

MANDENI MUNICIPALITY

KZN291



BUDGET & TREASURY DEPARTMENT

MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDED FEBRUARY 2024/25 FINANCIAL YEAR

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2024/25 BUDGET FOR THE PERIOD ENDING 28 FEBRUARY 2025.

1. PURPOSE

The purpose of the report is to submit to the Mayor the statement of financial performance and implementation of the 2024/25 Budget of the Mandeni Municipality for the period ending 28 February 2025 in line with the statutory requirements of S71 of the Municipal Finance Management Act (2003).

2. AUTHORITY

Mayor

3. LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act No 56, 2003 Chapter 7, Section 71.

4. BACKGROUND

In terms of Section 71(1), (2) and (3) of the MFMA No 56, 2003 Chapter 8, the Accounting Officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the financial performance of that municipality.

5. EXECUTIVE SUMMARY

The monthly budget statement in terms of section 71 of the Municipal Finance Management Act for the period ended 28 February is detailed below. The monthly budget statement is divided into the following:

- 5.1 Statement of Financial Performance
- 5.2 Capital Expenditure
- 5.3 DORA Receipts
- 5.4 DORA Grants Expenditure
- 5.5 Debtors Age Analysis
- 5.6 Employee Costs and Councilors' Remuneration
- 5.7 Investment Portfolio
- 5.8 Long-term Borrowing
- 5.9 Performance Indicators
- 6. Creditor's Age Analysis
- 6.1 Bank Reconciliation Statement
- 7. Supporting Tables
- 8. Municipal Managers quality certificate

1.1 FINANCIAL PERFORMANCE

BUDGET SUMMARY

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M08 February									
Description	2023/24	Budget Year 2024/25							
	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	58 321	62 237	62 237	3 412	53 953	41 491	12 462	30%	62 237
Service charges	73 544	86 448	86 448	5 921	52 472	57 632	(5 160)	-9%	86 448
Investment revenue	26 748	–	–	–	–	–	–		–
Transfers and subsidies - Capital	26 748	28 000	28 000	390	13 553	18 667	(5 114)	-27%	28 000
Other own revenue	237 340	270 416	272 185	1 519	196 533	181 457	15 076	8%	–
Total Revenue (excluding capital transfers and subsidies)	422 701	447 101	448 870	11 241	316 511	299 246	17 265	6%	447 101
Employee costs	133 709	152 543	152 543	12 997	95 445	101 695	(6 251)	-6%	152 543
Remuneration of Councillors	14 564	16 388	16 388	1 198	10 292	10 925	(633)	-6%	16 388
Depreciation and amortisation	33 728	37 856	37 856	2 759	23 320	25 237	(1 918)	-8%	37 856
Interest	137	3 300	3 300	–	0	2 200	(2 200)	-100%	3 300
Inventory consumed and bought	56 309	62 398	63 500	3 121	39 052	42 747	(3 695)	-9%	62 398
Transfers and subsidies	–	–	–	–	–	–	–		–
Other expenditure	158 921	170 546	194 833	11 699	113 858	138 237	(24 378)	-18%	170 546
Total Expenditure	397 367	443 031	468 419	31 775	281 967	321 041	(39 074)	-12%	443 031
Surplus/(Deficit)	25 334	4 070	(19 550)	(20 533)	34 544	(21 795)	56 339	-258%	4 070
Transfers and subsidies - capital (monetary)	55 093	39 760	45 138	1 828	19 172	30 092	(10 920)	-36%	39 760
Surplus/(Deficit) after capital transfers & subsidies	80 427	43 830	25 588	(18 705)	53 717	8 297	45 419	547%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	25 588	(18 705)	53 717	8 297	45 419	547%	43 830
Capital expenditure & funds sources									
Capital expenditure	139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600
Capital transfers recognised	51 789	34 702	39 334	1 793	17 332	26 222	(8 891)	-34%	34 702
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	87 873	92 898	94 495	9 118	55 850	62 997	(7 147)	-11%	92 898
Total sources of capital funds	139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600

As can be seen from the table above, Actual surplus for the period ended 28th February 2025 is Significantly more than the Budgeted Surplus by- 100%. Monthly budget statement summary (Table C1), for the period ending 28th February 2025 (year to date actual), shows a surplus of R53,7million against YTD budget of R 8,3million which reflects variance of more than 100%.

1.2 Monthly Budget statement Summary M07-FEBRUARY 2025

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M08 February									
Description	2023/24	Budget Year 2024/25							
	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	58 321	62 237	62 237	3 412	53 953	41 491	12 462	30%	62 237
Service charges	73 544	86 448	86 448	5 921	52 472	57 632	(5 160)	-9%	86 448
Investment revenue	26 748	–	–	–	–	–	–	–	–
Transfers and subsidies - Capital	26 748	28 000	28 000	390	13 553	18 667	(5 114)	-27%	28 000
Other own revenue	237 340	270 416	272 185	1 519	196 533	181 457	15 076	8%	–
Total Revenue (excluding capital transfers and subsidies)	422 701	447 101	448 870	11 241	316 511	299 246	17 265	6%	447 101
Employee costs	133 709	152 543	152 543	12 997	95 445	101 695	(6 251)	-6%	152 543
Remuneration of Councillors	14 564	16 388	16 388	1 198	10 292	10 925	(633)	-6%	16 388
Depreciation and amortisation	33 728	37 856	37 856	2 759	23 320	25 237	(1 918)	-8%	37 856
Interest	137	3 300	3 300	–	0	2 200	(2 200)	-100%	3 300
Inventory consumed and purchased	56 309	62 398	63 500	3 121	39 052	42 747	(3 695)	-9%	62 398
Transfers and subsidies	–	–	–	–	–	–	–	–	–
Other expenditure	158 921	170 546	194 833	11 699	113 858	138 237	(24 378)	-18%	170 546
Total Expenditure	397 367	443 031	468 419	31 775	281 967	321 041	(39 074)	-12%	443 031
Surplus/(Deficit)	25 334	4 070	(19 550)	(20 533)	34 544	(21 795)	56 339	-258%	4 070
Transfers and subsidies - capital (monetary)	55 093	39 760	45 138	1 828	19 172	30 092	(10 920)	-36%	39 760
Surplus/(Deficit) after capital transfers & subsidies	80 427	43 830	25 588	(18 705)	53 717	8 297	45 419	547%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	25 588	(18 705)	53 717	8 297	45 419	547%	43 830
Capital expenditure & funds sources									
Capital expenditure	139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600
Capital transfers recognised	51 789	34 702	39 334	1 793	17 332	26 222	(8 891)	-34%	34 702
Borrowing	–	–	–	–	–	–	–	–	–
Internally generated funds	87 873	92 898	94 495	9 118	55 850	62 997	(7 147)	-11%	92 898
Total sources of capital funds	139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600
Financial position									
Total current assets	329 657	240 614	267 652		318 086				240 614
Total non current assets	713 576	692 232	808 949		763 439				692 232
Total current liabilities	81 153	55 157	(84 132)		65 728				55 157
Total non current liabilities	21 070	22 993	25 770		21 070				22 993
Community wealth/Equity	941 010	854 696	1 134 963		994 727				854 696
Cash flows									
Net cash from (used) operations	(4 849)	46 034	37 474	(17 727)	63 754	75 055	11 300	15%	46 034
Net cash from (used) investments	535 861	(146 740)	(153 901)	(12 549)	(84 159)	(117 991)	(33 832)	29%	(146 740)
Net cash from (used) financing	–	–	–	–	–	–	–	–	–
Cash/cash equivalents at the end of the period	398 999	(284 129)	(325 236)	–	188 403	(251 744)	(440 148)	175%	–
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	12 551	3 110	3 015	2 674	(67)	3 447	49 815	190 824	265 369
Creditors Age Analysis									
Total Creditors	11	–	–	–	–	–	–	–	11

Table 1.3

Table C2 provides the statement of financial performance by standard classification.

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M08 February										
Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands		1							%	
Revenue - Functional										
Governance and administration		323 455	340 236	340 968	4 130	254 112	227 312	26 801	12%	340 236
Executive and council		–	8 038	8 038	–	–	5 359	(5 359)	-100%	8 038
Finance and administration		323 455	332 198	332 930	4 130	254 112	221 953	32 159	14%	332 198
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		4 710	5 464	5 764	341	3 077	3 843	(766)	-20%	5 464
Community and social services		4 710	5 073	5 373	339	3 070	3 582	(512)	-14%	5 073
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		–	391	391	2	8	261	(253)	-97%	391
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental se		63 161	45 527	51 104	2 401	23 228	34 070	(10 842)	-32%	45 527
Planning and development		42 536	41 542	47 120	2 081	20 872	31 413	(10 541)	-34%	41 542
Road transport		20 625	3 985	3 985	320	2 355	2 656	(301)	-11%	3 985
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		86 468	95 634	96 171	6 197	55 266	64 114	(8 848)	-14%	95 634
Energy sources		72 748	80 675	80 743	4 907	45 416	53 829	(8 412)	-16%	80 675
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		13 720	14 958	15 428	1 290	9 850	10 285	(436)	-4%	14 958
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	477 794	486 861	494 007	13 069	335 684	329 338	6 345	2%	486 861
Expenditure - Functional										
Governance and administration		193 804	217 123	237 648	14 476	128 150	158 646	(30 496)	-19%	217 123
Executive and council		61 619	66 001	72 502	4 218	44 437	48 548	(4 111)	-8%	66 001
Finance and administration		132 185	151 121	165 146	10 258	83 712	110 097	(26 385)	-24%	151 121
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		46 599	42 761	46 183	4 772	35 241	30 789	4 452	14%	42 761
Community and social services		33 291	30 811	30 453	3 624	26 501	20 302	6 199	31%	30 811
Sport and recreation		12 862	10 030	13 714	833	7 887	9 143	(1 255)	-14%	10 030
Public safety		418	1 890	1 747	315	823	1 165	(341)	-29%	1 890
Housing		29	30	269	–	29	179	(150)	-84%	30
Health		–	–	–	–	–	–	–	–	–
Economic and environmental se		69 233	83 202	83 136	7 400	52 103	55 424	(3 321)	-6%	83 202
Planning and development		18 934	25 716	24 359	1 643	14 507	16 239	(1 732)	-11%	25 716
Road transport		46 605	53 423	54 653	5 351	34 744	36 436	(1 691)	-5%	53 423
Environmental protection		3 694	4 063	4 124	407	2 852	2 749	103	4%	4 063
Trading services		88 370	99 070	100 776	5 126	66 430	75 732	(9 302)	-12%	99 070
Energy sources		77 057	76 143	76 674	3 948	43 560	54 215	(10 655)	-20%	76 143
Water management		–	–	–	–	–	–	–	–	–
Waste water management		2 543	2 802	2 802	221	1 922	1 868	54	3%	2 802
Waste management		8 770	20 124	21 299	956	20 948	19 649	1 299	7%	20 124
Other		–	876	676	–	43	451	(408)	-91%	876
Total Expenditure - Functio	3	398 006	443 031	468 419	31 775	281 967	321 041	(39 074)	-12%	443 031
Surplus/ (Deficit) for the year		79 788	43 830	25 588	(18 705)	53 717	8 297	45 419	547%	43 830

Table 1.4

Table C3 Monthly Budget Statement – Financial Performance and expenditure by municipal vote.

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M08 February										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands										
%										
Revenue by Vote	1									
Vote 1 - Executive and council		-	8 038	8 038	-	-	5 359	(5 359)	-100.0%	8 038
Vote 2 - Finance and administration		323 455	332 198	332 930	4 130	254 112	221 953	32 159	14.5%	332 198
Vote 3 - Internal audit		-	-	-	-	-	-	-		-
Vote 4 - Community and social services		4 710	5 464	5 764	341	3 077	3 843	(766)	-19.9%	5 464
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-		-
Vote 6 - Public safety		-	-	-	-	-	-	-		-
Vote 7 - Housing		-	-	-	-	-	-	-		-
Vote 8 - Planning and Development		42 536	41 542	47 120	2 081	20 872	31 413	(10 541)	-33.6%	41 542
Vote 9 - Road transport		20 625	3 985	3 985	320	2 355	2 656	(301)	-11.3%	3 985
Vote 10 - Energy sources		72 748	80 675	80 743	4 907	45 416	53 829	(8 412)	-15.6%	80 675
Vote 11 - Waste Management		13 720	14 958	15 428	1 290	9 850	10 285	(436)	-4.2%	14 958
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	477 794	486 861	494 007	13 069	335 684	329 338	6 345	1.9%	486 861
Expenditure by Vote	1									
Vote 1 - Executive and council		61 619	66 001	72 502	4 218	44 437	48 548	(4 111)	-8.5%	66 001
Vote 2 - Finance and administration		132 185	151 121	165 146	10 258	83 712	110 097	(26 385)	-24.0%	151 121
Vote 3 - Internal audit		-	-	-	-	-	-	-		-
Vote 4 - Community and social services		33 291	30 811	30 453	3 624	26 501	20 302	6 199	30.5%	30 811
Vote 5 - Sport and Recreation		12 862	10 030	13 714	833	7 887	9 143	(1 255)	-13.7%	10 030
Vote 6 - Public safety		418	1 890	1 747	315	823	1 165	(341)	-29.3%	1 890
Vote 7 - Housing		29	30	269	-	29	179	(150)	-83.8%	30
Vote 8 - Planning and Development		18 934	26 592	25 035	1 643	14 549	16 690	(2 140)	-12.8%	26 592
Vote 9 - Road transport		49 148	56 225	57 456	5 572	36 666	38 304	(1 638)	-4.3%	56 225
Vote 10 - Energy sources		77 057	76 143	76 674	3 948	43 560	54 215	(10 655)	-19.7%	76 143
Vote 11 - Waste Management		8 770	20 124	21 299	956	20 948	19 649	1 299	6.6%	20 124
Vote 12 - Environmental Protection		3 694	4 063	4 124	407	2 852	2 749	103	3.7%	4 063
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-		-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-		-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-		-
Total Expenditure by Vote	2	398 006	443 031	468 419	31 775	281 967	321 041	(39 074)	-12.2%	443 031
Surplus/ (Deficit) for the year	2	79 788	43 830	25 588	(18 705)	53 717	8 297	45 419	547.4%	43 830

Table 1.5 provides information on the planned revenue and operational expenditures against the actual results for the period ending 28th February 2025

This report analyses each major component under following headings;

- Revenue by Source
- Operational Expenditure by Type, and

KZN291 Mandeni - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M08 February										
Description	Ref	Budget Year 2024/25								
		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		61 164	72 341	72 341	4 858	43 762	48 228	(4 466)	-9%	72 341
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		12 380	14 106	14 106	1 063	8 710	9 404	(694)	-7%	14 106
Sale of Goods and Rendering of Services		11 818	9 474	9 474	96	2 051	6 316	(4 265)	-68%	9 474
Agency services		-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		919	963	1 500	126	973	1 000	(27)	-3%	963
Interest from Current and Non Current Assets		26 748	28 000	28 000	390	13 553	18 667	(5 114)	-27%	28 000
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		294	374	724	39	416	483	(67)	-14%	374
Licence and permits		-	-	-	-	-	-	-	-	-
Operational Revenue		1 507	1 200	1 750	26	517	1 167	(649)	-56%	1 200
Non-Exchange Revenue										
Property rates		58 321	62 237	62 237	3 412	53 953	41 491	12 462	30%	62 237
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 584	1 310	1 310	8	61	874	(813)	-93%	1 310
Licence and permits		985	957	957	98	703	638	66	10%	957
Transfers and subsidies - Operational		241 981	253 163	253 163	812	189 480	168 775	20 705	12%	253 163
Interest		3 460	2 976	3 308	314	2 332	2 205	127	-	2 976
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		1 541	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		422 701	447 101	448 870	11 241	316 511	299 246	17 265	6%	447 101
Expenditure By Type										
Employee related costs		133 709	152 543	152 543	12 997	95 445	101 695	(6 251)	-6%	152 543
Remuneration of councillors		14 564	16 388	16 388	1 198	10 292	10 925	(633)	-6%	16 388
Bulk purchases - electricity		52 475	57 866	57 866	2 917	35 962	38 577	(2 615)	-7%	57 866
Inventory consumed		3 835	4 533	5 634	203	3 090	4 169	(1 079)	-26%	4 533
Debt impairment		6 048	30 261	30 261	-	15 130	28 522	(13 391)	-47%	30 261
Depreciation and amortisation		33 728	37 856	37 856	2 759	23 320	25 237	(1 918)	-8%	37 856
Interest		137	3 300	3 300	-	0	2 200	(2 200)	-100%	3 300
Contracted services		85 801	79 270	90 976	6 951	48 525	60 651	(12 126)	-20%	79 270
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		3 750	6 261	6 261	-	3 130	4 174	(1 043)	-25%	6 261
Operational costs		62 365	54 755	66 735	4 795	47 120	44 490	2 630	6%	54 755
Losses on Disposal of Assets		501	-	600	-	-	400	(400)	-100%	-
Other Losses		456	-	-	(47)	(47)	-	(47)	-	-
Total Expenditure		397 367	443 031	468 419	31 775	281 967	321 041	(39 074)	-12%	443 031
Surplus/(Deficit)		25 334	4 070	(19 550)	(20 533)	34 544	(21 795)	56 339	(0)	4 070
Transfers and subsidies - capital (monetary allocations)		55 093	39 760	45 138	1 828	19 172	30 092	(10 920)	(0)	39 760
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		80 427	43 830	25 588	(18 705)	53 717	8 297			43 830
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		80 427	43 830	25 588	(18 705)	53 717	8 297			43 830
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		80 427	43 830	25 588	(18 705)	53 717	8 297			43 830
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		80 427	43 830	25 588	(18 705)	53 717	8 297			43 830

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

Figure 1

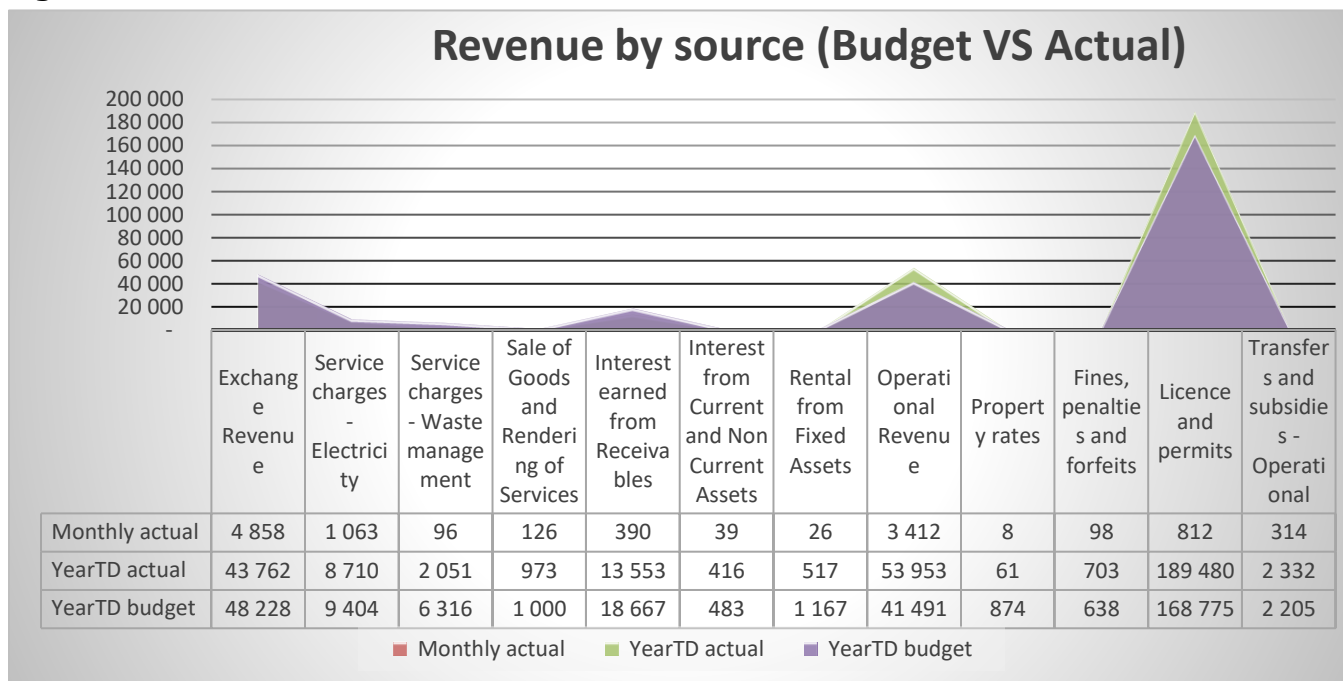
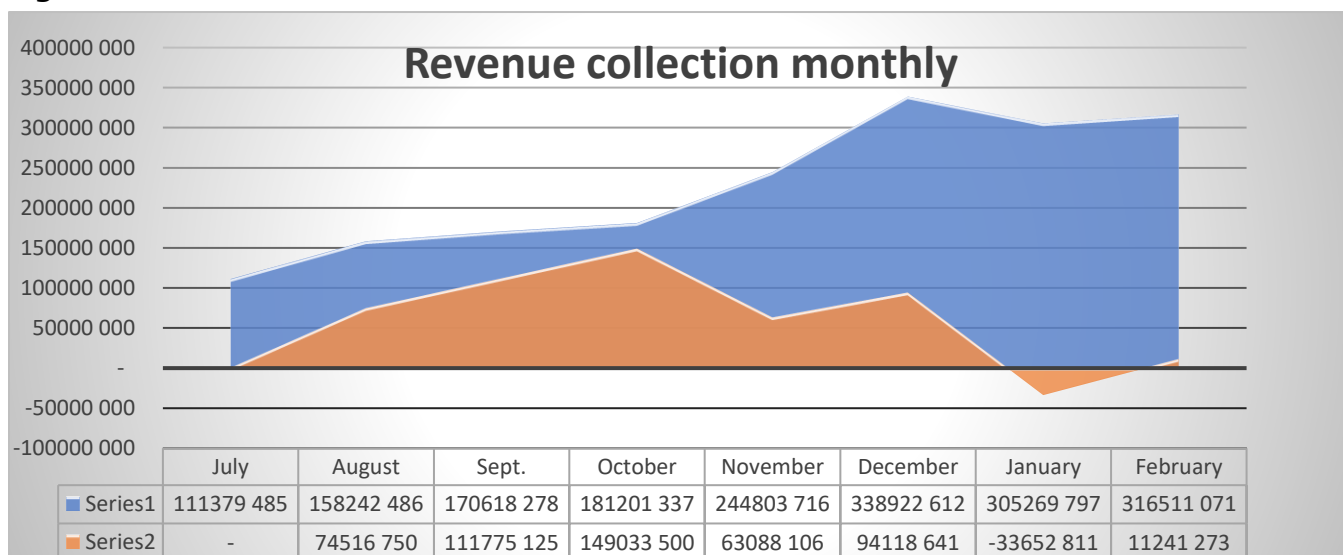


Figure 2



Revenue:

- The Year to Date (YTD) total revenue earned is R316,5million for the period ending 28 February 2025 excluding capital conditional grant income. The YTD Budget is R299,2million; therefore, this reflects an over performance against the revenue projected by 6%, this is a reflection that the municipality has achieved more of its revenue performance budget.

EXCHANGE REVENUE

Service Charges: Electricity

- Revenue for service charges- electricity is recognized on an invoice basis and the total amount billed is R43,8million under a budget YTD of R48,2million. The variance of -9% or R4,5million is indeed immaterial.
- The actual cash collected is R 4,5 million for the month ended February 2025.

Service Charges: Refuse

- The billed revenue from Service Charges Refuse as at 28th February 2025 is R8,7 million against the budgeted income of R9,4million, which under performance by 7%. The variance is immaterial.
- The actual cash collected is 348thousand for the month of February 2025.

Sale of Goods and rendering services

- Sale of Goods and services amounts to R2,1 million in comparison with the year-to-date budget of R6,3million, thus indicating an under performance by R4,3million and or -68%, variance is caused by the INEP expenditure that has been allocated to the vote for the correction of GRAP transacting. This vote also includes: Tender documents sales vote and Escort fees vote, which is the person responsible for the patrolling of children who are going to school and also Library photocopies.
- **Interest earned from receivables.**
- In line with council adopted credit control policy, the municipality charges interest on arrear debtors. This interest is collected from Services.
- Interest earned from receivables amounts to R973thousand in comparison with the year-to-date budget of R1million, thus indicating an under performance by R27thousand or 3%. The Municipality has noticed the majority of the customers did not honour their agreements. The variance is immaterial.

Interest from Current and Non-Current assets

- Interest earned on external investments amounts to R13,6million in comparison with the year-to-date budget of R18,6million, thus indicating an under performance by R5,1million or 27 percent, variance is caused by the Investments maturity date are towards the year end.

Rental from fixed assets

- Revenue from rental of facilities recognised amounts to R416 thousand in comparison with the year-to-date budget amount of R483 thousand thus indicating an over performance of R67thousand or 14%. Variance is due to level of demand in rental of staff rental houses are fully occupied, additional agreements have been signed.

Operational Revenue

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

The year-to-date performance in Operational Revenue amounts to R517thousand which is less than anticipated YTD budget of R1,2milliom, thus indicating an under performance of R649thousand or 56%, variance is due to the collection charges not received, as these are paid from customers who are behind with rates and services.

NON-EXCHANGE REVENUE

Property Rates

- The municipality accounts for Property Rates on an invoice basis in line with GRAP requirements. The YTD Actual for rates shows over -collection of R12,5million, which is an over collection by 30%.The variance in this vote is due to Annual Billing for the year of R30million and the implementation of SV3.
- The actual cash collected being R2,3million for the month ended 28th February 2025.

Fines, Penalties and forfeits

- Fines for the month of February are underperformed by 93% or R813 thousand with an actual amount of R61 thousand, over a pro-rata budget of R874thousand. The variance is since PS fines and Library fines are impossible to collect as no proper trace of customers is kept within the Municipality. Library fines are charge for tardiness of books returns.

Licences and permits.

- Licences and permits have over-performed by 10% or R66thousand with an actual amount of R703thousand as compared to pro-rata budget of R638 thousand, variance is due to the level of demand for issuing of licences and permits. Revenue reported has been received from issuing licences and permits by traffic department and trading licences for business within the municipality. This revenue collection is only monitored through walk in customers only.

Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R189,4million YTD Actual in comparison with the YTD budget of R168,7million, thus indicating an over performance by R20,7 million or 12% variance is mainly attributable to receiving all the gazetted Grants before the year ends, the difference will reduce towards year end.
- Transfers and subsidies capital amounts to R19,1million in comparison with the YTD budget of R30,1million, thus indicating an under performance by R11 million variance is mainly attributable by expenditure in MIG. *(Detailed report on MIG expenditure has been provided below)*

Interest

- Interest earned from receivables amounts to R2,3million in comparison with the year-to-date budget of R2,2million, thus indicating an over performance by R100thousand or 5percent. THIS is interest collected form Property rates arrear debtors.

Operating Expenditure from February 2025

The table below reflects trends of expenditure for the period ended 28th February 2025

Figure 6

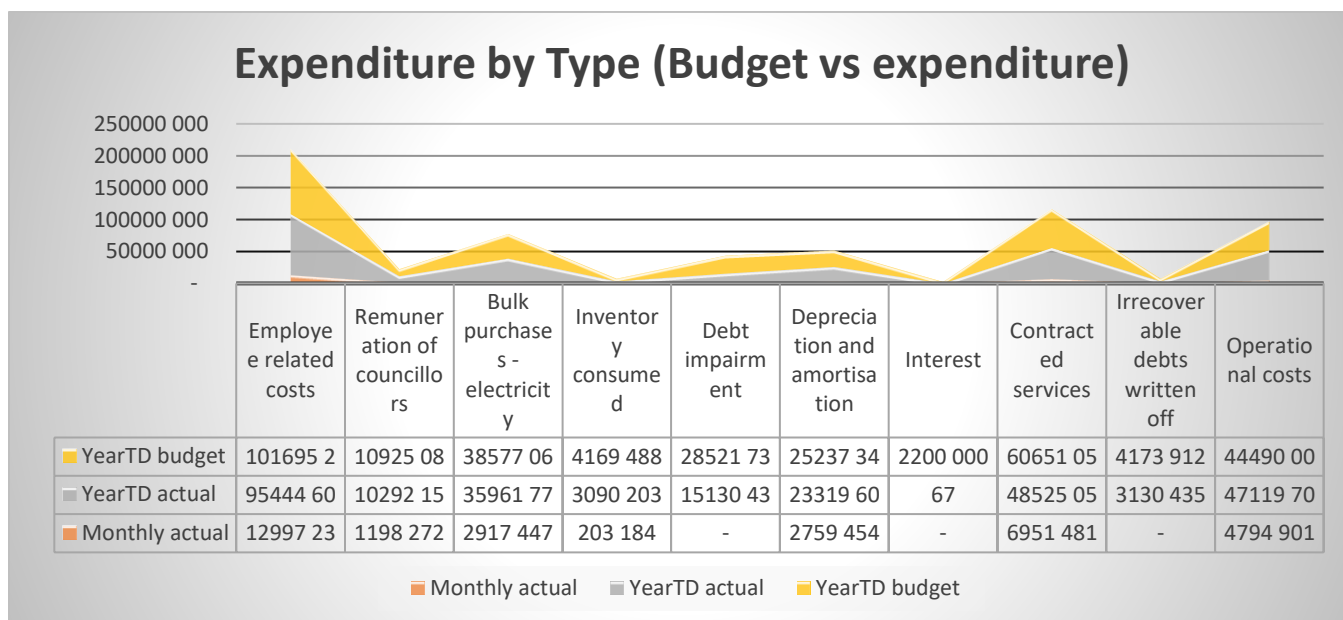
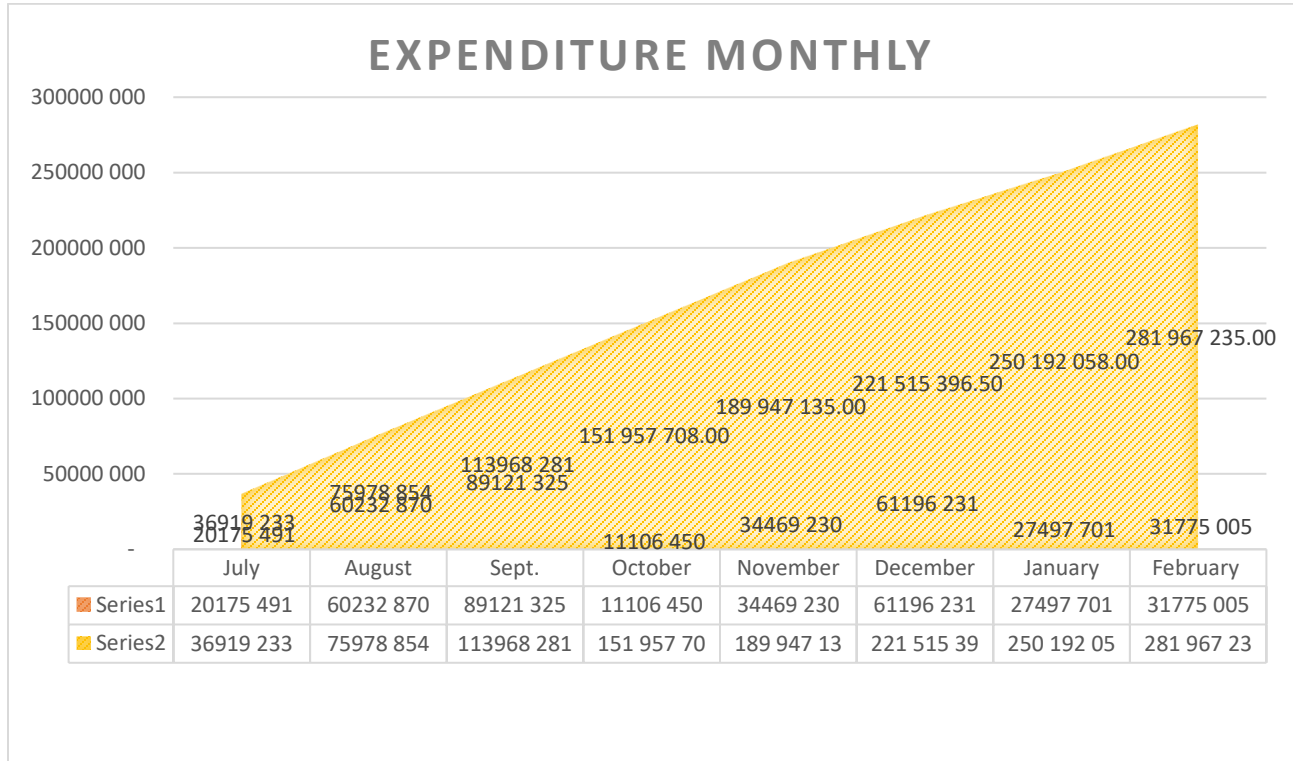


Figure 7



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 28th February 2025 amounted to R282million against the planned target of R321,0million. As at the end of January the operational expenditure budget has been reached. *Detailed expenditure analysis is below:*

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 28th February 2025 amounted to R95,4million while the YTD budget was R101,6million with an underspending of R6,3million or - 6%. Variance is due to positions that were prioritised in the budget which have not been filled. However, recruitment processes are underway to filling of these positions.
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.
- Another contributing factor to this variance is due to calculation of provision for leave and long service awards which are processed at year end upon receiving the actuarial calculation for Actuaries.

Remuneration of Councilors

- Councilors allowances pro-rata budget as at 28th February 2025 was under spent by R633thousand. The YTD Remuneration of Councilor's budget was R10,2million whilst the actual expenditure incurred results in slightly under-spending of -6% YTD expenditure performance. The variance is immaterial.

Bulk Purchases

- The YTD on Bulk purchases amounts to R36million which is an over performance when compared to YTD pro-rata budget of R38,6million. The variance of R2,6million or -7% over projected budget is caused by the period variances in Eskom invoices.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 26% or R107thousand, when compared to YTD budget of R4,1million, variance is due to the implementation of procurement plan,
- Budget allocated for this item relates to materials procured by the municipality towards repairs and maintenance which are kept at stores for rendering of services, such as pothole patching materials, workshop stock etc.
- The municipality regularly reviews its repairs and maintenance plan to ensure that the infrastructure of the municipality is regularly monitored for its aging.

Debt Impairment

- The provision for bad debt Journal had been processed as at 28th February 2025 for R15,1million, which gives us a performance at 100% as YTD Budget is R15,1million. The performance in the vote is prepared bi-annually, a second leg will be processed in June 2025.
- When provision for debt impairment is calculated, the following assumptions must take into consideration.
- Each debtor's account per age analysis must be analyzed.
- The frequency of payment must be analysed on each debtor.
- Indigent debtors, debtors with take on balances which cannot be explained, insolvent and debtors under administration of estate should be impaired 100%.
- The Municipality is guided by a write off policy when the assumptions are determined.
- Different services must be impaired separately.
- Different customer must be impaired separately.

Depreciation and Asset Impairment

- The YTD Actual of R23,3million for Depreciation and asset impairment is reflecting an under performance by -8percent or R1,9million, when compared to pro-rata budget of R25,2million. The variance of R1,9million is due to the fact that most projects are still under work-in-progress.

Interest

- Finance charges reflect an underperformance by 100percent, the first invoice has been received and allocated. The main transactions normally are allocated in January and June, which is every six months.
- Another contributing factor to finance charges is the reclassification of retirement benefit obligation interest costs in accordance with GRAP 25, this calculation will be done during year end after assessment by Actuarial Report has been completed for the year.

Contracted Services

- Contracted services expenditure is reflecting an underspending of 20% or R12,1million, from YTD budget of R60,6million against the YTD actual of R48,5million, the variance is immaterial.

Irrecoverable debts written off

- Irrecoverable debts written off has performed by 25% for the amount of R1million. A Journal to the vote for the witting of irrecoverable debts had been tabled to council.

Operational Cost

- Other expenditure is overspent this month by 6 or R2,6million when compared to YTD budget of R44,4million. The variance is due to activities that took place in the third quarter of the financial year. Most of other expenditure items will take place during the fourth quarter of the year.

Losses on Disposal of assets

- Losses on disposal has been adjusted by R600thousand, there is no expenditure reported as of February 2025.

Other Losses

- There is no budget for this line of vote for the financial year 2024/25.

2. Capital Expenditure

Table C5 Monthly Budget Statement – Capital Expenditure

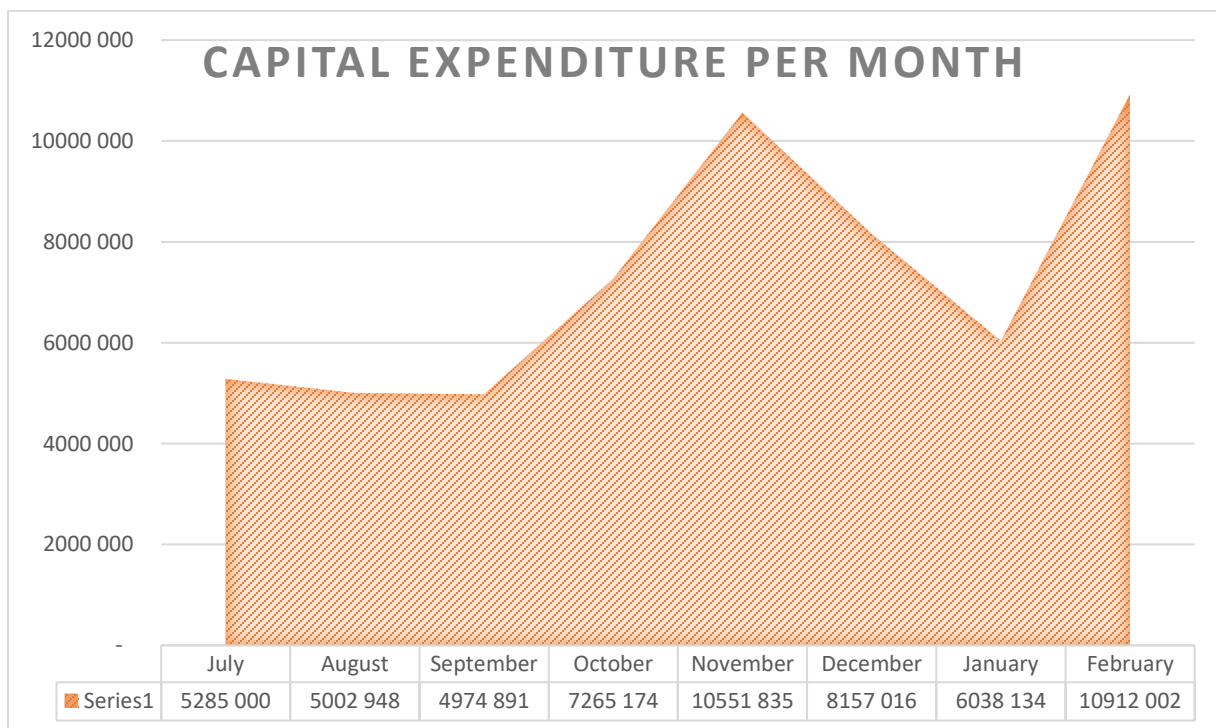
KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M08 February										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1									%
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		1 932	5 870	11 431	2 696	7 664	7 621	44	1%	5 870
Vote 2 - Finance and administration		14 562	8 557	13 616	(183)	6 322	9 077	(2 755)	-30%	8 557
Vote 3 - Internal audit		–	–	–	–	–	–	–	–	–
Vote 4 - Community and social services		772	4 457	4 107	204	1 023	2 738	(1 715)	-63%	4 457
Vote 5 - Sport and Recreation		5 512	10 127	13 426	113	2 393	8 950	(6 557)	-73%	10 127
Vote 6 - Public safety		–	939	852	–	–	568	(568)	-100%	939
Vote 7 - Housing		–	–	–	–	–	–	–	–	–
Vote 8 - Planning and Development		19 023	12 191	11 215	268	3 307	7 477	(4 170)	-56%	12 191
Vote 9 - Road transport		89 974	79 535	74 871	7 814	50 171	49 914	257	1%	79 535
Vote 10 - Energy sources		2 154	3 752	2 178	–	742	1 452	(710)	-49%	3 752
Vote 11 - Waste Management		5 734	2 174	2 134	–	1 560	1 423	137	10%	2 174
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	139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600
Total Capital Expenditure		139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600
Capital Expenditure - Functional Classification										
Governance and administration		16 494	14 426	25 047	2 513	13 986	16 698	(2 712)	-16%	14 426
Executive and council		1 932	5 870	11 431	2 696	7 664	7 621	44	1%	5 870
Finance and administration		14 562	8 557	13 616	(183)	6 322	9 077	(2 755)	-30%	8 557
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		6 284	15 522	18 385	317	3 416	12 257	(8 840)	-72%	15 522
Community and social services		772	4 457	4 107	204	1 023	2 738	(1 715)	-63%	4 457
Sport and recreation		5 512	10 127	13 426	113	2 393	8 950	(6 557)	-73%	10 127
Public safety		–	939	852	–	–	568	(568)	-100%	939
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		108 996	91 726	86 085	8 082	53 478	57 390	(3 913)	-7%	91 726
Planning and development		19 023	12 191	11 215	268	3 307	7 477	(4 170)	-56%	12 191
Road transport		89 974	79 535	74 871	7 814	50 171	49 914	257	1%	79 535
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		7 888	5 926	4 312	–	2 302	2 874	(572)	-20%	5 926
Energy sources		2 154	3 752	2 178	–	742	1 452	(710)	-49%	3 752
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		5 734	2 174	2 134	–	1 560	1 423	137	10%	2 174
Other		–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600
Funded by:										
National Government		51 072	33 963	38 629	1 590	17 098	25 753	(8 654)	-34%	33 963
Provincial Government		717	739	705	204	233	470	(236)	-50%	739
District Municipality		–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–
Transfers recognised - capital		51 789	34 702	39 334	1 793	17 332	26 222	(8 891)	-34%	34 702
Borrowing	6	–	–	–	–	–	–	–	–	–
Internally generated funds		87 873	92 898	94 495	9 118	55 850	62 997	(7 147)	-11%	92 898
Total Capital Funding		139 662	127 600	133 829	10 912	73 182	89 220	(16 037)	-18%	127 600

Capital Expenditure from February 2025:

The YTD capital expenditure budget is R73,2 million against YTD actual Capital expenditure amounted to R89,2 million resulting in an under performance of (18%) on capital expenditure. Variance in capital expenditure were due to different reason (detail report on the progress on all capital projects has been provided below).

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

Capital Expenditure reported as at February 2025



- Capital grants funded by National Government is R17million versus YTD Budget of R25,8million, expenditure reported has been underspent by (34%). However, the municipality will ensure that grant is fully spent by year end.
- Capital grants funded by Provincial Government has expenditure of R233thousand against the YTD prorated budget of R470thousand, which is an underperformance of 50% or 236thousand.
- Capital grants funded Internally actual is R55,9million versus YTD Budget of R63million variance of 11% reflects and under expenditure on this item.

2.2 Monthly Budget Statement – expenditure on Repairs and Maintenance

KZN291 Mandeni - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M08
February

Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1								%	
Repairs and maintenance expenditure by Asset Class/Sub-class										
Infrastructure		10 904	15 113	14 678	2 020	7 805	9 786	1 981	20.2%	15 113
Roads Infrastructure		6 397	8 548	8 548	1 472	3 457	5 699	2 242	39.3%	8 548
Roads		6 397	7 939	7 939	1 472	3 262	5 293	2 031	38.4%	7 939
Road Structures		-	435	435	-	112	290	178	61.5%	435
Road Furniture		-	174	174	-	83	116	33	28.2%	174
Capital Spares		-	-	-	-	-	-	-	-	-
Storm water Infrastructure		1 017	2 870	2 870	1	2 367	1 913	(454)	-23.7%	2 870
Drainage Collection		1 017	2 870	2 870	1	2 367	1 913	(454)	-23.7%	2 870
Storm water Conveyance		-	-	-	-	-	-	-	-	-
Attenuation		-	-	-	-	-	-	-	-	-
Electrical Infrastructure		2 518	3 000	2 565	483	1 291	1 710	419	24.5%	3 000
Power Plants		-	43	43	-	40	29	(11)	-36.3%	43
HV Substations		-	-	-	-	-	-	-	-	-
HV Switching Station		-	-	-	-	-	-	-	-	-
HV Transmission Conductors		521	739	739	-	-	493	493	100.0%	739
MV Substations		77	43	43	-	25	29	4	13.7%	43
MV Switching Stations		-	-	-	-	-	-	-	-	-
MV Networks		47	130	130	-	48	87	39	45.1%	130
LV Networks		784	739	739	338	823	493	(330)	-67.0%	739
Capital Spares		1 089	1 304	870	144	356	580	224	38.6%	1 304
Water Supply Infrastructure		-	-	-	-	-	-	-	-	-
Information and Communication Infrastructure		972	696	696	64	691	464	(227)	-48.9%	696
Data Centres		-	-	-	-	-	-	-	-	-
Core Layers		972	696	696	64	691	464	(227)	-48.9%	696
Distribution Layers		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Community Assets		1 843	2 148	2 197	88	794	1 465	671	45.8%	2 148
Community Facilities		207	174	43	-	-	29	29	100.0%	174
Halls		107	-	-	-	-	-	-	-	-
Centres		-	-	-	-	-	-	-	-	-
Crèches		-	-	-	-	-	-	-	-	-
Clinics/Care Centres		-	-	-	-	-	-	-	-	-
Fire/Ambulance Stations		-	-	-	-	-	-	-	-	-
Testing Stations		-	-	-	-	-	-	-	-	-
Museums		-	-	-	-	-	-	-	-	-
Galleries		-	-	-	-	-	-	-	-	-
Theatres		-	-	-	-	-	-	-	-	-
Libraries		-	-	-	-	-	-	-	-	-
Cemeteries/Crematoria		-	-	-	-	-	-	-	-	-
Police		-	-	-	-	-	-	-	-	-
Purfs		101	174	43	-	-	29	29	100.0%	174
Public Open Space		-	-	-	-	-	-	-	-	-
Nature Reserves		-	-	-	-	-	-	-	-	-
Public Ablution Facilities		-	-	-	-	-	-	-	-	-
Markets		-	-	-	-	-	-	-	-	-
Stalls		-	-	-	-	-	-	-	-	-
Abattoirs		-	-	-	-	-	-	-	-	-
Airports		-	-	-	-	-	-	-	-	-
Taxi Ranks/Bus Terminals		-	-	-	-	-	-	-	-	-
Capital Spares		-	-	-	-	-	-	-	-	-
Sport and Recreation Facilities		1 635	1 974	2 154	88	794	1 436	642	44.7%	1 974
Indoor Facilities		-	-	-	-	-	-	-	-	-
Outdoor Facilities		1 635	1 974	2 154	88	794	1 436	642	44.7%	1 974
Capital Spares		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Other assets		30	-	-	-	-	-	-	-	-
Operational Buildings		30	-	-	-	-	-	-	-	-
Municipal Offices		30	-	-	-	-	-	-	-	-
Pay/Enquiry Points		-	-	-	-	-	-	-	-	-
Building Plan Offices		-	-	-	-	-	-	-	-	-
Machinery and Equipment		5 289	6 348	7 432	1 126	5 511	4 955	(556)	-11.2%	6 348
Machinery and Equipment		5 289	6 348	7 432	1 126	5 511	4 955	(556)	-11.2%	6 348
Total Repairs and Maintenance Expe	1	18 065	23 609	24 307	3 233	14 109	16 205	2 096	12.9%	23 609

The ratio for Repairs and Maintenance measures the level of repairs to ensure adequate maintenance and to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of service.

The Technical Services Department is currently implementing the following projects as per the Municipality’s Integrated Development Plan (IDP):

4.1 Projects under The Municipal Infrastructure Grant (MIG) Funding:

2024/25 Financial Year MIG Allocation	R41 101 000
Less: Total Expenditure (incl. Retention)	R 19 420338.60
Balance	R 16 029 661.40
Expenditure of as a %	41,7%

Projects under Construction Stage

- Construction of a Sportsfield in Hlomendlini
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).
- Nyoni Taxi Route Phase 4
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)
- The Rehabilitation of Bumbanani Road in Sundumbili: Ward 13, 14 & 15 - Phase1
- Upgrade of Machibini Link Road to Isithebe in Ward 10 and 12 Phase 2
- Construction of a Soccer Field and Combo Court in Khenana Township, Ward 10
- Establishment of new cemeteries, phase 1 (Tender stage)
- Extension of Portion of Kingfisher Road in Ward 3, Mandeni
- Rehabilitation of Isibuko Road (Masilela) and Stormwater Modification in Mandeni Ward 14

Projects that are in the planning stage with MIG

- Rehabilitation of Quartz Road and Portion of Platinum Road in Ward 4
- Construction of a Sportsfield in Ward 2, Mandeni
- Construction of a Sportsfield in Ward 1, Mandeni

Projects that are in planning stage and are to be registered with MIG

The below listed projects are to be presented in the next MBPAC for approval.

- Construction of Community Hall in Ward 8 (the project was presented at the MBPAC on 12th of February 2025 and was approved. The draft tender document and design drawings are being prepared)
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 14, Chappies Section. (The draft tender document is being prepared for submission to SCM to prepare for tender briefing.)

4.2. Projects under Municipal Internal Funding

Projects under Construction

- Repair and Renovation of Civic Centre Roof in Mandeni
- New Protection Services Centre DLTC (Completed, under defects)
- Extension of Mechanical Workshop and Construction of New Offices
- P415-459 Ward 3 Streetlights

Projects under planning

- Establishment of New office building at the Municipality's Main Office (The concept design stage is 90% completed)
- Extension of Mechanical/ Technical Services Building Phase 2 and Fencing of Technical Services Depot (The draft tender document is being prepared for submission to SCM to prepare for tender briefing. The consultant has been asked to reduce the scope due to budget constraints.)
- Construction of a Community Hall in Ward 6- Site identified, awaiting PTO approval
- Construction of a Community Hall in Ward 12 - (PTO was obtained. The Inception Report has been received from the consultant and is being reviewed.)
- Construction of community hall in Ward 16 - (identified site unsuitable for development. New site to be identified.)
- Construction of community hall in Ward 11 - (PTO was obtained. The Inception Report has been received from the consultant and is being reviewed.)
- Construction of community hall in Ward 9 - (PTO was obtained. Consultant is busy with the Inception Report.)
- Establishment of new emergency centre - (Site identified. Meeting was held with the appointed consultant and other stakeholders to discuss the planned project. Consultant was asked to prepare the Inception Report.)

4.3. Projects under Planning Stage (INEP)

- Mandeni Sub-station - Bulk Infrastructure

2024/25 Financial Year Allocation	R 9 227 000
Less: Total Expenditure (Incl. VAT)	R 36 632.00
Balance	R 9 190 368.00
Expenditure as a %	0.4%

Project Details

Name of Consultant: ZLM Engineers
Name of Contractor: N/A
Project Commencement Date: 12 May 2023
Completion Date: TBC
Revised Completion Date: Nil

Current Status: Project detailed design completed. Currently awaiting tender documentation and procurement to be submitted by consultant.

Challenges: Application for a self-build to Eskom has been made. Eskom has provided the municipality with a cost estimate fee for carrying out a feasibility study and provide Network information from where the High Voltage line feeding the substation will be tied in. The municipality has provided proof of payment for the cost estimate fee payment has been made to Eskom as per the cost estimate quotation provided. This subsequently allows Eskom to commence with their feasibility study and provide necessary network capacity status. A meeting is scheduled for the 6th of March 2025 with Eskom representatives to discuss the implementation of the feasibility study and the provision of the Network Planning Report.

5. PROGRESS ON PROJECTS AND EXPENDITURE

5.1 Municipal Infrastructure Grant

Projects under Construction Stage

- a) Installation of High Mast Lights in Mandeni, Phase 2 (Ward 3, 5, 9, 11 and 12x2)

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 067 105.27	R 1 022 364.28
Construction Cost (incl. Retention) (V.O : R 367 004.50)	R 5 413 316.30	R 5 283 165.92
TOTALS (Incl. Vat)	R 6 480 421.57	R 6 3055 530.20

Project Details

Name of Consultant: Africoast JBFE Project Manager
Name of Contractor: R Busisiwe (Pty) Ltd
Project Commencement Date: January 2023
Contractual Completion Date: July 2023
Revised Completion date: 20 May 2024

Project Scope

- Supply and install of 6 x 30m high mast lighting.
- Installation and Commissioning of street and high mast lighting.
- Certifying all the installations for compliance.
- Submitting project report, designs/drawings and quality stacks on project handover.

Current Status Overall Construction progress 98%: All overhead support infrastructure and underground infrastructure has been installed. All 6 High masts have been erected, and light fittings have been installed. The project awaits the provision of the supply and metering points by Eskom, which will subsequently allow for the energization and commissioning of the high masts.

Challenges: The reference number pertaining to this project was unavailable, this means metering points could not be provided by Eskom. A new application process has been initiated, and a new reference number has been issued by Eskom. This subsequently allows Eskom to register the project and provide metering points. Awaiting Eskom to assign personnel to attend to site and do feasibility study on the provision of metering points for the project as required.

**b) Construction of a
Hlomendlini Sportfield -
Ward 4**

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 846 700.02	R 1 317 689.58
Construction Cost (incl. Retention)	R 8 041 369.71	R 3 493 216.27
Sub-Total (MIG Funds)	R 8 888 069.73	R 4 810 905.85
Sub-total (Internal Funds) Approved (26.07.2023)	R 1 547 441.12	R 803 258.28
TOTALS (Incl Vat)	R 10 435 510.85	R 5 614 164.13

Project Details

Name of Consultant: Siyazenzela Consulting
Name of Contractor: Sihawusethu Trading (Pty) Ltd
Project Commencement Date: January 2025
Contractual Completion Date: May 2025
Revised Completion date: N/A

Project Scope

- Site Establishment and Setting out of works.
- Bulk earthworks to the various elements of infrastructure on site.
- Construction of a soccer field (110m x 75m).
- Construction of a combi court (38m x 19.5m).
- Construction of an ablution facility (10 toilet units), with change rooms (3 toilet units), public toilets (2 toilet units) and office/first aid room including water, sewage, and electrical supply.
- Construction of a grandstand with a minimum of 5 rows of seats (length of 25m).
- Installation of fencing including gate house (pedestrian and vehicle gates).
- Construction of an unpaved parking area.

Current Status Overall Construction Progress 5% (Overall progress 55%): Site Handover / Technical Meeting, Site Establishment and setting out of works.

Challenges: Contractor's delay in meeting their full contractual obligations.

Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili Ward 13 Phase 2 and Ward 14 White City Section (Phumla, Indumiso and Malandela).

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 352 795.17	R 2 256 723.50
Construction Cost (incl. Retention)	R 16 257 859.82	R 16 126 099.66
Internal Funding (Professional Fees)	R 400 352.92	R 400 352.92
TOTALS (Incl Vat)	R 19 011 007.91	R 18 783 176.08

Project Details

Name of Consultant: Singh Govender & Associates cc
Name of Contractor: MVI-SSSS Trading Enterprise cc
Project Commencement Date: August 2023
Contractual Completion Date: April 2024
Revised Practical Completion date: September 2024

Project Scope

- Site Establishment: Establishment of offices, tools, plant, etc.
- General requirements for construction activities: Employment of Local Labour and CLO.
- Site clearance: removal of topsoil, cutting of trees and bushes, where required.
- The implementation of Traffic Accommodation facilities.
- Milling of the existing road asphalt to spoil.
- Excavation of the existing road layerworks to stockpile and spoil.

- Subgrade treatment: 300mm undercut to spoil and replace with G7 backfill at unsuitable founding conditions.
- Rip and recompact Roadbed (Subgrade) in preparation for layerworks.
- Installation of cable ducts - and protection to existing services where necessary.
- Import G5 and G2 material from commercial sources for layerworks.
- Construction of a 150mm Subbase layer with G5 material obtained from commercial sources.
- Construction of a 150mm Base layer with G2 material obtained from commercial sources.
- Pre-pulverising cement stabilising of the existing Base layer for areas with minimal degree of surface failures.
- Construction of concrete V-Drains and Kerbing and Channelling.
- Construction of a 40mm Asphalt layer- Mix D, obtained from commercial sources.
- Construction of speed humps.
- Construction of Stormwater pipelines utilising 600mmØ and 450mmØ concrete pipes. The installation of Sub-soil drains for subsurface drainage.
- Construction of Side Inlet Manholes along the roadways. Installation of Guardrails.
- Installation of Gabions.
- Installation of Retaining walls.
- Installation of Road Signs and painting of Road Markings.
- Clearing of the road reserve

Current Status Overall Construction progress 99%: Site establishment 90%, Setting Out of works is 100%, Traffic Accommodation 100%, Site Clearance 100% and Roadbed Preparation 100%, Stormwater Installation 100%, Manhole Construction 97%, Subsoil installation 95%, service crossing ducts 92%, Subsoil Drainage G5 material layer 100% for our subbase layer, G2 Base layer 100%, Asphalt Surfacing 100%, Road Signs & Marking 85%, Speed Humps 100%, Guardrails 100%, Kerbing and Channel 97.5%, Gabion Retaining Wall 60%.

Practical Completion was achieved on the **12th of September 2024** with Final Completion still outstanding as a result of the Contractor's Poor Performance in completing the identified snag list. An Intention to Terminate the Contractor has since been served.

Challenges: Contractor has failed to meet their contractual obligations and subsequently has been issued with a Final Termination Letter dated **Friday, 27th February 2025**. Furthermore, a Termination Cost to Completion will be compiled and submitted for completion of outstanding works.

c) Completion of the “Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 13 Phase 1 (Mthombothi, Mbabala, Umgakla and Sondeza)”

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 532 598.83	R 1 531 961.31
Construction Cost (incl. Retention & Surety)	R 12 148 430.66	R 9 202 486.00
Internal Funds	R 667 565.79	R 0.00
TOTALS (Incl. Vat)	R 14 348 595.28	R 10 734 447.31

Project Details

Name of Consultant: DLV Project Managers and Engineers
Termination Previous Contractor 22 August 2024
Name of Contractor: BIG O Trading 298 CC
Project Commencement Date: October 2024
Contractual Completion Date: March 2025
Revised Completion date: N/A

Project Scope

- Site establishment
- Site clearance
- Completion of Mass Earthworks
- Roadbed Preparation
- Clearing Existing Stormwater Infrastructure
- Completion of New Stormwater Infrastructure
- New Pavement Layerworks
- Road Surfacing
- Kerbs and Channels

- Road Restraint Systems
- Road Signs
- Road Marking
- Finishing

Current Status Overall Construction progress 75%: Site establishment - 100%, Mass Earthworks - 80%, Roadbed Preparation - 80%, C4 stabilized layer - 75%, Stormwater - 80%, Subsoil drainage - 80%, Asphalt Surfacing - 15%, Kerbs - 25% setting up the pipe route by surveyor - 90%, Setting up the road by the surveyor - 85%, Site Clearance - 75%, Pipe laying - 75%, Manholes complete - 50%.

Challenges: Previous Contractor was terminated as a result of Non-Compliance to the contract. Recent inclement weather conditions causing delays to the scope of works. Contractor's progress on site has been note as slow due to being behind with their construction programme.

Contractor's progress has been noted as slow due to falling behind the Construction programme and notices of slow progress have been issued. Furthermore, inclement weather conditions have caused major delays.

d) Rehabilitation of Bumbanani Road in Sundumbili - Ward 13, 14 & 15 Phase 1

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 243 837.65	R 2 181 610.01
Construction Cost (incl. Retention)	R 10 679 964.34	R 7 496 965.36
Internal Funds	R 4 629 230.16	R 0.00
TOTALS (Incl. Vat)	R 17 553 032.14	R 9 678 575.37

Project Details

Name of Consultant: Kukhanya Projects (Pty) Ltd
Name of Contractor: Iqhawe Elihle Trading
Project Commencement Date: May 2024
Contractual Completion Date: February 2025
Revised Completion date: N/A

Project Scope

- Site establishment
- Site clearance
- Finishing Construction of 1km long, 7m width asphalt surface road.
- Construction of Kerb and channel where required.
- Construction of Kerb inlet, headwall and manholes where required.
- Construction of 967m stormwater pipes ranging from 450mm-900mm diameter.
- Construction of 874m long, 2m width asphalt finished sidewalk.
- Construction and preparation of bell mouth to tie in the existing internal access road in the vicinity of the proposed road.
- Milling of existing asphalt (to be stockpiled and re-used by the client) Construction of subsoil drain where required.

Current Status Overall Construction progress 50%: Contractual Submissions 100%, Site Establishment 100%, Accommodation of Traffic 50% Road Construction Works 41%, Stormwater 41%, Kerb & Channel Works 6%, Sidewalk Construction 0% and Asphalt Laying 0%.

Challenges: Heaving section (Road Failure) has been identified on subgrade layer between chainage 20 -120, Bumbanani Road. Theft of Survey Pegs being a continuous issue on site and water pipe bursts. Recent inclement weather conditions have caused major delays.

e) Upgrade of Machibini Link Road to Isithebe in Ward 10 and 12 - Phase 2

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees (MIG)	R 2 743 191.52	R 2 232 054.79
Construction Cost (MIG)	R 17 536 070.12	R 3 267 050.92
Internal Funds	R 3 932 538.28	R 0.00
TOTALS (Incl. Vat)	R 24 211 799.92	R 5 499 105.71

Name of Consultant: Urbanru (Pty) LTD
Name of Contractor: Silo Construction
Project Commencement Date: September 2024
Contractual Completion Date: June 2025
Revised Completion date: N/A

Project Scope

- Establishment on site.
- Clearing & grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use. (Earthworks)
- Demolish existing culverts.
- Construction of stormwater infrastructure.
- Construction of sidewalks.
- Construction of layer works
- Erection of Kerbing and Channel.
- Clearing of road reserve.
- Road marking, including road signs.
- Traffic calming measures.
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

Current Status Overall Construction progress 15%: Contractor has established on site 100%. Contractor has planned alternate routes for traffic accommodation 100%. Clear and grub 100%. Removal of existing asphalt 100%. Earthworks 60%. Demolishing of existing concrete culverts at Ch 3+050 and Ch 3+500 100%. Construction of dump rock layer is being done as and when there is a need.

Challenges: The contractor is behind the programme and is experiencing rain and breakdown of plant delays. Contractor also lost two days of work due community protest that was not related to the project.

g) Construction of a Sportsfield and Combo Court in Khenana : Ward 10 - Phases 1 & 2

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 441 758.19	R 846 060.67
Construction Cost (incl. Retention)	R 10 600 230.99	R 0.00
TOTALS (Incl. Vat)	R 12 041 989.18	R 846 060.67

Project Details

Name of Consultant:

Impumelelo Consulting Engineers

Name of Contractor: Nikeresa Construction
Project Commencement Date: January 2024
Contractual Completion Date: February 2025
Revised Completion date: N/A

Project Scope

- Site establishment
- Site clearance
- Bulk earthworks / civils works
- Install Clear View Fencing Complete including gates
- Construction of a Guardhouse and Ablution Facility
- Construction of a Soccer Field
- Construction of a Open Brickwork and Concrete Grandstands
- Construction of a Outdoor Gym inclusive of gym equipment
- Construction of a Combo Court
- Stormwater Control Measures
- Installation of Highmast

Current Status Overall Construction progress 10%: Site Handover / Technical Meeting, Site Establishment, Setting out of works and clear and grub.

Challenges: Contractor’s delay in meeting their full contractual obligation. Inclement weather conditions have caused major delays.

5.2. Municipal Internal Funding:

Projects under Construction Stage

a) Repair and Renovation of Civic Centre Roof in Mandeni

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 829 510.70	R 1 829 510.71
Construction Cost (Excluding Retention)	R10 993 497.45	R 10 993 497.47
TOTALS (Incl. Vat)	R 12 823 008.15	R 12 823 008.18

Project Details

Name of Consultant: LZM Africa Holdings
Name of Contractor: Uhlanga Trading Enterprise
Project Commencement Date: October 2022
Contractual Completion Date: July 2023
Actual Completion date: 06 February 2025

Project Scope

The scope of works includes the following activities.

- Replacement of Existing roof
- Replacing existing ceiling
- Treatment of Rising damp by Specialists
- Installation of Energy saving Components and the replacement of all existing Electrical Components and Wiring
- Upon Replacement of Existing Roofs, the networking and Security cabling will be exposed to damages therefore re-routing and the installation of cable trays is recommendable.
- Damaged Walls with visible rising damp has to restored and re-painted.

Current Status Overall Construction progress 100%: Project is completed and currently under the Defects Liability period which is due to end in May 2025.

Challenges: NIL

b) New Protection Services Centre DLTC

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 2 114 723.00	R 1 615 369.85
Construction Cost (including variation order)	R 15 525 192.27	R 14 600 179.49
TOTALS (Incl. Vat)	R 17 639 915.27	R 16 215 549.34

Project Details

Name of Consultant: Nzamakhuze Holdings
Name of Contractor: Mlombomvu Projects
Project Commencement Date: January 2023
Contractual Completion Date: July 2023

Revised Completion date: 31 August 2024

Project Scope

- Site establishment
- Site clearance
- Fencing (450m Approximately) and installation of Vehicular Gates
- Excavation for foundation
- Construction of brickworks for super structure
- Installation of roof sheeting including finishing off remaining works
- Plaster and Paint works for internal walls
- Electrical connections and Plumbing works
- Building Electrical and Mechanical Works (Fire and HVAC)
- Portable water pipeline supply will be connected on the district Municipality main water pipeline.
- Parking and related pavement earthworks and layer works
- Stormwater Drainage Works and Installation of Jojo Tanks (specification changed to steel tank)
- Yard marking
- Installation of Sewer Reticulation
- Finishes
- Landscaping
- Cleaning, removal of building rubble and reinstatement of lawns

Additional Scope:

- Installation of a steel tank
- Installation of burglar guards
- Construction of a steep hill

Current Status Overall Construction progress 100%: Site Establishment 100%, Excavation for foundation 100%, Construction of brickworks for super structure 100%, Installation of roof sheeting including finishing off remaining works (suspended ceiling) 100%, Installation of Sewer Reticulation 100%, Parking and related pavement earthworks 100%, layer works 100%, Concrete Drains 100%, Plaster 100% and Paint works for internal walls 100%, Plumbing works 100%, Building Electrical and Mechanical Works (Fire and HVAC) 100%, Stormwater Drainage Works 100%, Portable water pipeline supply will be connected on the district Municipality main water pipeline 100%, Yard Marking 100%,

Fencing 100% and installation of Vehicular Gates 100%, Finishes 100%. Landscaping 100%, Cleaning, removal of building rubble and reinstatement of lawns 100%.

Additional Scope:

- Installation of a steel tank - 100%
- Installation of burglar guards - 100%
- Construction of a steep hill - 100%

Project is completed

Challenges: None.

c) Extension of Mechanical Workshop and Construction of New Offices

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 910 105.97	R 1 774 651.88
Construction Cost (Incl Ret.)	R 16 996 962.19	R 15 103 608.54
TOTALS (Incl. Vat)	R 18 907 069.16	R 16 878 260.42

Project Details

Name of Consultant: Ukwakha Consulting Engineers
Name of Contractor: Bheka Phezulu Investment and Sales
Project Commencement Date: July 2023
Contractual Completion Date: March 2024
Revised Completion date: February 2025

Project Scope

- Site establishment
- Site clearance, demolition of existing pavement
- Demolition of an existing building
- Earthworks
- Construction of the new 146m² Mechanical workshop
- Demolition & Modification of the existing workshop storage
- Modification, Repairing and plumbing of the Existing Toilets & Change room
- Construction of the new 100.70m² Office Block
- Construction of the new canteen
- Extension of the existing storage rooms by 114m²

- Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway
- Construction of new pavement around the site
- Stormwater drainage installation
- Installation of electrical, mechanical, and associated works
- Renovation of the Male and Female Ablution and change rooms
- Construction of New Slabs

Current Status Overall Construction progress 92%: Site Establishment 100%, Site Clearance 40%, Demolition of existing pavement 95%, Demolition of an existing building 100% and Construction of the new Office Block 94%, Earthworks 50%, Construction of the new 146m² Mechanical workshop 60%, Construction of the new canteen 95%, Extension of the existing storage rooms 50%, Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway 40%, Construction of new pavement around the site 10%, Stormwater drainage installation 70%, Installation of electrical, mechanical and associated works 40%, Renovation of the Male and Female Ablution and change rooms 96%, Construction of New Slab for the vehicle wash bay 90%

Challenges: Contractor has since submitted a request for an Extension of Time Claim No.4 indicating a request for new practical completion date of March 2025 but after evaluation and consideration it was rejected with only granted the 24th February 2025 as a Practical Completion Date. Subsequent to the Extension of Time claim, the municipality will be imposing penalties as per contract. This has come as a result of poor planning and inadequate resource allocation along with adverse weather conditions.

d) P415 - 459 Ward 3 Streetlights

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 293 059.33	R 277 406.82
Construction Cost Incl. (Retention)	R 3 056 951.76	R 2 478 588.5
TOTALS (Incl. Vat)	R 3 350 071.12	R 3 169 394.62

Project Details

Name of Consultant: AM Consulting Engineers
Name of Contractor: R Busisiwe (Pty) Ltd

Project Commencement Date: May 2024
Contractual Completion Date: 30 September 2024
Revised Completion date: N/A

Project Scope:

- Provision and installation of 52 stepped poles measuring 11 meters each.
- Provision and installation of 3 equipped electrical streetlighting kiosks.
- Installation and activation of streetlighting and kiosks.
- Submission of shop drawings for poles and kiosks before procurement.
- Certification of all installations for compliance.
- Submission of project reports, as-built drawings, and quality stacks upon project handover.

Current Status Overall Construction progress 100%: All 52 lights have been energized. Contractor to attend to a snag list as identified by the consultant.

Challenges: Letter of intent to terminate to be issued to consultant due to under performance, neglecting responsibility and not adhering to contractual obligations.

e) Portion of extension of Kingfisher Road in Ward 3 of Mandeni Municipality

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 310 913.91	R 152 069.50
Construction Cost Incl. (Retention)	R 1 962 640.62	R 0.00
TOTALS (Incl. Vat)	R 2 273 54.53	R 152 069.50

Project Details

Name of Consultant: Brimstohn Consulting JV
Name of Contractor: Khumbusi Projects
Project Commencement Date: January 2025
Contractual Completion Date: March 2025
Revised Completion date: N/A

Project Scope:

- Establishment on site.

- Clearing & grubbing.
- Traffic accommodation facilities.
- Removal of layers and stockpiling for later use. (Earthworks)
- Construction of stormwater infrastructure.
- Construction of sidewalks
- Construction of layer works
- Erection of Kerbing and Channel.
- Clearing of road reserve.
- Road marking, including road signs.
- Traffic calming measures and streetlights
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

Current Status Overall Construction progress 47%: Site Establishment 95%. Setting out 100%. Earthworks 11%. Stormwater Pipes and manholes 80%.

Challenges: Contractor does not have the Construction Manager on site which is the breach of contract.

f) Rehabilitation of Isibuko Road (Masilela) and Stormwater Modification in Mandeni Ward 14

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 585 113.19	R 432 208.58
Construction Cost Incl. (Retention)	R 3 798 772.18	R 1 294 542.33
TOTALS (Incl. Vat)	R 4 383 885.37	R 1 726 750.91

Project Details

Name of Consultant: Ngeja Consulting Engineers
Name of Contractor: Humble Frank Multi Service
Project Commencement Date: January 2025
Contractual Completion Date: April 2025
Revised Completion date: N/A

Project Scope:

- Establishment on site.
- Clearing & grubbing.
- Traffic accommodation facilities.
- Milling and ripping of asphalt pavement layer works.
- Construction of 0.426 km of pavement layer.
- Installation of 600,750 & 900mm dia. concrete pipe
- Construction of manhole structures
- Surface seal 0.426 km of road with a 30mm Continuously graded Asphalt seal.
- Construct kerbs and channels.
- Clean out, repair existing and improve stormwater drainage structures/systems.
- Gabions and Pitching.
- Construct interlock sidewalk 1,5m wide over 0.3 km length.
- Removal and reinstatement of electrical poles.
- Ancillary works (traffic calming, guardrails, and road signage).
- Finishing off, removal of site establishment and 12 months' maintenance of the works as stipulated per the defect liability period clause.

Current Status Overall Construction progress 41%: Site Establishment 95%. Traffic accommodation (ongoing). Clearing and grubbing 100%. Milling and ripping of asphalt pavement layerworks 100%. Boxing of road 100%. Installation of stormwater pipe culverts 89%. Roadbed preparation 80%, Removal and reinstatement of electrical poles 50%.

Challenges: None.

Projects under planning

a) Main Offices Master Plan and Building of the New Office Block

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 5 000 000	R 10 774 335.21
Construction Cost Incl. (Retention)	TBC	TBC
TOTALS (Incl. Vat)	R 5 000 000	R 10 774 335.21

Project Details

Name of Consultant:

DLV engineers and project managers

Name of Contractor: TBC
Project Commencement Date: TBC
Contractual Completion Date: TBC
Revised Completion date: N/A

Project Scope:

- Assessment of the current conditions of the proposed site;
- Determine the accommodation schedule requirements from Mandeni Local Municipality.
- Architectural design proposals for approval from Mandeni Local Municipality;
- Engineering survey of the site;
- A geotechnical investigation to establish the current roads centreline materials investigations;
- Detailed architectural design;
- Detailed bulk earthworks, civil infrastructure, electrical, parking areas, stormwater and roads designs;
- Cost analysis, schedule of quantities and quantity surveying activities;
- Compilation of Tender Documents;
- Tender process and evaluation;
- Construction implementation and supervision;
- Project Completion.

Current Status Overall Construction progress: Inception 100%, Concept and Viability 100%, design development 90% with a draft document and cost estimates due to be submitted shortly.

Challenges: N/A

b) Extension of Mechanical/ Technical Services Building Phase 2 and Fencing of Technical Services Depot

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 375 853.79	R 378 334.76
Construction Cost Incl. (Retention)	TBC	TBC
TOTALS (Incl. Vat)	R 1 375 853.79	R 378 334.76

Project Details

Name of Consultant:	Mabalengwe Engineers
Name of Contractor:	TBC
Project Commencement Date:	TBC
Contractual Completion Date:	TBC
Revised Completion date:	N/A

Project Scope:

- Bulk Earthworks (Platforms)
- 5,5m Wide Croton Place Road
- 7m Wide Cul-de-sac
- Yellow Plant Parking Lots
- Walkways
- Road Kerbs
- Retaining Walls
- Balustrading
- Ramps
- Storm water reticulation
- Water reticulation Item
- 2,5m High Brickwall Fencing
- 3m High Clear-vu Fencing
- Landscaping

Current Status Overall Construction progress: Inception 100%, Concept and Viability 100% and Project on planning stage. Preparation of draft tender document is ongoing. Consultant submitted the cost estimate of the scope, but they were asked to reduce the scope due budget constraints. Client is scheduled to meet with the consultant to discuss the items that should be part of the scope.

Challenges: N/A

5.3. Department of Energy: Integrated National Electrification Programme (INEP)

Projects under Construction

a) Emhlangeni Electrification Project - 110 HH

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 657 761.40	R 657 761.40
Construction Cost Incl. (Retention)	R 3 283 535.71	R 3 283 535.71
TOTAL (excl. vat)	R 3 941 297.11	R 3 941 297.11

Project Details

Name of Consultant: PSMT Consulting Engineers

Name of Contractor: R Busisiwe (Pty) Ltd

Project Commencement Date: May 2023

Completion Date: July 2023

Revised Completion Date: 30 April 2024

Current Status: Original scope on the project is complete with all 100 customers energized. Awaiting outage approval by Eskom for energization of 10 customers which were identified later on the project as an extra scope of works. Engagements with Eskom are currently underway.

Challenges: N/A

b) **Okhovothe Electrification Project**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R210 983.83	R128 424.94
Construction Cost Incl. (Retention)	R 899 998.72	R 582 773.82
Performance Guarantee Incl. (Vat)		R 103 499.87
TOTAL (Excl. Vat)	R1 363 717.39	R 814 698.63

Project Details

Name of Consultant: BVI Engineers

Name of Contractor: Onombuthu (Pty) Ltd

Project Commencement Date: May 2023

Completion Date: August 2023

Revised Completion Date: June 2024

Current Status: Overall Construction progress is at 100%. Currently negotiating with Eskom for outage to energize the 105 dry connections.

Challenges: Project energization is currently on hold due unavailability of a design approval letter. Eskom and municipal representatives are currently conducting inspection on site. This exercise will subsequently allow for the project's approval by Eskom and granting of the design approval letter and the energization of beneficiaries on the project.

5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M08 February										
Description	Ref	2023/24	Budget Year 2024/25							
		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:		261 703	258 621	249 394	544	189 997	172 414	17 583	10.2%	255 545
EPWP Incentive	-	4 807	1 815	1 815	544	1 815	1 210	605	50.0%	1 815
Finance Management	-	1 850	1 800	1 800	-	1 800	1 200	600	50.0%	1 800
Integrated National Electrification P	-	7 200	9 227	-	-	1 500	6 151	(4 651)	-75.6%	6 151
Local Government Equitable Share	-	230 823	243 588	243 588	-	182 691	162 392	20 299	12.5%	243 588
Municipal Infrastructure Grant	-	17 023	2 191	2 191	-	2 191	1 460	731	50.0%	2 191
	3							-		
Provincial Government:		55 896	3 769	3 769	-	3 769	1 256	2 513	200.0%	-
KwaZulu-Natal_Infrastructure_Infra	-	50 633	-	-	-	-	-	-		-
		840						-		
	4	4 423	3 769	3 769	-	3 769	1 256	2 513	200.0%	
								-		
Other transfers and grants [insert description]								-		
Total Operating Transfers and Grants	5	317 599	262 390	253 163	544	193 766	173 670	20 096	11.6%	255 545
Capital Transfers and Grants										
National Government:		82 276	38 910	44 288	-	27 887	29 525	25 940	87.9%	38 910
Municipal Infrastructure Grant (MI)	-	82 276	38 910	44 288	-	27 887	29 525	25 940	87.9%	38 910
Integrated National Electrification P	-									
Provincial Government:		(13 680)	850	850	-	850	1 540	(690)	-44.8%	4 619
KwaZulu-Natal_Capacity Building	-	(13 680)	850	850	-	850	1 540	567	-44.8%	4 619
								-		
Total Capital Transfers and Grants	5	68 596	39 760	45 138	-	28 737	31 065	25 251	81.3%	43 529
TOTAL RECEIPTS OF TRANSFER	5	386 196	302 150	298 301	544	222 503	204 735	45 347	22.1%	299 074

5.4 Division of Revenue Act on Grants Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M08 February

Description	Ref	2023/24	Budget Year 2024/25								
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast	
R thousands										%	
<u>EXPENDITURE</u>											
<u>Operating expenditure of Transfers and Grants</u>											
National Government:		261 703	258 621	249 394	33 714	203 175	25 246	177 929	704.8%	169 398	
Expanded Public Works Programm	—	4 807	1 815	1 815	205	1 695	1 210	485	40.0%	1 815	
Financial Management Grant	—	1 850	1 800	1 800	54	1 142	1 200	(58)	-4.9%	1 200	
Integrated National Electrification F	—	7 200	9 227	—	—	37	6 151	(6 115)	-99.4%	1 800	
Equitable share	—	230 823	243 588	243 588	33 219	198 783	15 224	183 558	1205.7%	162 392	
Municipal Infrastructure Grant	—	17 023	2 191	2 191	235	1 519	1 460	59	4.0%	2 191	
0											
Other transfers and grants [insert description]											
Provincial Government:		50 124	3 919	3 919	291	2 256	2 613	(357)	-13.7%	2 613	
KwaZulu-Natal_Infrastructure_Infrastructure_RECEIPTS											
KwaZulu-Natal	—	44 861	—	—	—	—	—	—	—	—	
EDTEA	—	840	150	150	—	(150)	100	(250)	-250.0%	100	
0		4 423	3 769	3 769	291	2 406	2 513	(107)	-4.3%	2 513	
Other transfers and grants [insert descr		—	—	—	—	—	—	—	—	—	
District Municipality:											
[insert description]											
Other grant providers:											
Other Transfers Public Corporati	—	—	—	—	—	—	—	—	—	—	
[insert description]											
Total operating expenditure of Transfe		311 827	262 540	253 313	34 004	205 430	27 859	177 572	637.4%	172 010	
<u>Capital expenditure of Transfers and Grants</u>											
National Government:		78 743	38 910	44 288	1 828	18 990	29 525	(10 536)	-35.7%	38 910	
Municipal Infrastructure Grant	—	78 743	38 910	44 288	1 828	18 990	29 525	(10 536)	-35.7%	38 910	
—											
0											
0											
Other capital transfers [insert description]											
Provincial Government:		—	850	850	—	29	567	(537)	-94.8%	567	
0			850	850		29	567	(537)	-94.8%	567	
District Municipality:											
0											
Other grant providers:											
0											
Total capital expenditure of Transfers		78 743	39 760	45 138	1 828	19 019	30 092	(11 073)	-36.8%	39 477	
TOTAL EXPENDITURE OF TRANSFER\$		390 570	302 300	298 451	35 832	224 449	57 951	166 499	287.3%	211 487	

3. Debtors Age Analysis

Table SC3 Monthly Budget Statement_ Debtors Age Analysis

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M08 February											
Description	Budget Year 2024/25										
	NT Code	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 Tr	1200	–	–	–	–	–	–	–	–	–	–
Trade and Other Receivables from Exchange Tr	1300	4 668	202	191	166	(1)	104	590	2 534	8 454	3 392
Receivables from Non-exchange Transactions -	1400	4 760	1 487	1 397	1 086	(53)	1 953	40 853	89 220	140 701	133 058
Receivables from Exchange Transactions - Was	1500	–	–	–	–	–	–	–	–	–	–
Receivables from Exchange Transactions - Was	1600	2 192	985	996	964	(12)	1 015	5 973	59 590	71 702	67 530
Receivables from Exchange Transactions - Prop	1700	36	5	5	31	–	1	4	123	206	159
Interest on Arrear Debtor Accounts	1810	876	432	427	427	–	374	2 395	33 701	38 632	36 897
Recoverable unauthorised, irregular, fruitless an	1820	–	–	–	–	–	–	–	–	–	–
Other	1900	18	–	–	–	–	–	–	5 657	5 675	5 657
Total By Income Source	2000	12 551	3 110	3 015	2 674	(67)	3 447	49 815	190 824	265 369	246 692
2023/24 - totals only										–	–
Debtors Age Analysis By Customer Group											
Organs of State	2200	930	326	285	72	(0)	1 684	20 999	24 916	49 211	47 670
Commercial	2300	5 975	597	599	519	(7)	87	14 135	22 259	44 165	36 993
Households	2400	5 365	2 057	2 005	1 933	(53)	1 552	12 787	139 110	164 757	155 329
Other	2500	280	130	127	150	(8)	125	1 893	4 539	7 236	6 699
Total By Customer Group	2600	12 551	3 110	3 015	2 674	(67)	3 447	49 815	190 824	265 369	246 692

The total Consumer debtors outstanding as 28th February 2025 is **R265,4 million**

- Debt book indicates 9% increase from to 1st July 2024 to February 2025, within 7 month the debt book has accumulated a 9% increase.
- Debtors collection rate at February 2025 is 70%
- We are however maintaining and ensuring the collection of the current debt but our biggest challenge is the historic debt. We have since appointed three Debt Collectors to follow up on outstanding debtors, Debt collectors are operating Debt pack while telephoning Debtors, printing section 29 and Final demands, we will soon be moving to legal in order to further our collection measured on consumers that are resistant to pay nor respond to our Debt collectors.
- Our Debt collectors have embarked on an exercise where different households are being visited in order to assess the state affordability of each household, this exercise is aimed at assisting the Municipality to classify its debt book in terms of collectability or non-collectability of the debt, the program is ongoing.
- There is a challenge of high level of debt that calls for reassessments of the debtors, impairments.
- It is quite a challenge to collect satisfactory revenue from Sundumbili since we do not have any leverage to restrict in order to encourage regular payments from consumers thereon. I.e. Eskom is licensed to supply electricity.
- The high debt is mainly due to non-payment by Household in Sundumbili.

- Interventions have been made which are expected that they will change the current status, as the municipality is placing every effort in ensuring that we collect and recover the outstanding debt.
- We are currently undergoing the process of categorizing our book per various customers so that we know which ones to chase once our debt management system is up and running.
- We have also initiated a meter audit exercise, through Conlog, in order to ensure that we receive all the funds due for electricity supplied without any household tampering with our meter and steal electricity, the program is currently o
- Debt collection measures have been improved after the policy review by issuing summons with the intention to attach movable property. This initiative is however a slow process because of sheriff's involvement. They cannot cope with the number of summons to be served, upon attachment of movable properties for sale in execution, the sheriff returns with "nulla bona" which defeats the entire process. Property owners are not regular domiciles of properties indebted to council and have since left with no possible trace, legal proceedings cannot be extended further since courts are reluctant in granting intended judgement (section 66 declaring properties especially executable) as the said properties are primary residents to the latte's relatives or dependents.

Auditor General's matter of emphasis

- It should be noted that the issue of Material impairments to debtors is one of the factors that affected our audit opinion
- It was also noted that we are having a challenge in identifying and eliminating indigent cheaters
- The audit Further identified the billing discrepancies relating to interest charged for outstanding debt and property rates
- It should be noted if things were to carry on this way this institution is going to lose it credibility and this will subsequently affect it going concern and we will soon be regarded as a grant dependent Municipality
- We should also put an emphasis that this issue is not entirely dependent on the Revenue team but requires a collective effort of each and every member of the Mandeni family to play a meaningful role so as to ensure that we redeem ourselves from these challenges.
- We have formulated a plan of collection going forward and our plan has been highlighted in the AG's management latter
- The plan provided is more operational but we have highlighted that strategic interventions need to be put in place so as to uplift the standard of living of our communities, attract and retain investment.
- Open opportunities for more job creation so as to ensure that we are serving the community that can afford to pay for our services.
- We need to ensure that we deal with the low hanging fruits in as far as basic service delivery is concerned. Fix potholes, streetlights, maintain roads clean our town and collect our waste on time.
- It is the above few things that encourage our people to come forward and assist their Municipality when they can see that their Municipality is working for them.

2022/23 Debt Collection

- For this financial year, despite the challenges we anticipate to reach our target and collect nothing less than **R40 ml**
- We are determined and resolute that such shall happen judging from the recent collection trends and our projections.

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.

Figure 9

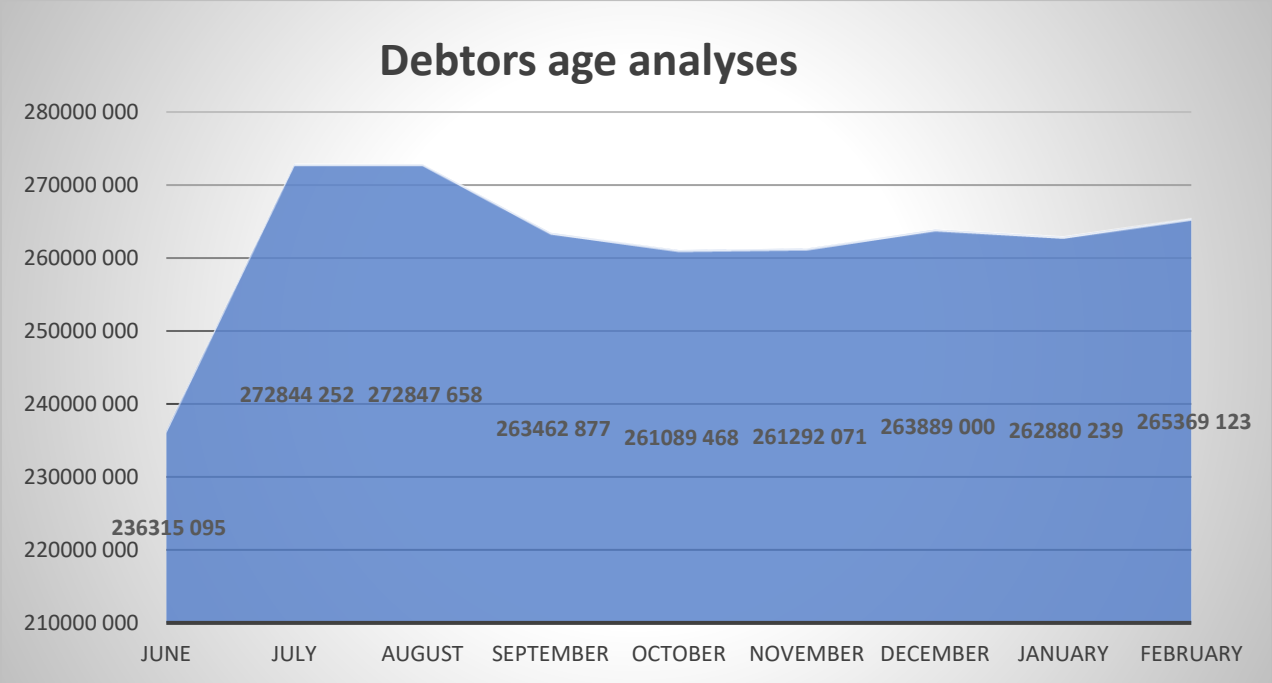
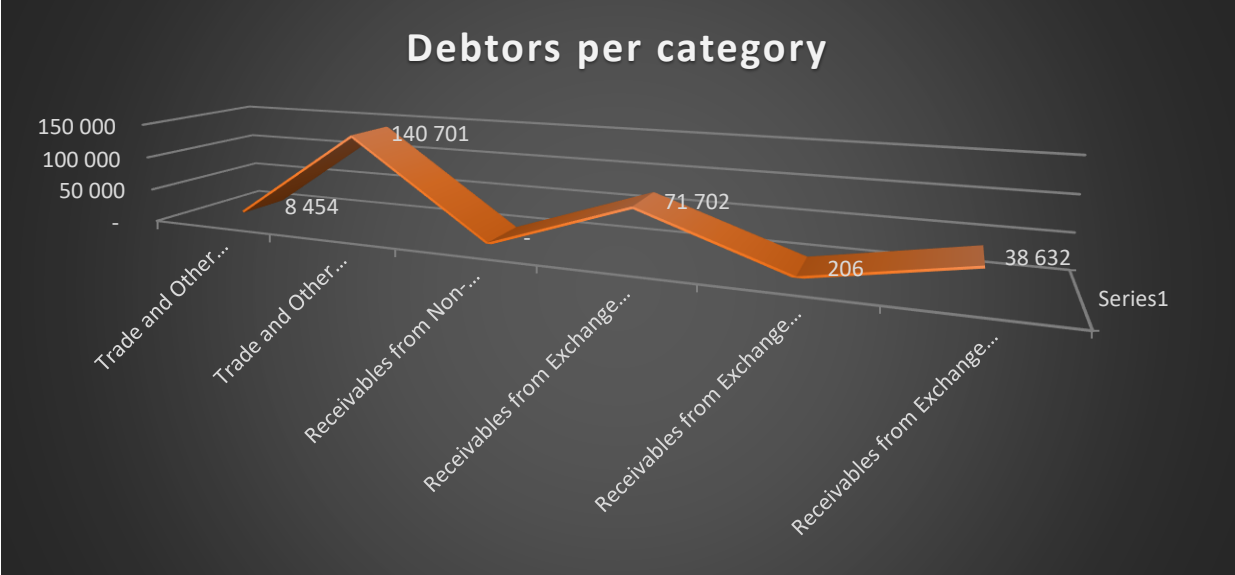
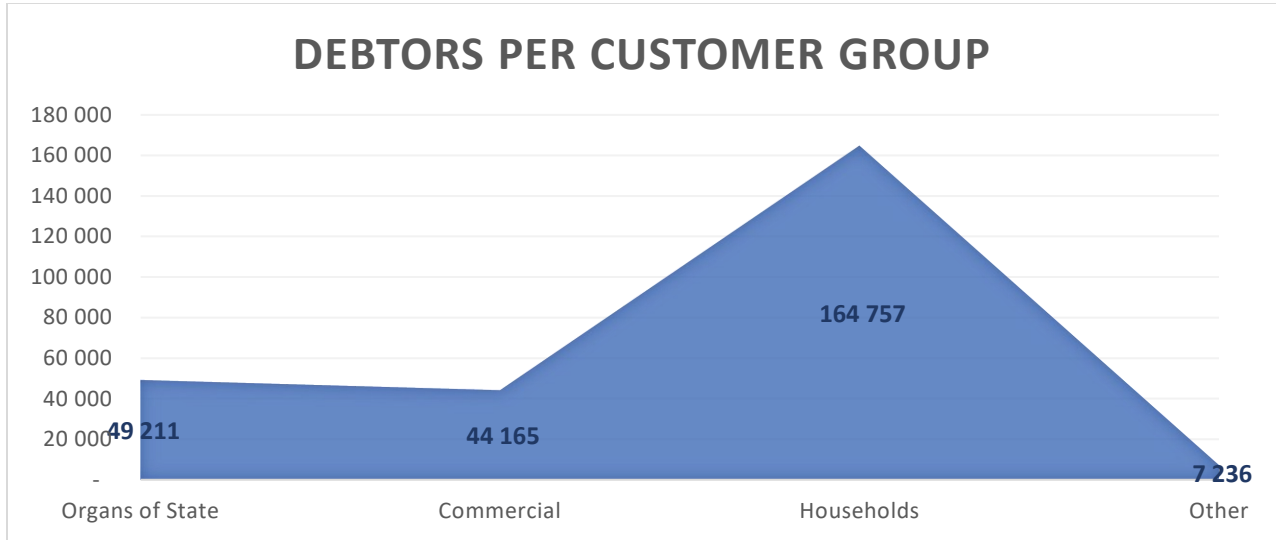


Figure 10



The municipal debtors have reduced from R263.3 million to R263,9 million that is from June 2023 until 28th February 2025. This increase is between Household debtors of 61% and it is followed by Organs of State by 18 % and Business Commercial is 18% and lastly the other debtors with a percentage of 3%.

- **Total Outstanding Debtors from February 2025**



Councilors and Employees in Arrear

- Debt outstanding on Councilors as at February is R236,736.63
- Staff Accounts in arrears as at February 2024 is R 68,772.79

However, it should be noted that both Councilors and Staff have made arrangement with the municipality to settle this outstanding debt.

4. CREDITOR'S AGE ANALYSIS

Table SC4 Monthly Budget Statement_ Creditors Age Analysis

KZN291 Mandeni - Supporting Table SC4 Monthly Budget Statement - aged creditors - M08 February

Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)	
		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	11	-	-	-	-	-	-	-	-	11	11
Auditor General	0800	-	-	-	-	-	-	-	-	-	-	-
Other	0900	-	-	-	-	-	-	-	-	-	-	-
Total By Customer Type	1000	11	-	-	-	-	-	-	-	-	11	11

- Creditors aging is R11thousand as of 28th February 2025. (Age analysis listing attached)
- 100% of the creditors are on current as per our age analysis, we ensure that creditors are paid within 30 days as stipulated by the MFMA.

Top 10 Creditors

Name	Amount
ESKOM HOLDING	R 3 769 642.45
EMALANGENI	R 677 439.26
KING CETSHWAYO	R 17 704.52
BAMBHANANI ENTERPRISE	R 73 359.72
MALUTHULI TRADING	R 108 000.00
EZAMALUNQA	R 1 936 318.19
NJOMISA BOEDERY	R 44 903.91
CITY OF CHOICE	R 266 175.94
ILEMBE MUNICIPALITY	R 111 459.50
CCG SYSTEMS	R 41 117.74

5. MONTHLY BUDGET STATEMENT - FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 28 February 2025

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - M08 February						
Description	Ref	2023/24	Budget Year 2024/25			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash and cash equivalents		208 837	78 954	92 208	188 403	78 954
Trade and other receivables from exchange transactions		57 057	33 169	32 945	45 064	33 169
Receivables from non-exchange transactions		13 127	36 042	58 081	35 920	36 042
Current portion of non-current receivables		-	-	-	-	-
Inventory		42 734	38 984	41 490	42 919	38 984
VAT		7 677	53 465	42 927	5 556	53 465
Other current assets		225	-	-	225	-
Total current assets		329 657	240 614	267 652	318 086	240 614
Non current assets						
Investments		-	-	-	-	-
Investment property		41 913	60 544	41 913	41 913	60 544
Property, plant and equipment		669 291	631 390	765 028	719 209	631 390
Biological assets		-	-	-	-	-
Living and non-living resources		-	-	-	-	-
Heritage assets		-	-	-	-	-
Intangible assets		2 372	298	2 008	2 317	298
Trade and other receivables from exchange transactions		-	-	-	-	-
Non-current receivables from non-exchange transactions		-	-	-	-	-
Other non-current assets		-	-	-	-	-
Total non current assets		713 576	692 232	808 949	763 439	692 232
TOTAL ASSETS		1 043 233	932 846	1 076 601	1 081 525	932 846
LIABILITIES						
Current liabilities						
Bank overdraft		-	-	-	-	-
Financial liabilities		6 043	-	-	5 673	-
Consumer deposits		170	216	(162)	167	216
Trade and other payables from exchange transactions		54 641	23 220	(48 056)	25 620	23 220
Trade and other payables from non-exchange transactions		9 028	8 284	(5 436)	20 763	8 284
Provision		4 572	8 677	(8 908)	4 572	8 677
VAT		6 698	14 759	(21 570)	8 933	14 759
Other current liabilities		-	-	-	-	-
Total current liabilities		81 153	55 157	(84 132)	65 728	55 157
Non current liabilities						
Financial liabilities		-	-	-	-	-
Provision		-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-
Other non-current liabilities		21 070	22 993	25 770	21 070	22 993
Total non current liabilities		21 070	22 993	25 770	21 070	22 993
TOTAL LIABILITIES		102 223	78 150	(58 362)	86 798	78 150
NET ASSETS	2	941 010	854 696	1 134 963	994 727	854 696
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		738 338	852 610	1 132 829	792 054	852 610
Reserves and funds		202 672	2 086	2 133	202 672	2 086
Other		-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	2	941 010	854 696	1 134 963	994 727	854 696

RATIOS FOR THE MONTH

Current ratio: The municipality's current assets are (4) times that of current liabilities. 4.84:0,21
The ratio measures the short-term liquidity, that is, the extent to which the current liabilities can be paid from current assets. The higher the ratio, the healthier is the situation. The ratio of 4.84 is favorable as it is above the norm of 1:1 normally set for municipalities. This indicates that there is sufficient cash to meet creditor obligations.

Liquidity ratio: The cash and cash equivalents are the current liabilities, R4.84c

Creditors' system efficiency: 100 percent of the creditors outstanding are less than 30 days.

Creditor's payment: it takes the municipality 0 days to pay its creditors.

Outstanding debtors: billing far exceeds the collection on outstanding debt at the rate of 70%.

Collection days: 970 days it takes the municipality to collect outstanding debt.

Cost coverage: on average the municipality has sustained its existence for the period of 9 month without any grant funding.

Debtors collection rate: as at SIXTH month is 70 %

	9 Month
Cash and cash equivalents	188 403 198
Unspent Conditional Grants	21 601 400
Overdraft	-
Short Term Investments	179 221 299
Total Annual Operational Expenditure	468 419 145

	4.84
Current Assets	318 086 221
Current Liabilities	65 727 992

	21%
Total Operating Expenditure	281 967 000
Taxation Expense	
Total Capital Expenditure	73 182 000

	69.81
Gross Debtors closing balance	265 403 328.52
Gross Debtors opening balance	236 985 481.35
Bad debts written Off	
Billed Revenue	94 143 746.60
	65 725 899.44
	-
Consumer Debtors Bad debts written off	
Consumer Debtors Current bad debt Provision	15 130 435.00
	970.32
Gross debtors	265 403 328.52
Bad debts Provision	15 130 435.00
Billed Revenue	94 143 746.60

	2%
Total Repairs and Maintenance Expenditure	14 109 314
PPE at carrying value	719 209 062
Investment Property at Carrying value	41 913 000

	18%
Total Operating Revenue	316 551 100
Depreciation - Revalued Portion <i>(Only populate if depreciation line item in the Statement of Financial Performance is based on the revalued asset value)</i>	23 320 000
Total Operating Expenditure	281 967 000
Taxation Expense	-

	0%
PPE, Investment Property and Intangible Impairment	
PPE at carrying value	719 209 062
Investment at carrying value	41 913 000
Intangible Assets at carrying value	2 316 654

6. MONTHLY BUDGET STATEMENT -CASH FLOW

Table C7 below display the Cash Flow Statement for the period ending 28th February 2025

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - M08 February										
Description	Ref	2023/24		Budget Year 2024/25						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		(40 538)	31 118	31 118	2 290	35 586	20 746	14 840	72%	31 118
Service charges		(61 607)	75 777	75 777	4 948	47 755	50 518	(2 764)	-5%	75 777
Other revenue		16 188	4 674	24 811	266	3 748	17 070	(13 323)	-78%	4 674
Transfers and Subsidies - Operational		394 725	262 390	262 390	544	187 806	187 229	577	0%	262 390
Transfers and Subsidies - Capital		119 004	39 760	45 138	-	34 697	30 092	4 605	15%	39 760
Interest		31 127	28 000	28 000	830	16 858	18 667	(1 809)	-10%	28 000
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(463 749)	(392 386)	(426 461)	(26 605)	(262 695)	(247 067)	15 628	-6%	(392 386)
Finance charges		-	(3 300)	(3 300)	-	-	(2 200)	-	0%	(3 300)
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		(4 849)	46 034	37 474	(17 727)	63 754	75 055	11 300	15%	46 034
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		-	-	-	-	-	-	-		-
Decrease (increase) in non-current receivables		-	-	-	-	-	-	-		-
Decrease (increase) in non-current investments		-	-	-	-	-	-	-		-
Payments										
Capital assets		535 861	(146 740)	(153 901)	(12 549)	(84 159)	(117 991)	(33 832)	29%	(146 740)
NET CASH FROM/(USED) INVESTING ACTIVITIES		535 861	(146 740)	(153 901)	(12 549)	(84 159)	(117 991)	(33 832)	29%	(146 740)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		-	-	-	-	-	-	-		-
Borrowing long term/refinancing		-	-	-	-	-	-	-		-
Increase (decrease) in consumer deposits		-	-	-	-	-	-	-		-
Payments										
Repayment of borrowing		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	-	-	-	-	-		-
NET INCREASE/ (DECREASE) IN CASH HELD		531 012	(100 705)	(116 428)	(30 276)	(20 405)	(42 936)			-
Cash/cash equivalents at beginning:		(132 013)	(183 424)	(208 808)	(50 000)	208 808	(208 808)			208 808
Cash/cash equivalents at month/year end:		398 999	(284 129)	(325 236)		188 403	(251 744)			-

Cash and cash equivalent at the beginning of 2023/24 financial year was R208,8 million as per pre-audited AFS and cash and cash equivalent as at 28th February 2025 is R188,4million. The net decrease of R20,4million is observed, as the Municipality has a positive trend for the past months which means the municipality has available cash to cover all operating expenses, pay debts if any and reinvest in growth.

Table C7 shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.


Revenue -Receipts

- The property collection rate to date is 130% or R12,5million of the billed revenue as at February 2025.
- Service Charges: Electricity and Refuse are -17% or R5,2million billed revenue as of February 2025.
- Other Revenue collected to date is R4million over a Budget of R9million which gives a under-collection of R5,0million of these votes. A combination of votes from rentals of properties, licenses and permits and other sources of revenue are included. Further to that the additional revenue from VAT refunds received as at February totals R19,7million.
- Government grants received in the month of February 2025, totals to R 544thousand, which is an EPWP last trench.
- Interest earned on external investments amounts to R 13,6million in comparison with the year-to-date budget of R18,7 million which is an under performance of 27%.

Payments


- Suppliers and employees for cash outflows of R262,7million.
- Finance charges reflect under performance by 100percent or R2,2million against YTD Budget of R3,3million. Usually, this votes expenditure is allocated in January and/or at year end.
- Capital Assets of R73,2million for the month of February 2025 shows an under-performance of 18% against YTD prorated budget of R89,2million.

6.1. BANK RECONCILIATION STATEMENT AS AT FEBRUARY 2025

		Mandeni Municipality	
BANK RECONCILIATION STATEMENT FOR FEBRUARY 2025			
Main Account :52940480587			
Opening FNB Bank Balance as on 1 FEBRUARY 2025		7 924 485.96	7 924 485.96
PLUS: Deposits Banked		8 702 973.85	
PLUS: Interest received		16 309.78	
PLUS: Transfers In		36 503 099.39	
PLUS:Interest received From Call 1		219 468.38	
PLUS:Unpaid		-	
PLUS: MATURED INVESTMENTS		-	
PLUS: SARS REFUND		548 941.93	
PLUS: GRANTS RECEIVED		-	
Total Deposits		45 990 793.33	45 990 793.33
Less:Total payments		- 44 955 425.03	- 44 955 425.03
LESS: EFT Payments		- 44 155 630.18	
LESS: Bank Charges		- 22 828.92	
LESS: Transfers Out		-	
LESS: NEW INVESTMENTS		-	
LESS: Debit Orders		- 776 965.93	
Closing FNB Bank Balance as on 28 FEBRUARY 2025			8 959 854.26
Cashbook Reconciliation for 28 FEBRUARY 2025			
OPENING BALANCE 1/07/2024		2 026 213 166.77	
OPENING BALANCE 1/07/2024		96 176 000.00	
OPENING BALANCE 1/07/2024		- 2 112 242 032.86	
OPENING BALANCE 1/07/2024-INTEREST		593 200.30	
OPENING BALANCE-1/7/2024 -BANK CHARGES		- 1 380 300.52	
Cashbook Balance as on 1 FEBRUARY 2025-D0001/IA09567/F0001/X049/R0099/001/FIN		545 120 376.71	
Less:Cashbook Balance as on 1 FEBRUARY 2025-D0001/IA09850/F0001/X049/R0099/001/FIN		- 546 738 735.10	
Corrections to be made (JNL DR/CR)			
PLUS: Deposits Banked for FEBRUARY 2025		8 702 973.85	
LESS: EFT Payments for FEBRUARY 2025		- 44 190 764.26	
Plus JANUARY 2025 outstanding (reconciled)		51 050.00	
Less: Bank Charges to date		- 188 422.57	
PLUS: Grant received		-	
Less : New investment		-	
Less: Payments not yet paid during FEBRUARY 2025		-	
PLUS: Interest received to date		323 625.30	
PLUS:Interest received From Call 1-FEBRUARY 2025		219 468.38	
PLUS MATURED INVESTMENT		-	
PLUS :SARS REFUND		548 941.93	
PLUS :TRANSFER IN		36 503 099.39	
LESS:TRANSFER OUT		-	
LESS: Debit Orders for -FEBRUARY 2025		- 776 965.93	
Closing Cashbook Balance as on 28 FEBRUARY 2025		8 934 681.39	8 934 681.39
			25 150.00
Reconciling Items	Amount		
ADD: Journal Debits - on Cashbook not on Bank Statement		25 150.00	
MONTH END BALANCE PER BANK STATEMENT- 28 FEBRUARY 2025			8 959 854.26
ADJUSTED MONTH END CASHBOOK BALANCE- 28 FEBRUARY 2025			8 959 831.39
DIFFERENCE			22.87

6.2. MONTHLY BUDGET STATEMENT- INVESTMENT PORTFOLIO

The following information presents the short-term investments balances broken down per investment type as of 28th February 2025

 INVESTMENT REGISTER FOR FEBRUARY 2025									
Name of grant	Bank account number	INTEREST RATES	Opening Balance as at	Re-Investments	Expenditure	interest	bank charges	Closing Balance as at	TOTAL INTEREST EARNED TO DATE
			2025/02/01					2025/02/28	
		%	R	R	R	R	R	R	R
call 1-internal grant	61294217372	7.20	53 230 458.99	-	33 219 468.38	219 468.38	-	20 230 458.99	2 068 461.09
Call account 2 - HOUSING	62028673219	7.20	2 170 629.09	-	-	12 084.16	-	2 182 713.25	101 048.32
Call account 3-MIG	62812286400	7.20	18 707 029.63	-	3 242 645.54	83 918.99	-	15 548 303.08	697 124.04
Call account 5-TMT	62113325882	7.20	516 099.12	2 900.00	-	2 885.78	49.20	521 835.70	23 071.34
Call account 6-INEP	62527527462	7.20	1 519 129.72	-	31 853.85	8 709.60	-	1 495 985.47	59 693.17
Call account 7-AR	62538203449	7.20	4 911 271.18	-	-	24 300.71	-	4 935 571.89	237 868.99
Call account 8-Title Deed	62812286963	7.20	4 501 070.70	-	228 600.00	22 149.86	-	4 294 620.56	213 148.22
Call account 9-Disaster Recovery	63048438097	7.20	11 752.29	-	-	58.15	-	11 810.44	528.90
ABSA BANK	208168-2978	9.78	100 000 000.00	-	-	830 630.14	-	100 000 000.00	6 564 657.53
ABSA BANK	208168-3128	9.70	-	-	-	-	-	-	2 431 643.84
ABSA BANK	208168-3152	9.30	-	-	-	-	-	-	1 172 054.79
ABSA BANK	208168-3152	8.13	-	-	-	-	-	-	364 737.58
ABSA BANK	20-8187-5210	8.52	30 000 000.00	-	-	217 264.93	-	30 000 000.00	637 429.31
FNB-MAIN BANK	52940480587	-	-	-	-	16 309.78	-	-	323 625.30
TOTAL			215 567 440.72	2 900.00	(36 722 567.77)	1 437 780.48	(49.20)	179 221 299.38	14 895 092.42

7. MONTHLY BUDGET STATEMENT - Employee costs and councilors benefits (Section 66 MFMA)

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M08 February										
Summary of Employee and Councillor remuneration	Ref	Budget Year 2024/25								
		2023/24 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		12 378	13 768	13 768	1 030	8 910	9 179	(269)	-3%	13 768
Pension and UIF Contributions		-	-	-	-	-	-	-		-
Medical Aid Contributions		-	-	-	-	-	-	-		-
Motor Vehicle Allowance		528	675	675	37	300	450	(150)	-33%	675
Cellphone Allowance		1 491	1 687	1 687	120	998	1 124	(126)	-11%	1 687
Housing Allowances		167	258	258	11	84	172	(88)	-51%	258
Other benefits and allowances		-	-	-	-	-	-	-		-
Sub Total - Councillors		14 564	16 388	16 388	1 198	10 292	10 925	(633)	-6%	16 388
% increase	4		12.5%	12.5%						12.5%
Senior Managers of the Municipality										
Basic Salaries and Wages		3 865	5 876	5 555	388	3 102	3 703	(601)	-16%	5 876
Pension and UIF Contributions		1	11	10	-	-	7	(7)	-100%	11
Medical Aid Contributions		163	42	145	25	173	97	76	79%	42
Overtime		-	-	-	-	-	-	-		-
Performance Bonus		380	499	380	-	-	254	(254)	-100%	499
Motor Vehicle Allowance		716	871	866	60	477	577	(100)	-17%	871
Cellphone Allowance		272	195	268	29	228	178	50	28%	195
Housing Allowances		114	278	278	14	113	185	(72)	-39%	278
Other benefits and allowances		347	286	440	40	321	293	28	10%	286
Payments in lieu of leave		-	-	-	-	-	-	-		-
Long service awards		-	-	-	-	-	-	-		-
Post-retirement benefit obligations		5 131	3 736	3 736	-	-	2 491	(2 491)	-100%	3 736
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Senior Managers of Municipality		10 989	11 794	11 677	555	4 415	7 785	(3 370)	-43%	11 794
% increase	4		7.3%	6.3%						7.3%
Other Municipal Staff										
Basic Salaries and Wages		83 417	94 130	93 544	8 484	62 925	62 363	562	1%	94 130
Pension and UIF Contributions		13 566	15 938	16 131	1 329	10 316	10 754	(438)	-4%	15 938
Medical Aid Contributions		6 332	6 180	6 801	687	4 992	4 534	457	10%	6 180
Overtime		3 361	2 469	2 996	389	2 440	1 997	443	22%	2 469
Performance Bonus		6 601	6 513	5 362	667	4 543	3 575	968	27%	6 513
Motor Vehicle Allowance		4 751	5 495	5 798	428	3 298	3 866	(567)	-15%	5 495
Cellphone Allowance		617	604	784	67	495	523	(28)	-5%	604
Housing Allowances		315	362	380	28	227	253	(26)	-10%	362
Other benefits and allowances		983	887	988	235	1 292	659	634	96%	887
Payments in lieu of leave		3 462	2 718	2 627	-	187	1 751	(1 565)	-89%	2 718
Long service awards		355	1 407	1 407	128	315	938	(623)	-66%	1 407
Post-retirement benefit obligations		(1 041)	4 047	4 047	-	-	2 698	(2 698)	-100%	4 047
Entertainment		-	-	-	-	-	-	-		-
Scarcity		-	-	-	-	-	-	-		-
Acting and post related allowance		-	-	-	-	-	-	-		-
In kind benefits		-	-	-	-	-	-	-		-
Sub Total - Other Municipal Staff		122 720	140 748	140 866	12 442	91 030	93 911	(2 881)	-3%	140 748
% increase	4		14.7%	14.8%						14.7%
Total Parent Municipality		148 273	168 930	168 930	14 196	105 737	112 620	(6 884)	-6%	168 930

8. External Loan NONE

9. Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M08 February							
Description of financial indicator	Basis of calculation	Ref	2023/24	Budget Year 2024/25			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
<u>Borrowing Management</u>							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		0.0%	9.3%	8.8%	0.0%	4.4%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		9.6%	6.4%	-2.4%	7.4%	6.4%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>							
Current Ratio	Current assets/current liabilities	1	406.2%	436.2%	-318.1%	483.9%	436.2%
Liquidity Ratio	Monetary Assets/Current Liabilities		257.3%	143.1%	-109.6%	286.6%	143.1%
<u>Revenue Management</u>							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		16.7%	0.0%	0.0%	0.0%	0.0%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
<u>Creditors Management</u>							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
<u>Funding of Provisions</u>							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
<u>Other Indicators</u>							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2					
Employee costs	Employee costs/Total Revenue - capital revenue		31.6%	34.1%	34.0%	30.2%	34.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		4.3%	5.3%	5.4%	4.5%	5.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		8.0%	9.2%	9.2%	0.0%	4.4%
<u>IDP regulation financial viability indicators</u>							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year						
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						

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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:

-

- **Monthly Budget Statements**

for the month of **February 2025** 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 **19 MARCH 2025**