

UTHUKELA ECONOMIC DEVELOPMENT AGENCY ANNUAL BUDGET FOR 2023_2024 FINANCIAL YEAR

OVERVIEW

The Constitution of the Republic of South Africa and any other applicable laws charge the municipalities with the responsibility of ensuring sustainable provision of municipal services within its area of jurisdiction. The agency was developed as a vehicle to;

- To develop and implement an intensive food security program to address the issue of child malnutrition and people living in hunger;
- After consultations with Municipalities, to package district based agricultural projects that are viable in the long term and take advantage of district comparative and competitive advantages that would unlock economic growth in districts;

To establish district –level agencies to provide effective business and investor facilitation and support to reduce regulatory burden. The Special Purpose Vehicle in a form of Economic Development Agency was therefore deemed as a requirement to drive a coordinated and integrated implementation of LED within the districts. UThukela District Municipality has elected to deliver certain services through the UThukela Economic Development Agency, a municipal service utility which was established in September 2017.

UThukela Economic Development Agency is grant dependent entity which is funded by its parent, which is UThukela District Municipality and have entered into a memorandum of understanding with its parent and set the following objectives:


- To create an enabling and conducive environment for both local and international businesses to thrive.
- To facilitate, coordinate and monitor all district economic development projects.
- To restore business confidence, stakeholder engagements and establishment of the economic development working groups.
- To mobilize and promote the use of local resource and skill thus ensuring maximum local economic development.

The agency is fully controlled by uThukela District Municipality. The Agency is planning and budgeted to procure the financial system during this financial year so that it complies with all the national treasury requirement in terms of reporting.

	BUDGET		
	2023_2024	2024_2025	2025_2026
REVENUE			
SUBSIDY	3,285,000	3,449,250	3,621,713
TRANSFER EXPENDITURE	1,500,000	1,575,000	1,653,750
INTEREST INCOME	200,000	210,000	220,500
OTHER REVENUE	240,000	252,000	264,600
REVENUE FROM CONDITIONAL GRANT	4,950,979	-	-
TOTAL REVENUE	10,175,979	5,486,250	5,760,563
OPERATING EXPENDITURE			
AUDIT FEES + CIPC ANNUAL RETURN FEES	300,000	256,438	269,260
ADVERTISEMENT & MARKETING	30,000	42,740	44,877
BANK CHARGES	9,342	7,985	8,385
PRINTING AND STATIONERY	75,000	85,479	89,753
CLEANING MATERIAL	85,000	85,479	89,753
BOARD ALLOWANCES & EMOLUMENTS	544,317	544,317	544,317
CAPACITY BUILDING & TRAINING	20,000	-	-
SUSBSISTENCE & TRAVELLING EXPENSES	15,000	10,000	10,500
INSURANCE EXPENSES	80,000	84,000	88,200
TRANSFER EXPENDITURE	1,500,000	1,575,000	1,653,750
FUEL, OIL AND OTHER	20,000	-	-
SALARIES	1,900,000	1,995,000	2,094,750
SDL	20,000	21,000	22,050
INVESTMENTS PROGRAMS	140,000	-	-
TOURISM &SPECIAL PROGRAMS	140,000	-	-
RASET & AGRICULTURAL PROGRAMS	140,000	-	-
TEAM BUILDING & STRATEGIC PLANNING	150,000	50,000	52,500
CONSULTANCY	25,000	20,000	21,000
ACCOMODATION	25,000	10,000	10,500
RENTAL	623,000	654,150	686,858
OFFICE WATER UTILITY	9,337	7,981	8,380
OFFICE ELECTRICITY UTILITY	42,210	36,081	37,885
DEPRECIATION	497,532	263,614	276,794
SUBTOTAL	6,390,738	5,749,266	6,009,513
CAPITAL EXPENDITURE			
UMHLUMAYO CULTURAL VILAGE PROJECT	2,927,881	-	-
DRIEFONTEIN GASSIFICATION	1,982,902	-	-
AGRICULTURAL PROJECT	40,197	-	-
SUBTOTAL	4,950,979	-	-
TOTAL EXPENDITURE	11,341,718	5,749,266	6,009,513
SURPLUS/(DIFICIT)	-1,165,738.21	- 263,016	- 248,950.5

I **Duduzile CP Mazibuko** the Chief Executive Officer of UThukela Economic Development Agency, hereby certify that the draft annual budget has been prepared in terms of municipal finance management act and regulation made under this act

PRINT NAME DCP MAZIBUKO

SIGNATURE 

DATE 11 July 2023