

IN-YEAR MONITORING REPORT FOR THE PERIOD ENDED 31 OCTOBER 2020

1. Operating Budget

Summary financial performance report **SF1** for the period ending 31 OCTOBER 2020 shown in Annexure A, Table C4, is prepared on a similar basis to the prescribed budget format, detailing revenue by source type and expenditure by input type. The summary report indicates the following

Table 1

| DC22 uMgungundlovu - Table C1 Monthly Budget Statement Summary - M04 October | | | | | | | | | |
|--|------------------|---------------------|-----------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
| Description | 2019/20 | Budget Year 2020/21 | | | | | | | |
| | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | | | | | | | | |
| Financial Performance | | | | | | | | | |
| Property rates | - | - | - | - | - | - | - | - | - |
| Service charges | 289,381 | 335,018 | 335,018 | 24,297 | 108,406 | 111,673 | (3,267) | -3% | 335,018 |
| Investment revenue | 6,091 | 528 | 528 | 13 | 79 | 176 | (97) | -55% | 528 |
| Transfers and subsidies | 540,301 | 300,569 | 629,274 | 526 | 258,907 | 209,758 | 49,149 | 23% | 300,569 |
| Other own revenue | 47,191 | 300,777 | 11,936 | 3,371 | 13,777 | 100,259 | (86,482) | -86% | 300,777 |
| Total Revenue (excluding capital transfers and contributions) | 882,963 | 936,892 | 976,756 | 28,208 | 381,169 | 421,866 | (40,697) | -10% | 936,892 |
| Operating Expenditure | | | | | | | | | |
| Employee costs | 256,995 | 249,240 | 269,980 | 21,619 | 84,606 | 89,993 | (5,388) | -6% | 249,673 |
| Remuneration of Councillors | 11,606 | 13,599 | 13,782 | 974 | 3,958 | 4,594 | (636) | -14% | 13,599 |
| Depreciation & asset impairment | 54,117 | 43,774 | 43,774 | - | 11,857 | 14,591 | (2,734) | -19% | 43,774 |
| Finance charges | 29,439 | 27,550 | 27,550 | 1,779 | 7,098 | 9,183 | (2,086) | -23% | 27,550 |
| Materials and bulk purchases | 224,527 | 185,526 | 170,091 | 22,150 | 61,802 | 56,697 | 5,105 | 9% | 185,526 |
| Transfers and subsidies | 2,736 | 9,929 | 6,500 | - | 3,254 | 2,167 | 1,087 | 50% | 9,929 |
| Other expenditure | 430,167 | 282,115 | 263,077 | 15,242 | 71,980 | 87,692 | (15,712) | -18% | 282,115 |
| Total Expenditure | 1,009,587 | 811,733 | 794,754 | 61,764 | 244,554 | 264,918 | (20,364) | -8% | 812,166 |
| Surplus/(Deficit) | (126,624) | 125,159 | 182,001 | (33,556) | 136,615 | 156,947 | (20,332) | -13% | 124,726 |

The revenue raised as at 31 October 2020 is R 381.2 million against the adjusted budget of R 976.7 million for the year and R 421.9 million for the period. This reflects a revenue rate of 39% against the adjusted budget.

The operating expenditure as at 31 October 2020 was R 244.6 million vs a year to date budget of R 264.9 million reflecting YTD expenditure of 92% and 30% of the original annual budget. The operating surplus for the period was **R 171.2 million**.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

The major operating revenue variances against year to date budget are:

- Service charges below target by -3%.
- Transfers and subsidies are 23% above target due to the receiving the Equitable Share and other grants.
- Investment revenue is -55% below target, the investment is due for renewal in September 2021.
- Other revenue account, the amount is made up of: Tender sales, Rental of facilities and SANBI
The reasons for variances per source group are also cited in Annexure A, Table SC1 of this report.

2. Capital Expenditure

The Capital expenditure report shown in Annexure A, 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:

Table 2

| Funding Source | Adjusted Budget 2020 /2021 | Expenditure as at 31 October 2020 | % spent |
|--------------------------------------|-------------------------------|--------------------------------------|--------------|
| MIG | 101,245,000.00 | 12,268,340.31 | 12.12 |
| WSIG | 80,000,000.00 | 21,880,719.89 | 27.35 |
| RRAMS | 2,552,000.00 | 420,321.47 | 16.47 |
| INTERNALLY GENERATED FUND(ES) | 41,235,000.00 | | 0.00 |
| | 225,032,000.00 | 34,569,381.67 | 15.36 |
| LESS NON CAPITALISED PROJECTS | | | |
| TOTAL CAPITAL EXPENDITURE | 225,032,000.00 | 34,569,381.67 | 15.36 |

The total original capital budget for the 2020/ 2021 financial year is **R 183 million** including the allocation for the Rural Roads Assets Management Grant of R 2.5 million.

The MIG allocation is R 101 million was originally approved, an additional allocation of R 41.2 million from Treasury for Covid 19 Response was allocated through the Equitable Share and the Water Services Infrastructure Grant is R 80 million and the adjusted Capital Expenditure is **R225 million**. Year to date expenditure for MIG is R 12.3 million and WSIG is R 21.9 million.

3. Employee costs and councillor's allowances

3.1 Section 66 of the MFMA requires that the accounting officer of a municipality must report to Council in a prescribed format all expenditure incurred by the municipality on staff salaries, wages and benefits in a manner that discloses expenditure per type such as salaries, contributions for pensions etc.

3.2 The total salaries budget for councillor's amounts to R 13.8 million while salaries budget for staff amounts to R 269.9 million. This brings the total salaries budget to R 283.7 million, which is 36% of the total operational budget. This is within the norm of 25% - 40% in terms of National Treasury circular 71 of 2014.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

- 3.3 In terms of Generally Recognised Accounting Practise (GRAP25), the municipality has to make a provision for employee benefits, which represents a future financial obligation to the Municipality on current and post-employment medical benefits for retired and active employees eligible for early retirement, *ex-gratia* pension liability for a retrenched Technical Director, and a provision for long service awards for all staff members meeting the requirements of clause 7 of the Local Government Bargaining Council collective agreement signed in August 2018.
- 3.4 The actual staff salaries costs incurred, including Senior Managers, as at 31 October 2020 amounts to R 84.6 million while the actual salaries cost for Councillors is R 3.9 million. This amounts to a total of R 88.6 million and it represents 23 % of the total salaries budget
- 3.5 Remuneration of councillors is spent at 28.7% of the total remuneration budget for Councillors. While the budget for Councillors' salaries is based on a reasonable estimate, it is not always easy to have an exact figure for budget purposes. This is due to changes in the municipal grades and remuneration adjustments of the local Municipalities thereby affecting the salaries of the Councillors representing their local Municipalities in the district. Also, the number of meetings held during the financial year June is not the same as the number of meetings predicted at the time of the budget process.
- 3.6 The salaries and benefits paid to councillors in the month of September 2020 are still based on the December 2018 promulgation which was effective for payment in the month of July 2018. The municipality is contesting the 2019 /2020 outcome of the adjustment of remuneration.
- 3.7 It must be noted that are – application has submitted to the MEC COGTA for consideration of revision of the 2019 /2020 remuneration adjustment for Councillors, re-categorisation of the district to a grade 6 municipality for the purposes of determining the upper limits of salary packages payable to Senior Managers appointed after the introduction of the Regulations on the recruitment and conditions of service for Senior Managers and Managers directly accountable to the Municipal Manager.

UMGUNGUNDOVU DISTRICT MUNICIPALITY

Table 3

DC22 uMgungundlovu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M04 October

| Summary of Employee and Councillor remuneration | Ref | 2019/20 | Budget Year 2020/21 | | | | | | | |
|---|-----|-----------------|---------------------|-----------------|----------------|---------------|---------------|----------------|----------------|--------------------|
| | | Audited Outcome | Original Budget | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | Full Year Forecast |
| R thousands | | A | B | C | | | | | | D |
| Councillors (Political Office Bearers plus Other) | | | | | | | | | | |
| Basic Salaries and Wages | | 7,054 | 8,606 | 8,789 | 585 | 2,354 | 2,930 | (576) | -20% | 8,606 |
| Pension and UIF Contributions | | 679 | 355 | 355 | 57 | 232 | 118 | 113 | 96% | 355 |
| Medical Aid Contributions | | 190 | 338 | 338 | 16 | 64 | 113 | (49) | -44% | 338 |
| Motor Vehicle Allowance | | - | - | - | - | - | - | - | - | - |
| Cellphone Allowance | | 822 | 925 | 925 | 70 | 284 | 308 | (24) | -8% | 925 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | 2,882 | 3,375 | 3,375 | 246 | 1,024 | 1,125 | (101) | -9% | 3,375 |
| Sub Total - Councillors | | 11,628 | 13,599 | 13,782 | 974 | 3,958 | 4,594 | (636) | -14% | 13,599 |
| % increase | 4 | | 17.0% | 18.5% | | | | | | 17.0% |
| Senior Managers of the Municipality | | | | | | | | | | |
| Basic Salaries and Wages | | 3,144 | 6,319 | 6,319 | 353 | 1,412 | 2,106 | (695) | -33% | 6,319 |
| Pension and UIF Contributions | | 181 | 9 | 9 | 15 | 60 | 3 | 57 | 1931% | 9 |
| Medical Aid Contributions | | - | - | - | - | - | - | - | - | - |
| Overtime | | - | - | - | - | - | - | - | - | - |
| Performance Bonus | | 156 | - | - | - | - | - | - | - | - |
| Motor Vehicle Allowance | | 391 | 765 | 765 | 44 | 176 | 255 | (79) | -31% | 765 |
| Cellphone Allowance | | 63 | 93 | 93 | 7 | 29 | 31 | (2) | -7% | 93 |
| Housing Allowances | | - | - | - | - | - | - | - | - | - |
| Other benefits and allowances | | 0 | - | - | 0 | 0 | - | 0 | #DIV/0! | - |
| Payments in lieu of leave | | 478 | - | - | 283 | 283 | - | 283 | #DIV/0! | - |
| Long service awards | | 17 | - | - | 1 | 6 | - | 6 | #DIV/0! | - |
| Post-retirement benefit obligations | 2 | - | - | - | - | - | - | - | - | - |
| Sub Total - Senior Managers of Municipality | | 4,431 | 7,186 | 7,186 | 704 | 1,966 | 2,395 | (430) | -18% | 7,186 |
| % increase | 4 | | 62.2% | 62.2% | | | | | | 62.2% |
| Other Municipal Staff | | | | | | | | | | |
| Basic Salaries and Wages | | 132,551 | 152,403 | 157,882 | 12,116 | 48,368 | 52,627 | (4,259) | -8% | 152,403 |
| Pension and UIF Contributions | | 28,631 | 33,256 | 32,815 | 2,705 | 10,815 | 10,938 | (124) | -1% | 33,256 |
| Medical Aid Contributions | | 12,693 | 12,112 | 14,559 | 1,163 | 4,255 | 4,853 | (598) | -12% | 12,112 |
| Overtime | | - | - | 5,947 | - | - | 1,982 | (1,982) | -100% | - |
| Performance Bonus | | 11,059 | 12,119 | - | - | 31 | - | 31 | #DIV/0! | 12,119 |
| Motor Vehicle Allowance | | 19,113 | 19,306 | 22,681 | 1,761 | 6,989 | 7,560 | (571) | -8% | 19,306 |
| Cellphone Allowance | | 45 | 834 | 1,759 | 3 | 12 | 586 | (574) | -98% | 834 |
| Housing Allowances | | 1,106 | 1,271 | 1,244 | 102 | 402 | 415 | (12) | -3% | 1,271 |
| Other benefits and allowances | | 24,627 | 8,960 | 23,680 | 2,910 | 10,593 | 7,893 | 2,700 | 34% | 8,960 |
| Payments in lieu of leave | | 56 | - | - | - | - | - | - | - | - |
| Long service awards | | 3,377 | 2,227 | 2,227 | 155 | 1,175 | 742 | 433 | 58% | 2,227 |
| Post-retirement benefit obligations | 2 | 3,615 | - | - | - | - | - | - | - | - |
| Sub Total - Other Municipal Staff | | 236,874 | 242,487 | 262,794 | 20,916 | 82,640 | 87,598 | (4,958) | -6% | 242,487 |
| % increase | 4 | | 2.4% | 10.9% | | | | | | 2.4% |
| Total Parent Municipality | | 252,932 | 263,272 | 283,763 | 22,593 | 88,564 | 94,588 | (6,024) | -6% | 263,272 |
| Unpaid salary, allowances & benefits in arrears: | | | | | | | | | | |
| Sub Total - Other Staff of Entities | | - | - | - | - | - | - | - | - | - |
| % increase | 4 | | | | | | | | | |
| Total Municipal Entities | | - | - | - | - | - | - | - | - | - |
| TOTAL SALARY, ALLOWANCES & BENEFITS | | 252,932 | 263,272 | 283,763 | 22,593 | 88,564 | 94,588 | (6,024) | -6% | 263,272 |
| % increase | 4 | | 4.1% | 12.2% | | | | | | 4.1% |
| TOTAL MANAGERS AND STAFF | | 241,305 | 249,673 | 269,980 | 21,619 | 84,606 | 89,993 | (5,388) | -6% | 249,673 |

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

4. Conditional Grants

As at the end of October 2020 a total of R 87.2 million of conditional grants was received since 1 July 2020, whilst an additional R 26.5 million was available and was received in the previous financial year. R 35.9 million was spent during the month of October 2020. The operating grant utilisation is at 12.17% and the capital grant utilisation was 33.53% of allocations received. Overall grant utilisation is at 31.52%.

Table 4

| Description | Opening Balance | Receipts | Roll Over Repayments | Total receipts | Expenditure | Balance | Percentage |
|--------------------------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|--------------|
| Operating Grants | | | | | | | |
| FMG | 0 | 1,000,000 | | 1,000,000 | 267,172 | 732,828 | 26.72 |
| PTP | 308,817 | | | 308,817 | | 308,817 | 0.00 |
| EPWP | 0 | 768,000 | | 768,000 | 510,917 | 257,083 | 66.53 |
| Camperdown WWW | 4,000,095 | | | 4,000,095 | | 4,000,095 | 0.00 |
| SETA Grants | 0 | | | 0 | | 0 | 0.00 |
| RASET GRANT | 0 | | | 0 | | 0 | 0.00 |
| DGDS GRANT | 126,989 | | | 126,989 | | 126,989 | 0.00 |
| DPSS GRANT | 0 | | | 0 | | 0 | 0.00 |
| GEOPlanning | 1,993,574 | | | 1,993,574 | 4,115 | 1,989,459 | 0.21 |
| IDP SPATIAL DEVELOPMENT FRAMEWORK | 1,000,000 | | | 1,000,000 | | 1,000,000 | 0.00 |
| SPATIAL DEVELOPMENT FRAMEWORK | 1,000,000 | | | 1,000,000 | | 1,000,000 | 0.00 |
| Disaster Management Grant - COVID 19 | 521,963 | | | 521,963 | 521,963 | 0 | 100.00 |
| Total Operating Grants | 8,951,438 | 1,768,000 | 0 | 10,719,438 | 1,304,166 | 9,827,787 | 8.32 |
| Capital Grants | | | | | | | |
| WSIG | 0 | 43,720,000 | | 43,720,000 | 21,880,720 | 21,839,280 | 50.05 |
| Drought Relief Initiatives | 0 | | | 0 | | 0 | 0.00 |
| MIG | 6,040,433 | 40,000,000 | | 46,040,433 | 12,268,340 | 33,772,093 | 26.65 |
| Orio | 11,550,860 | | | 11,550,860 | | 11,550,860 | 0.00 |
| RRAMS | 0 | 1,786,000 | | 1,786,000 | 420,321 | 1,365,679 | 23.53 |
| Total Capital Grants | 17,591,293 | 85,506,000 | 0 | 103,097,293 | 34,569,382 | 68,527,911 | 33.53 |
| Total Grants | 26,542,730.94 | 87,274,000.00 | - | 113,816,730.94 | 35,873,548.16 | 78,355,698.27 | 31.52 |

5. Cash and cash equivalents

An amount of R 23 337 was accrued in investment interest income for the month of October 2020. The cash in bank as at 31 October 2020 amounted to **R 141.3 million** and investments amounted to **R 3.8 million** bringing a total cash and cash equivalents of **R 145 million**. The average interest rate on investment is at 4.13%. The cash coverage ratio as at 31 October 2020 is **0.84** based on average of R 75 million per month fixed operating expenditure. This indicates that the municipality as at 31 October 2020 have sufficient cash to run its operation for **25 days** based on a 30-day calendar month. The norm as set out in the uniform financial ratios and norms circular 71 is 1 to 3 months. See below extract from SC 5.

Table 5

| Period of Investment Yrs/Months | Type of Investment | Expiry date of investment | Accrued interest for the month | Yield for the month 1 (%) | Market value at beginning of the month | Change in market value | Market value at end of the month |
|------------------------------------|--------------------|---------------------------|--------------------------------|---------------------------|--|------------------------|----------------------------------|
| 1 year | Long term | 2021 Sept Seven | 23 | 4.1% | 3,750 | 23 | 3,773 |
| | | | 23 | 0 | 3,750 | 23 | 3,773 |

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Table 6

| Account Name | Account Number | Aug-20 | Sep-20 | Oct-20 |
|---|----------------|-----------------------|-----------------------|-----------------------|
| Main Account | 50940026773 | 68 268 895.29 | 60 051 644.88 | 73 592 976.54 |
| Salaries Account | 50940092196 | 88 394 169.50 | 66 156 238.36 | 33 212 062.76 |
| Water Services Account | 62023616462 | 48 899 381.81 | 38 886 806.61 | 32 569 849.51 |
| NSTD Call Account | 62215748289 | 556 576.78 | 558 040.65 | 559 416.64 |
| Mandela Race Account | 62411577193 | 799 739.91 | 800 559.45 | 801 353.41 |
| UMDM MIG (Dbsa) Account | 62400041985 | 0.00 | 0.00 | 0.00 |
| Corporate Cheque Account | 62597807125 | 582 133.99 | 583 486.36 | 584 734.18 |
| Public Sector Cheque Account | 62243484417 | 0.00 | 0.00 | -225.96 |
| Total | | 207 500 897.28 | 167 036 776.31 | 141 320 167.08 |
| INVESTMENTS | | | | |
| FNB | 71101199555 | 4 045 890.39 | 3 760 183.56 | 3 773 337.33 |
| Total | | 4 045 890.39 | 3 760 183.56 | 3 773 337.33 |
| Total Balances as at 30 September 2020 | | 211 546 787.67 | 170 796 959.87 | 145 093 504.41 |

Table 6 above excludes an investment of R3.7 million held with FNB as a security for the Long-Term Borrowings (DBSA Loan).

6. Borrowings

As at 31 October 2020 the loans book was sitting at R 196.9 million. The average interest rate on remaining loans is 10.8 %. The debt to revenue ratio at 46.67% as projected which is above the treasury norm of below 45%. This indicates that the debt book is funded by 0.42% of the internally generated operating income.

Table 7

| <u>LOANS REGISTER : DEVELOPMENT BANK OF SOUTH AFRICA (DBSA) OCTOBER 2020</u> | | | | | | |
|---|--------------------------------------|-----------------|-------------------------------|-----------------------|--------------------------|-------------------------------|
| Agreement Number | Project Description | Interest Rate % | Opening Balance at 01/10/2020 | Add: Interest Accrued | Less :Capital Repayments | Closing Balance at 31/10/2020 |
| 12007869 | uMgungundlovu Various Water Projects | 10.889 | 195,115,919.57 | 1,772,218.51 | | 196,888,138.08 |
| | | | 195,115,919.57 | 1,772,218.51 | | 196,888,138.08 |

UMGUNGUNDOVU DISTRICT MUNICIPALITY

7. Creditors Age Analysis

The balance of trade payables as at 31 October 2020 was R 65.3 million.

Total R13.2 million or 20% of invoices remained outside the compliance period of 30 days as at 31 October 2020. None of the bulk services, 3rd party and statutory invoices were outstanding for longer than 30 days as at 31 October 2020.

The Municipality must have a financial management system in place which is used for the operation of its expenditure and accounts payables, amongst other things. The accounts payables must be paid for goods and services rendered to the municipality. A procedure manual was drafted in 2014, which provides the timeframes that each official must comply with when dealing with payments. This includes payments certification by the user department, which must confirm the receipt of goods and services before invoices are processed for payment.

Section 65(2)(e) of the Municipal Finance Management Act, 2003 requires that the municipality must pay within 30 days of receipt of an invoice. While this requirement is crucial, it is also important for a municipality to ensure that all the requirements in terms of the Supply Chain Management Regulations of 2011, are followed when procuring goods and services.

This includes, but not limited to, ensuring that there are valid contracts for all lease payments, payments made to government institutions, where payments are urgent in nature, and where there is an emergency.

Sections 62(1), (2) and 65(1) require the Accounting Officer to ensure a proper management of the finances of a municipality. This requires him to ensure that all processes are followed before payments are realised, as a result, the Internal Audit is requested to verify payments on an adhoc basis.

In efforts to reduce the amount owed to outstanding creditors, a detailed spreadsheet which indicates the status of each amount due for longer than 30 days was sent to every HOD, for their action, in order to resolve issues that may have been raised by the Accounting Officer.

Generally Accepted Accounting Practise (GRAP) requires that payments must be reflected in the period in which they were made, so accounts payables balance as at 30 June will not be affected by payments made after this date.

Payments relating to rental of customer care centres have been delayed due to expired contracts. To facilitate payments the Municipality extended the contract of three months, to allow for the finalisation of valid contracts through supply chain processes. This exercise will reduce the irregular expenditure which the Auditors raise in their audit reports.

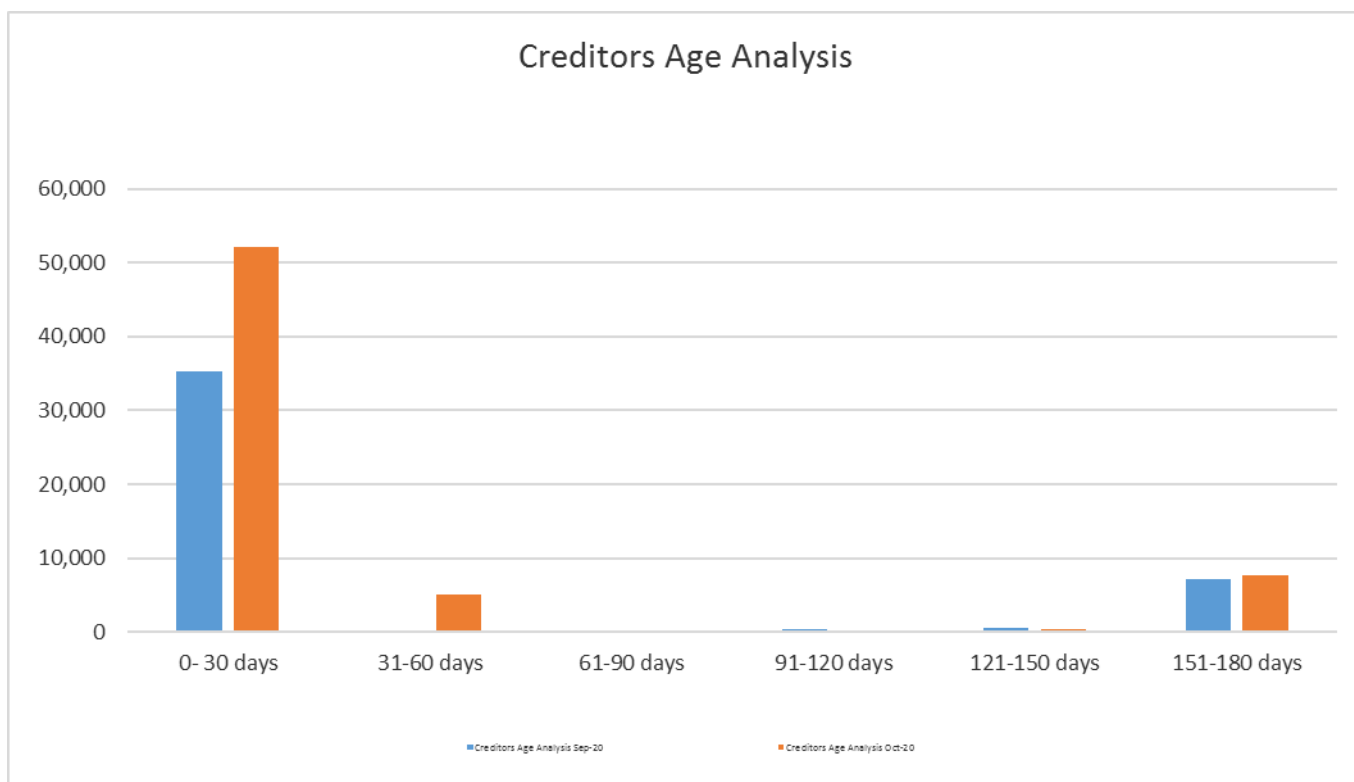
As most ESKOM accounts have payment terms which are much less than 30 days, interest on late payment is unavoidable. In order to alleviate this problem, more than 90% of ESKOM accounts were switched to debit order system and the process to transfer all accounts to a debit order method of payment is under way. The benefit of the use of a debit order system is that there is no fruitless expenditure which is in the form of interest on late payment, and there is no power cut which leads to service interrupts which arise from unavailability of water.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Table 8

| Creditors Age Analysis | | |
|------------------------|---------------|---------------|
| | Sep-20 | Oct-20 |
| 0- 30 days | 35,238 | 52,116 |
| 31-60 days | 266 | 5,012 |
| 61-90 days | 78 | 155 |
| 91-120 days | 336 | 62 |
| 121-150 days | 609 | 336 |
| 151-180 days | 7,056 | 7,659 |
| | 43,583 | 65,340 |

Graph 1



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

8. BILLING REVENUE AND DEBTORS

8.1 BILLING SUMMARY: JULY 2020 TO OCTOBER 2020

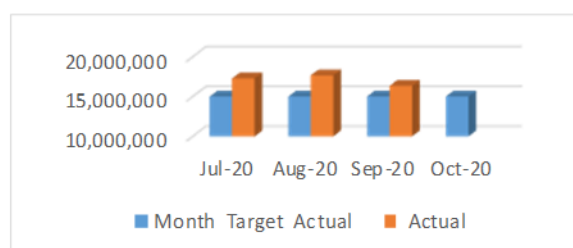
Table 9

| Area | July 2020 | August 2020 | September 2020 | October 2020 |
|----------------|-----------------------|-----------------------|-----------------------|----------------------|
| uMshwathi | 1 485 949.64 | 2,008,873.66 | 2,240,441.08 | 1,754,326.87 |
| uMngeni | 11 722 170.60 | 12,117,495.02 | 11,812,411.02 | 10,743,473.39 |
| Mpofana | 2 355 546.45 | 2,601,242.70 | 2,149,563.90 | 2,206,578.99 |
| iMpendle | 349 493.25 | 365,255.18 | 325,957.10 | 327,300.23 |
| Mkhambathini | 765 591.20 | 682,520.89 | 648,084.31 | 739,442.32 |
| Richmond | 1 585 312.94 | 1,195,169.51 | 1,763,427.61 | 1,610,315.37 |
| Water Schemes | 3 673 411.02 | 4,086,018.71 | 3,803,802.40 | 3,791,654.93 |
| Bulk Customers | 6 320 257.40 | 6,917,988.61 | 7,226,796.91 | 6,994,901.53 |
| Total | R28,257,732.50 | R29,974,564.28 | R29,970,484.33 | 28,167,993.63 |

8.2 CREDIT CONTROL AND DEBT COLLECTION TARGET VS COLLECTION: SEPTEMBER 2020

TABLE 10

| Month | Target | Actual |
|--------|------------|------------|
| Jul-20 | 15,000,000 | 17,284,495 |
| Aug-20 | 15,000,000 | 17,666,674 |
| Sep-20 | 15,000,000 | 16,346,202 |
| Oct-20 | 15,000,000 | |



The table below details financial year to date monthly billing and receipts for the 2020/2021 financial year.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

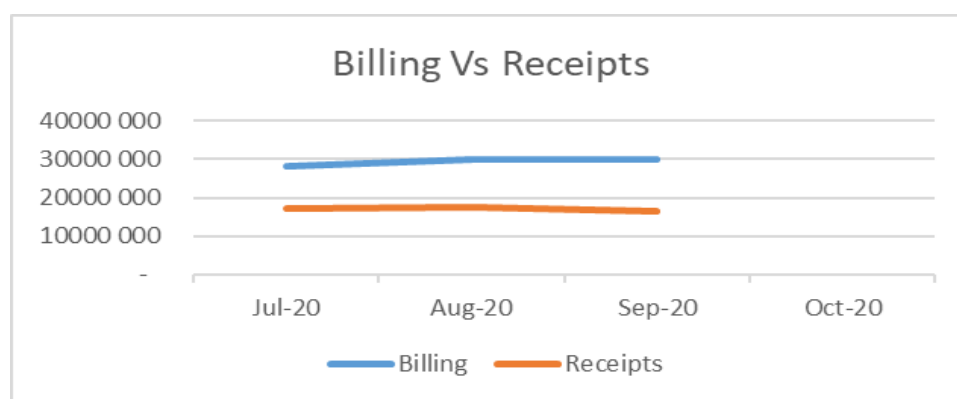
Table 11

BILLING VS RECEIPTS

| BILLING VS RECEIPTS | | | |
|---------------------|-----------------------|----------------------|--------------|
| Month | Billing | Receipts | Collection % |
| Jul-20 | 28,257,732.50 | 17,284,494.66 | 61% |
| Aug-20 | 29,974,564.28 | 17,666,674.00 | 59% |
| Sep-20 | 29,970,484.33 | 16,346,202.10 | 55% |
| Oct-20 | 28,167,993.63 | | |
| Total | 116,370,774.47 | 51,297,370.76 | 58% |

BILLING VS RECEIPTS

Graph 3



THE TABLE BELOW DETAILS THE CLASSIFICATION OF RECEIPTS – JULY 2020 TO OCTOBER 2020

Table 12

| Basis of Receipts | July 2020 | August 2020 | September 2020 | October 2020 |
|----------------------|-----------------------|----------------------|----------------------|----------------------|
| Direct Bank Deposits | 18,141,224.00 | 15,571,511.60 | 15,611,508.25 | 14,715,032.29 |
| Easy Pay | 566,331.08 | 917,169.41 | 893,613.59 | 947,488.72 |
| Post Office | 177,511.80 | 120,983.79 | 123,821.45 | 112,698.84 |
| Customer Care Centre | 195,601.60 | 452,583.16 | 499,913.44 | 504,572.75 |
| Manual Receipts | 85,363.61 | 222,246.70 | 237,817.27 | 66,409.50 |
| Total | R19,166,032.09 | 17,284,494.66 | 17,666,674.00 | 16,346,202.10 |



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

THE TABLE BELOW DETAILS CUSTOMER CATEGORY RECEIPTS- JULY 2020 TO OCTOBER 2020

TABLE 13

| Customer Classification | July 2020 | August 2020 | September 2020 | October 2020 |
|-------------------------|-----------------------|----------------------|----------------------|----------------------|
| Government | 3,941,856.84 | 2,555,485.52 | 2,009,336.63 | 1,146,229.65 |
| Business | 9,604,058.26 | 9,530,422.15 | 10,085,493.23 | 9,526,245.10 |
| Households | 5,587,209.09 | 5,161,139.33 | 5,536,508.46 | 5,648,248.12 |
| Indigent Households | 13,154.06 | 16,794.00 | 15,956.10 | 20,208.00 |
| Church | 17,552.30 | 17,483.20 | 16,048.41 | 2,071.23 |
| Councillors | 2,201.54 | 3,170.46 | 3,304.17 | 3,200.00 |
| Total | R19,166,032.09 | 17,284,494.66 | 17,666,674.00 | 16,346,202.10 |

THE TABLE BELOW INDICATES THE COMPARISON OF COLLECTION RATE BETWEEN 2019/20 FINANCIAL YEAR AND 2020/21 FINANCIAL YEAR

TABLE 14

| 2019/2020 Financial Year | | | | 2020/2021 Financial Year | | | |
|--------------------------|------------|------------|---------------|--------------------------|---------------|---------------|---------------|
| Month | Billing | Receipts | Collections % | Month | Billing | Receipts | Collections % |
| Jul-19 | 27 705 888 | 19 766 487 | 71% | Jul-20 | 28 257 733 | 17 284 495 | 61% |
| Aug-19 | 28 637 963 | 20 172 485 | 70% | Aug-20 | 29 974 564 | 17 666 674 | 59% |
| Sep-19 | 29 839 422 | 16 183 942 | 65% | Sep-20 | 29,970,484.33 | 16,346,202.10 | 55% |

The collection rate comparison to the previous year is to measure the impact of the slow economic growth and activity.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

THE TABLE BELOW DETAILS THE PERCENTAGE OF COLLECTION PER CUSTOMER CLASSIFICATION – SEPTEMBER 2020

TABLE 15

| Aug-20 | | | | Sep-20 | | | |
|---------------------|-------------------|-------------------|--------------|---------------------|-------------------|-------------------|--------------|
| AREA | SALES RAISED | RECEIPTS | % COLLECTION | AREA | SALES RAISED | RECEIPTS | % COLLECTION |
| Howick | 7,844,884.60 | 5,272,242 | 67% | Howick | 7,901,451.25 | 5,885,231 | 74% |
| Tumbleweed | 179,521.00 | 2,900 | 2% | Tumbleweed | 181,526.21 | 2,900 | 2% |
| Lidgeton | 136,254.00 | 2,200 | 2% | Lidgeton | 137,895.21 | 2,120 | 2% |
| Hilton | 2,305,846.14 | 1,934,182 | 84% | Hilton | 2,674,437.33 | 1,892,695 | 71% |
| Mpophomeni | 1,503,440.14 | 45,991 | 3% | Mpophomeni | 1,855,131.53 | 45,128 | 2% |
| Bulk | 6,882,170.42 | 6,697,485 | 97% | Bulk | 6,231,884.25 | 6,035,467 | 97% |
| Mpofana | 1,444,603.27 | 460,959 | 32% | Mpofana | 1,452,321.00 | 457,235 | 31% |
| Mpofana- Bruntville | 1,252,248.00 | 15,782 | 1% | Mpofana- Bruntville | 1,289,532.00 | 13,590 | 1% |
| Richmond | 1,200,339.22 | 790,173 | 66% | Richmond | 1,762,170.43 | 689,235 | 39% |
| uMshwathi | 2,028,784.94 | 1,811,695 | 89% | uMshwathi | 1,989,623.90 | 924,695 | 46% |
| uMkhambathini | 574,628.14 | 430,505 | 75% | uMkhambathini | 570,175.25 | 341,259 | 60% |
| iMpendle | 269,901.12 | 34,840 | 13% | iMpendle | 248,918.80 | 28,654 | 12% |
| Water Schemes | 3,957,510 | 167,720 | 4% | Water Schemes | 3,675,417 | 27,993 | 1% |
| Total | 29,580,131 | 17,666,674 | 59% | Total | 29,970,484 | 16,346,202 | 55% |

The table below details a breakdown of September 2020 billing and October 2020 receipts for Water Schemes taken over from Umgeni Water.

Table 16. Water Schemes billing vs Collection

| Water Schemes | Sales Raised | Receipts | % Collection | Comment |
|--------------------|---------------------|------------------|--------------|--------------|
| Hope well | 150,777.40 | - | 0% | Rural Scheme |
| Manyavu | 439,310.82 | - | 0% | Rural Scheme |
| Intermediate Cross | 135,749.06 | 1,568.36 | 1% | Farm Scheme |
| Swayimana | 1,002,375.29 | 1,549.15 | 0% | Rural Scheme |
| Table Mountain | 518,542.47 | | 0% | Rural Scheme |
| Whispers | 170,198.76 | 12,300.00 | 7% | Farm Scheme |
| Camperdown | 221,058.84 | 9,578.77 | 4% | Farm Scheme |
| Birnoum Wood | 93,687.55 | 157.53 | 0% | Farm Scheme |
| Claridge | 50,167.57 | 2,250.00 | 4% | Farm Scheme |
| Efaye | 219,751.84 | | 0% | Rural Scheme |
| Cuphulaka | 203,557.27 | | 0% | Rural Scheme |
| Mayizekanye | 98,444.62 | 588.81 | 1% | Rural Scheme |
| Mpolweni | 371,795.68 | - | 0% | Rural Scheme |
| Total | 3,675,417.17 | 27,992.62 | 1% | |

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

The table below details a breakdown of September 2020 billing and October 2020 receipts for Rural Water Schemes.

Table 17

| Water Schemes | Sales Raised | Receipts | % Collection | Comment |
|---------------|--------------------|-------------|--------------|--------------|
| Gomane | 77,105.01 | 0.00 | 0% | Rural Scheme |
| Emakholweni | 128,301.44 | 0.00 | 0% | Rural Scheme |
| Inzinga | 30,965.80 | 0.00 | 0% | Rural Scheme |
| Swapo | 142,674.20 | 0.00 | 0% | Rural Scheme |
| Total | R379,046.45 | R0.0 | 0% | |

The percentage of collection for Water Schemes is low as consumers in these areas refuse to pay for water services rendered. Certain rural schemes have constant interruption of water supply and it is therefore difficult to implement the Credit Control Policy in these areas.

Customers in rural areas are appealing to the Municipality to write off their debts. Customers advised that they will commence with payment once the interruption of water supply is resolved and the write-off is approved

8.3 Debtors Age Analysis

The debtor book value as at 31 October 2020 amounted to **R 921.3 million**. The collection rate in the month of October was **55%**. The average collection rate to date is **58%**. The municipality is reviewing its debt collection strategies. Strategic partnerships with stakeholders like uMgeni Water and Development Bank of Southern Africa are under consideration. The DBSA has sponsored a pilot data cleansing exercise that will table recommendations on revenue collection systems and processes. The non-revenue water reduction exercise is proposed for consideration and will be fully funded by uMgeni Water.

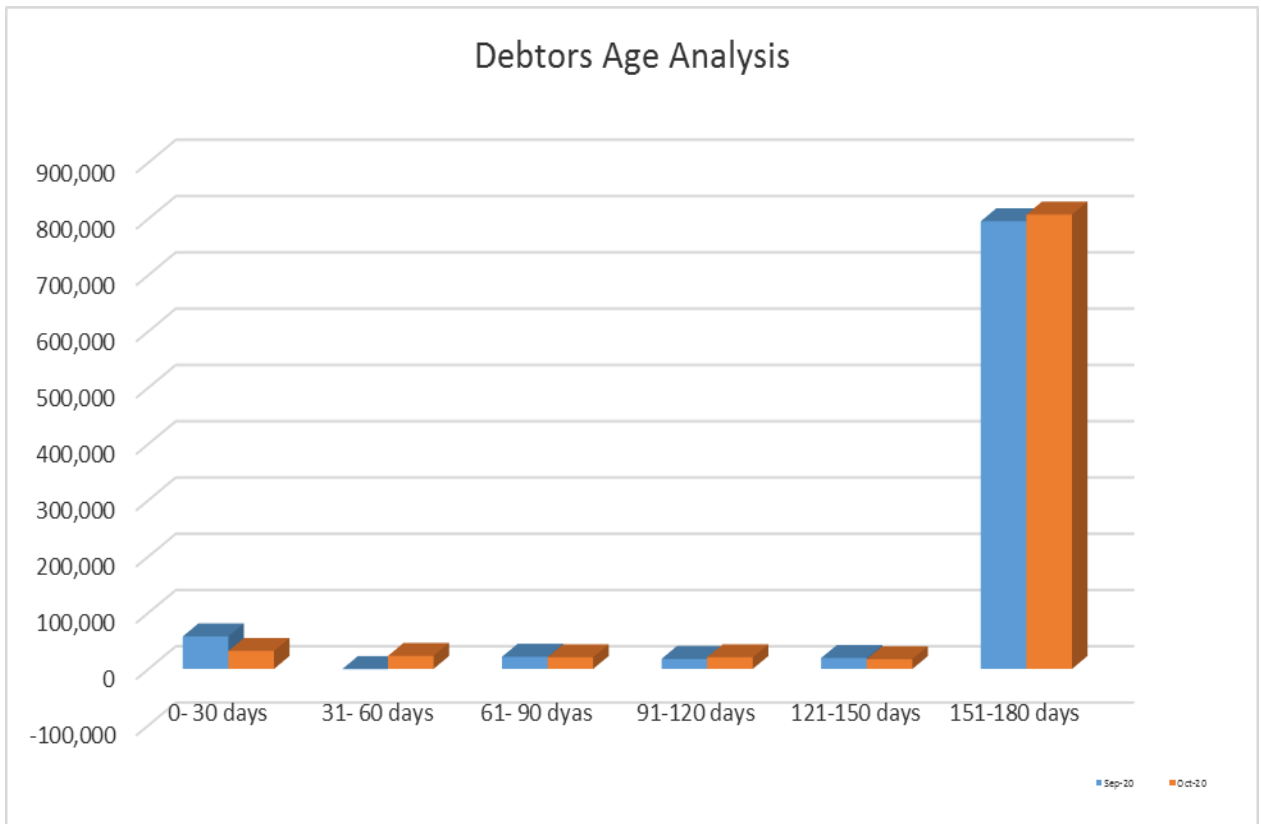
UMGUNGUNDOLOVU DISTRICT MUNICIPALITY

Table 18

| DC22 uMgungundlovu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M04 October | | | | | | | | | | | |
|---|-------------|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|----------------|--------------------|
| Description | NT Code | Budget Year 2020/21 | | | | | | | | | Total over 90 days |
| | | 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 | |
| R thousands | | | | | | | | | | | |
| Debtors Age Analysis By Income Source | | | | | | | | | | | |
| Trade and Other Receivables from Exchange Transactions - Water | 1200 | 26,629 | 16,973 | 16,343 | 15,823 | 12,041 | 13,483 | 64,866 | 456,484 | 622,641 | 562,696 |
| 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 | 1,491 | 1,016 | 836 | 857 | 1,350 | 1,741 | 8,295 | 85,425 | 101,011 | 97,668 |
| Receivables from Exchange Transactions - Waste Management | 1600 | - | (2) | (32) | (113) | 3 | (0) | (3) | (37) | (184) | (150) |
| Receivables from Exchange Transactions - Property Rental Debtors | 1700 | - | - | - | - | - | - | - | 739 | 739 | 739 |
| Interest on Arrear Debtor Accounts | 1810 | 3,796 | 3,847 | 3,771 | 4,098 | 4,025 | 3,790 | 21,419 | 141,302 | 186,049 | 174,635 |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure | 1820 | - | - | - | - | - | - | - | - | - | - |
| Other | 1900 | (59) | 1,336 | (63) | (51) | 9 | (10) | (37) | 9,968 | 11,092 | 9,878 |
| Total By Income Source | 2000 | 31,856 | 23,169 | 20,856 | 20,614 | 17,428 | 19,003 | 94,539 | 693,882 | 921,347 | 845,466 |
| 2019/20 - totals only | | | | | | | | | | - | - |
| Debtors Age Analysis By Customer Group | | | | | | | | | | | |
| Organs of State | 2200 | 4,762 | 1,244 | 1,750 | 1,116 | 762 | 1,074 | 4,909 | 16,294 | 31,911 | 24,155 |
| Commercial | 2300 | 4,597 | 1,410 | 937 | 453 | 934 | 1,384 | 2,290 | 9,103 | 21,109 | 14,165 |
| Households | 2400 | 20,331 | 17,211 | 16,189 | 16,652 | 14,348 | 15,217 | 78,671 | 591,493 | 770,112 | 716,382 |
| Other | 2500 | 2,166 | 3,304 | 1,980 | 2,394 | 1,384 | 1,327 | 8,669 | 76,991 | 98,216 | 90,765 |
| Total By Customer Group | 2600 | 31,856 | 23,169 | 20,856 | 20,614 | 17,428 | 19,003 | 94,539 | 693,882 | 921,347 | 845,466 |

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Graph 4



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

The table below details the age analysis for customers grouped as UMDM staff members as at 31 October 2020

Table 19

| Customer | 180 Days | 150 Days | 120 Days | 90 Days | 60 Days | 30 Days | Current | Balance |
|----------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| 5922711808 | | | | | | | 838.53 | 838.53 |
| 5922411911 | 6,984.44 | 231.67 | 232.91 | 245.20 | 242.35 | 243.53 | 244.72 | 8,424.82 |
| 5922272107 | 6,288.55 | 3,870.40 | 1,560.40 | 1,155.51 | 1,204.98 | 713.74 | 9,040.62 | 23,834.20 |
| 5922411528 | 14,922.59 | 335.33 | 336.95 | 352.24 | 345.22 | 346.77 | 348.31 | 16,987.41 |
| 5922721404 | 15,204.14 | 197.60 | 198.36 | 369.14 | 363.07 | 364.75 | 366.44 | 17,063.50 |
| 5922316386 | | | | | | | 838.53 | 838.53 |
| 5922111502 | 25,685.55 | 1,425.71 | 1,579.70 | 839.64 | 1,337.64 | 1,801.50 | 1,127.05 | 33,796.79 |
| 5922251794 | | | 82.17 | 1,266.06 | 1,272.32 | 856.53 | 1,028.77 | 4,505.85 |
| 5922711631 | 14,063.89 | 1,286.54 | 786.96 | 11,549.37 | 1,052.23 | 1,279.96 | 884.87 | 30,903.82 |
| 5922251326 | 1,006.23 | 591.67 | 859.08 | 803.93 | 856.44 | 953.40 | 662.50 | 5,733.25 |
| 5922111593 | 5,137.22 | 619.54 | 674.78 | 422.29 | 559.01 | 935.25 | 471.98 | 8,820.07 |
| 5922262141 | 14,937.73 | 449.56 | 451.90 | 381.70 | 374.42 | 376.10 | 377.79 | 17,349.20 |
| 5922193001 | 3,108.40 | 296.37 | 298.16 | 312.42 | 311.87 | 313.55 | 315.24 | 4,956.01 |
| 5922411939 | 11,009.35 | 310.90 | 312.51 | 352.90 | 348.41 | 350.09 | 351.78 | 13,035.94 |
| 5922645000 | 2,262.56 | 291.24 | 293.03 | 307.28 | 307.23 | 308.92 | 310.61 | 4,080.87 |
| 5922314131 | 63.66 | 0.34 | 0.34 | 0.34 | 0.31 | 0.31 | 0.31 | 65.61 |
| 5922232755 | 5,268.07 | 280.70 | 282.31 | 322.70 | 321.15 | 322.83 | 324.52 | 7,122.28 |
| 5922411620 | 19,304.51 | 356.29 | 357.91 | 398.29 | 389.39 | 391.07 | 392.76 | 21,590.22 |
| 5922711578 | 2,133.30 | 379.29 | 54.43 | 83.68 | 58.54 | 181.53 | 59.83 | 2,950.60 |
| 5922192292 | 4,290.07 | 128.58 | 129.25 | 314.97 | 314.17 | 315.85 | 317.54 | 5,810.43 |
| 5922711840 | -1,409.69 | | | -1,000.00 | | | -426.84 | -2,836.53 |
| 5922711660 | 77,326.84 | 869.99 | 872.91 | 805.47 | 719.04 | 1,054.86 | 560.63 | 82,209.74 |
| 5922226988 | | | | | 75.94 | 1,232.93 | 1,139.34 | 2,448.21 |
| 5922226809 | 18,324.24 | 458.88 | 461.23 | 391.02 | 382.83 | 384.51 | 386.20 | 20,788.91 |
| 5922262474 | 19,190.64 | 468.82 | 471.16 | 400.96 | 391.80 | 393.48 | 395.17 | 21,712.03 |
| 5922192290 | 10,025.43 | 158.39 | 159.06 | 344.77 | 341.08 | 342.76 | 344.45 | 11,715.94 |
| 5922411734 | 18,761.72 | 349.10 | 350.72 | 391.09 | 382.90 | 384.58 | 386.27 | 21,006.38 |
| 5922213319 | 51,745.92 | 6,180.78 | 1,182.24 | 10,205.63 | 3,160.34 | 5,959.30 | 1,648.68 | 80,082.89 |
| 5922113000 | 13,306.35 | 1,713.49 | 372.54 | 921.58 | 319.05 | 161.54 | 130.60 | 16,925.15 |
| 5922317749 | 46,254.89 | 2,955.96 | 331.99 | 3,096.93 | 3,085.30 | 3,101.67 | 357.82 | 59,184.56 |
| 5922213198 | | | | 74.14 | 603.73 | 604.36 | 56.02 | 1,338.25 |
| 5922741014 | 42,539.54 | 809.30 | 703.86 | 1,453.06 | 1,429.08 | 1,814.47 | 2,596.12 | 51,345.43 |
| 5922193002 | 2,840.77 | 294.71 | 296.50 | 310.76 | 310.37 | 312.05 | 313.74 | 4,678.90 |
| 5922193000 | 3,368.88 | 297.92 | 299.71 | 313.97 | 313.27 | 314.96 | 316.64 | 5,225.35 |
| 5922251800 | | | | | 534.72 | 464.35 | 361.07 | 1,360.14 |
| 5922213962 | | | | | 63.20 | 597.92 | 637.70 | 1,298.82 |
| Totals: | 453,945.79 | 25,609.07 | 13,993.07 | 37,187.04 | 21,771.40 | 28,013.64 | 28,253.90 | 608,773.91 |

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

7. The table below details the age analysis for customers grouped as Councillors as at the 31 October 2020

Table 20

| Customer | 180 Days | 150 Days | 120 Days | 90 Days | 60 Days | 30 Days | Current | Balance |
|----------------|-------------------|------------------|-----------------|-----------------|-----------------|------------------|------------------|-------------------|
| 5922261941 | | | | | | | 33.17 | 33.17 |
| 5922193491 | 1,743.74 | 261.49 | 852.09 | 897.71 | 655.16 | 1,802.60 | 1,167.07 | 7,379.86 |
| 5922741442 | | | | | 148.58 | 491.31 | 456.12 | 1,096.01 |
| 5922111637 | 52,362.59 | 13,940.41 | 2,957.38 | 4,345.84 | 1,894.89 | 3,267.75 | 4,442.04 | 83,210.90 |
| 5922275001 | | | | | 89.70 | 707.30 | 116.09 | 913.09 |
| 5922212236 | 21,247.83 | 420.91 | 417.73 | 436.02 | 420.58 | 422.47 | 418.11 | 23,783.65 |
| 5922212475 | 6,210.00 | 283.95 | 285.56 | 300.86 | 298.84 | 300.38 | 301.93 | 7,981.52 |
| 5922111569 | | | 129.03 | 181.01 | 205.60 | 252.94 | 200.17 | 968.75 |
| 5922224497 | 110,387.05 | 3,081.35 | 2,623.70 | 2,020.65 | 2,529.11 | 2,398.93 | 2,692.02 | 125,732.81 |
| Totals: | 218,309.41 | 19,130.46 | 8,336.83 | 9,623.36 | 7,697.89 | 11,010.88 | 10,463.59 | 284,572.42 |

Some of the accounts are in dispute due to billing queries and water leaks. The municipality is working with the affected Councillor in resolving these disputes.

8. NEW ACCOUNT CREATED FOR THE MONTH OF OCTOBER 2020

The table below indicates the new accounts created for October 2020

Table 21

| Account | Name | Area |
|------------|------------------------------|---------------|
| 5922193577 | REDDY | Umshwathi |
| 5922193579 | KEMP MICHAEL ASHLEY | Umshwathi |
| 5922227181 | HILTON DEVCO PTY LTD | Umngeni |
| 5922227182 | TYLER | Umngeni |
| 5922227183 | KEITH DE KLERK PROPERTIES CC | Umngeni |
| 5922227185 | KOEKRMOER | Umngeni |
| 5922265157 | SEYMOUR | Umngeni |
| 5922297015 | HLENGWA | Umngeni |
| 5922297016 | PIATER | Umngeni |
| 5922297017 | HUGHES | Umngeni |
| 5922297018 | MOORE | Umngeni |
| 5922319041 | DU PREEZ | Mpofana |
| 5922330104 | HUNTER | Mpofana |
| 5922330106 | LANG | Mpofana |
| 5922611823 | LEMBETHE | Umkhambathini |
| 5922715435 | NZIMANDE | Richmond |

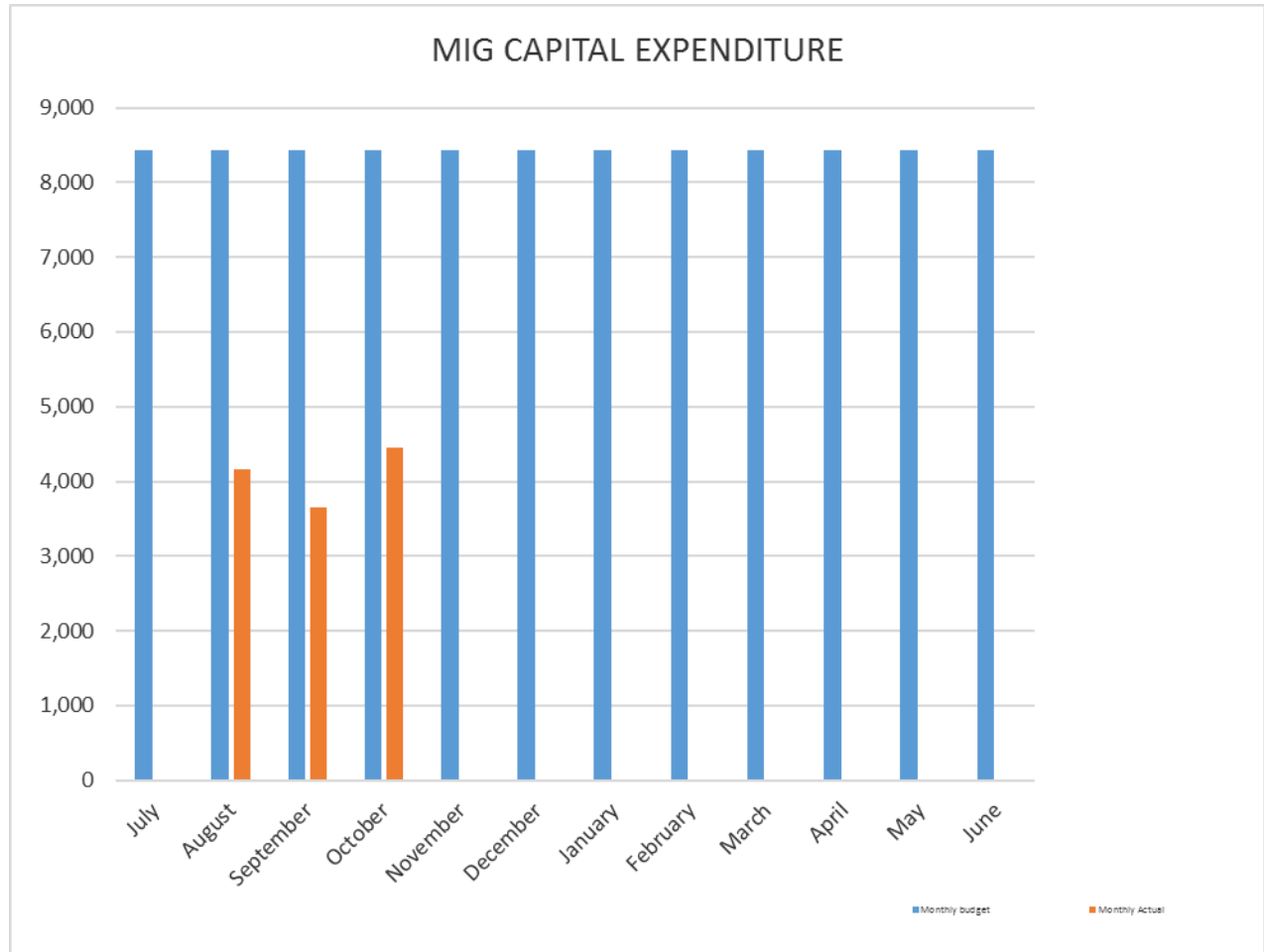


9. IN-YEAR BUDGET STATEMENT CHARTS: 31 OCTOBER 2020 REPORT

MIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET

| | Monthly budget | Monthly Actual |
|-----------|----------------|----------------|
| July | 8,437 | 0 |
| August | 8,437 | 4,167 |
| September | 8,437 | 3,646 |
| October | 8,437 | 4,455 |
| November | 8,437 | |
| December | 8,437 | |
| January | 8,437 | |
| February | 8,437 | |
| March | 8,437 | |
| April | 8,437 | |
| May | 8,437 | |
| June | 8,438 | |
| | 101,245 | 12,268 |

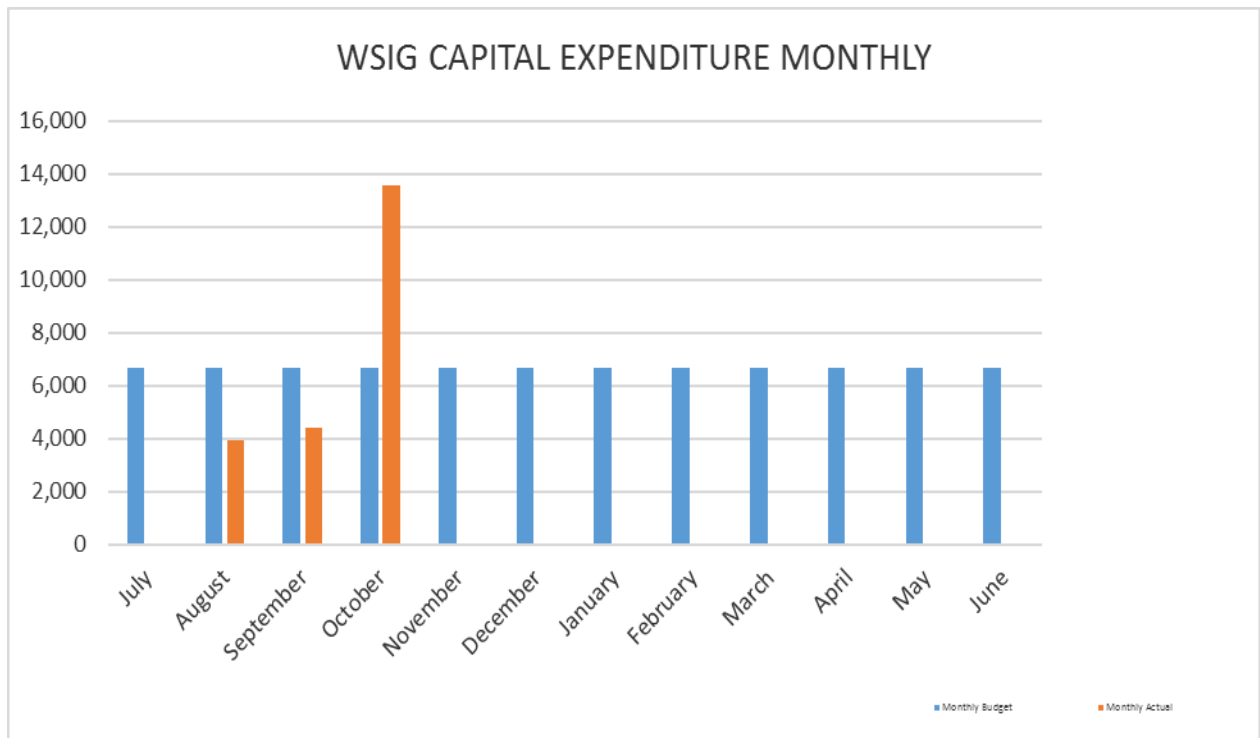
UMGUNGUNDLOVU DISTRICT MUNICIPALITY



WSIG - CAPITAL EXPENDITURE MONTHLY TREND: ACTUAL VS BUDGET

| | Monthly Budget | Monthly Actual |
|-----------|----------------|----------------|
| July | 6,667 | 0 |
| August | 6,667 | 3,935 |
| September | 6,667 | 4,391 |
| October | 6,667 | 13,555 |
| November | 6,667 | |
| December | 6,667 | |
| January | 6,667 | |
| February | 6,667 | |
| March | 6,667 | |
| April | 6,667 | |
| May | 6,667 | |
| June | 6,667 | |
| | 80,000 | 21,881 |

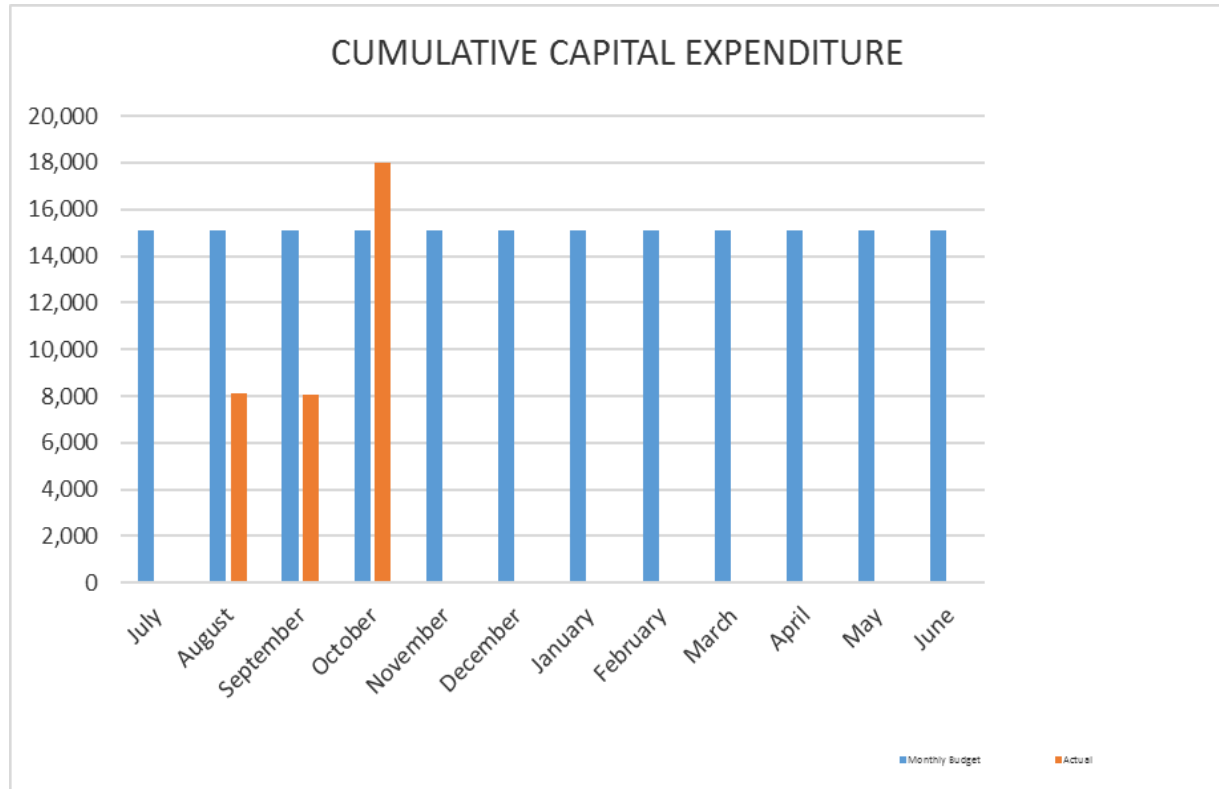
UMGUNGUNDLOVU DISTRICT MUNICIPALITY



CUMULATIVE MIG & WSIG EXPENDITURE: MONTHLY ACTUAL VS MONTHLY BUDGET

| | Monthly Budget | Actual |
|-----------|----------------|---------------|
| July | 15,104 | 0 |
| August | 15,104 | 8,102 |
| September | 15,104 | 8,037 |
| October | 15,104 | 18,010 |
| November | 15,104 | 0 |
| December | 15,104 | 0 |
| January | 15,104 | 0 |
| February | 15,104 | 0 |
| March | 15,104 | 0 |
| April | 15,104 | 0 |
| May | 15,104 | 0 |
| June | 15,105 | 0 |
| | 181,245 | 34,149 |

UMGUNGUNDLOVU DISTRICT MUNICIPALITY





UMGUNGUNDLOVU DISTRICT MUNICIPALITY

10. IN-YEAR BUDGET STATEMENT TABLES: OCTOBER 2020 REPORT

The preliminary financial results for the period ended 31 October 2020 (i.e. 4th month of the 2020/2021 financial year) are attached consisting of the following tables, in Annexure A:

Part 1

- (a) Table C1: Consolidated Monthly Budget Statement – Summary
- (b) Table C2: Consolidated Monthly Budget Statement – Financial Performance (standard Classification)
- (c) Table C3: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure by Municipal vote)
- (d) Table C4: Consolidated Monthly Budget Statement – Financial Performance (Revenue and Expenditure)
- (e) Table C5: Consolidated Monthly Budget Statement – Capital Expenditure by vote, standard classification and funding
- (f) Table C6: Consolidated Monthly Budget Statement – Financial Position
- (g) Table C7: Consolidated Monthly Budget Statement – Cash Flow

Part 2

- (a) Table SC1: Material variance explanations
- (b) Table SC2: Monthly Budget Statement – Performance Indicators
- (c) Table SC3: Monthly Budget Statement – Aged Debtors
- (d) Table SC4: Monthly Budget Statement – Aged Creditors
- (e) Table SC5: Monthly Budget Statement – Investment Portfolio
- (f) Table SC6: Monthly Budget Statement – Transfers and grant receipts
- (g) Table SC7: Monthly Budget Statement – Transfers and grant expenditures
- (gb) Table SC7 (1): Monthly Budget Statement-Approved Roll overs

- (h) Table SC8: Monthly Budget Statement – Councillor and Staff Benefits
- (i) Table SC9: Monthly Budget Statement – Actual and Revised targets for cash receipts
- (j) Table SC10: Monthly Budget Statement – Parent Municipality Financial Performance (Revenue and Expenditure)
- (k) Table SC11: Monthly Budget Statement – Summary of Municipal Entities
- (l) Table SC12: Monthly Budget Statement – Capital Expenditure Trend
- (m) Table SC13a: Monthly Budget Statement – Capital expenditure on new assets by asset class
- (n) Table SC13b: Monthly Budget Statement – Capital expenditure on renewal of existing assets by asset class
- (m) Table SC13c: Monthly Budget Statement – Capital expenditure on repairs and maintenance by asset class
- (p) Municipal manager’s quality certification

11. CONCLUSION

This report meets with the requirements of the MFMA, Sections 52(d) and 71 by submitting the ‘In-year report’ to Finance Committee on the implementation of the budget and the financial status of the municipality.



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

ANNEXURES:

Annexure – Schedule C

REPORT – FLOW COMPLIANCE CHECK

FILE: 5/1/1/1

INITIATOR: Nondumiso Mbatha

HEADING (INCLUSIVE OF NAME OF DIVISION/DEPARTMENT):

FINANCIAL SERVICES DEPARTMENT

PRELIMINARY IN-YEAR FINANCIAL REPORT (MONTHLY BUDGET STATEMENT) FOR THE PERIOD ENDING 31 OCTOBER 2020

REPORT CHECKED AND PASSED FOR SUBMISSION TO: **Finance Committee**

| | COMPREHENSIVENESS (FACTS, COMMENTS, RECOMMENDATIONS ANNEXURES) (√) | CORRECTNESS (√) | QUALITY (√) |
|---|---|--------------------|----------------|
| MANAGER: BUDGET OFFICE Vacant SIGNATURE:..... DATE: | (√) | (√) | (√) |
| MANAGER: REVENUE MANAGEMENT SIBONGILE KHUMALO SIGNATURE..... DATE: | (√) | (√) | (√) |
| MANAGER: ASSET MANAGEMENT NONDUMISO MBATHA SIGNATURE:..... DATE: | (√) | (√) | (√) |
| HEAD OF DEPARTMENT: CHIEF FINANCIAL OFFICER: SIPHO NDABANDABA SIGNATURE: DATE: | (√) | (√) | (√) |
| MANAGER: INTERNAL AUDIT ADELE DORASAMY SIGNATURE: DATE: | (√) | (√) | (√) |



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Municipal Manager's quality certification

I, **Raymond Ngcobo**, Municipal Manager of the uMgungundlovu District Municipality, hereby certify that the monthly **preliminary** report on the implementation of the budget and financial state affairs of the municipality for the month of **OCTOBER 2020** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Dr. MRB Ngcobo

Municipal Manager: uMgungundlovu District Municipality

Signature: _____

Date: _____

Print name: Cllr T E Maphumulo

Mayor: uMgungundlovu District Municipality

Signature: _____

Date: _____