

# UMGUNGUNDLOVU DISTRICT MUNICIPALITY



## IN-YEAR MONITORING REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

### 1. Operating Budget

Summary financial performance report **SF1** for the period ending 31 December 2021 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 - M06 December									
Description	2020/21	Budget Year 2021/22							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
<b>R thousands</b>								%	
<b>Financial Performance</b>									
Property rates	-	-	-	-	-	-	-		-
Service charges	297,450	366,595	-	26,414	160,623	183,297	(22,674)	-12%	366,595
Investment revenue	2,907	548	-	154	1,378	274	1,104	403%	548
Transfers and subsidies	585,531	611,851	-	204,736	468,168	305,925	162,242	53%	611,851
Other own revenue	63,766	13,936	-	6,859	29,310	6,968	22,342	321%	13,936
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>949,654</b>	<b>992,929</b>	<b>-</b>	<b>238,164</b>	<b>659,478</b>	<b>496,465</b>	<b>163,014</b>	<b>33%</b>	<b>992,929</b>
<b>Expenditure</b>									
Employee costs	265,771	275,256	-	23,118	140,232	137,628	2,604	2%	275,256
Remuneration of Councillors	11,691	12,957	-	1,226	5,565	6,478	(913)	-14%	12,957
Depreciation & asset impairment	51,582	44,590	-	-	20,094	22,295	(2,201)	-10%	44,590
Finance charges	21,033	20,120	-	1,676	10,085	10,060	25	0%	20,120
Inventory consumed and bulk purchases	25,940	278,588	-	3,937	17,627	580	17,047	2937%	1,161
Transfers and subsidies	6,500	7,958	-	594	5,179	3,979	1,200	30%	7,958
Other expenditure	421,244	210,527	-	11,625	105,451	105,263	188	0%	210,527
<b>Total Expenditure</b>	<b>803,762</b>	<b>849,995</b>	<b>-</b>	<b>42,176</b>	<b>304,234</b>	<b>286,284</b>	<b>17,950</b>	<b>6%</b>	<b>572,568</b>
<b>Surplus/(Deficit)</b>	<b>145,892</b>	<b>142,934</b>	<b>-</b>	<b>195,987</b>	<b>355,244</b>	<b>210,180</b>	<b>145,064</b>	<b>69%</b>	<b>420,361</b>

The revenue raised as at 31 December 2021 is **R659.5 million** against the original budget of **R 992.9 million** for the year and **R 496.5 million** for the period. This reflects a revenue rate of **66%** against the original budget and **132%** against the year-to-date (YTD) original budget.

The operating expenditure as at 31 December 2021 was **R304.2 million** against the original budget of **R849.9 million** and year to date budget of **R 286.3 million**. This reflects YTD expenditure of **106%** and **36%** of the original budget. The operating surplus for the period was **R 355.2 million**.



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

- Service charges below target by 12%.
- Interest on outstanding debtors is 321% above target.
- Transfers and subsidies are 53% above target due to the receipt of the first and second tranche of the Equitable Share and other grants.
- Investment revenue is 403% above target. The municipality does not have excess funds to be invested. The investment that the municipality holds as security for the DBSA loan is due for renewal in September 2022.

### 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**

Funding Source	Original Budget 2021 /2022	Expenditure as at 31 December 2021	% Spent
MIG	107 893 000.00	106 383 469.57	98.60
WSIG	85 000 000.00	48 104 091.29	56.59
RRAMS	2 586 000.00	0.00	0.00
	195 479 000.00	154 487 560.86	79.03
<b>LESS NON CAPITALISED PROJECTS</b>			
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>195 479 000.00</b>	<b>154 487 560.86</b>	<b>79.03</b>

The total original capital budget for the 2021/ 2022 financial year is **R 195.5 million**. This includes the allocations from the Municipal Infrastructure Grant (MIG) of **R 107.9 million**, the Water Services Infrastructure Grant (WSIG) of **R 85 million** and the Rural Roads Assets Management Grant (RRAMS) of **R 2.6 million**.

Year to date expenditure for MIG is **R 106.4 million**, WSIG is **R 48.1 million** and RRAMS is nil. This represents **79.03%** of the total original budget.



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### 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 12.9 million** while salaries budget for staff amounts to **R 275.3 million**. This brings the total salaries budget to **R 288.2 million**, which represents **34%** of the total operational budget. This 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 31 December 2021 is spent at **50%** which amounts to **R 140.2 million** while the actual salaries cost for Councillors is spent at **42%** which amounts to **R 5.6 million**. Therefore, total salaries cost to date is **R 145.7 million** which represents **51%** of the total salaries budget.

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 financial year generally 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 December 2021 are still based on the December 2018 promulgation which was effective for payment in the month of July 2018.

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**Table 3**

**DC22 uMgungundlovu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December**

Summary of Employee and Councillor remuneration	Ref	Budget Year 2021/22								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
	1	A	B	C						D
<b>Councillors (Political Office Bearers plus Other)</b>										
Basic Salaries and Wages		6,917	8,375	–	795	3,368	4,188	(820)	-20%	8,375
Pension and UIF Contributions		695	696	–	12	266	348	(81)	-23%	696
Medical Aid Contributions		255	221	–	5	121	111	11	10%	221
Motor Vehicle Allowance		–	–	–	–	–	–	–	–	–
Cellphone Allowance		841	864	–	107	403	432	(30)	-7%	864
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		2,983	2,800	–	307	1,407	1,400	7	1%	2,800
<b>Sub Total - Councillors</b>		<b>11,691</b>	<b>12,957</b>	<b>–</b>	<b>1,226</b>	<b>5,565</b>	<b>6,478</b>	<b>(913)</b>	<b>-14%</b>	<b>12,957</b>
<b>% increase</b>	4		<b>10.8%</b>							<b>10.8%</b>
<b>Senior Managers of the Municipality</b>	3									
Basic Salaries and Wages		4,667	5,609	–	232	2,158	2,804	(646)	-23%	5,609
Pension and UIF Contributions		67	9	–	1	5	4	1	15%	9
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		(45)	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		478	480	–	37	231	240	(9)	-4%	480
Cellphone Allowance		101	86	–	5	49	43	5	13%	86
Housing Allowances		–	–	–	–	–	–	–	–	–
Other benefits and allowances		1	–	–	0	0	–	0	#DIV/0!	–
Payments in lieu of leave		–	–	–	–	40	–	40	#DIV/0!	–
Long service awards		6	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–	–	–
<b>Sub Total - Senior Managers of Municipality</b>		<b>5,273</b>	<b>6,184</b>	<b>–</b>	<b>275</b>	<b>2,483</b>	<b>3,092</b>	<b>(609)</b>	<b>-20%</b>	<b>6,184</b>
<b>% increase</b>	4		<b>17.3%</b>							<b>17.3%</b>
<b>Other Municipal Staff</b>										
Basic Salaries and Wages		144,536	145,899	–	13,867	76,327	72,949	3,378	5%	145,899
Pension and UIF Contributions		32,228	32,461	–	2,708	16,401	16,231	170	1%	32,461
Medical Aid Contributions		13,061	12,489	–	1,002	6,371	6,245	126	2%	12,489
Overtime		9,120	8,438	–	751	4,061	4,219	(158)	-4%	8,438
Performance Bonus		12,127	12,907	–	–	12,215	6,453	5,762	89%	12,907
Motor Vehicle Allowance		20,968	21,074	–	1,142	7,483	10,537	(3,054)	-29%	21,074
Cellphone Allowance		29	1,426	–	5	29	713	(684)	-96%	1,426
Housing Allowances		1,314	1,386	–	108	681	693	(12)	-2%	1,386
Other benefits and allowances		22,397	23,972	–	1,542	10,983	11,986	(1,003)	-8%	23,972
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		6,190	9,020	–	1,312	2,794	4,510	(1,716)	-38%	9,020
Post-retirement benefit obligations	2	(1,473)	–	–	–	–	–	–	–	–
<b>Sub Total - Other Municipal Staff</b>		<b>260,497</b>	<b>269,072</b>	<b>–</b>	<b>22,437</b>	<b>137,343</b>	<b>134,536</b>	<b>2,807</b>	<b>2%</b>	<b>269,072</b>
<b>% increase</b>	4		<b>3.3%</b>							<b>3.3%</b>
<b>Total Parent Municipality</b>		<b>277,461</b>	<b>288,213</b>	<b>–</b>	<b>23,938</b>	<b>145,391</b>	<b>144,106</b>	<b>1,285</b>	<b>1%</b>	<b>288,213</b>
<b>Unpaid salary, allowances &amp; benefits in arrears:</b>										
<b>Sub Total - Other Staff of Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>% increase</b>	4									
<b>Total Municipal Entities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>277,461</b>	<b>288,213</b>	<b>–</b>	<b>23,938</b>	<b>145,391</b>	<b>144,106</b>	<b>1,285</b>	<b>1%</b>	<b>288,213</b>
<b>% increase</b>	4		<b>3.9%</b>							<b>3.9%</b>
<b>TOTAL MANAGERS AND STAFF</b>		<b>265,770</b>	<b>275,256</b>	<b>–</b>	<b>22,712</b>	<b>139,826</b>	<b>137,628</b>	<b>2,198</b>	<b>2%</b>	<b>275,256</b>

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### 4. Conditional Grants

As at the 31 December 2021, a total of **R 161.9 million** of conditional grants was received since 1 July 2021 whilst an additional **R 18.5 million**, which was received in the previous financial year, was available at the beginning of the period. A total of **R 156.7 million** was spent as at 31 December 2021. The operating grant utilisation is at **23.6%** and the capital grant utilisation was **90.4%** of allocations received. Overall grant utilisation is at **86.9%**.

**Table 4**

Description	Opening Balance	Receipts	Total receipts	Expenditure	Balance	Percentage
<b>Operating Grants</b>			0			
FMG	0	1,000,000	1,000,000	467,551	532,449	46.76
PTP	308,817		308,817	0	308,817	0.00
EPWP	114,683	1,609,000	1,723,683	980,008	743,675	56.86
Camperdown WWW	4,000,095		4,000,095	0	4,000,095	0.00
SETA Grants	0		0	0	0	0.00
RASET GRANT	0		0	0	0	0.00
DGDS GRANT	126,989		126,989	0	126,989	0.00
DPSS GRANT	0		0	0	0	0.00
GEOPlanning	856,213		856,213	696,735	159,478	81.37
IDP SPATIAL DEVELOPMENT FRAMEWORK	848,175		848,175	115,000	733,175	13.56
SPATIAL DEVELOPMENT FRAMEWORK	706,750		706,750	0	706,750	0.00
<b>Total Operating Grants</b>	<b>6,961,722</b>	<b>2,609,000</b>	<b>9,570,722</b>	<b>2,259,295</b>	<b>7,311,427</b>	<b>23.61</b>
<b>Capital Grants</b>						
WSIG	0	65,000,000	65,000,000	48,104,091	16,895,909	74.01
MIG	0	92,551,000	92,551,000	106,383,470	-13,832,470	114.95
Orio	11,550,860		11,550,860	0	11,550,860	0.00
RRAMS	0	1,810,000	1,810,000	0	1,810,000	0.00
<b>Total Capital Grants</b>	<b>11,550,860</b>	<b>159,361,000</b>	<b>170,911,860</b>	<b>154,487,561</b>	<b>16,424,299</b>	<b>90.39</b>
<b>Total Grants</b>	<b>18,512,582.14</b>	<b>161,970,000.00</b>	<b>180,482,582.14</b>	<b>156,746,855.56</b>	<b>23,735,726.58</b>	<b>86.85</b>

### 5. Cash and cash equivalents

An amount of **R 16 721** as accrued in investment interest income for the month of December 2021. The cash in bank as at 31 December 2021 amounted to **R 214.3 million** and investments amounted to **R 3.8 million** resulting in a total cash and cash equivalents balance of **R 218.2 million**. The average interest rate on investment is at **5.25%**. The cash coverage ratio as at 31 December 2021 is **2.72** based on average of R 70 million per month fixed operating expenditure. This indicates that the municipality as at 31 December 2021 has enough cash to run its operation for **81.69 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 (30 – 90 days).

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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	Fixed deposit	2022/09/07	16 721	5.25%	3 795 848	16 721	3 812 569

Table 6

Bank Accounts	Account Number	Market value at the beginning of the month	Change in market value	Market value at the end of the month
		R 0.00	R 0.00	R 0.00
Main Account	50940026773	11,500,211.32	84,929,406.77	96,429,618.09
Salaries Account	50940092196	48,811,817.32	51,722,114.98	100,533,932.30
Water Services Account	62023616462	33,056,470.13	-21,501,613.54	11,554,856.59
NSTD Call Account	62215748289	577,920.26	1,543.76	579,464.02
Mandela Race Account	62411577193	813,188.11	384.21	813,572.32
UMDM MIG (Dbsa) Account	62400041985	0.00	0.00	0.00
Mandela ABSA	62597807125	1,234,993.78	-74.00	1,234,919.78
Corporate Cheque Account	62243484417	3,191,792.75	9,238.53	3,201,031.28
Public Sector Cheque Account		0.00	0.00	0.00
<b>Total Cash Balances</b>		<b>99,186,393.67</b>	<b>115,161,000.71</b>	<b>214,347,394.38</b>

Table 6 above excludes an investment of **R 3.75 million** held with FNB as a security for the long-term borrowings (DBSA Loan).

## 6. Borrowings

As at 31 December 2021, the loan book was at a total balance of **R 189.4 million**. The average interest rate on remaining loan is **10.889%**. The debt to revenue ratio is projected at **19.07%** which is within the treasury norm of below 45%. The debt service to income ratio indicates that the costs associated with the debt was funded by **0.70%** of the operating income in the month of December 2021.

Table 7

LOANS REGISTER : DEVELOPMENT BANK OF SOUTH AFRICA (DBSA) DECEMBER 2021					
Agreement Number	Project Description	Interest Rate %	Opening Balance at 01/10/2021	Add: Interest Accrued	Closing Balance at 30/11/2021
12007869	uMgungundlovu Various Water Projects	10.889	187 721 892.85	1 674 638.16	189 396 531.01
			187 721 892.85	1 674 638.16	189 396 531.01

## 7. Creditors Age Analysis

The balance of trade payables as at 31 December 2021 was **R 87 million**.

A total of **R 50.3 million** or **58%** of invoices remained outside the compliance period of 30 days as at 31 December 2021.

For effective financial management, 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. The procedure manual is currently under review.

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 ad hoc 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 is sent to every HOD, for their action, as to resolve issues that may have been raised by the Accounting Officer.

Generally Recognised Accounting Practise (GRAP) Standards require that payments be reflected in the period in which they were made, therefore, accounts payable balances as at 30 June 2021 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 relevant contracts to allow for the finalisation of valid contracts through supply chain processes. This exercise will assist in preventing irregular expenditure.

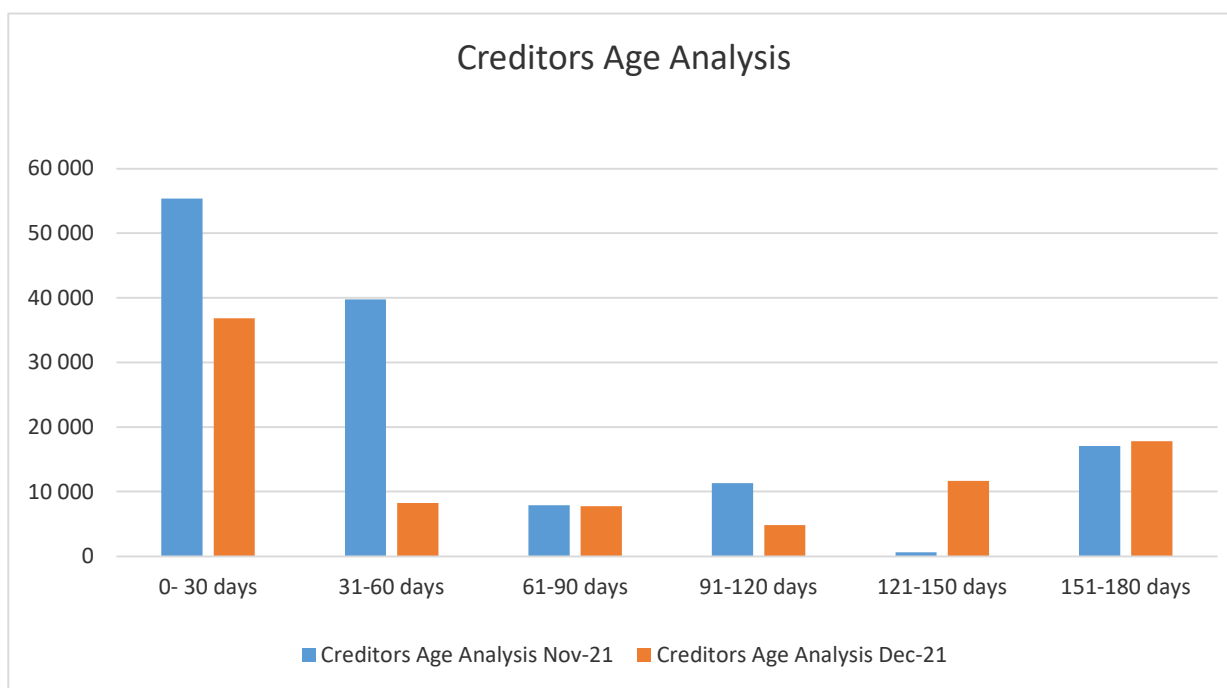
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As most Eskom accounts have payment terms which are much lower than 30 days, interest on late payment is unavoidable. In order to alleviate this problem, the Eskom accounts were switched to debit order system and the process to transfer all accounts to a debit order method of payment is under way. The benefit of the use of a debit order system is the prevention of fruitless and wasteful expenditure in the form of interest on late payment as well as reductions in power cuts which result in service interruptions.

**Table 8**

Creditors Age Analysis		
	Nov-21	Dec-21
0- 30 days	55,364	36,823
31-60 days	39,742	8,259
61-90 days	7,884	7,730
91-120 days	11,325	4,806
121-150 days	630	11,674
151-180 days	17,063	17,789
	<b>132,008</b>	<b>87,081</b>

**Graph 1**





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### 8. Billing Revenue and Debtors

#### 8.1 Billing Summary: July 2021 to December 2021

**Table 9**

The table below details the **Monthly Billing per Area** for the 2021/2022 financial year.

Area	September 2021	October 2021	November 2021	December 2021
uMshwathi	2,590,118.33	1,000,545.49	1,586,761.11	2,341,929.43
uMngeni	12,223,052.63	10,498,828.00	11,997,687.32	11,271,753.09
Mpofana	3,023,453.07	2,342,783.54	2,148,705.61	2,730,714.23
iMpendle	383,089.19	379,630.74	507,645.99	410,781.82
Mkhambathini	939,676.68	598,759.55	802,810.71	670,452.74
Richmond	1,517,864.60	1,355,783.50	1,560,313.26	1,364,103.91
Water Schemes	3,994,363.74	3,995,792.61	4,214,675.05	6,535,459.97
Bulk Customers	8,461,979.37	6,234,639.66	6,215,007.67	4,286,141.97
<b>Total</b>	<b>33,133,597.61</b>	<b>26,406,763.09</b>	<b>29,033,606.76</b>	<b>29,611,337.16</b>

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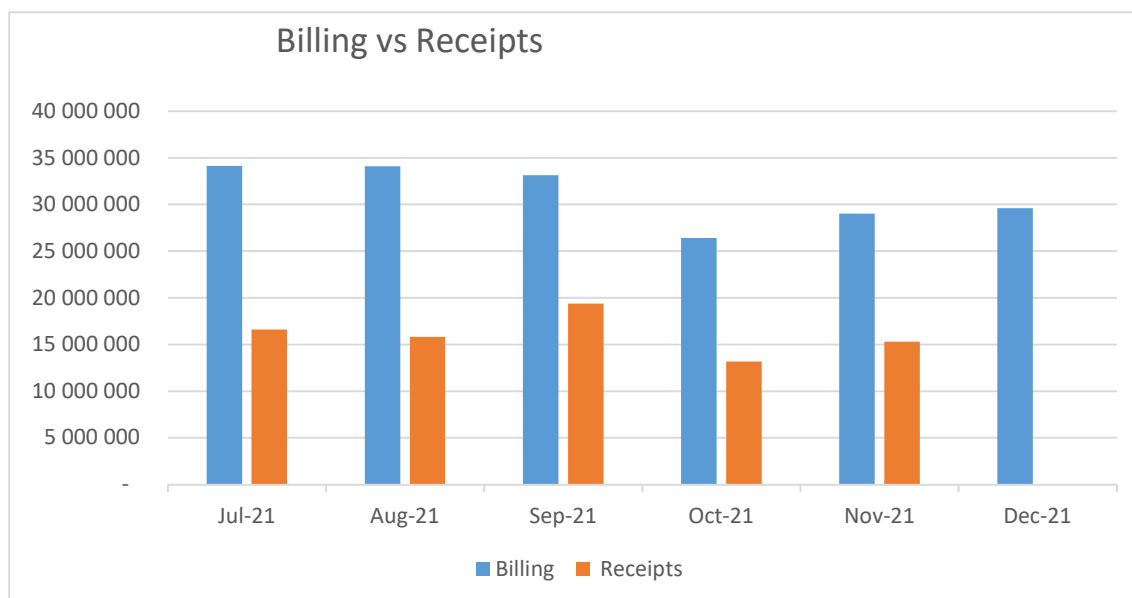
### 8.2 Credit Control and Debt Collection: Billing vs Receipts

**Table 10**

The table below details financial year to date **Monthly Billing against the Receipts** for the 2021/2022 financial year.

Month	Billing	Receipts	Collection %
June 2021	31,098,498.76	16,123,060.04	52%
July 2021	34,130,359.93	16,599,637.65	49%
August 2021	34,088,135.92	15,821,733.95	47%
September 2021	33,133,579.61	19,373,579.98	58%
October 2021	26,406,763.09	13,163,326.17	50%
November 2021	29,033,606.72	15,285,130.19	53%
December 2021	29,611,337.16		

**Graph 3**



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**Table 11**

The table below details the **Classification of Receipts** for December 2021.

<b>Basis of Receipts</b>	<b>Aug-21</b>	<b>Sep-21</b>	<b>Oct-21</b>	<b>Nov-21</b>	<b>Dec-21</b>
Direct Deposits	12,797,476.03	12,658,369.23	14,034,807.33	9,235,623.36	11,562,365.29
Easy Pay	2,215,143.69	2,475,236.25	3,581,296.50	2,564,325.34	2,568,698.25
Post Office	54,235.36	78,365.25	234,211.34	256,254.23	214,569.25
Customer Care	563,258.36	546,531.97	747,895.56	501,664.93	536,257.25
Manual Receipts	492,946.60	63,231.25	775,369.25	758,458.14	403,240.15
<b>Total</b>	<b>16,123,060.04</b>	<b>15,821,733.95</b>	<b>19,373,579.98</b>	<b>13,316,326.17</b>	<b>15,285,130.19</b>

**Table 12**

The table below details **Customer Category Receipts** for December 2021.

<b>Customer Classification</b>	<b>Aug-21</b>	<b>Sep-21</b>	<b>Oct-21</b>	<b>Nov-21</b>	<b>Dec-21</b>
Government	2,968,369.25	2,985,365.36	5,632,968.15	2,365,258.95	4,623,369.28
Business	7,987,365.36	7,158,369.23	4,637,742.70	2,947,107.25	3,246,199.17
Households	5,593,247.32	5,562,145.36	7,962,145.36	7,125,698.36	6,659,258.12
Indigent Households	6,700.00	12,563.25	557,895.56	412,547.00	523,698.25
Church	37,698.36	97,021.52	575,369.25	458,258.36	225,369.12
Councillors	3,256.36	6,269.23	7,458.96	7,256.25	7,236.25
<b>Total</b>	<b>16,599,636.65</b>	<b>15,821,733.95</b>	<b>19,373,579.98</b>	<b>13,316,326.17</b>	<b>15,285,130.19</b>

## UMGUNGUNDLOVU DISTRICT MUNICIPALITY

**Table 13**

The table below indicates the comparison of collection rate between 2020/2021 financial year and 2021/2022 financial year.

2020/2021 Financial Year				2021/2022 Financial Year			
Month	Billing	Receipts		Month	Billing	Receipts	Collections
Jul-20	28,257,733	17,284,495	61%	Jul-21	24,130,360	16,599,637	49%
Aug-20	29,974,564	17,666,674	59%	Aug-21	34,088,135	15,821,733	47%
Sep-20	28,167,994	16,346,202	58%	Sep-21	33,133,597	19,373,530	58%
Oct-20	28,167,994	17,572,852	62%	Oct-21	26,406,763	13,316,326	50%
Nov-20	33,446,018	17,763,415	53%	Nov-21	29,033,607	15,285,130	53%
<b>Average Collection Rate for 2020/2021</b>			<b>58%</b>	<b>Average Collection Rate for 2021/2022</b>			<b>54%</b>

The collection rate comparison to the previous year is to measure the impact of the slow economic growth and activity. This is mainly due to the adverse effects on households and businesses by the Covid-19 pandemic and related restrictions as well as the unrest experienced within the Province in July 2021 which has further contributed to the unemployment rate in the district and consequently the affordability of households. The collection rate is slowly improving month on month.

**Table 14**

The table below details the percentage of collection per customer classification.

Sep-21				Oct-21				Nov-21			
	SALES RAISED	RECEIPTS	% COLLECTION		SALES RAISED	RECEIPTS	% COLLECTION		SALES RAISED	RECEIPTS	% COLLECTION
Howick	8,156,365	6,933,175	85%	Howick	7,225,073	4,066,224	56%	Howick	7,156,365	4,869,365	68%
Tumbleweed	112,365	5,500	5%	Tumbleweed	110,236	5,500	5%	Tumbleweed	113,659	5,400	5%
Lidgeton	176,365	1,850	1%	Lidgeton	175,375	1,850	1%	Lidgeton	172,365	1,785	1%
Hilton	2,260,375	2,052,369	91%	Hilton	2,160,375	2,112,368	98%	Hilton	2,569,365	2,225,258	87%
Mpophomeni	2,238,162	161,258	7%	Mpophomeni	1,178,162	161,258	14%	Mpophomeni	1,581,654	152,369	10%
Bulk	9,112,536	8,091,588	89%	Bulk	7,112,536	5,091,488	72%	Bulk	7,365,895	6,061,579	82%
Mpofana	1,896,365	235,659	12%	Mpofana	1,096,365	235,659	21%	Mpofana	1,215,369	256,369	21%
Mpofana- Brunt	1,251,836	19,563	2%	Mpofana- Brunt	1,151,736	19,363	2%	Mpofana- Brunt	1,326,589	18,365	1%
Richmond	1,436,365	458,370	32%	Richmond	1,137,365	358,369	32%	Richmond	1,122,536	452,236	40%
uMshwathi	2,236,253	789,254	35%	uMshwathi	2,037,253	669,254	33%	uMshwathi	2,125,896	659,698	31%
uMkhambathini	785,369	288,369	37%	uMkhambathini	745,369	278,369	37%	uMkhambathini	754,236	268,965	36%
iMpendle	155,369	189,258	122%	iMpendle	145,347	189,258	130%	iMpendle	152,369	188,369	124%
Water Schemes	3,315,870	147,365.58	4%	Water Schemes	2,131,270	127,365.18	6%	Water Schemes	3,377,306	125,369.28	4%
<b>Total</b>	<b>33,133,598</b>	<b>19,373,579</b>	<b>58%</b>	<b>Total</b>	<b>26,406,462</b>	<b>13,316,325</b>	<b>50%</b>	<b>Total</b>	<b>29,033,607</b>	<b>15,285,130</b>	<b>53%</b>

**Table 15**

The table below details a breakdown of November 2021 billing and December 2021 receipts for Water Schemes taken over from Umgeni Water.

Water Schemes	Water Schemes	Sales Raised	Receipts	% Collection	Comment
Hopewell	Hopewell	221,568.69	1,200.00	1%	Rural Scheme
Manyavu	Manyavu	218,569.58	11,256.36	5%	Rural Scheme
Intermediate Cross	Intermediate Cross	556,369.25	5,369.25	1%	Farm Scheme
Swayimana	Swayimana	220,789.65	100.00	0%	Rural Scheme
Table Mountain	Table Mountain	245,589.25	3,563.36	1%	Rural Scheme
Whispers	Whispers	320,369.25	13,568.36	4%	Farm Scheme
Camperdown	Camperdown	210,258.36	72,365.36	34%	Farm Scheme
Birnoum Wood	Birnoum Wood	145,365.36	8,236.05	6%	Farm Scheme
Claridge	Claridge	112,365.36	1,600.20	1%	Farm Scheme
Efaye	Efaye	218,698.25	919.04	0%	Rural Scheme
Cuphulaka	Cuphulaka	52,369.58	3,569.58	7%	Rural Scheme
Mayizekanye	Mayizekanye	347,369.25	2,365.36	1%	Rural Scheme
Mpolweni	Mpolweni	507,624.17	1,256.36	0%	Rural Scheme
<b>Total</b>	<b>Total</b>	<b>3,377,306.00</b>	<b>125,369.28</b>	<b>4%</b>	

### 8.3 Debtors Age Analysis

The debtors book value as at 31 December 2021 amounted to **R 1.173 billion**. A total of **R 1.090 billion** or **92%** relates to amounts owing for more than 90 days. The accumulated impairment of debtors amounts to **R 965 million**. Interest on outstanding debtors to a total of **R20 209** has been written off through the Incentive Scheme for consumers which came into effect on 15 June 2021 and is valid until 01 February 2022.

The collection rate during the month of December was **53%** and an average of **54%** for the 2021/2022 financial year. The municipality is continuously reviewing its debt collection strategies and has embarked on a Revenue Enhancement Programme which it anticipates will improve the collection rate. Furthermore, debt write-offs of amounts concluded to be irrecoverable will be submitted to Council for consideration and implementation in due course.

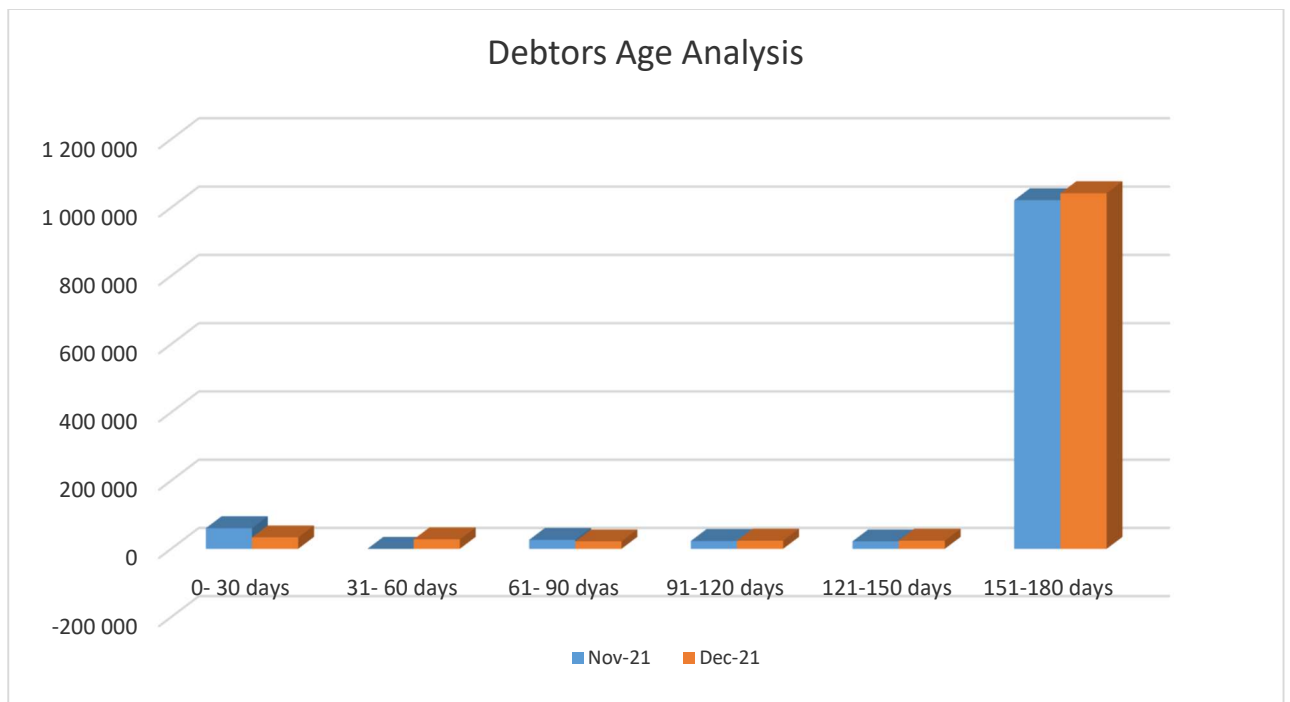


Table 16

DC22 uMgungundlovu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

Description	NT Code	Budget Year 2021/22									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	
<b>R thousands</b>											
<b>Debtors Age Analysis By Income Source</b>											
Trade and Other Receivables from Exchange Transactions - Water	1200	27,758	20,697	16,429	18,388	17,876	16,099	100,483	590,515	808,245	743,362
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	1,848	1,385	828	1,134	904	942	5,534	97,755	110,330	106,269
Receivables from Exchange Transactions - Waste Management	1600	-	-	(3)	(4)	(6)	-	(7)	(127)	(147)	(144)
Receivables from Exchange Transactions - Property Rental Debtors	1700	-	-	-	-	-	-	-	739	739	739
Interest on Arrear Debtor Accounts	1810	3,880	5,732	4,475	4,470	5,204	4,534	28,410	187,229	243,934	229,847
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-
Other	1900	(92)	(71)	(6)	(27)	(28)	(31)	(55)	9,733	9,423	9,592
<b>Total By Income Source</b>	<b>2000</b>	<b>33,394</b>	<b>27,743</b>	<b>21,724</b>	<b>23,960</b>	<b>23,949</b>	<b>21,545</b>	<b>134,366</b>	<b>885,844</b>	<b>1,172,524</b>	<b>1,089,664</b>
<b>2020/21 - totals only</b>										-	-
<b>Debtors Age Analysis By Customer Group</b>											
Organs of State	2200	4,596	2,869	1,191	1,463	1,793	1,366	6,700	22,682	42,660	34,004
Commercial	2300	4,346	2,529	1,425	338	391	625	2,686	13,755	26,094	17,793
Households	2400	21,812	20,155	17,121	19,995	18,119	17,382	110,119	755,617	980,319	921,231
Other	2500	2,640	2,190	1,986	2,165	3,646	2,172	14,860	93,791	123,451	116,635
<b>Total By Customer Group</b>	<b>2600</b>	<b>33,394</b>	<b>27,743</b>	<b>21,724</b>	<b>23,960</b>	<b>23,949</b>	<b>21,545</b>	<b>134,366</b>	<b>885,844</b>	<b>1,172,524</b>	<b>1,089,664</b>

Graph 4



## UMGUNGUNDLOVU DISTRICT MUNICIPALITY



**Table 17**

The table below details the age analysis for customers grouped as UMDM staff members as at 31 December 2021.

Customer	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
5922711808	-1,422.71							-1,422.71
5922411911	10,264.65	269.82	271.09	105.74	272.68	275.93	278.58	11,738.49
5922411528	20,836.14	590.05	592.89	595.72	598.56	205.22	504.09	23,922.67
5922721404	20,054.08	403.33	405.14	406.95	408.77	414.17	416.05	22,508.49
5922316386						967.86	851.31	1,819.17
5922111502	6,194.93	1,240.94	1,247.98	1,316.00	893.44	900.52	5,836.57	17,630.38
5922251794					167.40	1,520.05	1,223.79	2,911.24
5922227305	4,064.84	920.98	1,197.00	566.72	686.80	96.12	96.75	7,629.21
5922711631	8,089.73	1,725.13	183.74	511.91	415.29	1,083.32	850.23	12,859.35
5922251326				1,850.71	1,070.47	1,125.80	709.75	4,756.73
5922111593	7,337.57	880.19	1,803.33	239.15	614.13	192.82	272.80	11,339.99
5922262141	20,430.58	414.68	416.49	418.30	420.12	425.92	427.80	22,953.89
5922193001	7,536.98	352.12	353.94	355.75	357.57	361.12	363.00	9,680.48
5922411939	15,293.93	385.11	386.92	388.73	390.55	395.29	399.05	17,639.58
5922645000	2,093.22	330.45	332.27	331.37	330.39	330.21	332.09	4,080.00
5922314131	68.09	0.31	0.31	0.31	0.31	0.32	0.32	69.97
5922232755	3,521.06	333.51	335.32	333.99	335.10	337.84	339.72	5,536.54
5922411620	24,791.36	429.65	431.46	433.27	435.09	441.43	445.19	27,407.45
5922711578	4,057.21	227.89	427.71	281.15	153.86	284.27	237.47	5,669.56
5922274100							824.54	824.54
5922192292	8,409.81	354.43	356.24	358.05	359.87	363.50	365.38	10,567.28
5922711840	-2,207.02		-100.00	-100.00		-500.00	79.14	-2,827.88
5922711660	88,656.09	1,071.43	4,058.29	1,950.94	905.58	973.47	878.53	98,494.33
5922226809	23,937.57	423.09	424.90	426.71	428.53	434.64	436.52	26,511.96
5922262474	24,932.45	432.06	433.87	435.68	437.50	443.93	445.81	27,561.30
5922192290	14,530.60	381.34	383.15	384.96	386.78	391.38	393.26	16,851.47
5922411734	24,155.60	423.16	424.97	426.78	428.60	434.70	438.46	26,732.27
5922213319	106,041.41	4,187.28	5,366.55	7,572.22	3,234.69	5,241.30	3,836.07	135,479.52
5922113000	15,030.13	330.88	720.75	168.15	233.20	152.52	218.02	16,853.65
5922317749	63,427.37	371.85	372.15	504.42	2,925.94	1,493.97	1,446.45	70,542.15
5922213198						275.23	647.85	923.08
5922741014	62,476.97	4,000.17	4,203.31	1,328.76	11,040.36	2,672.68	3,382.26	89,104.51
5922193002	7,292.84	350.89	352.70	354.51	356.33	359.84	361.71	9,428.82
5922193000	7,817.56	353.53	355.34	357.16	358.97	362.57	364.45	9,969.58
5922251800					527.42	1,382.25	64.07	1,973.74
5922213962					616.10	685.12	693.35	1,994.57
<b>Totals:</b>	<b>597,713.04</b>	<b>21,184.27</b>	<b>25,737.81</b>	<b>22,304.11</b>	<b>29,790.40</b>	<b>24,525.31</b>	<b>28,460.43</b>	<b>749,715.37</b>

Payment arrangements are being made for the debt to be deducted from their salaries. This must include current account and a portion of arrears not longer than 36 months.

## UMGUNGUNDLOVU DISTRICT MUNICIPALITY



**Table 18**

The table below details the age analysis for customers grouped as Councillors as at 31 December 2021.

Customer	180 Days	150 Days	120 Days	90 Days	60 Days	30 Days	Current	Balance
5922711459	12,244.26	2,763.22	1,428.88	712.11	632.36	1,270.76	6,747.46	25,799.05
5922261941			307.00	318.56	318.10	311.10	318.56	1,573.32
5922193491	14,405.19	1,841.68	145.21	507.97	445.11	525.38	519.12	18,389.66
5922741442					75.98	564.39	568.24	1,208.61
5922111637	97,880.40	3,747.74	3,766.63	5,133.59	2,848.61	2,278.70	670.23	116,325.90
5922275001						186.27	53.40	239.67
5922212236	17,486.02	426.99	429.03	422.98	425.01	349.45	429.48	19,968.96
5922212475	10,235.17	334.41	336.06	337.72	339.37	284.18	344.79	12,211.70
5922111569					265.22	349.45	135.14	749.81
5922712351	19,620.29	172.24	172.65	239.61	418.74	447.36	387.69	21,458.58
5922224497	136,358.72	1,127.90	1,065.24	3,812.02	1,346.01	1,216.60	1,148.87	146,075.36
<b>Totals:</b>	<b>308,230.05</b>	<b>10,414.18</b>	<b>7,650.70</b>	<b>11,484.56</b>	<b>7,114.51</b>	<b>7,783.64</b>	<b>11,322.98</b>	<b>364,000.62</b>

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



## UMGUNGUNDLOVU DISTRICT MUNICIPALITY

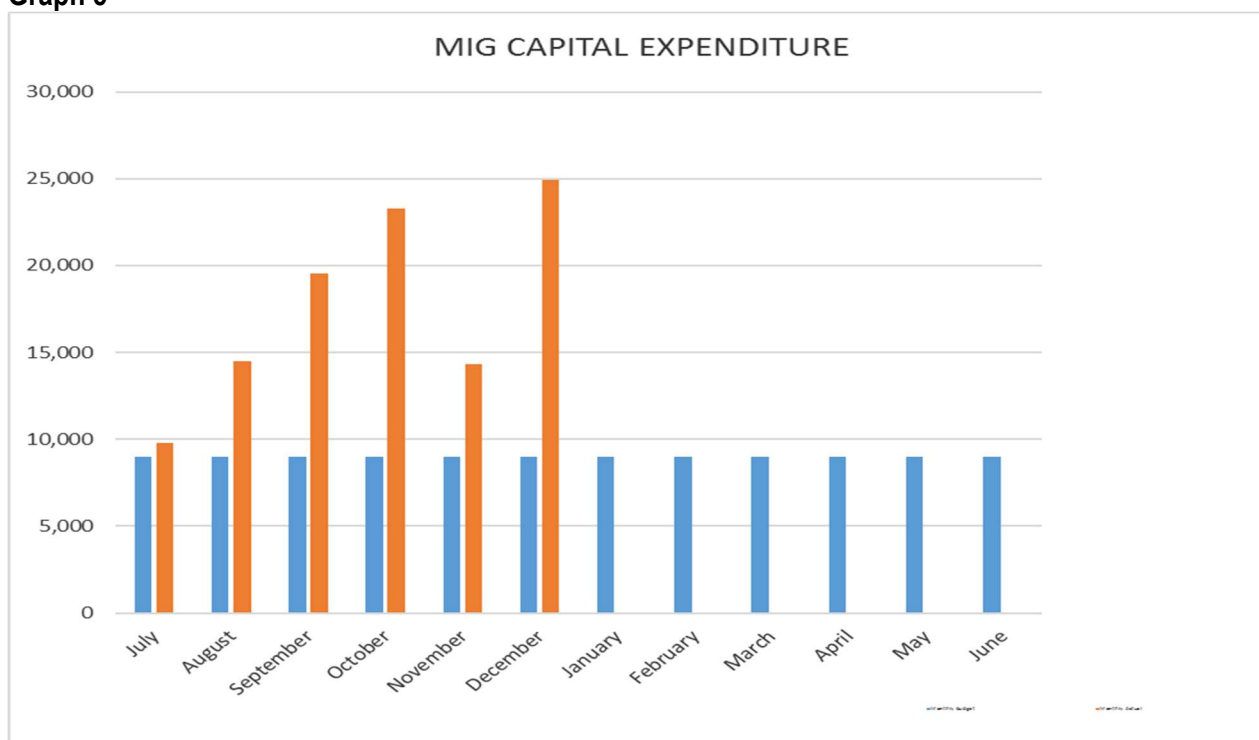
### 9. In-Year Budget Statement Charts: 31 December 2021 Report

#### MIG - Capital Expenditure Monthly Trend: Actual vs Budget

Table 19

	Monthly budget	Monthly Actual
July	8,991	9,789
August	8,991	14,520
September	8,991	19,532
October	8,991	23,296
November	8,991	14,328
December	8,991	24,918
January	8,991	0
February	8,991	0
March	8,991	0
April	8,991	0
May	8,991	0
June	8,991	0
	<b>107,893</b>	<b>106,383</b>

Graph 5



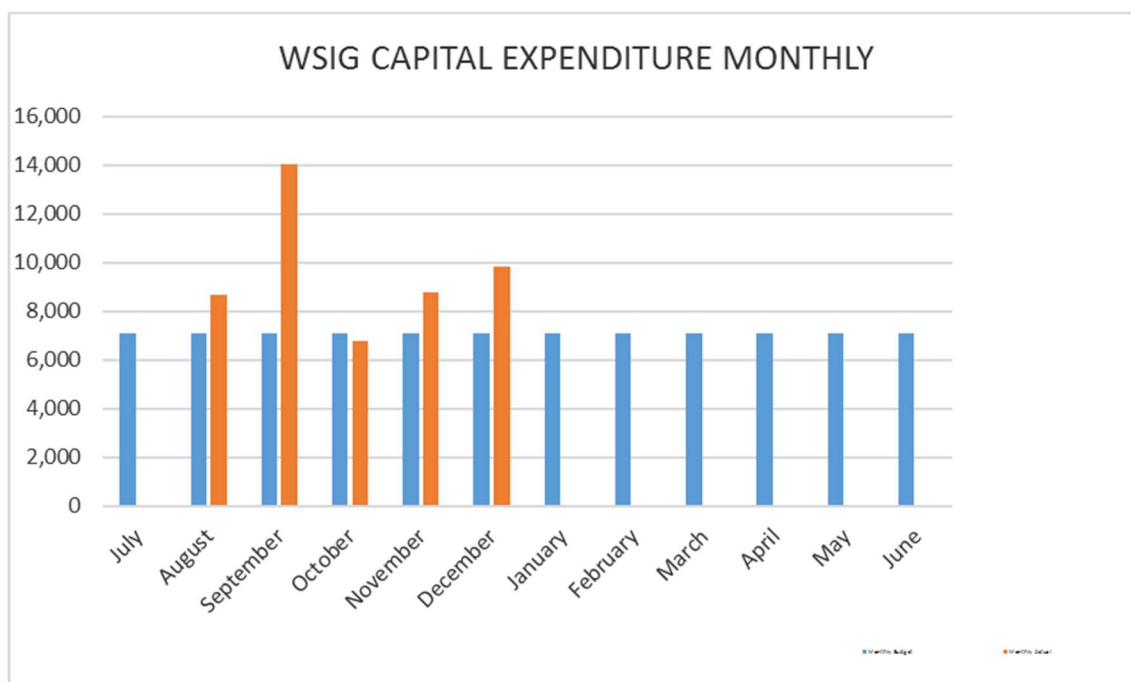
**UMGUNGUNDLOVU DISTRICT MUNICIPALITY**

**WSIG - Capital Expenditure Monthly Trend: Actual vs Budget**

**Table 20**

	Monthly Budget	Monthly Actual
July	7,083	0
August	7,083	8,659
September	7,083	14,049
October	7,083	6,792
November	7,083	8,753
December	7,083	9,851
January	7,083	0
February	7,083	0
March	7,083	0
April	7,083	0
May	7,083	0
June	7,083	0
	<b>85,000</b>	<b>48,104</b>

**Graph 6**



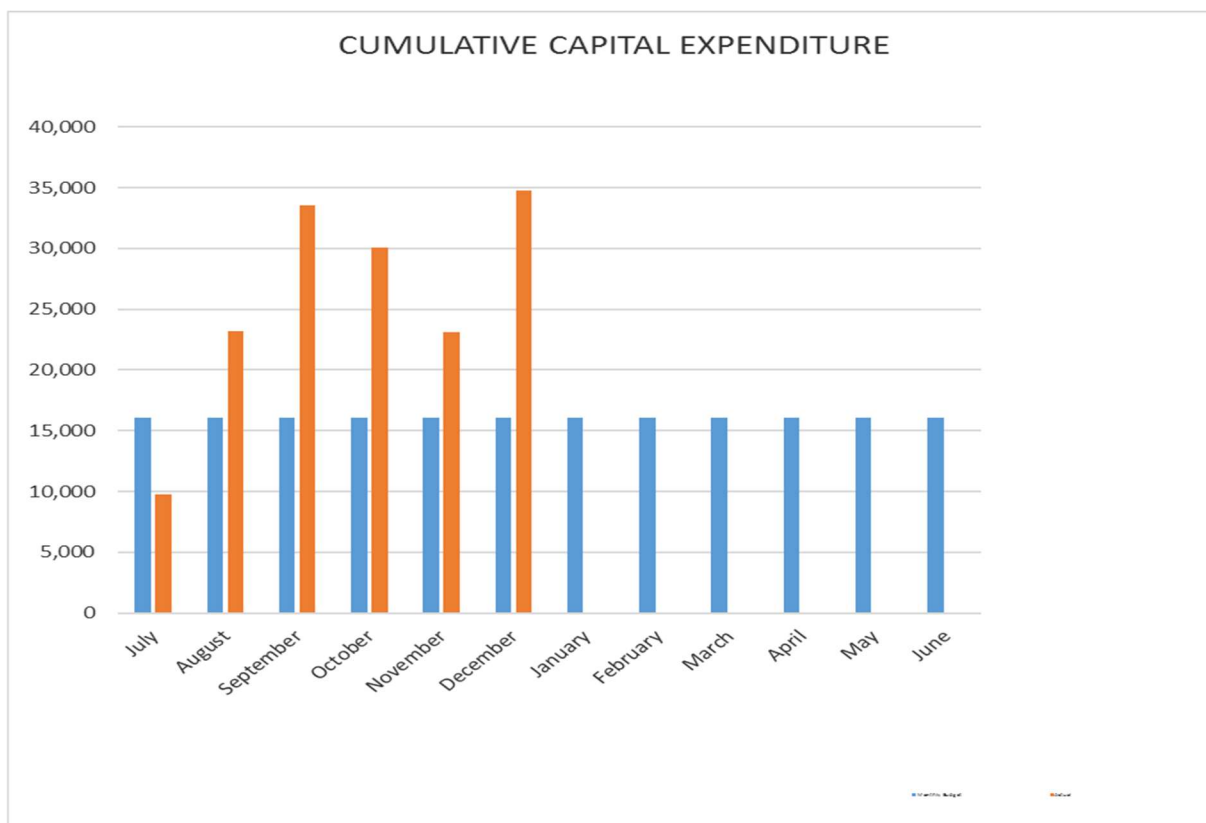
## UMGUNGUNDLOVU DISTRICT MUNICIPALITY

### Cumulative MIG & WSIG Expenditure: Monthly Actual vs Monthly Budget

**Table 21**

	Monthly Budget	Actual
July	16,074	9,789
August	16,074	23,179
September	16,074	33,581
October	16,074	30,088
November	16,074	23,081
December	16,074	34,769
January	16,074	0
February	16,074	0
March	16,074	0
April	16,074	0
May	16,074	0
June	16,074	0
	<b>192,893</b>	<b>154,487</b>

**Graph 7**



## UMGUNGUNDLOVU DISTRICT MUNICIPALITY



### 10. Budget Funding Plan

The 2021/22 Budget Funding Plan detailing the financial recovery strategies of the municipality was adopted by Full Council on 29 September 2021.

Financial Impact of the Budget Funding Plan on the Financial Performance (Table A4/B4)				
R thousand				
Description	Year 1	Year-to-Date Actuals	Year-to-Date % (Budget vs Actual)	2021/2022
				Comments
<b>Revenue By Source</b>				
Property rates				
Service charges - electricity revenue				
Service charges - water revenue	335 362 869.00	149 243 938.00	45%	In line with budget funding plan
Service charges - sanitation revenue	31 231 648.00	11 378 875.00	36%	Lower than anticipated in budget funding plan
Service charges - refuse revenue	-			
Rental of facilities and equipment	-			
Interest earned - external investments	548 073.00	1 377 874.00	251%	This item of income was estimated conservatively. The interest earned as at 31 October 2021 indicates that further inflows will be received by the municipality in the months to come.
Interest earned - outstanding debtors	13 935 586.00	29 308 464.00	210%	This item of income was estimated conservatively. The monthly interest on outstanding debtors is likely to increase at a reduced rate once the proposed write-off of debt as previously submitted to Council has been processed.
Dividends received	-			
Fines, penalties and forfeits	-			
Licences and permits	-			
Agency services	-			
Transfers and subsidies	611 851 000.00	468 167 994.00	77%	As per Treasury Payment Schedules
Other revenue	-	1 239.00		
Gains on disposal of PPE	-			
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>992 929 176.00</b>	<b>659 478 384.00</b>	<b>43%</b>	
<b>Expenditure By Type</b>				
Employee related costs	269 756 096.00	140 232 293.00	52%	In line with budget funding plan
Remuneration of councillors	12 956 624.00	5 565 141.00	43%	In line with budget funding plan
Debt impairment	240 114 494.99	20 209.00	0%	The debtors were tested for impairment as at 30 June 2021 where a debt impairment of R185 million was recognised. Furthermore, an amount of R20 209 has been written off in line with the Customer Incentive Scheme. Debtors balances will be tested on a quarterly basis.
Depreciation & asset impairment	44 590 371.00	20 094 268.00	45%	In line with budget funding plan
Finance charges	20 119 571.00	10 085 001.00	50%	In line with budget funding plan
Inventory consumed	278 087 793.00	17 627 310.00	6%	
Contracted services	130 852 005.00	72 679 086.00	56%	Expenditure relating to contracted services is closely monitored - an in-depth analysis is in progress.
Transfers and subsidies	7 958 074.00	5 179 037.00	65%	Transfer to UMEDA paid, balance still to be paid over.
Other expenditure	34 674 632.00	32 751 611.00	94%	Other expenditure to is closely monitored - an in-depth analysis is in progress.
Loss on disposal of PPE				
<b>Total Expenditure</b>	<b>1 039 109 660.99</b>	<b>304 233 956.00</b>	<b>29%</b>	
<b>Surplus/(Deficit)</b>	<b>- 46 180 484.99</b>	<b>355 244 428.00</b>		

The year-to date (01 July to 31 December 2021) financial information indicates the following:

The service charges generated to date for both water and sanitation are slightly below the budgeted projections. In month five we would anticipate having generated approximately **50%** of the budgeted amount. Service charges for water are **45%** when compared to the total projections for the period which is in line with the projection as per the budget funding plan whereas service charges for sanitation are below the projection at **36%**.

Interest earned on external investments as well as the interest earned on outstanding debtors was projected conservatively for purposes of the budget funding plan where actuals to date are **251%** and **210%**, respectively, of the projected amounts.

## UMGUNGUNDLOVU DISTRICT MUNICIPALITY



The employee related costs (employee and councilors) are in line with the budget funding plan at **52%** of the projected amount as per the budget funding plan whereas the remuneration of councillors is at **43%**. The pattern of spend of the contracted services and operational expenditure is not fixed throughout the financial year.

Contracted services is at **56%** and other expenditure is at **94%** with inventory consumed at **6%**. The increase in the other expenditure is as a result of corrections being processed on the financial system to achieve correct classification of expenditure.

The Budget and Treasury Office has commenced with an in-depth analysis of expense accounts in the financial system to ensure that the allocations of expenses are in line with the nature of the expenditure.

This comprises a full examination of the use of segments. The expected outcome of the analysis is to achieve the correct composition of accounts to enable accurate processing of transactions in line with the Municipal Regulations on Standard Chart of Accounts and accurate comparison of budgeted income and expenditure against actual performance. Moreover, the municipality is in the process of correcting the financial system (transacting) per account type which we anticipate will be concluded in time for the mid-year assessment.

The Budget and Treasury Office is also in the process of reviewing budget allocations and making necessary corrections.

The results of the transaction analysis together with the review of the budget allocations will inform the adjustment budget recommendations to Council.

## 11. IN-YEAR BUDGET STATEMENT TABLES: DECEMBER 2021 REPORT

The preliminary financial results for the period ended 31 December 2021 (i.e. 6th month of the 2021/2022 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

## 12. 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 31 DECEMBER 2021

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

	COMPREHENSIVENESS (FACTS, COMMENTS, RECOMMENDATIONS ANNEXURES) (√)	CORRECTNESS (√)	QUALITY (√)
<b>MANAGER: BUDGET &amp; REPORTING</b> <b>MISS L NGUBANE</b>  SIGNATURE:.....  DATE: .....	(√)	(√)	(√)
<b>MANAGER: REVENUE MANAGEMENT</b> <b>SIBONGILE KHUMALO</b>  SIGNATURE.....  DATE: .....	(√)	(√)	(√)
<b>MANAGER: ASSET MANAGEMENT</b> <b>NONDUMISO MBATHA</b>  SIGNATURE:.....  DATE: .....	(√)	(√)	(√)
<b>MANAGER: EXPENDITURE MANAGER</b> <b>MPUME KHUMALO</b>  SIGNATURE:.....  DATE: .....	(√)	(√)	(√)
<b>HEAD OF DEPARTMENT: CHIEF FINANCIAL OFFICER:</b> <b>SIPHO NDABANDABA</b>  SIGNATURE: .....  DATE: .....	(√)	(√)	(√)



## UMGUNGUNDLOVU DISTRICT MUNICIPALITY

<b>MANAGER: INTERNAL AUDIT ADELE DORASAMY</b>  SIGNATURE: .....  DATE: .....	(√)	(√)	(√)
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### 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 **December 2021** 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 M. Zuma

Mayor: uMgungundlovu District Municipality

Signature: \_\_\_\_\_

Date: \_\_\_\_\_