

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

January 2024

2024/25 Financial Year

TABLE OF CONTENTS

| | |
|---|----|
| Glossary | 3 |
| Executive Summary | 4 |
| Monthly Budget Statement Summary | 5 |
| Financial Performance (Standard Classification) | 10 |
| Financial Performance (revenue and expenditure by municipal vote) | 11 |
| Financial Performance (Revenue and Expenditure) | 12 |
| Capital Expenditure (by Municipal Vote) | 13 |
| Financial Position | 15 |
| Cash Flow | 16 |
| PART 2 – SUPPORTING DOCUMENTATION | |
| Material Variances | 19 |
| Debtors' Analysis | 20 |
| Creditors Analysis | 21 |
| Investment Portfolio Analysis | 22 |
| Allocation of grant receipts and expenditure | 23 |
| Expenditure on councillors, employees and managers | 25 |
| Repairs and Maintenance | 26 |
| Municipal Manager's Quality Certification | 28 |

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 261.5 million against year-to-date budget of R235.1 million giving rise to a variance of 11%. Variance contributing factors are explained in the sub headings of the revenue items.

Property Rates

The amount accrued on rates amounts to R76.5 million, against the expected R75.8 million. This has resulted to 1% variance. The variance is variance is very immaterial as its below 10%.

Refuse Removal

Amount accrued on refuse removal is R8.1 million against the expected R8 million. Variance is sitting at 2%. The variance is variance is very immaterial as its below 10%.

Investment Revenue

This relates to interests received on the call account deposits held. Interest recognised amounts to R8.3 million against the expected R7.2 million. The variance is 14%, this variance will adjust itself as the year progresses.

Other Own Revenue

Rental of facilities and Equipment; R4.6 million has been recognised instead of the expected R4.3 million. Variance is sitting 6% and immaterial as its below 10%

Fines; R762 793,05 has been recognised instead of the expected R970 306,17. Variance is 21%. A percentage is below than anticipated this variance will adjust itself as the financial year progresses.

Licenses and permits; R1.7 million has been recognised, and the municipality expected to recognised R3.7 million. Variance is sitting at 53%. Two months of the first quarter municipality was not operational.

Agency Fees; The amount recognised amounts to R986 118,99 and the municipality expected to recognise R1.4 million Variance is sitting at 32%. Two months of the first quarter municipality was not operational. This is expected to improve during the year.

Operational Revenue; R256 331,68 has been recognised instead of the expected R223 050,92. This category includes general revenue sources like building plan fees, subdivisions revenue, campsite fees and scholar patrol revenue. The variance is 15%. The variance is so high since it's still in the second quarter, it is expected to improve during the financial year.

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

Interest earned from receivables; R1.1 million has been accrued instead of the expected R133 588,58. Variance is 773%. 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 R149.3 million. Variance amounts to 26%. 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, R221.7 million was spent against the year-to-date budget of R264 million giving rise to a variance of 16%. Major contributors to this variance are Employee related cost with a variance of R13.6 million, contracted services R12.7 million and operational cost with a variance of R6.8 million.

Employee Costs

R91.8 million has been spent to date on employee related costs against the expected R105.4 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 R9.9 million against the year-to-date budget of R10.2 million. Variance is sitting at 4%.

Operational Costs

This line item includes all the other operating expenses like accommodation, telephone, electricity, protective clothing, audit fees etc. Expenditure is R31.9 million against the expected budget of R38.8 million. The variance is sitting at 18%. 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 R4 million. The debtors are assessed on a regular basis and will be impaired at year end.

Depreciation & Asset Impairment

Expenditure is R24.5 million against the expected budget of R23.8 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 R2.3 million against the expected budget of R7 million. Variance is sitting at 66%. There are transactions that were undergoing SCM processes in January 2024 and expenditure will reflect once payment is made.

Contracted Services

Expenditure is R59.7 million against the year-to-date budget of R72.5 million. Variance is 18%. There are transactions that were undergoing SCM processes in January 2024 and expenditure will reflect once payment is made.

Transfers and Subsidies

Expenditure is R1.4 million against the year-to-date budget of R2 million. The variance is 30%. 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 R27.7 million against the expected R29.1 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 | 20 215 062.58 | 34 654 393,00 | 42% |
| Unconditional – Own Funding | 12 529 457.11 | 8 595 074.25 | 14 734 413,00 | 85% |
| Conditional-Provincial Grants | 596 965,06 | 380 434,83 | 652 174,00 | 92% |
| TOTAL | 27 784 252.94 | 29 190 571.67 | 50 040 980,00 | 56% |

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 4,44:1). 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.

| | |
|---------------------|-------------|
| | 4,44 |
| Current Assets | 297 576 140 |
| Current Liabilities | 67 043 697 |

Cash Flows

The municipality ended the month with a positive cash and cash equivalents balance R185.3 million.

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

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 - M07 January | | | | | | | | | |
|---|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
| 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 | 8 401 | 76 586 | 75 836 | 749 | 1% | 130 005 |
| Service charges | 11 151 | 13 833 | 13 833 | 854 | 8 195 | 8 069 | 126 | 2% | 13 833 |
| Investment revenue | 14 608 | 12 500 | 12 500 | 2 541 | 8 303 | 7 292 | 1 011 | 14% | 12 500 |
| Transfers and subsidies - Operational | 195 692 | 203 785 | 203 785 | 6 939 | 149 392 | 118 874 | 30 517 | 26% | 203 785 |
| Other own revenue | 34 217 | 43 049 | 43 049 | 4 021 | 19 104 | 25 112 | (6 008) | -24% | 43 049 |
| Total Revenue (excluding capital transfers and | 376 202 | 403 171 | 403 171 | 22 756 | 261 579 | 235 183 | 26 396 | 11% | 403 171 |
| Employee costs | 149 861 | 180 736 | 180 736 | 13 078 | 91 814 | 105 430 | (13 615) | -13% | 180 736 |
| Remuneration of Councillors | 16 330 | 17 631 | 17 631 | 1 390 | 9 916 | 10 285 | (369) | -4% | 17 631 |
| Depreciation and amortisation | 46 058 | 40 873 | 40 873 | 3 502 | 24 512 | 23 843 | 669 | 3% | 40 873 |
| Interest | 1 764 | 2 | 2 | - | - | 1 | (1) | -100% | 2 |
| Inventory consumed and bulk purchases | 7 056 | 12 076 | 12 076 | 639 | 2 394 | 7 044 | (4 650) | -66% | 12 076 |
| Transfers and subsidies | 3 021 | 3 505 | 3 505 | 825 | 1 434 | 2 045 | (610) | -30% | 3 505 |
| Other expenditure | 189 445 | 197 891 | 197 891 | 10 674 | 91 723 | 115 436 | (23 713) | -21% | 197 891 |
| Total Expenditure | 413 536 | 452 715 | 452 715 | 30 107 | 221 794 | 264 084 | (42 290) | -16% | 452 715 |
| Surplus/(Deficit) | (37 333) | (49 544) | (49 544) | (7 352) | 39 785 | (28 901) | 68 686 | -238% | (49 544) |
| Transfers and subsidies - capital (monetary allocations) | 38 879 | 40 603 | 40 603 | - | 15 925 | 23 685 | (7 759) | -33% | 40 603 |
| Transfers and subsidies - capital (in-kind) | 3 670 | - | - | - | - | - | - | - | - |
| Surplus/(Deficit) after capital transfers & contributions | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | 60 926 | -1168% | (8 941) |
| Share of surplus/ (deficit) of associate | - | - | - | - | - | - | - | - | - |
| Intercompany/Parent subsidiary transactions | - | - | - | - | - | - | - | - | - |
| Surplus/ (Deficit) for the year | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | 60 926 | -1168% | (8 941) |
| Capital expenditure & funds sources | | | | | | | | | |
| Capital expenditure | 50 999 | 50 041 | 50 041 | 1 338 | 27 784 | 29 191 | (1 406) | -5% | 50 041 |
| Capital transfers recognised | 34 190 | 35 307 | 35 307 | 597 | 15 255 | 20 595 | (5 341) | -26% | 35 307 |
| Borrowing | - | - | - | - | - | - | - | - | - |
| Internally generated funds | 16 809 | 14 734 | 14 734 | 741 | 12 529 | 8 595 | 3 934 | 46% | 14 734 |
| Total sources of capital funds | 50 999 | 50 041 | 50 041 | 1 338 | 27 784 | 29 191 | (1 406) | -5% | 50 041 |
| Financial position | | | | | | | | | |
| Total current assets | 244 925 | 290 619 | 290 619 | | 297 576 | | | | 290 619 |
| Total non current assets | 664 226 | 676 939 | 676 939 | | 667 499 | | | | 676 939 |
| Total current liabilities | 71 507 | 170 961 | 170 961 | | 67 044 | | | | 170 961 |
| Total non current liabilities | 47 230 | 64 590 | 64 590 | | 47 319 | | | | 64 590 |
| Community wealth/Equity | 790 413 | 732 008 | 732 008 | | 850 712 | | | | 732 008 |
| Cash flows | | | | | | | | | |
| Net cash from (used) operating | 42 292 | 51 281 | 51 281 | (4 332) | 60 787 | 29 914 | (30 873) | -103% | 51 281 |
| Net cash from (used) investing | (57 034) | (54 067) | (54 067) | (645) | (21 941) | (31 539) | (9 599) | 30% | (54 067) |
| Net cash from (used) financing | (44) | 50 | 50 | 5 | 66 | 29 | (37) | -127% | 50 |
| Cash/cash equivalents at the month/year end | 146 398 | 128 658 | 128 658 | - | 185 311 | 129 798 | (55 512) | -43% | 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 | 2 953 | 5 606 | 4 089 | 3 986 | 3 449 | 198 735 | - | - | 218 819 |
| Creditors Age Analysis | | | | | | | | | |
| Total Creditors | 1 427 | 248 | 1 589 | 955 | 1 057 | 336 | - | - | 5 612 |

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) - M07 January | | | | | | | | | | |
|---|-----|-------------------------------|--------------------|--------------------|-------------------|---------------|---------------------|-----------------|-----------------|-----------------------|
| Description | Ref | 2023/24 Audited Outcome | Original Budget | Adjusted Budget | Monthly Actual | YearTD Actual | Budget Year 2024/25 | | | |
| R thousands | | | | | | | YearTD Budget | YTD Variance | YTD Variance | Full Year Forecast |
| Revenue - Functional | | | | | | | | | % | |
| <i>Governance and administration</i> | | 336 686 | 346 619 | 346 619 | 13 284 | 227 043 | 202 194 | 24 849 | 12% | 346 619 |
| Executive and council | | 173 625 | 182 963 | 182 963 | 1 | 137 164 | 106 728 | 30 436 | 29% | 182 963 |
| Finance and administration | | 163 061 | 163 656 | 163 656 | 13 283 | 89 880 | 95 466 | (5 587) | -6% | 163 656 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| <i>Community and public safety</i> | | 12 149 | 11 766 | 11 766 | 7 031 | 7 377 | 6 864 | 514 | 7% | 11 766 |
| Community and social services | | 8 756 | 11 295 | 11 295 | 6 922 | 7 031 | 6 589 | 442 | 7% | 11 295 |
| Sport and recreation | | 2 558 | 419 | 419 | 106 | 325 | 244 | 80 | 33% | 419 |
| Public safety | | - | 29 | 29 | - | - | 17 | (17) | -100% | 29 |
| Housing | | 836 | 24 | 24 | 3 | 22 | 14 | 8 | 58% | 24 |
| Health | | - | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 56 838 | 71 355 | 71 355 | 1 405 | 33 723 | 41 624 | (7 901) | -19% | 71 355 |
| Planning and development | | 5 071 | 2 623 | 2 623 | 56 | 964 | 1 530 | (567) | -37% | 2 623 |
| Road transport | | 51 767 | 68 732 | 68 732 | 1 349 | 32 760 | 40 094 | (7 334) | -18% | 68 732 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 13 078 | 14 033 | 14 033 | 1 035 | 9 360 | 8 186 | 1 174 | 14% | 14 033 |
| Energy sources | | - | - | - | - | - | - | - | - | - |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | - | - | - | - | - | - | - | - | - |
| Waste management | | 13 078 | 14 033 | 14 033 | 1 035 | 9 360 | 8 186 | 1 174 | 14% | 14 033 |
| <i>Other</i> | 4 | - | - | - | - | - | - | - | - | - |
| Total Revenue - Functional | 2 | 418 752 | 443 774 | 443 774 | 22 756 | 277 504 | 258 868 | 18 636 | 7% | 443 774 |
| Expenditure - Functional | | | | | | | | | | |
| <i>Governance and administration</i> | | 191 552 | 203 107 | 203 107 | 14 861 | 92 818 | 118 479 | (25 661) | -22% | 203 107 |
| Executive and council | | 42 278 | 46 753 | 46 753 | 3 199 | 25 786 | 27 273 | (1 487) | -5% | 46 753 |
| Finance and administration | | 148 060 | 154 671 | 154 671 | 11 555 | 66 362 | 90 225 | (23 862) | -26% | 154 671 |
| Internal audit | | 1 215 | 1 683 | 1 683 | 106 | 670 | 981 | (311) | -32% | 1 683 |
| <i>Community and public safety</i> | | 60 116 | 75 973 | 75 973 | 5 984 | 35 401 | 44 317 | (8 917) | -20% | 75 973 |
| Community and social services | | 24 625 | 32 201 | 32 201 | 1 817 | 14 314 | 18 784 | (4 470) | -24% | 32 201 |
| Sport and recreation | | 25 720 | 31 983 | 31 983 | 2 976 | 14 986 | 18 657 | (3 671) | -20% | 31 983 |
| Public safety | | 6 638 | 7 262 | 7 262 | 984 | 4 509 | 4 236 | 273 | 6% | 7 262 |
| Housing | | 3 127 | 4 526 | 4 526 | 207 | 1 591 | 2 640 | (1 049) | -40% | 4 526 |
| Health | | 6 | - | - | - | - | - | - | - | - |
| <i>Economic and environmental services</i> | | 125 654 | 129 729 | 129 729 | 6 884 | 74 570 | 75 675 | (1 105) | -1% | 129 729 |
| Planning and development | | 17 571 | 21 546 | 21 546 | 1 217 | 7 804 | 12 568 | (4 764) | -38% | 21 546 |
| Road transport | | 108 083 | 108 183 | 108 183 | 5 667 | 66 765 | 63 107 | 3 659 | 6% | 108 183 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| <i>Trading services</i> | | 36 214 | 43 907 | 43 907 | 2 379 | 19 005 | 25 613 | (6 607) | -26% | 43 907 |
| Energy sources | | 4 560 | 4 794 | 4 794 | - | 1 757 | 2 796 | (1 039) | -37% | 4 794 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | 550 | - | - | 58 | 482 | - | 482 | - | - |
| Waste management | | 31 104 | 39 114 | 39 114 | 2 321 | 16 766 | 22 816 | (6 050) | -27% | 39 114 |
| <i>Other</i> | | - | - | - | - | - | - | - | - | - |
| Total Expenditure - Functional | 3 | 413 536 | 452 715 | 452 715 | 30 107 | 221 794 | 264 084 | (42 290) | -16% | 452 715 |
| Surplus/ (Deficit) for the year | | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | 60 926 | -1168% | (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) - M07 January | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 | 1 | 137 164 | 106 299 | 30 864 | 29,0% | 182 228 |
| Vote 2 - FINANCIAL SERVICES | | 149 911 | 156 220 | 156 220 | 12 574 | 85 080 | 91 128 | (6 048) | -6,6% | 156 220 |
| Vote 3 - TECHNICAL SERVICES | | 57 758 | 71 342 | 71 342 | 1 038 | 38 229 | 41 616 | (3 387) | -8,1% | 71 342 |
| Vote 4 - CORPORATE SERVICES | | 11 428 | 7 437 | 7 437 | 709 | 4 799 | 4 338 | 461 | 10,6% | 7 437 |
| Vote 5 - COMMUNITY SERVICES | | 19 237 | 23 924 | 23 924 | 8 377 | 11 268 | 13 956 | (2 688) | -19,3% | 23 924 |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | 5 071 | 2 623 | 2 623 | 56 | 964 | 1 530 | (567) | -37,0% | 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 | 417 030 | 443 774 | 443 774 | 22 756 | 277 504 | 258 868 | 18 636 | 7,2% | 443 774 |
| Expenditure by Vote | 1 | | | | | | | | | |
| Vote 1 - COUNCIL GENERAL | | 44 687 | 50 586 | 50 586 | 3 306 | 27 048 | 29 508 | (2 460) | -8,3% | 50 586 |
| Vote 2 - FINANCIAL SERVICES | | 59 728 | 50 296 | 50 296 | 2 423 | 15 996 | 29 340 | (13 343) | -45,5% | 50 296 |
| Vote 3 - TECHNICAL SERVICES | | 131 676 | 134 352 | 134 352 | 7 137 | 78 026 | 78 372 | (346) | -0,4% | 134 352 |
| Vote 4 - CORPORATE SERVICES | | 63 749 | 77 910 | 77 910 | 7 312 | 37 227 | 45 447 | (8 221) | -18,1% | 77 910 |
| Vote 5 - COMMUNITY SERVICES | | 94 937 | 119 529 | 119 529 | 8 893 | 56 150 | 69 725 | (13 575) | -19,5% | 119 529 |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | 17 037 | 20 043 | 20 043 | 1 037 | 7 346 | 11 692 | (4 345) | -37,2% | 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 | 411 814 | 452 715 | 452 715 | 30 107 | 221 794 | 264 084 | (42 290) | -16,0% | 452 715 |
| Surplus/ (Deficit) for the year | 2 | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | 60 926 | -1168,1% | (8 941) |

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

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) - M07 January | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|----------------|-----------------|-----------------|----------------|--------------------|
| 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 | 4 889 | 34 515 | 29 187 | 5 328 | 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 | 854 | 8 194 | 8 069 | 125 | 2% | 13 833 |
| Sale of Goods and Rendering of Services | | 3 572 | 13 098 | 13 098 | 376 | 10 944 | 7 640 | 3 304 | 43% | 13 098 |
| Agency services | | 2 589 | 2 487 | 2 487 | 200 | 986 | 1 451 | (465) | -32% | 2 487 |
| Interest | | - | - | - | - | - | - | - | | - |
| Interest earned from Receivables | | 1 877 | 229 | 229 | 182 | 1 166 | 134 | 1 033 | 773% | 229 |
| Interest earned from Current and Non Current Assets | | 14 608 | 12 500 | 12 500 | 2 541 | 8 303 | 7 292 | 1 011 | 14% | 12 500 |
| Dividends | | - | - | - | - | - | - | - | | - |
| Rent on Land | | - | - | - | - | - | - | - | | - |
| Rental from Fixed Assets | | 7 620 | 7 504 | 7 504 | 715 | 4 656 | 4 377 | 279 | 6% | 7 504 |
| Licence and permits | | 2 | 2 | 2 | - | 7 | 1 | 6 | 676% | 2 |
| Operational Revenue | | 533 | 382 | 382 | 20 | 256 | 223 | 33 | 15% | 382 |
| Non-Exchange Revenue | | 334 250 | 353 137 | 353 137 | 17 866 | 227 064 | 205 996 | 21 068 | 10% | 353 137 |
| Property rates | | 120 535 | 130 005 | 130 005 | 8 401 | 76 586 | 75 836 | 749 | 1% | 130 005 |
| Surcharges and Taxes | | - | - | - | - | - | - | - | | - |
| Fines, penalties and forfeits | | 1 198 | 1 663 | 1 663 | 763 | 763 | 970 | (207) | -21% | 1 663 |
| Licence and permits | | 2 951 | 6 473 | 6 473 | 387 | 1 757 | 3 776 | (2 019) | -53% | 6 473 |
| Transfer and subsidies - Operational | | 195 692 | 203 785 | 203 785 | 6 939 | 149 392 | 118 874 | 30 517 | 26% | 203 785 |
| Interest | | 12 152 | 11 210 | 11 210 | 1 377 | (1 434) | 6 539 | (7 973) | -122% | 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 | 22 756 | 261 579 | 235 183 | 26 396 | 11% | 403 171 |
| Expenditure By Type | | | | | | | | | | |
| Employee related costs | | 149 861 | 180 736 | 180 736 | 13 078 | 91 814 | 105 430 | (13 615) | -13% | 180 736 |
| Remuneration of councillors | | 16 330 | 17 631 | 17 631 | 1 390 | 9 916 | 10 285 | (369) | -4% | 17 631 |
| Bulk purchases - electricity | | - | - | - | - | - | - | - | | - |
| Inventory consumed | | 7 056 | 12 076 | 12 076 | 639 | 2 394 | 7 044 | (4 650) | -66% | 12 076 |
| Debt impairment | | 24 747 | 7 000 | 7 000 | - | - | 4 083 | (4 083) | -100% | 7 000 |
| Depreciation and amortisation | | 46 058 | 40 873 | 40 873 | 3 502 | 24 512 | 23 843 | 669 | 3% | 40 873 |
| Interest | | 1 764 | 2 | 2 | - | - | 1 | (1) | -100% | 2 |
| Contracted services | | 107 545 | 124 356 | 124 356 | 4 691 | 59 796 | 72 541 | (12 746) | -18% | 124 356 |
| Transfers and subsidies | | 3 021 | 3 505 | 3 505 | 825 | 1 434 | 2 045 | (610) | -30% | 3 505 |
| Irrecoverable debts written off | | - | - | - | - | - | - | - | | - |
| Operational costs | | 55 252 | 66 535 | 66 535 | 5 983 | 31 928 | 38 812 | (6 884) | -18% | 66 535 |
| Losses on Disposal of Assets | | 1 901 | - | - | - | - | - | - | | - |
| Other Losses | | - | - | - | - | - | - | - | | - |
| Total Expenditure | | 413 536 | 452 715 | 452 715 | 30 107 | 221 794 | 264 084 | (42 290) | -16% | 452 715 |
| Surplus/(Deficit) | | (37 333) | (49 544) | (49 544) | (7 352) | 39 785 | (28 901) | 68 686 | (0) | (49 544) |
| Transfers and subsidies - capital (monetary allocations) | | 38 879 | 40 603 | 40 603 | - | 15 925 | 23 685 | (7 759) | (0) | 40 603 |
| Transfers and subsidies - capital (in-kind) | | 3 670 | - | - | - | - | - | - | | - |
| Surplus/(Deficit) after capital transfers & contributions | | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | | | (8 941) |
| Income Tax | | - | - | - | - | - | - | - | | - |
| Surplus/(Deficit) after income tax | | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | | | (8 941) |
| Share of Surplus/Deficit attributable to Joint Venture | | - | - | - | - | - | - | | | - |
| Share of Surplus/Deficit attributable to Minorities | | - | - | - | - | - | - | | | - |
| Surplus/(Deficit) attributable to municipality | | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | | | (8 941) |
| Share of Surplus/Deficit attributable to Associate | | - | - | - | - | - | - | | | - |
| Intercompany/Parent subsidiary transactions | | - | - | - | - | - | - | | | - |
| Surplus/ (Deficit) for the year | | 5 216 | (8 941) | (8 941) | (7 352) | 55 711 | (5 216) | | | (8 941) |

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

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

Actual expenditure incurred is R27.7 million whilst year to date expenditure is sitting at R29.1 million. The overall variance is sitting at 5%. This variance is insignificant as it's below 10%.

| KZN212 Umdoni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M07 January | | | | | | | | | | |
|---|------------|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 | - | - | 51 | (51) | -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 | - | - | 51 | (51) | -100% | 87 |
| Single Year expenditure appropriation | 2 | | | | | | | | | |
| Vote 1 - COUNCIL GENERAL | | 192 | - | - | - | - | - | - | - | - |
| Vote 2 - FINANCIAL SERVICES | | 59 | 174 | 174 | - | 145 | 101 | 44 | 43% | 174 |
| Vote 3 - TECHNICAL SERVICES | | #VALUE! | 44 410 | 44 410 | 741 | 22 797 | 25 906 | (3 109) | -12% | 44 410 |
| Vote 4 - CORPORATE SERVICES | | 6 518 | 4 666 | 4 666 | - | 4 245 | 2 722 | 1 524 | 56% | 4 666 |
| Vote 5 - COMMUNITY SERVICES | | 239 | - | - | - | - | - | - | - | - |
| Vote 6 - STRATEGIC PLANNING AND DEVELOPMENT | | 1 659 | 704 | 704 | 597 | 597 | 411 | 186 | 45% | 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 | #VALUE! | 49 954 | 49 954 | 1 338 | 27 784 | 29 140 | (1 356) | -5% | 49 954 |
| Total Capital Expenditure | 3 | #VALUE! | 50 041 | 50 041 | 1 338 | 27 784 | 29 191 | (1 406) | -5% | 50 041 |
| Capital Expenditure - Functional Classification | | | | | | | | | | |
| Governance and administration | | 7 788 | 4 840 | 4 840 | - | 4 390 | 2 823 | 1 567 | 56% | 4 840 |
| Executive and council | | 192 | - | - | - | - | - | - | - | - |
| Finance and administration | | 7 597 | 4 840 | 4 840 | - | 4 390 | 2 823 | 1 567 | 56% | 4 840 |
| Internal audit | | - | - | - | - | - | - | - | - | - |
| Community and public safety | | 21 345 | 20 291 | 20 291 | - | 6 800 | 11 836 | (5 036) | -43% | 20 291 |
| Community and social services | | 13 302 | 17 682 | 17 682 | - | 4 192 | 10 315 | (6 123) | -59% | 17 682 |
| Sport and recreation | | 8 042 | 2 609 | 2 609 | - | 2 608 | 1 522 | 1 087 | 71% | 2 609 |
| Public safety | | - | - | - | - | - | - | - | - | - |
| Housing | | - | - | - | - | - | - | - | - | - |
| Health | | - | - | - | - | - | - | - | - | - |
| Economic and environmental services | | 21 171 | 22 302 | 22 302 | 1 338 | 16 594 | 13 009 | 3 584 | 28% | 22 302 |
| Planning and development | | 1 659 | 704 | 704 | 597 | 597 | 411 | 186 | 45% | 704 |
| Road transport | | 19 512 | 21 597 | 21 597 | 741 | 15 997 | 12 598 | 3 398 | 27% | 21 597 |
| Environmental protection | | - | - | - | - | - | - | - | - | - |
| Trading services | | 696 | 2 609 | 2 609 | - | - | 1 522 | (1 522) | -100% | 2 609 |
| Energy sources | | - | 2 609 | 2 609 | - | - | 1 522 | (1 522) | -100% | 2 609 |
| Water management | | - | - | - | - | - | - | - | - | - |
| Waste water management | | 696 | - | - | - | - | - | - | - | - |
| Waste management | | - | - | - | - | - | - | - | - | - |
| Other | | - | - | - | - | - | - | - | - | - |
| Total Capital Expenditure - Functional Classification | 3 | 50 999 | 50 041 | 50 041 | 1 338 | 27 784 | 29 191 | (1 406) | -5% | 50 041 |
| Funded by: | | | | | | | | | | |
| National Government | | 32 531 | 34 654 | 34 654 | - | 14 658 | 20 215 | (5 557) | -27% | 34 654 |
| Provincial Government | | 1 659 | 652 | 652 | 597 | 597 | 380 | 217 | 57% | 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 | 597 | 15 255 | 20 595 | (5 341) | -26% | 35 307 |
| Borrowing | 6 | - | - | - | - | - | - | - | - | - |
| Internally generated funds | | 16 809 | 14 734 | 14 734 | 741 | 12 529 | 8 595 | 3 934 | 46% | 14 734 |
| Total Capital Funding | 7 | 50 999 | 50 041 | 50 041 | 1 338 | 27 784 | 29 191 | (1 406) | -5% | 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 - M07 January | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|--------------------|
| 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 | 185 311 | 128 604 |
| Trade and other receivables from exchange transactions | | 29 145 | 22 743 | 22 743 | 23 332 | 22 743 |
| Receivables from non-exchange transactions | | 69 199 | 108 684 | 108 684 | 71 538 | 108 684 |
| Current portion of non-current receivables | | | - | - | - | - |
| Inventory | | | - | - | - | - |
| VAT | | | 30 143 | 30 143 | 17 213 | 30 143 |
| Other current assets | | 182 | 446 | 446 | 182 | 446 |
| Total current assets | | 244 925 | 290 619 | 290 619 | 297 576 | 290 619 |
| Non current assets | | | | | | |
| Investments | | - | - | - | - | - |
| Investment property | | 7 511 | 4 752 | 4 752 | 7 281 | 4 752 |
| Property, plant and equipment | | 656 383 | 671 912 | 671 912 | 659 905 | 671 912 |
| Biological assets | | - | - | - | - | - |
| Living and non-living resources | | - | - | - | - | - |
| Heritage assets | | 261 | 261 | 261 | 261 | 261 |
| Intangible assets | | 71 | 14 | 14 | 51 | 14 |
| Trade and other receivables from exchange transactions | | | - | - | - | - |
| Non-current receivables from non-exchange transactions | | | - | - | - | - |
| Other non-current assets | | | - | - | - | - |
| Total non current assets | | 664 226 | 676 939 | 676 939 | 667 499 | 676 939 |
| TOTAL ASSETS | | 909 151 | 967 558 | 967 558 | 965 075 | 967 558 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Bank overdraft | | - | - | - | - | - |
| Financial liabilities | | - | 40 | 40 | 301 | 40 |
| Consumer deposits | | 2 526 | 2 547 | 2 547 | 2 482 | 2 547 |
| Trade and other payables from exchange transactions | | 59 247 | 157 329 | 157 329 | 35 249 | 157 329 |
| Trade and other payables from non-exchange transactions | | 6 935 | 4 | 4 | 24 164 | 4 |
| Provision | | - | 3 171 | 3 171 | 3 881 | 3 171 |
| VAT | | - | 7 870 | 7 870 | 966 | 7 870 |
| Other current liabilities | | 2 799 | - | - | - | - |
| Total current liabilities | | 71 507 | 170 961 | 170 961 | 67 044 | 170 961 |
| Non current liabilities | | | | | | |
| Financial liabilities | | 86 | 110 | 110 | 175 | 110 |
| Provision | | 16 649 | 36 189 | 36 189 | 23 492 | 36 189 |
| Long term portion of trade payables | | - | - | - | - | - |
| Other non-current liabilities | | 30 495 | 28 290 | 28 290 | 23 652 | 28 290 |
| Total non current liabilities | | 47 230 | 64 590 | 64 590 | 47 319 | 64 590 |
| TOTAL LIABILITIES | | 118 738 | 235 550 | 235 550 | 114 363 | 235 550 |
| NET ASSETS | 2 | 790 413 | 732 008 | 732 008 | 850 712 | 732 008 |
| COMMUNITY WEALTH/EQUITY | | | | | | |
| Accumulated Surplus/(Deficit) | | 787 050 | 728 865 | 728 865 | 847 348 | 728 865 |
| Reserves and funds | | 3 363 | 3 143 | 3 143 | 3 363 | 3 143 |
| Other | | | - | - | - | - |
| TOTAL COMMUNITY WEALTH/EQUITY | 2 | 790 413 | 732 008 | 732 008 | 850 712 | 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 January 2024 is R185.3 million. This is more than the budgeted R129.7 million. Narrations per category are as follows;

Property Rates

Collections are R61 million to date are less than the anticipated year to date budget of R69.5 million. Variance is sitting at 12%. 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 R5.6 million against the expected R6,8 million. The variance is 17%. 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 R8.1 million was recognised against the expected interest of R7.4 million which results in a variance of R10%, 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 was received in January as the department promised.

Suppliers and Employees

Payments to suppliers and employees have very insignificant variance which is 1% 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.

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

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 - M07 January | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|-----------------|-----------------|-----------------|--------------|--------------------|
| 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 |
| CASH FLOW FROM OPERATING ACTIVITIES | 1 | | | | | | | | % | |
| Receipts | | | | | | | | | | |
| Property rates | | 95 279 | 119 240 | 119 240 | 8 043 | 61 001 | 69 557 | (8 556) | -12% | 119 240 |
| Service charges | | 21 111 | 11 758 | 11 758 | 673 | 5 697 | 6 859 | (1 161) | -17% | 11 758 |
| Other revenue | | | 58 233 | 58 233 | 6 868 | 27 401 | 33 969 | (6 568) | -19% | 58 233 |
| Transfers and Subsidies - Operational | | 194 785 | 198 806 | 198 806 | 10 976 | 165 757 | 115 970 | 49 787 | 43% | 198 806 |
| Transfers and Subsidies - Capital | | 38 079 | 40 603 | 40 603 | - | 16 789 | 23 685 | (6 896) | -29% | 40 603 |
| Interest | | 28 636 | 12 695 | 12 695 | 2 541 | 8 115 | 7 405 | 710 | 10% | 12 695 |
| Dividends | | - | - | - | | | - | - | | - |
| Payments | | | | | | | | | | |
| Suppliers and employees | | (332 571) | (386 545) | (386 545) | (33 290) | (223 403) | (225 485) | (2 082) | 1% | (386 545) |
| Interest | | (6) | (2) | (2) | - | - | (1) | (1) | 100% | (2) |
| Transfers and Subsidies | | (3 021) | (3 505) | (3 505) | (143) | (570) | (2 045) | (1 474) | 72% | (3 505) |
| NET CASH FROM/(USED) OPERATING ACTIVITIES | | 42 292 | 51 281 | 51 281 | (4 332) | 60 787 | 29 914 | (30 873) | -103% | 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 | | (57 566) | (54 067) | (54 067) | (645) | (21 941) | (31 539) | (9 599) | 30% | (54 067) |
| NET CASH FROM/(USED) INVESTING ACTIVITIES | | (57 034) | (54 067) | (54 067) | (645) | (21 941) | (31 539) | (9 599) | 30% | (54 067) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | | | |
| Receipts | | | | | | | | | | |
| Short term loans | | | - | - | | | - | - | | - |
| Borrowing long term/refinancing | | - | - | - | | | - | - | | - |
| Increase (decrease) in consumer deposits | | - | 50 | 50 | 5 | 66 | 29 | 37 | 127% | 50 |
| Payments | | | | | | | | | | |
| Repayment of borrowing | | (44) | - | - | | | - | - | | - |
| NET CASH FROM/(USED) FINANCING ACTIVITIES | | (44) | 50 | 50 | 5 | 66 | 29 | (37) | -127% | 50 |
| NET INCREASE/ (DECREASE) IN CASH HELD | | (14 787) | (2 736) | (2 736) | (4 972) | 38 912 | (1 596) | | | (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 | | 185 311 | 129 798 | | | 143 662 |

PART 2: SUPPORTING DOCUMENTATION

Table SC1: Material Variances and explanations

| KZN212 Umdoni - Supporting Table SC1 Material variance explanations - M07 January | | | | |
|---|------------------------------------|----------|--|--|
| Ref | Description R thousands | Variance | Reasons for material deviations | Remedial or corrective steps/remarks |
| 1 | Revenue | | | |
| | Property rates | 1% N/A | | N/A |
| | Service charges - Waste management | 2% N/A | | N/A |
| | Investment Revenue | 14% | This 14% variance will change as the financial year progresses | This dependent on interest rates after SARB committee meets. |
| | Own Other revenue: | 15% | 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 | 6% N/A | | N/A |
| | Fines | -21% | This variance will adjust itself as the financial year progresses | No action required to monitor the variance |
| | Licenses and permits | -53% | 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 | -32% | Two months of the first quarter municipality was not operational. The variance is 32% under collected | No action required to monitor the variance the variance will improve in the following month. |
| | Operational Revenue | 15% | The variance is 15 % more than anticipated due to skills development levy refund | To re-evaluate monthly should the variance become material |
| | Interest earned from receivables | 773% | 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 | 26% | 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 | -4% | The variance is due to vacant positions which have not yet been filled. | Monitor to establish that budget is not exceeded |
| | Operational Costs | -18% | Operational costs are so huge because the municipality was not operational in July and August | No action required to monitor the variance |
| | Debt Impairment | -66% | 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 | -66% | 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 | -18% | 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 | -30% | 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 | -5% N/A | | No action required to monitor the variance |

Table SC3: Aged Debtors

The municipality is being owed a total amount of R218.8 million, of which the biggest portion is owed by households sitting at R151.5 million.

The second biggest is government departments that are sitting at R45 million. Business debtors owing just over R15.5 million.

| 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-1 Yr | 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 | 7 104 | 4 073 | 2 776 | 2 497 | 2 229 | 110 188 | | | 128 868 | 114 914 | - | - |
| Receivables from Exchange Transactions - Waste Water Management | 1500 | - | - | - | - | - | 6 | | | 6 | 6 | - | - |
| Receivables from Exchange Transactions - Waste Management | 1600 | 825 | 486 | 354 | 341 | 287 | 11 716 | | | 14 009 | 12 344 | - | - |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | 3 | 3 | 3 | 3 | 3 | 777 | | | 792 | 783 | - | - |
| Interest on Arrear Debtor Accounts | 1810 | - | 55 | 83 | 111 | 133 | 42 252 | | | 42 635 | 42 496 | - | - |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | | | | | | | | | - | - | - | - |
| Other | 1900 | (4 979) | 988 | 873 | 1 033 | 797 | 33 798 | | | 32 510 | 35 628 | - | - |
| Total By Income Source | 2000 | 2 953 | 5 606 | 4 089 | 3 986 | 3 449 | 198 735 | - | - | 218 819 | 206 171 | - | - |
| 2023/24 - totals only | | | | | | | | | | | | | |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | | | |
| Organs of State | 2200 | 256 | 546 | 477 | 540 | 475 | 42 802 | | | 45 096 | 43 818 | - | - |
| Commercial | 2300 | 299 | 500 | 352 | 371 | 314 | 13 751 | | | 15 586 | 14 435 | - | - |
| Households | 2400 | 2 326 | 4 272 | 3 152 | 2 935 | 2 557 | 136 346 | | | 151 589 | 141 839 | - | - |
| Other | 2500 | 72 | 288 | 109 | 140 | 103 | 5 836 | | | 6 548 | 6 079 | - | - |
| Total By Customer Group | 2600 | 2 953 | 5 606 | 4 089 | 3 986 | 3 449 | 198 735 | - | - | 218 819 | 206 171 | - | - |

Table SC4: Aged Creditors

The municipality owes suppliers an amount of R5.6 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 - M07 January | | | | | | | | | | |
|--|---------|---------------------|--------------|--------------|---------------|----------------|----------------|-------------------|-------------|-------|
| Description | NT Code | Budget Year 2024/25 | | | | | | | | |
| | | 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 | - | - | - | - | - | - | - | - | - |
| Pensions / Retirement deductions | 0500 | - | - | - | - | - | - | - | - | - |
| Loan repayments | 0600 | - | - | - | - | - | - | - | - | - |
| Trade Creditors | 0700 | 1 427 | 248 | 1 589 | 955 | 1 057 | 336 | - | - | 5 612 |
| Auditor General | 0800 | - | - | - | - | - | - | - | - | - |
| Other | 0900 | - | - | - | - | - | - | - | - | - |
| Total By Customer Type | 1000 | 1 427 | 248 | 1 589 | 955 | 1 057 | 336 | - | - | 5 612 |

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 January 2024. Total cash available was R153.9 million. The cash coverage is 05 months.

| | |
|--------------------------------------|-------------|
| | 5 Month |
| Cash and cash equivalents | 31 313 181 |
| Unspent Conditional Grants | 24 079 876 |
| Overdraft | - |
| Short Term Investments | 153 997 525 |
| Total Annual Operational Expenditure | 404 841 949 |

+

| KZN212 Umdoni - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M07 January | | | | | | | | | | | | | | |
|--|-----|-------------------------|-----------------------|-----------------------------------|---------------------------------------|--------------------|----------------------------|-------------------------|------------------------------|--------------------|----------------------------|---|----------------------|--------------------|
| 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 :92-3600-6170 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 23 396 | 261 | | | 23 656 |
| ABSA :2081 665 687 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | - | | | | - |
| ABSA :2081 665 726 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 35 000 | 1 686 | (36 686) | | - |
| FNB :6 222 5155 391 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 24 151 | 149 | | 36 686 | 60 986 |
| STD BANK :5876 211 61007 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 3 322 | 21 | (21) | | 3 322 |
| STD BANK 5 876 211 61015 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 13 220 | 84 | | 21 | 13 325 |
| STD BANK 058762116/028 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 6 213 | 41 | | | 6 254 |
| STD BANK 058762116/029 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 4 603 | 30 | | | 4 633 |
| STD BANK 058762116/032 | | No specified ter | CALL DEPOSIT | Yes | | 0 | No | No | 30/12/2024 | 9 | 9 | | | 18 |
| 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 | 40 158 | 261 | | | 40 418 |
| - | | | | | | | | | | - | | | | - |
| Municipality sub-total | | | | | | | | | | 151 456 | 2 541 | | 36 707 | 153 998 |

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

Table SC6: Grants Receipts

All grants that were expected to be received since in July 2024 were received only library grant was received in January 2024.

| KZN212 Umdoni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M07 January | | | | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 | - | 155 560 | 112 503 | 43 058 | 38,3% | 192 862 |
| Operational Revenue:General Revenue:Equitable Share | 3 | 173 612 | 182 950 | 182 950 | - | 137 153 | 106 721 | 30 432 | 28,5% | 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 | - | 875 | 729 | 146 | 20,1% | 1 249 |
| Integrated City Development Grant | | - | - | - | - | - | - | - | - | - |
| Khayelitsha Urban Renewal | | - | - | - | - | - | - | - | - | - |
| Local Government Financial Management Grant [Schedule 5B] | | 1 950 | 1 900 | 1 900 | - | 1 900 | 1 108 | 792 | 71,4% | 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 | 2 936 | 11 917 | 405,9% | 5 033 |
| Health Hygiene in Informal Settlements | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 1 464 | 1 730 | 1 730 | - | 779 | 1 009 | (230) | -22,8% | 1 730 |
| Water Services Infrastructure Grant | | - | - | - | - | - | - | - | - | - |
| Provincial Government: | | 11 917 | 10 976 | 10 976 | 10 976 | 10 976 | 6 403 | 4 573 | 71,4% | 10 976 |
| Specify (Add grant description) | | - | - | - | - | - | - | - | - | - |
| Specify (Add grant description) | | - | - | - | - | - | - | - | - | - |
| Capacity Building and Other | | 8 417 | 10 976 | 10 976 | 10 976 | 10 976 | 6 403 | 4 573 | 71,4% | 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 | 10 976 | 166 536 | 118 906 | 47 631 | 40,1% | 203 838 |
| Capital Transfers and Grants | | | | | | | | | | |
| National Government: | | 36 171 | 39 853 | 39 853 | - | 16 010 | 23 247 | (7 238) | -31,1% | 39 853 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | - | - | - | - | - | - | - | - | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 36 171 | 36 853 | 36 853 | - | 14 810 | 21 497 | (6 688) | -31,1% | 36 853 |
| Municipal Disaster Recovery Grant [Schedule 4B] | | - | - | - | - | - | - | - | - | - |
| Energy Efficiency and Demand Side Management Grant | | - | 3 000 | 3 000 | - | 1 200 | 1 750 | (550) | -31,4% | 3 000 |
| Khayelitsha Urban Renewal | | - | - | - | - | - | - | - | - | - |
| Provincial Government: | | 2 000 | 750 | 750 | - | - | 438 | (438) | -100,0% | 750 |
| Specify (Add grant description) | | 2 000 | 750 | 750 | - | - | 438 | (438) | -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 | - | 16 010 | 23 685 | (7 675) | -32,4% | 40 603 |
| TOTAL RECEIPTS OF TRANSFERS & GRANTS | 5 | 238 115 | 244 441 | 244 441 | 10 976 | 182 546 | 142 590 | 39 956 | 28,0% | 244 441 |

Table SC7: Grants expenditure

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

| KZN212 Umdoni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M07 January | | | | | | | | | | |
|--|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 | 304 | 5 799 | 97 153 | (91 354) | -94,0% | 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 | 257 | 879 | 625 | 254 | 40,7% | 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 | 989 | 1 108 | (119) | -10,7% | 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 | 2 936 | 963 | 32,8% | 5 033 |
| Health Hygiene in Informal Settlements | | - | - | - | | | - | - | | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 1 464 | 1 730 | 1 730 | 5 | 32 | 1 009 | (978) | -96,9% | 1 730 |
| Provincial Government: | | 11 430 | 10 976 | 10 976 | 865 | 6 896 | 6 403 | 493 | 7,7% | 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 | 865 | 6 896 | 6 403 | 493 | 7,7% | 10 976 |
| District Municipality: | | - | - | - | - | - | - | - | | - |
| Total operating expenditure of Transfers and Grants: | | 21 945 | 203 838 | 203 838 | 1 169 | 12 695 | 103 556 | (90 861) | -87,7% | 203 838 |
| Capital expenditure of Transfers and Grants | | | | | | | | | | |
| National Government: | | 36 171 | 39 799 | 39 799 | - | 15 925 | 23 216 | (7 291) | -31,4% | 39 799 |
| Integrated National Electrification Programme (Municipal Grant) [Schedule 5B] | | - | - | - | | | - | - | | - |
| Municipal Infrastructure Grant [Schedule 5B] | | 36 171 | 36 799 | 36 799 | - | 15 925 | 21 466 | (5 541) | -25,8% | 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 | - | - | 1 750 | (1 750) | -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 | 23 279 | (7 353) | -31,6% | 40 549 |
| TOTAL EXPENDITURE OF TRANSFERS AND GRANTS | | 60 824 | 244 387 | 244 387 | 1 169 | 28 620 | 126 834 | (98 214) | -77,4% | 244 387 |

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 January 2024 is R101.7 million.

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

| KZN212 Umdoni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M07 January | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
| 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 | | 14 302 | 15 366 | 15 366 | 1 232 | 8 792 | 8 964 | (171) | -2% | 15 366 |
| Pension and UIF Contributions | | - | - | - | - | - | - | - | - | - |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | 356 | 564 | 564 | 24 | 168 | 329 | (162) | -49% | 564 |
| Cellphone Allowance | | 1 672 | 1 701 | 1 701 | 134 | 956 | 992 | (36) | -4% | 1 701 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | - | - | - | - | - | - | - | - | - |
| Sub Total - Councillors | | 16 330 | 17 631 | 17 631 | 1 390 | 9 916 | 10 285 | (369) | -4% | 17 631 |
| % increase | 4 | | 8,0% | 8,0% | | | | | | 8,0% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | | 4 759 | 5 437 | 5 437 | 321 | 2 540 | 3 172 | (632) | -20% | 5 437 |
| Pension and UIF Contributions | | 12 | 13 | 13 | 1 | 6 | 7 | (1) | -14% | 13 |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | - | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | 380 | 449 | 449 | - | 27 | 262 | (235) | -90% | 449 |
| Cellphone Allowance | | 57 | 58 | 58 | 2 | 23 | 34 | (10) | -31% | 58 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | 41 | 1 | 1 | 0 | 0 | 1 | (0) | -36% | 1 |
| Payments in lieu of leave | | - | - | - | - | - | - | - | - | - |
| Long service awards | | - | - | - | - | - | - | - | - | - |
| Post-retirement benefit obligations | | - | - | - | - | - | - | - | - | - |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 5 250 | 5 958 | 5 958 | 324 | 2 597 | 3 475 | (879) | -25% | 5 958 |
| % increase | 4 | | 13,5% | 13,5% | | | | | | 13,5% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 94 293 | 112 391 | 112 391 | 8 462 | 57 070 | 65 561 | (8 491) | -13% | 112 391 |
| Pension and UIF Contributions | | 16 440 | 20 409 | 20 409 | 1 354 | 9 594 | 11 905 | (2 311) | -19% | 20 409 |
| Medical Aid Contributions | | 6 996 | 11 154 | 11 154 | 652 | 4 211 | 6 506 | (2 296) | -35% | 11 154 |
| Overtime | | 11 276 | 7 684 | 7 684 | 1 890 | 7 997 | 4 482 | 3 515 | 78% | 7 684 |
| Performance Bonus | | 7 247 | 9 130 | 9 130 | 29 | 7 222 | 5 326 | 1 897 | 36% | 9 130 |
| Motor Vehicle Allowance | | - | 83 | 83 | - | 80 | 49 | 31 | 64% | 83 |
| Cellphone Allowance | | 234 | 279 | 279 | 21 | 144 | 163 | (19) | -11% | 279 |
| Housing Allowances | | 524 | 2 097 | 2 097 | 44 | 311 | 1 223 | (912) | -75% | 2 097 |
| Other benefits and allowances | | 1 048 | 1 989 | 1 989 | 82 | 1 215 | 1 160 | 55 | 5% | 1 989 |
| Payments in lieu of leave | | 1 630 | 3 500 | 3 500 | 64 | 733 | 2 042 | (1 309) | -64% | 3 500 |
| Long service awards | | 856 | 1 785 | 1 785 | - | - | 1 042 | (1 042) | -100% | 1 785 |
| Post-retirement benefit obligations | | 4 066 | 4 278 | 4 278 | 157 | 641 | 2 495 | (1 854) | -74% | 4 278 |
| Entertainment | | - | - | - | - | - | - | - | - | - |
| Scarcity | | - | - | - | - | - | - | - | - | - |
| Acting and post related allowance | | - | - | - | - | - | - | - | - | - |
| In kind benefits | | - | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | 144 611 | 174 779 | 174 779 | 12 754 | 89 218 | 101 954 | (12 737) | -12% | 174 779 |
| % increase | 4 | | 20,9% | 20,9% | | | | | | 20,9% |
| Total Parent Municipality | | 166 191 | 198 368 | 198 368 | 14 468 | 101 730 | 115 715 | (13 984) | -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 R24.1 million against the expected budget of R30.6 million. The variance is sitting at 21.1%. During the months of July and August 2024, the Municipality was not operational which had an impact on expenditure for repairs and maintenance.

UMDONI MUNICIPALITY IN-YEAR REPORT FOR DECEMBER (M06) 2024/25 FINANCIAL YEAR

| KZN212 Umdoni - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M07 January | | | | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|--------------------|
| 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 | 368 | 20 295 | 20 907 | (612) | -2,9% | 35 840 |
| Roads Infrastructure | | 2 608 | 7 807 | 7 807 | 368 | 698 | 4 554 | (3 856) | -84,7% | 7 807 |
| Roads | | 1 616 | 6 580 | 6 580 | 368 | 614 | 3 839 | (3 224) | -84,0% | 6 580 |
| Road Structures | | | | | - | | | | | |
| Road Furniture | | 992 | 1 227 | 1 227 | - | 84 | 716 | (632) | -88,3% | 1 227 |
| Capital Spares | | | - | - | | | | - | | |
| Storm water Infrastructure | | - | - | - | - | - | - | - | | |
| Drainage Collection | | - | - | - | - | - | - | - | | |
| Storm water Conveyance | | - | - | - | - | - | - | - | | |
| Attenuation | | - | - | - | - | - | - | - | | |
| Electrical Infrastructure | | 2 962 | 3 000 | 3 000 | - | 1 166 | 1 750 | (584) | -33,4% | 3 000 |
| MV Networks | | - | - | - | | | | | | |
| LV Networks | | 2 962 | 3 000 | 3 000 | - | 1 166 | 1 750 | (584) | -33,4% | 3 000 |
| Capital Spares | | - | - | - | | | | | | |
| Water Supply Infrastructure | | - | - | - | - | - | - | - | | |
| Capital Spares | | - | - | - | - | - | - | - | | |
| Sanitation Infrastructure | | - | - | - | - | - | - | - | | |
| Rail Infrastructure | | - | - | - | - | - | - | - | | |
| Coastal Infrastructure | | 33 903 | 25 033 | 25 033 | - | 18 431 | 14 603 | 3 829 | 26,2% | 25 033 |
| Sand Pumps | | - | - | - | | | | | | |
| Piers | | - | - | - | | | | | | |
| Revetments | | - | - | - | | | | | | |
| Promenades | | - | - | - | | | | | | |
| Capital Spares | | 33 903 | 25 033 | 25 033 | - | 18 431 | 14 603 | 3 829 | 26,2% | 25 033 |
| Information and Communication Infrastructure | | - | - | - | - | - | - | - | | |
| Data Centres | | - | - | - | | | | | | |
| Core Layers | | - | - | - | | | | | | |
| Distribution Layers | | - | - | - | | | | | | |
| Capital Spares | | - | - | - | - | - | - | - | | |
| Community Assets | | 2 901 | 3 440 | 3 440 | 667 | 1 166 | 2 007 | (841) | -41,9% | 3 440 |
| Community Facilities | | 2 276 | 2 480 | 2 480 | 613 | 767 | 1 447 | (680) | -47,0% | 2 480 |
| Halls | | - | - | - | | | | | | |
| Theatres | | - | - | - | | | | | | |
| Libraries | | 39 | 280 | 280 | 30 | 43 | 163 | (121) | -73,8% | 280 |
| Cemeteries/Crematoria | | - | - | - | | | | | | |
| Police | | - | - | - | | | | | | |
| Parks | | - | - | - | | | | | | |
| Public Open Space | | - | - | - | | | | | | |
| Nature Reserves | | 238 | 360 | 360 | 180 | 321 | 210 | 111 | 52,7% | 360 |
| Public Ablution Facilities | | 1 999 | 1 840 | 1 840 | 403 | 403 | 1 073 | (670) | -62,4% | 1 840 |
| Markets | | - | - | - | | | | | | |
| Capital Spares | | - | - | - | | | | | | |
| Sport and Recreation Facilities | | 625 | 960 | 960 | 54 | 399 | 560 | (161) | -28,7% | 960 |
| Indoor Facilities | | - | - | - | | | | | | |
| Outdoor Facilities | | 625 | 960 | 960 | 54 | 399 | 560 | (161) | -28,7% | 960 |
| Capital Spares | | - | - | - | | | | | | |
| Heritage assets | | - | - | - | - | - | - | - | | |
| Investment properties | | - | - | - | - | - | - | - | | |
| Revenue Generating | | - | - | - | - | - | - | - | | |
| Non-revenue Generating | | - | - | - | - | - | - | - | | |
| Improved Property | | - | - | - | - | - | - | - | | |
| Unimproved Property | | - | - | - | - | - | - | - | | |
| Other assets | | 2 544 | 5 302 | 5 302 | 130 | 827 | 3 093 | (2 266) | -73,3% | 5 302 |
| Operational Buildings | | 2 544 | 5 302 | 5 302 | 130 | 827 | 3 093 | (2 266) | -73,3% | 5 302 |
| Municipal Offices | | 2 544 | 5 302 | 5 302 | 130 | 827 | 3 093 | (2 266) | -73,3% | 5 302 |
| Pay/Enquiry Points | | - | - | - | | | | | | |
| Building Plan Offices | | - | - | - | | | | | | |
| Computer Equipment | | - | 24 | 24 | - | - | 14 | (14) | -100,0% | 24 |
| Computer Equipment | | - | 24 | 24 | - | - | 14 | (14) | -100,0% | 24 |
| Furniture and Office Equipment | | - | 48 | 48 | - | - | 28 | (28) | -100,0% | 48 |
| Furniture and Office Equipment | | - | 48 | 48 | - | - | 28 | (28) | -100,0% | 48 |
| Machinery and Equipment | | 1 859 | 2 951 | 2 951 | 651 | 825 | 1 721 | (896) | -52,1% | 2 951 |
| Machinery and Equipment | | 1 859 | 2 951 | 2 951 | 651 | 825 | 1 721 | (896) | -52,1% | 2 951 |
| Transport Assets | | 3 603 | 4 908 | 4 908 | 509 | 1 064 | 2 863 | (1 799) | -62,8% | 4 908 |
| Transport Assets | | 3 603 | 4 908 | 4 908 | 509 | 1 064 | 2 863 | (1 799) | -62,8% | 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 | 2 326 | 24 177 | 30 633 | 6 456 | 21,1% | 52 513 |



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