



Ugu District Municipality

MID YEAR BUDGET and

Performance Assessment 2020/2021

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EXECUTIVE SUMMARY REPORT

1. BACKGROUND

The Annual Budget 2020/21 was adopted by Council on the 28th May 2020 in accordance with Chapter 4 of the Municipal Finance Management Act and its regulations. The management had taken the following into consideration on compilation of the annual budget:

- The Integrated Development Plan of the municipality as reviewed for the next five-year period.
- The National and Provincial Developmental Priorities and the municipality's contribution to the achievements of the national targets.
- The Financial Recovery Plan and Back to Basics strategy adopted in 2019 and 2013 respectively.
- The adopted Budget Related policies and by-laws of the municipality.
- ~~The allocations and conditions in the Division of Revenue Act of 2020.~~

Section 72 of the Municipal Finance Management Act No. 56 of 2003 (MFMA) requires that the accounting officer of a municipality must by 25 January of each year assess the performance of the municipality during the first half of the financial year, taking into account:

- The monthly budget statements referred to in Section 71 for the first half of the year.
- The municipality's service delivery performance during the first half of the financial year.
- The service delivery targets, and performance indicators as set in the service delivery and budget implementation plan,
- The past years annual report and progress on resolving problems identified in the annual report,

The performance of municipal entities under the control of the municipality

1.1 IMPLEMENTATION OF THE 2020/2021 BUDGET

The financial results of all operations for the six months period are summarised on the S71 report which has been incorporated into this report.

The expenditure incurred in the first half of the financial year has been in line with the adopted budget. The municipality has incurred 0.85% unauthorised expenditure resulting from the following:

- The extension of the contract for the Verification of the Infrastructure Assets and,
- The new contract of the Insurance Cover for the Municipality's Assets.

The awards values for the contracts exceeded the allocated budget. Other unauthorized expenditures relates to the following MIG funded projects:

- Pennington Waterborne Sanitation project and,
- Harding Sanitation Scheme Phase 3.

The unauthorized expenditure on the above projects was caused by the payments of the outstanding invoiced from the prior year from the current year's budget allocation.

The unauthorised expenditure will be taken into consideration during the preparation of the mid-term adjustments budget 2020/21.

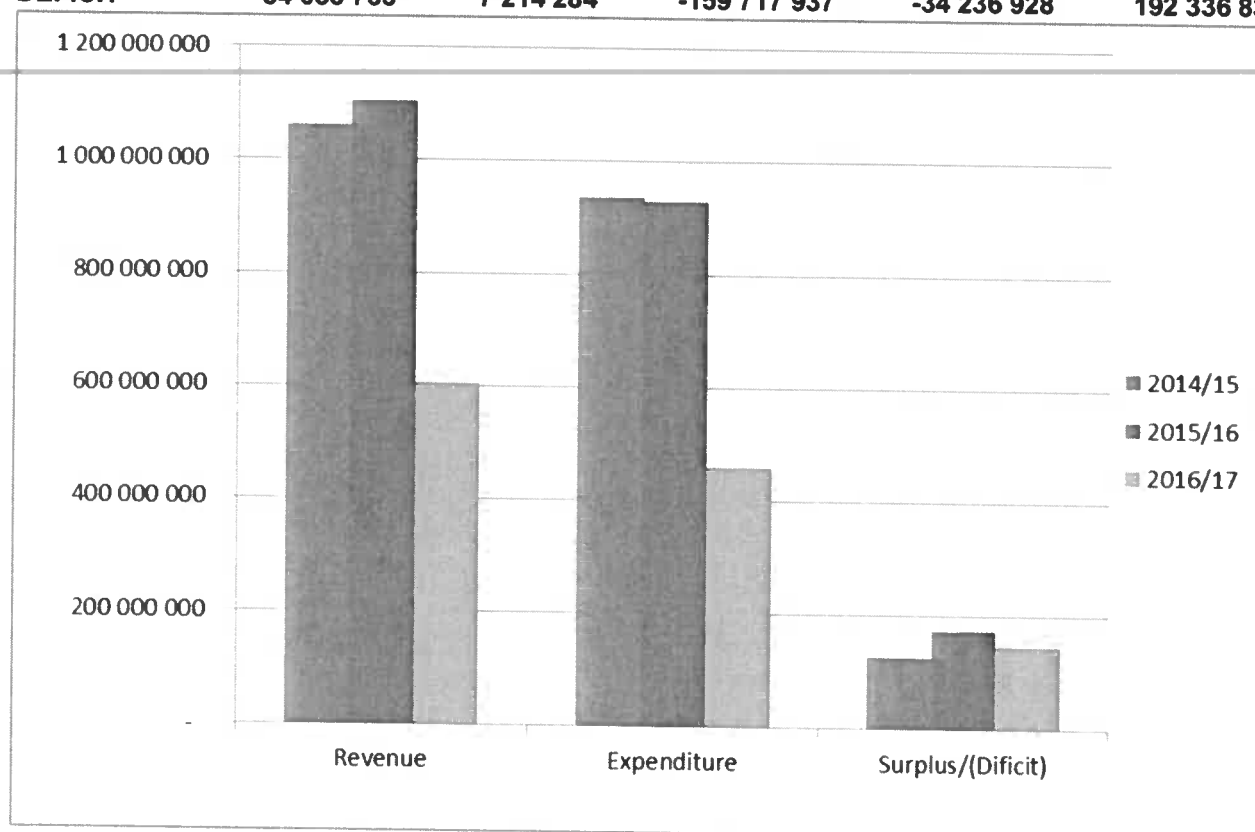
All deviations from the normal supply chain processes have been approved by the Accounting Officer. Monthly reports on budget implementation have been submitted to the Portfolio Committee, Executive Committee and Council. The registers of UIF&W expenditure has been submitted monthly to Internal Audit for investigation in terms of S32 of the MFMA, in line with the adopted procedure on dealing with Unauthorised, Irregular,

Fruitless and Wasteful (UIF&W) expenditure. The provisions of the MFMA have been considered in as far as they apply in the implementation of the Annual Budget.

1.2. FINANCIAL PERFORMANCE OVERVIEW

REVENUE vs. EXPENDITURE

	2016/17	2017/18	2018/19	2019/20	2020/21
REVENUE					
EXPENDITURE					
SURPLUS / DEFICIT					
	1 056 105 900	1 065 167 742	1 076 871 106	1 209 980 028	684 028 677
	972 072 145	1 057 953 458	1 236 589 043	1 244 216 956	491 691 839
	84 033 755	7 214 284	-159 717 937	-34 236 928	192 336 838



The municipality has incurred an operating deficit over the past 2 years, however for the first term of the current financial year, the municipality has realised an operating surplus. The municipality is expecting to improve collection through the implementation of the Financial Turnaround strategy that was adopted by council in 2019. However there has been a delay in the implementation of the strategy due to the Covid-19 pandemic that hit the country in March 2020.

The total expenditure for the first term has increased by 8.35% compared to the same period last year. The increase in expenditure attributed to the CPI increase.

Further analysis of revenue and expenditure is detailed below:

INCOME

The total income of the municipality for the first term has increased by 10.46% compared to the same period last year and this is caused by the normal tariff increase that was adopted by the council in May 2020 plus the new water connections. The municipality also

received an additional equitable share of R58.1 million as gazetted by the National Treasury in June 2020

Service Charges: Water

Water sales is seasonal commodity, therefore it is slow during the first term of the financial year and is expected to pick-up during the second term. The seasonal fluctuations in water revenue is attributed to Ugu being a holiday destination and most people move to the coast during the Summer and Easter Holidays. The meter readings for the month of December 2020 would only be invoiced in January 2021, hence the revenue that was earned in the month of December is not included in this report. The economic restrictions that are being imposed by the State President and its impact on the revenue is expected to affect the billings and collections of the municipality.

Rental of Facilities and Equipment

Rental and facilities is made up of Ugu Market and Ugu Sports & Leisure Centre (USLC). The contract for the USLC was terminated in April 2019 where after the municipality took over the operations of this facility. Since then the income from the operations of the USLC has dropped because the conditions of the facility had deteriorated, and the municipality does not have funds to rehabilitate the property. The Covid-19 restriction on the economy of the country had a negative effect on the operations of the USLC.

Interest Earned – Outstanding Debtors

In the current financial year, the municipality has started to charge interest on outstanding debtors in terms of its amended by-laws.

Transfers and Subsidies

The National Treasury had gazetted an additional equitable share allocation of R58.1 million in June 2020

EXPENDITURE:

In 2019, the municipality adopted a Financial Turnaround Strategy to deal with the negative cash flow situation. In September 2020, the municipality council adopted a special adjustments budget as directed by the National Treasury (NT) as the original budget of the municipality was deemed to be unfunded by the NT.

Employee Related Expenditure

The municipality has exceeded the projected expenditure on Employee Related expenditure during the first term by 13%. The over-expenditure is caused by the overtime worked to deal with the breakages and breakdowns on the ageing infrastructure. The municipality must increase the budget for overtime during the mid-term adjustments budget in order to avoid the unauthorised expenditure at the end of the financial year.

Remuneration of Councillors

The savings in the Councillor's Allowances is caused by the slow movement by the political office bearers due to the Covid-19 lockdown.

Debt Impairment

The 100% savings on the Debt Impairment is not a true reflection of the current situation as this expenditure is calculated at year end for the AFS purposes. No adjustment is necessary on this line item during mid-term.

Depreciation

The expenditure on Depreciation and Asset Impairment has exceeded the projection for the first term by 23%. The asset management is one of the outstanding modules in the new financial system, therefore all the calculations, including depreciation and amortisation are manual at this stage. However, the municipality will consider adjusting the budget on this line item to avoid the unauthorized expenditure at year-end

Finance Charges

The municipality had understated the annual budget for the Finance Cost in error and this will be corrected in the mid-term adjustments budget.

Bulk Water Purchases

At mid-term, the municipality has underspent the budget on Bulk Water Purchases by 30%. The reason for the under-expenditure is emanating from various reason including the manual system of creditors accrual. The municipality is planning to implement an automated system that is more accurate and complete. The budget for Bulk Water Purchases will not be adjusted during mid-term as there is no concrete evidence reduced water consumption.

Other Material

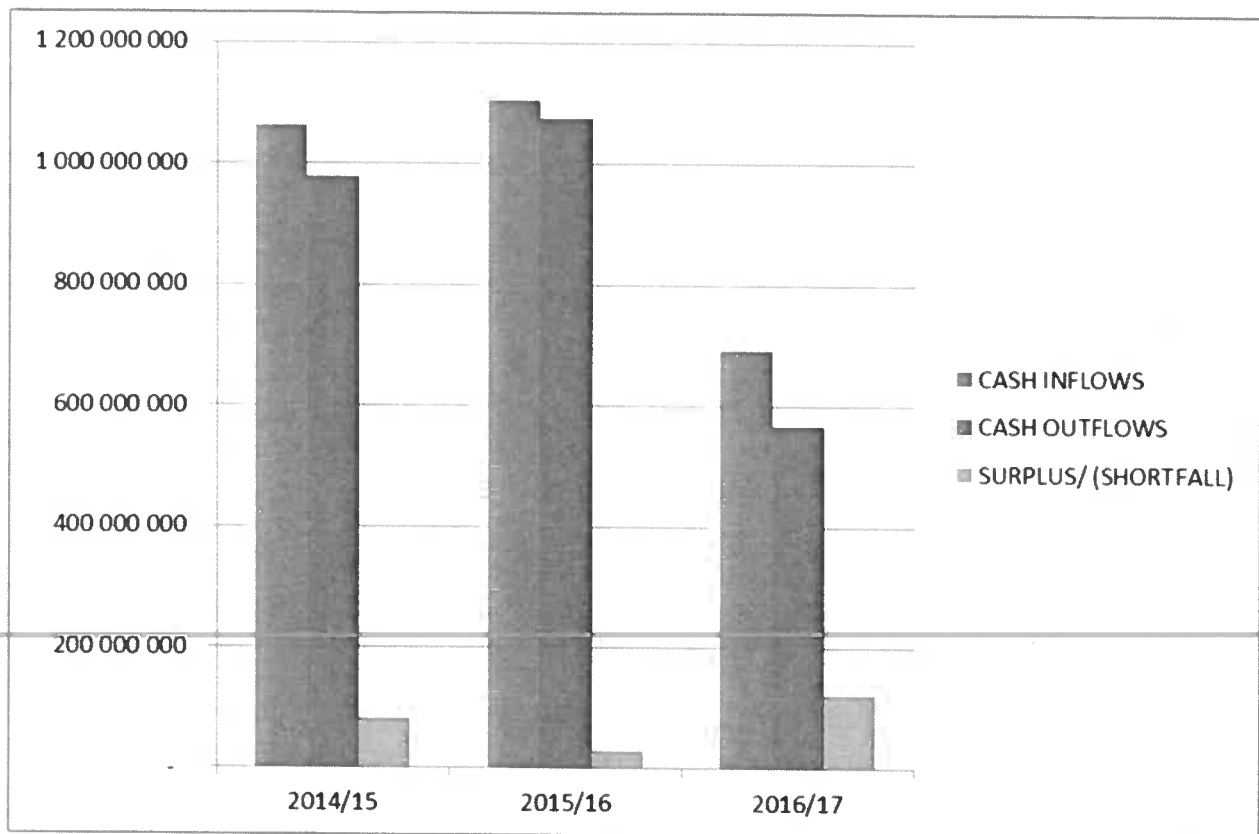
The under-expenditure on this line item is not material and therefore no adjustments budget will be made during mid-term.

Contracted Services

The municipality has realised a huge savings of 52% on Contracted services due to the implementation of the cost saving measures. The savings will be used to top-up the budgets for the Employee Related cost and Depreciation budgets that have been overspent during the first term.

1.3. CASH FLOWS

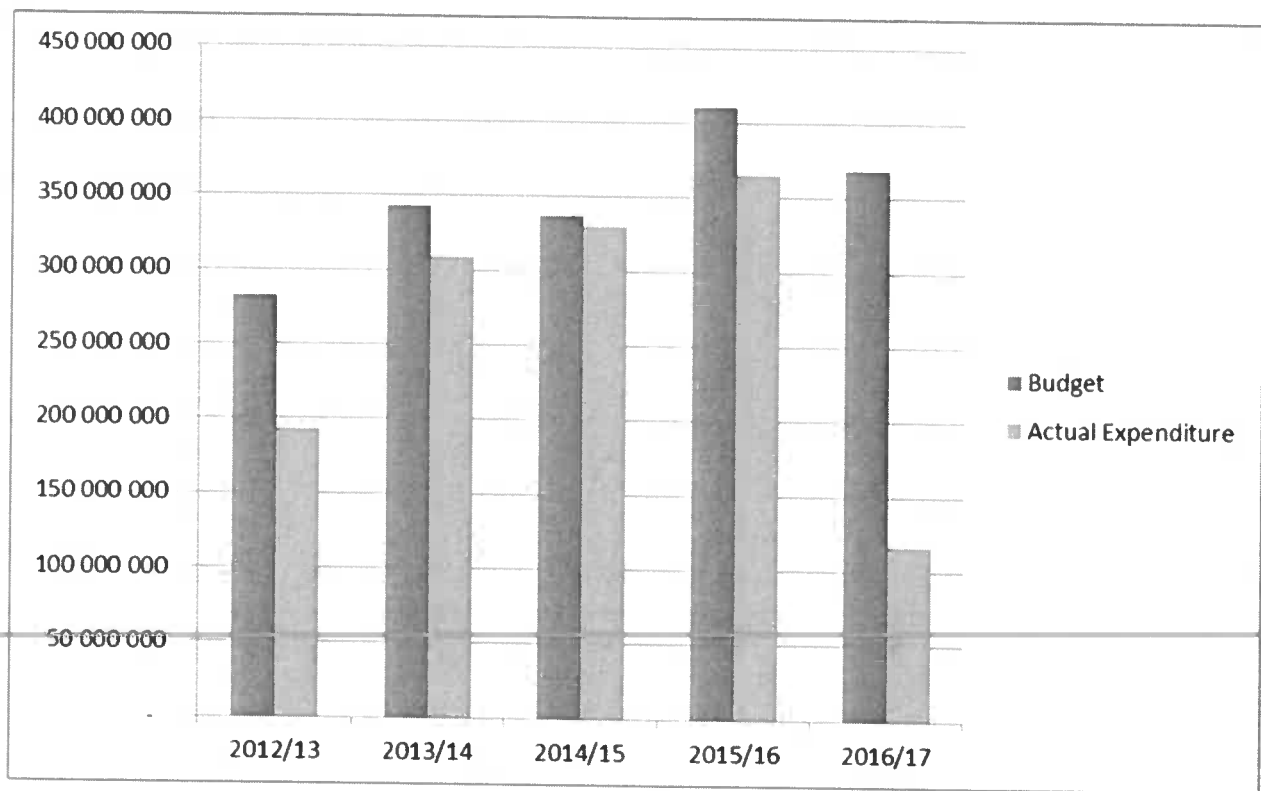
	2016/17	2017/18	2018/19	2019/20	2020/21
CASH INFLOWS	1 020 237 506	1 004 865 840	1 136 732 289	1 152 298 115	727 190 041
CASH OUTFLOWS	1 096 341 123	831 074 031	1 127 333 602	1 123 772 328	630 052 206
SURPLUS/ (SHORTFALL)	-76 103 617	173 791 809	9 398 687	28 525 787	97 137 834



The municipality's cash inflows has decreased by 6.28% in the first term of the current year compared to the same period last year. The decrease in cash flows is attributed to the Covid-19 lockdown. On the other hand, the cash outflows, has decreased by 20.26% compared to the same period last year. The decrease in cash flows is also attributed to the Covid-19 lockdown plus the implementation of the cost containment measures.

1.4. CAPITAL EXPENDITURE

	2016/17	2017/18	2018/19	2019/20	2020/21
Budget	368 557 000	362 059 975	301 162 595	301 162 595	252 762 991
Actual Expenditure	318 845 695	290 548 713	300 110 160	256 060 690	72 654 291
% spent	86.51%	80.25%	99.65%	85.02%	28.74%



The municipality has spent 28.74% of its capital budget in the first term of the current financial year compared to 49.91% that was spent during the same period last year. A huge portion of the MIG budget is allocated to the new projects and the SCM process to award the contract has been delayed by the Covid-19 lockdowns and the movements in the BID committee members. The management committee is closely monitoring the implementation of the capital budget on a monthly basis, and the new appointments to the BID Committees has been made by the accounting officer.

1.5. IMPACT OF THE NATIONAL AND PROVINCIAL ADJUSTMENTS BUDGET

The municipality has been allocated an additional equitable share of R58.1m from National government, to deal with the operational demands that have been caused by the Covid-19 pandemic:

1.6. 2020/21ADJUSTMENTS BUDGET

Regulation 23(3) of the Municipal Budgeting and Reporting Regulations states that if a national or provincial treasury allocates or transfers additional revenues to the municipality, the mayor of the municipality must table an adjustments budget to Council as per S28(2)(b) of the MFMA to appropriate these additional revenues.

The decline in the revenues also requires the municipality to adjust its expenditure estimates downwards to ensure that the operating surplus is maintained. It is also critical for the municipality to re-allocate funds from slow moving projects to other projects in order to reach the acceptable expenditure levels as well as to avoid unauthorised expenditure.

The municipality has appropriated the additional grant income of R58.1m in the special adjustments budget. The municipality has also decreased its budget on the following items to cater for cater for its annual budget that is currently unfunded:

Non-cash items

- Depreciation and amortisation
- Provision for asset impairment

Cash items

- Provision of free basic services
- Capital budget (internally funded)

1.7. ANNUAL REPORT 2018/2019 CHALLENGES AND PROGRESS IN RESOLVING THE PROBLEMS THAT WERE IDENTIFIED IN THE ANNUAL REPORT

The Annual Report 2018/2019 did specifically identify key challenges and constraints experienced; the following focal areas of municipal performance were highlighted:

NO.	KEY CHALLENGES	PROGRESS MADE	CONSTRAINTS
1.	There were delays in some projects, which resulted in motivations for rollover submissions to the National Treasury as per the Division of Revenue Act. The outcomes of the requests for rollovers are still awaited.	The requested rollovers were approved and expenditure is ongoing. Current year spending is being closely monitored to prevent rollovers.	None
2.	Lack of capacity to review the Spatial Development Framework (SDF) and the Land Use Management System (LUMS).	The projects have been identified for outsourcing. Provincial Cogta has also been requested to assist.	Budget constraints.
3.	The creation of job opportunities through LED initiatives remains very challenging	Current SCM Policy is under review to see how co-operatives and SMMEs can be catered for in the tender processes.	Strict legislation limits the participation of co-operatives and SMMEs in municipal projects.
4.	Consistently recorded increase in HIV prevalence.	Programmes are in place with the LMs and provincial health to educate on HIV prevention.	

Management confirms that all of the 2018/2019 municipal performance focal areas, continued to receive adequate time, energy and attention.



**CONSOLIDATED BUDGET
IMPLEMENTATION REPORTS IN
TERMS OF S11, S52 AND S71 OF THE
MFMA FOR THE PERIOD ENDED
31 DECEMBER 2020**

**PREPARED BY : LONDIWE SOTSHEDA
ACTING GENERAL MANAGER: BTO**

DATE : 15 JANUARY 2021

UGU DISTRICT MUNICIPALITY

TREASURY DEPARTMENT

Month-ended: - **31 DECEMBER 2020**

1. EXECUTIVE SUMMARY

This report is based upon financial information available at the time of preparation. The provisional financial results for the month ended 31 DECEMBER 2020 are summarised below.

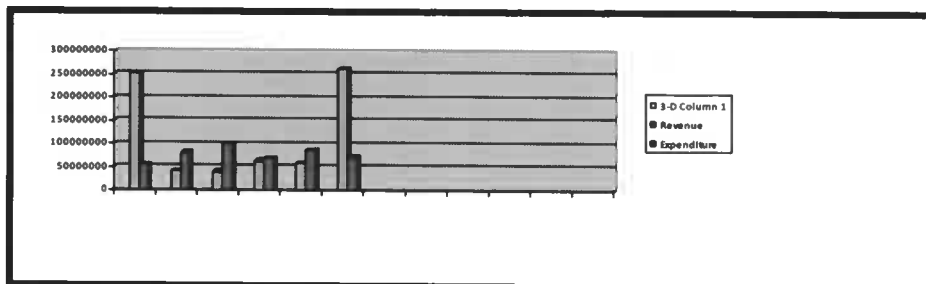
1.1. Statement of Financial Performance (SFP)

The SPF shown in Table C4, is prepared on the similar basis to the prescribed budget format, detailing revenue by source and expenditure by input type.

The summary report indicates the following:-

	Original Budget	Adjusted Budget	Year to Date Budget	Year to Date Actuals	Variance Fav(Unfav)	% Variance
Total Revenue by Source	1 438 338 333	1 435 820 910	717 910 455	719 910 455	1 354 440	0.28
Total Operating Expenditure	1 275 334 890	1 193 018 565	596 506 283	476 686 993	-119 822 290	20.09

REVENUE AND EXPENDITURE CHART



The major operating revenue variances against budget are:

- Service Charges - water revenue, and
- Interest earned on external investments

The major operating expenditure variances against budget are:

- Debt Impairment, and
- Depreciation

The reasons for the variances per source group are cited in Table SC1 of this report.

1.2 Capital Expenditure

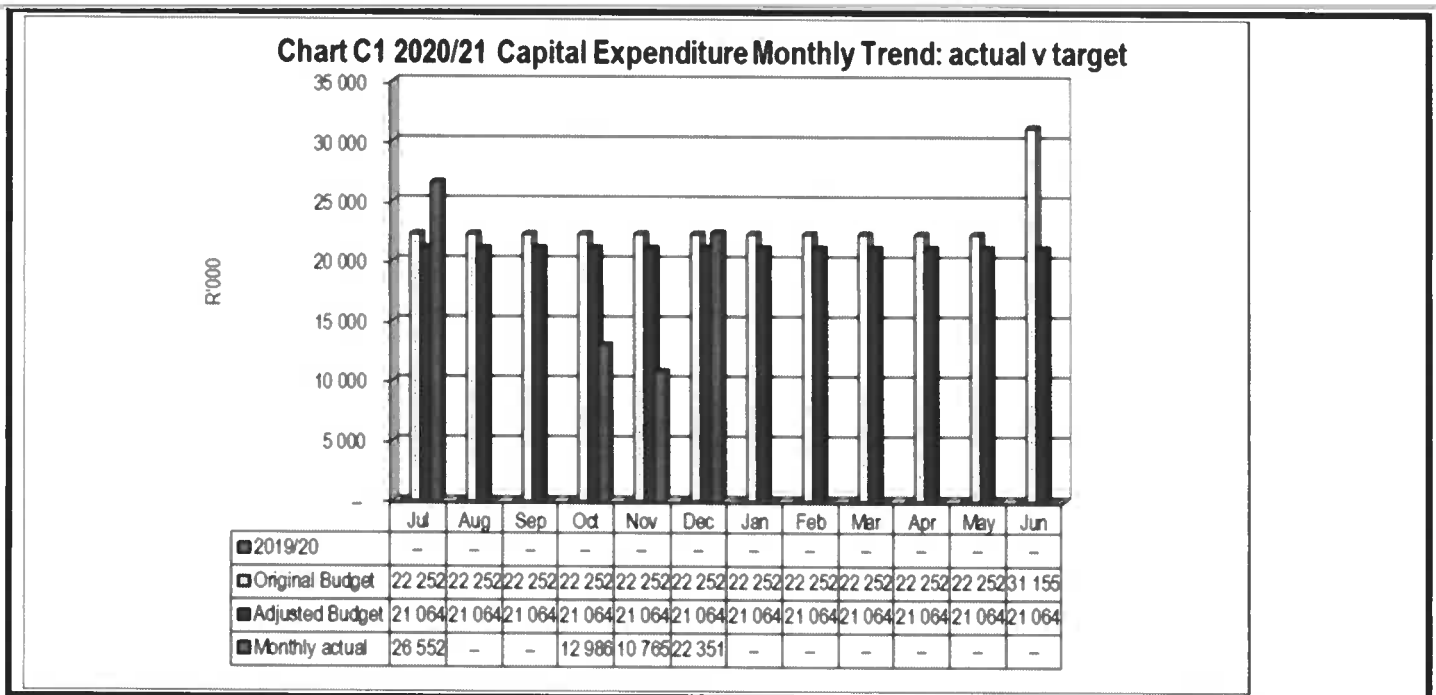
The Capital Expenditure report shown in Table C5 has been prepared on the basis of the format required to be lodged electronically with National Treasury and is categorised by municipal vote. The summary report indicates the following:

Description	Original Budget	Adjusted Budget	Year to Date Budget	Year to Date Actuals	Variance Fav (Unfav)	% Variance
Total Capital Expenditure	275 922 991	252 762 991	126 381 496	72 654 291	-53 727 205	42.51

As at the end of DECEMBER 2020, the municipality had spent **28.74%** of its annual capital budget.

Chart C1 reflects monthly projections of budgeted capital expenditure against actual expenditure for the current year (2020/2021), compared to a trend followed in the previous year, 2019/2020.

✓ Chart C1 2020/2021 Capital Expenditure monthly trend: actual vs target



Capital Expenditure

The table below reflects a trend since 2015/2016 financial year up to the previous financial year, 2019/2020

Description	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Budget	410 867 218	348 878 293	346 195 103	337 286 471	262 862 498
Actual	325 530 748	317 918 902	249 088 731	252 689 729	268 933 990
% Spent	79%	91%	72%	75%	102%
% Budget Growth	4%	-15%	-0.8%	-2.82%	22%

Detail	M01 July 20	M02 Aug 20	M03 Sept 20	M04 Oct 20	M05 Nov 20	M06 Dec 20	M07 Jan 21	M08 Feb 21	M09 March 21	M10 April 21	M11 May 21	M12 June 21
Service charges - water revenue	25 889 163	28 946 873	23 331 473	32 886 512	31 541 988	29 933 238	28 932 718	27 375 714	30 370 716	28 432 039	23 228 954	26 322 299
Service charges - sanitation revenue	7529215	0	8 749 246		0	0	8 914 262	10 711 082	9 333 073	7 799 920	6 974 220	8 541 537
Rental of facilities and equipment		0	19 588	10 474	42 038	12 174	4 000	4 000	6 736	681 523		2 176 971
Interest earned - external investments	260 025	0	630 503	999 610	291 773	130 861	108 107	584 885	514 514	1 357 640	913 746	679 474
Interest earned - outstanding debtors	3377864	0	3 356 843	3 521 917	3 489 351	3 578 169			21 519	1 734	319	59 702
Transfer receipts - operational	225 610 000	2 917 000	1 880 000		0	208 344 000	397 725	2 202 000	137 344 000	0	745 000	
Other revenue	127 010	0	1 407 899	196 146	278 735	602 940	346 645	31 311 887	193 820	529 287	347 752	248 908
Cash Receipts by Source	262 793 277	31 863 873	39 375 532	37 524 659	35 644 116	242 601 372	39 703 457	72 194 578	177 704 438	39 802 143	32 209 991	38 029 891
Transfer receipts - capital	60 000 000	0	0	0	20 000 000	0	2 700 000		115 423 000			
Short term loans	1 879	0	0	0	0	0	4 633	21 745	200	200	200	200
Borrowing long term/refinancing	16 213 940	0	0	0	0	0					0	
Increase (decrease) in consumer deposits	416 938	0	0	0	0	0	279	13 547	25 106	0	1 100	473 357
Decrease(increase) in non-current investments		0	0		0	0		35 431	0	0	0	
Decrease (increase) other non-current receivables	0	0	0	0		0	39 432		39 432	739 030	0	2 466 736
Total Cash Receipts by Source	339 426 034	31 863 873	39 375 532	37 524 659	55 644 116	242 601 372	41 447 801	72 271 301	293 272 176	39 541 373	32 211 291	41 000 164
Cash Payments by Type												
Employee related costs	32 377 941	48 323 388	31 383 507	39 573 708	31 251 483	30 791 795	33 077 085	33 071 070	28 731 046	30 115 624	16 815 656	31 481 627
Remuneration of councillors	826 369	818 690	807 230	803 150	846 290	775 570	779 711	889 063	796 072	801 889	770 269	792 709
Interest paid	239 911	164 132	1 629 428	245 067	1 331 980	5 287 517	55 546	369 163	1 090 078	1 148 645	5 315 761	6 304 170
Bulk purchases - Water & Sewer	0	17 026 336	17 271 380	17 271 380	0	16 924 512	1 150 130	673 356	0	0	0	2 232 561
Other materials	46 419	83 191	482 306	1 137 464	192 472	0	1 173 936	453 416	692 993	466 457	488 729	1 579 931
Contracted services	4 589 775	8 720 622	13 638 277	14 908 991	15 785 083	30 511 729	4 101 083	10 329 694	12 644 443	10 011 171	12 188 161	13 117 693
Grants and subsidies paid - other	1 370 352	0	0	0	0	0	0	0	3 533 799	22 540 803	6 869 288	3 335 489
General expenses	39 529 357	19 264 133	20 994 371	44 033 675	21 924 944	70 478 066	10 554 650	460 383	74 674 381	15 832 468	30 179 773	30 000 000
Cash Payments by Type	77 980 124	94 400 452	86 216 701	108 973 395	71 332 262	154 767 189	50 882 351	46 149 185	122 162 712	80 917 057	72 627 677	88 844 180
Other Cash Flows/Payments by Type					0							
Capital assets	175 000	0	0	0	0	0	41 413	45 433 150	9 966 616	25 534 274	17 208 944	7 122 993
Repayment of borrowing	35 933 026	0	0	274 057	0	0	283 686	275 855	6 602 301	272 504	0	4 774 961
Other Cash Flows/Payments												
Total Cash Payments by Type	114 088 150	94 400 452	86 216 701	109 247 452	71 332 262	154 767 189	51 197 460	91 739 190	138 731 129	106 729 835	88 836 621	100 742 064
Net Increase/(Decrease) in Cash Held	225 337 884	-62 536 579	-46 841 169	-71 722 793	-15 688 146	87 834 182	-9 746 659	-19 480 389	154 541 047	-57 182 462	-57 625 330	-59 741 880
Cash/cash equivalents at the monthly/year begin:	46 467 023	271 804 907	289 268 328	162 427 159	90 704 366	75 016 220	162 850 402	153 100 743	133 619 854	288 160 901	220 978 439	163 353 109
Cash/cash equivalents at the monthly/year end:	271 804 907	209 268 328	162 427 159	90 704 366	75 016 220	162 850 402	153 100 743	133 619 354	288 160 901	220 978 439	163 353 109	103 611 229

1.3 Bank Reconciliations - DEC 2020

DEC

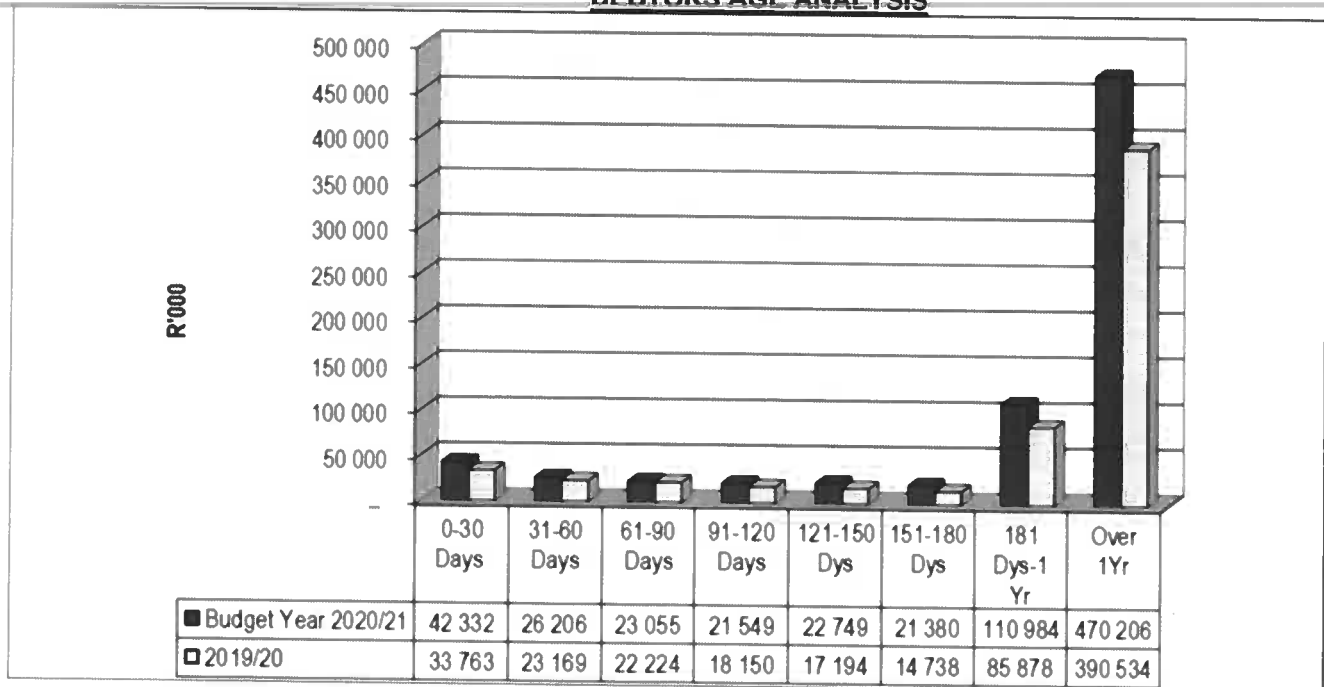
Bank Account name	Bank	Bank statement balance	Reconciling cheques outstanding	Reconciling items deposits not received	Cash book balance
ACB	Absa	816 572.34			816 572.34
Salary	Absa	12 274.20			12 274.20
General	Absa	647 480.97	291 831.84		939 312.81
Deposit	Absa	1 282 687.93			1 282 687.93
Primary	Absa	189 246.74			189 246.74
Ugu conditional grant acc	Absa	23 713 366.87			23 713 366.87
Group life	Absa	4 743 083.41	15 056.00		4 758 139.41
Mig Chq	Absa	178 903.30			178 903.30
TOTAL BANK ACC		31 583 615.76			31 890 503.60
Ugu Call Account	Absa	124 046 074.71			124 046 074.71
Mig Call	Absa	6 825 951.34			6 825 951.34
Absa Investment2	Absa-S	-			-
FNB Investment	FNB				-
FNB Investment	FNB-S	87 872.04			87 872.04
Investec Inv	Investec				-
Nedbank Investment	Nedbank	-			-
Std Bank -Inv	Std Bank	-			-
TOTAL INVESTMENTS		130 959 898.09			130 959 898.09
TOTAL		162 543 513.85	306 887.84		162 850 401.69

1.4 Outstanding Debtors

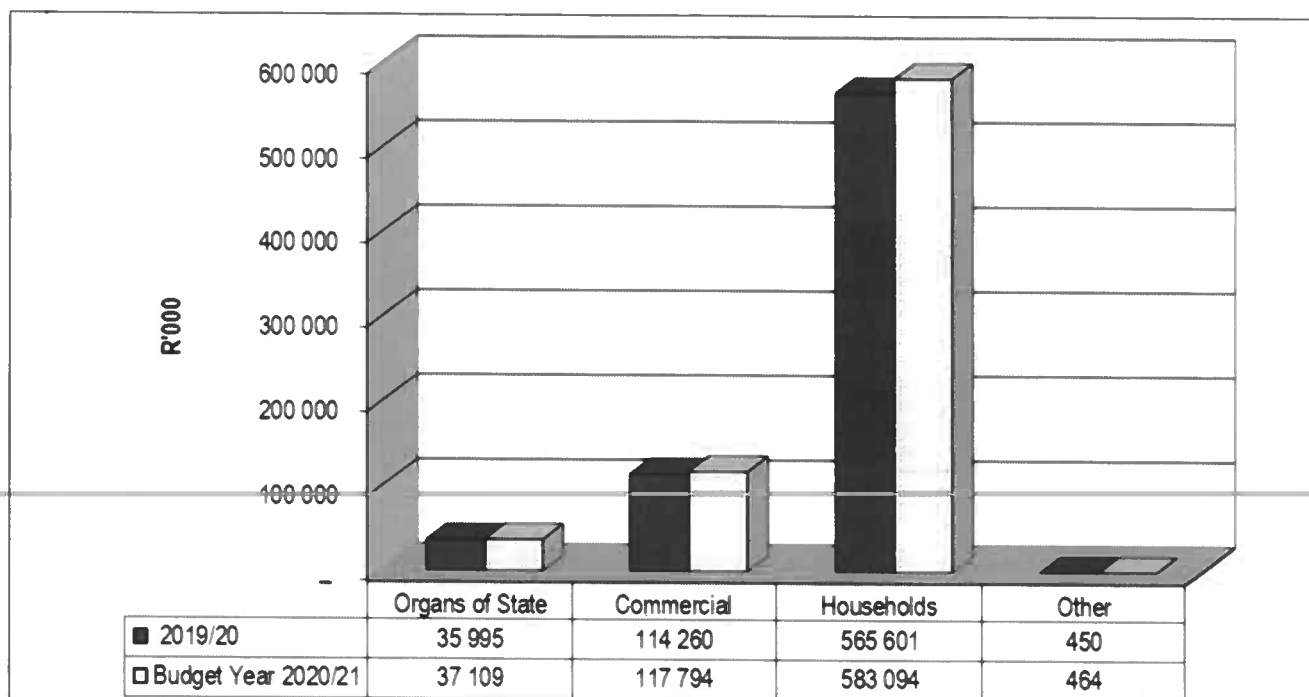
The Debtors report in Table SC3 has been prepared in the format required to be lodged electronically with National Treasury, which provides for aged analysis by revenue source as well as customer group. The report shows total outstanding debt of R738 460 559 as at NOVEMBER 2020 which has increased by 2.52% from DECEMBER 2020 total R720 328 515 The consumer debtors amounted to R736 594 250

The chart below contains debtors ageing for the month of DECEMBER 2020 compared to the ageing as at the end of DECEMBER 2019

DEBTORS AGE ANALYSIS



DEBTORS BY CUSTOMER GROUP



Consumer Debtors Reconciliation

Gross Balance as at 31 December 2020	736 594 250
Less Allowance for Impairment	459 207 341
Net Balance	277 386 909

Debtors Age Analysis By Customer Group as at 31 December 2020

Debtors Age Analysis By Customer Group	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days -1 Year	Over 1Year	Total
Organs of State	2 454 562.00	1 669 115.00	1 486 547.00	1 241 714.00	1 690 045.00	1 295 606.00	12 361 406.00	14 909 563.00	37 108 558.00
Commercial	13 464 634.00	5 502 499.00	3 700 431.00	3 637 662.00	3 718 885.00	2 979 129.00	21 114 420.00	63 676 297.00	117 793 957.00
Households	26 450 043.00	19 055 168.00	17 873 843.00	16 644 433.00	17 339 005.00	17 104 003.00	77 609 447.00	391 018 197.00	583 094 139.00
Other	- 37 392.00	- 20 951.00	- 5 493.00	25 613.00	589.00	815.00	101 506.00	602 230.00	463 905.00
Total By Customer Group	42 331 847.00	26 205 831.00	23 055 328.00	21 549 422.00	22 748 524.00	21 379 553.00	110 983 767.00	470 206 287.00	738 460 559.00

The table below show Debtors ageing by top Ten Organs of State - December 2020											
DEPARTMENTAL	TOTAL_AMOUNT_WITH_CA	AGE_0_30	AGE_30_60	AGE_61_90	AGE_91_120	AGE_121_150	AGE_151_180	AGE_181_360	366_xDays		
Dept of Education Total	242 833.58	3 446.33	29 165.44	39 045.32	146 202.46	912.57	527.43	2 934.75	20 589.29		
Dept of Education(Section 20) Total	37 301.54	18 539.86	18 761.68	-	-	-	-	-	-		
Dept of Education(Section 21) Total	6 046 026.80	294 298.70	255 254.80	269 924.03	252 876.22	272 062.47	270 969.95	1 262 894.13	3 167 746.51		
Dept of Health Total	4 454 690.18	630 590.23	175 786.77	185 841.32	105 273.92	142 313.18	133 414.93	805 575.89	2 275 893.94		
Dept of Higher Education and Training Total	301 189.52	136 707.18	144 491.75	484.45	482.39	480.33	478.47	2 472.92	15 592.03		
Dept of Human Settlement Total	596 186.47	8 567.31	7 131.02	7 039.02	6 911.13	9 945.69	5 569.35	28 566.79	522 456.17		
Dept of Public Works National Total	3 657 006.83	755 325.93	744 877.71	136 984.05	162 642.33	145 100.78	70 708.40	1 064 319.24	577 048.40		
Dept of Public Works Provincial Total	111 404.47	2 772.06	3 255.03	1 316.99	1 163.55	1 101.95	878.29	5 113.88	95 742.71		
Dept of Social Development Total	199 704.03	21 188.51	35 239.41	7 690.96	1 754.87	1 749.21	1 413.29	7 322.20	123 345.58		
Dept of Sports and Recreation Total	2 825.39	2 825.39	-	-	-	-	-	-	-		
Dept of Transport Total	336 541.23	53 515.48	-10 147.53	22 778.95	10 831.50	10 757.07	8 783.18	65 149.27	174 833.31		
Greater Kokstad Local Municipality Total	104 355.07	541.72	541.72	541.72	541.72	550.54	547.57	101 090.08	-		
Harry Gwala District Municipality Total	662 800.86	345 468.13	317 332.73	-	-	-	-	-	-		
Independent Electoral Commission Total	89 779.26	8 534.60	933.76	2 164.56	11 635.54	11 560.41	1 935.02	40 792.75	12 222.62		
Ray Nkonyeni Municipality Total	9 567 225.61	855 615.99	525 590.81	558 960.57	326 632.75	496 466.67	311 211.99	3 953 382.60	2 539 364.22		
South African Post Office Total	30 728.32	8 612.57	7 734.37	8 728.29	3 379.85	1 453.04	139.29	680.91	-		
Telkom SA Total	29 603.46	18 850.61	2 360.62	-	-	-	-	-	8 392.23		
Transnet Total	1 407 899.67	115 554.10	116 467.06	110 461.12	77 919.28	70 832.37	68 364.88	370 578.76	477 722.10		
Ukhahlamba-Drakensberg Local Municipality Total	52 450.91	272.28	272.28	272.28	272.28	276.71	275.22	50 809.86	-		
Umdoni Local Municipality Total	12 060 533.79	302 581.75	248 655.38	351 290.78	304 223.76	443 468.75	292 098.84	4 914 810.30	5 203 404.23		
Umuziwabantu Municipality Total	807 754.24	14 662.09	-5 966.91	-12 426.37	4 376.22	267 584.21	4 425.86	552 514.04	-17 414.90		
Umzumbe Municipality Total	701 131.05	4 579.92	3 947.64	4 050.89	4 048.97	13 879.90	12 261.76	473 216.37	185 145.60		
Grand Total	41 499 972.28	3 603 050.74	2 621 685.54	1 695 148.93	1 421 168.74	1 890 605.85	1 184 003.73	13 702 224.74	15 382 084.02		

Debtors Age Analysis By Customer Group for 30 November 2020

Debtors Age Analysis By Customer Group	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1Year	Total
Organs of State	2 347 899.00	2 028 394.00	1 912 345.00	2 090 519.00	1 583 357.00	7 691 013.00	5 515 213.00	14 268 756.00	37 437 496.00
Commercial	9 372 159.00	4 422 683.00	4 302 249.00	4 014 939.00	3 230 165.00	8 963 425.00	15 406 463.00	62 941 746.00	112 653 829.00
Households	24 193 543.00	19 163 605.00	17 191 099.00	18 041 642.00	17 570 244.00	17 811 858.00	72 758 129.00	383 002 748.00	569 732 868.00
Other	- 20 369.00	- 4 884.00	26 200.00	836.00	815.00	868.00	- 107 893.00	608 749.00	504 322.00
Total By Customer Group	35 893 232.00	25 609 798.00	23 431 893.00	24 147 936.00	22 384 581.00	34 467 164.00	93 571 912.00	460 821 999.00	720 328 515.00

The table below show Debtors ageing by top Ten Organs of State - November 2020										
DEPARTMENTAL	TOTAL AMOUNT WITH	AGE 0_30	AGE 30_60	AGE 61_90	AGE 91_120	AGE 121_150	AGE 151_180	AGE 181_360	366 xDays.	
Department of Education	802 647.85	29 355.32	39 045.32	420 972.24	922.57	287 032.71	2 305.46	2 909.94	20 104.30	
Department of Education S20	18 761.68									
Department of Education S21	5 976 515.66	367 174.62	304 764.49	256 189.76	272 956.90	271 730.03	297 686.87	1 166 372.51	3 039 640.48	
Department of Health	4 289 752.74	441 003.90	277 776.10	110 290.00	149 371.92	137 864.68	143 784.53	749 323.38	2 280 338.23	
Dept of Higher Education and Training Total	170 689.80	145 176.03	702.81	672.27	670.21	668.35	806.95	3 423.36	18 569.83	
Department of Housing	587 619.16	7 258.13	6 911.91	10 328.97	6 527.85	5 569.35	9 809.88	22 432.34	518 780.74	
Department of Public Works National	2 840 410.70	744 877.71	136 984.05	140 611.53	106 454.44	70 708.40	47 778.14	1 037 737.73	555 258.71	
Department of Public Works Provincial	108 632.41	3 255.03	1 316.99	1 163.55	1 161.95	878.29	1 739.53	4 049.22	95 067.84	
Department of Social Welfare	178 679.42	35 403.31	7 690.96	1 754.87	1 749.21	1 413.29	2 341.32	6 026.16	122 300.30	
Department of Sports and Recreation	1 108.18									
Department of Transport	370 977.79	77 804.51	22 778.95	10 831.50	10 797.07	8 783.18	12 880.98	62 491.29	164 610.31	
Greater Kokstad Local Municipality Total	103 813.35	1 083.44		541.72	550.54	547.57	101 090.08			
Harry Gwala District Municipality Total	1 350 627.37	317 332.73	347 138.70	342 063.57	344 092.37					
Ray Nkonyeni Municipality Total	9 476 363.47	930 191.35	679 105.79	396 431.69	555 720.00	313 147.01	2 688 708.22	1 510 296.52	2 402 762.89	
South African Post Office	21 820.71	7 734.37	8 728.29	3 379.85	1 158.00	139.29	140.27	540.64		
Telkom SA Total	27 835.26	17 108.28	2 334.75						8 392.23	
Transnet Total	1 292 345.57	116 467.06	110 461.12	77 919.28	70 832.37	68 364.88	56 967.91	353 437.81	427 895.14	
Ukhahlamba-Drakensberg Local Municipality Total	52 178.63	544.56		272.28	276.71	275.22	50 809.86			
Umdoni Local Municipality Total	11 694 323.21	226 251.39	331 255.42	289 086.37	443 468.75	286 986.09	3 357 821.46	1 851 983.49	4 907 470.24	
Umuzwabantu Municipality Total	793 092.15	-1 410.40	-16 802.59	4 376.22	267 584.21	4 425.86	552 514.04	0.00	-17 595.19	
Umzumbe Municipality Total	696 551.13	7 296.35	702.18	4 048.97	13 879.90	12 261.76	453 811.64	27 832.41	176 717.92	
	40 854 746.25	3 493 777.55	2 260 895.24	2 070 934.64	2 248 174.97	1 470 795.97	7 790 997.12	6 798 856.80	14 720 313.96	

To reduce government debt we telephone, fax/ e-mail statements to relevant department for payments. Where no positive response has been received we ask intervention of Provincial Treasury if it is Government Departments and where it is in a case of the Municipality we disconnect.

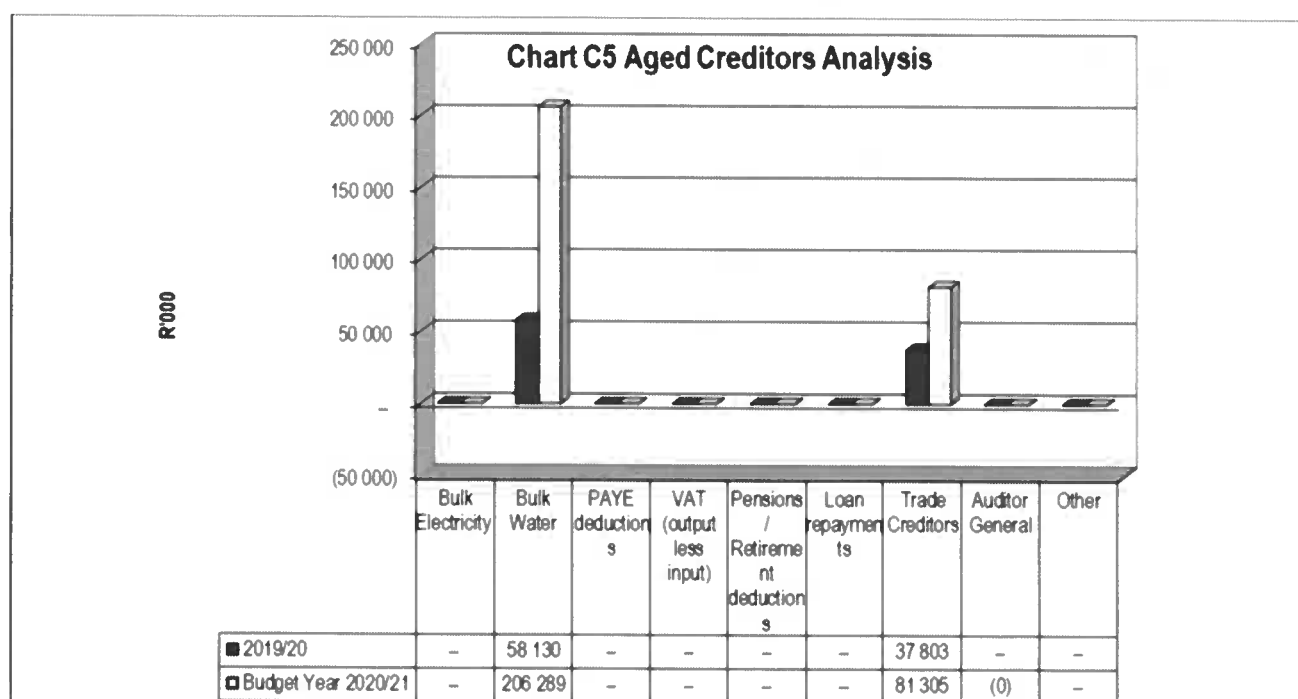
The following actions have been taken to Intensify the implementation of the credit control policy;

- Using telephone and SMS to remind customers about their outstanding accounts
- Government departments in arrears have payment arrangements in place which are constantly monitored on a monthly basis
- Posting and Hand delivering notifications(reminders) to customers that are in arrears about the status of their accounts
- Signing payment arrangements with customers who cannot afford to pay their accounts in full
- Making deductions in Employee Salaries for all outstanding monies due to their accounts
- Disconnecting all business accounts that are in arrears more than 60 days
- Restricting consumer accounts in arrears more than 60 days
- Handing customers over for collection that are not responding to either disconnection or restriction
- Conducting Indigent road shows in all 4 local Municipalities within our the Ugu District to register qualifying indigent customers

1.5. Outstanding Creditors

The report, in Table SC4, has been prepared on the basis of the format required to be lodged electronically with National Treasury. It provides for an aged analysis per creditor type. The report shows total of R287 594 112 at the end of DECEMBER 2020 which has decreased by 19.34% from NOVEMBER 2020 total of R356 569 014

Creditors Age Analysis



1.6. Investment Portfolio

Table SC5 contains investments by maturity as at 31 December 2020. The table below shows the movement in total investments of the municipality for the month of December 2020.

Total Investments at the beginning of the month	36 292 174.21
Add: Investments made	117 018 768.49
Less: Investments realised	-22 351 044.61
Investments as at the end of the month	130 959 898.09

December 2020					
Name of Institution	Period of Investment	Type of Investment	Market value at the beginning of the month	Change in market value during the month	Market value at the end of the month
FNB Investment	30/60/90 day Notice	Daily Call Account	0.00	0.00	0.00
FNB	One Day Notice	Daily Call Account	87 872.04	0.00	87 872.04
NEDBANK	30/60/90 day Notice	Daily Call Account	0.00	0.00	0.00
Investec	30/60/90 day Notice	Daily Call Account	0.00	0.00	0.00
ABSA Call Account MIG	One Day Notice	Daily Call Account	29 176 995.95	-22 351 044.61	6 825 951.34
STD Investment	30/60/90 day Notice	Daily Call Account	0.00	0.00	0.00
ABSA Call	One Day Notice	Daily Call Account	7 027 306.22	117 018 768.49	124 046 074.71
ABSA	One Day Notice	Daily Call Account			
TOTAL			36 292 174.21	94 667 723.88	130 959 898.09

UGU- INVESTMENT ACCOUNT-DECEMBER 2020

	30	60	90	TOTAL
INVESTEC	0.00			0.00
FNB	0.00			0.00
STANDARD	0.00			0.00
NEDBANK	0.00			0.00
FNB CALL ACC	87 872.04			87 872.04
ABSA CALL ACC	124 046 074.71			124 046 074.71
MIG CALL ACC	6 825 951.34			6 825 951.34
ABSA CALL ACC	0.00			0.00
TOTAL	130 959 898.09	0.00	0.00	130 959 898.09

2. MONTHLY WITHDRAWALS FROM MUNICIPAL BANK ACCOUNTS

Computer Generated Cheques - Main Account	-		0.00
Manual Cheque Book - Main Account	-		2,000.00
Salary Cheques	-		0.00
MIG	-		22,451,044.61
Group life Scheme			0.00
Electronic Funds Transfer	-	Main Account	95,052,321.93
	-	Salary Account	25,147,329.53
			142,652,696.07

5. WITHDRAWALS FROM THE MUNICIPAL BANK ACCOUNTS IN TERMS OF SECTION 11 OF THE MFMA

5.1 Sub-Section 11 (1) (b) - To defray expenditure authorised in terms of section 26 (4).

MANAGEMENT RESPONSE

Budget 2015/16 was approved prior to start of budget year

5.2 Sub-Section 11 (1) (c) - To defray unforeseeable and unavoidable expenditure authorised in terms of section 29 (1).

4. UGU SPORTS AND LEISURE CENTRE

Account number 50163831 and 50163813

These are water accounts for the facility that Cyassound was renting from Ugu DM. the accounts were last billed for services in April 2019 a the lease was terminated and accounts closed. Since they were outstanding balances at the time of closure interest is being raised on the account on a monthly basis.

Account number 92188218

This account is for the rental income for the facility leased to Cyassound. It was last billed for rentals on April 2019 as the lease was terminated with an outstanding balance not settled. The account is being billed interest on the overdue amount monthly.

50163831 CYASSOUND HOLDINGS (WATER ACCOUNT)

Date	Code	Reference	Description	Debit	Credit	Running Balance
01/01/2018	Opening balance					153,238.93
21/01/2018	Charge for the month	Jan-18	Jan-18	2,428.03	-	155,666.96
21/02/2018	Charge for the month	Feb-18	Feb-18	1,200.66	-	156,867.62
21/03/2018	Charge for the month	Mar-18	Mar-18	893.82	-	157,761.44
21/04/2018	Charge for the month	Apr-18	Apr-18	1,215.58	-	158,977.02
21/05/2018	Charge for the month	May-18	May-18	1,215.58	-	160,192.60
21/06/2018	Charge for the month	Jun-18	Jun-18	1,215.58	-	161,408.18
21/07/2018	Charge for the month	Jul-18	Jul-18	1,286.07	-	162,694.25
21/08/2018	Charge for the month	Aug-18	Aug-18	1,286.65	-	163,980.90
21/09/2018	Charge for the month	Sep-18	Sep-18	1,208.29	-	166,189.19
21/10/2018	Charge for the month	Oct-18	Oct-18	1,286.65	-	167,475.84
21/11/2018	Charge for the month	Nov-18	Nov-18	1,286.65	-	168,762.49
21/12/2018	Charge for the month	Dec-18	Dec-18	1,286.65	-	170,049.14
21/01/2019	Charge for the month	Jan-19	Jan-19	1,286.65	-	171,335.79
21/02/2019	Charge for the month	Feb-19	Feb-19	1,286.65	-	172,622.44
21/03/2019	Charge for the month	Mar-19	Mar-19	1,286.65	-	173,909.09
21/04/2019	Charge for the month	Apr-19	Apr-19	1,286.65	-	175,195.74
10/01/2020	Charge for the month	Oct-19	Oct-19	210.46	-	175,406.20
30/06/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	947.19	-	176,353.39
30/06/2020	AR-IT METERED	MAY 21ST BILLING INTEREST	INTEREST CHARGE	947.19	-	177,300.58
20/07/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	950.11	-	178,250.69
20/08/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	950.11	-	179,200.80
20/09/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	950.11	-	180,150.91
20/10/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	950.11	-	181,101.02
20/11/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	950.11	-	182,051.13
20/11/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	950.11	-	183,001.24

50163813 CYASSOUND HOLDINGS (WATER ACCOUNT)

Date	Code	Reference	Description	Debit	Credit	Running Balance
01/01/2018	Opening Balance					884,845.34
21/01/2018	Charge for the month	Jan-18	Jan-18	62,175.34	-	947,020.68
21/02/2018	Charge for the month	Feb-18	Feb-18	2,556.42	-	949,577.10
21/03/2018	Charge for the month	Mar-18	Mar-18	81,720.88	-	1,031,297.98
21/04/2018	Charge for the month	Apr-18	Apr-18	14,029.68	-	1,045,327.66
21/05/2018	Charge for the month	May-18	May-18	18,875.23	-	1,064,202.89
21/06/2018	Charge for the month	Jun-18	Jun-18	13,921.40	-	1,078,124.29
21/07/2018	Charge for the month	Jul-18	Jul-18	42,317.94	-	1,120,442.23
21/08/2018	Charge for the month	Aug-18	Aug-18	14,869.76	-	1,135,311.99
21/09/2018	Charge for the month	Sep-18	Sep-18	6,080.39	-	1,141,392.38
21/10/2018	Charge for the month	Oct-18	Oct-18	16,665.51	-	1,158,057.89
21/11/2018	Charge for the month	Nov-18	Nov-18	27,092.60	-	1,185,150.49
21/12/2018	Charge for the month	Dec-18	Dec-18	13,486.27	-	1,198,636.76
21/01/2019	Charge for the month	Jan-19	Jan-19	11,137.03	-	1,209,773.79
21/02/2019	Charge for the month	Feb-19	Feb-19	10,833.80	-	1,220,607.59
21/03/2019	Charge for the month	Mar-19	Mar-19	8,785.30	-	1,229,392.89
21/04/2019	Charge for the month	Apr-19	Apr-19	9,010.16	-	1,238,403.05
30/06/2020	AR-IT METERED	INTEREST ON OVERDUE ACCOUNT	INTEREST ON OVERDUE ACCOUNT - APRIL 2020	6,687.38	-	1,245,090.43
30/06/2020	AR-IT METERED	MAY 21ST BILLING INTEREST	INTEREST CHARGE	6,687.38	-	1,251,777.81
20/07/2020	AR-IT METERED	INTEREST ON OVERDUE ACC JUN 2020	INTEREST ON OVERDUE ACC JUN 2020	6,703.93	-	1,258,481.74
20/08/2020	AR-IT METERED	INTEREST ON OVERDUE ACC JUL 2020	INTEREST ON OVERDUE ACC JUL 2020	6,703.93	-	1,265,185.67
20/09/2020	AR-IT METERED	INTEREST ON OVERDUE ACC AUG 2020	INTEREST ON OVERDUE ACC AUG 2020	6,703.93	-	1,271,889.60
20/10/2020	AR-IT METERED	INTEREST ON OVERDUE ACC SEPT 2020	INTEREST ON OVERDUE ACC SEPT 2020	6,708.03	-	1,278,597.63
20/11/2020	AR-IT METERED	INTEREST ON OVERDUE ACC OCT 2020	INTEREST ON OVERDUE ACC OCT 2020	6,708.03	-	1,285,305.66
20/12/2020	AR-IT METERED	INTEREST ON OVERDUE ACC NOV 2020	INTEREST ON OVERDUE ACC NOV 2020	6,708.03	-	1,292,013.69

92188218 USLC CYASSOUND RENTALS

DATE	CODE	REFERENCE	DESCRIPTION	DEBIT	CREDIT	RUNNING TOTAL
30/06/2018	AR-BF WATER	SUNDY DEBTORS TAKE ON	SUNDY DEBTORS TAKE ON			312,494.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports Cyassound	Invoice 4993- USLC July	21,200.00	-	333,694.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports Cyassound	Invoice 4994- USLC August	21,200.00	-	354,894.04
30/06/2019	AR-DD SUNDY DR	September Rent-Invoice 4995	Cyassound	21,200.00	-	376,094.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports Cyassound- Invoice 5014	Cyassound	21,200.00	-	397,294.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports Cyassound	Cyassound-Invoice 5018	21,200.00	-	418,494.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports Cyassound	Cyassound Invoice 5029	21,200.00	-	439,694.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports & Leisure	Rental January-5042	21,200.00	-	460,894.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports & Leisure	Rental February-5077	21,200.00	-	482,094.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports & Leisure	Rental March-5078	21,200.00	-	503,294.04
30/06/2019	AR-DD SUNDY DR	Rental Ugu Sports & Leisure	Rental April-5079	21,200.00	-	524,494.04
30/06/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT APR	2,832.27	-	527,326.31
30/06/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT MAY	2,832.27	-	530,158.58
31/07/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT JUNE 2020	2,871.69	-	533,030.27
31/08/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT JULY 2020	2,887.25	-	535,917.52
30/09/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT AUG 2020	2,841.03	-	538,758.55
31/10/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT SEPT 2020	2,841.03	-	541,599.57
31/11/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT	INTEREST ON OVERDUE DEBT OCT 2020	2,663.16	-	544,262.73
31/12/2020	AR-IT SUNDY DEBTORS	INTEREST ON OVERDUE DEBT NOVEMBER 2020	INTEREST ON OVERDUE DEBT NOVEMBER 2020	2,663.16	-	546,925.89

INFORMATION

Section 29 - Unforeseen and unavoidable expenditure.

Sub-Section (1) - The mayor of a municipality may in emergency or other exceptional circumstances authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget.

If applicable, the following information must be attached and included in the report:

Copy of authorization by the mayor.

Total of Current and/or Capital expenditure for that quarter.

Detail and reason for the unforeseen and unavoidable expenditure.

MANAGEMENT RESPONSE

No unforeseen and unavoidable expenditure authorised by the Mayor.

5.3 Sub-Section 11 (1) (d) - In the case of a bank account opened in terms of section 12, to make payments from the account in accordance with sub-section (4) of that section.

INFORMATION

Section 12 - Relief, charitable, trust or other funds.

Sub-Section (4) - Money in a separate account opened in terms of sub-section (2) may be withdrawn from the account without appropriation of an approved budget, but only-

- a) by or on the written authority of the accounting officer acting in accordance with decisions of the municipal council; and
- b) for the purposes for which, and subject to any conditions on which the fund was established or the money in the fund was donated.

If applicable, the following information must be attached and included in the report:

Name of account, type, purpose and amount paid.

Detail of payment.

Copy of written authority.

MANAGEMENT RESPONSE

Nil Return.

5.4 Sub-Section 11 (1) (e) - To pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state.

INFORMATION

If applicable, the following information must be included in the report:

Total amount of pay over for that quarter and reason.

- a) Money collected by the municipality on behalf of that person or organ of state by agreement.
- b) Any insurance or other payment received by the municipality for that person or organ of state.

MANAGEMENT RESPONSE

Nil Return.

5.5 Sub-Section 11(1)(f) – To refund money incorrectly paid into a bank account.

IIINFORMATION

If applicable, the following information must be included in the report:

Schedule of refunds of amounts received in error. (Example)

Date	Name	Amount	Reason
2007-04-11	P. Naidoo	R1 025.00	Amount received in error
2007-05-02	PT Sabelo	R10 296.23	Amount received in error
2007-06-12	R. Mafu	R70 000.00	Amount received in error

MANAGEMENT RESPONSE

Schedule of refunds of amounts received in error.

Refunds

DECEMBER 2020

DATE	AMOUNT	NAME	REMARKS

REPORT PREPARED BY:


LONDIWE SOTSHEDE
ACTING GENERAL MANAGER: BTO

DATE

DC21 Ugu - Table C1 Consolidated Monthly Budget Statement Summary - M06 December

2019/20									
Description	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2020/21				
	YearTD actual				YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands									
Financial Performance									
Property rates	-	-	-	-	-	-	-	-	-
Service charges	-	646 376	567 605	38 706	203 696	283 803	(80 106)	-28%	101 848
Investment revenue	-	2 535	2 535	131	3 475	1 268	2 208	174%	1 738
Transfers and subsidies	-	499 502	538 854	212 208	449 588	269 427	180 161	67%	224 794
Other own revenue	-	10 590	95 699	4 892	27 269	47 849	(20 581)	-43%	13 634
Total Revenue (excluding capital transfers and contributions)	-	1 159 002	1 204 693	255 937	684 029	602 346	81 682	14%	342 014
Employee costs	-	373 041	372 149	32 036	209 525	186 074	23 450	13%	104 762
Remuneration of Councillors	-	15 414	15 491	774	4 875	7 745	(2 870)	-37%	2 438
Depreciation & asset impairment	-	169 763	150 509	15 112	92 424	75 254	17 169	23%	46 212
Finance charges	-	2 522	2 522	95	4 241	1 261	2 980	236%	2 120
Materials and bulk purchases	-	166 366	159 322	2 180	53 199	79 661	(26 462)	-33%	26 600
Transfers and subsidies	-	19 023	19 323	-	1 370	9 662	(8 291)	-86%	685
Other expenditure	-	529 205	473 702	21 492	126 057	236 851	(110 794)	-47%	63 029
Total Expenditure	-	1 275 335	1 193 019	71 689	491 692	596 509	(104 817)	-18%	245 846
Surplus/(Deficit)	-	(116 333)	11 674	184 248	192 337	5 837	186 500	3195%	96 168
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	279 336	231 128	4 996	35 229	115 564	#### ####	-70%	17 615
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	-	163 003	242 802	189 244	227 566	121 401	106 165	87%	113 783
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	-	163 003	242 802	189 244	227 566	121 401	106 165	87%	113 783
Capital expenditure & funds sources									
Capital expenditure	-	275 923	252 763	22 351	72 654	126 381	(53 727)	-43%	36 327
Capital transfers recognised	-	227 763	235 763	22 329	72 632	117 881	(45 250)	-38%	36 316
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	-	48 160	17 000	22	22	8 500	(8 478)	-100%	11
Total sources of capital funds	-	275 923	252 763	22 351	72 654	126 381	(53 727)	-43%	36 327
Financial position									
Total current assets	-	670 851	1 500 440		441 534				220 767
Total non current assets	-	5 006 269	5 134 404		4 369 647				2 184 823
Total current liabilities	-	1 100 364	1 962 417		1 659 041				829 520
Total non current liabilities	-	74 902	87 137		73 576				36 788
Community wealth/Equity	-	4 501 853	4 585 291		3 078 563				1 539 282
Cash flows									
Net cash from (used) operating	-	405 179	557 877	87 834	136 133	278 939	142 806	51%	68 066
Net cash from (used) investing	-	(236 070)	(249 523)	-	(175)	(126 482)	(126 307)	100%	(88)
Net cash from (used) financing	-	(5 386)	68 851	-	(19 574)	34 426	54 000	157%	(9 787)
Cash/cash equivalents at the month/year end	-	210 190	377 206	-	162 850	233 350	70 500	30%	104 659
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	42 332	26 206	23 055	21 549	22 749	21 380	110 984	470 206	738 461
Creditors Age Analysis									
Total Creditors	6 345	1 192	(553)	348	1 005	(1 743)	223 673	57 326	287 594

DC21 Ugu - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M06 December

Description	Ref	2019/20 Audited Outcome	Budget Year 2020/21							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue - Functional										
Governance and administration		-	159 736	243 475	222 121	505 416	121 737	383 679	315%	252 708
Executive and council		-	4 468	4 468	884	2 001	2 234	(233)	-10%	1 000
Finance and administration		-	155 268	239 007	221 237	503 415	119 503	383 912	321%	251 708
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	9 068	9 068	-	-	4 534	(4 534)	-100%	-
Community and social services		-	9 068	9 068	-	-	4 534	(4 534)	-100%	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	72 157	73 330	90	2 082	36 665	(34 582)	-94%	1 041
Planning and development		-	51 448	52 521	90	2 071	26 260	(24 190)	-92%	1 035
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	20 709	20 809	-	12	10 404	(10 393)	-100%	6
Trading services		-	1 197 378	1 109 949	35 341	201 346	554 974	(353 629)	-64%	100 673
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	1 088 563	1 001 133	25 829	148 303	500 567	(352 263)	-70%	74 152
Waste water management		-	108 816	108 816	9 512	53 042	54 408	(1 365)	-3%	26 521
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	3 391	10 421	-	10 421	#DIV/0!	5 210
Total Revenue - Functional	2	-	1 438 338	1 435 821	260 943	719 265	717 910	1 354	0%	359 632
Expenditure - Functional										
Governance and administration		-	388 197	377 581	20 719	174 510	188 791	(14 281)	-8%	87 255
Executive and council		-	71 314	69 435	5 319	33 406	34 717	(1 312)	-4%	16 703
Finance and administration		-	316 822	307 886	15 400	140 964	153 943	(12 979)	-8%	70 482
Internal audit		-	61	261	-	140	130	10	7%	70
Community and public safety		-	6 053	6 553	686	2 190	3 277	(1 087)	-33%	1 095
Community and social services		-	4 503	4 853	667	2 143	2 427	(284)	-12%	1 071
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	1 250	1 250	-	17	625	(608)	-97%	9
Housing		-	-	-	-	-	-	-	-	-
Health		-	300	450	19	30	225	(195)	-87%	15
Economic and environmental services		-	70 731	69 985	1 806	12 917	34 992	(22 075)	-63%	6 458
Planning and development		-	53 288	52 541	1 777	12 872	26 271	(13 399)	-51%	6 436
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	17 443	17 443	29	45	8 722	(8 676)	-99%	23
Trading services		-	810 354	738 900	47 201	281 558	369 450	(87 892)	-24%	140 779
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	591 875	523 355	43 623	257 483	261 677	(4 195)	-2%	128 741
Waste water management		-	218 479	215 545	3 578	24 075	107 772	(83 697)	-78%	12 038
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	1 259	5 512	-	5 512	#DIV/0!	2 756
Total Expenditure - Functional	3	-	1 275 335	1 193 019	71 671	476 687	596 509	(119 822)	-20%	238 343
Surplus/ (Deficit) for the year		-	163 003	242 802	189 272	242 578	121 401	121 177	100%	121 289

DC21 Ugu - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December

Vote Description		Ref	2019/20 Audited Outcome	Budget Year 2020/21							
				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 - Excutive and Council			-	4 468	4 468	884	2 001	2 234	(233)	-10.4%	1 000
Vote 2 - Finance and Administration			-	155 268	239 007	14 592	70 019	119 503	(49 484)	-41.4%	35 010
Vote 3 - Community and public safety			-	9 068	9 068	-	-	4 534	(4 534)	-100.0%	-
Vote 4 - Sport and recreation			-	-	-	-	-	-	-	-	-
Vote 5 - Public safety			-	-	-	-	-	-	-	-	-
Vote 6 - Economic and environmental services			-	51 448	52 521	90	2 071	26 260	(24 190)	-92.1%	1 035
Vote 7 - Environmental protection			-	20 709	20 809	-	12	10 404	(10 393)	-99.9%	6
Vote 8 - Water management			-	1 088 563	1 001 133	25 829	148 303	500 567	(352 263)	-70.4%	74 152
Vote 9 - Waste water management			-	108 816	108 816	9 505	53 024	54 408	(1 383)	-2.5%	26 512
Vote 10 - Other			-	-	-	-	-	-	-	-	-
Vote 11 - Health			-	-	-	-	-	-	-	-	-
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	-	1 438 338	1 435 821	50 900	275 430	717 910	(442 481)	-61.6%	137 715
Expenditure by Vote		1									
Vote 1 - Excutive and Council			-	71 314	69 435	5 319	33 406	34 717	(1 312)	-3.8%	16 703
Vote 2 - Finance and Administration			-	316 822	307 886	15 400	140 964	153 943	(12 979)	-8.4%	70 482
Vote 3 - Community and public safety			-	4 503	4 853	667	2 143	2 427	(284)	-11.7%	1 071
Vote 4 - Sport and recreation			-	-	-	-	-	-	-	-	-
Vote 5 - Public safety			-	1 250	1 250	-	17	625	(608)	-97.2%	9
Vote 6 - Economic and environmental services			-	53 288	52 541	1 777	12 872	26 271	(13 399)	-51.0%	6 436
Vote 7 - Environmental protection			-	17 443	17 443	29	45	8 722	(8 676)	-99.5%	23
Vote 8 - Water management			-	591 875	523 355	43 623	257 483	261 677	(4 195)	-1.6%	128 741
Vote 9 - Waste water management			-	218 479	215 545	3 578	24 075	107 772	(83 697)	-77.7%	12 038
Vote 10 - Other			-	-	-	-	-	-	-	-	-
Vote 11 - Health			-	300	450	19	30	225	(195)	-86.7%	15
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	-	1 275 274	1 192 758	70 412	471 035	596 379	(125 344)	-21.0%	235 517
Surplus/ (Deficit) for the year		2	-	163 064	243 063	(19 512)	(195 605)	121 532	(317 136)	-260.9%	(97 802)

DC21 Ugu - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

Consolidated Monthly Budget Statement - Financial Performance (Revenue and expenditure) - Mo0 December										
Description	Ref	2019/20 Audited Outcome	Budget Year 2020/21							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue By Source										
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue			552 868	474 097	29 194	150 650	237 049	(86 399)	-36%	75 325
Service charges - sanitation revenue			93 508	93 508	9 512	53 046	46 754	6 292	13%	26 523
Service charges - refuse revenue								-		
Rental of facilities and equipment			617	740	12	74	370	(296)	-80%	37
Interest earned - external investments			2 535	2 535	131	3 475	1 268	2 208	174%	1 738
Interest earned - outstanding debtors			765	1 840	3 578	20 737	920	19 818	2155%	10 369
Dividends received			-	-		-	-	-		-
Fines, penalties and forfeits			8	8		(4)	4	(8)	-206%	(2)
Licences and permits			400	500		12	250	(239)	-95%	6
Agency services			-	-		-	-	-		-
Transfers and subsidies			499 502	538 854	212 208	449 588	269 427	180 161	67%	224 794
Other revenue			8 800	92 612	1 301	6 450	46 306	(39 856)	-86%	3 225
Gains								-		-
		-	1 159 002	1 204 693	255 937	684 029	602 348	81 682	14%	342 014
Total Revenue (excluding capital transfers and contributions)										
Expenditure By Type										
Employee related costs			373 041	372 149	32 036	209 525	186 074	23 450	13%	104 762
Remuneration of councillors			15 414	15 491	774	4 875	7 745	(2 870)	-37%	2 438
Debt impairment			40 314	30 314	6	55	15 157	(15 101)	-100%	28
Depreciation & asset impairment			169 763	150 509	15 112	92 424	75 254	17 169	23%	46 212
Finance charges			2 522	2 522	95	4 241	1 261	2 980	236%	2 120
Bulk purchases			145 787	143 837	1 320	50 538	71 918	(21 380)	-30%	25 269
Other materials			20 580	15 486	860	2 661	7 743	(5 081)	-66%	1 331
Contracted services			179 720	205 384	9 248	48 912	102 692	(53 780)	-52%	24 456
Transfers and subsidies			19 023	19 323	-	1 370	9 662	(8 291)	-86%	685
Other expenditure			309 171	238 005	12 238	77 090	119 002	(41 912)	-35%	38 545
Losses			-	-	(0)	(0)	-	(0)	#DIV/0!	(0)
		-	1 275 335	1 193 019	71 689	491 692	596 509	(104 817)	-18%	245 846
Total Expenditure										
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		-	(116 333)	11 674	184 248	192 337	5 837	186 500	0	96 168
(National / Provincial and District)										
Transfers and subsidies - capital (monetary allocations)			279 336	231 128	4 996	35 229	115 564	(80 335)	(0)	17 615
(National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions										
Taxation		-	163 003	242 802	189 244	227 566	121 401	-		113 783
Surplus/(Deficit) after taxation										
Attributable to minorities		-	163 003	242 802	189 244	227 566	121 401			113 783
Surplus/(Deficit) attributable to municipality										
Share of surplus/ (deficit) of associate		-	163 003	242 802	189 244	227 566	121 401			113 783
Surplus/ (Deficit) for the year										
		-	163 003	242 802	189 244	227 566	121 401			113 783

DC21 Ugu - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding - M06 December)

Vote Description	Ref	2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2020/21 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		-	30 950	25 000	22	22	12 500	(12 478)	-100%	11
Vote 3 - Community and public safety		-	-	-	-	-	-	-	-	-
Vote 4 - Sport and recreation		-	-	-	-	-	-	-	-	-
Vote 5 - Public safety		-	-	-	-	-	-	-	-	-
Vote 6 - Economic and environmental services		-	-	-	-	-	-	-	-	-
Vote 7 - Environmental protection		-	-	-	-	-	-	-	-	-
Vote 8 - Water management		-	189 444	180 914	15 917	56 206	90 457	(34 251)	-38%	28 103
Vote 9 - Waste water management		-	55 529	46 849	6 411	16 426	23 424	(6 999)	-30%	8 213
Vote 10 - Other		-	-	-	-	-	-	-	-	-
Vote 11 - Health		-	-	-	-	-	-	-	-	-
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	-	275 923	252 763	22 351	72 654	126 381	(53 727)	-43%	36 327
Single Year expenditure appropriation	2									
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Administration		-	-	-	-	-	-	-	-	-
Vote 3 - Community and public safety		-	-	-	-	-	-	-	-	-
Vote 4 - Sport and recreation		-	-	-	-	-	-	-	-	-
Vote 5 - Public safety		-	-	-	-	-	-	-	-	-
Vote 6 - Economic and environmental services		-	-	-	-	-	-	-	-	-
Vote 7 - Environmental protection		-	-	-	-	-	-	-	-	-
Vote 8 - Water management		-	-	-	-	-	-	-	-	-
Vote 9 - Waste water management		-	-	-	-	-	-	-	-	-
Vote 10 - Other		-	-	-	-	-	-	-	-	-
Vote 11 - Health		-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Total Capital Expenditure		-	275 923	252 763	22 351	72 654	126 381	(53 727)	-43%	36 327
Capital Expenditure - Functional Classification										
Governance and administration		-	30 950	25 000	22	22	12 500	(12 478)	-100%	11
Executive and council		-	-	-	-	-	-	-	-	-
Finance and administration		-	30 950	25 000	22	22	12 500	(12 478)	-100%	11
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	244 973	227 763	22 329	72 632	113 881	(41 250)	-36%	36 316
Energy sources		-	-	-	-	-	-	-	-	-
Water management		-	189 444	180 914	15 917	56 206	90 457	(34 251)	-38%	28 103
Waste water management		-	55 529	46 849	6 411	16 426	23 424	(6 999)	-30%	8 213
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	-	275 923	252 763	22 351	72 654	126 381	(53 727)	-43%	36 327
Funded by:										
National Government		-	227 763	212 148	17 375	57 246	106 074	(48 828)	-46%	28 623
Provincial Government		-	-	23 615	4 954	15 385	11 808	3 578	30%	7 693
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		-	227 763	235 763	22 329	72 632	117 881	(45 250)	-38%	36 316
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		-	48 160	17 000	22	22	8 500	(8 478)	-100%	11
Total Capital Funding		-	275 923	252 763	22 351	72 654	126 381	(53 727)	-43%	36 327

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment
3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations
4. Include expenditure on investment property, intangible and biological assets

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

DC21 Ugu - Table C6 Consolidated Monthly Budget Statement - Financial Position - M06 December

Description	Ref	2019/20	Budget Year 2020/21			Full Year Forecast
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	
R thousands	1					
ASSETS						
Current assets						
Cash				346 636	38 724	19 362
Call investment deposits			73 808	76 750	36 292	18 146
Consumer debtors			181 192	161 816	282 602	141 301
Other debtors			368 143	869 767	66 936	33 468
Current portion of long-term receivables			155	182	3 447	1 724
Inventory			47 553	45 288	13 533	6 766
Total current assets		-	670 851	1 500 440	441 534	220 767
Non current assets						
Long-term receivables			545	519	2 528	1 264
Investments					(24)	(12)
Investment property			295 010	280 962	31 650	15 825
Investments in Associate						-
Property, plant and equipment			4 618 446	4 765 049	4 325 946	2 162 973
Biological						
Intangible			92 267	87 874	9 547	4 774
Other non-current assets					0	0
Total non current assets		-	5 006 269	5 134 404	4 369 647	2 184 823
TOTAL ASSETS		-	5 677 120	6 634 844	4 811 180	2 405 590
LIABILITIES						
Current liabilities						
Bank overdraft				-		
Borrowing			5 567	52 697	24 200	12 100
Consumer deposits			81 516	98 501	21 737	10 868
Trade and other payables			835 903	1 602 538	1 556 370	778 185
Provisions			177 379	208 681	56 734	28 367
Total current liabilities		-	1 100 364	1 962 417	1 659 041	829 520
Non current liabilities						
Borrowing			54 098	65 237	68 397	34 199
Provisions			20 805	21 900	5 179	2 590
Total non current liabilities		-	74 902	87 137	73 576	36 788
TOTAL LIABILITIES		-	1 175 266	2 049 554	1 732 617	866 309
NET ASSETS	2	-	4 501 853	4 585 291	3 078 563	1 539 282
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			4 501 853	4 585 291	3 078 563	1 539 282
Reserves						
TOTAL COMMUNITY WEALTH/EQUITY	2	-	4 501 853	4 585 291	3 078 563	1 539 282

DC21 Ugu - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M06 December

Description	Ref	2019/20 Audited Outcome	Budget Year 2020/21							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates				-				-		
Service charges			631 951	631 951	29 933	188 808	315 975	(127 168)	-40%	94 404
Other revenue			971	617	615	6 054	309	5 745	1862%	3 027
Transfers and Subsidies - Operational			505 718	575 008	208 344	438 751	287 504	151 247	53%	219 376
Transfers and Subsidies - Capital			279 336	289 336		80 000	144 668	(64 668)	-45%	40 000
Interest			2 000	2 000	3 709	16 190	1 000	15 190	1519%	8 095
Dividends			535	535		-	268	(268)	-100%	-
Payments										
Suppliers and employees			(993 787)	(920 024)	(149 480)	(583 402)	(460 012)	123 390	-27%	(291 701)
Finance charges			(2 522)	(2 522)	(5 288)	(8 898)	(1 261)	7 637	-606%	(4 449)
Transfers and Grants			(19 023)	(19 023)		(1 370)	(9 512)	(8 141)	86%	(685)
NET CASH FROM/(USED) OPERATING ACTIVITIES		-	405 179	557 877	87 834	136 133	278 939	142 806	51%	68 066
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE								-		
Decrease (increase) in non-current receivables				3 441				-		
Decrease (increase) in non-current investments								-		
Payments										
Capital assets			(236 070)	(252 963)		(175)	(126 482)	(126 307)	100%	(88)
NET CASH FROM/(USED) INVESTING ACTIVITIES		-	(236 070)	(249 523)	-	(175)	(126 482)	(126 307)	100%	(88)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans						2	-	2	#DIV/0!	1
Borrowing long term/refinancing						16 214	-	16 214	#DIV/0!	8 107
Increase (decrease) in consumer deposits			2 600	76 837		417	38 419	(38 002)	-99%	208
Payments										
Repayment of borrowing			(7 986)	(7 986)		(36 207)	(3 993)	32 214	-807%	(18 104)
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	(5 386)	68 851	-	(19 574)	34 426	54 000	157%	(9 787)
NET INCREASE/ (DECREASE) IN CASH HELD		-	163 723	377 206	87 834	116 383	186 883			58 192
Cash/cash equivalents at beginning:			46 467			46 467	46 467			46 467
Cash/cash equivalents at month/year end:		-	210 190	377 206		162 850	233 350			104 659

DC21 Ugu - Supporting Table SC1 Material variance explanations - M06 December

Ref	Description	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
	R thousands			
1	Revenue By Source			
	Service charges - water revenue	(86 399)	breakdowns, Covid-19 restrictions	To reduce the supply of free water through water tankers
	Service charges - sanitation revenue	6 292	Not material	Not applicable
	Rental of facilities and equipment	(296)	Not material	Not applicable
	Transfers recognised - operational	180 161	Year-to-date budget is incorrectly projected in the budget schedule	To be corrected in the Mid-term adjustments budget budget
2	Expenditure By Type			
	Employee related costs	23 450	fix the breakages on the ageing infrastructure.	overtime
	Finance charges	2 980	The budget for the Finance cost was understated in error.	To be corrected in the Mid-term Adjustments budget.
	Bulk purchases	(21 380)	lockdown as a result of the reduction in water sales.	To consider reducing the budget and align with the reduction in water
	Contracted services	(53 780)	of the Cost containments measure	To consider reducing the budget and align with the reduction in water
	Transfers and grants	(8 291)	result	Not applicable
	Other expenditure	(41 912)	of the Cost containments measure	To consider reducing the budget and align with the reduction in water
3	Capital Expenditure			
	Water	10 042	current years budget to avoid legal actions from the services	from the slow
	Waste water management	4 980	current years budget to avoid legal actions from the services	from the slow
	Fleet Management	(2 476)	projects	Mid-term budget adjustment.
	Administrative and Corporate Support	(9 000)	projects	Mid-term budget adjustment.
4	Financial Position			
	Cash	38 724	accounts,	Not applicable
	Consumer debtors	282 602	municipal services that were consumed during the period.	Not applicable
	Other debtors	66 936	other	Not applicable
	Property, plant and equipment	4 325 946	controlled by the municipality, net off accumulated depreciation	Not applicable
	Consumer deposits	21 737	security on all the active consumer accounts.	Not applicable
	Trade and other payables	1 556 370	suppliers of goods and services.	Not applicable
	Borrowing	24 200	made by the municipality in the current and prior financial periods	Not applicable
	Accumulated Surplus/(Deficit)	3 078 563	by the	Not applicable
5	Cash Flow			
	Ratepayers and other	(127 168)	to the low water sales as a result of the Covid-19 restrictions on	To adjust Cash collections during the Mid-term budget adjustment
	Government - operating	0		
	Government - capital	(64 668)	received in Q2 as scheduled.	communication
	Interest	7 637	The budget for the Finance Cost was understated in error	The budget will be corrected in the Adjustments budget
	Capital assets	(126 307)	because of the delays in receipt of the 2nd trench of the MIG	communication
	Increase (decrease) in consumer deposits	(38 002)	than it was anticipated.	To consider adjusting the budget during Mid-term
	Repayment of borrowing	32 214	The budget for the Loan Repayment was understated in error.	The budget will be corrected during Mid-term.
6	Measureable performance			
7	Municipal Entities			

DC21 Ugu - Supporting Table SC2 Monthly Budget Statement - performance indicators - M06 December

Description of financial indicator	Basis of calculation	Ref	2019/20	Budget Year 2020/21			
			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		0.0%	13.5%	12.8%	0.9%	1.9%
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		0.0%	19.9%	37.5%	53.6%	53.6%
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	0.0%	61.0%	76.5%	26.6%	26.6%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.0%	6.7%	21.6%	4.5%	4.5%
<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		0.0%	47.5%	85.7%	52.0%	52.0%
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		0.0%	32.2%	30.9%	30.6%	30.6%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		0.0%	14.9%	12.7%	0.6%	1.3%
<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						

DC21 Ugu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2020/21										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.L.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181 DYS-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	35 603	22 329	19 892	18 287	19 162	18 256	91 334	412 091	636 955	559 130		
Trade and Other Receivables from Exchange Transactions - Electricity	1300	-	-	-	-	-	-	-	-	-	-		
Receivables from Non-exchange Transactions - Property Rates	1400	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Waste Water Management	1500	8 824	4 981	4 027	3 752	3 623	3 401	17 478	54 732	100 819	82 986		
Receivables from Exchange Transactions - Waste Management	1600	-	-	-	-	-	-	-	-	-	-		
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	-	-	-		
Interest on Arrear Debtor Accounts	1810	-	(4)	(0)	-	-	(6)	755	1 809	2 553	2 558		
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-		
Other	1900	(2 096)	(1 100)	(864)	(490)	(37)	(272)	1 417	1 575	(1 866)	2 194		
Total By Income Source	2000	42 332	26 206	23 055	21 549	22 749	21 380	110 984	470 206	738 461	646 868		
2019/20 - totals only		33 763	23 169	22 224	18 150	17 194	14 738	85 878	390 534	605 651	526 495		
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 455	1 669	1 487	1 242	1 690	1 296	12 361	14 910	37 109	31 498		
Commercial	2300	13 465	5 502	3 700	3 638	3 719	2 979	21 114	63 676	117 794	95 126		
Households	2400	26 450	19 055	17 874	16 644	17 339	17 104	77 609	391 018	583 094	519 715		
Other	2500	(37)	(21)	(5)	26	1	1	(102)	602	464	528		
Total By Customer Group	2600	42 332	26 206	23 055	21 549	22 749	21 380	110 984	470 206	738 461	646 868		

DC21 Ugu - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December

Budget Year 2020/21										
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	-	1 067	-	1 027	1 086	-	155 331	47 778	206 289
PAYE deductions	0300	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	6 345	125	(553)	(678)	(81)	(1 743)	68 342	9 548	81 305
Auditor General	0800	-	-	-	-	-	-	(0)	-	(0)
Other	0900	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	6 345	1 192	(553)	348	1 005	(1 743)	223 673	57 326	287 594

DC21 Ugu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investment portfolio - mid December															
Investments by maturity Name of institution & Investment ID	Ref	Period of Investment		Type of Investment	Capital Guarantee (Yea/ 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
		Yrs/Months													
R thousands															
Municipality															
FNB Investment											-		-		-
First National Bank											88				88
NEDBank											-		-		-
Investec											-		-		-
ABSA Bank CALL MIG											29 177		(22 351)		6 826
STD Investment											-				-
ABSA Bank CALL											7 027		117 019		124 046
Jazz											-				-
ABSA											0				0
											-				-
Municipality sub-total											36 293		94 668	-	130 960
Entities															
ABSA Call Investment Account - Main											10				10
ABSA Call Investment Account - NSNP											2 278				2 278
															-
															-
															-
															-
Entities sub-total											2 287		-	-	2 287
TOTAL INVESTMENTS AND INTEREST	2										38 580		94 668	-	133 248

References

2. List investments in expiry date order
3. If 'variable' is selected in column F, input interest rate range
4. Withdrawals to be entered as negative

DC21 Ugu - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December

Description	Ref	2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2020/21					Full Year Forecast
						YearTD actual	YearTD budget	YTD variance	YTD variance %		
R thousands											
RECEIPTS:	1,2										
Operating Transfers and Grants											
National Government:		-	510 310	569 421	208 344	438 751	284 711	196 724	69.1%	219 376	
Local Government Equitable Share			412 402	471 513	206 333	431 943	235 757	196 187	83.2%	215 972	
RSC Levy Replacement			88 955	88 955		-	44 478			-	
Finance Management			1 800	1 800		1 800	900			900	
EPWP Incentive			4 468	4 468	2 011	3 128	2 234			1 564	
	3										
Rural Roads Asset Management Systems Grant			2 685	2 685		1 880	1 343	538	40.0%	940	
Provincial Government:		-	1 000	1 000	-	-	500	(500)	-100.0%	-	

DC21 Ugu - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

Description	Ref	2019/20 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Budget Year 2020/21					Full Year Forecast
						YearTD actual	YearTD budget	YTD variance	YTD variance %		
R thousands											
EXPENDITURE											
Operating expenditure of Transfers and Grants											
National Government:		-	563 576	622 687	42 733	253 634	311 344	(57 709)	-18.5%	126 817	
Local Government Equitable Share			412 402	471 513	34 367	206 201	235 757	(29 556)	-12.5%	103 100	
RSC Levy Replacement			88 955	88 955	7 413	44 478	44 478	0	0.0%	22 239	
Finance Management			1 800	1 800	69	535	900	(365)	-40.5%	268	
EPWP Incentive			4 468	4 468	884	2 420	2 234	186	8.3%	1 210	
WSIG Grant Opex			500	500			250	(250)	-100.0%	-	
Municipal Infrastructure Grant Opex			52 766	52 766			26 383	(26 383)	-100.0%	-	
Rural Roads Asset Management Systems Grant			2 685	2 685		-	1 343	(1 343)	-100.0%	-	
Provincial Government:		-	1 000	1 000	-	-	500	(500)	-100.0%	-	
								-			
								-			
								-			
Spatial Development Framework			1 000	1 000		-	500	(500)	-100.0%	-	
District Municipality:		-	-	-	-	-	-	-		-	
<i>[insert description]</i>								-			
Other grant providers:		-	-	-	-	-	-	-		-	
<i>[insert description]</i>								-			
								-			
Total operating expenditure of Transfers and Grants:		-	564 576	623 687	42 733	253 634	311 844	(58 209)	-18.7%	126 817	
Capital expenditure of Transfers and Grants											
National Government:		-	236 070	236 070	27 561	57 794	118 035	(60 241)	-51.0%	28 897	
Municipal Infrastructure Grant (MIG)			186 570	186 570	21 597	41 867	93 285	(51 418)	-55.1%	20 934	
							-	-		-	
							-	-		-	
							-	-		-	
							-	-		-	
Water Services Infrastructure Grant			49 500	49 500	5 963	15 927	24 750	(8 823)	-35.7%	7 963	
Provincial Government:		-	-	2 700	-	2 700	1 350	1 350	100.0%	1 350	
Umzimkhulu River Temporary berm				2 700		2 700	1 350	1 350	100.0%	1 350	
								-			
District Municipality:		-	-	-	-	-	-	-		-	
								-			
								-			
Other grant providers:		-	-	-	-	-	-	-		-	
								-			
								-			
Total capital expenditure of Transfers and Grants		-	236 070	238 770	27 561	60 494	119 385	(58 891)	-49.3%	30 247	
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	800 646	862 457	70 293	314 128	431 229	(117 101)	-27.2%	157 064	

DC21 Ugu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

Summary of Employee and Councillor remuneration R thousands	Ref	2019/20 Audited Outcome	Budget Year 2020/21							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages			6 615	7 115	590	3 771	3 558	214	6%	1 886
Pension and UIF Contributions			381	381	-	-	190	(190)	-100%	-
Medical Aid Contributions			321	321	-	-	161	(161)	-100%	-
Motor Vehicle Allowance			4 057	4 057	-	-	2 028	(2 028)	-100%	-
Cellphone Allowance			1 074	1 074	-	-	537	(537)	-100%	-
Housing Allowances			2 904	2 481	-	-	1 241	(1 241)	-100%	-
Other benefits and allowances			62	62	184	1 104	31	1 073	3486%	552
Sub Total - Councillors		-	15 414	15 491	774	4 875	7 745	(2 870)	-37%	2 438
% Increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Senior Managers of the Municipality	3									
Basic Salaries and Wages			5 045	8 282	51	539	4 141	(3 602)	-87%	269
Pension and UIF Contributions			917	-	11	68	-	68	#DIV/0!	34
Medical Aid Contributions			232	-	5	29	-	29	#DIV/0!	14
Overtime			-	-	-	-	-	-	-	-
Performance Bonus			420	-	-	51	-	51	#DIV/0!	26
Motor Vehicle Allowance			1 199	-	28	166	-	166	#DIV/0!	83
Cellphone Allowance			78	78	1	6	39	(33)	-85%	3
Housing Allowances			374	-	0	1	-	1	#DIV/0!	1
Other benefits and allowances			150	-	-	-	-	-	-	-
Payments in lieu of leave			291	-	-	62	-	62	#DIV/0!	31
Long service awards			-	-	74	74	-	74	#DIV/0!	37
Post-retirement benefit obligations	2		-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		-	8 707	8 360	169	895	4 180	(3 185)	-76%	497
% Increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Other Municipal Staff										
Basic Salaries and Wages			244 975	254 616	19 956	136 900	127 308	9 592	8%	68 450
Pension and UIF Contributions			36 754	34 640	3 448	20 988	17 320	3 668	21%	10 494
Medical Aid Contributions			18 328	17 649	1 383	8 503	8 824	(321)	-4%	4 252
Overtime			29 967	28 602	91	3 356	14 301	(10 945)	-77%	1 678
Performance Bonus			-	-	46	17 147	-	17 147	#DIV/0!	8 573
Motor Vehicle Allowance			9 916	10 473	780	4 734	5 236	(502)	-10%	2 367
Cellphone Allowance			1 401	1 325	234	1 432	662	770	116%	716
Housing Allowances			3 247	3 453	153	928	1 727	(799)	-46%	464
Other benefits and allowances			13 390	6 709	3 620	23 014	3 355	19 660	586%	11 507
Payments in lieu of leave			4 529	4 582	326	1 050	2 291	(1 241)	-54%	525
Long service awards			1 830	1 740	165	1 170	870	300	34%	585
Post-retirement benefit obligations	2		-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		-	364 334	363 789	30 203	219 224	181 895	37 330	21%	109 612
% Increase	4		#DIV/0!	#DIV/0!						#DIV/0!
Total Parent Municipality		-	388 455	387 640	31 146	225 095	193 820	31 275	16%	112 547
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			-	-	-	-	-	-	-	-
Sub Total - Board Members of Entities	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	2		-	-	-	-	-	-	-	-
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			-	-	-	-	-	-	-	-
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% Increase	4		-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		-	388 455	387 640	31 146	225 095	193 820	31 275	16%	112 547
% Increase	4		#DIV/0!	#DIV/0!						#DIV/0!
TOTAL MANAGERS AND STAFF		-	373 041	372 149	30 373	220 219	186 074	34 145	19%	110 110

DC21 Ugu - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December

R thousands	Description	Ref	Budget Year 2020/21												2020/21 Medium Term Revenue & Expenditure Framework		
			July Outcome	August Outcome	Sept Outcome	October Outcome	Nov Outcome	Dec Outcome	January Budget	Feb Budget	March Budget	April Budget	May Budget	June Budget	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash Receipts By Source																	
	Property rates																
	Service charges - electricity revenue																
	Service charges - water revenue	25 889	28 947	23 331	32 887	31 542	29 933	44 424	44 424	40 302	40 302	40 302	56 790	533 084	599 216	629 177	
	Service charges - sanitation revenue	7 529	8 749					8 239	8 239	8 239	8 239	8 239	8 239	98 867	103 810	109 001	
	Service charges - refuse																
	Rental of facilities and equipment	-		20	10	42	12	51	51	51	51	51	51	617	648	680	
	Interest earned - external investments	260		631	910	292	131	-	-	-	-	-	-	-	-	-	
	Interest earned - outstanding debtors	3 378		3 357	3 522	3 490	3 578	167	167	167	167	167	167	2 000	2 100	2 205	
	Dividends received	-						45	45	45	45	45	45	535	562	590	
	Fines, penalties and forfeits	-						-	-	-	-	-	-	-	-	-	
	Licences and permits	-						-	-	-	-	-	-	-	-	-	
	Agency services	-						-	-	-	-	-	-	-	-	-	
	Transfers and Subsidies - Operational	225 610	2 917	1 880			208 344	42 143	42 143	42 143	42 143	42 143	42 143	575 008	464 042	499 913	
	Other revenue	127		1 408	196	279	603										
	Cash Receipts by Source	262 793	31 864	39 376	37 525	35 644	242 601	95 068	95 068	90 946	90 946	90 946	107 435	1 210 111	1 170 378	1 241 566	
	Other Cash Flows by Source																
	Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	60 000				20 000		23 278	23 278	23 278	23 278	23 278	23 278	289 336	313 651	327 717	
	Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																
	Proceeds on Disposal of Fixed and Intangible Assets																
	Short term loans	2															
	Borrowing long term/refinancing	16 214															
	Increase (decrease) in consumer deposits	417															
	Decrease (increase) in non-current receivables																
	Decrease (increase) in non-current investments																
	Total Cash Receipts by Source	339 426	31 864	39 376	37 525	55 644	242 601	118 346	118 346	114 224	114 224	114 224	210 988	1 579 725	1 404 636	1 570 213	
	Cash Payments by Type																
	Employee related costs	32 378	48 323	31 394	30 574	31 251	30 792	29 087	29 087	29 087	29 087	29 087	29 087	369 571	391 693	404 151	
	Remuneration of councillors	826	819	807	803	846	774	1 284	1 284	1 284	1 284	1 284	1 284	15 491	16 088	16 892	
	Interest paid	240	164	1 629	245	1 332	5 288	210	210	210	210	210	210	2 522	2 648	2 780	
	Bulk purchases - Electricity	-						-	-	-	-	-	-	-	-	-	
	Bulk purchases - Water & Sewer	-	17 026	17 271	17 271		16 925	12 149	12 149	12 149	12 149	12 149	12 149	145 787	153 076	160 730	
	Other materials	46	83	483	1 137	192	-	1 715	1 715	1 715	1 715	1 715	1 715	-	-	-	
	Contracted services	4 590	8 721	13 638	14 909	15 785	30 512	15 319	15 319	15 319	15 319	15 319	15 319	-	-	-	
	Grants and subsidies paid - other municipalities	-						-	-	-	-	-	-	-	-	-	
	Grants and subsidies paid - other	1 370						1 585	1 585	1 585	1 585	1 585	1 585	19 023	19 975	20 973	
	General expenses	38 529	19 264	20 994	44 034	21 925	70 478	17 969	17 969	17 969	17 969	17 969	17 969	389 175	506 893	541 822	
	Cash Payments by Type	77 980	94 400	86 217	108 973	71 332	154 767	79 319	79 319	79 319	79 319	79 319	79 319	941 569	1 090 372	1 147 348	
	Other Cash Flows/Payments by Type																
	Capital assets	175						14 218	37 839	14 218	14 218	14 218	14 218	252 963	-	-	
	Repayment of borrowing	35 933			274					1 996			1 996	7 986	8 385	8 804	
	Other Cash Flows/Payments	-						3 125			3 125			-	-	-	
	Total Cash Payments by Type	114 088	94 400	86 217	109 247	71 332	154 767	96 661	117 158	95 533	96 661	93 536	95 533	1 202 518	1 098 757	1 156 153	
	NET INCREASE/(DECREASE) IN CASH HELD	225 338	(62 537)	(46 841)	(71 723)	(15 688)	87 834	21 685	1 189	18 692	17 563	20 688	115 456	377 206	305 879	414 060	
	Cash/cash equivalents at the month/year beginning:	46 467	271 805	209 268	162 427	90 704	75 016	162 850	184 536	185 724	204 416	221 979	242 668	46 467	423 673	729 552	
	Cash/cash equivalents at the month/year end:	271 805	209 268	162 427	90 704	75 016	162 850	184 536	185 724	204 416	221 979	242 668	358 123	423 673	729 552	1 143 612	

DC21 Ugu - Supporting Table SC10 Monthly Budget Statement - Parent Municipality Financial Performance (revenue and expenditure) - M06 December

Description	Ref	2019/20 Audited Outcome	Budget Year 2020/21							
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Revenue By Source										
Property rates								-		
Service charges - electricity revenue								-		
Service charges - water revenue			552 868	474 097	29 194	123 622	237 049	(113 427)	-48%	61 811
Service charges - sanitation revenue			93 508	93 508	9 512	43 831	46 754	(2 923)	-6%	21 916
Service charges - refuse revenue								-		
Rental of facilities and equipment			617	740	12	74	370	(296)	-80%	37
Interest earned - external investments			2 535	2 535	131	1 325	1 268	57	5%	662
Interest earned - outstanding debtors			765	1 840	3 578	11 472	920	10 552	1147%	5 736
Dividends received			-	-		3 413	-	3 413	#DIV/0!	1 707
Fines, penalties and forfeits			8	8		-	4	(4)	-100%	-
Licences and permits			400	500		-	250	(250)	-100%	-
Agency services			-	-		-	-	-		-
Transfers and subsidies			499 502	538 854	212 208	441 026	269 427	171 599	64%	220 513
Other revenue			8 800	92 612	1 301	3 306	46 306	(42 999)	-93%	1 653
Gains							-	-		-
Total Revenue (excluding capital transfers and contributions)		-	1 159 002	1 204 693	255 937	628 069	602 346	25 723	4%	314 035
Expenditure By Type										
Employee related costs			373 041	372 149	32 036	205 953	186 074	19 878	11%	102 976
Remuneration of councillors			15 414	15 491	774	4 875	7 745	(2 870)	-37%	2 438
Debt impairment			40 314	30 314	6	52	15 157	(15 105)	-100%	26
Depreciation & asset impairment			169 763	150 509	15 112	92 461	75 254	17 207	23%	46 231
Finance charges			2 522	2 522	95	5 268	1 261	4 007	318%	2 634
Bulk purchases			145 787	143 837	1 320	50 538	71 918	(21 380)	-30%	25 269
Other materials			20 580	15 486	860	2 715	7 743	(5 028)	-65%	1 357
Contracted services			179 720	205 384	9 248	47 297	102 692	(55 395)	-54%	23 649
Transfers and subsidies			19 023	19 323	-	1 370	9 662	(8 291)	-86%	685
Other expenditure			309 171	238 005	12 238	29 202	119 002	(89 800)	-75%	14 601
Losses			-	-	(0)	-	-	-		-
Total Expenditure		-	1 275 335	1 193 019	71 689	439 732	596 509	(156 778)	-26%	219 866
Surplus/(Deficit)		-	(116 333)	11 674	184 248	188 337	5 837	182 500	3127%	94 169
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			279 336	231 128	4 996	35 229	115 564	(80 335)	-70%	17 615
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)								-		
Transfers and subsidies - capital (in-kind - all)								-		
Surplus/(Deficit) after capital transfers & contributions		-	163 003	242 802	189 244	223 567	121 401	102 166	84%	111 783
Taxation								-		
Surplus/(Deficit) after taxation		-	163 003	242 802	189 244	223 567	121 401	102 166	84%	111 783

DC21 Ugu - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M06 December

Month	2019/20	Budget Year 2020/21							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
R thousands									
Monthly expenditure performance trend									
July		22 252	21 064	26 552	26 552	21 064	(5 488)	-26.1%	10%
August		22 252	21 064	-		42 127	-		
September		22 252	21 064	-		63 191	-		
October		22 252	21 064	12 986	12 986	84 254	71 268	84.6%	5%
November		22 252	21 064	10 765	10 765	105 318	94 553	89.8%	4%
December		22 252	21 064	22 351	22 351	126 381	104 030	82.3%	8%
January		22 252	21 064			147 445	-		
February		22 252	21 064			168 509	-		
March		22 252	21 064			189 572	-		
April		22 252	21 064			210 636	-		
May		22 252	21 064			231 699	-		
June		31 155	21 064			252 763	-		
Total Capital expenditure	-	275 923	252 763	72 654					

References

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) plus Total Capital Expenditure on upgrading of existing assets (SC13c) must reconcile to total capital expenditure in Table C5

check balance	-	-	-89 050 431	-19 027 586	-39 022 362	-57 132 512	-19 511 181
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Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-	-
Indoor Facilities										
Outdoor Facilities										
Capital Spares										
Heritage assets	-	-	-	-	-	-	-	-	-	-
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties	-	1 870	1 890	5	36	945	909	96.2%	18	
Revenue Generating	-	1 870	1 890	5	36	945	909	96.2%	18	
Improved Property		1 870	1 890	5	36	945	909	96.2%	18	
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-	-	-	
Improved Property										
Unimproved Property										
Other assets	-	1 400	7 135	81	170	3 568	3 397	95.2%	85	
Operational Buildings	-	1 400	7 135	81	170	3 568	3 397	95.2%	85	
Municipal Offices		1 400	4 400	81	170	2 200	2 030	92.3%	85	
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards			2 685			1 343	1 343	100.0%		
Stores										
Laboratories										
Training Centres										
Manufacturing Plant			50			25	25	100.0%		
Depots										
Capital Spares										
Housing	-	-	-	-	-	-	-	-	-	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	-	-	-	-	-	-	-	-	-	
Biological or Cultivated Assets										
Intangible Assets	-	1 017	3 167	336	701	1 584	882	55.7%	351	
Servitudes										
Leases and Rights	-	1 017	3 167	336	701	1 584	882	55.7%	351	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		1 017	3 167	336	701	1 584	882	55.7%	351	
Load Settlement Software Applications										
Unspecified										
Computer Equipment	-	-	-	-	-	-	-	-	-	
Computer Equipment										
Furniture and Office Equipment	-	-	-	-	-	-	-	-	-	
Furniture and Office Equipment										
Machinery and Equipment	-	9 620	1 420	-	218	710	492	69.3%	109	
Machinery and Equipment		9 620	1 420		218	710	492	69.3%	109	
Transport Assets	-	12 000	12 000	-	1 818	6 000	4 182	69.7%	909	
Transport Assets		12 000	12 000		1 818	6 000	4 182	69.7%	909	
Land	-	-	-	-	-	-	-	-	-	
Land										
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-	
Zoo's, Marine and Non-biological Animals										
Total Repairs and Maintenance Expenditure	1	-	79 258	104 879	1 706	6 747	52 440	45 693	87.1%	3 373

DC21 Ugu - Supporting Table SC13d Consolidated Monthly Budget Statement - depreciation by asset class - M06 December

Description	Ref	2019/20 Audited Outcome	Expenditure by Asset Class - 2020/21				Budget Year 2020/21			Full Year Forecast
			Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	
R thousands	1									
Depreciation by Asset Class/Sub-class										
Infrastructure		-	161 736	140 054	215	44 787	70 027	25 240	36.0%	22 383
Roads Infrastructure		-	-	-	-	-	-	-	-	-
Roads		-	-	-	-	-	-	-	-	-
Road Structures		-	-	-	-	-	-	-	-	-
Road Furniture		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		-	-	-	-	-	-	-	-	-
Power Plants		-	-	-	-	-	-	-	-	-
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Water Supply Infrastructure		-	130 167	-	-	27 265	-	(27 265)	#DIV/0!	13 632
Dams and Weirs		-	1 782	-	-	-	-	-	-	-
Boreholes		-	2	-	-	-	-	-	-	-
Reservoirs		-	30 922	-	-	-	-	-	-	-
Pump Stations		-	10 671	-	-	27 265	-	(27 265)	#DIV/0!	13 632
Water Treatment Works		-	5 618	-	-	-	-	-	-	-
Bulk Mains		-	52 297	-	-	-	-	-	-	-
Distribution		-	28 759	-	-	-	-	-	-	-
Distribution Points		-	46	-	-	-	-	-	-	-
PRV Stations		-	-	-	-	-	-	-	-	-
Capital Spares		-	68	-	-	-	-	-	-	-
Sanitation Infrastructure		-	31 569	140 054	215	17 521	70 027	52 506	75.0%	8 760
Pump Station		-	1 538	-	-	-	-	-	-	-
Reticulation		-	4 599	140 054	215	17 521	70 027	52 506	75.0%	8 760
Waste Water Treatment Works		-	25 082	-	-	-	-	-	-	-
Outfall Sewers		-	350	-	-	-	-	-	-	-
Toilet Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Solid Waste Infrastructure		-	-	-	-	-	-	-	-	-
Landfill Sites		-	-	-	-	-	-	-	-	-
Waste Transfer Stations		-	-	-	-	-	-	-	-	-
Waste Processing Facilities		-	-	-	-	-	-	-	-	-
Waste Drop-off Points		-	-	-	-	-	-	-	-	-
Waste Separation Facilities		-	-	-	-	-	-	-	-	-
Electricity Generation Facilities		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Rail Infrastructure		-	-	-	-	-	-	-	-	-
Rail Lines		-	-	-	-	-	-	-	-	-
Rail Structures		-	-	-	-	-	-	-	-	-
Rail Furniture		-	-	-	-	-	-	-	-	-
Drainage Collection		-	-	-	-	-	-	-	-	-
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
MV Substations		-	-	-	-	-	-	-	-	-
LV Networks		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Coastal Infrastructure		-	-	-	-	1	-	(1)	#DIV/0!	0
Sand Pumps		-	-	-	-	-	-	-	-	-
Piers		-	-	-	-	-	-	-	-	-
Revetments		-	-	-	-	-	-	-	-	-
Promenades		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	1	-	(1)	#DIV/0!	0
Information and Communication Infrastructure		-	-	-	-	1	-	(1)	#DIV/0!	-
Data Centres		-	-	-	-	-	-	-	-	-
Cone Layers		-	-	-	-	-	-	-	-	-
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	1	-	(1)	#DIV/0!	-
Community Assets		-	-	-	-	1	-	(1)	#DIV/0!	0
Community Facilities		-	-	-	-	-	-	-	-	-
Halls		-	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Critches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-

Libraries										
Cemeteries/Crematoria										
Police										
Parks										
Public Open Space										
Nature Reserves										
Public Ablution Facilities										
Markets										
Stalls										
Abattoirs										
Airports										
Taxi Ranks/Bus Terminals										
Capital Spares										
Sport and Recreation Facilities	-	-	-	-	1	-	(1)	#DIV/0!	0	
Indoor Facilities										
Outdoor Facilities										
Capital Spares					1	-	(1)	#DIV/0!	0	
Heritage assets	-	-	-	-	-	-	-	-	-	
Monuments										
Historic Buildings										
Works of Art										
Conservation Areas										
Other Heritage										
Investment properties	-	-	10 455	12 959	25 919	5 228	(20 691)	-395.8%	12 959	
Revenue Generating	-	-	10 455	12 959	25 919	5 228	(20 691)	-395.8%	12 959	
Improved Property			10 455	12 959	25 919	5 228	(20 691)	-395.8%	12 959	
Unimproved Property										
Non-revenue Generating	-	-	-	-	-	-	-		-	
Improved Property										
Unimproved Property										
Other assets	-	1 723	-	-	13 621	-	(13 621)	#DIV/0!	6 810	
Operational Buildings	-	1 723	-	-	13 621	-	(13 621)	#DIV/0!	6 810	
Municipal Offices		1 723			13 621		(13 621)	#DIV/0!	6 810	
Pay/Enquiry Points										
Building Plan Offices										
Workshops										
Yards										
Stores										
Laboratories										
Training Centres										
Manufacturing Plant										
Depots										
Capital Spares										
Housing	-	-	-	-	-	-	-		-	
Staff Housing										
Social Housing										
Capital Spares										
Biological or Cultivated Assets	-	-	-	-	-	-	-		-	
Biological or Cultivated Assets										
Intangible Assets	-	2 117	-	222	1 442	-	(1 442)	#DIV/0!	721	
Servitudes										
Licences and Rights	-	2 117	-	222	1 442	-	(1 442)	#DIV/0!	721	
Water Rights										
Effluent Licenses										
Solid Waste Licenses										
Computer Software and Applications		2 117		222	1 442	-	(1 442)	#DIV/0!	721	
Lead Settlement Software Applications										
Unspecified										
Computer Equipment	-	605	-	6	9	-	(9)	#DIV/0!	4	
Computer Equipment		605		6	9	-	(9)	#DIV/0!	4	
Furniture and Office Equipment	-	628	-	-	5	-	(5)	#DIV/0!	3	
Furniture and Office Equipment		628			5	-	(5)	#DIV/0!	3	
Machinery and Equipment	-	92	-	1 696	6 659	-	(6 659)	#DIV/0!	3 329	
Machinery and Equipment		92		1 696	6 659	-	(6 659)	#DIV/0!	3 329	
Transport Assets	-	2 862	-	6	6	-	(6)	#DIV/0!	3	
Transport Assets		2 862		6	6	-	(6)	#DIV/0!	3	
Land	-	-	-	-	-	-	-		-	
Land										
Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-		-	
Zoo's, Marine and Non-biological Animals										
Total Depreciation	1	-	189 763	150 509	15 104	92 448	75 254	(17 183)	-22.8%	46 223

Ugu District Municipality

Quality Certificate

I, Dhanpalan Devaraj Naidoo, the municipal manager of Ugu District Municipality

(name of municipality), hereby certify that-

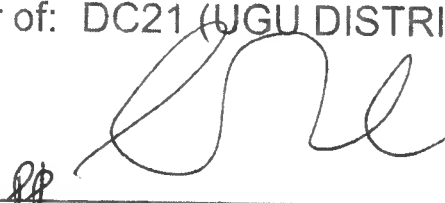
(mark as appropriate)

- ☐ the monthly budget statement
- ☐ quarterly report on the implementation of the budget and financial state of affairs of the municipality
- ☒ mid-year budget and performance assessment

for the month of **December** 2020 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name DHANPALAN Devaraj NAIDOO .

Municipal manager of: DC21 (UGU DISTRICT MUNICIPALITY)

Signature 

Date 15/01/2021

UGU SOUTH COAST DEVELOPMENT AGENCY

REPORT TO UGU COUNCIL

FOR CONSIDERATION AND APPROVAL

Mandla Mabece
Chief Executive Officer – USFDA
January 21, 2021

USFDA Mid-Term Review 2020/21, Budget Adjustment 2020/21 and Draft Budget 2021/22 and the MTREF

1. PURPOSE

The purpose of the report is to table the USFDA Mid-Term Review 2020/21, Budget Adjustment 2020/21 and Draft Budget 2021/22 and the MTREF, after a consideration by the Board on January 15, 2021

2. LEGISLATIVE PROVISIONS

- Municipal Finance Management Act No. 56 of 2003, section 87
- MFMA Treasury Budget Circular No 99

3. DISCUSSION

3.1 Purpose

The Ugu South Coast Development Agency (USFDA), compiled and approved an Annual Performance Plan (APP) for the **2020/21** financial period. In line with the approved APP, an annual budget was approved that would enable the achievement of the strategic objectives set out. The agency has continuously monitored the performance both against the APP as well as forecast financials milestones set out in the annual budget. This was done through quarterly reporting and monitoring and provision of remedial actions where deviations were identified.

This report, the Mid-year review seeks to take stock of what has been achieved or not achieved in the first six months of the financial year, the challenges experienced and the remedial actions where there has been non-achievement. This mid-year review, prepared in terms of Municipal Finance Management Act 56 of 2003 and Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 April 2009 looks at the following major aspects:

- The performance assessment for the period 1 July 2020 to 31 December 2020;
- Budget Adjustment, informed by the performance assessment above; and
- The Draft Budget for the 2021/22 financial period and the MTREF

3.2 Background

Section 88 of Local Government: Municipal Finance Management Act, 2003 (ACT 56 of 2003) dictates that:

3.3 Mid-year budget and performance assessment

The accounting officer of a municipal entity must by 20 January of each year -

- a) assess the performance of the entity during the first half of the financial year, taking into account -
 - I. the monthly statements referred to in section 87 for the first half of the financial year and the targets set in the service delivery, business plan or other agreement with the entity's parent municipality; and
 - II. the entity's annual report for the past year, and progress on resolving problems identified in the annual report; and
- b) submit a report on such assessment to -
 - I. the board of directors of the entity; and
 - II. the parent municipality of the entity.
- c) A report referred to in subsection b)(i) must be made public.

4. ANNUAL PERFORMANCE PLAN

The USCDA convened a strategic planning session where in the performance of the entity was assessed from the prior periods. This was used as a backdrop for what the entity needed to achieve in the 2020/21 financial period. This exercise culminated in the compilation of an Annual Performance Plan for the 2020/21 financial period.

The entity has been implementing this plan from July 01, 2020 up to December 31, 2020, and it is at this point that an assessment needs to be made as to whether the set strategic objectives have been achieved or are on track to be achieved. In instances where targets have not been achieved, remedial actions must be provided, with revised timelines. It is also at this point that possible adjustments to the Annual Performance Plan can be made and approved where it is necessary. The following narrative deals with specific strategic objectives and identifies those for which adjustments have been made:

4.1 SO1: Institutional Compliance: To ensure that USCDA operations are compliant with all regulatory frameworks

The entity identified that it needed to comply with all the regulatory requirements, together with the requisite timelines. All efforts have been made to ensure that this is achieved, and where challenges have been encountered assistance has been solicited from the KZN Treasury. No adjustments are being proposed for this strategic objective.

4.2 SO2: Financial Sustainability: To ensure that the USCDA is financially sustainable and viable

This strategic objective envisions that the entity must be financially sustainable and not dependent on grant funding from the parent and local municipalities. The anticipated targets are still on the 4th quarter in terms of funding to be solicited from various sources. No adjustment is being proposed for this objective.

4.3 SO3: Capacity Building: To Capacitate USCDA to deliver and implement its core functions efficiently and effectively

The staff compliment of the entity must be trained at all times to ensure that they remain capable of delivering the required level of service or performance of work. There has been no budgetary allocation for this objective for the current and prior financial period due to limited resources, however, the board impressed on management that trainings must be solicited for providers that would not attract cost to the entity. No trainings have been secured to this far, but management and staff continue to solicit the same from various institutions. Some members of the staff are currently engaged with relevant private studies. No adjustment is being proposed.

4.4 SO4: Corporate Identity and Investment Attraction

~~The thrust of the strategic objective is to ensure that USCDA remains a visible brand and makes its mark in the competitive space of attracting foreign and local investors to set up operations within Ugu. No adjustment is proposed for the strategic objective as this is an ongoing activity needing adaptation to changing circumstances.~~

4.5 SO5: Investment Promotion: To promote the growth and development of the Ugu District Vision 2030

The entity was given a mandate by the shareholder, Ugu District, to coordinate activities that will culminate into the development of a fit for purpose and appropriate all encompassing Growth and Development Strategy. The mandate was further extended to ensure that the GDS is adopted and that it is implemented by all the various players, as development is everybody's business the advent of Covid-19 necessitated a renewed sense of urgency as the changing circumstances of an unprecedented nature ushered by the pandemic called for a development of the Covid-19 Economic Recovery Plan. Till the end of the financial year there are no changes that are proposed to the GDS other than to carry forward the unachieved targets.

4.6 SO6: To maximize the contribution of agriculture to the local economy

This strategic objective builds it momentum from supporting and facilitating the entire agriculture value chain. There were targets that were achieved for two quarters and the non-achieved have received attention and corrective plan to accomplish those projects. A number of projects have thrived with pandemic's relief financial support from government department and market linkages have been facilitated. The development of Amakhosi agriculture projects through RASET grant continues for economic upliftment and growth. No funding confirmed or received for unfunded projects in the annual plan however the potential funders or investors are still pursued. No proposed financial adjustment is proposed.

4.7 SO7: Property Development: To forge Public Private Partnerships (PPPs) to give effect to economic development on State, Ingonyama Trust and land owned by the private sector

The proposed mega property development opportunities of a catalytic nature have the potential to transform the economic landscape of Amakhosi areas in the hinterland. On the other hand, these initiatives have the potential to reposition prime sites along the cost as areas of immense economic potential by creating new tourism nodes. Most of these initiatives are dependent on external parties and continued efforts will be made to ensure

that all administrative processes are concluded before the end of the financial year. The targets have since been carried over to the new following quarters.

4.8 SO8: Marine: To promote economic development within coastal and riverine zones

Following receipt of the R2m grant from KZN EDTEA, the first phase of the game changing Umzumbe River Trail project, connecting the well-developed Ray Nkonyeni with the rural Umzumbe commenced in earnest. Due to SCM issues that needed to be clarified with National Treasury as well as the subsequent inclement weather, the targets that were set could not be achieved and have since been carried forward.

4.9 SO9: Facilitate catalytic projects within the Ugu District

The EIA process for the first green field industrial park post 1994 to be rolled out exclusively by local government is in motion and lodgement date with the authorities is the end of May 2021.

4.10 SO10: Renewable Energy: To identify, attract, support or assist renewable energy initiatives within the district

No major changes are proposed for the ground-breaking Umuziwabanti Renewable energy initiative which was hailed as one of the flagship projects for KZN that were showcased by the President at the First Presidential Investment Conference.

5. 2020/21 BUDGET ADJUSTMENT

5.1 The Proposed Adjustments

The performance assessment done must indicate to the entity whether a budget adjustment is necessary. A budget adjustment would be necessary where some strategic objectives require more financial resources to be achieved, or savings have been realised in the implementation of some. In some instances, more revenue would have been realised or new grant funding would have been realised. A budget adjustment is also necessitated to make corrections where errors could have been made in the original budget as well as to cater for unforeseen and unauthorised expenditures that may have occurred.

For the 2020/21 financial year, there has been no adjustment necessitated by adjustments in the APP, but rather instances that have been listed hereunder, which are mainly re-allocations of budgets from items to other items, guided by the forecasts.

Budget Adjustment for 2020/21									
Income	13 325 040.34	5 956 001.64	6 662 520.17	-706 518.53	#DIV/0!	11 666 941.20	340 946.84	13 665 987.18	
Expenditure	13 399 526.93	4 261 757.30	6 699 754.47	-2 437 997.17	-0.28	8 523 514.60	266 478.25	13 665 987.18	
	-74 486.59	1 694 244.34	-37 234.30	1 731 478.64	#DIV/0!	3 143 426.60	74 468.59	0.00	
Vote Description	Budget	Actual	Budget YTD	Variance	VAR %	Full Year Forecast	Adjustment	Adjusted Budget 2020/21	
Transfers and Subsidies									
Parent Allocation - Ugu District Municipality	5 481 408.00	2 740 704.00	2 740 704.00	0.00	0.00	5 481 408.00	0.00	5 481 408.00	
Municipal Allocations - Umdoni Local Municipality	607 753.13	607 753.12	303 876.57	303 876.56	1.00	607 753.13	0.00	607 753.13	
Grant Received - Umzumbe Local Municipality	607 753.13	607 753.12	303 876.57	303 876.56	1.00	607 753.13	0.00	607 753.13	
Grant Received - Ray Nkonyeni Municipality	913 043.48	913 043.48	456 521.74	456 521.74	1.00	913 043.48	0.00	913 043.48	
Grant Received - Umuziwabantu Local Municipality	607 753.13	607 753.12	303 876.57	303 876.56	1.00	607 753.13	0.00	607 753.13	
Grant Received - National School Nutrition Programme	2 500 000.00	0.00	1 250 000.00	-1 250 000.00	-1.00	2 500 000.00	0.00	2 500 000.00	
Grant Received - KZNDETEA Umzumbe River Trails	1 739 130.43	59 927.96	869 565.22	-869 632.26	-0.93	119 855.92	260 869.57	2 000 000.00	
Grant Received - KZNDETEA Ifafa Farm	500 000.00	212 173.91	250 000.00	-37 826.09	-0.15	424 347.82	0.00	500 000.00	
	12 956 841.30	5 749 108.71	6 478 420.65	-729 311.94	1.92	11 261 914.61	260 869.57	13 217 710.87	
Other Revenue									
Interest Received - Bank Accounts	136 370.00	28 979.99	68 185.00	-39 205.01	-0.57	57 959.98	0.00	136 370.00	
Sales of Tender Documents	3 247.04	617.38	1 879.87	-1 367.17	-0.42	1 224.14	0.00	3 247.04	
Management Fees - Ifafa Farm Elysium	228 683.00	168 536.29	118 341.00	-84 605.25	-0.37	337 076.26	71 518.00	300 000.00	
COVID -19 SARS Relief - SDL Holiday	0.00	8 759.27	0.00	8 759.27	#DIV/0!	8 759.27	8 759.27	8 759.27	
	368 199.04	206 892.93	184 099.52	22 793.41	#DIV/0!	405 026.59	80 077.27	448 276.31	
	13 325 040.34	5 956 001.64	6 662 520.17	-706 518.53	#DIV/0!	11 666 941.20	340 946.84	13 665 987.18	
Vote Description	Budget	Actual	Budget YTD	Variance	VAR %	Full Year Forecast	Adjustment	Adjusted Budget 2020/21	
Expenditure									
Contracted Services	2 501 184.57	375 087.25	1 250 592.29	-875 505.04	0.00	750 174.50	305 476.55	2 806 661.12	
Depreciation and Amortisation	72 009.36	27 050.62	36 001.68	-8 951.06	0.00	54 101.24	-17 902.12	54 101.24	
Interest, Dividends and Rent on Land	153 320.61	41.22	76 660.31	-76 619.09	0.00	82.44	0.00	153 320.61	
Inventory Consumed	2 500 000.00	5 870.38	1 250 000.00	-1 244 129.62	0.00	11 740.76	11 740.00	2 511 740.00	
Operating Leases	500 000.00	323 517.54	250 000.00	73 517.54	0.00	647 035.08	147 035.08	647 035.08	
Operational Cost	1 440 087.41	534 279.75	720 043.71	-185 763.96	0.00	1 068 559.50	-260 364.37	1 179 723.04	
Employee Related Cost	5 360 820.25	2 681 569.78	2 680 410.13	1 159.66	0.00	5 363 139.56	152 585.84	5 513 406.09	
Board Fees	872 092.73	314 340.76	436 046.37	-121 705.61	-0.28	628 681.52	-72 092.73	800 000.00	
	13 399 508.93	4 261 757.30	6 699 754.47	-2 437 997.17	-0.28	8 523 514.60	266 478.25	13 665 987.18	
Balance Sheet Items									
Cash and Cash Equivalents (Assets - Current)	8 296 448.00	4 002 231.44	4 148 224.00	-145 992.56	0.00	8 004 462.88	-7 193 048.00	1 103 400.00	
Receivables from Non-exchange Transactions	614 400.00	0.00	307 200.00	-307 200.00	0.00	0.00	0.00	614 400.00	
Trade and other Receivables from Exchange T	3 655 187.31	3 389 695.81	1 827 593.66	1 562 102.16	0.00	6 779 391.62	-1 843 200.00	1 811 987.31	
VAT Receivable (Assets - Current Assets)	614 400.00	2 279.66	307 200.00	-304 920.34	0.00	4 559.32	0.00	614 400.00	
Intangible Assets (Assets - Non-current Ass	194 712.17	8 386.72	97 356.09	-88 969.37	0.00	16 773.44	-47 288.58	147 423.59	
Investment Property (Assets - Non-current A	38 294 273.66	9 349 309.95	19 147 386.83	-9 798 076.88	0.00	18 698 619.90	-28 945 463.71	9 349 309.95	
Property, Plant and Equipment (Assets - Non	932 538.58	230 929.37	466 269.29	-235 339.92	0.00	461 858.74	60 000.00	992 538.58	
Loan: USCT	-1 212 786.07	-4 578 184.06	-606 393.04	-3 971 791.03	0.00	-9 156 368.12	-3 365 397.99	-4 578 184.06	
Trade and Other Payable Exchange Transactio	-1 480 727.18	-431 146.24	-740 363.59	-309 217.35	0.00	862 292.48	0.00	-1 480 727.18	
Trade and Other Payable Non-exchange Transa	-6 963 200.00	-4 782 840.04	-3 481 600.00	-1 301 240.04	0.00	-9 565 680.08	6 963 200.00	0.00	
Output VAT (Liabilities - Current Liability)	0.00	-21 205.17	0.00	-21 205.17	0.00	-42 410.34	0.00	0.00	
Financial Liabilities (Liabilities - Non-cu	-1 584.00	-7 548.74	-792.00	-6 756.74	0.00	-15 097.48	0.00	-1 584.00	
Accumulated Surplus/(Deficit) (Net Assets)	-274 612.11	-4 942 840.79	-137 306.06	-4 805 534.74	0.00	-9 885 681.58	0.00	-274 612.11	
	42 669 550.96	2 219 067.91	21 334 775.18	-19 115 707.27	0.00	4 438 135.82	-34 971 198.28	8 296 952.08	

This is summary of the adjustments that have been affected in the 2020/21 Budget:

- **Umzumbe River Trails Grant:** This is mainly to make the correction on the incorrect capturing due to difference of understanding in the treatment of VAT on the grant. The matter has been resolved and this is part of the implementation of the resolution. This will mean that the total grant is R2m.
- **Management Fees Ifafa Farm:** This is informed by the projections looking at the revenue already generated for the first six months of the financial period. The budget is adjusted to R300 000.
- **COVID -19 SARS Relief - SDL Holiday:** The entity was afforded a holiday on the payment of SDL over to SARS and this ensures that there is appropriate budget allocation for the amount already recognised.
- **Expenditure:** There has been no new funds realised, and as such for expenditure, the adjustments are mainly shifting of funds from accounts where no or little expenditure had occurred to items where there was over expenditure or the forecasts indicate that there will be a requirement of further funds.

- **Employee Related Costs:** Movement of budget allocations has been processed as per the above, but additionally, from positions that have remained frozen, funds have been moved e.g., Manager: Special Programs.
- **Balance Sheet Items:** A number of adjustments have been made to the balance sheet budgets to reflect more realistically the balances as currently shown in the entity's annual financial statements, aligning them to what the entity forecasts for the medium term. Case in point to illustrate this is the adjustment made to the Investment Property budget which was reflected at of R38million whilst its current value as disclosed in the financial statements is R9million. A provision has also been made in this regard for the acquisition of computer equipment which could be laptops/desktops to a value of R60 000 after it has come to our attention that a number of machines utilised by some staff members have reached the end of their useful lives and have started requiring regular repairs.

5.2 The Analysis of the 2020/21 Adjusted Budget

The following points of analysis can be made about the adjusted budget:

- **Grant Funding:** Grant funding from the parent and local municipalities as well as other sources accounts for **97%** of the total revenue. This demonstrates the heavy reliance of the entity on grant funding.
- **Employee Related Costs and Board Fees:** These account for **46%** of the expenditure budget, and these should be also seen in the context that a significant portion of the work performed by the entity is facilitation for various projects, whose budgets may not be held by the entity.
- **Project Costs:** Project Costs form **37%** of the total expenditure budget and these include expenditure on Umzumbi River Trails, RASET and Ifafa Farm Elysium.

5.3 The Debtors Age Analysis

The implementation of a budget of an entity also depends on its rate of cash inflow which could be impacted upon by debt collection rate. It is well known that the entity has in the recent past experienced protracted delays in the transfer of funds from the parent which may have impacted negatively on operations. Significant strides have been made up to December 2020 for all of the allocations to be received from the parent and local municipalities with some success realised. As at December 31, 2020 the following was the debtor's age analysis:

Customer	180 Days	150 Days	90 Days	60 Days	30 Days	Current	Balance
CIPC	700.00						700.00
Eskom - Electricity deposit	11 900.00						11 900.00
Ray Nkonyeni Local Municipality	751 199.00					1 050 000.00	1 801 199.00
Ugu District Municipality	3 270 520.06			1 028 750.05	-600 000.00	-2 123 365.32	1 575 904.79
	4 034 319.06	0.00	0.00	1 028 750.05	-600 000.00	-1 073 365.32	3 389 703.79

The Ugu District Municipality provided a schedule for the settlement of the outstanding balance from the prior year as well as the Q3 and Q4 allocations. Adherence to the propose timelines will be of utmost importance to give meaning to the cashflow projections that will be provided as an annexure to this report. Ray Nkonyeni Municipality committed to transferring the current year's

allocation by January 2021, and provided some feedback in relation to the outstanding prior year allocations which is still to be processed through the committees of the entity.

6. 2021/22 DRAFT ANNUAL BUDGET AND MTREF

The MFMA Section 87, requires that the board of directors of a municipal entity must for each financial year submit a proposed budget for the entity to its parent municipality not later than 150 days from the start of the entity's financial year or earlier if requested by the parent municipality.

A draft annual budget is prepared mainly looking at the provision of the MFMA Treasury Circular No. 99 in terms of the projected inflation rate. In terms of this circular, the CPI rates are as follows:

Macroeconomic performance and projections			
Fiscal year	2020	2021	2022
CPI Inflation	4.5%	4.6%	4.6%

We also take into consideration the service level agreements that are currently in place in relation to the Parent Municipality and other local municipalities within the district. The SLA's that are currently in place allow for a 5% escalation from the 2020/21 financial period to the 2021/20 financial period. The same principle was utilised for the subsequent financial periods.

The Salary and Wage Collective Agreement for the period 01 July 2018 to 30 June 2021 has expired and can therefore not be applied to the 2021/22 financial year. To forecast for the employee related costs for the 2021/22 budget we utilised the CPI rate as indicated in the table above at 4.6%.

Draft Budget Adjustment for 2021/22 and the Medium Term Revenue and Expenditure Framework							
Income	13 325 040.34	5 956 001.64	13 665 987.18	9 090 089.31	9 544 593.77	10 021 823.46	
Expenditure	13 399 508.93	4 261 757.30	13 665 987.18	9 090 089.31	9 544 593.77	10 021 823.46	
	-74 468.59	1 694 244.34	0.00	0.00	0.00	0.00	

Vote Description	Budget	Actual	Adjusted Budget 2020/21	DRAFT BUDGET		
				2021/22	2022/23	2023/24
Transfers and Subsidies						
Parent Allocation - Ugu District Municipality	5 481 408.00	2 740 704.00	5 481 408.00	5 755 478.40	6 043 252.32	6 345 414.94
Municipal Allocations - Umdoni Local Municipality	607 753.13	607 753.12	607 753.13	638 140.79	670 047.83	703 550.22
Grant Received - Umzumbe Local Municipality	607 753.13	607 753.12	607 753.13	638 140.79	670 047.83	703 550.22
Grant Received - Ray Nkonyeni Municipality	913 043.48	913 043.48	913 043.48	958 695.65	1 006 630.44	1 056 961.96
Grant Received - Umuziwabantu Local Municipality	607 753.13	607 753.12	607 753.13	638 140.79	670 047.83	703 550.22
Grant Received - National School Nutrition Programme	2 500 000.00	0.00	2 500 000.00	0.00	0.00	0.00
Grant Received - KZNDETEA Umzumbe River Trails	1 339 138.42	59 927.90	2 000 000.00	0.00	0.00	0.00
Grant Received - KZNDETEA Ifafa Farm	500 000.00	212 173.91	500 000.00	0.00	0.00	0.00
	12 956 841.30	5 749 108.71	13 217 710.87	8 628 596.41	9 060 026.23	9 513 027.55
Other Revenue						
Interest Received - Bank Accounts	136 370.00	28 979.99	136 370.00	143 188.50	150 347.93	157 865.32
Sales of Tender Documents	3 147.04	617.38	3 147.04	3 304.39	3 469.61	3 643.09
Management Fees - Ifafa Farm Elysium	228 682.00	168 536.29	300 000.00	315 000.00	330 750.00	347 287.50
COVID -19 SARS Relief - SDL Holiday	0.00	8 759.27	8 759.27	0.00	0.00	0.00
	368 199.04	206 892.93	448 276.31	461 492.89	484 567.54	508 795.91
	13 325 040.34	5 956 001.64	13 665 987.18	9 090 089.31	9 544 593.77	10 021 823.46

Vote Description	Budget	Actual	Adjusted Budget 2020/21	DRAFT BUDGET		
Expenditure						
Contracted Services	2 501 184.57	375 087.25	2 806 661.12	320 767.53	335 522.84	350 621.37
Depreciation and Amortisation	72 003.36	27 050.62	54 101.24	56 589.90	59 193.03	61 856.72
Interest, Dividends and Rent on Land	153 320.61	41.22	153 320.61	185 840.08	230 749.07	288 855.75
Inventory Consumed	2 500 000.00	5 870.38	2 511 740.00	12 280.04	12 844.92	13 422.94
Operating Leases	500 000.00	323 517.54	647 035.08	676 798.69	707 931.43	739 788.35
Operational Cost	1 440 087.41	534 279.75	1 179 723.04	1 233 990.30	1 290 753.85	1 348 837.78
Employee Related Cost	5 360 820.25	2 681 569.78	5 513 406.09	5 767 022.77	6 032 305.82	6 303 759.58
Board Fees	872 092.73	314 340.76	800 000.00	836 800.00	875 292.80	914 680.98
	13 399 508.93	4 261 757.30	13 665 987.18	9 090 089.31	9 544 593.77	10 021 823.46
Balance Sheet Items						
Cash and Cash Equivalents (Assets - Current	8 296 448.00	4 002 231.44	1 103 400.00	1 154 156.40	1 207 247.59	1 261 573.74
Receivables from Non-exchange Transactions	614 400.00	0.00	614 400.00	642 662.40	672 224.87	702 474.99
Trade and other Receivables from Exchange T	3 655 187.31	3 389 695.81	1 811 987.31	1 895 338.73	1 982 524.31	2 071 737.90
VAT Receivable (Assets - Current Assets)	614 400.00	2 279.66	614 400.00	642 662.40	672 224.87	702 474.99
Intangible Assets (Assets - Non-current Ass	194 712.17	8 386.72	147 423.59	154 205.08	161 298.51	168 556.94
Investment Property (Assets - Non-current A	38 294 773.66	9 349 309.95	9 349 309.95	9 349 309.95	9 349 309.95	9 349 309.95
Property, Plant and Equipment (Assets - Non	932 538.58	230 929.37	992 538.58	1 038 195.35	1 085 952.34	1 134 820.20
Loan: USCT	-1 212 786.07	-4 578 184.06	-4 578 184.06	-3 000 000.00	-2 000 000.00	-1 000 000.00
Trade and Other Payable Exchange Transactio	-1 480 727.18	-431 146.24	-1 480 727.18	-1 548 840.63	-1 620 087.30	-1 692 991.23
Trade and Other Payable Non-exchange Transa	-6 963 200.00	-4 782 840.04	0.00	0.00	0.00	0.00
Output VAT (Liabilities - Current Liabiliti	0.00	-21 205.17	0.00	0.00	0.00	0.00
Financial Liabilities (Liabilities - Non-cu	-1 584.00	-7 548.74	-1 584.00	-1 656.86	-1 733.08	-1 811.07
Accumulated Surplus/(Deficit) [Net Assets]	-274 612.11	-4 942 840.79	-274 612.11	-287 244.27	-300 457.50	-313 978.09
	42 669 550.36	2 219 067.91	8 298 352.08	10 038 788.54	11 208 504.56	12 382 168.32

7. ATTACHMENTS

- Annual Performance Plan 2020/21
- Detailed budget listing
- The Detailed 2020/21 Adjustment Budget and 2021/22 Draft Budget Workings
- The Cash flow Projections

8. FINANCIAL IMPLICATIONS

There are no financial implications in terms of the preparation of the budget as it is compiled by entity officials.

9. PUBLIC RELATIONS IMPLICATIONS

The budget will be publicised for public consumption

10. RECOMMENDATIONS / RESOLUTIONS

It is recommended that the council notes and approves the following that will form part of the consolidation of the Ugu District Municipality:-

- The USCDA 2020/21 Mid-Year Review
- The USCDA 2020/21 Adjustment Budget; and
- The USCDA 2021/22 Draft Budget

Submitted By
Mandla Mabece
CHIEF EXECUTIVE OFFICER

11. ANNEXURES

The Annual Performance Plan 2020/21

UGU SOUTH COAST DEVELOPMENT AGENCY ANNUAL PERFORMANCE PLAN - 2020/2021

Key Performance Areas (KPA) in Local Government: Municipal Planning and Performance Management Regulations (2001):

1. Municipal Transformation and Organisational Development
2. Infrastructure Development and Basic Service Delivery
3. Local Economic Development (LED)
4. Municipal Finance Viability and Management
5. Good Governance and Public Participation
- Each Strategic Objective must be informed by (linked to) one of these KPAs
- They must also be linked to the Parent Municipalities OPMs

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S/O#	National KPA	UP/OM IDP Ref	PROGRAMME	PROJECT	KPI	Quarter 1		Quarter 2		CHALLENGES	CORRECTIVE MEASURE	Quarter 3		Quarter 4	
						TARGET	ACTUAL	ACHIEVED / NOT ACHIEVED	TARGET			TARGET	ACTUAL	TARGET	ACTUAL
SO 1.1	4	3.7	Institutional Compliance	To ensure that USCSA operations are compliant with all regulatory frameworks	Complete risk register by 31 October	N/A	N/A	N/A	1 Risk Register by 30 October	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.2	4	3.7	Risk Management	Risk Policy Review	Date Risk Management Policy reviewed by 31 October	N/A	N/A	N/A	1 Risk Register by 30 October	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.3	4	3.7	Internal Audit & AG	AG & Internal Audit queries resolution	Percentage of AG/Internal Audit queries resolved per quarter	100%	100%	Achieved	100%	N/A	N/A	100%	N/A	100%	100%
SO 1.4	4	3.7	Performance Management System (PMS)	Quarterly Performance Reports to the Board Chairperson	Quarterly performance appraisals of CEO	4	1	Achieved	1	N/A	N/A	1	N/A	1	1
SO 1.5	4	3.7	Municipal Entity Website	Legislated SCM policies publication	Percentage of notifications uploaded	100%	100%	Achieved	100%	N/A	N/A	100%	N/A	100%	100%
SO 1.6	4	3.7	Financial Reporting	Monthly management accounts production	Monthly management ledger and reconciliations by 5th working day of the following month to CEO	12	3	Achieved	3	N/A	N/A	3	N/A	3	3
SO 1.7	4	3.7	S&P Financial Reporting	Monthly financial report production	Monthly reports by the 7th working day of the following month to Ugu	12	3	Achieved	3	N/A	N/A	3	N/A	3	3
SO 1.8	4	3.7	PMS Reporting	Quarterly performance report production	Quarterly reports	4	1	Achieved	1	N/A	N/A	1	N/A	1	1
SO 1.9	4	3.7	Financial Planning	Mid-year adjusted budget review	Board resolution by 15/01/21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.10	4	3.7	Financial Planning	Mid-year adjusted budget review	Submission to Ugu by 20/01/2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.11	4	3.7	Finance Policies	Budget, Finance and Supply Chain Policy review	Review Policy by 31 May	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.12	4	3.7	Annual Report	Annual Report produced by 31 December 2020	Annual Report produced by 31 December	N/A	N/A	N/A	Draft Annual Report produced by 31/12/2020	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.13	4	3.7	Annual Financial Statements	Annual Financial Statements & Performance Report to AG	AFS and Annual PMS report by 31 August	31/08/2020	Submitted on 07 Sept 2020	Achieved	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.14	4	3.7	Audit Compliance	AG Report	Unqualified Audit Opinion	1	N/A	N/A	1	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.15	4	3.7	MFA Compliance	Fruitless & Wasteful and Irregular Expenditure - Section 102 report	F&W exp < 1% of total exp reported to Board	<1%	<1%	Achieved	<1%	N/A	N/A	<1%	N/A	<1%	<1%
SO 1.16	4	3.7	Budget Planning in terms of the MFMA	2021/2022 budget approved by the Board	Draft approved by 31 May 2021	Approved Budget	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.17	4	3.7	MSCOA Implementation	Actively participate in MSCOA steering committee	Compliance with MSCOA targets	4	1	Achieved	1	N/A	N/A	1	N/A	1	1
SO 1.18	4	3.7	Fund raising	Amount of funding raised	At least R5 m raised	R5m	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SO 1.19	4	3.7	CIPC Compliance	Submit AFS and all corporate changes	CIPC up to date by year end	1	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1

SO 2.1	3.7	Financial sustainability	Fundraising	Funds raised as a result of resource mobilization	R5m	N/A	N/A	N/A	N/A	N/A	N/A	R5m	R5m
SO 2.2	3.7	Financial sustainability	Charging of fees on concluded agreements/services rendered	Revenue earned by agency on services or agreement concluded	R150 000.00	N/A	N/A	N/A	N/A	N/A	N/A	R150 000	R150 000
SO 3													
SO 3.1	3.7	Capacity Building: To capacitate USODA to deliver and implement its core functions efficiently and effectively	Staff Development	Short course / conference attendance	4	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4
SO 4													
SO 4.1	3.7	Corporate identity	Update USODA website and maintenance	17 updates to websites	12	3	Achieved	3	5	Yes	Achieved	3	3
SO 4.2	3.7	Corporate identity	Ensure all brand & marketing material compliant with USODA	Review & produce brand & marketing material	1	N/A	N/A	1	0	No	Not Achieved	N/A	N/A
SO 4.3	3.7	Investment attraction	Advertisement on investment opportunities published	Number of advertisements published	4	N/A	N/A	2	2	Yes	Achieved	N/A	2
SO 5													
SO 5.1	3	Investment Promotion	Implement an Investment Promotion & Facilitation Strategy for the Ugu District	Leaflets and brochures sent to all SA embassies (Africa and abroad)	1	N/A	N/A	N/A	N/A	N/A	N/A	1	N/A
SO 5.1.1	3	Investment promotion	Marketing USODA to international investors	Number of exhibitions	2	N/A	Achieved	N/A	N/A	N/A	N/A	1	1
SO 5.1.2	3	Investment promotion	Marketing investment opportunities at investment conferences and seminars	Number of signed agreements	1	N/A	N/A	1	1	Yes	N/A	N/A	N/A
SO 5.1.3	3	Investment Promotion & Facilitation through strategic partnerships	Secure Service Level Agreement/MOU with TIKZN and Invest SA	Hand value of inward investment into Ugu as a result of marketing and investment attraction initiatives	R100m	N/A	N/A	N/A	N/A	N/A	N/A	N/A	R100m
SO 5.1.4	3	Investment promotion	Initiate good stakeholder relations with other provincial and national institutions to expose and market Ugu businesses	Investment Conference held in partnership with strategic stakeholders - EDTEA & TIKZN	1	N/A	Achieved	N/A	N/A	N/A	N/A	1	n/a
SO 5.1.5	3	Investment Promotion											
SO 5.2	3	Implement the Growth and Development Strategy of the Ugu District - Vision 2030											
SO 5.2.1	3	GDS Focus Groups	Conducting GDS Focus Groups	Date of distribution of summarized leaflet to stakeholders	20	N/A	N/A	10	0	No	Not Achieved	N/A	10
SO 5.2.1	3	GDS information dissemination	Leaflet of the summarized version of GDS developed and distributed		30/11/2020	N/A	N/A	30/11/2020	1	No	Not Achieved	N/A	N/A
SO 6													
SO 6.1													
SO 6.1.1	3.7	Agrarian revolution	Facilitate the cultivation of niche crops (Macademia and Cassava) in Anaboshi owned land	Number of confirmed partnerships for the implementation of the project	3	N/A	N/A	1	1	Yes	Not Achieved	1	1
SO 6.1.2		Agrarian revolution	Compile the feasibility report for Ntala Wild Banana (Streptococcus nicotianae) and	List of potential markets and funders	4	1	Achieved	1	0	Yes	Achieved	1	1

SO 6.1.3		3	Agrarian revolution	Facilitate the identification of Ugu youth/women projects for Natsi Wild Barana and Indian crop (moringa)	Number of youth/women projects identified	20	N/A	N/A	N/A	5	5	10
SO 6.1.4		3	Agrarian revolution	Coordinate stakeholders and resources for a functional UPM	Signed lease or contract with the department/ partner for UPM	1	N/A	N/A	N/A	N/A	1	N/A
SO 6.1.5		3	Agrarian revolution	Establish hydroponic tunnel projects	Number of hydroponic tunnel projects established	3	N/A	N/A	N/A	0	N/A	N/A
SO 6.1.6		3	Agrarian revolution	Secure funding or receive written commitment from stakeholders	Number of agricultural projects supported with external funding	6	1	1	Achieved	2	2	1
SO 6.1.7			Agrarian revolution	Facilitate the development of district master document for arable land	Detail report on available arable land in Ugu District for investors	1	N/A	N/A	N/A	N/A	1	N/A
SO 6.1.8			Agrarian revolution	Establish and coordinate the survey for potential state land for commonages	Database of available land in the district	1	N/A	N/A	N/A	N/A	1	N/A
SO 6.1.9			Agrarian revolution	Resuscitate existing organic sector for local market	Number of organic growers	3	N/A	N/A	N/A	2	1	1
SO 6.1.10			Agriculture	Coordinate engagement sessions with key stakeholders on COVID19 agricultural recovery	Quarterly reports	4	1	1	Achieved	1	1	1
SO 6.2			Agricultural Value Chain Development									
SO 6.2.1		3	Agro-processing	Link the identified small timber growers with potential forestry partners for support	Number of linkages made	3	N/A	N/A	N/A	1	1	1
SO 6.2.2			Agro-processing	Facilitate informal fisheries to access formal market	Number of initiatives to support informal fishermen	3	N/A	N/A	N/A	N/A	N/A	3
SO 6.2.3			Agro-processing	Identify and link agro-processors with value chain development initiatives	Number of agro-processors identified	4	1	0	Not Achieved	1	1	1
SO 6.2.4			Agro-processing	Develop database for poultry and piggery projects in the district	District database	N/A	N/A	N/A	N/A	N/A	1	N/A
SO 6.2.5			Agro-processing	Link poultry and piggery projects for capacity building and market access	Number of projects supported	4	1	1	Achieved	1	1	1

The Cash Flow Projections

Entity Name: Ugu South Coast Development Agency SOC.
 Report: Cash flow statement
 Period: July 2020- June 2021
 Bank: ABSA main bank account

Details	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Comments
CASH FLOWS (OPERATIONAL IN NATURE)													
Opening Bank account per the main bank Statement	R2 018 449.01	R1 148 390.18	R55 333.01	R421 941.21	R66 765.94	R287 862.45	R3 066 089.39	R2 729 052.25	R2 053 652.09	R1 634 250.01	R1 118 889.82	R443 525.63	These are opening balances in the main bank account for each of the months
Receipts													
	R1 916 354.80	R961 069.57	R888 947.14	R592 950.12	R955 000.00	R4 650 238.04	R2 643 244.89	R17 340.09	R1 593 244.89	R17 340.09	R17 340.09	R1 593 244.89	Ugu has settled the amount outstanding from the prior period, leaving the current year's second quarter, and the third and fourth quarter to be invoiced at the appropriate intervals. The importance is in the adherence to the payment schedule proposed by the parent which has been applied to this forecast to year end.
1) Grants	R1 575 904.80	R0.00	R698 916.09	R547 154.75	R600 000.00	R3 521 197.50	R2 625 904.80	R0.00	R1 575 904.80	R0.00	R0.00	R1 575 904.80	All local municipalities have transferred the allocations to the entity for 2020/21
2) Interest received	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	
3) Other receipts	R450.00	R200.00	R60 031.05	R29 795.37	R0.00	R104 040.54	R17 340.09	R17 340.09	R17 340.09	R17 340.09	R17 340.09	R17 340.09	
4) Inter Account Transfers	R340 000.00	R960 869.57	R130 000.00	R16 000.00	R355 000.00	R1 025 000.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	
Payments													
	2 786 413.65	2 054 126.74	522 438.94	948 025.49	733 903.39	1 872 010.50	2 980 282.60	692 700.28	1 952 686.97	592 700.28	692 700.28	898 253.08	
1.1) Employee costs (salaries and travel)	R440 326.09	R485 993.26	R471 821.22	R595 021.24	R355 086.68	R606 953.17	R492 700.28	R492 700.28	R492 700.28	R492 700.28	R492 700.28	R492 700.28	This amount includes payment over to SARS of VAT, Payment of Rent for offices Printing, telephone, electricity and water and other expenses.
2) Sundry payments (all other operational payments)	R346 087.56	R567 133.48	R50 617.72	R353 004.25	R37 816.71	R1 265 057.33	R542 509.32	R200 000.00	R405 552.80	R100 000.00	R200 000.00	R405 552.80	
3) Interest paid	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	R0.00	
4) Payments to Conditional Grant Accounts	R2 000 000.00	R1 000 000.00	R0.00	R0.00	R341 000.00	R0.00	R1 945 073.00	R0.00	R1 054 433.89	R0.00	R0.00	R0.00	This is a proposed schedule for the replenishment of the conditional grants
Net cash flow from operating activities	R1 148 390.18	R55 333.01	R471 841.21	R66 765.84	R287 862.45	R3 066 089.39	R2 729 052.25	R2 053 692.09	R1 694 250.01	R1 118 889.82	R443 525.63	R1 138 571.44	



**EXTRACT OF DRAFT MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS
OF THE UGU SOUTH COAST DEVELOPMENT AGENCY**

HELD ON

MICROSOFT TEAMS

ON FRIDAY 15 JANUARY 2021

AT 12h00

PRESENT	:	Ms. J. Crutchfield	Board Member (Acting Chairperson)
	:	Mr. L. Shezi	Board Member
	:	Mrs. Z. Mthuli	Board Member
	:	Mr. V. Naidoo	Board Member
	:	Dr. E. Zungu	Board Member
IN ATTENDANCE	:	Mr. M. Mabece	CEO
	:	Mr. B. Fikeni	Finance Manager
	:	Ms. A. Naidoo	USCDA Secretariat
APOLOGIES	:	Dr S. Nzimande	Chairperson
ABSENT	:	Mr. S. Dlomo	Board Member

6.1 Mid-Year Review and Budget Adjustment 2020/2021 and Annual Performance Plan 2020/2021

Resolution 1

THAT the Board received, noted and approved the:

- Mid-Year Review Report for 2020/21 informed by the Reviewed Annual Performance Plan of 2020/21
- The USCDA Budget Adjustment 2020/2021
- The Mid-year review and adjusted budget of 2020/21 be submitted to the Parent

6.2. Draft Budget 2021/2022

Resolution 2

THAT the Board received, noted and approved the Draft Budget for 2021/2022 as tabled by Management, which is to be submitted to the Parent.

---- CERTIFIED AS TRUE EXTRACT OF MINUTES ----