	3 000	3 000	708	1 166	1 500	(334)	-22,3%	3 000
Capital Spares										
Water Supply Infrastructure										
Capital Spares										
Sanitation Infrastructure										
Rail Infrastructure										
Coastal Infrastructure		33 903	25 033	25 033	1 714	18 431	12 517	5 915	47,3%	25 033
Sand Pumps										
Piers										
Revetments										
Promenades										
Capital Spares		33 903	25 033	25 033	1 714	18 431	12 517	5 915	47,3%	25 033
Information and Communication Infrastructure										
Data Centres										
Core Layers										
Distribution Layers										
Capital Spares										
Community Assets		2 901	3 440	3 440	126	499	1 720	(1 221)	-71,0%	3 440
Community Facilities		2 276	2 480	2 480		154	1 240	(1 086)	-87,6%	2 480
Halls										
Theatres										
Libraries		39	280	280		13	140	(127)	-90,8%	280
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves		238	360	360		141	180	(39)	-21,8%	360
Public Ablution Facilities		1 999	1 840	1 840			920	(920)	-100,0%	1 840
Markets										
Capital Spares										
Sport and Recreation Facilities		625	960	960	126	346	480	(134)	-28,0%	960
Indoor Facilities										
Outdoor Facilities		625	960	960	126	346	480	(134)	-28,0%	960
Capital Spares										
Heritage assets										
Investment properties										
Revenue Generating										
Non-revenue Generating										
Improved Property										
Unimproved Property										
Other assets		2 544	5 302	5 302	414	697	2 651	(1 954)	-73,7%	5 302
Operational Buildings		2 544	5 302	5 302	414	697	2 651	(1 954)	-73,7%	5 302
Municipal Offices		2 544	5 302	5 302	414	697	2 651	(1 954)	-73,7%	5 302
Pay/Enquiry Points										
Building Plan Offices										
Computer Equipment			24	24			12	(12)	-100,0%	24
Computer Equipment			24	24			12	(12)	-100,0%	24
Furniture and Office Equipment			48	48			24	(24)	-100,0%	48
Furniture and Office Equipment			48	48			24	(24)	-100,0%	48
Machinery and Equipment		1 859	2 951	2 951	24	174	1 475	(1 301)	-88,2%	2 951
Machinery and Equipment		1 859	2 951	2 951	24	174	1 475	(1 301)	-88,2%	2 951
Transport Assets		3 603	4 908	4 908	160	554	2 454	(1 900)	-77,4%	4 908
Transport Assets		3 603	4 908	4 908	160	554	2 454	(1 900)	-77,4%	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	3 310	21 851	26 257	4 406	16,8%	52 513



I, _____ (Full Names), the Municipal Manager of Umdoni Municipality hereby certify that the **Section 71 Report** for the Month ended 31st December 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