

**REPORT TO THE uMGUNGUNDLOVU
DISTRICT MUNICIPALITY COUNCIL**



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Designation : CFO

For consideration

1st Level – MANCO : /12/2022
2nd Level – Portfolio Committee : 14/12/2022
3rd Level – EXCO : /12/2022
4th Level – Council : /12/2022

**SUBJECT: PRELIMINARY MONTHLY IN YEAR MONITORING FINANCIAL REPORT FOR THE PERIOD ENDED
30 NOVEMBER 2022
DATE : 14 DECEMBER 2022**

1. PURPOSE

The purpose of this report is to comply with section 71 of the Municipal Finance Management Act (MFMA) and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009.

2. STRATEGIC OBJECTIVE

To ensure good governance, financial viability, and optimal institutional transformation with capacity to execute its mandate."

3. BACKGROUND

Section 71 of the MFMA and in terms of Section 28 of the Government Notice 32141 dated 17 April 2009, regarding the "Local Government: Municipal Finance Management Act 56 of 2003, Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance.

"The Mayor of a municipality-

Section 71(1) The accounting officer of a municipality must by no later than **10 working days after the end of each month** submit to the Mayor or of the municipality and the relevant treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for the month and for the financial year up to the end of that month: ...".

The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required tables, charts, and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act."

For the reporting period ending **30 November 2022** the ten working day reporting limit expires on **14 December 2022**.

4. REPORT

The below is the summary of financial performance for the period ended **30 November 2022**.

Table 1

Summary of Financial Performance	
Actual Revenue to Budgeted Revenue	34
Actual OPEX to budgeted OPEX	36
Actual CAPEX to budgeted CAPEX	52
Employee related cost exp to total OPEX	36
% Conditional Grant Utilisation	79
Cash Coverage Ratio	2.55
Debt Service to Revenue Ratio	0.33
% Debt to Revenue Ratio	13.10
Creditors Age Analysis	R 44.9 million or 60% of invoices outside 30 days
Debt Collection Rate	52

4.1 Operating Budget

The operating revenue raised as at 30 November 2022 is **R 460.9 million** against the original budget of **R 1.34 billion** for the year and **R 558.5 million** for the period. This reflects a revenue rate of **34%** against the original budget. and **83%** against the year-to-date (YTD) budget.

As at 30 November 2022, the operating expenditure was **R 339.1 million** against the original budget of **R 943.8 million** and year to date budget of **R 393.3 million**. This reflects expenditure of **36%** against the original budget and **86%** of the year-to-date budget.

The resulting operating surplus for the period was **R 121.7 million** and the surplus after capital transfers and contributions is **R 230.2 million**.

4.2 Capital Expenditure

The total original capital budget for the 2022/2023 financial year is **R 206.9 million**. This includes the allocations from the Municipal Infrastructure Grant (MIG) of **R 116.9 million**, the Water Services Infrastructure Grant (WSIG) of **R 85.6 million**, the Rural Roads Assets Management Grant (RRAMS) of **R 2.7 million**, and assets from internally generated funds of **R 1.8 million** for the commencement of the construction process for the Disaster Management Centre.

Year to date expenditure for MIG is **R 67.6 million** which represents **58%** of the original budget estimate.

WSIG expenditure to date is **R 39.8 million** which represents **46%** of the original budget estimate.

RRAMS expenditure to date remains at **R 1 million** which represents **38%** of the original budget estimate.

Year to date capital expenditure from internal funding is **R nil** represents **0%** of the total original budget.

Total capital expenditure to date is **R 108.5 million** or **52%** against the original budget.

4.3 Employee Related Costs and Councilor Allowances

The total salaries budget for Councillors amounts to **R 12.1 million** while salaries budget for staff amounts to **R 258.7 million** resulting in a total salaries budget to **R 270.8 million**. This represents **29%** of the total operational budget which is within the norm of 25% - 40% in terms of National Treasury circular 71 of 2014.

As at 30 November 2022, **49%** of the Councillors' allowances budget was spent at a total of **R 5.9 million** and **45%** was spent on the employee costs at a total of **R 161.5 million**. The total actual salary cost including Councilor's allowances represented **36%** of total operating expenditure for the period which is within the norm of 25-40% as set by National Treasury circular 71.1. This is due to the pattern of the incurrence of employee costs being at constant rate when compared to other categories of expenditure. This ratio will continue to flatten in the coming months as and when the municipality incurs other categories of operational expenditure.

4.4 Conditional Grants

As at 30 November 2022, a total of **R 122 million** of conditional grant allocations were received since 01 July 2022 whilst an additional **R 16.8 million**, which was received in the previous financial years, was available at the beginning of the period. The operating and capital grant utilisation of allocations received to date was at **15.79%** and **82.29%**, respectively. The overall conditional grant utilisation is at **78.92%** of available funds.

4.5 Cash and Cash Equivalents

The cash in bank as at 30 November 2022 amounted to **R 212.5 million**.

The cash coverage ratio as at 30 November 2022 is **2.55** based on average of R 72 million per month fixed operating expenditure. This indicates that the municipality as at 30 November 2022 has enough cash to run its operation for **76.36 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.

4.6 Borrowings

As at 30 November 2022, the loan book was at a total balance of **R 175.6 million**. The interest rate on the loan is **10.889%**. The debt to revenue ratio is **13%** against the projected operating revenue which is within the National Treasury norm of below 45%. The debt service to income ratio for the year indicates that the costs associated with the debt were funded by **1.68%** of the YTD operating income.

4.7 Outstanding Creditors

The balance of trade payables as at 30 November 2022 was **R 75.4 million**.

A total of **R 44.9 million** or **60%** of invoices remained outside the compliance period of 30 days as at 30 November 2022 where **R39.7 million** relates to Umngeni Water Sewerage Services.

The municipality paid **R 12 million** to Umngeni Water following the conclusion of the negotiations for sewerage services, the municipality continues to await the receipt of revised invoices and statement.

4.8 Billing Revenue and Debtors

Billing revenue for the month of November 2022 was **R 48.2 million**. Actual collections during November 2022 were **R 24.5 million** which represented **52%** of the October 2022 billed revenue of **R 47.3 million**. The average collection rate for the current year is 50% compared to 51% for the same period in the previous financial year. The continuous resolving of customer queries and strict enforcement of the credit control and debt collection policy is anticipated to improve collection in the current financial year.

The percentage of collection for Water Schemes decreased to **5%** in the current month when compared to the **7%** in the previous month. Strategies are continuously explored to improve the collection from these areas, the indigent drive being at the forefront in these areas.

The debtors book value as at 30 November 2022 amounted to **R 797 million**. A total of **R 753 million** or **95%** relates to amounts owing for more than 90 days.

RECOMMENDATIONS

1. That, in compliance with, Section 71 of the MFMA and in terms of Government Notice 32141 dated 17 April 2009, regarding the "Local Government: Municipal Finance Management Act 2003 Municipal Budget and Reporting Regulations" the **preliminary** financial results regarding the operating and capital budgets for the fifth month of the 2022/2023 financial year, and supporting documents as required by National Treasury (Schedule C) be submitted to Council.
2. In order to comply with Section 31(1) of the Government Gazette No 32141 of 17 April 2009 this report be submitted to the National Treasury and the relevant Provincial Treasury within five days of tabling of the report in the council, in both a Council approved document and in electronic format.
3. That Committee notes and approves the following:
 - 3.1 The operating surplus is **R 124.5 million** and the surplus after capital transfers and contributions is **R 232.9 million**.
 - 3.2 Cash & Cash Equivalents for the period ending 30 November 2022 is **R 212.5 million**
 - 3.3 Capital Expenditure for the period ending 30 November 2022 is **R 108.5 million**.
 - 3.4 Trade Payables for the period ending 30 November 2022 is **R 75.4 million**.
 - 3.5 Trade Receivables for the period ending 30 November 2022 is **R 796.9 million**.
 - 3.6 Outstanding borrowings as at 30 November 2022 is **R 175.6 million**.
 - 3.7 Unspent Conditional Grants for the period ending 30 November 2022 is **R 29.3 million**.
4. The Committee notes the total cash and cash equivalents of **R 212.5 million** translates to a positive cash coverage of **76.36 days** in line with the National Treasury norm of 30 – 90 days.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY



IN-YEAR MONITORING REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2022

1. Operating Budget

Summary financial performance report **SF1** for the period ending 30 November 2022 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 - M05 November

Description	2021/22	Budget Year 2022/23						
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands								
Financial Performance								
Property rates	-	-	-	-	-	-	-	-
Service charges	315 729	624 472	-	36 483	192 879	260 197	(67 318)	-26%
Investment revenue	3 479	2 859	-	589	3 640	1 191	2 449	206%
Transfers and subsidies	623 124	346 101	-	162	262 355	144 209	118 146	82%
Other own revenue	33 791	367 033	-	459	2 028	152 931	(150 902)	-99%
Total Revenue (excluding capital transfers and contributions)	976 123	1 340 465	-	37 694	460 902	558 527	(97 625)	-17%
Employee costs	278 348	258 671	-	33 230	116 273	107 780	8 494	8%
Remuneration of Councillors	11 531	12 114	-	1 249	5 906	5 047	859	17%
Depreciation & asset impairment	51 888	53 555	-	4 204	21 018	22 314	(1 296)	-6%
Finance charges	20 071	18 771	-	1 517	7 790	7 821	(31)	-0%
Inventory consumed and bulk purchases	163 766	227 286	-	1 006	17 145	94 702	(77 557)	-82%
Transfers and subsidies	9 158	7 500	-	-	3 750	3 125	625	20%
Other expenditure	456 226	365 914	-	97 988	167 251	152 554	14 697	10%
Total Expenditure	990 988	943 811	-	139 194	339 135	393 345	(54 210)	-14%
Surplus/(Deficit)	(14 865)	396 654	-	(101 500)	121 767	165 182	(43 415)	-26%
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	278 479	205 174	-	23 297	108 468	85 489	22 979	27%
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)	500	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	264 114	601 828	-	(78 203)	230 235	250 672	(20 436)	-8%

The operating revenue raised as at 30 November 2022 is **R 460.9 million** against the original budget of **R 1.34 billion** for the year and **R 558.5 million** for the period. This reflects a revenue rate of **34%** against the original budget, and **83%** against the year-to-date (YTD) budget.

As at 30 November 2022, the operating expenditure was **R 339.1 million** against the original budget of **R 943.8 million** and year to date budget of **R 393.3 million**. This reflects expenditure of **36%** against the original budget and **86%** of the year-to-date budget.

The resulting operating surplus for the period was **R 121.7 million** and the surplus after capital transfers and contributions is **R 230.2 million**.

UMGUNGUNDOVU DISTRICT MUNICIPALITY

Given that it is month five of the financial year we would anticipate an average of around 42% revenue generation and expenditure incurrence. The operating revenue and expenditure analysis against budget estimates is detailed below:

- *Service charges*
 - i. Service charges relating to water are below target at **32%** against the budget estimate.
 - ii. Service charges relating to sanitation are below target at **21%**.
 - iii. Interest on outstanding debtors is well below target at **6%** of the budget estimate

The average consumption continues to be monitored closely following the elimination of the flat rate charge as no historic patterns of consumption were available for budget purposes. Furthermore, the service provider has been engaged to investigate the interest charge allocations to ensure correctness and completeness.

- *Investment revenue*

This income is raised at **127%** of the budget estimate which is an over-performance. This is due to higher than anticipated interest on bank accounts further boosted by the short-term investment with Standard Bank which was not budgeted for.
- *Transfers and Subsidies*

Transfers and subsidies are **39%** when compared to allocations for the financial year. This is due to the receipt of the first tranche of the Equitable Share, the Local Government Financial Management Grant, and Expanded Public Works Programme Grant.
- *Other Revenue*

The other Revenue generated at an amount of R45 940 relates licencing services provided by the Environmental Health (Community Services).
- *Employee Related Costs*

The employee related costs slightly above the budget estimate at **45%** given the payment of bonuses in the current month.
- *Remuneration of Councillors*

The remuneration of Councillors is above the target at **49%** due to the change in status of a number Councillors from part-time to full-time. The budget estimated for Councillors remuneration is, therefore, a candidate for revision at adjustment budget stage.
- *Depreciation and Impairment*

The depreciation costs are within the budget estimate at **39%**.
- *Finance Costs*

The finance costs are in line with the budget estimate at **42%**.
- *Inventory Consumed*

This cost is below target at **8%** of the budget estimate.
- *Contracted Services*

This is in line with the budget estimate at **40%**.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

- *Transfers and Subsidies*
The allocation to the municipal entity has been transferred at **50%** of the amount approved by Council.
- *Other Expenditure*
These costs which include operating leases and other municipal running costs are within the budget estimates at **34%**.

Due to the pattern of spending varying based on municipal activities, the expenditure incurrence will be in line with such activities.

2. Capital Expenditure

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

Table 2

	MIG	WSIG	RRAMS	Internal Funding	Total
July	29 648 674	10 525 465		-	40 174 139
August	5 473 541	-		-	5 473 541
September	4 515 152	6 559 890		-	11 075 042
October	27 999 696	-	448 064	-	28 447 760
November	-	22 708 961	588 508	-	23 297 469
Total Expenditure-to-Date	67 637 063	39 794 316	1 036 572	-	108 467 952
Budget	116 867 000	85 600 000	2 707 000	1 800 000	206 974 000
% Spend	58%	46%	38%	0%	52%

The total original capital budget for the 2022/2023 financial year is **R 206.9 million**. This includes the allocations from the Municipal Infrastructure Grant (MIG) of **R 116.9 million**, the Water Services Infrastructure Grant (WSIG) of **R 85.6 million**, the Rural Roads Assets Management Grant (RRAMS) of **R 2.7 million**, and assets from internally generated funds of **R 1.8 million** for the commencement of the construction process for the Disaster Management Centre.

Year to date expenditure for MIG is **R 67.6 million** which represents **58%** of the original budget estimate.

WSIG expenditure to date is **R 39.8 million** which represents **46%** of the original budget estimate.

RRAMS expenditure to date remains at **R 1 million** which represents **38%** of the original budget estimate.

Year to date capital expenditure from internal funding is **R nil** represents **0%** of the total original budget.

Total capital expenditure to date is **R 108.5 million** or **52%** against the original budget.



UMGUNGUNDLOVU DISTRICT MUNICIPALITY

3. Employee Costs and Councillors' Allowances

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.

The total salaries budget for Councillors amounts to **R 12.1 million** while salaries budget for staff amounts to **R 258.7 million** resulting in a total salaries budget to **R 270.8 million**. This represents **29%** of the total operational budget which is within the norm of 25% - 40% in terms of National Treasury circular 71 of 2014.

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.

The actual staff salaries cost incurred, including Senior Managers, as at 30 November 2022 is spent at **45%** which amounts to **R 116.5 million** while the actual salaries cost for Councillors is spent at **49%** which amounts to **R 5.9 million** bringing the total salaries cost to date at **R 122.4 million** which represents **45%** of the total salaries budget and **36%** of the total operating expenditure which is within the norm of 25% - 40% in terms of National Treasury circular 71 of 2014. This ratio has flattened as follows since the commencement of the budget year:

July	Aug	Sept	Oct	Nov
58%	46%	44%	44%	36%

This ratio will continue to flatten with each month as and when the municipality incurs other categories of operational expenditure.

Although 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 within the district. Furthermore, the number of meetings held during the fiscal year varies to the number of meetings predicted at the time of the budget process.

The salaries and benefits paid to councillors in the month of September 2022 are based on the June 2022 promulgation which was effective for payment in the month of July 2021.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY



Table 3

DC22 uMgungundlovu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M05 November

Summary of Employee and Councillor remuneration	Ref	2021/22	Budget Year 2022/23							
		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		6,887	8,055	-	936	4,223	3,356	867	26%	-
Pension and UIF Contributions		477	243	-	32	162	101	61	60%	-
Medical Aid Contributions		266	95	-	18	110	40	71	178%	-
Motor Vehicle Allowance		-	-	-	-	-	-	-	-	-
Cellphone Allowance		858	964	-	76	373	402	(28)	-7%	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		3,043	2,756	-	188	1,037	1,149	(111)	-10%	-
Sub Total - Councillors		11,531	12,114	-	1,249	5,906	5,047	859	17%	-
% increase	4		5.1%							
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3,562	6,788	-	207	1,206	2,828	(1,622)	-57%	-
Pension and UIF Contributions		8	11	-	1	3	4	(1)	-33%	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		(87)	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		439	900	-	51	203	375	(172)	-46%	-
Cellphone Allowance		81	768	-	5	27	320	(293)	-92%	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		0	1	-	0	0	0	(0)	-71%	-
Payments in lieu of leave		-	-	-	193	193	-	193	#DIV/0!	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		4,004	8,468	-	458	1,632	3,528	(1,896)	-54%	-
% increase	4		111.5%							
Other Municipal Staff										
Basic Salaries and Wages		155,903	154,629	-	13,285	66,627	64,429	2,198	3%	-
Pension and UIF Contributions		32,485	28,451	-	2,771	13,902	11,855	2,048	17%	-
Medical Aid Contributions		13,221	10,249	-	1,116	5,536	4,270	1,266	30%	-
Overtime		7,496	1,089	-	420	1,693	454	1,239	273%	-
Performance Bonus		12,423	13,099	-	12,503	12,601	5,458	7,143	131%	-
Motor Vehicle Allowance		13,889	12,361	-	1,104	5,381	5,150	231	4%	-
Cellphone Allowance		58	697	-	5	24	290	(266)	-92%	-
Housing Allowances		1,366	1,423	-	119	597	593	4	1%	-
Other benefits and allowances		22,021	19,641	-	1,540	7,272	8,184	(912)	-11%	-
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		6,381	1,664	-	154	1,250	693	557	80%	-
Post-retirement benefit obligations	2	9,101	6,900	-	-	-	2,875	(2,875)	-100%	-
Sub Total - Other Municipal Staff		274,344	250,204	-	33,016	114,884	104,252	10,633	10%	-
% increase	4		-8.8%							
Total Parent Municipality		289,879	270,785	-	34,723	122,423	112,827	9,595	9%	-
Unpaid salary, allowances & benefits in arrears:										
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		289,879	270,785	-	34,723	122,423	112,827	9,595	9%	-
% increase	4		-6.6%							
TOTAL MANAGERS AND STAFF		278,348	258,671	-	33,473	116,516	107,780	8,737	8%	-

4. Conditional Grants

As at the 30 November 2022, a total of **R 122 million** of conditional grant allocations were received since 01 July 2022 whilst an additional **R 16.8 million**, which was received in the previous financial years, was available at the beginning of the period. The operating and capital grant utilisation of allocations received to date was at **16%** and **82%**, respectively. The overall conditional grant utilisation is at **79%** of available funds.

Table 4

Description	Opening Balance	Receipts	Total Available	Expenditure	Balance	Percentage
Operating Grants			0			
Finance Management Grant	0	1 200 000	1 200 000	188 547	1 011 453	15.71
Camperdown WWW	4 000 095	0	4 000 095	0	4 000 095	0.00
Public Transport Plan Grant	308 817		308 817	0	308 817	0.00
Expanded Public Works Programme Grant	0	572 000	572 000	733 787	-161 787	128.28
RASET & DGDS Grant	126 989	0	126 989	0	126 989	0.00
Geospatial Grant	35	0	35	0	35	0.00
IDP Spatial Development Grant	622 775	0	622 775	189 750	433 025	30.47
Spatial Development Framework Grant	212 825	0	212 825	0	212 825	0.00
Total Operating Grants	5 271 536	1 772 000	7 043 536	1 112 085	5 931 451	15.79
Capital Grants						
Water Services Infrastructure Grant	0	51 360 000	51 360 000	39 794 316	11 565 683	77.48
Municipal Infrastructure Grant	0	67 000 000	67 000 000	67 637 063	-637 063	100.95
ORIO Grant	11 550 860	0	11 550 860	0	11 550 860	0.00
Rural Roads Asset Management Grant	29	1 894 000	1 894 029	1 036 572	857 457	54.73
Accelerated Water Intervention Grant	3	0	3	0	3	0.00
Total Capital Grants	11 550 889	120 254 000	131 804 891	108 467 952	23 336 940	82.29
Total Grants	16 822 424	122 026 000	138 848 427	109 580 036	29 268 391	78.92

5. Cash and cash equivalents

The cash in bank as at 30 November 2022 amounted to **R 212.5 million**.

The cash coverage ratio as at 30 November 2022 is **2.55** based on average of R 72 million per month fixed operating expenditure. This indicates that the municipality as at 30 November 2022 has enough cash to run its operation for **76.36 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.

The Standard Bank Investment of **R 71.2 million** which matured in the previous month was transferred to the municipal primary bank account. We are currently analysing cashflows for the next few months to establish surplus funds available to be further invested to earn investment income

Table 5

Account Name	Account Number	Market value at the beginning of the month	Change in market value	Market value at the end of the month
Main Account	50940026773	186 841 057.8	25 119 072.5	161 721 985.3
Salaries Account	50940092196	24 717 795.4	7 810 840.2	32 528 635.6
Water Services Account	62023616462	1 952 147.1	10 970 766.8	12 922 914.0
NSTD Call Account	62215748289	600 025.5	3 024.8	603 050.3
Mandela Race Account	62411577193	829 114.3	2 289.3	831 403.6
Corporate Cheque Account	62597807125	1 231 380.5	1 456 531.5	2 687 912.0
Corporate Cheque Account	62243484417	3 321 072.7	3 321 072.7	0.0
Mandela ABSA	4094362410	1 231 380.5	803.5	1 230 577.0
Total Cash Balances		219 492 593.3	8 197 496.1	212 526 477.9

6. Borrowings

As at 30 November 2022, the loan book was at a total balance of **R 175.6 million**. The interest rate on the loan is **10.889%**. The debt to revenue ratio is **13%** against the projected operating revenue which is within the National Treasury norm of below 45%. The debt service to income ratio for the year indicates that the costs associated with the debt were funded by **1.68%** of the YTD operating income.

Table 6

Agreement Number	Project Description	Interest Rate %	Opening Balance at 01/11/2022	Add: Interest Accrued	Closing Balance at 30/11/2022
12007869	uMgungundlovu Various Water Projects	10.889	174 112 376	1 515 775	175 628 151

7. Creditors Age Analysis

The balance of trade payables as at 30 November 2022 was **R 75.4 million**.

A total of **R 44.9 million** or **60%** of invoices remained outside the compliance period of 30 days as at 30 November 2022 where **R39.7 million** relates to Umngeni Water Sewerage Services.

The municipality paid an amount of **R12 million** to Umngeni Water following the conclusion of the negotiations for sewerage services, the municipality continues to await the receipt of revised invoices and statement.

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

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 and must, therefore, ensure that all processes are followed before payments are processed. As a result, the Internal Audit is requested to verify payments on an ad hoc basis.

In the effort to reduce the amount owed to creditors, a detailed spreadsheet which indicates the status of each amount due for longer than 30 days is sent to every HOD, for their action, as to address issues that may have been identified.

Table 7

Creditors Age Analysis		
	Oct 22	Nov 22
0- 30 days	39 932	30 468
31-60 days	29 634	5 126
61-90 days	3 501	31 615
91-120 days	7 714	407
121-150 days	0	7 592
151-180 days	233	232
	81 014	75 440

Graph 1

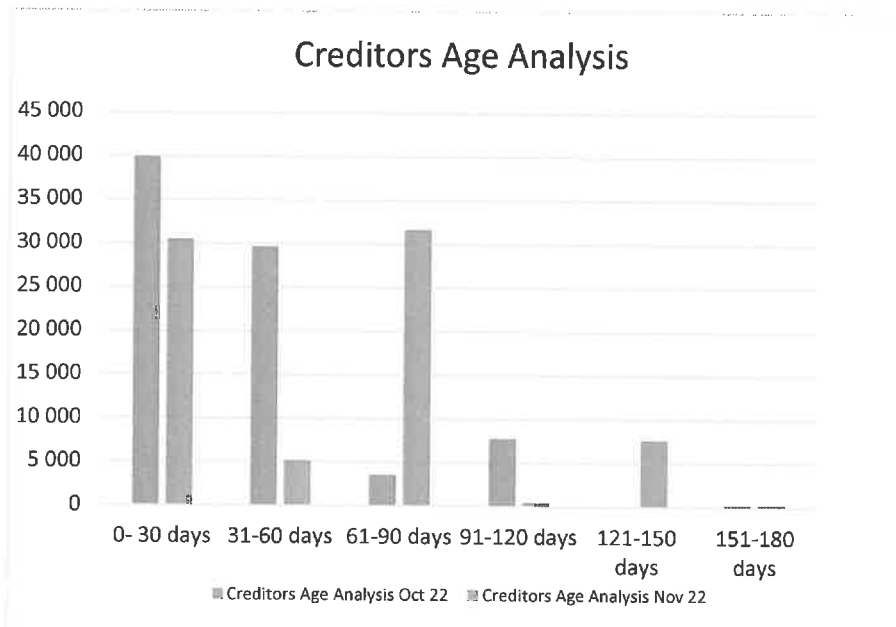


Table 8

The table below details the reasons for creditors owed more than 30 days.

Supplier	Balance	Comments
AQT01 (AQUA TRANSPORT AND PLANT HIRE)	4 530 443	The payments for Aqua are processed in batches. Their invoices were dated back as far as February 2022. There were delays on processing payments because of the disputed rate per km charged by Aqua, as well as the incorrect calculation of time sheets that were not tallying to the invoices
CRA0005 (CRAIG CHARLES HOWSON)	4 582	All the customer refund account are first investigated and reconciled by the revenue section before the refund is released to avoid paying the refund to an active customer.
NAS01 (EARLYWORKS 266)	109 602	The invoice was disputed by the user Department. According to the Department the intention to cancel the contract was communicated to the Supplier and they were given one month notice, the disputed invoice was then submitted subsequent to the cancellation of the contract. The matter has been referred to legal department
ESK01 (ESKOM HOLDINGS)	480 154	The Eskom payments are made through debit orders, however due to delays from Eskom on submitting the invoices, the account could not be reconciled timeously. Eskom has been engaged we were allocated the designated consultant and we are anticipating the improvement going forward.
HRL001 (HR LITHOGRAPHIC PRINTERS)	13 225	The supplier was paid, however there was a delay on processing the invoice due invoice that was initially redirected to the wrong user department for the payment authorisation and that was latter corrected
IMP002 (Impendle - KZ Local Municipality)	16 818	The Municipality is in the process of engaging all the local municipalities under UMDM with the intention of discussing and resolving the opening balances. We have already started with Msunduzi Municipality, and we are getting the assistance
ISI012 (ISIBUKO DEVELOPMENT PLANNERS)	148 178	The invoice was returned to the user Department. They are still working on it
JAD001 (JADE STAR TRADING)	103 459	The invoice was erroneously duplicated and was corrected. The Municipality does not owe the supplier
LEW0002 (LEWIS NEIL ROBERT)	900	This is the customer refund that was erroneously duplicated, the user Department has been engaged for the reversal of the transaction
LYT0002 (LYTHWOOD INVESTMENTS)	30 000	The supplier was paid; however, the payment of invoice was delayed due to delays on the submission of bank confirmation letter by the supplier.
MAR0042 (MARK ANDREW SHAW)	3 609	All the customer refund account are first investigated and reconciled by the revenue section before the refund is released to avoid paying the refund to an active customer.
MEM0003 (MEMOTEK TRADING)	155 485	The supplier was paid; however, the payment of invoice was delayed due to delays on the submission of bank confirmation letter by the supplier.
MIN0005 (MINDEN JULIAN ROSE GORDON)	3 716	All the customer refund account are first investigated and reconciled by the revenue section before the refund is released to avoid paying the refund to an active customer.
MSU0015 (MSUNDUZI MUNICIPALITY (00111053))	7 830	The Municipality was allocated with the designated official to assist us on resolving the opening balances. We have requested the detailed statements for all the municipal account

UMGUNGUNDLOVU DISTRICT MUNICIPALITY



MSU0016 (MSUNDUZI MUNICIPALITY (02057806))	80 109	The Municipality was allocated with the designated official to assist us on resolving the opening balances. We have requested the detailed statements for all the municipal account
OTI01 (OTIS)	34 190	We have requested the supplier statement from the supplier to reconcile the account
PKV001 (P K VALVES)	123 073	The payment was processed, the delays on by supplier to respond to queries delayed the payment
PCB01 (PIETERMARITZBURG AND MIDLANDS CHAMBER OF BUSINESS)	58 604	
POT0004 (POTGIETER KUNENE XABA)	196 542	The invoice was disputed by the user department, and they are working on it.
UMW (Umgeni Water)	17 683 195	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMG0035 (UMGENI WATER ACC (6001665/10152740))	8 769 619	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMG0036 (UMGENI WATER ACC (6001665/10279710))	608 850	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMG0037 (UMGENI WATER ACC (6001665/10279740))	1 618 527	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMG0034 (UMGENI WATER ACC (6001665/10279750))	2 268 948	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMG0038 (UMGENI WATER ACC (6001665/10279760))	5 366 793	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMG0033 (UMGENI WATER ACC (6001665/10279770))	3 360 034	The Municipality is owing uMngeni for sewer services only. The correspondence regarding the payment arrangement was sent to uMngeni with the purpose of requesting Umngeni to pay the debt over the period of six months starting from November. The Municipality has already paid 12% towards the debt for November period.
UMM01 (Umngeni Municipality)	1 546	The Municipality is in the process of engaging all the local municipalities under UMDM with the intention of discussing and resolving the opening balances. We have already started with some of the municipalities, and we are able to get the assistance

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

8. Billing Revenue and Debtors

Billing revenue for the month November 2022 was **R 48.2 million**. Actual collections during November 2022 were **R 24.5 million** which represented **52%** of the October 2022 billed revenue of **R 47.3 million**. The average collection rate for the current year is 50% compared to 51% for the same period in the previous financial year. The continuous resolving of customer queries and strict enforcement of the credit control and debt collection policy is anticipated to improve collection in the current financial year.

The percentage of collection for Water Schemes decreased to **5%** in the current month when compared to the **7%** in the previous month. Strategies are continuously explored to improve the collection from these areas, the indigent drive being at the forefront in these areas.

8.1 Billing Summary: September 2022 to November 2022

Table 8

The table below details the Monthly **Billing per Area** for the 2022/2023 financial year.

Area	September 2022	October 2022	November 2022
uMshwathi	4,084,364.22	3,543,050.54	3,263,928.55
uMngeni	20,293,194.31	20,201,607.53	18,538,894.03
Mpofana	3,334,429.20	3,812,676.17	3,891,691.74
iMpendle	717,184.01	701,298.32	701,057.19
Mkhambathini	961,163.57	1,106,261.35	858,045.35
Richmond	2,374,462.41	2,494,610.09	1,798,247.84
Water Schemes	6,098,539.40	5,705,669.91	5,987,346.14
Bulk Customers	14,540,405.45	9,760,245.85	13,241,065.17
Total	52,403,742.57	47,325,419.76	48,280,276.01

8.2 Credit Control and Debt Collection: Billing vs Receipts

Table 9

The table below details financial year to date **Monthly Billing against the Receipts** for the 2022/2023 financial year.

BILLING VS RECEIPTS				
Month	Billing	Receipts	Collection %	Comment
July 2022	44,905,041.29	24,807,007.87	55%	
August 2022	46,546,788.32	20,442,933.00	44%	
September 2022	52,403,742.57	28,262,863.85	54%	
October 2022	47,325,419.76	24,494,476.31	52%	
November 2022	48,280,276.01			

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Month	Billing	Receipts
Jul-22	44,905,041	24,807,008
Aug-22	46,546,788	20,442,933
Sep-22	52,403,743	28,262,863.00
Oct-22	47,325,420	24,494,476.31

Graph 2

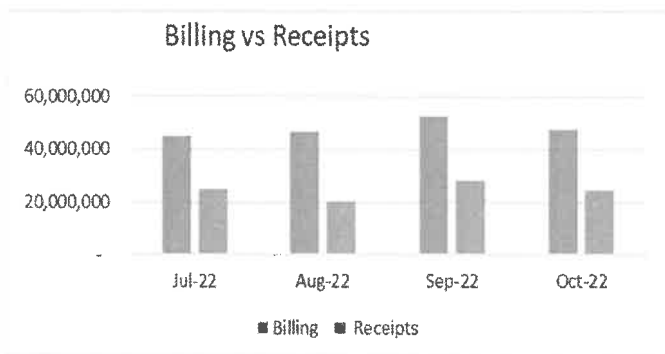


Table 10

The table below details the **Classification of Receipts** for November 2022

Basis of Receipts	Nov-22
Direct Deposits	19,158,361.59
Easy Pay	2,921,528.48
Post Office	856,359.17
Customer Care	1,101,268.59
Manual Receipts	456,958.48
Total	24,494,476.31

Table 11

The table below details **Customer Category Receipts** for November 2022.

Customer Classification	Nov-22
Government	7,501,124.67
Business	7,256,365.21
Households	9,458,145.69
Indigent Households	13,256.24
Church	258,325.26
Councillors	7,259.24
Total	24,494,476.31

UMGUNGUNDLOVU DISTRICT MUNICIPALITY



Table 12

The table below indicates the comparison of collection rate between 2021/2022 financial year and 2022/2023 financial year

2021/2022 Financial Year				2022/2023 Financial Year			
Month	Billing	Receipts	Collections %	Month	Billing	Receipts	Collections %
Jul-21	24,130,360	16,599,637	49%	Jul-22	44,905,170	24,807,008	55%
Aug-21	34,088,135	15,821,733	47%	Aug-22	46,546,788	20,442,933	44%
Sep-21	33,133,597	19,373,530	58%	Sep-22	52,403,743	28,262,864	54%
Oct-21	26,406,763	13,316,326	50%	Oct-22	48,280,276	24,494,476	52%
Average Collection Rate for 2021/2022			51%	Average Collection Rate for 2022/2023			50%

Table 13

The table below details the percentage of collection per customer classification

	SALES RAISED	RECEIPTS	% COLLECTION
Howick	10,258,365.26	8,951,524.36	87%
Tumbleweed	120,215.36	21,256.36	18%
Lidgeton	191,265.69	9,236.25	5%
Hilton	5,283,067.23	4,087,569.59	77%
Mpophomeni	1,995,365.29	153,487.59	8%
Bulk	10,958,265.58	7,266,384.66	66%
Mpofana	2,887,596.29	1,578,569.58	55%
Mpofana- Brunt	1,458,265.28	71,259.36	5%
Richmond	2,789,895.26	660,145.36	24%
uMshwathi	3,987,215.26	711,265.36	18%
uMkhambathini	1,669,478.28	712,365.29	43%
iMpendle	2,158,267.29	93,147.26	4%
Water Schemes	3,568,157.69	178,265.29	5%
Total	47,325,419.76	24,494,476.31	52%

Table 14

The table below details a breakdown of September 2022 billing and October 2022 receipts for Water Schemes taken over from Umgeni Water.

Water Schemes	Sales Raised	Receipts	% Collection	Comment
Hopewell	133,215.36	1,600.36	1%	Rural Scheme
Manyavu	310,256.36	21,365.29	10%	Rural Scheme
Intermediate Cross	31,256.32	14,562.36	22%	Farm Scheme
Swayimana	320,145.59	240.29	0%	Rural Scheme
Table Mountain	260,147.59	21,365.29	3%	Rural Scheme
Whispers	150,265.89	19,458.59	11%	Farm Scheme
Camperdown	218,359.58	46,258.19	40%	Farm Scheme
Birnoum Wood	209,128.36	10,459.58	7%	Farm Scheme
Claridge	918,785.69	14,268.26	1%	Farm Scheme
Efaye	212,456.58	-	0%	Rural Scheme
Cuphulaka	250,236.59	-	0%	Rural Scheme
Mayizekanye	260,145.29	6,569.25	5%	Rural Scheme
Mpolweni	293,758.49	22,117.83	1%	Rural Scheme
Total	3,568,157.69	178,265.29	5%	

8.3 Debtors Age Analysis

The debtors book value as at 30 November 2022 amounted to **R 796.9 million**. A total of **R 753 million** or **95%** relates to amounts owing for more than 90 days.

Table 15

Debtors Age Analysis by Customer Group			
Category	Total	Total > 90 days	% > 90 days
Organs of State	57 305 811	41 722 478	73%
Commercial	44 619 764	26 120 622	59%
Households	612 170 569	604 704 594	99%
Other	82 800 058	80 435 824	97%
Total	796 896 202	752 983 518	94%

UMGUNGUNDLOVU DISTRICT MUNICIPALITY



Table 16

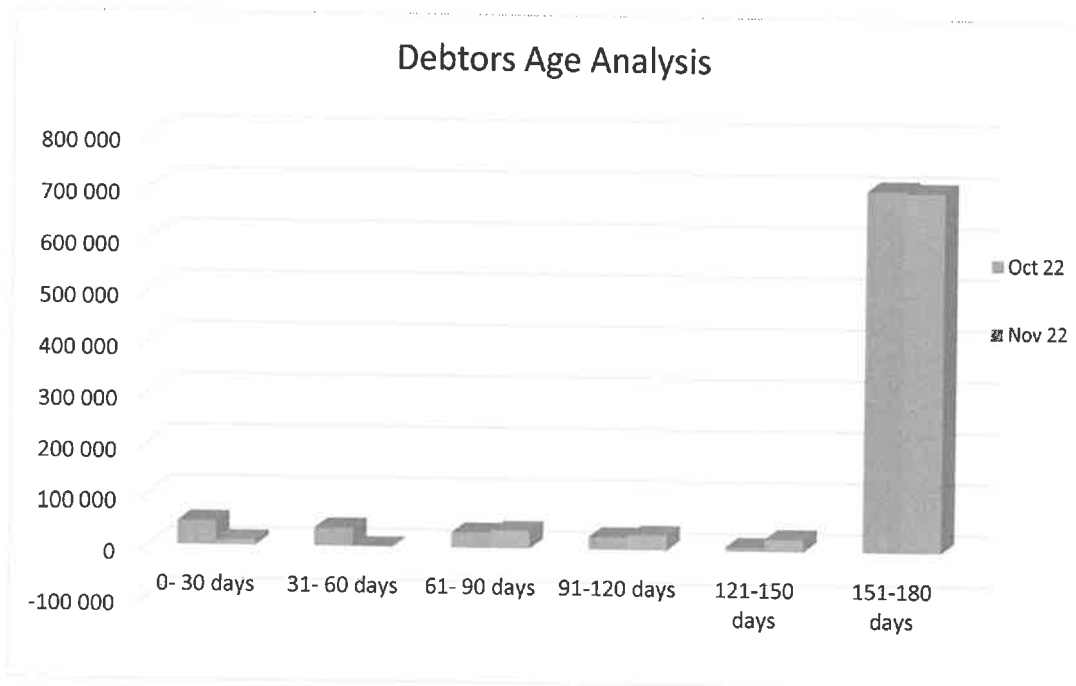
DC22 uMgungundlovu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M05 November

Description	NT Code	Budget Year 2022/23									Total	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	25,063	3	30,791	25,250	21,554	7,140	90,241	386,639	586,683	530,825	
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	7,775	26	2,711	2,317	1,988	1,092	6,358	55,574	77,841	67,329	
Receivables from Exchange Transactions - Waste Management	1600	(22,017)	-	-	-	-	-	-	2,420	(19,597)	2,420	
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	(645)	(543)	587	(602)	(602)	
Interest on Arrear Debtor Accounts	1810	930	0	619	601	525	334	14,149	134,254	151,411	149,852	
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	
Other	1900	(1,774)	(136)	(79)	465	(71)	(6)	206	2,556	1,161	3,150	
Total By Income Source	2000	9,977	(107)	34,043	28,633	23,996	7,915	110,410	582,029	796,896	752,984	
2021/22 - totals only												
Debtors Age Analysis By Customer Group												
Organs of State	2200	13,144	0	2,439	1,854	2,020	1,278	8,548	28,023	57,306	41,722	
Commercial	2300	13,637	-	4,862	1,156	623	673	5,905	17,763	44,620	26,121	
Households	2400	(16,131)	(120)	23,717	22,214	19,069	4,989	82,256	476,176	612,171	604,705	
Other	2500	(673)	13	3,024	3,410	2,284	974	13,701	60,067	82,800	80,436	
Total By Customer Group	2600	9,977	(107)	34,043	28,633	23,996	7,915	110,410	582,029	796,896	752,984	

Table 17

Debtors Age Analysis		
	Oct 22	Nov 22
0- 30 days	46 806	9 977
31- 60 days	35 074	-107
61- 90 days	29 139	34 043
91-120 days	24 326	28 633
121-150 days	7 564	23 996
151-180 days	704 244	700 354
TOTAL	847 153	796 896

Graph 3



UMGUNGUNDLOVU DISTRICT MUNICIPALITY



Table 18

The table below details the age analysis for customers grouped as UMDM staff members as at 30 November 2022.

Customer	Current	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	Balance
5922411911	394.31	385.39	384.89	335.72	335.51	59.34	12,580.61	14,475.77
5922411528	764.76	746.26	745.28	978.69	978.98	501.37	25,082.19	29,797.53
5922721404	496.79	480.88	480.26	479.95	479.64	323.88	24,209.35	26,950.75
5922316386	1,030.00							1,030.00
5922111502	4,833.77	4,809.80	4,803.44	3,292.49	3,290.32	1,934.40	18,477.88	41,442.10
5922251794	-1,271.04	1,834.01	611.11					1,174.08
5922227305	1,080.67	1,080.67	1,080.67	905.13	475.26	945.77	9,251.27	14,819.44
5922711631	222.10	216.51	261.33	216.84	216.70	217.49	6,788.50	8,139.47
5922251326	791.14	28.99						820.13
5922111593	1,851.98	9,386.31	1,739.92	1,039.17	1,038.49	1,092.24	8,586.60	24,734.71
5922262141	499.57	482.17	481.55	481.24	480.93	325.17	24,670.78	27,421.41
5922193001	466.65	466.65	466.65	466.65	466.65	311.10	11,291.63	13,935.98
5922411939	492.35	478.80	478.18	477.87	477.56	321.80	19,314.67	22,041.23
5922645000	466.65	466.65	466.65	466.65	466.65	311.10	5,111.77	7,756.12
5922314131	0.05	0.03	0.03	0.03	0.03	0.03	70.43	70.63
5922232755	478.82	472.48	471.86	471.55	471.24	315.49	7,133.25	9,814.69
5922411620	503.21	483.88	483.26	482.95	482.64	326.88	29,145.52	31,908.34
5922711578	98.62	132.25	132.07	87.66	131.95	61.41	15,039.13	15,683.09
5922274100	295.68							295.68
5922192292	484.87	475.31	474.69	474.38	474.07	318.31	12,199.01	14,900.64
5922711840	-1,000.00						-1,824.76	-2,824.76
5922711660	1,338.66	1,000.87	1,170.85	1,681.76	1,169.03	363.39	101,548.88	108,273.44
5922226809	501.63	483.13	482.51	482.20	481.89	326.13	28,240.76	30,998.25
5922262474	503.83	484.16	483.54	483.23	482.92	327.16	29,302.79	32,067.63
5922192290	491.45	478.38	477.76	477.45	477.14	321.38	18,521.25	21,244.81
5922411734	501.65	483.14	482.52	482.21	481.90	326.14	28,461.16	31,218.72
5922213319	223.83	211.28	211.11	166.69	5,183.75	2,480.60	143,538.23	152,015.49
5922113000	493.74	2,468.30	337.73	631.05	630.63	60.74	13,524.65	18,146.84
5922317749	1,729.19	2,085.26	1,366.27	818.26	123.71	1,557.33	77,770.72	85,450.74
5922213198		-921.59	-24,801.26					-25,722.85
5922741014	3,057.93	6,357.02	2,444.97	2,671.17	1,519.56	30,889.71	43,130.82	90,071.18
5922193002	466.65	466.65	466.65	466.65	466.65	311.10	11,038.64	13,682.99
5922193000	466.65	466.65	466.65	466.65	466.65	311.10	11,582.23	14,226.58
5922251800	10.30							10.30
5922213962	1,026.17	1,024.38	1,022.19	786.81				3,859.55
Totals:	23,792.63	37,514.67	-1,826.67	20,271.10	21,750.45	44,640.56	44,640.56	879,930.70

UMGUNGUNDLOVU DISTRICT MUNICIPALITY

Table 19

The table below details the age analysis for customers grouped as Councillors as at 30 November 2022.

Customer	Current	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	Balance
5922711459	1,762.53	2,201.54	2,769.01	1,596.61	1,759.31	962.35	19,379.22	30,430.57
5922261941	469.26	468.55	468.44	341.56				1,747.81
5922193491	622.13	622.13	78.41	573.17	78.41	382.09	19,356.00	21,712.34
5922741442	848.45	710.15						1,558.60
5922275001	905.13	524.22						1,429.35
5922212236	549.31	536.11	535.41	583.98	583.60	359.64	21,827.76	24,975.81
5922212475	437.20	436.10	435.53	435.25	1,446.97	291.98	13,726.41	17,209.44
5922111569	315.56							315.56
5922712351	390.53	536.09	487.22	191.63	486.79	615.80	19,800.70	22,508.76
5922224497	1,151.06	1,506.62	1,991.91	1,341.09	163.24	3,057.86	148,861.05	158,072.83
Totals:	7,451.16	7,541.51	6,765.93	5,063.29	4,518.32	5,669.72	5,669.72	279,961.07

Letters of demand have been sent to all staff and councillors with outstanding amounts where some individuals have acknowledged such debt and made payment arrangements. Those who have not come forward are in the process of being disconnected and monies owed will be deducted from their salaries. This must include current account and a portion of arrears not longer than 36 months.

9. IN-YEAR BUDGET STATEMENT TABLES: NOVEMBER 2022 REPORT

The preliminary financial results for the period ended 30 November 2022 (i.e., 5th month of the 2022/2023 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

10. 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**

FINANCIAL SERVICES DEPARTMENT

PRELIMINARY IN-YEAR FINANCIAL REPORT (MONTHLY BUDGET STATEMENT) FOR THE PERIOD ENDING 30 NOVEMBER 2022

REPORT CHECKED AND PASSED FOR SUBMISSION TO: **FINANCE COMMITTEE**

	COMPREHENSIVENESS (FACTS, COMMENTS, RECOMMENDATIONS ANNEXURES) (√)	CORRECTNESS (√)	QUALITY (√)
MANAGER: BUDGET AND REPORTING MISS L NGUBANE SIGNATURE: <i>[Signature]</i> DATE: 14/12/22	(√)	(√)	(√)
ACTING MANAGER: REVENUE AND DEBTORS MR J CELE SIGNATURE: DATE:	(√)	(√)	(√)
ACTING MANAGER: EXPENDITURE AND PAYROLL MS. N GIXANE SIGNATURE: DATE:			
HEAD OF DEPARTMENT: CHIEF FINANCIAL OFFICER: SIPHO NDABANDABA SIGNATURE: <i>[Signature]</i> DATE: 14/12/22	(√)	(√)	(√)

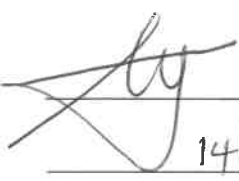


Municipal Manager's quality certification

I, Nosipho Mkhize, Acting 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 **November 2022** has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Mrs. ND Mkhize

Acting Municipal Manager: uMgungundlovu District Municipality

Signature:  _____
Date: 14/12/2022

Print name: Cllr M. Zuma

Mayor: uMgungundlovu District Municipality

Signature: _____

Date: _____