



UGU DISTRICT MUNICIPALITY

CONSOLIDATED MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED 31 AUGUST 2023

Prepared By: Budget and Treasury Office

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PART 1 – IN-YEAR REPORT

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2023/2024 Budget of the Ugu District Municipality for the period ending 31 AUGUST 2023 in line with the statutory requirements of S71 of the Municipal Finance Management Act (Act 56, 2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003, Section 71.

4. BACKGROUND

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 31 August 2023 is detailed below. The monthly budget statement is divided into the following:

- 5.1 Monthly Budget Statement Summary
- 5.2 Statement of Financial Performance
- 5.3 Revenue By source
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- 5.5 Debtors Age Analysis
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- 5.7 Investments
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6. MAIN TABLES

- 6.1. Summary
- 6.2. Financial Performance by Revenue and Expenditure
- 6.3. Capital Expenditure
- 6.4. Financial Position

5.1 MONTHLY BUDGET STATEMENT SUMMARY

DC21 Ugu - Table C1 Consolidated Monthly Budget Statement Summary - M02 August									
Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Total Revenue (excluding capital transfers and contributions)	1 195 481 095	1 287 912 183	-	49 940 401	355 040 805	214 652 030	140 388 775	65%	1 287 912 183
Total Expenditure	1 541 484 488	1 109 756 833	-	130 018 262	224 510 511	184 959 490	39 551 021	21%	1 109 756 833
Surplus/(Deficit)	- 346 003 393	178 155 350	-	80 077 861	130 530 294	29 692 540	100 837 754	340%	178 155 350
Total sources of capital funds	8 426 056 936	454 992 250	-	31 073 872	33 174 958	75 832 044	- 42 657 087	-56%	454 992 250

Table C1 above, reflects a deficit of R80 million against the budgeted surplus of R29.6 million which resulted in a variance of R100.8 million. The year to date (YTD) actual is showing the surplus of R130.5 million against the YTD budget of R29.6 million which resulted in a **favourable** variance of R100.8 million.

5.1.1. Revenue by source

The YTD actual for revenue is R355.04 million compared to the YTD budget of R214.65 million which translates to a variance of R140.39 million.

The total variance for Revenue is **favourable**, kindly refer to paragraph 5.3 below for detailed explanations on variances for Revenue.

5.1.2. Operating Expenditure:

The YTD actual for operating expenditure is R224 million compared to the YTD budget of R184 million which translates to a variance of R39.55 million.

The total variance for Operating Expenditure is **unfavourable**, kindly refer to paragraph 5.4 below for detailed explanations on variances for Operating Expenditure.

5.1.3. Capital Expenditure:

The YTD actual for capital expenditure is R33.17 million compared to the YTD budget of R75.83 million which translates to a variance of R42.66 million.

The total variance for Capital Expenditure is **unfavourable**, kindly refer to paragraph 5.6 below for detailed explanations on variances for Capital Expenditure.

5.2 STATEMENT OF FINANCIAL PERFORMANCE

DC21 Ugu - Table C1 Consolidated Monthly Budget Statement Summary - M02 August

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
<u>Financial Performance</u>									
Property rates	–	–	–	–	–	–	–	–	–
Service charges	502 857	473 915	–	42 240	78 143	78 986	(843)	-1%	473 915
Investment revenue	10 841	11 605	–	1 434	1 866	1 934	(68)	-4%	–
Transfers and subsidies - Operational	599 370	753 907	–	628	263 163	125 651	137 511	109%	11 605
Other own revenue	82 413	48 485	–	5 639	11 869	8 081	3 789	47%	–
Total Revenue (excluding capital transfers and contributions)	1 195 481	1 287 912	–	49 940	355 041	214 652	140 389	65%	1 287 912
Employee costs	494 451	409 846	–	54 847	103 118	68 308	34 810		409 846
Remuneration of Councillors	11 878	11 409	–	1 039	2 091	1 901	189		11 409
Depreciation and amortisation	225 788	220 000	–	17 756	35 659	36 667	(1 007)		220 000
Interest	7 208	7 222	–	1 291	1 963	1 204	760		7 222
Inventory consumed and bulk purchases	143 547	128 408	–	12 121	23 005	21 401	1 603		128 408
Transfers and subsidies	21 650	8 000	–	–	–	1 333	(1 333)	-100%	8 000
Other expenditure	636 962	324 871	–	42 964	58 675	54 145	4 529	8%	324 871
Total Expenditure	1 541 484	1 109 757	–	130 018	224 511	184 959	39 551	21%	1 109 757
Surplus/(Deficit)	(346 003)	178 155	–	(80 078)	130 530	29 693	100 838	340%	178 155
Transfers and subsidies - capital (monetary)	508 512	454 994	–	18 782	30 103	75 832	(45 729)	-60%	454 994
Transfers and subsidies - capital (in-kind)	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	162 508	633 150	–	(61 296)	160 633	105 525	55 108	52%	633 150
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	162 508	633 150	–	(61 296)	160 633	105 525	55 108	52%	633 150
<u>Capital expenditure & funds sources</u>									
Capital expenditure	8 426 057	454 992	–	31 074	33 175	75 832	(42 657)	-56%	454 992
Capital transfers recognised	681 240	454 992	–	28 701	30 428	75 832	(45 404)	-60%	454 992
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	7 744 817	–	–	2 372	2 747	–	2 747	#DIV/0!	–
Total sources of capital funds	8 426 057	454 992	–	31 074	33 175	75 832	(42 657)	-56%	454 992
<u>Financial position</u>									
Total current assets	337 443	1 016 449	–		462 330				1 016 449
Total non current assets	3 642 417	3 741 640	–		3 881 726				3 741 640
Total current liabilities	975 061	880 432	–		935 741				880 432
Total non current liabilities	52 837	242 849	–		52 205				242 849
Community wealth/Equity	2 789 439	3 634 808	–		3 203 393				3 634 808
<u>Cash flows</u>									
Net cash from (used) operating	8 062 066	892 187	–	84 732	1 230 083	61 853	(1 168 230)	-1889%	892 187
Net cash from (used) investing	602 959	(526 577)	–	(7 363)	(7 363)	86 386	93 749	109%	(526 577)
Net cash from (used) financing	–	–	–	–	–	–	–		–
Cash/cash equivalents at the month/year end	8 665 025	407 339	–	77 369	1 222 721	189 967	(1 032 754)	-544%	365 612
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
<u>Debtors Age Analysis</u>									
Total By Income Source	52 331	43 763	31 756	28 444	31 898	26 888	146 074	822 408	1 183 562
<u>Creditors Age Analysis</u>									
Total Creditors	38 092	14 076	113 486	27 044	23 555	10 377	3 546	260 367	490 544

The above table provides an overview of the monthly actual, year to date actual and year to date budget of revenue by source and expenditure by type.

5.3 FINANCIAL PERFORMANCE - REVENUE BY SOURCE

DC21 Ugu - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-		-
Service charges - Water		390 940	361 232	-	32 397	59 450	60 205	(755)	-1%	361 232
Service charges - Waste Water Management		111 917	112 683	-	9 843	18 692	18 780	(88)	0%	112 683
Service charges - Waste management		-	-	-	-	-	-	-		-
Sale of Goods and Rendering of Services		2 218	-	-	129	289	-	289	#DIV/0!	-
Agency services		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		56 741	37 768	-	5 499	11 152	6 295	4 858	77%	37 768
Interest from Current and Non Current Assets		10 841	11 605	-	1 434	1 866	1 934	(68)	-4%	11 605
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		2 286	2 264	-	3	3	377	(374)	-99%	2 264
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		15 805	8 453	-	8	424	1 409	(985)	-70%	8 453
Non-Exchange Revenue										
Property rates		-	-	-	-	-	-	-		-
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licence and permits		-	-	-	-	-	-	-		-
Transfers and subsidies - Operational		599 370	753 907	-	628	263 163	125 651	137 511	109%	753 907
Interest		-	-	-	-	-	-	-		-
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		3 763	-	-	-	-	-	-		-
Other Gains		1 600	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		1 195 481	1 287 912	-	49 940	355 041	214 652	140 389	65%	1 287 912

5.3.1. Revenue by Source

This above table provides an overview of the monthly actual, year to date actual and year to date Budget of revenue by Source and details explained below.

5.3.1.1. Service Charges-Water

The actual revenue billed from Service charges - Water amounted to R59.4 million compared with the year-to-date budget of R60.2 million which resulted in an unfavorable variance of R755 thousand.

The budgeted figures were based on the historic figures and some of the readings were estimated. The correction of readings on customer accounts resulted in a decrease in the consumption for the month of October as most customers were being overestimated in the previous months.

5.3.1.2. Service charges-sanitation

The actual revenue billed from Service charges - Sanitation amounted to R18.6 million compared with the year-to-date budget of R18.7 million which resulted in the unfavorable variance of R88 thousand.

The budgeted figures were based on the historic figures and some of the readings were estimated. The correction of readings on customer accounts resulted in a decrease in the consumption for the month of October as most customers were being overestimated in the previous months.

5.3.1.3. Rental of facilities

Revenue from rental of facilities amounted to R3 thousand compared with the year-to-date budget of R377 thousand which resulted in the unfavourable variance of R99 thousand.

The billing of rental income for BTS service providers was not billed in the month of July and August, it will be done in the month of September 2023.

5.3.1.4. Interest earned-external investments

Interest earned on external investments amounted to R11.1 million compared with the year-to-date budget of R1.8 million, resulting in an unfavourable variance of R68 thousand.

The variance is due to low investment during the month, which should be corrected in the following months.

5.3.1.5. Interest earned-outstanding debtors

Interest earned on outstanding debtors amounts to R5.6 million compared with the year-to-date budget of R6.2 million, resulting in a favourable variance of R4.8 million.

The debt book is increasing month on month hence the high value of interest being raised.

5.3.1.6. Transfers and subsidies

Transfers and subsidies recognised operational amounted to R261.1 million compared with the year to-date budget of R125.6 million, resulting in a favourable variance of R197.5 million.

The variance is a result of the first trench of Equitable Share which was received in July 2023 and is expected to be utilised for operations for the next four months. The year-to-date budget amount reflects the anticipated distribution of the equitable share to align with anticipated expenditure throughout the year.

5.3.1.7. Other revenue

This income is composed of all the internally generated income except the service charges, the rental of facilities and the interest income. The year-to-date performance on Other Revenue amounted to R424 thousand compared with the year-to-date budget of R1.4 million, resulting in an unfavourable variance of R985 thousand.

The revenue recognised is generated on ad hoc basis as per the requests that are received in a particular month. For the first 2 months of this financial we saw a decrease in the requests which then adversely affected the revenue to date.

5.4 FINANCIAL PERFORMANCE - EXPENDITURE BY TYPE

The YTD variance is calculated by taking YTD Actual and less YTD Budget.

DC21 Ugu - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M02 August

Budget Statement - Financial Performance (Revenue and Expenditure) - M02 August										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Employee related costs		494 451	409 846	-	54 847	103 118	68 308	34 810	51%	409 846
Remuneration of councillors		11 878	11 409	-	1 039	2 091	1 901	189	10%	11 409
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		143 547	128 408	-	12 121	23 005	21 401	1 603		128 408
Debt impairment		-	74 453	-	-	-	12 409	(12 409)	-100%	74 453
Depreciation and amortisation		225 788	220 000	-	17 756	35 659	36 667	(1 007)	-3%	220 000
Interest		7 208	7 222	-	1 291	1 963	1 204	760	63%	7 222
Contracted services		304 489	138 443	-	6 537	10 922	23 074	(12 152)	-53%	138 443
Transfers and subsidies		21 650	8 000	-	-	-	1 333	(1 333)	-100%	8 000
Irrecoverable debts written off		105 260	-	-	178	462	-	462		-
Operational costs		218 971	111 976	-	36 248	47 290	18 663	28 627	153%	111 976
Losses on Disposal of Assets		8 234	-	-	-	-	-	-		-
Other Losses		8	-	-	1	1	-	1		-
Total Expenditure		1 541 484	1 109 757	-	130 018	224 511	184 959	39 551	21%	1 109 757

5.4.1. Employee related costs

The expenditure on the employee costs amounted to R103.1 million compared with the year-to-date budget of R68.3 million, resulting in an unfavorable variance of R34.8 million.

The variance is as a result of the municipality's Back pay of reinstated Staff, Overtime payable to essential services Staff as well as Acting Allowances. The municipality has also paid bonuses/ 13th cheque to its employees that are due in August every year.

5.4.2. Remuneration of councilors

The actual expenditure for the councilor's allowances amounted to R2 million compared with the year-to-date budget of R1.9 million, resulting in an unfavorable variance of R189 thousand.

The initial application for increases which aligned with our approvals was not approved. Then subsequently it was approved after the municipality re applied for the increase with added motivations. The increase came after the budget processes and thus will be rectified during the adjustments budget process.

5.4.3. Debt Impairment

The actual expenditure on debt impairment amounted to R12.4 million compared with the budget of R12.4 million, which is in line with the budgeted amount.

5.4.4. Depreciation and asset impairment

The actual expenditure on the depreciation and asset impairment amounted to R35.6 million compared with the budget of R36.6 million, resulting in a favorable variance of R1 million.

The actual amount is lower owing to reassessed useful lives as at year end thus leading to a favourable variance. As at 31 August 2023 there had not been significant completed projects/assets to add onto the depreciation.

5.4.5. Inventory consumed

The actual expenditure for inventory consumed amounted to R23 million compared with the year-to-date budget of R21.4 million, resulting in an unfavorable variance of R1.6 million.

The water tariff hike increased for uMgeni after the budget was approved which could not be rectified, this will be rectified during the adjustments budget. There has also been an increase in consumption which was more than anticipated.

5.4.6. Contracted Services

The expenditure for Contracted services amounted to R10.9 million, compared with a year-to-date budget of R23 million resulting in a favorable variance of R12.1 million.

This is owing to cost containment measures that has been implemented by management.

5.4.7. Transfers and subsidies

The expenditure for Transfers and subsidies amounted to R0, compared with a year-to-date budget of R1.3 million resulting in a favorable variance of R1.3 million.

There exists an arrangement to raise invoices on a quarterly basis for the entity and thus expenditure is expected on M03.

5.4.8 Irrecoverable debts written off

The variance is as a result of waver interest and amnesty on residential properties. This was not budgeted for as there was no indication of how much was to be expected and whether the amnesty program is to proceed or not. This will be rectified at adjustment budget.

5.4.9. Other operating expenditure

The expenditure on other operation expenditure amounted to R47.2 million compared with the year-to-date budget of R18.6 million resulting in an unfavorable variance of R28.6 million.

This is owing to the increased electricity bill which was not commensurate to the year-to-date projections.

The other portion of the variance is as a result of fuel price increase in the country, it has resulted to drastic increase in our fuel expenditure.

5.5 DEBTORS AGE ANALYSIS

AGE ANALYSIS PER CUSTOMER TYPE AGE ANALYSIS								
AS AT 31 AUGUST 2023								
CUSTOMER TYPE	0-30	31-60	61-90	91-120	121-150	151-180	181+	Balance
Business	R11 933 229.00	R11 456 548.00	R5 447 693.00	R5 601 238.00	R5 211 242.00	R3 958 553.00	R134 181 042.00	R177 789 545.00
Intergovernmental debt	R5 708 927.00	R2 529 566.00	R1 939 295.00	R1 218 223.00	R1 185 237.00	R856 150.00	R11 039 909.00	R24 477 306.00
Private Individual	R35 386 370.00	R29 884 375.00	R24 272 863.00	R23 034 625.00	R25 797 226.00	R22 181 541.00	R829 377 831.00	R989 934 832.00
Ugu District Municipality	-R336 966.00	R21 936.00	-R33 840.00	-R43 608.00	-R5 829.00	-R57 901.00	-R186 339.00	-R642 548.00
Total	R52 691 560.00	R43 892 425.00	R31 626 011.00	R29 810 478.00	R32 187 876.00	R26 938 343.00	R974 412 443.00	R1 191 559 135.00

The biggest contributor to the total debt is residential customers who equate to 83%, business is 15% of the total debt and departmental accounts are 2% to the total debt. It has also been noticed that some customers have opted to have boreholes in their properties, and some have installed storage facilities in their properties which then adversely affect the collections process as customers do not respond when disconnections and restrictions are physically done on the customers properties.

The collections for the current financial year have been negatively affected by Covid 19 as most business and private individuals' income have been impacted. In addition, we still have a backlog in resolving system related issues and technical issues where we cannot correct customer accounts that are under dispute which then affects our collections adversely. The issue of unplanned water outages is also a big challenge as customers are refusing to pay their accounts.

The below table details the balance on the intergovernmental debt and the status thereof:

INTERGOVERNMENTAL AGE ANALYSIS									
AS AT 31 AUGUST 2023									
Account Category	0-30	31-60	61-90	91-120	121-150	151-180	181+	Balance	Comments August 2023
Dept of Education	R5 467.00	R5 847.00	R37 987.00	R3 729.00	R2 447.00	R4 019.00	R35 830.00	R95 326.00	Still no payment received. The disconnection of the 2 owing properties in Harding has not materialized as Water Services has requested that we do not disconnect or restrict in this area due to water supply issues.
Dept of Education(Section 20)	R13 234.00	R14 773.00	-R998.00	R2 113.00	-	-	R0.00	R29 122.00	None
Dept of Education(Section 21)	R647 472.00	R598 421.00	R520 640.00	R534 891.00	R474 004.00	R383 974.00	R4 109 905.00	R7 269 307.00	Warning letters issued and S21 schools are coming forward some made promise to pay on receipt of their trench and most rural area schools are complaining that they don't have water and requested a review of their accounts.
Dept of Health	R1 051 460.00	R137 596.00	R93 816.00	R7 314.00	R100 893.00	R71 610.00	-R149 604.00	R1 313 087.00	Warning letters issued however DOH presented in one of the meetings that they are exempted from restrictions. We have received R2.2 million this month from the Department of Health.
Dept of Higher Education and Training	R222 233.00	-R974.00	-R180.00	-	-	-	-R515.00	R220 563.00	None
Dept of Human Settlement	R6 339.00	R5 812.00	R4 981.00	R5 126.00	R4 868.00	R4 846.00	R164 295.00	R196 267.00	No payment received. Communicating with the department as these a vacant stands
Dept of Public Works National	R906 921.00	R463 862.00	R108 042.00	R96 394.00	R87 683.00	R78 344.00	R1 952 548.00	R3 693 793.00	Received R381 112.91 and we are communicating with COGTA to reconvene the meeting with Public works.
Dept of Public Works Provincial	R3 327.00	R2 061.00	R1 372.00	R1 368.00	R1 364.00	R1 361.00	R140 791.00	R151 645.00	COGTA intervention requested since only Port Shepstone office is paying for the properties they are responsible for and the rest is for PMB office.
Dept of Social Development	R28 979.00	R1 021.00	R22 885.00	R1 325.00	R1 323.00	R1 320.00	R126 440.00	R183 292.00	No progress with the collection of outstanding amount from DSD Vulamehlo since they don't have water and there are no meters at these properties.
Dept of Sports and Recreation	R1 235.00	R19.00	-	-	-	-	-R5 499.00	-R4 245.00	None
Dept of Transport	R78 522.00	R13 971.00	-R71 947.00	R6 259.00	R5 894.00	R5 671.00	R125 662.00	R164 032.00	Received R180 331.09
Eskom	R39 107.00	R38 149.00	R30 265.00	R26 425.00	R29 065.00	R26 656.00	R1 442 459.00	R1 632 125.00	Warning letters issued, statements sent, the delay in payment is as a result of change in Banking details. We are awaiting payment in September.
Harry Gwala District Municipality	R441 950.00	R450 533.00	R420 073.00	R404 607.00	R387 435.00	R317 896.00	R87 778.00	R2 510 274.00	We received R1 496 624.44 and no response yet as to when the remaining balance will be settled.
National Youth Development	-	-	-R4 873.00	-	-	-	R0.00	-R4 873.00	None
Ray Nkonyeni Municipality	R1 099 891.00	R271 548.00	R66 980.00	R102 101.00	R33 931.00	-R70 025.00	R1 745 730.00	R3 250 156.00	Received R1 067 118.69, warning letter will be issued to long outstanding debt with no dispute.
South African Post Office	R1 737.00	R423.00	R401.00	R505.00	R398.00	-R11 791.00	R9 414.00	R1 088.00	None
Telkom SA	R13 276.00	R5 296.00	R6 577.00	R5 070.00	R4 933.00	R5 089.00	R29 883.00	R70 123.00	Status quo remains with Telkom since properties are not occupied.
Transnet	R69 853.00	R71 553.00	R75 409.00	R52 667.00	R54 614.00	R75 829.00	R1 593 832.00	R1 993 756.00	Received R64 872.31 a follow up will be done with remaining amount still huge.
Umdoni Local Municipality	R1 025 046.00	R526 173.00	R627 115.00	-R32 034.00	-R4 088.00	-R39 121.00	-R212 434.00	R1 890 656.00	No payment made in August to follow up with the LM.
Umuziwabantu Municipality	R52 379.00	-R78 166.00	-	-	-	-	-R151 534.00	-R177 321.00	None
Umzumbi Municipality	R500.00	R1 650.00	R748.00	R363.00	R473.00	R471.00	-R5 072.00	-R867.00	None
Total	R5 708 927.00	R2 529 566.00	R1 939 295.00	R1 218 223.00	R1 185 237.00	R856 150.00	R11 039 909.00	R24 477 306.00	

5.6 Creditors Analysis

DC21 Ugu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Description R thousands	NT Code	Budget Year 2023/24									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	-	-	-	-	-	-	-	-	-	-
Bulk Water	0200	14 130	10 952	26 208	3 109	-	-	-	152 425	206 824	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	238	88	-	-	-	-	326	-
Trade Creditors	0700	23 077	3 123	81 519	21 419	21 285	9 920	1 226	63 793	225 361	-
Auditor General	0800	-	-	195	-	-	-	21	-	216	-
Other	0900	528	846	6 511	1 574	1 062	1 786	2 299	43 276	57 882	-
Total By Customer Type	1000	37 735	14 922	114 671	26 189	22 346	11 706	3 546	259 494	490 609	-

The municipality is unable to pay its creditors with 30 days due to financial difficulties. There exists a payment arrangement with between uMgeni and the Municipality for the bulk water debt to have the debt settled by 2025/26. This payment arrangement is currently being adhered to.

Cost containment mechanism are being implemented to reduce further commitments being made and ultimately increasing the creditors book.

5.7 CAPITAL EXPENDITURE

UGU DISTRICT MUNICIPALITY CAPITAL EXPENDITURE 31 AUGUST 2023							
PROJECT NAME	ORIGINAL BUDGET	JULY ACTUALS	AUG ACTUALS	YTD ACTUALS	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %
INTERNAL CAPEX							
Number of Ugu sites Implemented in line with the Long-Term Office Accommodation Plan	R0.00	R0.00	R2 080 473.89	R2 080 473.89	R0.00	-R2 080 473.89	0%
Number of ICT Facilities and Infrastructure Resource projects commissioned.	R0.00	R0.00	R291 913.32	R291 913.32	R0.00	-R291 913.32	0%
M&E replacement	R0.00	R374 139.85	R0.00	R374 139.85	R0.00	-R374 139.85	0%
TOTAL INTERNAL CAPEX	R0.00	R374 139.85	R2 372 387.21	R2 746 527.06	R0.00	-R 2 746 527.06	0%
PROJECT NAME	ORIGINAL BUDGET	JULY ACTUALS	AUG ACTUALS	YTD ACTUALS	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %
MIG							
Harding Weza Regional Bulk Water Supply(Dam)	R3 000 000.00	R0.00	R0.00	R0.00	R500 000.00	R500 000.00	100%
Umzimkhulu Bulk Water Augmentation scheme	R13 116 801.00	R0.00	R332 140.71	R332 140.71	R2 186 133.50	R1 853 992.79	85%
Msikaba and Surrounds Water Supply Scheme	R12 950 000.00	R0.00	R7 242 091.59	R7 242 091.59	R2 158 333.33	-R5 083 758.26	-236%
Vulamehlo Cross-Border Water Scheme	R23 000 000.00	R0.00	R0.00	R0.00	R3 833 333.33	R3 833 333.33	100%
KwaLembe Bulk Water Extension	R15 000 000.00	R0.00	R0.00	R0.00	R2 500 000.00	R2 500 000.00	100%
KwaLembe Bulk Water Extension	R13 617 549.00	R1 726 945.65	R0.00	R1 726 945.65	R2 269 591.50	R542 645.85	24%
Malangen Low Cost Housing Project	R34 000 000.00	R0.00	R5 969 839.00	R5 969 839.00	R5 666 666.67	-R303 172.33	-5%
Masinenge/uVongo Sanitation Project	R10 500 000.00	R0.00	R0.00	R0.00	R1 750 000.00	R1 750 000.00	100%
Margate Sewer Pipeline Replacement	R4 480 000.00	R0.00	R4 381 336.47	R4 381 336.47	R746 666.67	-R3 634 669.80	-487%
Margate Sewer Pipeline Replacement	R18 000 000.00	R0.00	R3 569 820.65	R3 569 820.65	R3 000 000.00	-R569 820.65	-19%
Bhobhoyi / Mkhholombe Sanitation	R22 900 000.00	R0.00	R1 553 924.00	R1 553 924.00	R3 816 666.67	R2 262 742.67	59%
Park Rynie Sanitation	R15 500 000.00	R0.00	R694 486.36	R694 486.36	R2 583 333.33	R1 888 846.97	73%
Mabheleni East Water Project	R14 482 850.00	R0.00	R0.00	R0.00	R2 413 808.33	R2 413 808.33	100%
Mabheleni East Water Project	R14 520 850.00	R0.00	R603 200.00	R603 200.00	R2 420 141.67	R1 816 941.67	75%
KWAMGAI AND SURROUNDS WATWER	R4 770 000.00	R0.00	R0.00	R0.00	R795 000.00	R795 000.00	100%
TOTAL MIG	R219 838 050.00	R1 726 945.65	R24 346 838.78	R26 073 784.43	R36 639 675.00	R10 565 890.57	29%
PROJECT NAME	ORIGINAL BUDGET	JULY ACTUALS	AUG ACTUALS	YTD ACTUALS	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %
MUNICIPAL DISASTER RECOVERY GRANT	R85 156 200.00	R0.00	R0.00	R0.00	R14 192 700.00	14192700	100%
TOTAL MUNICIPAL DISASTER RECOVERY GRANT	R85 156 200.00	R0.00	R0.00	R0.00	R14 192 700.00	R14 192 700.00	100%
PROJECT NAME	ORIGINAL BUDGET	JULY ACTUALS	AUG ACTUALS	YTD ACTUALS	YTD BUDGET	YTD VARIANCE	YTD VARIANCE %
Non-revenue water Reduction	R150 000 000.00	R0.00	R4 354 646.19	R4 354 646.19	R25 000 000.00	R20 645 353.81	83%
TOTAL WSIG	R150 000 000.00	R0.00	R4 354 646.19	R4 354 646.19	R25 000 000.00	R20 645 353.81	83%
TOTAL CAPITAL EXPENDITURE	R454 994 250.00	R2 101 085.50	R31 073 872.18	R33 174 957.68	R75 832 375.00	R42 657 417.32	56%

The above table gives details of the year to-date actual capital expenditure against the budget. The actual capital expenditure for the financial year to-date amounted to R33 million relating to **MIG and WSIG**, against the year-to-date budget of R75.8 million, resulting in an unfavorable variance of R42.6 million.

Internally funded Capital Project are not budgeted for, this will be rectified in the Adjustments Budget and the expenditure relates to the finalization of the Oslo Beach building. The other portion relates to emergency work for sewer which is the environment risk and non-compliance for the municipality if not attended to.

5.7 INVESTMENT PORTFOLIO

DC21 Ugu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

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 s	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		Yr/Months												
Municipality														
FNB Investment										5 000				5 000
First National Bank										146				146
NED Bank										10 000				10 000
Investec										-				-
ABSA Bank CALL MIG										0				0
MIG CALL Standard Bank Interest										126				126
MIG CALL Standard Bank										36 212		(16 860)		19 352
STD Investment										55 000		(40 000)		15 000
ABSA Bank CALL										1				1
Jazz										202				202
ABSA										60 000				60 000
Standard Bank call account										126		(324)		(198)
														-
														-
														-
														-
Municipality sub-total										106 813		(57 184)	-	109 629
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									106 813		(57 184)	-	109 629

The municipality does not hold any long-term investments due to its negative cash flow position. The municipality is currently putting grant receipts into short term deposits until the funds are required to defray the related expenditures. The short-term deposit attracts better interest rates compared with the ordinary bank account.

5.8 TRANSFERS AND GRANTS RECEIPTS

UGU DISTRICT MUNICIPALITY								
GRANTS REGISTER 31 AUGUST 2023								
NO.	DETAILS	BALANCE AS AT 1 JULY 2023	TOTAL INCOME 31 AUG 2023	TOTAL EXP 31 AUG 2023	BALANCE AS AT 31 AUG 2023	TOTAL % SPENT AS AT 31 AUG 2023	RESPONSIBLE PERSON	FUNDER/ SPONSOR
A1	Finance Management Grant	R0.00	-R1 950 000.00	R101 311.00	-R1 848 689.00	5.20%	GM: TR	DPLG
A2	Rural Transport Services		-	-	-	0.00%	GM: TR	DTRANSPORT
A3	Expanded Public Works Programme		-R955 000.00	R462 410.00	-R492 590.00	48.42%	OMM	PUBLIC WORKS
A4	Water Services Infrastructure Grant		-R60 000 000.00	R2 982 524.00	-R57 017 476.00	4.97%	GM: WS	DPLG
A5	Development Planning Shared Services		-	-	-	0.00%	OMM	COGTA
A6	Shared Legal Services Grant	-R1 000 000.00	-	-	-R1 000 000.00	0.00%	OMM	COGTA
A7	AWIP - St Helen's Rock Water Abstraction Pump System, Replacement, Refu		-	-	-	0.00%	GM: WS	COGTA
A8	Municipal Disaster Response Grant		-	-	-	0.00%	GM: WS/CS	DPLG
A9	Ugu Transformative River Management Programme	-R70 888.00	-	R26 500.00	-R44 388.00	37.38%	GM: IED	EDTEA
A10	Water Acceleration - Water Refurbishment Umtamvuna System	-R302 176.00	-	-	-R302 176.00	0.00%	GM: WS	COGTA
A12	Mig Projects		-R95 000 000.00	R27 120 472.00	-R67 879 529.00	28.55%	GM: WS	DPLG
A13	Equitable Shares		-R262 535 000.00	R105 013 833.00	-R157 521 167.00	40.00%	GM: TR	DPLG
	Total Unspent Grants /Subsidies	-R1 373 064.00	-R420 440 000.00	R135 707 050.00	-R286 106 015.00			

5.8.1. Transfers and Grants Receipts

The total grants received for financial year to-date amounted to R420 440 000 as per the Table/ Schedule above, and the expenditure to-date is R135 707 050 which is 32.28%.

5.8.2. Transfers and Grants Expenditure

Grants are monitored monthly, and a grants register is communicated with management to ensure effective management.

5.8.3. Grants Expenditure

5.8.3.1. Finance Management Grant (FMG)

This grant is used to pay the salaries of finance management interns and other training programs related to municipal finance. The gazetted amount is R1 950 000 million, and as at the end of August an amount of R1 950 000 had been received. The expenditure for the financial year to-date amounted to R101 311. The spending of the Grant is 5.2%

5.8.3.2. Municipal Infrastructure Grant (MIG)

This grant is used to build new and refurbish the existing water and sanitation infrastructure.

The gazetted amount is R290 379 000, and as at the end of July an amount of R95 000 000 had been received and R27 120 472 was spent. The spending of the Grant is 9.34%

5.8.3.3. Water Services Infrastructure Grant (WSIG)

The gazetted amount is R 150 000 000 and as at the end of August the total amount of R60 000 000 had been received and R2 982 524 was spent in August. The spending of the Grant is 4.97%

5.8.3.4. Other grants

The gazette allocations for 2023/2024 are as follows:

- Expanded Public Works Programme gazetted amount R 3 819 000 and the expenditure as of 31 August is R462 410. We have received R955 000 from National Treasury. The spending of the Grant is 12.11%
- Rural Roads Asset Management Systems Grant gazetted amount R2 859 000 and the Expenditure as of 31 August is R0, we haven't received any monies from National Treasury in August. There is no expenditure incurred as yet. The spending of the Grant is 0%

5.8.3.5 Municipal Disaster Recovery Grant

The grant will be utilized to assist the community in the area that are affected by the natural disaster.

The gazetted amount is R129 775 000, there is no allocation that is received by the municipality as at 31 August 2023, the expenditure to date is R0 as well as the percentage is 0%.

5.9 SALARIES EXPENDITURE DETAILS

DC21 Ugu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

DC21 Ugu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August												
Summary of Employee and Councillor remuneration		Ref	2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2023/24 YearTD actual		YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands			A	B	C							D
Councillors (Political Office Bearers plus Other)		1										
Basic Salaries and Wages			8 796	8 058	-	765	1 542	1 343	199	15%		8 058
Pension and UIF Contributions			-	-	-	-	-	-	-	-		-
Medical Aid Contributions			-	-	-	-	-	-	-	-		-
Motor Vehicle Allowance			-	416	-	-	-	69	(69)	-100%		416
Cellphone Allowance			-	742	-	4	7	124	(116)	-94%		742
Housing Allowances			-	-	-	-	-	-	-	-		-
Other benefits and allowances			3 081	2 192	-	270	541	365	176	48%		2 192
Sub Total - Councillors			11 878	11 409	-	1 039	2 091	1 901	189	10%		11 409
% Increase		4		-3.9%								-3.9%
Senior Managers of the Municipality		3										
Basic Salaries and Wages			-	5 162	-	14	14	860	(847)	-98%		5 162
Pension and UIF Contributions			-	-	-	2	2	-	2	# DIV/OI		-
Medical Aid Contributions			-	65	-	2	2	11	(9)	-85%		65
Overtime			-	-	-	5	5	-	5	# DIV/OI		-
Performance Bonus			-	-	-	11	108	-	108	# DIV/OI		-
Motor Vehicle Allowance			229	1 713	-	-	-	286	(286)	-100%		1 713
Cellphone Allowance			-	148	-	-	-	25	(25)	-100%		148
Housing Allowances			-	494	-	-	-	82	(82)	-100%		494
Other benefits and allowances			-	-	-	-	-	-	-	-		-
Payments in lieu of leave			331	-	-	-	-	-	-	-		-
Long service awards			-	-	-	-	-	-	-	-		-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-		-
Entertainment			-	-	-	-	-	-	-	-		-
Scarcity			-	-	-	-	-	-	-	-		-
Acting and post related allowance			-	-	-	-	-	-	-	-		-
In kind benefits			-	-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality			560	7 583	-	33	129	1 264	(1 134)	-90%		7 583
% Increase		4		1255.0%								1255.0%
Other Municipal Staff												
Basic Salaries and Wages			314 561	287 634	-	48 422	74 532	47 939	26 593	55%		287 634
Pension and UIF Contributions			49 598	43 309	-	4 638	9 231	7 218	2 013	28%		43 309
Medical Aid Contributions			18 782	20 372	-	1 836	3 616	3 395	221	6%		20 372
Overtime			49 907	7 532	-	4 270	8 374	1 255	7 119	567%		7 532
Performance Bonus			-	1 027	-	-	-	171	(171)	-100%		1 027
Motor Vehicle Allowance			9 973	8 646	-	890	1 983	1 441	542	38%		8 646
Cellphone Allowance			2 925	3 047	-	263	523	508	15	3%		3 047
Housing Allowances			1 550	1 760	-	123	245	293	(48)	-16%		1 760
Other benefits and allowances			26 519	9 522	-	1 583	10 621	1 587	9 034	569%		9 522
Payments in lieu of leave			6 292	2 013	-	45	133	335	(203)	-60%		2 013
Long service awards			3 216	2 403	-	454	1 042	400	642	160%		2 403
Post-retirement benefit obligations			7 877	-	-	-	-	-	-	-		-
Entertainment			-	-	-	-	-	-	-	-		-
Scarcity			-	-	-	-	-	-	-	-		-
Acting and post related allowance			-	-	-	-	-	-	-	-		-
In kind benefits			2 691	15 000	-	207	607	2 500	(1 893)	-76%		15 000
Sub Total - Other Municipal Staff			493 892	402 264	-	62 732	110 906	67 044	43 862	65%		402 264
% Increase		4		-18.6%								-18.6%
Total Parent Municipality			506 329	421 255	-	63 803	113 126	70 209	42 917	61%		421 255
Unpaid salary, allowances & benefits in arrears:												
Board Members of Entities												
Basic Salaries and Wages			-	-	-	-	-	-	-	-		-
Pension and UIF Contributions			-	-	-	-	-	-	-	-		-
Medical Aid Contributions			-	-	-	-	-	-	-	-		-
Overtime			-	-	-	-	-	-	-	-		-
Performance Bonus			-	-	-	-	-	-	-	-		-
Motor Vehicle Allowance			-	-	-	-	-	-	-	-		-
Cellphone Allowance			-	-	-	-	-	-	-	-		-
Housing Allowances			-	-	-	-	-	-	-	-		-
Other benefits and allowances			-	-	-	-	-	-	-	-		-
Board Fees			-	-	-	-	-	-	-	-		-
Payments in lieu of leave			-	-	-	-	-	-	-	-		-
Long service awards			-	-	-	-	-	-	-	-		-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-		-
Entertainment			-	-	-	-	-	-	-	-		-
Scarcity			-	-	-	-	-	-	-	-		-
Acting and post related allowance			-	-	-	-	-	-	-	-		-
In kind benefits			-	-	-	-	-	-	-	-		-
Sub Total - Executive members Board		2	-	-	-	-	-	-	-	-		-
% Increase		4										
Senior Managers of Entities												
Basic Salaries and Wages			-	-	-	-	-	-	-	-		-
Pension and UIF Contributions			-	-	-	-	-	-	-	-		-
Medical Aid Contributions			-	-	-	-	-	-	-	-		-
Overtime			-	-	-	-	-	-	-	-		-
Performance Bonus			-	-	-	-	-	-	-	-		-
Motor Vehicle Allowance			-	-	-	-	-	-	-	-		-
Cellphone Allowance			-	-	-	-	-	-	-	-		-
Housing Allowances			-	-	-	-	-	-	-	-		-
Other benefits and allowances			-	-	-	-	-	-	-	-		-
Payments in lieu of leave			-	-	-	-	-	-	-	-		-
Long service awards			-	-	-	-	-	-	-	-		-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-		-
Entertainment			-	-	-	-	-	-	-	-		-
Scarcity			-	-	-	-	-	-	-	-		-
Acting and post related allowance			-	-	-	-	-	-	-	-		-
In kind benefits			-	-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Entities			-	-	-	-	-	-	-	-		-
% Increase		4										
Other Staff of Entities												
Basic Salaries and Wages			-	-	-	-	-	-	-	-		-
Pension and UIF Contributions			-	-	-	-	-	-	-	-		-
Medical Aid Contributions			-	-	-	-	-	-	-	-		-
Overtime			-	-	-	-	-	-	-	-		-
Performance Bonus			-	-	-	-	-	-	-	-		-
Motor Vehicle Allowance			-	-	-	-	-	-	-	-		-
Cellphone Allowance			-	-	-	-	-	-	-	-		-
Housing Allowances			-	-	-	-	-	-	-	-		-
Other benefits and allowances			-	-	-	-	-	-	-	-		-
Payments in lieu of leave			-	-	-	-	-	-	-	-		-
Long service awards			-	-	-	-	-	-	-	-		-
Post-retirement benefit obligations			-	-	-	-	-	-	-	-		-
Entertainment			-	-	-	-	-	-	-	-		-
Scarcity			-	-	-	-	-	-	-	-		-
Acting and post related allowance			-	-	-	-	-	-	-	-		-
In kind benefits			-	-	-	-	-	-	-	-		-
Sub Total - Other Staff of Entities			-	-	-	-	-	-	-	-		-
% Increase		4										
Total Municipal Entities			-	-	-	-	-	-	-	-		-
TOTAL SALARY, ALLOWANCES & BENEFITS			506 329	421 255	-	63 803	113 126	70 209	42 917	61%		421 255
% Increase		4		-16.8%								-16.8%
TOTAL MANAGERS AND STAFF			494 451	409 846	-	62 764	111 036	68 308	42 728	63%		409 846

This table details the salaries report as per the requirement of section 66 of the Municipal Finance Management Act 56 of 2003.

Which Says The accounting officer of a municipality must, in a format and for periods as may be prescribed, report to the council on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely-

- a) Salaries and wages
- b) Contributions for pensions and medical aid
- c) Travel, motor car, accommodation, subsistence and other allowances
- d) Housing benefits and allowances
- e) Overtime payments
- f) Loans and advances
- g) Any other type of benefit or allowances related to staff.

5.10 LONG-TERM LOANS

UGU DISTRICT MUNICIPALITY										
LOANS REGISTER: 31 AUGUST 2023										
DETAILS	PURPOSE OF THE LOAN	INTEREST %	REDEEMABLE	CLOSING BALANCE - 30 JUL 2023	CURRENT RECEIPTS	MONTHLY INTEREST CHARGED	YTD INTEREST CHARGED	INTEREST PAID	CAPITAL REPAYMENT DURING THE PERIOD	CLOSING BALANCE - 30 AUG 2023
Development Bank of SA	Refurbishment Of Sanitation Infrastructure- Phase2	5%	2024/03/31	R2 542 985.00	R0.00	R31 783.67	R63 567.35			R2 606 552.35
Development Bank of SA	uMzimkhulu Augmentation - Infrastructure	5%	2029/06/30	R28 018 297.00	R0.00	R118 920.60	R239 242.00	R118 921.00	R316 943.00	R27 821 675.00
			TOTAL	R30 561 282.00	R0.00	R150 704.27	R302 809.35	R118 921.00	R316 943.00	R30 428 227.35

5.10.1. External Loans

The loans are structured unsecured loans with various financial institutions. Current loan balance outstanding is R30 428 227.35 from DBSA. The municipality is still able to make repayments as and when they fall due.

The loans were taken for Sanitation refurbishment and for uMzimkhulu Augmentation at a very low rate of 5% since DBSA was subsidised by the Government to give the Municipalities loans. The Municipality took that opportunity to speed up their Service Delivery process as it was getting value for money at the lowest possible rates.

5.11 PERFORMANCE INDICATORS

DC21 Ugu - Supporting Table SC2 Monthly Budget Statement - performance indicators - M02 August

Description of financial indicator	Basis of calculation	Ref	2022/23	Budget Year 2023/24			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.5%	20.5%	0.0%	0.8%	1.7%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		26.3%	27.5%	0.0%	21.4%	27.5%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	34.6%	115.4%	0.0%	49.4%	115.4%
Liquidity Ratio	Monetary Assets/Current Liabilities		1.2%	76.8%	0.0%	14.7%	76.8%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		18.8%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		41.4%	31.8%	0.0%	31.3%	31.8%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		8.1%	5.8%	0.0%	1.0%	5.8%
Interest & Depreciation	I&D/Total Revenue - capital revenue		19.5%	17.6%	0.0%	0.6%	1.4%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

References

1. Consumer debtors > 12 months old are excluded from current assets.
2. Material variances to be explained.

<u>Calculations</u>				
Financial liabilities	34 271	201 591	33 639	
Total Assets	3 979 861	4 758 089	4 344 056	4 758 089
Employee related costs	494 451	409 846	111 036	409 846
Repairs & Maintenance	97 100	74 615	3 607	74 615
Interest (finance charges)	7 208	7 222	1 963	7 222
Principal paid				
Depreciation	225 788	220 000		11 409
Operating expenditure	1 541 484	1 109 757	232 428	1 109 757
Total Capital Expenditure	8 426 057	454 992	21 075	23 176
Borrowed funding for capital				
Debt	733 251	1 000 732	685 015	1 000 732
Equity	2 789 439	3 634 808	3 203 393	3 634 808
Reserves and funds				
Borrowing	34 271	201 591	33 639	201 591
Current assets	337 443	1 016 449	462 330	1 016 449
Current liabilities	975 061	880 432	935 741	880 432
Monetary assets	11 905	676 102	137 572	676 102
Total Revenue (excluding capital transfers and contributions)	1 195 481	1 287 912	355 041	1 287 912
Transfers and subsidies - Operational	599 370			
Transfers and subsidies - capital (monetary allocations)	508 512	454 994	30 103	454 994
Debt service payments		11 605		(7 222)
Outstanding debtors (receivables)	224 435			
Annual services revenue	502 857	473 915	42 240	78 143
Cash + investments	11 905	676 102	137 572	676 102
Fixed operational expend. (monthly)				
Longstanding debtors outstanding	7 822	5 508	7 822	5 508
Longstanding debtors recovered				
Attorney collections				

The above table gives an overview of the financial indicators of the municipality for the period ended 31 August 2023.

5.11.1. Borrowing Management

The outstanding amount of the loan from DBSA is currently sitting at 0.8% for both Water and Sanitation infrastructure.

5.11.2. Liquidity

- Current Ratio: Current Assets: Current Liabilities, the Municipality is sitting at 4:1 which is lower than the norm of 2:1
- Liquidity Ratio: Current Assets less Inventory: Current Liabilities, the Municipality is sitting at 1.4:1 which is lower than the norm of 1.5:1
- Cash Coverage 0.68 which is unfavorable which is lower than the norm of between 1 - 3 Months.

5.11.3. Revenue Management

The Municipality's average collection rate for the month of August 2023 is as follows: -

- To total debt: 59%
- To monthly billings: 77%

Kindly refer to paragraph 5.5 above.

6. MAIN TABLES

6.1 SUMMARY

DC21 Ugu - Table C1 Consolidated Monthly Budget Statement Summary - M02 August

Description	2022/23	Budget Year 2023/24							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-		-
Service charges	502 857	473 915	-	42 240	78 143	78 986	(843)	-1%	473 915
Investment revenue	10 841	11 605	-	1 434	1 866	1 934	(68)	-4%	-
Transfers and subsidies - Operational	599 370	753 907	-	628	263 163	125 651	137 511	109%	11 605
Other own revenue	82 413	48 485	-	5 639	11 869	8 081	3 789	47%	-
Total Revenue (excluding capital transfers and contributions)	1 195 481	1 287 912	-	49 940	355 041	214 652	140 389	65%	1 287 912
Employee costs	494 451	409 846	-	62 764	111 036	68 308	42 728		409 846
Remuneration of Councillors	11 878	11 409	-	1 039	2 091	1 901	189		11 409
Depreciation and amortisation	225 788	220 000	-	17 756	35 659	36 667	(1 007)		220 000
Interest	7 208	7 222	-	1 291	1 963	1 204	760		7 222
Inventory consumed and bulk purchases	143 547	128 408	-	12 121	23 005	21 401	1 603		128 408
Transfers and subsidies	21 650	8 000	-	-	-	1 333	(1 333)	-100%	8 000
Other expenditure	636 962	324 871	-	42 964	58 675	54 145	4 529	8%	324 871
Total Expenditure	1 541 484	1 109 757	-	137 936	232 428	184 959	47 469	26%	1 109 757
Surplus/(Deficit)	(346 003)	178 155	-	(87 996)	122 613	29 693	92 920	313%	178 155
Transfers and subsidies - capital (monetary)	508 512	454 994	-	18 782	30 103	75 832	(45 729)	-60%	454 994
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions	162 508	633 150	-	(69 213)	152 716	105 525	47 191	45%	633 150
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-		-
Surplus/ (Deficit) for the year	162 508	633 150	-	(69 213)	152 716	105 525	47 191	45%	633 150
Capital expenditure & funds sources									
Capital expenditure	8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Capital transfers recognised	681 240	454 992	-	28 701	30 428	75 832	(45 404)	-60%	454 992
Borrowing	-	-	-	-	-	-	-		-
Internally generated funds	7 744 817	-	-	2 372	2 747	-	2 747	#DIV/0!	-
Total sources of capital funds	8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Financial position									
Total current assets	337 443	1 016 449	-		462 330				1 016 449
Total non current assets	3 642 417	3 741 640	-		3 881 726				3 741 640
Total current liabilities	975 061	880 432	-		935 741				880 432
Total non current liabilities	52 837	242 849	-		52 205				242 849
Community wealth/Equity	2 789 439	3 634 808	-		3 203 393				3 634 808
Cash flows									
Net cash from (used) operating	8 062 066	892 187	-	84 732	1 230 083	61 853	(1 168 230)	-1889%	892 187
Net cash from (used) investing	602 959	(526 577)	-	(7 363)	(7 363)	86 386	93 749	109%	(526 577)
Net cash from (used) financing	-	-	-	-	-	-	-		-
Cash/cash equivalents at the month/year end	8 665 025	407 339	-	77 369	1 222 721	189 967	(1 032 754)	-544%	365 612
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	52 331	43 763	31 756	28 444	31 898	26 888	146 074	822 408	1 183 562
Creditors Age Analysis									
Total Creditors	38 092	14 076	113 486	27 044	23 555	10 377	3 546	260 367	490 544

The above table provides a concise overview of the monthly actual, year to date actual of the operating expenditure, capital expenditure, and age analysis. The details are provided in tables below.

6.2 STATEMENT OF FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-		-
Service charges - Water		390 940	361 232	-	32 397	59 450	60 205	(755)	-1%	361 232
Service charges - Waste Water Management		111 917	112 683	-	9 843	18 692	18 780	(88)	0%	112 683
Service charges - Waste management		-	-	-	-	-	-	-		-
Sale of Goods and Rendering of Services		2 218	-	-	129	289	-	289	#DIV/0!	-
Agency services		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		56 741	37 768	-	5 499	11 152	6 295	4 858	77%	37 768
Interest from Current and Non Current Assets		10 841	11 605	-	1 434	1 866	1 934	(68)	-4%	11 605
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		2 286	2 264	-	3	3	377	(374)	-99%	2 264
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		15 805	8 453	-	8	424	1 409	(985)	-70%	8 453
Non-Exchange Revenue										
Property rates		-	-	-	-	-	-	-		-
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licence and permits		-	-	-	-	-	-	-		-
Transfers and subsidies - Operational		599 370	753 907	-	628	263 163	125 651	137 511	109%	753 907
Interest		-	-	-	-	-	-	-		-
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		3 763	-	-	-	-	-	-		-
Other Gains		1 600	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		1 195 481	1 287 912	-	49 940	355 041	214 652	140 389	65%	1 287 912
Expenditure By Type										
Employee related costs		494 451	409 846	-	54 847	103 118	68 308	34 810	51%	409 846
Remuneration of councillors		11 878	11 409	-	1 039	2 091	1 901	189	10%	11 409
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		143 547	128 408	-	12 121	23 005	21 401	1 603		128 408
Debt impairment		-	74 453	-	-	-	12 409	(12 409)	-100%	74 453
Depreciation and amortisation		225 788	220 000	-	17 756	35 659	36 667	(1 007)	-3%	220 000
Interest		7 208	7 222	-	1 291	1 963	1 204	760	63%	7 222
Contracted services		304 489	138 443	-	6 537	10 922	23 074	(12 152)	-53%	138 443
Transfers and subsidies		21 650	8 000	-	-	-	1 333	(1 333)	-100%	8 000
Irrecoverable debts written off		105 260	-	-	178	462	-	462		-
Operational costs		218 971	111 976	-	36 248	47 290	18 663	28 627	153%	111 976
Losses on Disposal of Assets		8 234	-	-	-	-	-	-		-
Other Losses		8	-	-	1	1	-	1		-
Total Expenditure		1 541 484	1 109 757	-	130 018	224 511	184 959	39 551	21%	1 109 757
Surplus/(Deficit)		(346 003)	178 155	-	(80 078)	130 530	29 693	100 838	0	178 155
Transfers and subsidies - capital (monetary allocations)		508 512	454 994	-	18 782	30 103	75 832	(45 729)	(0)	454 994
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		162 508	633 150	-	(61 296)	160 633	105 525			633 150
Income Tax		-	-	-	-	-	-			-
Surplus/(Deficit) after income tax		162 508	633 150	-	(61 296)	160 633	105 525			633 150
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-			-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-			-
Surplus/(Deficit) attributable to municipality		162 508	633 150	-	(61 296)	160 633	105 525			633 150
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-			-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-			-
Surplus/ (Deficit) for the year		162 508	633 150	-	(61 296)	160 633	105 525			633 150

This table provides an overview of the monthly actual, year to date actual and year to date Budget of Revenue by Source and Expenditure by type.

6.3 CAPITAL EXPENDITURE

DC21 Ugu - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M02 August)

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-		-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-		-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		-	-	-	-	-	-	-		-
Vote 9 - Planning and Development		-	-	-	-	-	-	-		-
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 12 - Energy Sources		-	-	-	-	-	-	-		-
Vote 13 - Water Management		-	-	-	-	-	-	-		-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-		-
Vote 15 - Waste Management		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-		-
Vote 2 - Finance and Administration		6 016 535	-	-	2 372	2 372	-	2 372	#DIV/0!	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		-	-	-	-	-	-	-		-
Vote 9 - Planning and Development		(4 069)	-	-	-	-	-	-		-
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 12 - Energy Sources		-	-	-	-	-	-	-		-
Vote 13 - Water Management		803 278	335 995	-	8 503	8 877	55 999	(47 122)	-84%	335 995
Vote 14 - Waste Water Management		1 610 313	118 998	-	20 199	21 926	19 833	2 093	11%	118 998
Vote 15 - Waste Management		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Total Capital Expenditure		8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Capital Expenditure - Functional Classification										
Governance and administration		6 016 535	-	-	2 372	2 372	-	2 372	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		6 016 535	-	-	2 372	2 372	-	2 372	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		(4 069)	-	-	-	-	-	-		-
Planning and development		(4 069)	-	-	-	-	-	-		-
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		2 413 591	454 992	-	28 701	30 803	75 832	(45 029)	-59%	454 992
Energy sources		-	-	-	-	-	-	-		-
Water management		803 278	335 995	-	18 502	8 877	55 999	(47 122)	-84%	335 995
Waste water management		1 610 313	118 998	-	10 200	21 926	19 833	2 093	11%	118 998
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Funded by:										
National Government		670 235	454 992	-	28 701	30 428	75 832	(45 404)	-60%	454 992
Provincial Government		11 005	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		681 240	454 992	-	28 701	30 428	75 832	(45 404)	-60%	454 992
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		7 744 817	-	-	2 372	2 747	-	2 747	#DIV/0!	-
Total Capital Funding		8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992

This above table provides an overview of actuals capital expenditure for the current month and for the financial year to-date. Except for the internally funded projects, the capital project of the municipality is funded from the MIG and the WSIG grants.

6.4 STATEMENT FINANCIAL POSITION

DC21 Ugu - Table C6 Consolidated Monthly Budget Statement - Financial Position - M02 August

Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		11 905	676 102	–	137 572	676 102
Trade and other receivables from exchange transactions		255 442	307 309	–	282 821	307 309
Receivables from non-exchange transactions		(41 709)	13 554	–	(41 709)	13 554
Current portion of non-current receivables		2 556	66	–	2 522	66
Inventory		16 475	14 068	–	17 264	14 068
VAT		92 451	5 350	–	63 696	5 350
Other current assets		324	–	–	164	–
Total current assets		337 443	1 016 449	–	462 330	1 016 449
Non current assets						
Investments		0	–	–	0	–
Investment property		28 000	34 244	–	28 000	34 244
Property, plant and equipment		3 599 812	3 699 329	–	3 839 685	3 699 329
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		6 783	2 559	–	6 218	2 559
Trade and other receivables from exchange transactions		8 101	–	–	8 101	–
Non-current receivables from non-exchange transactions		(279)	5 508	–	(279)	5 508
Other non-current assets		0	–	–	0	–
Total non current assets		3 642 417	3 741 640	–	3 881 726	3 741 640
TOTAL ASSETS		3 979 861	4 758 089	–	4 344 056	4 758 089
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		173 995	–	–	173 995	–
Consumer deposits		22 237	21 967	–	22 291	21 967
Trade and other payables from exchange transactions		505 042	779 897	–	330 226	779 897
Trade and other payables from non-exchange transactions		1 378	2 500	–	128 590	2 500
Provision		90 064	4 740	–	90 081	4 740
VAT		182 346	71 328	–	190 559	71 328
Other current liabilities		–	–	–	–	–
Total current liabilities		975 061	880 432	–	935 741	880 432
Non current liabilities						
Financial liabilities		34 271	201 591	–	33 639	201 591
Provision		–	24 514	–	–	24 514
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		18 566	16 744	–	18 566	16 744
Total non current liabilities		52 837	242 849	–	52 205	242 849
TOTAL LIABILITIES		1 027 898	1 123 281	–	987 946	1 123 281
NET ASSETS	2	2 951 962	3 634 808	–	3 356 110	3 634 808
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		2 789 439	3 634 808	–	3 203 393	3 634 808
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	2 789 439	3 634 808	–	3 203 393	3 634 808

The statement of financial position indicates the actuals to-date of the assets and liabilities of the municipality for the period ended 31 August 2023.

PART 2 SUPPORTING SCHEDULES

1. DEBTORS ANALYSIS

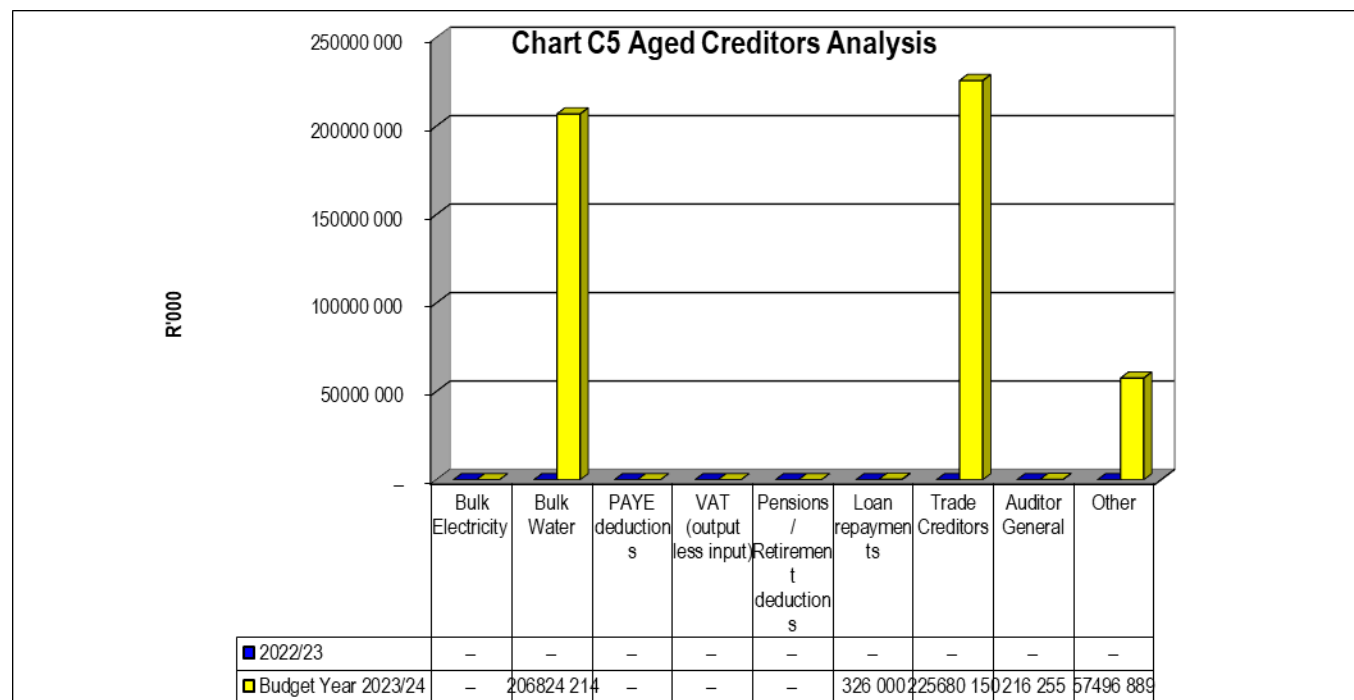
CUSTOMER TYPE AGE ANALYSIS AS AT 31 AUGUST 2023								
CUSTOMER TYPE	0-30	31-60	61-90	91-120	121-150	151-180	181+	Balance
Business	11 933 229.28	11 456 548.45	5 447 693.02	5 601 237.66	5 211 241.67	3 958 552.66	134 181 042.45	177 789 545.19
Departmental Account	5 708 926.96	2 529 566.22	1 939 295.03	1 218 222.54	1 185 236.74	856 150.07	11 039 908.88	24 477 306.44
Private Individual	35 386 370.11	29 884 374.65	24 272 863.37	23 034 625.31	25 797 225.78	22 181 540.93	829 377 831.36	989 934 831.51
Ugu District Municipality	- 336 966.41	21 935.60	- 33 839.52	- 43 608.43	- 5 828.53	- 57 901.35	- 186 339.42	- 642 548.06
Grand Total	52 691 559.94	43 892 424.92	31 626 011.90	29 810 477.08	32 187 875.66	26 938 342.31	974 412 443.27	1 191 559 135.08

Details on the consumer debtors are presented under revenue section report and detailed presentation is done by the revenue team.

2. CREDITOR'S ANALYSIS

DC21 Ugu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M02 August

Budget Year 2023/24												Prior year totals for chart (same period)
Description	NT Code	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	14 130	10 952	26 208	3 109	-	-	-	152 425	206 824	-	
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-	
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-	
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-	
Loan repayments	0600	-	-	238	88	-	-	-	-	326	-	
Trade Creditors	0700	22 187	3 123	81 519	21 419	22 494	9 920	1 226	63 793	225 680	-	
Auditor General	0800	-	-	195	-	-	-	21	-	216	-	
Other	0900	1 775	-	5 326	2 429	1 062	457	2 299	44 149	57 497	-	
Total By Customer Type	1000	38 092	14 076	113 486	27 044	23 555	10 377	3 546	260 367	490 544	-	



3. INVESTMENT PORTFOLIO

DC21 Ugu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M02 August

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														
FNB Investment										5 000				5 000
First National Bank										146				146
NEDBank										10 000				10 000
Inveslec										-				-
ABSA Bank CALL MIG										0				0
MIG CALL Standard Bank Interest										126				126
MIG CALL Standard Bank										36 212		(16 860)		19 352
STD Investment										55 000		(40 000)		15 000
ABSA Bank CALL										1				1
Jazz										202				202
ABSA										60 000				60 000
Standard Bank call account										126		(324)		(198)
														-
														-
														-
														-
Municipality sub-total										166 813		(57 184)	-	109 629
Entities														-
														-
														-
														-
														-
Entities sub-total										-		-	-	-
TOTAL INVESTMENTS AND INTEREST	2									166 813		(57 184)	-	109 629

4. ALLOCATION AND GRANTS RECEIPTS AND EXPENDITURE

UGU DISTRICT MUNICIPALITY								
GRANTS REGISTER 31 AUGUST 2023								
NO.	DETAILS	BALANCE AS AT 1 JULY 2023	TOTAL INCOME 31 AUG 2023	TOTAL EXP 31 AUG 2023	BALANCE AS AT 31 AUG 2023	TOTAL % SPENT AS AT 31 AUG 2023	RESPONSIBLE PERSON	FUNDER/ SPONSOR
A1	Finance Management Grant	R0.00	-R1 950 000.00	R101 311.00	-R1 848 689.00	5.20%	GM: TR	DPLG
A2	Rural Transport Services		-	-	-	0.00%	GM: TR	DTRANSPORT
A3	Expanded Public Works Programme		-R955 000.00	R462 410.00	-R492 590.00	48.42%	OMM	PUBLIC WORKS
A4	Water Services Infrastructure Grant		-R60 000 000.00	R2 982 524.00	-R57 017 476.00	4.97%	GM: WS	DPLG
A5	Development Planning Shared Services		-	-	-	0.00%	OMM	COGTA
A6	Shared Legal Services Grant	-R1 000 000.00	-	-	-R1 000 000.00	0.00%	OMM	COGTA
A7	AWIP - St Helen's Rock Water Abstraction Pump System, Replacement, Refu		-	-	-	0.00%	GM: WS	COGTA
A8	Municipal Disaster Response Grant		-	-	-	0.00%	GM: WS/CS	DPLG
A9	Ugu Transformative River Management Programme	-R70 888.00	-	R26 500.00	-R44 388.00	37.38%	GM: IED	EDTEA
A10	Water Acceleration - Water Refurbishment Umlamvuna System	-R302 176.00	-	-	-R302 176.00	0.00%	GM: WS	COGTA
A12	Mig Projects		-R95 000 000.00	R27 120 472.00	-R67 879 529.00	28.55%	GM: WS	DPLG
A13	Equitable Shares		-R262 535 000.00	R105 013 833.00	-R157 521 167.00	40.00%	GM: TR	DPLG
	Total Unspent Grants /Subsidies	-R1 373 064.00	-R420 440 000.00	R135 707 050.00	-R286 106 015.00			

5. COUNCILLORS AND BOARD MEMBER ALLOWANCES AND EMPLOYEE

DC21 Ugu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M02 August

Summary of Employee and Councillor remuneration		Ref	2022/23 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2023/24		YTD variance	YTD variance %	Full Year Forecast
R thousands			A	B	C		YearTD actual	YearTD budget			D
Councillors (Political Office Bearers plus Other)											
Basic Salaries and Wages			8 796	8 058	—	765	1 542	1 343	199	15%	8 058
Pension and UIF Contributions			—	—	—	—	—	—	—	—	—
Medical Aid Contributions			—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance			—	416	—	—	—	69	(69)	-100%	416
Cellphone Allowance			—	742	—	4	7	124	(116)	-94%	742
Housing Allowances			—	—	—	—	—	—	—	—	—
Other benefits and allowances			3 081	2 192	—	270	541	365	176	48%	2 192
Sub Total - Councillors			11 878	11 409	—	1 039	2 091	1 901	189	10%	11 409
% Increase		4		-3.9%							-3.9%
Senior Managers of the Municipality											
Basic Salaries and Wages		3	—	5 162	—	14	14	860	(847)	-98%	5 162
Pension and UIF Contributions			—	—	—	2	2	—	2	# DIV/OI	—
Medical Aid Contributions			—	65	—	2	2	11	(9)	-85%	65
Overtime			—	—	—	5	5	—	5	# DIV/OI	—
Performance Bonus			—	—	—	11	108	—	108	# DIV/OI	—
Motor Vehicle Allowance			229	1 713	—	—	—	286	(286)	-100%	1 713
Cellphone Allowance			—	148	—	—	—	25	(25)	-100%	148
Housing Allowances			—	494	—	—	—	82	(82)	-100%	494
Other benefits and allowances			—	—	—	—	—	—	—	—	—
Payments in lieu of leave			331	—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—	—
Entertainment		2	—	—	—	—	—	—	—	—	—
Scarcity			—	—	—	—	—	—	—	—	—
Acting and post related allowance			—	—	—	—	—	—	—	—	—
In kind benefits			—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality			560	7 583	—	33	129	1 264	(1 134)	-90%	7 583
% Increase		4		1255.0%							1255.0%
Other Municipal Staff											
Basic Salaries and Wages			314 561	287 634	—	48 422	74 532	47 939	26 593	55%	287 634
Pension and UIF Contributions			49 598	43 309	—	4 638	9 231	7 218	2 013	28%	43 309
Medical Aid Contributions			18 782	20 372	—	1 836	3 616	3 395	221	6%	20 372
Overtime			49 907	7 532	—	4 270	8 374	1 255	7 119	567%	7 532
Performance Bonus			—	1 027	—	—	—	171	(171)	-100%	1 027
Motor Vehicle Allowance			9 973	8 646	—	890	1 983	1 441	542	38%	8 646
Cellphone Allowance			2 925	3 047	—	263	523	508	15	3%	3 047
Housing Allowances			1 550	1 760	—	123	245	293	(48)	-16%	1 760
Other benefits and allowances			26 519	9 522	—	1 583	10 621	1 587	9 034	569%	9 522
Payments in lieu of leave			6 292	2 013	—	45	133	335	(203)	-60%	2 013
Long service awards			3 216	2 403	—	454	1 042	400	642	160%	2 403
Post-retirement benefit obligations			7 877	—	—	—	—	—	—	—	—
Entertainment			—	—	—	—	—	—	—	—	—
Scarcity			—	—	—	—	—	—	—	—	—
Acting and post related allowance			2 691	15 000	—	207	607	2 500	(1 893)	-76%	15 000
In kind benefits			—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff			493 892	402 264	—	62 732	110 906	67 044	43 862	65%	402 264
% Increase		4		-18.6%							-18.6%
Total Parent Municipality			506 329	421 255	—	63 803	113 126	70 209	42 917	61%	421 255
Unpaid salary, allowances & benefits in arrears:											
Board Members of Entities											
Basic Salaries and Wages			—	—	—	—	—	—	—	—	—
Pension and UIF Contributions			—	—	—	—	—	—	—	—	—
Medical Aid Contributions			—	—	—	—	—	—	—	—	—
Overtime			—	—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance			—	—	—	—	—	—	—	—	—
Cellphone Allowance			—	—	—	—	—	—	—	—	—
Housing Allowances			—	—	—	—	—	—	—	—	—
Other benefits and allowances			—	—	—	—	—	—	—	—	—
Board Fees			—	—	—	—	—	—	—	—	—
Payments in lieu of leave			—	—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—	—
Entertainment			—	—	—	—	—	—	—	—	—
Scarcity			—	—	—	—	—	—	—	—	—
Acting and post related allowance			—	—	—	—	—	—	—	—	—
In kind benefits			—	—	—	—	—	—	—	—	—
Sub Total - Executive members Board			—	—	—	—	—	—	—	—	—
% Increase		4									
Senior Managers of Entities											
Basic Salaries and Wages			—	—	—	—	—	—	—	—	—
Pension and UIF Contributions			—	—	—	—	—	—	—	—	—
Medical Aid Contributions			—	—	—	—	—	—	—	—	—
Overtime			—	—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance			—	—	—	—	—	—	—	—	—
Cellphone Allowance			—	—	—	—	—	—	—	—	—
Housing Allowances			—	—	—	—	—	—	—	—	—
Other benefits and allowances			—	—	—	—	—	—	—	—	—
Payments in lieu of leave			—	—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—	—
Entertainment		2	—	—	—	—	—	—	—	—	—
Scarcity			—	—	—	—	—	—	—	—	—
Acting and post related allowance			—	—	—	—	—	—	—	—	—
In kind benefits			—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Entities			—	—	—	—	—	—	—	—	—
% Increase		4									
Other Staff of Entities											
Basic Salaries and Wages			—	—	—	—	—	—	—	—	—
Pension and UIF Contributions			—	—	—	—	—	—	—	—	—
Medical Aid Contributions			—	—	—	—	—	—	—	—	—
Overtime			—	—	—	—	—	—	—	—	—
Performance Bonus			—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance			—	—	—	—	—	—	—	—	—
Cellphone Allowance			—	—	—	—	—	—	—	—	—
Housing Allowances			—	—	—	—	—	—	—	—	—
Other benefits and allowances			—	—	—	—	—	—	—	—	—
Payments in lieu of leave			—	—	—	—	—	—	—	—	—
Long service awards			—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations			—	—	—	—	—	—	—	—	—
Entertainment			—	—	—	—	—	—	—	—	—
Scarcity			—	—	—	—	—	—	—	—	—
Acting and post related allowance			—	—	—	—	—	—	—	—	—
In kind benefits			—	—	—	—	—	—	—	—	—
Sub Total - Other Staff of Entities			—	—	—	—	—	—	—	—	—
% Increase		4									
Total Municipal Entities			—	—	—	—	—	—	—	—	—
TOTAL SALARY, ALLOWANCES & BENEFITS			506 329	421 255	—	63 803	113 126	70 209	42 917	61%	421 255
% Increase		4		-16.8%							-16.8%
TOTAL MANAGERS AND STAFF			494 451	409 846	—	62 764	111 036	68 308	42 728	63%	409 846

6. PARENT MUNICIPALITY FINANCIAL PERFORMANCE

DC21 Ugu - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M02 August

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-		-
Service charges - Water		-	-	-	-	-	-	-		-
Service charges - Waste Water Management		-	-	-	-	-	-	-		-
Service charges - Waste management		-	-	-	-	-	-	-		-
Sale of Goods and Rendering of Services		-	-	-	-	-	-	-		-
Agency services		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		-	-	-	-	-	-	-		-
Interest earned from Current and Non Current Assets		-	-	-	-	-	-	-		-
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		-	-	-	-	-	-	-		-
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Non-Exchange Revenue										
Property rates		-	-	-	-	-	-	-		-
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		-	-	-	-	-	-	-		-
Licences or permits		-	-	-	-	-	-	-		-
Transfer and subsidies - Operational		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-		-
Expenditure By Type										
Employee related costs		-	-	-	-	-	-	-		-
Remuneration of councillors		-	-	-	-	-	-	-		-
Bulk purchases - electricity		-	-	-	-	-	-	-		-
Inventory consumed		-	-	-	-	-	-	-		-
Debt impairment		-	-	-	-	-	-	-		-
Depreciation and amortisation		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Contracted services		-	-	-	-	-	-	-		-
Transfers and subsidies		-	-	-	-	-	-	-		-
Irrecoverable debts written off		-	-	-	-	-	-	-		-
Operational costs		-	-	-	-	-	-	-		-
Losses on disposal of Assets		-	-	-	-	-	-	-		-
Other Losses		-	-	-	-	-	-	-		-
Total Expenditure		-	-	-	-	-	-	-		-
Surplus/(Deficit)		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations)		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-		-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-		-
Income Tax		-	-	-	-	-	-	-		-
Surplus/(Deficit) after income tax		-	-	-	-	-	-	-		-

DC21 Ugu - Supporting Table SC11 Monthly Budget Statement - summary of municipal entities - M02 August

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8. CAPITAL PROGRAMME PERFORMANCE

DC21 Ugu - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M02 August

Vote Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-		-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-		-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		-	-	-	-	-	-	-		-
Vote 9 - Planning and Development		-	-	-	-	-	-	-		-
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 12 - Energy Sources		-	-	-	-	-	-	-		-
Vote 13 - Water Management		-	-	-	-	-	-	-		-
Vote 14 - Waste Water Management		-	-	-	-	-	-	-		-
Vote 15 - Waste Management		-	-	-	-	-	-	-		-
Total Capital Multi-year expenditure	4,7	-	-	-	-	-	-	-		-
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-		-
Vote 2 - Finance and Administration		6 016 535	-	-	2 372	2 372	-	2 372	#DIV/0!	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-		-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-		-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public Safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Health		-	-	-	-	-	-	-		-
Vote 9 - Planning and Development		(4 069)	-	-	-	-	-	-		-
Vote 10 - Road Transport		-	-	-	-	-	-	-		-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-		-
Vote 12 - Energy Sources		-	-	-	-	-	-	-		-
Vote 13 - Water Management		803 278	335 995	-	8 503	8 877	55 999	(47 122)	-84%	335 995
Vote 14 - Waste Water Management		1 610 313	118 998	-	20 199	21 926	19 833	2 093	11%	118 998
Vote 15 - Waste Management		-	-	-	-	-	-	-		-
Total Capital single-year expenditure	4	8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Total Capital Expenditure		8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Capital Expenditure - Functional Classification										
Governance and administration		6 016 535	-	-	2 372	2 372	-	2 372	#DIV/0!	-
Executive and council		-	-	-	-	-	-	-		-
Finance and administration		6 016 535	-	-	2 372	2 372	-	2 372	#DIV/0!	-
Internal audit		-	-	-	-	-	-	-		-
Community and public safety		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
Economic and environmental services		(4 069)	-	-	-	-	-	-		-
Planning and development		(4 069)	-	-	-	-	-	-		-
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
Trading services		2 413 591	454 992	-	28 701	30 803	75 832	(45 029)	-59%	454 992
Energy sources		-	-	-	-	-	-	-		-
Water management		803 278	335 995	-	18 502	8 877	55 999	(47 122)	-84%	335 995
Waste water management		1 610 313	118 998	-	10 200	21 926	19 833	2 093	11%	118 998
Waste management		-	-	-	-	-	-	-		-
Other		-	-	-	-	-	-	-		-
Total Capital Expenditure - Functional Classification	3	8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992
Funded by:										
National Government		670 235	454 992	-	28 701	30 428	75 832	(45 404)	-60%	454 992
Provincial Government		11 005	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm		-	-	-	-	-	-	-		-
Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-		-
Transfers recognised - capital		681 240	454 992	-	28 701	30 428	75 832	(45 404)	-60%	454 992
Borrowing	6	-	-	-	-	-	-	-		-
Internally generated funds		7 744 817	-	-	2 372	2 747	-	2 747	#DIV/0!	-
Total Capital Funding		8 426 057	454 992	-	31 074	33 175	75 832	(42 657)	-56%	454 992

9. IN-YEAR REPORTS OF MUNICIPAL ENTITIES ATTACHED THE MUNICIPAL IN-YEAR REPORT

To attach F Schedules from the Entities

10. MUNICIPAL MANAGER'S QUALITY CERTIFICATE