

MANDENI MUNICIPALITY

KZN291



BUDGET & TREASURY DEPARTMENT

**SECTION 52(D) QUARTER ONE REPORT FOR
THE PERIOD ENDED SEPTEMBER 2021/22
FINANCIAL YEAR**

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2021/22**BUDGET FOR THE PERIOD ENDING 30 SEPTEMBER 2021.****1. PURPOSE**

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2021/22 Budget of Mandeni Municipality for First Quarter, period ending 30 September 2021 in line with the statutory requirements of S52(d) of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 52(d).

4. BACKGROUND

In terms of Section 52(d) of the MFMA No 56, 2003 Chapter 7, the Mayor of a municipality 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;

5. EXECUTIVE SUMMARY

The Mayor's quarterly report in terms of section 52(d) of the Municipal Finance Management Act for the period ended 30 September 2021 is detailed below. The quarterly report has covered the following reports:

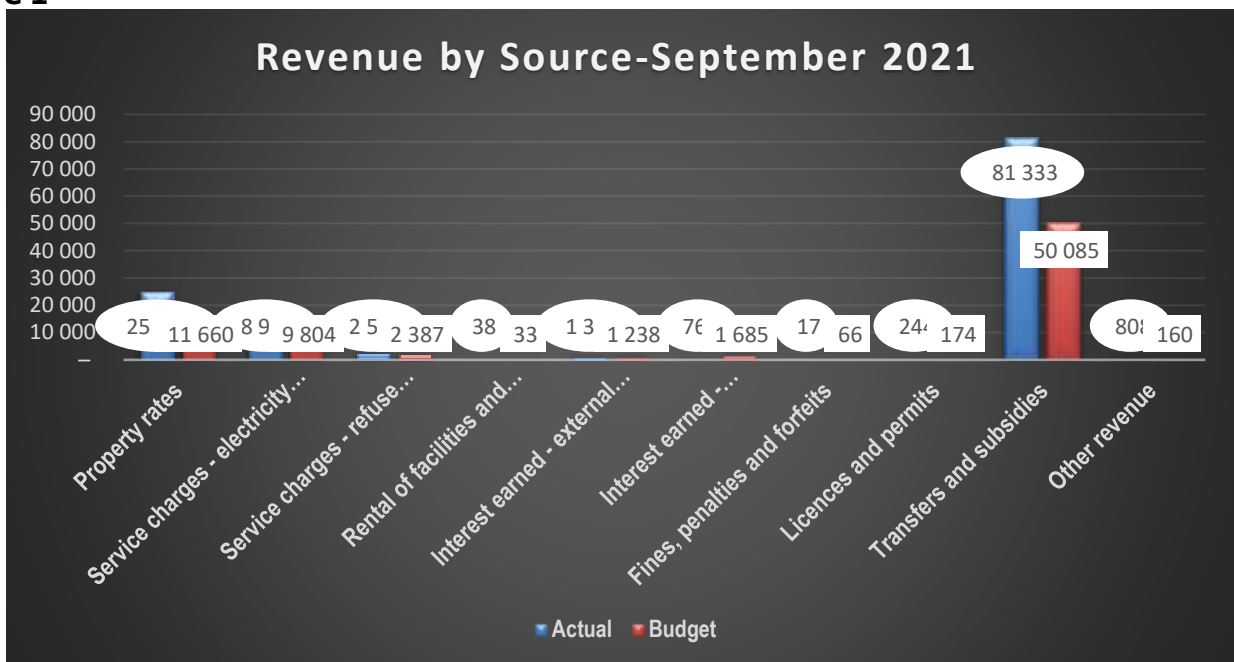
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5.1 Statement of Financial Performance

KZN291 Mandeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter										
Description	Ref	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
R thousands										
Revenue By Source										
Property rates		50 870	46 642	–	22 697	25 049	11 660	13 389	115%	46 642
Service charges - electricity revenue		34 672	39 216	–	2 442	8 985	9 804	(819)	-8%	39 216
Service charges - water revenue		–	–	–	–	–	–	–	–	–
Service charges - sanitation revenue		–	–	–	–	–	–	–	–	–
Service charges - refuse revenue		9 150	9 546	–	896	2 546	2 387	160	7%	9 546
Rental of facilities and equipment		101	130	–	25	38	33	5	16%	130
Interest earned - external investments		6 454	4 950	–	169	1 364	1 238	126	10%	4 950
Interest earned - outstanding debtors		4 084	6 740	–	240	765	1 685	(920)	-55%	6 740
Dividends received		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		281	265	–	8	17	66	(50)	-75%	265
Licences and permits		800	695	–	58	244	174	70	40%	695
Agency services		–	–	–	–	–	–	–	–	–
Transfers and subsidies		210 180	200 340	–	–	81 333	50 085	31 248	62%	200 340
Other revenue		1 378	640	–	67	809	160	648	405%	640
Gains		15 961	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		333 931	309 163	–	26 602	121 149	77 291	43 858	57%	309 163
Expenditure By Type										
Employee related costs		108 980	107 819	–	8 688	26 537	26 955	(418)	-2%	107 819
Remuneration of councillors		13 528	14 643	–	1 136	3 391	3 661	(269)	-7%	14 643
Debt impairment		34 245	30 635	–	–	–	7 659	(7 659)	-100%	30 635
Depreciation & asset impairment		31 281	32 726	–	2 469	7 516	8 182	(666)	-8%	32 726
Finance charges		332	400	–	–	1	100	(99)	-99%	400
Bulk purchases - electricity		28 816	35 143	–	3 139	10 156	8 786	1 370	16%	35 143
Inventory consumed		2 139	2 288	–	39	95	572	(477)	-83%	2 288
Contracted services		47 869	56 718	–	3 527	10 547	14 180	(3 633)	-26%	56 718
Transfers and subsidies		1 557	1 883	–	135	397	471	(73)	-16%	1 883
Other expenditure		30 699	41 206	–	4 193	8 162	10 302	(2 139)	-21%	41 206
Losses		1 536	–	–	3	3	–	3	#DIV/0!	–
Total Expenditure		300 982	323 462	–	23 329	66 805	80 866	(14 061)	-17%	323 462
Surplus/(Deficit)		32 948	(14 299)	–	3 273	54 344	(3 575)	57 919	(0)	(14 299)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		41 465	35 370	–	–	–	8 843	(8 843)	(0)	35 370
allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–	–	1 170
Surplus/(Deficit) after capital transfers & contributions		74 413	21 071	–	3 273	54 344	5 268			22 241
Taxation		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		74 413	21 071	–	3 273	54 344	5 268			22 241
Attributable to minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		74 413	21 071	–	3 273	54 344	5 268			22 241
Share of surplus/ (deficit) of associate		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		74 413	21 071	–	3 273	54 344	5 268			22 241

The above revenue and expenditure sources can be graphically presenting in figure 1 and 2 below:

Figure 1



Property Rates

The municipality accounts for revenue on an invoice basis in line with GRAP requirements. This means that the revenue is recognized when the bills are performed and the total amount billed to date being R25.1 million (current month – R22.7 million) which equates to an over billing of 115% compared to the total R11.7 million pro-rata water revenue budgeted.

Variance of 115% is due to some other properties that are billed annually as per agreement with relevant departments. Following the agreement, we had with the Department of Public Works, Annual Billings were done in the Month of August and this has resulted to the significant increase of the year to date actual. The variance will gradually decrease as the financial year progress.

The actual cash collected being R2,9 million for period ended September 2021.

Service Charges: Electricity

As indicated above, also revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R8,9 million (current month – R896 thousand) which equates to an under billing of 8% when compared to the total R9.8 million pro-rata sanitation revenue budgeted. Variance is due to seasonal fluctuations that electricity consumption increases in winter months as compared to summer months.

The actual cash collected is R8.9 million.

Service Charges: Refuse

As indicated above, also revenue for service charges- refuse is recognized on an invoice basis and the total amount billed is R2,5 million (current month – R896 thousand) which equates to an over billing of 7% when compared to the total R2.3 million pro-rata sanitation revenue budgeted.

The actual cash collected is R783 thousand.

Planned Interventions to Increase Collections (Property rates and Service Charges)

- On a weekly basis, a list of top 20 debtors (businesses, government and domestic) is extracted from the debtors list.
- Debtors selected are encouraged to come and make arrangements for payment;
- In the event that they still default on payments, these debtors are written final demand letters and if no positive response is received, a process of effecting service disconnections ensues in line with our credit control policy.

Accounts with letters of final demand for payment sent out

Acc. No	Town	ERF	Debtors Name	Debt Type	Amount R
001001792	Sundumbili A	179	Mr Mngomezulu	Refuse	37,723.12
001001862	Sundumbili A	186	Mr Dlamini	Refuse	39,328.40
001002100	Sundumbili A	21	MS Zulu	Rates/Refuse	82,053.29
001002242	Sundumbili A	224	Mr xulu	Refuse	34,588.44
001002400	Sundumbili A	24	Mr Zulu	Rates/refuse	50,678.81
001001742	Sundumbili A	174	Mr Mthethwa	Refuse	35,098.63
001019000	Sundumbili A	190	Ms Mkhwanazi	Rates/Refuse	89,651.56
001001400	Sundumbili A	14	Mr Masondo	Rates/Refuse	11,282.36
001001372	Sundumbili A	137	Mr Ngema	Refuse	28,667.50
001063100	Sundumbili A	631	Mr Mandela	Rates/Refuse	66,438.93
001064500	Sundumbili A	645	Ms Zungu	Rate/Refuse	6,117.88
001065000	Sundumbili A	650	Ms Ntshangase	Rates/Refuse	52,303.97
001065600	Sundumbili A	656	Mr Manqele	Rates/Refuse	28,619.63
001069300	Sundumbili A	693	Mr Williamson	Rates/Refuse	13,089.49
001069900	Sundumbili A	699	Ms Ngobese	Rates/Refuse	7,002.55
001071300	Sundumbili A	713	Mr Sangweni	Rates/Refuse	8,160.06
001070800	Sundumbili A	708	Mr Bele	Rates/Refuse	15,887.45
001071200	Sundumbili A	712	KKLK Property Inv.Trust	Rates/Refuse	35,099.06
001073500	Sundumbili A	735	Ms Mbingla	Rates/Refuse	5,485.55
001073600	Sundumbili A	736	Mr Sibiya	Rates/Refuse	21,619.17

TOTAL**671,895.85****ARRANGEMENTS**

Acc. No	Town	ERF	Debtors Name	Debt Type	Amount R
001070700	Sundumbili A	707	Mrs Gcaleka	Rates/Refuse	10,104.37
009801201	Mandini Ext. 1	278	Mr Ngcobo	Rate/Refuse	13,734.48
004001932	Mandini Ext. 6	916	Mr Kanni	Elec/Refuse	19,775.42
001095000	Sundumbili A	950	Mr Masondo	Rates	7,888.62
002700821	Mandini Ext. 7	994	Mr Fakazi	Electricity	20,815.32
009701331	Mandini Ext. 5	776	Mr Thabethe	Rates/Refuse	6,436.50
002145600	Sundumbili B	1456	Mr Mthembu	Rates/Refuse	16,234.45
009900602	Mandini Ext 090	60	Ms Baker	Rates/Refuse	10,425.93
002136900	Sundumbili B	1369	Mr Vilakazi	Rates/Refuse	43,673.64
001022500	Sundumbili A	225	Mr Mbatha	Rates/Refuse	7,556.36
001072500	Sundumbili A	725	Mr Ngidi	Rates/Refuse	18,985.12
002037500	Sundumbili B	375	Ms Shange	Rates/Refuse	2,852.26
002242500	Sundumbili B	2425	Mr Mdluli	Rates	47,585.63
001077100	Sundumbili A	771	Mr Mthembu	Rates/Refuse	9,732.71
009500781	Mandini Ext. 7	994	Mr Nxumalo	Rates/Refuse	101,247.90
001107800	Sundumbili A	1078	Mr Skosana	Rates/Refuse	9,429.25
002160000	Sundumbili B	1600	Mr Shange	Rates/Refuse	15,493.27
002067800	Sundumbili B	678	Ms Mpungose	Rates/Refuse	34,049.57
001073600	Sundumbili A	736	Mr Sibiya	Rates/Refuse	21,619.17
009903601	Mandini Ext. 2	360	Mr Mwandla	Rates/Refuse	7,155.80

TOTAL**424,795.77**

DISCONNECTIONS

Account No.	Town	Erf No.	Debtors Name	Debt Type	Amount R
002600432	Mandini	1426 Ext. 6	Associated Spinners	Rates/Elec.	20949.92
004002632	Mandini	939	Mr Bambeni	Electricity	8,490.05
004001952	Mandini	744 Ext. 5	Basic Best Prop	Electricity	11,969.31
002101631	Mandini	361 Ext. 2	Mr Chetty	Rates/ Elec.	65,812.63
008400851	Mandini	835	Elastico	Rates/Elec.	11,592.96
009600501	Mandini	699	Mr Eushen	Rates /Elec.	37,383.67
008800681	Mandini	98	Mr Getkate	Rates/Elec.	16,486.20
002400241	Mandini	444 Ext. 2	M3 Holdings	Rates/Elec.	12,1977.00
003000102	Mandini	307	Mr Mbuyisa	Rates/Elec.	31,623.05
002800131	Mandini	448 Ext. 2	Mr Mvula	Rates/Elec.	23,606.15
002300031	Mandini	746 Ext. 5	Mr Ngema	Rates/Elec.	26,169.62
002601032	Mandini	805 Ext. 5	Mr Ngubane	Rates/Elec.	33,724.43
008801301	Mandini	77	Mr Pieters	Rates/Elec.	18,050.67
002701212	Mandini	28	Ms Ntuli	Rates/Elec.	10,236.04
004004952	Mandini	469 Ext. 2	Mr Radebe	Rates/Elec.	45,818.50
002900232	Mandini	911 Ext. 6	Mr Radebe	Rates/Elec.	68,135.08
002700941	Mandini	46 Ext. 090	Mr Kubheka	Rates/Elec.	15,472.24
004001932	Mandini	916 Ext. 6	Mr Kanni	Rates/Elec.	16,817.25
002701091	Mandini	405 Ext. 2	Ms Horsley-Dalil	Rates/Elec.	9,247.66
009300771	Mandini	786/02 Flat	Mr Fourie	Rates/Elec.	9,661.10
002800902	Mandini	786/10 Flat	Mr Gopal	Rates/Elec.	7,790.05
TOTAL					611,013.58

Rentals of Facilities and Equipment

Rental of facilities to date totals to R38 thousand (current month – R25 thousand) which equates to an over-collection of 16% when compared to the pro-rata budget. Rental is received from municipal properties and community facilities such as Halls and Sports Fields.

Investment Earned – External Investments

Investment revenue is the amount of interest earned on the amount invested with various financial institutions registered with South African Banking Council. The amount collected to date as interest earned amounts to R1.4 million resulting in a 10 per cent over collection of the pro-rata budget to date. Variance is due to the cash available from previous year cash backed reserves and additional grants received

In line with the investment policy, funds are invested on call accounts with institutions offering the highest possible interest rates.

Interest earned on arrear debtors

In line with council adopted credit control policy, the municipality charges interest on arrear debtors.

Interest earned on outstanding debtors amounts to R765 thousand in comparison with the year to date budget of R1.7 million, thus indicating an under performance by R920 thousand or -55 percent, variance is based on the outstanding debtors for that period. Interest on outstanding debtors has been charged at a rate of 2% as approved by Council.

Fines, penalties and forfeits

Fines underperformed by -75 percent or -R50 thousand, with an actual amount of R17 thousand variance against year to date budget projections of R66 thousand. This is mainly due to the culture of non-payment and adverse economic conditions. Revenue reported to date is on cash basis, the municipality will account for fines in terms of iGRAP 1 as we have approached year end.

Licensing and permits

Licences and permits have over collected by 40 percent or R70 thousand with an actual amount of R244 thousand as compared to budget of R174 thousand. Revenue reported for licences and permits is based on the performance of the traffic department through issuing and renewal of licences.

Grants Transfers & Subsidies

Transfers and subsidies recognised operational amounts to R81.3 million (current month – R0) in comparison of annual total of R50.1 million pro rate budget thus indicating an over collection by R31.2 million or 62 percent, variance is mainly attributable by receiving the 1st trench of Equitable Share and meeting conditions of operational grants.

Other Revenue

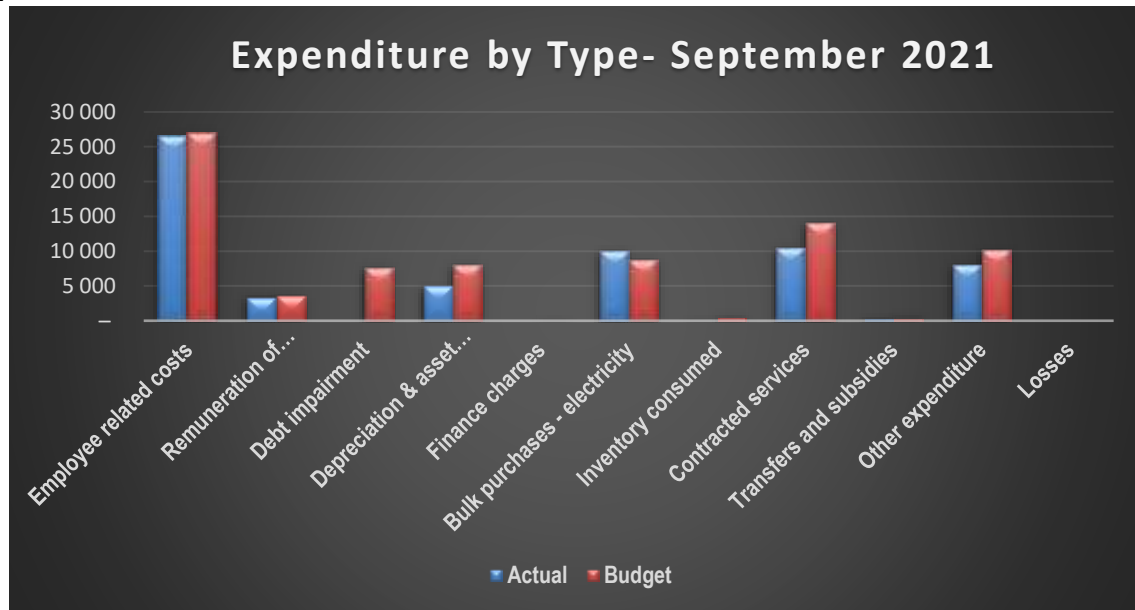
The majority of the Council own funded sources are budgeted under this category.

The year to date performance in Other Revenue amounts to R808 thousand more than anticipated YTD budget of R160 thousand, thus indicating an over performance of R648 thousand or 405 percent, variance is mainly due to seasonal fluctuations and level of demand for these items e.g, tender fees, connection and disconnection fees. Further to that contributing factor on this overperformance is the municipality receiving an Insurance refund which was not budgeted for in the annual budget. During an adjustment budget the municipality will adjust this item accordingly.

Overall revenue budget to date

The overall Operational revenue to date totals to R121.1 million (current month – R26.6 million) which equates to an over-collection of 57% when compared to pro-rata budget of R77.3 million.

Figure 2



Employee related costs

The expenditure to date for employee related costs totals to R26,5 million (current month – R8.7 million) which equates to an under-expenditure of -2 per cent when compared to the pro-rata expenditure on salaries. Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month not in November as it was previously done in the prior years.

For the breakdown of the employee related costs please refer to table 5.6.

Remuneration of Councilors

The expenditure to date for remuneration of Councilors totals to R3.4 million (current month – R1.1 million) which equates to an under-expenditure of -7% when compared to the pro-rata budgeted expenditure on councilors remuneration. Variance is due to Cllrs upper limits which have not been effected as the municipality has not received approval from COGTA, variance will be considered during back pay of Cllrs in January. However, there are still engagements with the department in relation to the Public Office bearer's salary increase.

Debt impairment

The provision for bad debt is reflecting no performance for this quarter. Debt impairment calculation has assumed the method below.

The assumption is that you exclude all debtors with credit balances when calculating the provision. Provision for Bad debt is therefore calculated using the collection rate of 65% for debt within 90 days and 20% for any debt older than 90 days for all categories except Electricity. With Electricity the assumption is that 90% of the debt older than 90 days is still collectable.

Depreciation & asset impairment

Depreciation and asset impairment are reflecting an under performance by -8 percent or R666 thousand against YTD actual of R7.5 million against the YTD budget of R8.2 million, variance is due to delays in acquiring capital assets that were planned to be procured and completion of projects that are still under work in progress as assets are depreciated when completed. Further to that it should be noted that the unit is still working on unbundling assets so as to ensure accurate figures for depreciation.

Finance Charges

Finance charges is the amount of interest that the municipality pays to various financial institutions for short and long-term loans and to date the expenditure is sitting at R1 thousand, variance is due to the fact that most of the loans are paid bi-annually.

Finance Charges as per the audited AFS of 2020/21 financial year incurred R2.8 million, due to reclassification of retirement benefit obligation interest costs in accordance with GRAP 25.

Bulk Purchases- Electricity

Bulk purchases relate to electricity purchases that the municipality buys from Eskom that is utilized by the community within Ward 3 where the municipality has the license authority. To date the expenditure on bulk purchases totals to R10.2 million (current month – R3.1 million) which equates to over- spending of 16 % when compared to the pro-rata budgeted expenditure on bulk purchases. Variance is due to electricity bulk consumption by umngeni water which is not easy to estimate consumption during budget preparation. Based on performance reported it appears that budget allocated is understated to ensure that the municipality does not incur unauthorized budget this item will have to be adjusted.

Inventory Consumed

This is expenditure for the materials kept on stores and to date it totals to R95 thousand (current month – R39 thousand) equating to an under-expenditure of -83% when compared to the pro-rata budget. Acquisition of materials towards repairs & maintenance and consumables is only performed based on the need that exists during a particular period.

The municipality has reviewed its repairs and maintenance plan so as to ensure that the infrastructure of the municipality is regularly monitored for its aging.

Contracted Services

Contracted services for the period ended 30 September 2021 totals to R10.5 million (current month – R3.5 million) which equates to an under-expenditure of -26% when compared to the pro-rata budget.

Expenditure items considered as per mSCOA classification is outsourcing of services such as security, fire services and services for repairs & maintenance and other municipal activities that the municipality cannot perform which contribute towards service delivery.

Transfer and Grants

The municipality has allocated a total amount of R1.9 million to Free Basic Service -Electricity of its indigent beneficiaries.

Transfers & Subsidies have underspent by -16 percent or -R73 thousand from a budget projection of R471 thousand with an actual expenditure of R397 thousand towards free basic service. Expenditure towards this item is as per the approved indigent register.

Other Expenditure

Other expenditure includes items such as day to day running expenses, subsistence and travelling, professional fees, legal fees, bank charges, Budget road shows and all other expenditure forms part on the abovementioned categories of expenses. To date R8.2 million has been incurred on other expenditure (current month – R4.2 million) resulting in under-expenditure of -21% when compared to the pro-rata expenditure. Variance is due to activities that that took place in the 1st quarter of financial year and the decision the municipality took on implementation of cost cutting measures so as to improve the municipal cash flows.

Other expenditure - The majority of items are not a straight-line expenditure some are paid where it is needed e.g. printing and stationery, mayoral projects, external services etc. Certain expenditure items are based on a seasonal commitment.

Loss on disposal of PPE

A loss of R3 thousand has been recorded from auction.

Overall expenditure budget

The overall expenditure to date totals to R64,3 million (current month – R20,9 million) which equates to a - 20% under-expenditure when compared to the pro-rata annual budget of R80,9 million.

Surplus/(Deficit)

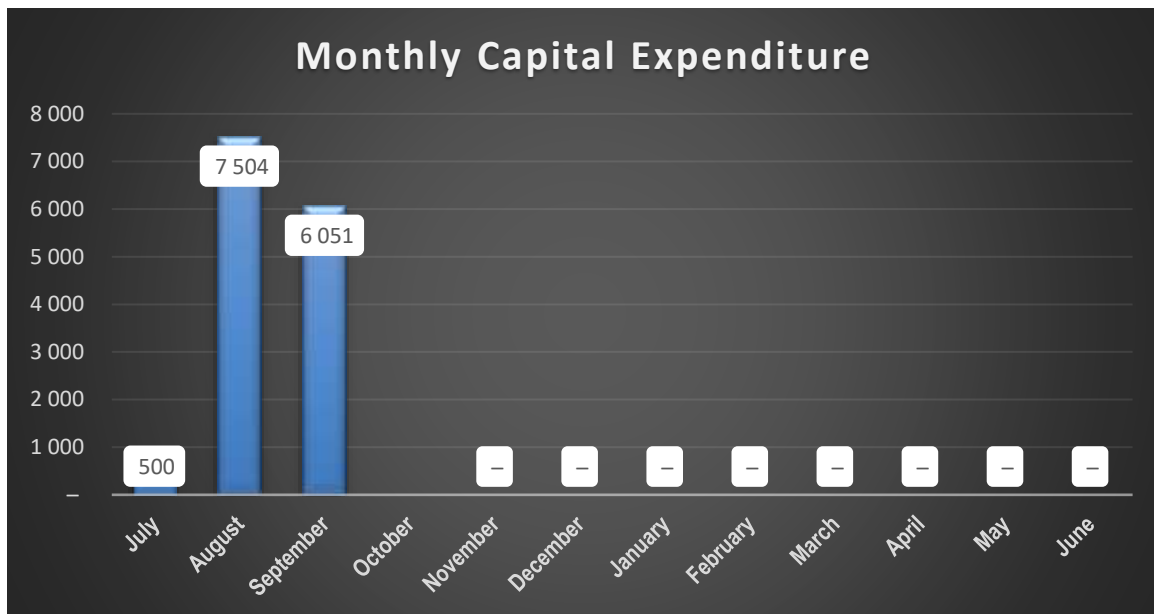
The statement of financial performance indicates that to date there is a surplus of R66,8 million for the period ended 30 September 2021 (i.e. Revenue collected is more than expenditure). It must be noted that non-cash items such as depreciation and asset impairment, debt impairment and provisions etc. have been included in the above surplus.

5. 2 Capital Expenditure

KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter										
Vote Description	Ref	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
R thousands	1									
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		(698)	20	-	-	-	5	(5)	-100%	20
Vote 2 - Finance and administration		10 259	5 150	-	-	68	1 287	(1 219)	-95%	5 150
Vote 3 - Internal audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and social services		(681)	10 108	-	25	467	2 527	(2 061)	-82%	10 108
Vote 5 - Sport and Recreation		4 238	5 754	-	423	684	1 439	(755)	-52%	5 754
Vote 6 - Public safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		4 113	9 985	-	1 416	3 535	2 496	1 039	42%	9 985
Vote 9 - Road transport		676	30 703	-	4 187	9 138	7 676	1 462	19%	30 703
Vote 10 - Energy sources		83	8 200	-	-	164	2 050	(1 886)	-92%	8 200
Vote 11 - Waste Management		-	4 000	-	-	-	1 000	(1 000)	-100%	4 000
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	17 990	73 920	-	6 051	14 055	18 480	(4 425)	-24%	73 920
Total Capital Expenditure		17 990	73 920	-	6 051	14 055	18 480	(4 425)	-24%	73 920
Capital Expenditure - Functional Classification										
Governance and administration		9 560	5 170	-	-	68	1 292	(1 224)	-95%	5 170
Executive and council		(698)	20	-	-	-	5	(5)	-100%	20
Finance and administration		10 259	5 150	-	-	68	1 287	(1 219)	-95%	5 150
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		3 557	15 863	-	448	1 150	3 966	(2 815)	-71%	15 863
Community and social services		(681)	10 108	-	25	467	2 527	(2 061)	-82%	10 108
Sport and recreation		4 238	5 754	-	423	684	1 439	(755)	-52%	5 754
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		4 789	40 688	-	5 603	12 673	10 172	2 501	25%	40 688
Planning and development		4 113	9 985	-	1 416	3 535	2 496	1 039	42%	9 985
Road transport		676	30 703	-	4 187	9 138	7 676	1 462	19%	30 703
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		83	12 200	-	-	164	3 050	(2 886)	-95%	12 200
Energy sources		83	8 200	-	-	164	2 050	(1 886)	-92%	8 200
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	4 000	-	-	-	1 000	(1 000)	-100%	4 000
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	17 990	73 920	-	6 051	14 055	18 480	(4 425)	-24%	73 920
Funded by:										
National Government		10 957	35 370	-	4 149	6 067	8 843	(2 775)	-31%	35 370
Provincial Government		(231)	1 170	-	25	174	293	(118)	-40%	1 170
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions,		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		10 726	36 540	-	4 174	6 242	9 135	(2 893)	-32%	36 540
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		7 264	37 380	-	1 877	7 813	9 345	(1 532)	-16%	37 380
Total Capital Funding		17 990	73 920	-	6 051	14 055	18 480	(4 425)	-24%	73 920

The capital expenditure year to date can be graphically presented as follows:

Figure 3



Capital Expenditure

The total capital expenditure to date totals to R14.1 million (current month – R6,1 million) which represents an under-expenditure of -24 per cent when compared to the pro-rata expenditure. The monthly expenditure is presented graphically on figure 3 above.

TABLE A: PROJECT LIST UNDER IMPLEMENTATION:

PROJECTS STATUS QUO / PROGRESS REPORT AS AT 30 SEPTEMBER 2021 – MIG FUNDED PROJECTS

2019/2020 FINANCIAL YEAR ROLL OVER CAPITAL PROJECTS

No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
01	Upgrade and Improvement of Enembe Road	7, 13, 14, 15	Upgrade and improvement of approximately 2.5km of Enembe Road in Sundumbili, install streetlights, ancillary road works, reconstruct sidewalks, bus bays and associated drainage	Consultant: MNA Contractor: Jamjo Civils	R 18 824 267.43	Project Complete	December 2020	The project reached Completion April 2021 and is currently under the defect liability period.
02	Upgrade of Link Road between Shayamoya Road (Ward 07) and Amajuba Road (Ward 15)	7, 15	This project entails the construction of a new access link road between Shayamoya Road and Amajuba Road. The scope of works includes 0.32 km of upgrading existing gravel road to a cape seal surfaced road, 1.0 wide surfaced sidewalks, associated Stormwater drainage system as well as street furniture such as road signs and line painting.	Consultant Lelethu Engineers Contractor Onombutho Trading CC	3,019,695.84	Project Complete	January 2021	The project reached Completion on June 2021 and is currently under the defect liability period.

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No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
03	Upgrade of Link Road between Amajuba Road (Ward 15) and Road 116 (Ward 14)	15, 14, 5, 7	This project entails the construction of a new access link road between Amajuba and Road 116. The scope of works includes 0.35 km of upgrading existing gravel road to a cape seal surfaced road, 1.0 wide surfaced sidewalks, associated Stormwater drainage system as well as street furniture such as road signs and line painting.	Consultant Lelethu Engineers Contractor Zithunzuzo Trading CC	3,440,757.69	Project Complete	January 2021	The project reached Completion on June 2021 and is currently under the defect liability period.
<u>2020/2021 FINANCIAL YEAR ROLL OVER CAPITAL PROJECTS</u>								
04	Construction of the swimming pool	15	Construction of a public swimming pool	Consultant Young and Satharia Contractor Flaxen Lake	R5 178 546.50	Under Construction	June 2021	The project reached Completion in September 2021 and is currently under the defect liability period.
05	Upgrade of Link Road between Masomonce Bus Route (Ward 10) and Enembe/Isithe	10/12	This project entails the construction of a new access link road between Masomonce Bus Route and Ward 12. The scope of works includes the following activities: 0.8km of upgrading existing gravel road to a cape seal surfaced road, 1.0 wide surfaced sidewalks and	Consultant Lelethu Consulting Engineers Contractor Thatha 5 cc	R6 762 817.44	Under Construction	09 August 2021	The Contractor experienced challenges with cashflow and is being assisted through a cession agreement. There is an anticipated increase to the scope of the works which

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No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
	be Link Road (Ward 12)		associated Stormwater drainage system as well as street furniture such as road signs and line painting.					will need variation order as well as an increase in the duration of the project.
07	Construction of a Sports field in Enembe, Ward 5	5	Project Scope: The scope of works is as follows: Construction of a soccer field, Installation of clear view Fencing, Construction of Change rooms and ablution facility as well as the septic tank and Construction of grand stands	Consultant Sivest Consulting Engineers Contractor Sholo Trading	R7 962 614.60	Under Construction	15 July 2021	Contractor is experiencing cashflow challenges and as a result progress is very slow. They are being assisted through a cession agreement for the procurement of materials that need to be purchased and installed such as the conservancy tanks, mobile grand stands, irrigation system and benches inside change rooms.
08	Rural Roads Phase 3 (a) - Upgrade of Rural Road in Ward 2	2	The scope of works includes the following activities: Remove topsoil & Excavation to a nominal depth of 300mm over the roadway widths, shoulders and side drains, Dump Rock infilling at soft spots, Rip and compact to 98% mod. AASHTO maximum density to depth of 150mm –	Consultant SKYV Consulting Contractor Zisayini Trading	5,483,859.59	Practical Complete	19 June 2021	The original scope of the project reached Completion in June 2021 and is currently under the defect liability period, however, there was an increase to the scope of project which was the

No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
			Roadbed, Construct 150mm Gravel Subbase: G7 to 95% Mod AASHTO with material from borrow-pits & commercial sources, Construct 150mm Gravel Base: G6 to 95% Mod AASHTO with material from borrow-pits & commercial sources, Construction of Grass Lined V-Drains, Construction of Stormwater Causeways utilising 600mm Pipes.					installation of gabions that is now complete. There was a challenge experienced due to difficulty of the contractor sourcing the required material.
09	Rural Roads Phase 3 (b) – Upgrade of Rural Road in ward 12	12	The scope of works includes the following activities: Remove topsoil & Excavation to a nominal depth of 300mm over the roadway widths, shoulders and side drains, Dump Rock infilling at soft spots, Rip and compact to 98% mod. AASHTO maximum density to depth of 150mm – Roadbed, Construct 150mm Gravel Subbase: G7 to 95% Mod AASHTO with material from borrow-pits & commercial sources, Construct 150mm Gravel Base: G6 to 95% Mod AASHTO with material from borrow-pits & commercial sources, Construction of Grass Lined V-Drains, Construction of Stormwater Causeways	<p>Consultant SKYV Consulting</p> <p>Contractor Msebe Trading</p>	5,483,859.59	Practical Complete	19 June 2021	The project reached Completion in June 2021 and is currently under the defect liability period.

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No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
			utilising 600mm Pipes, Construct 150mm Thick Reinforced Concrete Roadway for Grades of 14%.					
10	Rural Roads Phase 3 (c) - Upgrade of Rural Road in Ward 3	3	The scope of works includes the following activities: Remove topsoil & Excavation to a nominal depth of 300mm over the roadway widths, shoulders and side drains, Dump Rock infilling at soft spots, Rip and compact to 98% mod. AASHTO maximum density to depth of 150mm – Roadbed, Construct 150mm Gravel Subbase: G7 to 95% Mod AASHTO with material from borrow-pits & commercial sources, Construct 150mm Gravel Base: G6 to 95% Mod AASHTO with material from borrow-pits & commercial sources, Construction of Grass Lined V-Drains, Construction of Stormwater Causeways utilising 600mm Pipes.	Consultant SKYV Consulting Contractor Msebe Trading	4,392,341.82	Complete	19 June 2021	The project reached Completion in June 2021 and is currently under the defect liability period.
<u>2021/2022 FINANCIAL YEAR CAPITAL PROJECTS</u>								
	Swimming Pool Area	15	The project scope entails the following activities:	Consultant: Hi Tech Consulting	R3,685,154.52	Tender stage	June 2022	None at present

No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
	Additions in Ward 15		<ul style="list-style-type: none"> - Construction of a 76m2 change room, with 4 female and 2 male toilets and 2 urinals (male) - Construction of extra 33m2 ablutions block for usage during peak seasons with 6 toilets - Construction of a 20m2 guard house with cashier space - Construction of life guard house and provision of life guard stand - Construction of external works - Construction of block paved parking area (25 bays) - Construction of approximately 1500m2 block paved walkways and waiting area - Children play area with specialized equipment - Beach volley ball sand area 400m2 - Landscaping (trees, outdoors seating, etc.) - Provision of gates - Construction power electrification wiring and piping - Provision of outside lighting 	Contractor:				

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No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
			<ul style="list-style-type: none"> - Construction of a 50mm HDPE pipeline water supply, and - Construction of sewer pipeline, 110mm uPVC approximately 150m long 					
	Rural Roads Phase 4(a) - Upgrade of Gravel Roads in Ward 11	11	The scope of works includes the following activities: mass earthworks, construction of pavement layers (G4 material compacted to 97% of MDD, G7 material compacted to 93 & of MDD, 160mm unreinforced 35MPA concrete), construction of stormwater drainage and installation of road signs	Consultant: BVI Consulting Contractor:	R 4,867,775.44	Bid Evaluation Stage	June 2022	None at present
	Rural Roads Phase 4(b) - Upgrade of a Gravel Road in Ward 6	6	The scope of works includes the following activities: mass earthworks, construction of pavement layers (G4 material compacted to 97% of MDD, G7 material compacted to 93 & of MDD, 160mm unreinforced 35MPA concrete), construction of stormwater drainage and installation of road signs	Consultant: BVI Consulting Contractor:	R3,517,436.07	Bid Evaluation Stage	June 2022	None at present

No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
	Khenana and Hlomendlini High Mast Lights	4, 10	7 x new high mast lighting including the following: - 40A single phase supply kiosk per mast. - Electrical cable reticulation including all trenches, sleeves, joints, and terminations as detailed in the electrical bill of quantities. - 25m high-mast pole including concrete base as detailed in the electrical bill of quantities. - 8 x 400w LED luminaires per mast using an 8-way spigot.	Consultant: BVI Consulting Contractor:	R5,924,861.03	Tender Stage	December 2022	None at present
	Construction of a Community Hall in Ward 13	13	The scope of works includes the following activities: mass earthworks, platforms, reinforced foundations, brick work superstructure, plumbing, roof construction and covering, plaster and painting, electrical wiring, fencing and parking area.	Consultant: SMA Consulting Contractor: Sanoqwabe Consultants	R10,417,173.70	Under Construction	February 2022	Progressing as per the construction programme with no challenges currently being experienced.
	Rehabilitation of Access Roads in Ward 3	3	The scope of works will entail the following: - Rehabilitation of 2.867 kms of road - Construction of curbs - Surfacing using 30mm asphalt	Consultant: Morula Consulting Contractor:	R13,057,500.00	Under Construction	March 2022	Progressing as per the construction programme with no challenges currently being experienced. Sub-

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No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
			<ul style="list-style-type: none"> - Construction of storm water drainage - Road marking - Installation of road signs 	Bheka Phezulu Investments				contractor busy with installation of kerbing.
	Rehabilitation of Internal Roads and Stormwater Drainage in Ward 3	3	<p>The scope of works entails the following activities:</p> <ul style="list-style-type: none"> - Site Establishment - Setting out of works - Rehabilitation of 1.430 km Access Roads (Stratton Circle, Richard Circle and Whimbrel and Mathews Road) - Storm water management. - Sealing using 30mm Asphalt. - Construction of kerbs. - Road marking. - To install the road signs. - To finish the road after completion of the works. 	<p>Consultant: Morula Consulting</p> <p>Contractor: MVI-SSSS Trading</p>	R7,996,258.68	Under Construction	May 2022	Progressing as per the construction programme with no challenges currently being experienced.
	Upgrade of Manono Road in Ward 15	15	<p>The scope of works is as follows:</p> <ul style="list-style-type: none"> - Box Cut 900m Long x 480mm Depth x 5m wide (to upgrade this road to a 2 Lane) - 900m x 150mm G7 (Sub Grade) 	<p>Consultant: SKYV</p> <p>Contractor:</p>	R 6,804,889.83	Registered on MIS	May 2022	Detailed design complete, project ready to go out to tender, once consultant receives approval to go ahead, from the municipality.

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No	Project Name	Ward	Brief Description	Consultant/Contractor	Approved MIG Funding	Status/Progress	Anticipated Date	Challenges / Comments
			<ul style="list-style-type: none"> - 900m x 150mm C4 (G5 Cement Stabilised Sub Base) - 900m x 150mm G2 (Base) - 900m x 5m Prime - 900m x 5m Tack and 30mm Asphalt - 900m Concrete V Drains on one side (Left or Right Pending Crossfall) - 900m Kerbing on one side (Left or Right Pending Crossfall) - Stormwater Pipe Concrete 100m x 600mm Diameter with Manholes and Outlets - Road Marking & Signs 					

**PROJECTS STATUS QUO / PROGRESS REPORT AS AT 30 SEPTEMBER 2021 – INEP FUNDED PROJECTS
2019/2020 FINANCIAL YEAR ROLL OVER PROJECTS**

No.	Project Name	Ward	Brief Description	Consultant & Contractor	Approved INEP Funding	Status/Progress	Anticipated Completion Date	Challenges / Comments
01	Khenana Phase 3A	10	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 311 households at Khenana.	Consultant BVI Contractor Yakhalungisa Projects	R5 598 000.00	Complete	30 September 2020	Project Complete
02	Nkwalini Nkunzemp unga	11,16	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 190 households at Nkwalini	Consultant BVI Contractor Alexadrah Third 3330I Trading	R3 902 000.00	Practical Complete	October 2021	Misallocation/duplication connection.

2020/2021 FINANCIAL YEAR CAPITAL ROLL OVER PROJECTS

No.	Project Name	Ward	Brief Description	Consultant & Contractor	Approved INEP Funding	Status/Progress	Anticipated Completion Date	Challenges / Comments
01	Okhovothi Electrification Project	12	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 105 households' connections	Consultant: BVI Engineers Contractor: Quite Storm cc	R1 680 000.00	Under Construction	October 2021	Contractor appointed May 2021. The project is still under construction, currently at 65% complete.
02	Hlanzeni Electrification Project	7	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 105 households' connections	Consultant: BVI Engineers Contractor: Shanti's Electrical	R1 640 000.00	Under Construction	October 2021	Contractor appointed 01 May 2021. The project is still under construction, currently at 65% complete.
03	Khenana Phase 4 Electrification Project	10	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 227	Consultant: Veritas Engineers Contractor:	R1 680 000.00	227 Dry connection complete and energised.	July 2021	Project complete in June 2021.

			households' connections	R. Busisiwe Electrical				
2021/2022 FINANCIAL YEAR CAPITAL PROJECTS								
01	Dendetu / Wetane Electrification Project	5	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 170 households' connections	Consultant: Veritas Engineers Contractor:	R3 072 000.00	Prelim design stage	June 2022	Awaiting NPR from Eskom to enter into the MOU, then only can the final designs be completed and project will go to tender.
02	Khenana Electrification Phase 5	10	Supply, delivery, installation and commissioning of a new MV and LV infrastructure to electricity to 100 households' connections	Consultant: Veritas Engineers Contractor:	R1 800 000.00	Prelim design stage	June 2022	Awaiting NPR from Eskom to enter into the MOU, then only can the final designs be completed and project will go to tender.

2021/2022 FINANCIAL YEAR INTERNALLY FUNDED CAPITAL PROJECTS								
No.	Project Name	Ward	Brief Description	Consultant & Consultant	Approved Internal Funding	Status/Progress	Anticipated Completion Date	Challenges / Comments
01	New Protection Services Centre DLTC	3	Construction of a Drivers Licence Testing centre administration offices and Testing Ground	Consultant: Nzamakhuze Holdings Contractor: Mahlali Construction JV TPL Mkhize	R15,840,693.71	The contractor has commenced with Construction of Blockwork in the main building. The Contractor has also commenced with preparation of platforms.	November 2021	Regular change of staff within the company. Progress has been very slow and the Contractor does not show any signs of improving. The project is being micromanaged by the PMU as well as the Consultant.
02	High View Park Stormwater Modification	3	Construction of Stormwater embankments and Protection of road pavement layers	Consultant: SKYV Consulting Contractor: Njomisa Boerdery	R800 000.00	Earthworks, installation of gabion baskets and the installation of stormwater pipes is complete.	September 2021	None at this stage
03	Hlomendlini Sidewalks and Ancillary works	3	Construction of sidewalks, Road marking, speedhumps and Guard rails	Consultant: Internal Contractor: Humble Frank Multi Service	R1 300 000.00	The project is complete and is currently in the defects liability period.	September 2021	None at this stage

04	Construction of Civic Centre Retaining wall	3	Construction of retaining wall	<p>Consultant: Internal</p> <p>Contractor: Luzomelamandla Trading</p>	R400 000.00	<p>Project currently under construction with the retaining wall and concrete ramp complete. The contractor is currently busy with planting of flowers and will be installing balustrades during weekending 15 October 2021.</p>	September 2021	<p>Contractor delayed commencement with construction after the project was launched, which amounted to one month therefore the contractor is behind on the construction program by one month.</p>
05	Council Chamber Partitioning	3	Closing off the small boardroom, Provision of aluminium door, supply and install projector and projector screen, and painting	<p>Consultant: Nzamakhuze Trading</p> <p>Contractor:</p>	R600 000.00	<p>Supply and installation of projector and projector screen has been completed.</p> <p>Partitioning still outstanding</p>	TBD	<p>Partitioning delayed due to delays with SCM process during the previous FY. There is another option available, for only the installation of a door in the over flow area, that the consultant is currently engaging on with the contractor on site which may fast track the process and this could be achieved by the end of October 2021.</p>

06	Construction of security house and access control at the main civic centre	3	The project entails the construction of guard house with ablutions and access control systems	<p>Consultant: Nzamakhuze Trading</p> <p>Contractor: Mlombomvu Projects</p>	R1 800 000.00	Construction is in progress. The contractor is busy with masonry work and concrete work.	November 2021	Contractor delayed commencement with construction after the project was launched, which amounted to one month however the Contractor is showing great progress ever since construction commenced and the project may be completed within the original timeframe.
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5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

Description	Ref	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
R thousands										
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		229 304	202 168	-	-	82 004	16 847	63 461	376.7%	200 306
Local Government Equitable Share		218 402	191 149		-	79 545	15 929	63 616	399.4%	191 149
Finance Management		2 346	1 850		-	1 850	154			1 850
EPWP Incentive		2 387	2 435		-	609	203			2 435
Integrated National Electrification Programme		5 000	4 872				406			4 872
Municipal Drought Relief										
	3							-		
								-		
Other transfers and grants [insert description]		1 169	1 862				155	(155)	-100.0%	
Provincial Government:		4 029	3 044	-	-	-	254	(110)	-43.2%	3 044
Community Library Services Grant		4 029	1 315				110	(110)	-100.0%	1 315
Provincialization of Government			1 729				144			1 729
	4							-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Total Operating Transfers and Grants	5	233 333	205 212	-	-	82 004	17 101	63 351	370.5%	203 350
Capital Transfers and Grants										
National Government:		34 719	35 370	-	8 585	18 851	8 843	10 008	113.2%	35 370
Municipal Infrastructure Grant (MIG)		34 719	35 370		8 585	18 851	8 843	10 008	113.2%	35 370
								-		
								-		
Other capital transfers [insert description]								-		
Provincial Government:		-	1 170	-	-	-	-	-		1 170
Provincialization of Libraries			1 170					-		1 170
								-		
District Municipality:		-	-	-	-	-	-	-		-
[insert description]								-		
Other grant providers:		-	-	-	-	-	-	-		-
[insert description]								-		
								-		
Total Capital Transfers and Grants	5	34 719	36 540	-	8 585	18 851	8 843	10 008	113.2%	36 540
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	268 052	241 752	-	8 585	100 855	25 944	73 360	282.8%	239 890

5.4 Division of Revenue Act on Grants Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

Description	Ref	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
R thousands										
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		231 203	202 168	–	55 903	79 544	50 542	29 002	57.4%	202 168
Local Government Equitable Share		218 402	191 149		55 111	77 437	47 787	29 649	62.0%	191 149
Finance Management		2 346	1 850		200	764	463	302	65.2%	1 850
EPWP Incentive		2 387	2 435		292	815	609	206	33.9%	2 435
Integrated National Electrification Programme		6 506	4 872		205	205	1 218	(1 013)	-83.2%	4 872
Municipal Drought Relief		393	1 862				465	(465)	-100.0%	1 862
							–	–		
Other transfers and grants [insert description]		1 169			95	323		323	#DIV/0!	
Provincial Government:		2 615	3 044	–	231	685	761	(76)	-9.9%	3 044
Community Library Services Grant		2 615	1 315		231	685	329	357	108.5%	1 315
Provincialization of Government			1 729				432	(432)	-100.0%	1 729
								–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
		–						–		
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		233 818	205 212	–	56 134	80 229	51 303	28 926	56.4%	205 212
Capital expenditure of Transfers and Grants										
National Government:		40 296	35 370	–	1 720	684	8 843	(8 158)	-92.3%	35 370
Municipal Infrastructure Grant (MIG)		40 296	35 370		1 720	684	8 843	(8 158)	-92.3%	35 370
			–					–		
								–		
Other capital transfers [insert description]								–		
Provincial Government:		3 604	1 170	–	190	206	293	(86)	-29.5%	1 170
Provincialization of Libraries		3 604	1 170		190	206	293	(86)	-29.5%	1 170
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
Total capital expenditure of Transfers and Grants		43 899	36 540	–	1 910	890	9 135	(8 245)	-90.3%	36 540
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		277 718	241 752	–	58 045	81 120	60 438	20 682	34.2%	241 752

5.5 Debtors age analysis

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter													
Description	NT Code	Budget Year 2021/22										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		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	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	3 463	(12)	376	212	99	103	536	2 271	7 048	3 221	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	23 211	(6)	422	1 578	934	891	11 357	61 594	99 981	76 354	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 755	9	738	685	648	622	4 171	39 772	48 400	45 898	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	40	-	19	16	16	16	75	80	262	203	-	-
Interest on Arrear Debtor Accounts	1810	269	267	260	285	257	581	2 685	22 042	26 646	25 850	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	102	-	-	-	-	-	1	7 723	7 826	7 724	-	-
Total By Income Source	2000	28 841	257	1 815	2 776	1 956	2 212	18 825	133 482	190 164	159 251	-	-
2020/21 - totals only													
Debtors Age Analysis By Customer Group													
Organs of State	2200	10 853	49	594	57	251	256	2 100	13 655	27 814	16 318	-	-
Commercial	2300	13 346	36	107	1 601	280	312	6 862	14 784	37 328	23 840	-	-
Households	2400	4 363	173	1 114	1 118	1 425	1 645	9 862	105 043	124 743	119 093	-	-
Other	2500	278	(1)	0	(0)	0	-	-	-	278	0	-	-
Total By Customer Group	2600	28 841	257	1 815	2 776	1 956	2 212	18 825	133 482	190 164	159 251	-	-

The total debtors book continues to grow and to-date, total debtors amount to R190.2 million. As at 30 June 2021, a provision for impairment totaling to R34,2 million was raised.

An intensive collection drive aimed at ensuring that collection of outstanding debtors is improved will be implemented during the current financial year. This process will start-off by ensuring that debtors are encouraged to ensure that their current monthly account is settled.

Also, a Revenue Enhancement Strategy has been developed and is being implemented.

The debtors' age analysis can be graphically presented as follows as figure 3 and 4 Revenue sources and customer classification respectively

Figure 3

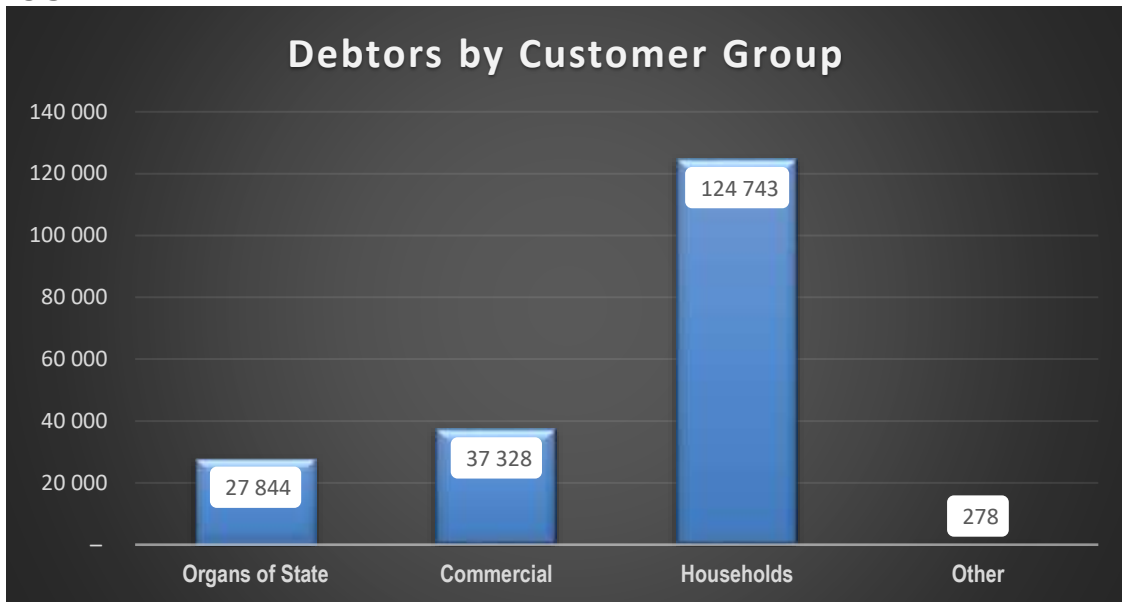
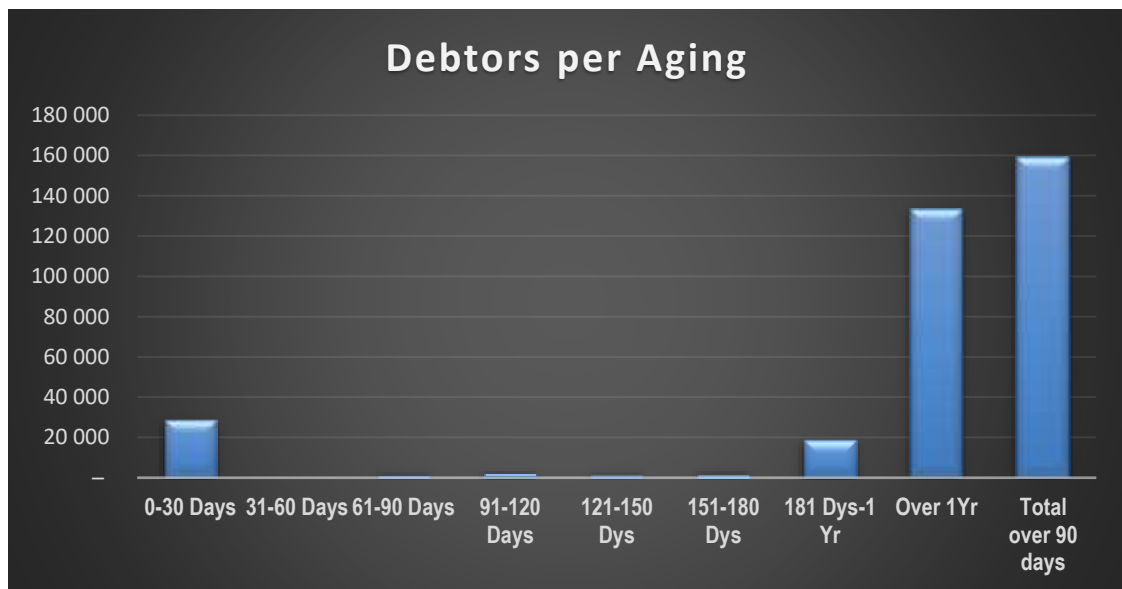


Figure 4



5.6 Employee costs and councillors benefits (Section 66 MFMA)

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2021/22								
		2020/21 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands		A	B	C					%	D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		10 186	11 225	–	859	2 560	2 806	(246)	-9%	11 225
Pension and UIF Contributions		–	–	–	–	–	–	–	–	–
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Motor Vehicle Allowance		1 255	1 279	–	104	312	320	(8)	-2%	1 279
Cellphone Allowance		1 427	1 455	–	119	357	364	(7)	-2%	1 455
Housing Allowances		660	684	–	54	162	171	(9)	-5%	684
Other benefits and allowances		–	–	–	–	–	–	–	–	–
Sub Total - Councillors		13 528	14 643	–	1 136	3 391	3 661	(269)	-7%	14 643
% increase	4		8.2%							8.2%
Senior Managers of the Municipality										
Basic Salaries and Wages		5 197	5 823	–	433	1 299	1 456	(157)	-11%	5 823
Pension and UIF Contributions		0	11	–	0	0	3	(2)	-92%	11
Medical Aid Contributions		–	–	–	–	–	–	–	–	–
Overtime		–	–	–	–	–	–	–	–	–
Performance Bonus		561	408	–	–	487	102	385	377%	408
Motor Vehicle Allowance		737	737	–	61	184	184	0	0%	737
Cellphone Allowance		186	186	–	16	47	47	–	–	186
Housing Allowances		264	264	–	22	66	66	–	–	264
Other benefits and allowances		1	1	–	0	0	0	(0)	-2%	1
Payments in lieu of leave		–	–	–	–	–	–	–	–	–
Long service awards		–	–	–	–	–	–	–	–	–
Post-retirement benefit obligations	2	3 628	–	–	–	–	–	–	–	–
Sub Total - Senior Managers of Municipality		10 575	7 430	–	532	2 083	1 857	226	12%	7 430
% increase	4		-29.7%							-29.7%
Other Municipal Staff										
Basic Salaries and Wages		66 668	70 949	–	5 762	17 355	17 737	(382)	-2%	70 949
Pension and UIF Contributions		10 682	10 755	–	923	2 793	2 689	105	4%	10 755
Medical Aid Contributions		5 722	3 949	–	445	1 327	987	339	34%	3 949
Overtime		1 437	920	–	107	236	230	6	3%	920
Performance Bonus		4 986	5 174	–	310	1 032	1 293	(261)	-20%	5 174
Motor Vehicle Allowance		3 978	4 364	–	346	1 032	1 091	(59)	-5%	4 364
Cellphone Allowance		469	465	–	39	117	116	1	1%	465
Housing Allowances		288	258	–	24	73	64	9	14%	258
Other benefits and allowances		1 035	56	–	96	306	14	292	2093%	56
Payments in lieu of leave		2 927	3 500	–	95	120	875	(755)	-86%	3 500
Long service awards		378	–	–	11	61	–	61	#DIV/0!	–
Post-retirement benefit obligations	2	(163)	–	–	–	–	–	–	–	–
Sub Total - Other Municipal Staff		98 405	100 389	–	8 156	24 454	25 097	(644)	-3%	100 389
% increase	4		2.0%							2.0%
Total Parent Municipality		122 508	122 462	–	9 824	29 928	30 616	(687)	-2%	122 462
Unpaid salary, allowances & benefits in arrears:										
TOTAL SALARY, ALLOWANCES &		122 508	122 462	–	9 824	29 928	30 616	(687)	-2%	122 462
% increase	4		0.0%							0.0%
TOTAL MANAGERS AND STAFF		108 980	107 819	–	8 688	26 537	26 955	(418)	-2%	107 819

The above table indicates the breakdown of the salaries expenditure for Quarter 1 period ended 30th September 2021 it is noted that the salaries to date are under spent by -3% of the pro-rata budget. The monthly reports are submitted to Directors on a monthly basis highlighting the expenditure trends.

5.7 Investment portfolio



MANDENI MUNICIPALITY

Mandeni Municipality Investment Register As at 31 September 2021

ACCOUNT DETAILS				Aug-21		Sep-21						
GUID / VOTE NO.	ESTMENT NAME/ GRANT NA	ACCOUNT NO	INTEREST RATE	CLOSING BALANCE	OPENING BALANCE	TRANSFERS IN	INTEREST	TRANSFER OUT	BANK CHARGES	CLOSING BALANCE		
D0001/IA09568/F0001/X049/R0100/001/FIN	Call account 1-GRANTS	61294217372	2.45%	R 73 561 247.44	73 561 247.44	-	110 876.76	55 110 876.76	-	R 18 561 247.44		
D0001/IA09569/F0001/X049/R0100/001/FIN	Call account 2 -HOUSING	62028673219	2.45%	R 1 833 474.84	1 833 474.84	-	3 815.14	-	-	R 1 837 289.98		
D0001/IA09570/F0001/X049/R0100/001/FIN	Call account 3-MIG	62812286400	2.45%	R 9 216 549.66	9 216 549.66	8 585 000.00	13 004.80	4 362 941.73	-	R 13 451 612.73		
D0001/IA09572/F0001/X049/R0100/001/FIN	Call account 5-TMT	62113325882	2.45%	R 254 768.08	254 768.08	1 900.00	529.77	-	17.35	R 257 180.50		
D0001/IA09573/F0001/X049/R0100/001/FIN	Call account 6-INEP	62527527462	2.45%	R 1 884 556.71	1 884 556.71	-	3 794.93	-	-	R 1 888 351.64		
D0001/IA09574/F0001/X049/R0100/001/FIN	Call account 7-AR	62538203449	2.45%	R 4 232 858.24	4 232 858.24	-	8 523.70	-	-	R 4 241 381.94		
D0001/IA09578/F0001/X049/R0099/001/FIN	Call account 8- Title Deed	62812286963	2.45%	R 6 459 722.69	6 459 722.69	-	13 007.93	-	-	R 6 472 730.62		
D0001/IA09093/F0041/X049/R0100/001/FIN	NEDBANK	23581136/9998	3.35%	R 1 903 178.13	1 903 178.13	-	4 541.68	1 907 719.81	-	R -		
D0001/IA10181/F0003-3/X049/R0099/001/FIN	NEDBANK	1766000029	5.31%	R 30 000 000.00	R 30 000 000.00	-	-	-	-	R 30 000 000.00		
D0001/IA10181/F0003-10/X049/R0099/001/FIN	NEDBANK	037881155450	4.82%	R 30 000 000.00	30 000 000.00	-	-	-	-	R 30 000 000.00		
D0001/IA10181/F0001/X049/R0099/001/FIN5	NEDBANK	037881155450 16	4.15%	R -	-	40 000 000.00	-	-	-	R 40 000 000.00		
D0001/IA09575/F0001/X048/R0100/001/FIN	STANDARD	068637527 003	3.40%	R 1 727 265.23	1 727 265.23	-	2 654.78	1 729 920.01	-	R -		
D0001/IA10181/F0001/X049/R0099/001/FIN4	STANDARD BANK	068637527 009	5.34%	R 65 000 000.00	R 65 000 000.00	-	-	-	-	R 65 000 000.00		
TOTALS:				R	226 073 621.02	R	226 073 621.02	R 48 586 900.00	R 160 749.49	R 63 111 458.31	R 17.35	R 211 709 794.85

5.8 External Loan

NONE

5.9 Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - Q1 First Quarter							
Description of financial indicator	Basis of calculation	Ref	2020/21	Budget Year 2021/22			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.1%	10.2%	0.0%	0.0%	4.7%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		15.4%	2.5%	0.0%	14.8%	2.3%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	37.8%	0.0%	0.0%	-37.8%
Liquidity							
Current Ratio	Current assets/current liabilities	1	312.5%	702.5%	0.0%	690.4%	702.5%
Liquidity Ratio	Monetary Assets/Current Liabilities		265.4%	391.5%	0.0%	375.5%	391.5%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		9.4%	16.6%	0.0%	21.9%	16.6%
Longstanding Debtors Recovered			0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and	2					
Employee costs	Employee costs/Total Revenue - capital revenue		32.6%	34.9%	0.0%	21.9%	34.9%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		9.5%	10.7%	0.0%	0.0%	4.9%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within						
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services						
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure						

<u>Calculations</u>				
Borrowing		725		
Total Assets	766 038	738 733	67 201	738 733
Employee related costs	108 980	107 819	26 537	107 819
Repairs & Maintenance				
Interest (finance charges)	332	400	1	400
Principal paid				
Depreciation	31 281	32 726		14 643
Operating expenditure	300 982	323 462	64 337	323 462
Total Capital Expenditure	17 990	73 920	14 055	73 920
Borrowed funding for capital				
Debt	66 102	17 332	8 397	15 881
Equity	429 862	699 801	56 822	700 971
Reserves	202 672	1 921		1 921
Borrowing		725		(725)
Current assets	215 035	118 289	58 061	118 289
Current liabilities	68 814	16 838	8 410	16 838
Monetary assets	182 629	65 925	31 581	65 925
Total Revenue (excluding capital transfers and contributions)	333 931	309 163	121 159	309 163
Transfers and subsidies	210 180	200 340	81 333	200 340
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	41 465	35 370		35 370
Debt service payments	1 218			(400)
Outstanding debtors (receivables)	31 543	51 340	26 557	51 340
Annual services revenue	43 822	48 762	11 532	
Cash + investments	182 629	65 925	31 581	65 925
Including LT investments				
Fixed operational expend. (monthly)				
Longstanding debtors outstanding				
Longstanding debtors recovered				
Attorney collections				

6. CREDITOR'S AGE ANALYSIS

KZN291 Mandeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter											
Description	NT Code	Budget Year 2021/22									Prior year totals for chart (same)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	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	2	-	-	-	-	-	-	7	9	9
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	2	2	2
Total By Customer Type	1000	2	-	-	-	-	-	-	9	12	12

6.1. BANK RECONCILIATION STATEMENT AS AT SEPTEMBER 2021

7. SUPPORTING DOCUMENTS

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - Q1 First Quarter									
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
R thousands									
Financial Performance									
Property rates	50 870	46 642	-	22 697	25 049	11 660	13 389	115%	46 642
Service charges	43 822	48 762	-	3 338	11 532	12 191	(659)	-5%	48 762
Investment revenue	6 454	4 950	-	169	1 364	1 238	126	10%	4 950
Transfers and subsidies	210 180	200 340	-	-	81 333	50 085	31 248	62%	200 340
Other own revenue	22 605	8 470	-	398	1 871	2 117	(246)	-12%	8 470
Total Revenue (excluding capital transfers and contributions)	333 931	309 163	-	26 602	121 149	77 291	43 858	57%	309 163
Employee costs	108 980	107 819	-	8 688	26 537	26 955	(418)	-2%	107 819
Remuneration of Councillors	13 528	14 643	-	1 136	3 391	3 661	(269)	-7%	14 643
Depreciation & asset impairment	31 281	32 726	-	2 469	7 516	8 182	(666)	-8%	32 726
Finance charges	332	400	-	-	1	100	(99)	-99%	400
Inventory consumed and bulk purchases	30 955	37 432	-	3 178	10 251	9 358	893	10%	37 432
Transfers and subsidies	1 557	1 883	-	135	397	471	(73)	-16%	1 883
Other expenditure	114 350	128 560	-	7 723	18 712	32 140	(13 428)	-42%	128 560
Total Expenditure	300 982	323 462	-	23 329	66 805	80 866	(14 061)	-17%	323 462
Surplus/(Deficit)	32 948	(14 299)	-	3 273	54 344	(3 575)	57 919	-1620%	(14 299)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies -	41 465	35 370	-	-	-	8 843	(8 843)	-100%	35 370
	-	-	-	-	-	-	-	-	1 170
Surplus/(Deficit) after capital transfers & contributions	74 413	21 071	-	3 273	54 344	5 268	49 076	932%	22 241
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year	74 413	21 071	-	3 273	54 344	5 268	49 076	932%	22 241
Capital expenditure & funds sources									
Capital expenditure	17 990	73 920	-	6 051	14 055	18 480	(4 425)	-24%	73 920
Capital transfers recognised	10 726	36 540	-	4 174	6 242	9 135	(2 893)	-32%	36 540
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	7 264	37 380	-	1 877	7 813	9 345	(1 532)	-16%	37 380
Total sources of capital funds	17 990	73 920	-	6 051	14 055	18 480	(4 425)	-24%	73 920
Financial position									
Total current assets	215 035	118 289	-	-	58 052	-	-	-	118 289
Total non current assets	551 003	620 443	-	-	6 761	-	-	-	620 443
Total current liabilities	68 814	16 838	-	-	8 410	-	-	-	16 838
Total non current liabilities	18 697	20 924	-	-	-	-	-	-	19 473
Community wealth/Equity	429 862	699 801	-	-	54 344	-	-	-	700 971
Cash flows									
Net cash from (used) operating	336 641	20 076	-	4 726	89 467	5 019	(84 448)	-1683%	20 076
Net cash from (used) investing	272 457	(73 920)	-	6 051	14 055	18 480	4 425	24%	73 920
Net cash from (used) financing	-	-	-	-	-	-	-	-	-
Cash/cash equivalents at the month/year end	609 099	(53 844)	-	-	103 522	23 499	(80 023)	-341%	93 997
Debtors & creditors analysis	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
Debtors Age Analysis									
Total By Income Source	28 841	257	1 815	2 776	1 956	2 212	18 825	133 482	190 164
Creditors Age Analysis									
Total Creditors	2	-	-	-	-	-	-	9	12

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Q1 First Quarter										
Description	Ref	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
R thousands	1									
Revenue - Functional										
Government and administration		303 200	247 561	-	25 446	116 086	61 890	54 196	88%	247 561
Executive and council		45 336	7 806	-	-	-	1 952	(1 952)	-100%	7 806
Finance and administration		257 864	239 755	-	25 446	116 086	59 939	56 147	94%	239 755
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		6 741	4 364	-	31	657	1 091	(434)	-40%	4 364
Community and social services		6 740	4 364	-	31	657	1 091	(434)	-40%	4 364
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		1	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		45 983	40 782	-	100	2 706	10 196	(7 490)	-73%	40 782
Planning and development		44 903	39 832	-	34	2 448	9 958	(7 510)	-75%	39 832
Road transport		1 080	950	-	66	257	238	20	8%	950
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		19 471	52 997	-	1 026	3 555	13 249	(9 694)	-73%	52 997
Energy sources		7 995	39 454	-	8	639	9 863	(9 225)	-94%	39 454
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		11 476	13 543	-	1 019	2 917	3 386	(469)	-14%	13 543
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Functional	2	375 395	345 704	-	26 602	123 004	86 426	36 579	42%	345 704
Expenditure - Functional										
Government and administration		151 236	151 860	-	10 453	26 843	37 965	(11 122)	-29%	148 782
Executive and council		42 613	47 939	-	4 645	11 286	11 985	(698)	-6%	47 939
Finance and administration		108 066	102 382	-	5 808	15 117	25 596	(10 478)	-41%	102 382
Internal audit		557	1 539	-	-	439	385	55	14%	(1 539)
Community and public safety		37 739	44 710	-	2 605	7 867	11 178	(3 311)	-30%	42 910
Community and social services		27 105	31 218	-	1 999	6 116	7 805	(1 689)	-22%	31 218
Sport and recreation		10 596	12 592	-	601	1 745	3 148	(1 403)	-45%	12 592
Public safety		38	880	-	-	-	220	(220)	-100%	(880)
Housing		-	20	-	5	5	5	(0)	0%	(20)
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		64 018	68 538	-	5 967	17 693	17 135	559	3%	68 538
Planning and development		16 252	21 226	-	1 588	3 988	5 307	(1 319)	-25%	21 226
Road transport		44 542	44 643	-	4 130	12 965	11 161	1 804	16%	44 643
Environmental protection		3 225	2 669	-	249	741	667	74	11%	2 669
Trading services		47 989	58 354	-	4 304	14 402	14 588	(186)	-1%	58 354
Energy sources		37 351	47 420	-	3 859	12 077	11 855	222	2%	47 420
Water management		-	-	-	-	-	-	-	-	-
Waste water management		853	2 809	-	-	-	702	(702)	-100%	2 809
Waste management		9 785	8 125	-	445	2 325	2 031	294	14%	8 125
Other		-	-	-	-	-	-	-	-	-
Total Expenditure - Functional	3	300 982	323 462	-	23 329	66 805	80 866	(14 061)	-17%	318 584
Surplus/ (Deficit) for the year		74 413	22 241	-	3 273	56 199	5 560	50 639	911%	27 119

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Q1 First Quarter										
Vote Description	Ref	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
R thousands										
Revenue by Vote										
Vote 1 - Executive and council	1	45 336	7 806	-	-	-	1 952	(1 952)	-100.0%	7 806
Vote 2 - Finance and administration		257 864	239 755	-	25 446	116 086	59 939	56 147	93.7%	239 755
Vote 3 - Internal audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and social services		6 740	4 364	-	31	657	1 091	(434)	-39.7%	4 364
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public safety		1	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		44 903	39 832	-	34	2 448	9 958	(7 510)	-75.4%	39 832
Vote 9 - Road transport		1 080	950	-	66	257	238	20	8.4%	950
Vote 10 - Energy sources		7 995	39 454	-	8	639	9 863	(9 225)	-93.5%	39 454
Vote 11 - Waste Management		11 476	13 543	-	1 019	2 917	3 386	(469)	-13.9%	13 543
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	375 395	345 704	-	26 602	123 004	86 426	36 579	42.3%	345 704
Expenditure by Vote										
Vote 1 - Executive and council	1	42 613	47 939	-	4 645	11 286	11 985	(698)	-5.8%	47 939
Vote 2 - Finance and administration		108 066	102 382	-	5 808	15 117	25 596	(10 478)	-40.9%	102 382
Vote 3 - Internal audit		557	1 539	-	-	439	385	55	14.2%	1 539
Vote 4 - Community and social services		27 105	31 218	-	1 999	6 116	7 805	(1 689)	-21.6%	31 218
Vote 5 - Sport and Recreation		10 596	12 592	-	601	1 745	3 148	(1 403)	-44.6%	12 592
Vote 6 - Public safety		38	880	-	-	-	220	(220)	-100.0%	880
Vote 7 - Housing		-	20	-	5	5	5	(0)	0.0%	20
Vote 8 - Planning and Development		16 252	21 226	-	1 588	3 988	5 307	(1 319)	-24.9%	21 226
Vote 9 - Road transport		45 395	47 451	-	4 130	12 965	11 863	1 102	9.3%	47 451
Vote 10 - Energy sources		37 351	47 420	-	3 859	12 077	11 855	222	1.9%	47 420
Vote 11 - Waste Management		9 785	8 125	-	445	2 325	2 031	294	14.5%	8 125
Vote 12 - Environmental Protection		3 225	2 669	-	249	741	667	74	11.0%	2 669
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	300 982	323 462	-	23 329	66 805	80 866	(14 061)	-17.4%	323 462
Surplus/ (Deficit) for the year	2	74 413	22 241	-	3 273	56 199	5 560	50 639	910.7%	22 241

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter						
Description	Ref	2020/21	Budget Year 2021/22			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash		120 736	6 448	–	(6 506)	6 448
Call investment deposits		61 892	59 477	–	38 108	59 477
Consumer debtors		47 358	44 093	–	25 719	44 093
Other debtors		(15 815)	7 247	–	808	7 247
Current portion of long-term receivables		–	–	–	–	–
Inventory		864	1 025	–	(77)	1 025
Total current assets		215 035	118 289	–	58 052	118 289
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		–	–	–	–	–
Investment property		84 587	70 116	–	–	70 116
Investments in Associate		–	–	–	–	–
Property, plant and equipment		465 742	549 237	–	6 788	549 237
Biological		–	–	–	–	–
Intangible		674	1 091	–	(27)	1 091
Other non-current assets		–	–	–	–	–
Total non current assets		551 003	620 443	–	6 761	620 443
TOTAL ASSETS		766 038	738 733	–	64 813	738 733
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		4 717	780	–	(679)	780
Consumer deposits		26	283	–	13	283
Trade and other payables		61 385	15 826	–	9 075	15 826
Provisions		2 686	(51)	–	–	(51)
Total current liabilities		68 814	16 838	–	8 410	16 838
Non current liabilities						
Borrowing		–	725	–	–	(725)
Provisions		18 697	20 198	–	–	20 198
Total non current liabilities		18 697	20 924	–	–	19 473
TOTAL LIABILITIES		87 511	37 762	–	8 410	36 311
NET ASSETS	2	678 528	700 971	–	56 403	702 422
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		227 190	697 880	–	54 344	699 050
Reserves		202 672	1 921	–	–	1 921
TOTAL COMMUNITY WEALTH/EQUITY	2	429 862	699 801	–	54 344	700 971



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QUALITY CERTIFICATE

Regulation 27 prescribes that the Municipal Manager must sign a quality certificate in the format prescribed below;

I, Sizwe G. Khuzwayo the Municipal Manager of Mandeni Municipality KZN291, hereby certify that: -

- **Section 52(d) 1st Quarter Report (July – September 2021)**

has been prepared in accordance with the Municipal Finance Management Act and regulations under that Act.

Print Name **Mr. Sizwe.G. Khuzwayo**

Municipal manager of Mandeni Municipality (KZN 291)

Signature _____

Date **30th September 2021**