



**2023/24 Q2**

**QUARTERLY REVIEW (S52)**

**TABLE OF CONTENTS**

1. PURPOSE
2. STRATEGIC OBJECTIVE
3. WARDS AFFECTED
4. IDP LINKAGE
5. MAYOR'S REPORT
6. EXECUTIVE SUMMARY
7. SUMMARY OF FINANCIAL PERFORMANCE
8. STATEMENT OF FINANCIAL POSITION
9. STATEMENT OF CASH FLOW
10. SUMMARY OF CAPITAL PROJECT IMPLEMENTATION
11. ANALYSIS OF OUTSTANDING DEBTORS
10. ANALYSIS OF CASH & INVESTMENTS
11. ANALYSIS OF GRANTS
13. MUNICIPAL MANAGERS CERTIFICATE

## **PURPOSE**

To report to Council on the quarterly review of the financial and performance results for the first quarter of the 2023/24 financial year as required by section 52 of the Municipal Finance Management Act.

## **STRATEGIC OBJECTIVE**

Promoting good governance

## **WARDS AFFECTED**

All wards

## **IDP LINKAGE**

Financial Reporting

## **MAYOR'S REPORT**

In terms of S52 of the MFMA

The mayor of a municipality

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality;

## **EXECUTIVE SUMMARY**

Section 52 of the Municipal Finance Management Act (MFMA) requires that The mayor of a municipality—

(a) Must provide general political guidance over the fiscal and financial affairs of the municipality;

(b) In providing such general political guidance, may monitor and, to the extent provided in this Act, oversee the exercise of responsibilities assigned in terms of this Act to the accounting officer and the chief financial officer, but may not interfere in the exercise of those responsibilities;

(c) Must take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions within the limits of the municipality's approved budget;

(d) Must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality; and

(e) Must exercise the other powers and perform the other duties assigned to the

mayor in terms of this Act or delegated by the council to the mayor

The following annexure are attached to this item:

Annexure A – S71 for the month ending 31 December 2023

## SUMMARY OF FINANCIAL PERFORMANCE

### ANALYSIS OF OPERATING REVENUE (JULY 2023 – DECEMBER 2023) EXCLUDING CAPITAL TRANSFERS:

DC23 Uthukela - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 - December										
Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		-	-	-	-	-	-	-		-
Service charges - Water		210,272	212,742	-	27,569	123,466	106,371	17,095	16%	212,742
Service charges - Waste Water Management		15,970	17,412	-	1,411	8,602	8,706	(104)	-1%	17,412
Service charges - Waste management		-	-	-	-	-	-	-		-
Sale of Goods and Rendering of Services		1,652	6,575	-	39	223	3,287	(3,065)	-93%	6,575
Agency services		-	-	-	-	-	-	-		-
Interest		-	-	-	-	-	-	-		-
Interest earned from Receivables		50,572	51,112	-	5,153	29,899	25,556	4,343	17%	51,112
Interest from Current and Non Current Assets		5,958	6,289	-	414	4,643	3,144	1,498	48%	6,289
Dividends		-	-	-	-	-	-	-		-
Rent on Land		-	-	-	-	-	-	-		-
Rental from Fixed Assets		-	-	-	-	-	-	-		-
Licence and permits		-	-	-	-	-	-	-		-
Operational Revenue		702	2,384	-	63	176	1,192	(1,016)	-85%	2,384
Non-Exchange Revenue										
Property rates		-	-	-	-	-	-	-		-
Surcharges and Taxes		-	-	-	-	-	-	-		-
Fines, penalties and forfeits		63	39	-	1	55	19	35	184%	39
Licence and permits		-	-	-	-	-	-	-		-
Transfers and subsidies - Operational		545,552	585,779	-	189,264	430,593	292,890	137,703	47%	585,779
Interest		-	-	-	-	-	-	-		-
Fuel Levy		-	-	-	-	-	-	-		-
Operational Revenue		-	-	-	-	-	-	-		-
Gains on disposal of Assets		-	-	-	-	-	-	-		-
Other Gains		-	-	-	-	-	-	-		-
Discontinued Operations		-	-	-	-	-	-	-		-
Total Revenue (excluding capital transfers and		830,742	882,331	-	223,915	597,656	441,165	156,490	35%	882,331

**Budgeted**  
**R 441,165**

**Actual Outcomes**  
**R 597,656**

**% Variance**  
**35%**

Operating revenue recognised for the period July 2023 to December 2023 amounts to R598 million resulting in a 35% positive variance from the R418 million which was anticipated.

The 35 % variance although positive must still be analysed to assess its impact on the budgeting process, as well as future cash flows.

This variance has been attributed to the following:

The 47% positive variance on transfers recognised, which is the direct impact of the 1<sup>st</sup> and 2<sup>nd</sup> tranches of the equitable share totalling R418 million.

## **WATER& SANITATION SALES:**

Water and sanitation sales income recognised combined is 15% above what was originally anticipated. This is due to the under estimation of water sales, the original estimate was based on the billing of the previous financial year. The municipality has conducted a data cleansing exercise in the current financial year, assisted by consultants deployed by the National Treasury, this included clearing negative billing and identifying meters that were not billing correctly and applying the necessary remedial adjustments. This has resulted in accurate billing, thus the improvement. An increasing adjustment will be effected in the adjustments budget which will have a positive impact on the overall budget funding position.

The municipality also noted the impact of cuts in water supply on the sales generated, the consistency and improvement in water supply has been prioritised which will positively impact water and sanitation sales. The billing total does not include water sales through prepaid meters.

## **INTEREST FROM OUTSTANDING DEBTORS:**

This line item has yielded a positive variance of 17%, it appears we have billed more interest than we had originally anticipated. The variance of 17% indicates a decline in the budgeted collection rate. It must also be noted that the consumer payment incentives also impact on this line item.

The municipality has adopted a strong drive to improve the collection rate in the previous quarter ending December 2023. Therefore, a decline is anticipated going forward on this line item. The revenue section being assisted by sectional heads is engaging actively with the debtors of different categories.

## **INTEREST FROM INVESTMENTS:**

A total of R4,6 million has been recognised as interest from external investments resulting in a negative variance of -5%. This is an improvement from the previous financial year where at mid-year interest of R3 million had been earned.

The municipality has been able to increase the investment of funds as per the budget funding plan, the municipality has prioritised the management of cash flows, complying with the terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically.

## **SALE OF GOODS AND RENDERING OF SERVICES (OTHER REVENUE):**

Other revenue has a negative variance of -93% the adopted budget anticipated the other revenue amount to be R3,2 million. This includes amounts from the sale of tender documents, maps etc. The positive variance of 184% on fines and penalties issued by the Health Department is noted and will impact positively on the overall revenue generated.

The municipality has focused on all sources of revenue streams in order to improve cash generation, the necessary adjustments will be implemented in the adjustments budget.

## **ANALYSIS OF OPERATING EXPENDITURE (JULY 2023 – DECEMBER 2023)**

<b>Expenditure By Type</b>									
Employee related costs	349,172	371,090	–	28,385	189,720	185,545	4,175	2%	371,090
Remuneration of councillors	6,389	6,709	–	514	3,082	3,355	(273)	-8%	6,709
Bulk purchases - electricity	–	–	–	–	–	–	–	–	–
Inventory consumed	44,877	44,822	–	3,329	19,501	22,411	(2,910)	-13%	44,822
Debt impairment	180,240	156,966	–	–	–	78,483	(78,483)	-100%	156,966
Depreciation and amortisation	87,352	95,609	–	21,145	44,080	47,804	(3,724)	-8%	95,609
Interest	8,614	–	–	–	–	–	–	–	–
Contracted services	194,098	198,197	–	11,446	44,782	99,099	(54,317)	-55%	198,197
Transfers and subsidies	3,120	3,285	–	–	1,000	1,643	(643)	-39%	3,285
Irrecoverable debts written off	–	–	–	–	–	–	–	–	–
Operational costs	222,658	173,857	–	7,350	57,436	86,929	(29,492)	-34%	173,857
Losses on Disposal of Assets	1,519	–	–	–	–	–	–	–	–
Other Losses	–	–	–	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>1,098,039</b>	<b>1,050,536</b>	<b>–</b>	<b>72,169</b>	<b>359,602</b>	<b>525,268</b>	<b>(165,666)</b>	<b>-32%</b>	<b>1,050,536</b>

**Budgeted  
R525, 268**

**Actual Outcomes  
R359,602**

**% Variance  
- 32**

The total operating expenditure of the municipality for the six-month period is R359 million a 32% negative variance from the R525 million which was anticipated.

### **EMPLOYEE RELATED COSTS:**

For the purposes of this report and its impact on the upcoming adjustments budget the over expenditure of 2% must still be evaluated accordingly. It must be noted that there has been an improvement from the previous financial year where the percentage stood at 7%. The variance calculation depicted above does not consider the 13<sup>th</sup> cheque expenditure incurred in November 2023, this would have contributed to the calculation of the over expenditure.

The municipality has been able to manage over-time within the available budget which aimed to significantly reduce the overtime and stand-by bill. However, the overtime is still above the recommended norm of 5%. The process of authorising overtime has also been reviewed in order to ensure that only unavoidable overtime is incurred. The issue of regularly bursting pipes due to aging infrastructure has been factored into the current financial year capital projects.

### **INVENTORY CONSUMED:**

The bulk of other materials comprises of fuel, oil and chemicals. Inventory consumed has a negative variance of -13% from the amount originally budgeted. This is due to the monitoring of expenditure relating inventory consumed as per the cost-containment strategies of the Budget Funding Plan.

This line item was reviewed further in order to make an informed adjustment in the next adjustments budget. The municipality noted that the cost savings that were expected from

chemicals did not materialise fully, as the budge finding plan was adopted at the end of September 2023. Strategies to reduce the amount incurred on chemicals have since been implemented including extending the panel of service providers and the change of the water treatment agent. The municipality expects savings on his line item going forward.

It must be noted that this line item (Inventory Consumed) was one of our major contributors to the budget funding plan, the decrease in expenditure will thus impact positively on the budget funding plan.

## **CONTRACTED SERVICES:**

Contracted services have generated a negative variance 55%, the municipality had anticipated to have spent R99 million by mid-year of which only R45 million has been spent. This indicates major cost savings on the management of contracted services. The major contributors to this line item include, computer programs, repairs to pumps and pipe lines, security and the hiring of plant and water tankers. The total allocation for contracted services was reduced from R198 million in the original budget to R121 million in the budget funding plan. The municipality has therefore incurred expenditure on this line item as per the budget funding plan.

## **GENERAL EXPENDITURE:**

General expenditure is -34% below what was budgeted. This is due to cost containment measures effected through the IFC and budget funding plan. General expenditure remains highly monitored, considering the adopted budget funding plan. The municipality anticipates realising further cost savings on this line item going forward.

The municipality has recognised that cost savings in general expenditure items when consolidated contribute positively into the budget funding plan. Items such as telephone/ cell phones, accommodation, printing and stationery etc. have been reviewed and material cost savings were achieved.

## **TRANSFERS AND SUBSIDIES:**

The amount budgeted for transfers and subsidies is the transfer allocation for the Development Agency. An amount of R1 million had been transferred at mid-year. The allocations made to the agency are based on the transfer of the equitable share and the cash flow is considered before the transfer is made. The municipality has been to adequately transfer higher amounts to the agency due financial constraints faced by the municipality.

## **SUMMARY OF CAPITAL PROJECT IMPLEMENTATION**

<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		-	1,211	-	3	3	605	(602)	-99%	1,211
Executive and council		-	-	-	3	3	-	3	#DIV/0!	-
Finance and administration		-	1,211	-	-	-	605	(605)	-100%	1,211
Internal audit		-	-	-	-	-	-	-		-
<b>Community and public safety</b>		-	-	-	-	-	-	-		-
Community and social services		-	-	-	-	-	-	-		-
Sport and recreation		-	-	-	-	-	-	-		-
Public safety		-	-	-	-	-	-	-		-
Housing		-	-	-	-	-	-	-		-
Health		-	-	-	-	-	-	-		-
<b>Economic and environmental services</b>		-	-	-	-	-	-	-		-
Planning and development		-	-	-	-	-	-	-		-
Road transport		-	-	-	-	-	-	-		-
Environmental protection		-	-	-	-	-	-	-		-
<b>Trading services</b>		-	307,184	-	22,418	117,486	153,592	(36,106)	-24%	307,184
Energy sources		-	-	-	-	-	-	-		-
Water management		(0)	245,763	-	19,193	101,874	122,882	(21,008)	-17%	245,763
Waste water management		0	61,421	-	3,225	15,613	30,711	(15,098)	-49%	61,421
Waste management		-	-	-	-	-	-	-		-
<b>Other</b>		-	-	-	-	-	-	-		-
<b>Total Capital Expenditure - Functional Classification</b>	3	-	308,395	-	22,421	117,490	154,198	(36,708)	-24%	308,395
<b>Funded by:</b>										
National Government		-	306,342	-	19,199	114,268	153,171	(38,903)	-25%	306,342
Provincial Government		-	-	-	-	-	-	-		-
District Municipality		-	-	-	-	-	-	-		-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies,		-	-	-	-	-	-	-		-
<b>Transfers recognised - capital</b>		-	306,342	-	19,199	114,268	153,171	(38,903)	-25%	306,342
<b>Borrowing</b>	6	-	-	-	-	-	-	-		-
<b>Internally generated funds</b>		-	2,053	-	-	-	1,027	(1,027)	-100%	2,053
<b>Total Capital Funding</b>		-	308,395	-	19,199	114,268	154,198	(39,930)	-26%	308,395

**Budgeted**  
**R 154,198**

**Actual Outcomes**  
**R 117,490**

**% Variance**  
**-24%**

The expenditure on capital projects yielded a negative of -24% the variance is also impacted by the unapproved portion of the rollover which was not withheld from the equitable share.

## STATEMENT OF FINANCIAL POSITION

DC23 Uthukela - Table C6 Monthly Budget Statement - Financial Position - M06 - December						
Description	Ref	2022/23	Budget Year 2023/24			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents		13,689	40,381	–	226,606	40,381
Trade and other receivables from exchange transactions		45,646	187,200	–	158,759	187,200
Receivables from non-exchange transactions		305	6,200	–	79	6,200
Current portion of non-current receivables		3,514	–	–	3,514	–
Inventory		19,177	20,000	–	22,798	20,000
VAT		242,348	132,717	–	235,578	132,717
Other current assets		1,658	–	–	5,510	–
<b>Total current assets</b>		<b>326,337</b>	<b>386,498</b>	<b>–</b>	<b>652,843</b>	<b>386,498</b>
<b>Non current assets</b>						
Investments		–	–	–	–	–
Investment property		–	–	–	–	–
Property, plant and equipment		3,248,605	3,271,073	–	3,322,023	3,271,073
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		5,181	–	–	5,172	–
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
<b>Total non current assets</b>		<b>3,253,786</b>	<b>3,271,073</b>	<b>–</b>	<b>3,327,195</b>	<b>3,271,073</b>
<b>TOTAL ASSETS</b>		<b>3,580,123</b>	<b>3,657,571</b>	<b>–</b>	<b>3,980,039</b>	<b>3,657,571</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Bank overdraft		–	–	–	–	–
Financial liabilities		949	–	–	949	–
Consumer deposits		19,294	20,735	–	19,661	20,735
Trade and other payables from exchange transactions		537,116	404,404	–	509,910	404,404
Trade and other payables from non-exchange transactions		(5,889)	3,798	–	200,532	3,798
Provision		33,586	51,331	–	31,586	51,331
VAT		275,348	84,805	–	288,653	84,805
Other current liabilities		8,336	–	–	8,336	–
<b>Total current liabilities</b>		<b>868,738</b>	<b>565,073</b>	<b>–</b>	<b>1,059,627</b>	<b>565,073</b>
<b>Non current liabilities</b>						
Financial liabilities		–	–	–	–	–
Provision		15,060	36,991	–	15,060	36,991
Long term portion of trade payables		–	–	–	–	–
Other non-current liabilities		18,777	–	–	18,777	–
<b>Total non current liabilities</b>		<b>33,837</b>	<b>36,991</b>	<b>–</b>	<b>33,837</b>	<b>36,991</b>
<b>TOTAL LIABILITIES</b>		<b>902,576</b>	<b>602,064</b>	<b>–</b>	<b>1,093,465</b>	<b>602,064</b>
<b>NET ASSETS</b>	2	<b>2,677,547</b>	<b>3,055,507</b>	<b>–</b>	<b>2,886,574</b>	<b>3,055,507</b>
<b>COMMUNITY WEALTH/EQUITY</b>						
Accumulated surplus/(deficit)		2,772,728	3,055,507	–	2,886,574	3,055,507
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>2,772,728</b>	<b>3,055,507</b>	<b>–</b>	<b>2,886,574</b>	<b>3,055,507</b>

## CASH FLOW STATEMENT:

DC23 Uthukela - Table C7 Monthly Budget Statement - Cash Flow - M06 - December

Description	Ref	2022/23	Budget Year 2023/24							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates		-	-	-	-	-	-	-		-
Service charges		129,654	100,995	100,995	7,788	57,382	50,488	6,885	14%	100,995
Other revenue		39,809	180,203	180,203	1,048	14,849	90,102	(75,253)	-84%	180,203
Transfers and Subsidies - Operational		533,343	587,779	587,779	189,264	433,965	293,890	140,076	48%	587,779
Transfers and Subsidies - Capital		252,284	306,342	306,342	-	200,806	153,171	47,635	31%	306,342
Interest		6,612	6,289	6,289	414	4,643	3,144	1,498	48%	6,289
Dividends		-	-	-	-	-	-	-		-
<b>Payments</b>										
Suppliers and employees		(163,713)	(799,604)	(799,604)	(26,393)	(102,218)	(399,802)	297,584	-74%	(799,604)
Interest		-	-	-	-	-	-	-		-
Transfers and Subsidies		-	(3,285)	3,285	-	-	(1,643)	1,643	-100%	(3,285)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>		<b>797,989</b>	<b>378,719</b>	<b>385,289</b>	<b>172,121</b>	<b>609,427</b>	<b>189,359</b>	<b>(420,068)</b>	<b>-222%</b>	<b>378,719</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
<b>Payments</b>										
Capital assets		194,919	(308,395)	(308,395)	(10,991)	(115,081)	(154,198)	39,116	-25%	(308,395)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>		<b>194,919</b>	<b>(308,395)</b>	<b>(308,395)</b>	<b>(10,991)</b>	<b>(115,081)</b>	<b>(154,198)</b>	<b>(39,116)</b>	<b>25%</b>	<b>(308,395)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
<b>Payments</b>										
Repayment of borrowing		(143)	-	-	-	-	-	-		-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>		<b>(143)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>		<b>992,765</b>	<b>70,323</b>	<b>76,894</b>	<b>161,131</b>	<b>494,346</b>	<b>35,162</b>			<b>70,323</b>
Cash/cash equivalents at beginning:		14,370	(29,942)	(29,942)		13,689	(29,942)			13,689
Cash/cash equivalents at month/year end:		1,007,135	40,381	46,952		508,034	5,220			84,012

## ANALYSIS OF OUTSTANDING DEBTORS AND CREDITORS:

DC23 Uthukela - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 - December

Description	NT Code	Budget Year 2023/24								
		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	31,552	19,602	15,108	16,051	16,345	16,232	15,559	548,313	678,761
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	1,576	1,050	974	855	831	829	761	25,587	32,464
Receivables from Exchange Transactions - Waste Management	1600	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	5,180	5,047	5,069	4,922	4,849	4,601	4,465	169,398	203,532
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–
Other	1900	254	387	295	217	427	183	233	7,543	9,539
Total By Income Source	2000	38,562	26,086	21,447	22,045	22,452	21,845	21,018	750,842	924,296
2022/23 - totals only		29,607	25,458	27,111	23,449	21,496	23,035	95,875	669,463	915,494
Debtors Age Analysis By Customer Group										
Organs of State	2200	9,282	2,742	1,282	1,622	1,629	1,678	1,403	26,810	46,447
Commercial	2300	5,571	2,963	1,484	1,523	1,405	1,324	1,342	37,400	53,013
Households	2400	23,709	20,381	18,681	18,900	19,417	18,843	18,273	686,631	824,836
Other	2500	–	–	–	–	–	–	–	–	–
Total By Customer Group	2600	38,562	26,086	21,447	22,045	22,452	21,845	21,018	750,842	924,296

Reflected above is the age analysis of debtors as at the end of December 2023 totalling over R924 million.

### Midyear Collection Rate:

The average collection rate stood at 40% at the end of December 2023

CONSUMER DEBTORS - PAYMENTS VS BILLING AS AT 31 DECEMBER 2023				
MONTH	BILLING	MONTHS	RECIEPTS	RECOVERY RATE %
June 2023	25,608,838.15	July 2023	15,146,405.33	59.15%
July 2023	30,432,078.23	August 2023	9,514,192.41	31.26%
August 2023	30,257,372.83	September 2023	12,208,941.91	40.35%
September 2023	29,957,161.76	October 2023	12,433,443.85	41.50%
October 2023	23,953,175.82	November 2023	9,529,050.56	39.78%
November 2023	28,423,891.12	December 2023	8,803,764.50	30.97%
<b>TOTAL</b>	<b>168,632,517.91</b>		<b>67,635,798.56</b>	<b>40%</b>
<b>TOTALS</b>				
BILLING - JUNE 2023 - DECEMBER 2023		168,632,517.91		
RECIEPTS - JULY 2023- DECEMBER 2023		67,635,798.56		
DIFFERENCE		100,996,719.35		40%

**DC23 Uthukela - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December**

Description	NT Code	Budget Year 2022/23					
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	Total
R thousands							
Creditors Age Analysis By Customer Type							
Bulk Electricity	0100						-
Bulk Water	0200						-
PAYE deductions	0300						-
VAT (output less input)	0400						-
Pensions / Retirement deductions	0500						-
Loan repayments	0600						-
Trade Creditors	0700	1,942	4,965	3,778	4,491	313,877	329,052
Auditor General	0800						-
Other	0900						-
Total By Customer Type	1000	16,290	3,509	5,015	4,614	305,106	334,534

## **ANALYSIS OF CASH & INVESTMENTS:**

Investments by maturity Name of institution & investment ID	Ref	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
<b>R thousands</b>						
<b>Municipality</b>						
FNB		54,525	492	(182,284)	182,284	55,017
NEDBANK		1,247	10	(1,249)	1,249	1,257
INVESTEC		381	3			384
ABSA		1,615	659	(30,000)	123,000	95,274
STANDARD BANK		7,605	22	(7,628)	7,628	7,628
<b>Municipality sub-total</b>		<b>65,373</b>	<b>1,187</b>	<b>(221,161)</b>	<b>314,161</b>	<b>159,560</b>

The table above reflects investments as at the end of the second quarter, at the various institutions. The total investments totalled R159,5 million.

### **Bank Balances**

The following reflects bank balances at 31 December 2023

DESCRIPTION	SEPTEMBER 2023	OCTOBER 2023	NOVEMBER 2023	DECEMBER 2023
FNB MAIN ACCOUNT 62252306280	61,912,762.42	43,188,202.58	17,127,156.68	14,791,225.24
FNB WATER ACCOUNT 62253072385	0	0	0	0
	<b>61,912,762.42</b>	<b>43,188,202.58</b>	<b>0.00</b>	<b>14,791,225.24</b>
<b>Total cash held</b>	<b>14,791,225.24</b>			

At the end of December 2023 cash on hand was R15 million

## ANALYSIS OF GRANTS RECEIVED:

Grant allocations received at the end of December 2023 were as follows:

DC23 Uthukela - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 - December

Description	Ref	2022/23	Budget Year 2023/24					
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance
R thousands								
<b>RECEIPTS:</b>	1,2							
<b>Operating Transfers and Grants</b>								
National Government:		539,854	587,779	-	189,264	433,964	293,890	140,074
Expanded Public Works Programme Integrated Grant		-	1,816	-	-	1,271	908	363
Local Government Financial Management Grant	3	(58)	2,100	-	-	2,100	1,050	1,050
Municipal Systems Improvement Grant		-	2,000	-	-	-	1,000	(1,000)
Rural Road Asset Management Systems Grant		-	2,672	-	-	-	1,336	(1,336)
Equitable Share		539,912	579,191	-	189,264	430,593	289,596	140,997
Provincial Government:		(95)	-	-	-	-	-	-
Specify (Add grant description)		(95)	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>		539,759	587,779	-	189,264	433,964	293,890	140,074
<b>Capital Transfers and Grants</b>								
National Government:		88,790	306,342	-	-	202,676	153,171	49,505
Rural Road Asset Management Systems Grant		0	-	-	-	1,870	-	1,870
Municipal Infrastructure Grant		7,990	221,342	-	-	132,806	110,671	22,135
Water Services Infrastructure Grant		80,800	85,000	-	-	68,000	42,500	25,500
Provincial Government:		-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-
Other grant providers:		-	-	-	284	375	-	375
Education, Training and Development Practices SETA		-	-	-	284	375	-	375
<b>Total Capital Transfers and Grants</b>		88,790	306,342	-	284	203,051	153,171	49,880
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>		628,549	894,121	-	189,548	637,015	447,061	189,954

Prepared by

Accountant: Budget

Reviewed by:

Senior Manager Finance

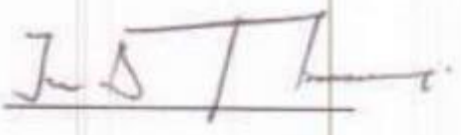
Approved by:

Chief Financial Officer



## Municipal manager's quality certificate

I **Mpumelelo Bongani**, municipal manager of UThukela District Municipality, hereby certify that the Section 52 and supporting documentation for December 2023 have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act.

Print Name:	<u>Mpumelelo Bongani Mnguni</u>
Municipal Manager of UThukela District Municipality (DC23)	
Signature:	

**Date:** 15 January 2024