

MANDENI MUNICIPALITY

KZN291



BUDGET & TREASURY DEPARTMENT

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

STATEMENT OF FINANCIAL PERFORMANCE AND THE IMPLEMENTATION OF THE 2024/25 BUDGET FOR THE PERIOD ENDING 30 APRIL 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 30 APRIL 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 ending 30 APRIL 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 - M10 April									
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									
Total Revenue (excluding capital transfers and	422 701	447 101	442 150	12 203	400 277	368 459	31 819	9%	447 101
Employee costs	133 709	152 543	152 543	13 834	124 096	127 119	(3 023)	-2%	152 543
Remuneration of Councillors	14 564	16 388	16 388	1 232	12 713	13 656	(944)	-7%	16 388
Depreciation and amortisation	33 728	37 856	37 856	2 957	29 332	31 547	(2 215)	-7%	37 856
Interest	137	3 300	3 300	—	0	2 750	(2 750)	-100%	3 300
Inventory consumed and bulk pu	56 309	62 398	63 500	4 519	48 590	53 433	(4 843)	-9%	62 398
Transfers and subsidies	—	—	—	—	—	—	—	—	—
Other expenditure	158 921	170 546	188 114	11 552	136 727	167 196	(30 470)	-18%	170 546
Total Expenditure	397 367	443 031	461 700	34 093	351 457	395 702	(44 245)	-11%	443 031
Surplus/(Deficit)	25 334	4 070	(19 550)	(21 891)	48 820	(27 243)	76 063	-279%	4 070
Transfers and subsidies - capital (monetary allocations)	55 093	39 760	47 421	3 427	29 719	39 518	(9 799)	-25%	39 760
Surplus/(Deficit) after capital transfers & contributions	80 427	43 830	27 872	(18 464)	78 539	12 275	66 264	540%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	27 872	(18 464)	78 539	12 275	66 264	540%	43 830
Capital expenditure & funds sources									
Capital expenditure	139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
Capital transfers recognised	51 789	34 702	41 319	2 992	27 024	34 432	(7 409)	-22%	34 702
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	87 873	92 898	94 496	6 453	65 179	78 746	(13 567)	-17%	92 898
Total sources of capital funds	139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
TOTAL BUDGET	537 029	570 631	597 514	43 539	443 660	508 880	(65 221)	(0)	570 631

As can be seen from the table above, Actual surplus for the period ended 30th April 2025 is Significantly more than the Budgeted Surplus by- 100%. Monthly budget statement summary (Table C1), for the period ending 30th April 2025 (year to date actual), shows a surplus of R78.5million against YTD budget of R12.3million which reflects variance of more than 100%.

Currently there are no financial challenges and major risks facing the municipality.

Table 1

Table C1 below provides a summary of the overall performance of the municipality.

KZN291 Mandeni - Table C1 Monthly Budget Statement Summary - M10 April									
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	3 385	60 614	51 864	8 750	17%	62 237
Service charges	73 544	86 448	86 448	6 061	64 365	72 040	(7 675)	-11%	86 448
Investment revenue	26 748	—	—	—	—	—	—	—	—
Transfers and subsidies - Operating	26 748	28 000	28 000	1 267	15 282	23 333	(8 052)	-35%	28 000
Other own revenue	237 340	270 416	265 466	1 490	260 017	221 222	38 795	18%	—
Total Revenue (excluding capital transfers and contributions)	422 701	447 101	442 150	12 203	400 277	368 459	31 819	9%	447 101
Employee costs	133 709	152 543	152 543	13 834	124 096	127 119	(3 023)	-2%	152 543
Remuneration of Councillors	14 564	16 388	16 388	1 232	12 713	13 656	(944)	-7%	16 388
Depreciation and amortisation	33 728	37 856	37 856	2 957	29 332	31 547	(2 215)	-7%	37 856
Interest	137	3 300	3 300	—	0	2 750	(2 750)	-100%	3 300
Inventory consumed and bulk purchases	56 309	62 398	63 500	4 519	48 590	53 433	(4 843)	-9%	62 398
Transfers and subsidies	—	—	—	—	—	—	—	—	—
Other expenditure	158 921	170 546	188 114	11 552	136 727	167 196	(30 470)	-18%	170 546
Total Expenditure	397 367	443 031	461 700	34 093	351 457	395 702	(44 245)	-11%	443 031
Surplus/(Deficit)	25 334	4 070	(19 550)	(21 891)	48 820	(27 243)	76 063	-279%	4 070
Transfers and subsidies - capital (monetary allocations)	55 093	39 760	47 421	3 427	29 719	39 518	(9 799)	-25%	39 760
Surplus/(Deficit) after capital transfers & contributions	80 427	43 830	27 872	(18 464)	78 539	12 275	66 264	540%	43 830
Surplus/ (Deficit) for the year	80 427	43 830	27 872	(18 464)	78 539	12 275	66 264	540%	43 830
Capital expenditure & funds sources									
Capital expenditure	139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
Capital transfers recognised	51 789	34 702	41 319	2 992	27 024	34 432	(7 409)	-22%	34 702
Borrowing	—	—	—	—	—	—	—	—	—
Internally generated funds	87 873	92 898	94 496	6 453	65 179	78 746	(13 567)	-17%	92 898
Total sources of capital funds	139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
Financial position									
Total current assets	329 657	240 614	269 840		334 829				240 614
Total non current assets	713 576	692 232	810 934		776 447				692 232
Total current liabilities	81 153	55 157	(86 022)		70 656				55 157
Total non current liabilities	21 070	22 993	25 770		21 070				22 993
Community wealth/Equity	941 010	854 696	941 111		1 019 549				854 696
Cash flows									
Net cash from (used) operating	41 887	46 034	42 655	6 815	102 202	66 022	(36 179)	-55%	46 034
Net cash from (used) investing	535 861	(146 740)	(156 184)	(10 862)	(106 033)	(130 156)	(24 123)	19%	(146 740)
Net cash from (used) financing	—	—	—	—	—	—	—	—	—
Cash/cash equivalents at the end of the year	445 736	(284 129)	(322 337)	—	204 977	(272 941)	(477 918)	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	9 278	(72)	5 996	2 874	(29)	2 567	46 492	196 169	263 275
Creditors Age Analysis									
Total Creditors	921	20	—	—	—	—	—	—	940

1.1.1 Table 2

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

KZN291 Mandeni - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - M10 April										
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	5 231	325 541	284 140	41 401	15%	340 236
Executive and council		—	8 038	8 038	—	—	6 698	(6 698)	-100%	8 038
Finance and administration		323 455	332 198	332 930	5 231	325 541	277 442	48 100	17%	332 198
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		4 710	5 464	5 764	497	4 243	4 804	(560)	-12%	5 464
Community and social services		4 710	5 073	5 373	495	4 229	4 477	(248)	-6%	5 073
Sport and recreation		—	—	—	—	—	—	—	—	—
Public safety		—	391	391	2	14	326	(312)	-96%	391
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		63 161	45 527	53 388	3 609	34 083	44 490	(10 407)	-23%	45 527
Planning and development		42 536	41 542	47 120	3 558	31 504	39 267	(7 763)	-20%	41 542
Road transport		20 625	3 985	6 268	51	2 580	5 223	(2 644)	-51%	3 985
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		86 468	95 634	89 452	6 293	66 128	74 543	(8 415)	-11%	95 634
Energy sources		72 748	80 675	74 024	4 986	53 650	61 686	(8 037)	-13%	80 675
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		13 720	14 958	15 428	1 307	12 479	12 857	(378)	-3%	14 958
Other	4	—	—	—	—	—	—	—	—	—
Total Revenue - Functional	2	477 794	486 861	489 572	15 630	429 996	407 977	22 019	5%	486 861
Expenditure - Functional										
Governance and administration		193 804	217 123	237 648	17 660	160 932	198 307	(37 375)	-19%	217 123
Executive and council		61 619	66 001	72 502	6 117	56 196	60 685	(4 489)	-7%	66 001
Finance and administration		132 185	151 121	165 146	11 544	104 736	137 622	(32 886)	-24%	151 121
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		46 599	42 761	46 183	5 040	45 897	38 486	7 412	19%	42 761
Community and social services		33 291	30 811	30 453	3 424	33 736	25 377	8 359	33%	30 811
Sport and recreation		12 862	10 030	13 714	1 457	11 142	11 429	(286)	-3%	10 030
Public safety		418	1 890	1 747	121	944	1 456	(512)	-35%	1 890
Housing		29	30	269	38	75	224	(149)	-66%	30
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		69 233	83 202	83 136	5 135	65 707	69 280	(3 573)	-5%	83 202
Planning and development		18 934	25 716	24 359	1 779	18 625	20 299	(1 674)	-8%	25 716
Road transport		46 605	53 423	54 653	2 877	43 372	45 545	(2 173)	-5%	53 423
Environmental protection		3 694	4 063	4 124	478	3 710	3 437	273	8%	4 063
Trading services		88 370	99 070	94 057	6 084	78 705	89 066	(10 360)	-12%	99 070
Energy sources		77 057	76 143	69 955	4 951	53 513	62 169	(8 656)	-14%	76 143
Water management		—	—	—	—	—	—	—	—	—
Waste water management		2 543	2 802	2 802	237	2 404	2 335	69	3%	2 802
Waste management		8 770	20 124	21 299	896	22 788	24 561	(1 773)	-7%	20 124
Other		—	876	676	174	216	563	(347)	-62%	876
Total Expenditure - Functional	3	398 006	443 031	461 700	34 093	351 457	395 702	(44 245)	-11%	443 031
Surplus/ (Deficit) for the year		79 788	43 830	27 872	(18 464)	78 539	12 275	66 264	540%	43 830

Table 3

Table C3 provides the statement of financial performance by standard classification.

KZN291 Mandeni - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10 April										
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	–	–	6 698	(6 698)	-100.0%	8 038
Vote 2 - Finance and administration		323 455	332 198	332 930	5 231	325 541	277 442	48 100	17.3%	332 198
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social services		4 710	5 464	5 764	497	4 243	4 804	(560)	-11.7%	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	3 558	31 504	39 267	(7 763)	-19.8%	41 542
Vote 9 - Road transport		20 625	3 985	6 268	51	2 580	5 223	(2 644)	-50.6%	3 985
Vote 10 - Energy sources		72 748	80 675	74 024	4 986	53 650	61 686	(8 037)	-13.0%	80 675
Vote 11 - Waste Management		13 720	14 958	15 428	1 307	12 479	12 857	(378)	-2.9%	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	489 572	15 630	429 996	407 977	22 019	5.4%	486 861
Expenditure by Vote	1									
Vote 1 - Executive and council		61 619	66 001	72 502	6 117	56 196	60 685	(4 489)	-7.4%	66 001
Vote 2 - Finance and administration		132 185	151 121	165 146	11 544	104 736	137 622	(32 886)	-23.9%	151 121
Vote 3 - Internal audit		–	–	–	–	–	–	–		–
Vote 4 - Community and social services		33 291	30 811	30 453	3 424	33 736	25 377	8 359	32.9%	30 811
Vote 5 - Sport and Recreation		12 862	10 030	13 714	1 457	11 142	11 429	(286)	-2.5%	10 030
Vote 6 - Public safety		418	1 890	1 747	121	944	1 456	(512)	-35.2%	1 890
Vote 7 - Housing		29	30	269	38	75	224	(149)	-66.4%	30
Vote 8 - Planning and Development		18 934	26 592	25 035	1 953	18 841	20 862	(2 021)	-9.7%	26 592
Vote 9 - Road transport		49 148	56 225	57 456	3 115	45 776	47 880	(2 104)	-4.4%	56 225
Vote 10 - Energy sources		77 057	76 143	69 955	4 951	53 513	62 169	(8 656)	-13.9%	76 143
Vote 11 - Waste Management		8 770	20 124	21 299	896	22 788	24 561	(1 773)	-7.2%	20 124
Vote 12 - Environmental Protection		3 694	4 063	4 124	478	3 710	3 437	273	7.9%	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	461 700	34 093	351 457	395 702	(44 245)	-11.2%	443 031
Surplus/ (Deficit) for the year	2	79 788	43 830	27 872	(18 464)	78 539	12 275	66 264	539.8%	43 830

Table 4 provides information on the planned revenue and operational expenditures against the actual results for the period ending 30th April 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) - M10 April										
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										
Exchange Revenue										
Service charges - Electricity		61 164	72 341	72 341	4 979	53 481	60 285	(6 804)	-11%	72 341
Service charges - Water		—	—	—	—	—	—	—	—	—
Service charges - Waste Water Manag		—	—	—	—	—	—	—	—	—
Service charges - Waste management		12 380	14 106	14 106	1 082	10 884	11 755	(871)	-7%	14 106
Sale of Goods and Rendering of Serv		11 818	9 474	2 755	43	705	2 296	(1 591)	-69%	9 474
Agency services		—	—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—	—
Interest earned from Receivables		919	963	1 500	129	1 231	1 250	(19)	-2%	963
Interest from Current and Non Current		26 748	28 000	28 000	1 267	15 282	23 333	(8 052)	-35%	28 000
Dividends		—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		294	374	724	42	503	603	(101)	-17%	374
Licence and permits		—	—	—	—	—	—	—	—	—
Operational Revenue		1 507	1 200	1 750	356	2 106	1 458	648	44%	1 200
Non-Exchange Revenue										
Property rates		58 321	62 237	62 237	3 385	60 614	51 864	8 750	17%	62 237
Surcharges and Taxes		—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1 584	1 310	1 310	4	71	1 092	(1 021)	-94%	1 310
Licence and permits		985	957	957	77	832	797	35	4%	957
Transfers and subsidies - Operational		241 981	253 163	253 163	530	251 617	210 969	40 648	19%	253 163
Interest		3 460	2 976	3 308	309	2 952	2 756	196	—	2 976
Fuel Levy		—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—
Other Gains		1 541	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—
Total Revenue (excluding capital transfers and		422 701	447 101	442 150	12 203	400 277	368 459	31 819	9%	447 101
Expenditure By Type										
Employee related costs		133 709	152 543	152 543	13 834	124 096	127 119	(3 023)	-2%	152 543
Remuneration of councillors		14 564	16 388	16 388	1 232	12 713	13 656	(944)	-7%	16 388
Bulk purchases - electricity		52 475	57 866	57 866	4 196	44 477	48 221	(3 744)	-8%	57 866
Inventory consumed		3 835	4 533	5 634	323	4 112	5 212	(1 099)	-21%	4 533
Debt impairment		6 048	30 261	30 261	—	15 130	35 652	(20 522)	-58%	30 261
Depreciation and amortisation		33 728	37 856	37 856	2 957	29 332	31 547	(2 215)	-7%	37 856
Interest		137	3 300	3 300	—	0	2 750	(2 750)	-100%	3 300
Contracted services		85 801	79 270	84 257	5 681	60 194	70 215	(10 020)	-14%	79 270
Transfers and subsidies		—	—	—	—	—	—	—	—	—
Irrecoverable debts written off		3 750	6 261	6 261	—	3 130	5 217	(2 087)	-40%	6 261
Operational costs		62 365	54 755	66 735	5 871	58 279	55 612	2 667	5%	54 755
Losses on Disposal of Assets		501	—	600	—	—	500	(500)	-100%	—
Other Losses		456	—	—	—	(8)	—	(8)	—	—
Total Expenditure		397 367	443 031	461 700	34 093	351 457	395 702	(44 245)	-11%	443 031
Surplus/(Deficit)		25 334	4 070	(19 550)	(21 891)	48 820	(27 243)	76 063	(0)	4 070
Transfers and subsidies - capital (monetary allocations)		55 093	39 760	47 421	3 427	29 719	39 518	(9 799)	(0)	39 760
Transfers and subsidies -		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after		80 427	43 830	27 872	(18 464)	78 539	12 275			43 830
Income Tax		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) after income tax		80 427	43 830	27 872	(18 464)	78 539	12 275			43 830
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—	—
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—	—
Surplus/(Deficit) attributable to municipality		80 427	43 830	27 872	(18 464)	78 539	12 275			43 830
Share of Surplus/Deficit attributable to		—	—	—	—	—	—	—	—	—
Intercompany/Parent subsidiary transa		—	—	—	—	—	—	—	—	—
Surplus/ (Deficit) for the year		80 427	43 830	27 872	(18 464)	78 539	12 275			43 830

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

Figure 1

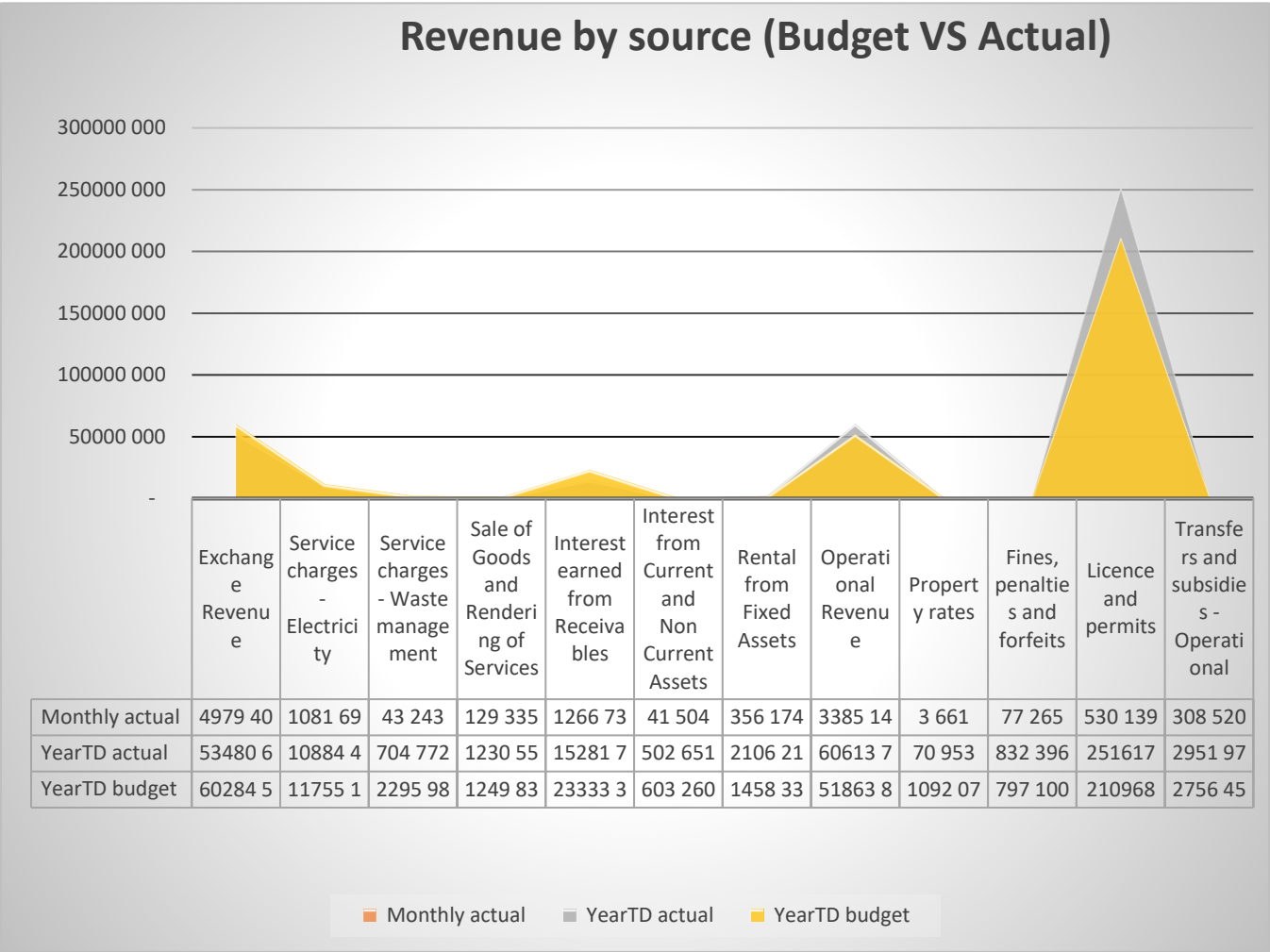
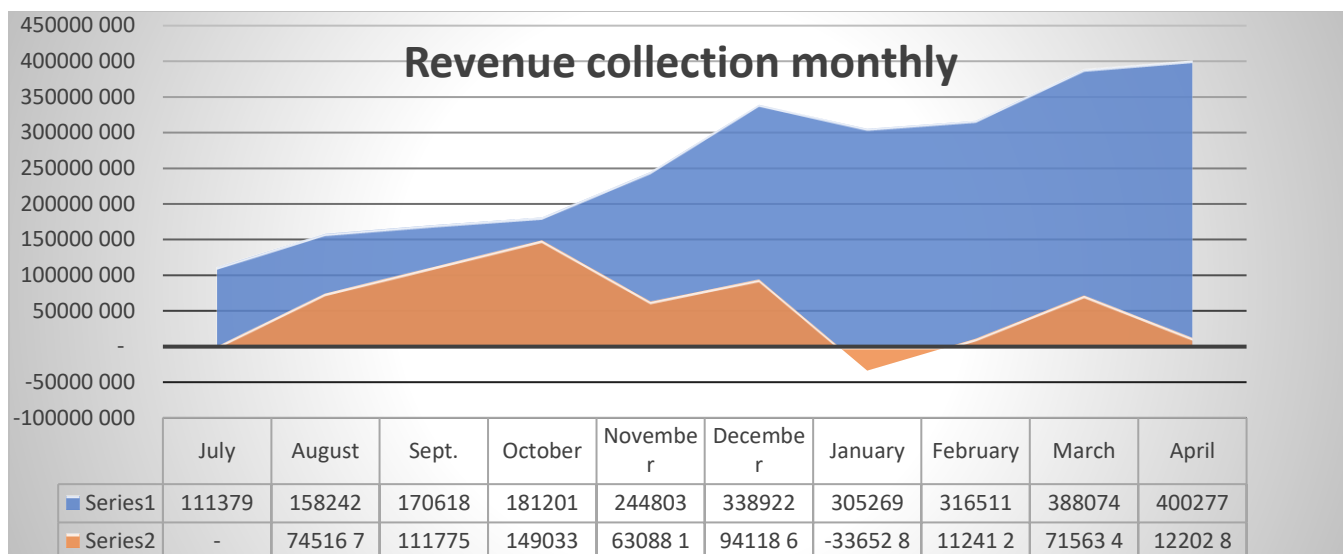


Figure 2



Revenue:

- The Year to Date (YTD) total revenue earned is R400.3million for the period ending 30th April 2025 excluding capital conditional grant income. The YTD Budget is R368.5million; therefore, this reflects an over performance against the revenue projected by 9%, 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 R53.4million over a budget YTD of R60.3 million which is an under-performance by 11%, The variance is primarily due to the presence of additional rental houses that have not yet been occupied.
- The actual cash collected is R 4.4million for the month ended April 2025.

Service Charges: Refuse

- The actual revenue from Service Charges Refuse as at 30 April 2025 is R10.9 million against the budgeted income of R11.9million which under performance by 7%. Certain commercial properties were closed, contributing to the variance, which is considered immaterial.
- The actual cash collected is R322 thousand for the month of April 2025.

Sale of Goods and rendering services

- Sale of Goods and services amounts to R705 thousand in comparison with the year-to-date budget of R2.3million, thus indicating an under performance by R1.6million or -69%, The variance is due

to the fact that most of the items under this vote are difficult to measure in terms of performance, as they include revenues from sources such as tender document sales, town planning fees, clearance certificates, library fines for overdue books, and building plan fees

Interest earned from receivables.

- Interest earned from receivables amounts to R1.3million in comparison with the year-to-date budget of R1.3million. There is no variance under this vote; the budget has been achieved as planned.

Interest from Current and Non-Current assets

- Interest earned on external investments amounts to R15,3 million in comparison with the year-to-date budget of R23.3 million, thus indicating an under performance by R8.1million or 35 percent, The variance arises from the majority of the investment maturing at the end of the financial year.

Rental from fixed assets

- Revenue from rental of facilities recognised amounts to R 503thousand in comparison with the year-to-date budget amount of R603 thousand thus indicating an under performance of R101thousand or 17% The decline, when compared to previous months, is attributed to several staff houses remaining vacant since February.

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 R2.1million which is less than anticipated YTD budget of R1.5million, thus indicating an over performance of R648thousand or 44%, The variance can be attributed to "insurance claims paid, collection charges and handling charges.

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 is R60.6million over a YTD budget of R51.9millio which is a over - collection by R8.7million or 17%. The variance in this vote is due to realisation of Properties which were not linked in the Municipal Billing.
- The actual cash collected being R2.9million for the month ended 30 April 2025.

Fines, Penalties and forfeits

- Fines for the month of April are underperformed by % or R1.0million or 94%, over a pro-rata budget of R1.1million. This is mainly due to the culture of non-payment and adverse economic conditions Revenue reported to date is on cash basis, as the municipality accounts for fines in terms of iGRAP 1 during year end. This vote includes library fine fees for overdue books.

Licences and permits.

- Licences and permits have over-performed by 4% or R35 thousand with an actual amount of R832thousand as compared to pro-rata budget of R797thousand, variance is immaterial.

Transfers & subsidies

- Transfers and subsidies recognised operational amounts to R251.6million YTD Actual in comparison with the YTD budget of R211 million, thus indicating an over performance by R40.6million or 19 percent, The variance is mainly attributable to the Municipality receiving the third tranche of the Equitable Share amounting to R60.9 million, which brings the total received in line with the planned Equitable Share allocation.
- Transfers and subsidies capital amounts to R29.7million in comparison with the YTD budget of R39.5 million, thus indicating an under performance by R9.7 million variance is mainly attributable by expenditure in MIG. *(Detailed report on MIG expenditure has been provided below)*

Interest earned from receivables.

- In line with council adopted credit control policy, the municipality charges interest on arrear debtors.
- Interest earned from receivables amounts to R3million in comparison with the year-to-date budget of R2.7 million, thus indicating an over performance by R196thousand or 7percent. The variance arises from customers failing to adhere to their agreed-upon payment arrangements

Operating Expenditure from April 2025

The table below reflects trend of expenditure for the period ended 30th April 2025

Figure 6

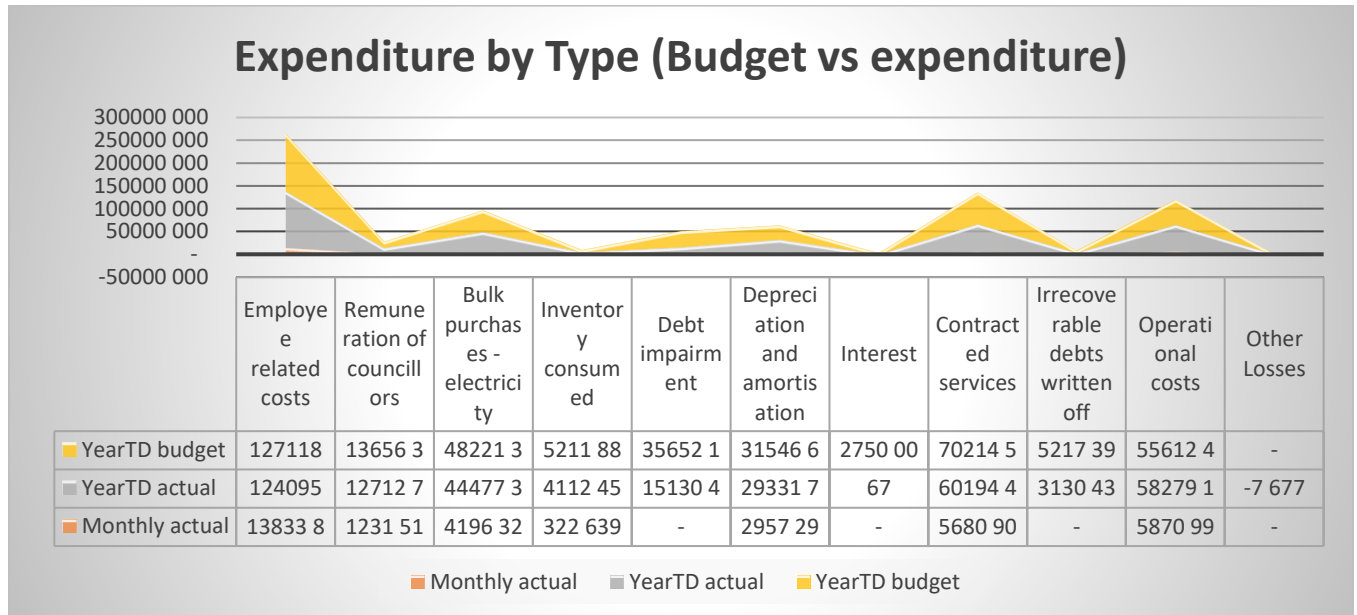
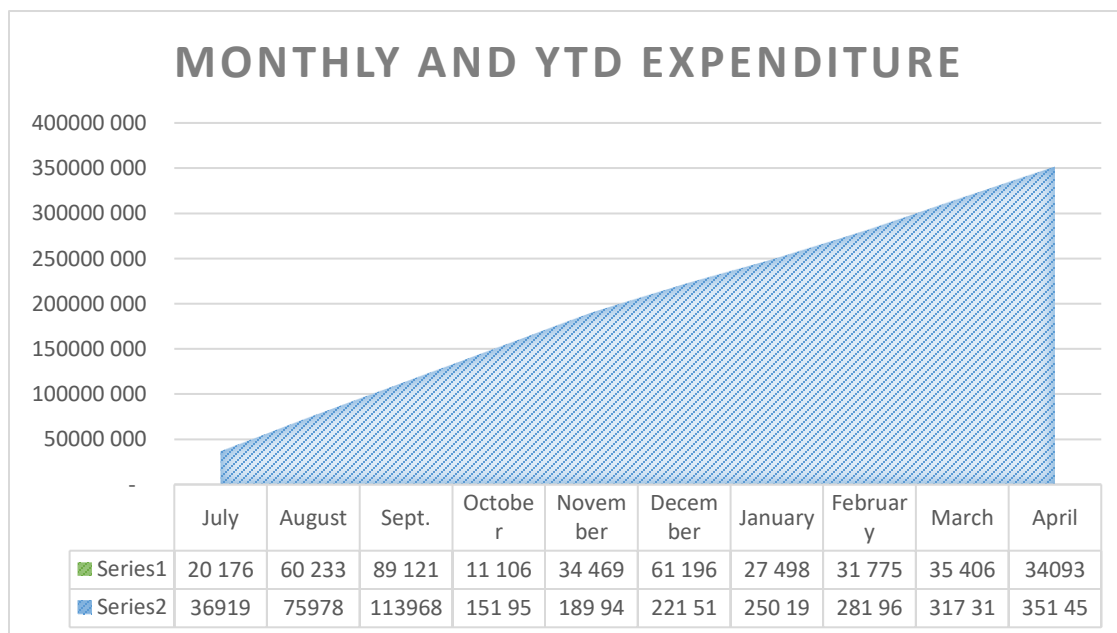


Figure 7



Operating Expenditure:

- The total operational expenditure YTD Actual for the period ending 30th April 2025 amounted to R 351.5million against the planned target of R 395.7million. As at the end of April the operational expenditure budget has been under spent by -11% or -R44.2million. *Detailed expenditure analysis is below:*

Employee Related Costs

- Employee related costs YTD expenditure for the period ending 30 April 2025 amounted to R124.1million while the YTD budget was R127.1million with an underspending of R3.0million or -2%. All previously vacant positions have now been filled, with a notable focus on the Finance Department.
- Furthermore, to that it should be noted that employee bonuses are now being paid on their birth month.

Remuneration of Councilors

- Councilors' allowances pro-rata budget as at 30th April 2025 was under spent by R944thousand. The YTD Remuneration of Councilor's budget is R12.7million whilst the actual expenditure of R12.6million incurred results in under-spending of -7% YTD expenditure performance.
- Variance is due to Cllrs upper limits which have been approved by COGTA in relation to prior financial year. Back pay will be processed once upper limits have been approved.

Bulk Purchases

- The YTD on Bulk purchases amounts to R44.5million which is an under performance when compared to YTD pro-rata budget of R48.2million. The variance of R3,7million or -8% under projected budget is caused by the period variances in Eskom invoices.

Inventory Consumed

- Inventory Consumed are reflecting an underperformance by 21% or R1.1million, when compared to YTD budget of R5.2million against the YTD Actual amount 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 is reflecting an under performance by 58percent, when compared to YTD Actual amount of R15.1million against a YTD budget of R35.6million. The debt impairment transaction for January was processed as part of the Mid-Term Assessment. The June journal will be processed accordingly, as it is prepared on a bi-annual basis.
- When the provision for debt impairment is calculated, the following assumptions must be taken into consideration.
 - Each debtor's account per age analysis must be analyzed.
 - The frequency of payment must be analyses 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 for Depreciation and Asset impairment is reflecting an under performance by 7percent or R2.2million, when compared to pro-rata budget of R31.5million. The variance of R2.2million is because some of the capex items are still under progress.

Interest

- Finance charges reflect an underperformance by -100percent, the first invoice has not received and for allocation.
- 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 reflects an underspending of 14percent or R10.0million, from YTD budget of R70.3million against the YTD actual of R60.2million, as IDP public consultations will begin in the month of November. This item included all the contracted and outsourced services by the municipality.

Irrecoverable debts written off

- Irrecoverable debts written off has underperformed by 40% when compared to YTD actual amount of R3.1million against YTD budget total amount of R5.2million. This is due to result of Indigents and untraceable debtors which have been written off within the third quarter of this

financial year. The municipality has been in the process of data cleansing, and we have discovered deceased accounts, liquidated companies etc.

Operational Cost

- Other expenditure is overspent in this month by 5% or R2.7million when compared to YTD budget of R2.7million. the variance is considered immaterial.

Loss on disposal of assets

- The vote shows a 100% under-expenditure, primarily because disposal transactions are typically recorded at the end of the financial year.

2. Capital Expenditure

Table C5 Monthly Budget Statement – Capital Expenditure

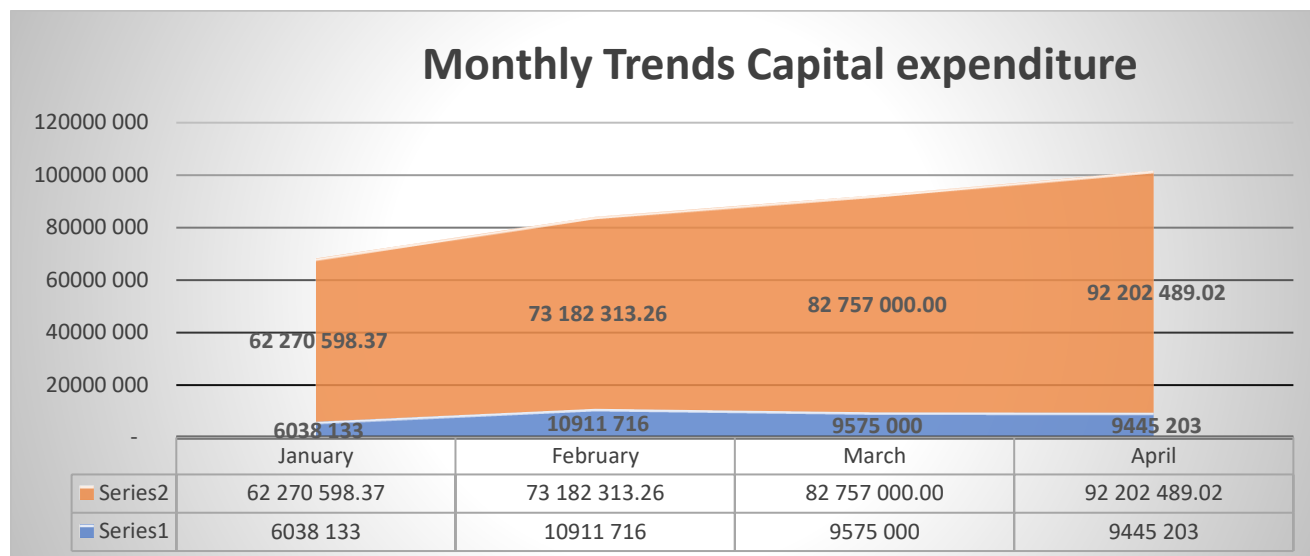
KZN291 Mandeni - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M10 April										
Vote Description	Ref	2023/24	Budget Year 2024/25							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD 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	2 292	10 039	9 526	513	5%	5 870
Vote 2 - Finance and administration		14 562	8 557	13 616	762	8 715	11 346	(2 631)	-23%	8 557
Vote 3 - Internal audit		—	—	—	—	—	—	—	—	—
Vote 4 - Community and social services		772	4 457	4 107	468	1 781	3 423	(1 641)	-48%	4 457
Vote 5 - Sport and Recreation		5 512	10 127	13 426	1 763	4 673	11 188	(6 515)	-58%	10 127
Vote 6 - Public safety		—	939	852	—	44	710	(666)	-94%	939
Vote 7 - Housing		—	—	—	—	—	—	—	—	—
Vote 8 - Planning and Development		19 023	12 191	11 215	547	3 927	9 346	(5 419)	-58%	12 191
Vote 9 - Road transport		89 974	79 535	76 856	3 493	60 600	64 047	(3 447)	-5%	79 535
Vote 10 - Energy sources		2 154	3 752	2 178	121	863	1 815	(952)	-52%	3 752
Vote 11 - Waste Management		5 734	2 174	2 134	—	1 560	1 778	(218)	-12%	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	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
Total Capital Expenditure		139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
Capital Expenditure - Functional Classification										
Governance and administration		16 494	14 426	25 047	3 054	18 754	20 873	(2 118)	-10%	14 426
Executive and council		1 932	5 870	11 431	2 292	10 039	9 526	513	5%	5 870
Finance and administration		14 562	8 557	13 616	762	8 715	11 346	(2 631)	-23%	8 557
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		6 284	15 522	18 385	2 230	6 499	15 321	(8 822)	-58%	15 522
Community and social services		772	4 457	4 107	468	1 781	3 423	(1 641)	-48%	4 457
Sport and recreation		5 512	10 127	13 426	1 763	4 673	11 188	(6 515)	-58%	10 127
Public safety		—	939	852	—	44	710	(666)	-94%	939
Housing		—	—	—	—	—	—	—	—	—
Health		—	—	—	—	—	—	—	—	—
Economic and environmental services		108 996	91 726	88 071	4 040	64 527	73 392	(8 866)	-12%	91 726
Planning and development		19 023	12 191	11 215	547	3 927	9 346	(5 419)	-58%	12 191
Road transport		89 974	79 535	76 856	3 493	60 600	64 047	(3 447)	-5%	79 535
Environmental protection		—	—	—	—	—	—	—	—	—
Trading services		7 888	5 926	4 312	121	2 423	3 593	(1 170)	-33%	5 926
Energy sources		2 154	3 752	2 178	121	863	1 815	(952)	-52%	3 752
Water management		—	—	—	—	—	—	—	—	—
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		5 734	2 174	2 134	—	1 560	1 778	(218)	-12%	2 174
Other		—	—	—	—	—	—	—	—	—
Total Capital Expenditure - Functional	3	139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600
Funded by:										
National Government		51 072	33 963	40 614	2 878	26 607	33 845	(7 239)	-21%	33 963
Provincial Government		717	739	705	115	417	587	(170)	-29%	739
District Municipality		—	—	—	—	—	—	—	—	—
Transfers and subsidies - capital (in-kind)		—	—	—	—	—	—	—	—	—
Transfers recognised - capital		51 789	34 702	41 319	2 992	27 024	34 432	(7 409)	-22%	34 702
Borrowing	6	—	—	—	—	—	—	—	—	—
Internally generated funds		87 873	92 898	94 496	6 453	65 179	78 746	(13 567)	-17%	92 898
Total Capital Funding		139 662	127 600	135 814	9 445	92 202	113 179	(20 976)	-19%	127 600

Capital Expenditure of April 2025:

The YTD capital expenditure budget is R113.2million against YTD actual Capital expenditure amounted to R92.2million resulting in an under performance of (19%) on capital expenditure. The 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 April 2025



- Capital grants funded by National Government actual of R26.6million versus YTD Budget of R33.8million, expenditure reported has been underspent by (21%).
- Capital grants funded by Provincial Government YTD actual is R417thousand over YTD budget of R587thousand, which gives an under-performance by 29%.
- Capital grants funded Internally actual is R65.2 million versus YTD Budget of R78.7 million variance of 17% 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 - M10 April										
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	(599)	9 038	12 232	3 194	26.1%	15 113
Roads Infrastructure		6 397	8 548	8 548	(936)	4 215	7 123	2 908	40.8%	8 548
Roads		6 397	7 939	7 939	(853)	4 104	6 616	2 512	38.0%	7 939
Road Structures		—	435	435	—	112	362	251	69.2%	435
Road Furniture		—	174	174	(83)	—	145	145	100.0%	174
Capital Spares		—	—	—	—	—	—	—		—
Storm water Infrastructure		1 017	2 870	2 870	81	2 452	2 391	(61)	-2.5%	2 870
Drainage Collection		1 017	2 870	2 870	81	2 452	2 391	(61)	-2.5%	2 870
Storm water Conveyance		—	—	—	—	—	—	—		—
Attenuation		—	—	—	—	—	—	—		—
Electrical Infrastructure		2 518	3 000	2 565	130	1 494	2 138	644	30.1%	3 000
Power Plants		—	43	43	—	40	36	(3)	-9.0%	43
HV Substations		—	—	—	—	—	—	—		—
HV Switching Station		—	—	—	—	—	—	—		—
HV Transmission Conductors		521	739	739	—	—	616	616	100.0%	739
MV Substations		77	43	43	—	25	36	11	30.9%	43
MV Switching Stations		—	—	—	—	—	—	—		—
MV Networks		47	130	130	83	131	109	(22)	-20.5%	130
LV Networks		784	739	739	15	841	616	(225)	-36.6%	739
Capital Spares		1 089	1 304	870	31	457	725	267	36.9%	1 304
Water Supply Infrastructure		—	—	—	—	—	—	—		—
Information and Communication Infrastr		972	696	696	126	876	580	(297)	-51.2%	696
Data Centres		—	—	—	—	—	—	—		—
Core Layers		972	696	696	126	876	580	(297)	-51.2%	696
Distribution Layers		—	—	—	—	—	—	—		—
Capital Spares		—	—	—	—	—	—	—		—
Community Assets		1 843	2 148	2 197	300	1 744	1 831	87	4.8%	2 148
Community Facilities		207	174	43	—	7	36	29	80.1%	174
Halls		107	—	—	—	—	—	—		—
Theatres		—	—	—	—	—	—	—		—
Libraries		—	—	—	—	7	—	(7)	#DIV/0!	—
Cemeteries/Crematoria		—	—	—	—	—	—	—		—
Police		—	—	—	—	—	—	—		—
Purls		101	174	43	—	—	36	36	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	300	1 737	1 795	58	3.2%	1 974
Indoor Facilities		—	—	—	—	—	—	—		—
Outdoor Facilities		1 635	1 974	2 154	300	1 737	1 795	58	3.2%	1 974
Capital Spares		—	—	—	—	—	—	—		—
Other assets		30	—	—	—	—	—	—		—
Operational Buildings		30	—	—	—	—	—	—		—
Municipal Offices		30	—	—	—	—	—	—		—
Pay/Enquiry Points		—	—	—	—	—	—	—		—
Machinery and Equipment		5 289	6 348	7 432	131	6 232	6 193	(39)	-0.6%	6 348
Machinery and Equipment		5 289	6 348	7 432	131	6 232	6 193	(39)	-0.6%	6 348
Total Repairs and Maintenance	1	18 065	23 609	24 307	(169)	17 014	20 256	3 243	16.0%	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	R46 473 000
Less: Total Expenditure (incl. Retention)	R 34 204 841.1
Balance	R 12 268 158.9
Expenditure of as a %	74%

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 registered with MIG

- Construction of Community Hall in Ward 8 (Bid document has been approved for advertisement)
- Rehabilitation of Internal Roads and Upgrade of Associated Stormwater in Sundumbili, Ward 14, Chappies Section. (Bid document has been prepared to acquire contractor for project. Bid specification committee scheduled for the 6th of May to consider bid document)

4.2. Projects under Municipal Internal Funding

Projects under Construction

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

Projects under planning

- Establishment of new office building at the Municipality's Main Office (The Design Development Stage - 100%. Bid document has been approved for advertisement)
- Extension of Mechanical / Technical Services Building Phase 2 and Fencing of Technical Services Depot (Bid document has been approved for advertisement)
- Construction of a Community Hall in Ward 6- Site identified, PTO has been obtained. Consultant has commenced with inception report)
- Construction of a Community Hall in Ward 12 - (PTO was obtained. The Inception Report has been received and approved by the Municipality, consultant has commenced with preliminary design)
- 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 approved by Municipality. consultant has commenced with preliminary design.)
- Construction of community hall in Ward 9 - (PTO was obtained. Consultant attending to the comments done of the inception report submitted for approval)

- Establishment of new emergency centre - (Site identified. Meeting was held with the appointed consultant and other stakeholders to discuss the planned project. consultant has commenced with inception report.)

4.3. Projects under the Integrated National Electrification Programme (INEP)

2023/24 and 2024/25 Financial Year Allocation	R 16 611 000
Less: Total Expenditure (Incl. VAT)	R 7 420 632
Balance	R 9 190 368
Expenditure as a %	44.6%

Projects under Planning Stage

- Mandeni Sub-station - Bulk

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 approval 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 finalise their internal processes and provide the municipality with metering points. On the 10th of February 2025, the municipality representatives (Mr. Msweli and Mr. Sithole) together with the appointed consultant have intervened by visiting Eskom Empangeni offices with the aim to seek clarity as to why the efforts from the municipality to receive the supply points for the project are failing. Mrs. Magda from Eskom had indicated that from the date of our visit which was the 10th that the municipality will receive the quotation for the supply points/metering points latest in two weeks' time. Numerous follow ups in this regard were initiated again by the municipality through multiple emails. An email was sent to Eskom on the 12th, two days later after the visit by municipality representative, another email was sent on the 17th, another email was sent on the 26th, another email was sent on the 5th of March 2025. The last email was sent on the 13th of March 2025 to Magda after a month the quotations having not been received. All emails were enquiring on the same matter of the supply points. The municipality wrote to Eskom management a signed letter by the municipal manager requesting assistance on the matter. The letter was sent on the 31st of March 2025. The management responded and committed to assisting. Ms. Zoleka Sisilana whom the municipality have been engaging with from the Eskom's management committed to assisting to finalising this matter. The municipality awaits the return of Mrs. Magda from

her leave which will be on the 5th of May 2025. When Mrs. Magda returns, the municipality will engage the management from Eskom and request for this matter to be finalised and request that commitment made are met. Mrs. Magda is the appointed person to assist in this regard.

b) Construction of a Hlomendlini Sportfield - Ward 4

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 1 460 971.52	R 1 460 971.52
Construction Cost (incl. Retention) R 1 547 441.12 internal	R 8 888 069.73	R 4 967 525.59
TOTALS (Incl Vat)	R 10 435 510.85	R 6 428 497.11

Project Details

Name of Consultant: Siyazenzela Consulting
Name of Contractor: Sihawusethu Trading (Pty) Ltd
Project Commencement Date: January 2025
Contractual Completion Date: 5 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 of Construction Progress 26% (Overall Progress 75%): Site Handover, Site Establishment 100%, Setting Out 100%, Site Clearance 90%, Subsoil 80%, Bulk Earthworks (Combo Court, Ablution & Guardhouse) 75%, Access Road & Parking 20%.

Challenges: Poor performance of contractor due to poor workmanship caused by lack of supervision on site and Recent inclement weather conditions causing delays to the scope of works. Notice of default has been issued for poor performance with application of extension of time to be considered for rain delays.

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
Final Termination of Contract:	February 2025

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. Subsequent to the Contractor's failure to complete the project and an Intention to Terminate the Contract a Final Termination to the Contractor has since been served dated

Friday, 21st February 2025. Bid document for completion of outstanding works has been issued to SCM for procurement of new contractor.

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 1 531 961.32
Construction Cost (incl. Retention)	R 12 148 430.66	R 10 796 410.73
Internal Funds	R 667 565.79	R 0.00
TOTALS (Incl. Vat)	R 14 348 595.28	R 12 328 372.05

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:	13 March 2025
Revised Completion date:	16 May 2025

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 80%: Site establishment - 100%, Setting Out - 100%, Mass Earthworks - 100%, Roadbed Preparation - 100%, C4 stabilized layer - 99%, Stormwater - 95%, Subsoil drainage - 80%, Asphalt Surfacing - 15%, Kerbs - 85%, Kerb & Channel - 85%, Setting up the pipe route by surveyor - 95%, Setting up the road by the surveyor - 100%.

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 slow progress has also been noted and a correspondence has been issued to the Contractor.

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 2 243 764.92
Construction Cost (incl. Retention)	R 10 679 964.34	R 10 679 964.34
Internal Funds	R 4 629 230.16	R 699 777.45
TOTALS (Incl. Vat)	R 17 553 032.14	R 13 623 506.71

Project Details

Name of Consultant: Kukhanya Projects (Pty) Ltd

Name of Contractor: Iqhawe Elihle Trading

Project Commencement Date: May 2024

Contractual Completion Date: 10 February 2025

Revised Completion date: 12 May 2025

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 53%: Contractual Submissions 100%, Site Establishment 100%, Accommodation of Traffic 53% Road Construction Works 41%, Stormwater 41%, Kerb & Channel Works 24%, 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. Contractor has been issued with a Notice of slow progress because of the rate of construction works, poor planning and inadequate resource allocation. Discovery of existing water and sewer main pipeline which intersect / running parallel with the proposed stormwater has delayed works around the affected area. Inadequate resources and workmanship of appointed local subcontractors.

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 2 696 436.49
Construction Cost (MIG)	R 17 536 070.12	R 5 019 681.44
Internal Funds	R 3 932 538.28	R 0.00
TOTALS (Incl. Vat)	R 24 211 799.92	R 7 716 117.93

Name of Consultant: Urbanru (Pty) LTD

Name of Contractor: Silo Construction

Project Commencement Date: September 2024

Contractual Completion Date: 26 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 23%: 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 90%. Demolishing of existing concrete culverts at Ch 3+050 and Ch 3+500 100%. Culvert at 3+050 earthworks 100%. Construction of dump rock layer is being done as and when there is a need.

Challenges: The contractor is behind the programme by 20 days and is experiencing rain and breakdown of plant delays. Unsuitable in-situ material discovered and could not be used as subgrade material. Recent inclement weather conditions causing delays to the scope of works.

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 & Surety)	R 10 600 230.99	R 1 776 234.80
TOTALS (Incl. Vat)	R 12 041 989.18	R 2 622 295.47

Project Details

Name of Consultant: Impumelelo Consulting Engineers
Name of Contractor: Nikeresa Construction

Project Commencement Date: January 2025
Contractual Completion Date: 31 March 2026
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 20%: Site Handover / Technical Meeting - 100%, Site Establishment - 100%, Clearing & Grubbing - 100%, Setting Out - 60%, Bulk Earthworks - 5%, Civil Works - 5%.

Challenges: Recent inclement weather conditions causing delays to the scope of works.

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
Revised Practical Completion date: 30 June 2024
Actual Completion Date: 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 be restored and re-painted.

Current Status Overall Construction progress 100%: Project is completed.

Challenges: n/a

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%

Challenges: N/a

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 15 103 608.53
TOTALS (Incl. Vat)	R 18 907 069.16	R 16 878 260.41

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: **24** 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 95%, Demolition of existing pavement 95%, Demolition of an existing building 100% and Construction of the new Office Block 96%, Earthworks 50%, Construction of the new 146m² Mechanical workshop 75%, Construction of the new canteen 95%, Extension of the existing storage rooms 65%, Fiberglass Roof Sheet IBR 3.6m Clear - Covered Walkway 45%, Construction of new pavement around the site 30%, 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: The Contractor submitted a revised Extension of Time No.4 application which has been approved for a Revised Practical Completion date being noted for 24th of February 2025, penalties to be imposed should the Contractor not achieve the Revised Completion Date. The Contractor has shown some sense of improvements with regards to the rate of construction works but the recovery of the project to meet the revised completion date has been failed to be achieved as a result of poor planning, inadequate resource allocations and production levels along with inclement weather conditions.

On the 17th of April 2025, the Contractor has been issued with a Letter of Termination of the project as a result of Non-compliance towards their contract and failure to bring the project to a final completion. Bid for completion of outstanding works is being prepared for approval and procurement of new service provider.

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
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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. The project have been completed and closed off.

Challenges: N/A.

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 1 180 363.75
TOTALS (Incl. Vat)	R 2 273 54.53	R 1 332 433.25

Project Details

Name of Consultant: Brimstohn Consulting JV
Name of Contractor: Khumbusi Projects
Project Commencement Date: January 2025

Contractual Completion Date: 30 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 85%: Site Establishment 100%. Setting out 100%. Clearing and grubbing 100%. Earthworks 85%. Stormwater Pipes 100% and manholes 70%. Road formation 100%. G7 layer 100%. G5 layer 100%. G2 layer 100%, Kerbing 95%.

Challenges: The project experienced lots of rain and subsequent rain days which caused delays in the progress. The contractor has submitted extension of time claim for approval for rain delays.

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 585 113.19	R 541 421.85
Construction Cost Incl. (Retention)	R 3 798 772.18	R 2 329 590.00
TOTALS (Incl. Vat)	R 4 383 885.37	R 2 871 011.85

Project Details

Name of Consultant:	Ngeja Consulting Engineers
Name of Contractor:	Humble Frank Multi Service
Project Commencement Date:	January 2025
Contractual Completion Date:	5 April 2025
Revised Completion date:	28 April 2025

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 78%: 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 100%. Roadbed preparation 100%, Removal and reinstatement of electrical poles 100%. G5 layer 80%. Kerbing 72%.

Challenges: Adverse weather conditions and subsequent rain days which caused delays in the progress. The contractor has submitted extension of time claim for rain delays and additional works identified.

Projects under planning

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

CATEGORY	APPROVED BUDGET	EXPENDITURE
Professional Fees	R 10 000 000(R5 000 000-adjustment budget)	R 10 000 000
Construction Cost Incl. (Retention)	TBC	TBC
TOTALS (Incl. Vat)	R 10 000 000	R 10 000 000

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: Project advertised on the 29th of April 2025.

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. Bid document has been presented at BSC on the 29th of April and approved for advertisement.

Challenges: Due to budget limitations, other items have been removed from this phase of the project and are to be implemented in the outer years.

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

Projects

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. The proposed outage dates for these 10

additional connections were the 9th of April 2025 and the alternative date was the 11th of April 2025. The outage could not take place due to Eskom experiencing breakdowns and operators not being available to switch off MV line for the outage. Another meeting was requested with Eskom to discuss another outage dates. The meeting took place on the 25th of March 2025. Eskom indicated that the new outage date will be communicated with the municipality once the booking has been done and approved for the outage. Also, Eskom committed to booking a short notice outage which would take place in 14 days once outage is approved.

Challenges: Delays from Eskom to grant outages for energizing dry connections.

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
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%.

Challenges: Project energization is currently on hold due unavailability of a design approval letter. Eskom clerk of works is conducting site inspection for the design and technical standard of the project to be approved. The Eskom clerk of works is not always available to conduct the inspections; this is delaying the completion of the inspection and energization of the project. Currently 83 households have been inspected out of 105 and the process is still ongoing.

c) **Mandeni Substation Project**

CATEGORY	TENDER AMOUNT	EXPENDITURE
Professional Fees	R 11,826,735.62	R 7 384 000.00
Construction Cost	R0	R0
TOTAL	R 7 384 000.00	R 7 384 000.00

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 is currently at the design stage. Draft design has been submitted for consideration however the final design to be concluded with the approval of Eskom design team.

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 made the payment for the cost estimate fee. This subsequently allows Eskom to commence with their feasibility study and provide necessary network capacity information. Currently awaiting Eskom to present the final design of the feeder line to the substation. A meeting with Eskom representatives is scheduled for the 7th of May 2025 where Eskom will present to the client (Municipality) a proposed design of the feeder line.

5.3 Division of Revenue Act on Grants Receipts

KZN291 Mandeni - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April										
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:		244 680	258 621	249 394	-	250 894	193 965	56 929	29.3%	249 394
EPWP Incentive	-	4 807	1 815	1 815	-	1 815	1 361	454	33.3%	1 815
Finance Management	-	1 850	1 800	1 800	-	1 800	1 350	450	33.3%	1 800
Integrated National Electrification Pr	-	7 200	9 227	-	-	1 500	6 920	(5 420)	-78.3%	-
Local Government Equitable Share	-	230 823	243 588	243 588	-	243 588	182 691	60 897	33.3%	243 588
Municipal Infrastructure Grant	-	-	2 191	2 191	-	2 191	1 643	548	33.4%	2 191
	3						-	-		
							-	-		
								-		
								-		
								-		
Other transfers and grants [insert description]								-		
Provincial Government:		4 573	3 769	3 919	-	3 919	1 369	2 550	186.3%	-
KwaZulu-Natal_Infrastructure_Infras	-	-	-	-	-	-	-	-		-
		150		150		150	113	113	100.0%	
	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	249 253	262 390	253 313	-	254 813	195 334	59 479	30.4%	249 394
Capital Transfers and Grants										
National Government:		46 392	38 910	49 469	-	44 092	37 534	6 558	17.5%	38 910
Municipal Infrastructure Grant (MIG)	-	46 392	38 910	44 288	-	38 910	33 216	5 694	17.1%	38 910
Municipal Disaster Recovery Grant	-			5 182		5 182	4 318	864	0.0%	-
										-
Provincial Government:		-	850	850	-	850	1 540	(690)	-44.8%	4 619
KwaZulu-Natal_Capacity Building a	-	-	850	850	-	850	1 540	(690)	-44.8%	4 619
Total Capital Transfers and Grants	5	46 392	39 760	50 319	-	44 942	39 074	5 868	15.0%	43 529
TOTAL RECEIPTS OF TRANSFERS	5	295 645	302 150	303 632	-	299 755	234 408	65 347	27.9%	292 923

5.4 Division of Revenue Act on Grants Expenditure

KZN291 Mandeni - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April										
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									%	
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		244 680	258 621	249 394	22 011	249 391	188 395	38 986	20.7%	5 806
EPWP	—	4 807	1 815	1 815	—	1 815	1 361	454	33.3%	1 815
FMG	—	1 850	1 800	1 800	60	1 346	1 350	(64)	-4.7%	—
INEP	—	7 200	9 227	—	—	37	1 350	(1 313)	-97.3%	1 800
EQUITABLE SHARE	—	230 823	243 588	243 588	21 782	244 338	182 691	39 865	21.8%	—
Municipal Infrastructure Grant	—	—	2 191	2 191	169	1 856	1 643	44	2.7%	2 191
0								—		
Other transfers and grants [insert description]								—		
Provincial Government:		4 573	3 769	3 919	329	2 532	2 939	(407)	-13.8%	—
KwaZulu-Natal_Infrastructure_Infrastructure	—	—	—	—	—	—	—	—		—
KwaZulu-Natal	—	—	—	—	—	—	—	—		—
EDTEA	—	150	—	150	—	(150)	113	(263)	-233.3%	—
LIBRARY	—	4 423	3 769	3 769	329	3 011	2 827	(145)	-5.1%	—
Other transfers and grants [insert description]								—		
District Municipality:								—		
[insert description]								—		
Other grant providers:		—	—	—	—	—	—	—		—
Other Transfers Public Corporati	—	—						—		
[insert description]								—		
Total operating expenditure of Transfers		249 253	262 390	253 313	22 340	251 924	191 334	38 579	20.2%	5 806
Capital expenditure of Transfers and Grants										
National Government:		46 392	38 910	49 469	3 309	29 088	33 216	(7 437)	-22.4%	38 910
Municipal Disaster Recovery Grant	—	46 392	38 910	44 288	3 309	29 088	33 216	(7 437)	-22.4%	38 910
Municipal Infrastructure Grant	—	—	—	5 182	—	—	—	—		—
0	—	—	—	—	—	—	—	—		—
0								—		
Other capital transfers [insert description]								—		
Provincial Government:		—	850	850	168	291	638	(347)	-54.4%	—
LIBRARY	—	—	850	850	118	408	638	(347)	-54.4%	—
0	—	—	—	—	—	—	—	—		—
District Municipality:		—	—	—	—	—	—	—		—
0	—	—	—	—	—	—	—	—		—
Other grant providers:		—	—	—	—	—	—	—		—
0	—	—	—	—	—	—	—	—		—
Total capital expenditure of Transfers and		46 392	39 760	50 319	3 478	29 379	33 853	(7 784)	-23.0%	38 910
TOTAL EXPENDITURE OF TRANSFERS A		295 645	302 150	303 632	25 817	281 302	225 188	30 795	13.7%	44 716

3. Debtors Age Analysis

Table SC3 Monthly Budget Statement_ Debtors Age Analysis

KZN291 Mandeni - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April											
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	1200	—	—	—	—	—	—	—	—	—	—
Trade and Other Receivables from	1300	1 223	(2)	261	128	—	107	634	2 637	4 988	3 506
Receivables from Non-exchange	1400	4 991	(3)	2 897	1 352	(25)	1 067	36 988	92 607	139 875	131 990
Receivables from Exchange Tran	1500	—	—	—	—	—	—	—	—	—	—
Receivables from Exchange Tran	1600	2 245	(18)	1 959	959	(5)	964	6 257	61 043	73 404	69 219
Receivables from Exchange Tran	1700	(69)	(49)	12	5	—	5	24	121	49	155
Interest on Arrear Debtor Account	1810	876	0	867	429	—	425	2 589	34 124	39 310	37 567
Recoverable unauthorised, irregu	1820	—	—	—	—	—	—	—	—	—	—
Other	1900	11	0	0	—	—	—	—	5 637	5 649	5 637
Total By Income Source	2000	9 278	(72)	5 996	2 874	(29)	2 567	46 492	196 169	263 275	248 073
2023/24 - totals only										—	—
Debtors Age Analysis By Customer Group											
Organs of State	2200	848	0	569	296	(3)	18	22 251	25 048	49 026	47 609
Commercial	2300	2 874	(35)	1 152	499	7	527	11 177	23 165	39 367	35 376
Households	2400	5 274	(37)	4 011	1 950	(34)	1 895	11 210	143 173	167 443	158 195
Other	2500	282	(0)	263	130	—	127	1 853	4 783	7 438	6 893
Total By Customer Group	2600	9 278	(72)	5 996	2 874	(29)	2 567	46 492	196 169	263 275	248 073

The total Consumer debtors outstanding as 30th April 2025 is **R 263,3 million**

- Debt book indicates 4% increase from to 1st July 2024 to April 2025, within a month the debt book has accumulated a 4% increase.
- Debtors collection rate at April 2025 is 73%
- 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 on
- 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 late'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 its credibility and this will subsequently affect its 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 letter
- 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.

ACCOUNTS WITH LETTERS OF FINAL DEMAND FOR PAYMENT SENT OUT					
ACC. NO.	address	ERF NO.	DEBTORS NAME	DEBT TYPE	AMOUNT R
001063100	SUNDUMBILI A	631	MADELA	RATES/REFUSE	R81 371.85
001063500	SUNDUMBILI A	635	NXUMALO	RATES/REFUSE	R88 670.25
001122700	SUNDUMBILI A	227	MTHEMBU	RATES/REFUSE	R40 642.97
001098800	SUNDUMBILI A	988	ZULU	RATES/REFUSE	R22 066.96
001030600	SUNDUMBILI A	306	CELE	REFUSE/RATES	R19 627.14
001017000	SUNDUMBILI A	170	MADONSELA	RATES/REFUSE	R7 480.10
001093500	SUNDUMBILI A	935	BIYELA	RATES/REFUSE	R28 273.54
001003800	SUNDUMBILI A	038	MTHETHWA	RATES/REFUSE	R15 502.88
001004700	SUNDUMBILI A	047	SIBIYA	RATES/REFUSE	R15 035.69
001092800	SUNDUMBILI A	928	SHEZI	RATES/REFUSE	R24 816.86
001007100	SUNDUMBILI A	071	KHUMALO	RATES/REFUSE	R30 524.32
001008400	SUNDUMBILI A	084	NZUZA	RATES/REFUSE	R42 248.02
001094500	SUNDUMBILI A	945	ZWANE	RATES/REFUSE	R22 364.90
001005100	SUNDUMBILI A	051	KHUMALO	RATES/REFUSE	R46 544.58
001006200	SUNDUMBILI A	062	MOYANA	RATES/REFUSE	R85 215.08
001094000	SUNDUMBILI A	940	LUSHOZI	RATES/REFUSE	R97 596.39
001001700	SUNDUMBILI A	017	NDLOVU	RATES/REFUSE	R25 191.97
001002800	SUNDUMBILI A	028	SITHOLE	RATES/REFUSE	R10 969.65
001093900	SUNDUMBILI A	939	NDWANDWE	RATES/REFUSE	R39 225.31
001004200	SUNDUMBILI A	042	CHILI	RATES/REFUSE	R40 836.88
TOTAL					R784 205.34

DISCONNECTIONS APRIL 2025						
NO	ACCOUNT NO.	TOWN	ADRESS	NAME	DEBT TYPE	AMOUNT R
1	009301131	Mandeni	26 IMPUNZI RD	PILLAY	RATES/ELECTRICITY	R15 548.63
2	008200141	Mandeni	27 KUDU	JARD YD BELL	RATES/ELECTRICITY	R4 131.18
4	009300042	Mandeni	27 PATRYS	VAN DER WALT	RATES/ELECTRICITY	R8 146.54
5	008500351	Mandeni	3 DUIKER	VAN DER WALT	RATES/ELECTRICITY	R8 847.36
6	009910241	Mandeni	3 ERICA	QHOSHA	RATES/ELECTRICITY	R29 224.51
7	009909831	Mandeni	3 UMSINSI	DUBE	RATES/ELECTRICITY	R19 856.07
8	009900971	Mandeni	30 ANDERSON	GUMEDE	RATES/ELECTRICITY	R10 803.80
9	002401202	Mandeni	30 READ	GOVENDER	RATES/ELECTRICITY	R50 328.09
10	009906281	Mandeni	31 KUDU	MLAMBO	RATES/ELECTRICITY	R4 469.08
11	009903071	Mandeni	31 TALBOT	MBUYISA	RATES/ELECTRICITY	R37 988.87
12	009401981	Mandeni	32 INYATHI	MTHEMBU	RATES/ELECTRICITY	R4 802.31
13	009701301	Mandeni	37 O'HARA	KUBHEKA	RATES/ELECTRICITY	R61 336.20
14	009900931	Mandeni	38 ANDERSON	KHUMALO	RATES/ELECTRICITY	R5 811.27
15	008902412	Mandeni	38 GREIG	PENTICO C.C	RATES/ELECTRICITY	R11 381.47
16	009906321	Mandeni	39 KUDU	SHEMBE	RATES/ELECTRICITY	R17 399.83
17	009701382	Mandeni	39 TROGON	MNCWANGO	RATES/ELECTRICITY	R8 143.20
18	008802641	Mandeni	4 JOHNSTON	SIBISI	RATES/ELECTRICITY	R8 226.88
19	008007864	Mandeni	4 SUNDANCE	ANGUS	RATES/ELECTRICITY	R7 239.49
20	009701172	Mandeni	41 IMPUNZI	MKHWANAZI	RATES/ELECTRICITY	R65 769.49
21	004001281	Mandeni	07 UMSINSI	TSHABALALA	RATES/ELECTRICITY	R6 929.47
22	009702121	Mandeni	42 IMPUNZI	NZIMANDE	RATES/ELECTRICITY	R23 209.88
23	009800421	Mandeni	48 IMPUNZI	YENGWA	RATES/ELECTRICITY	R14 477.53
25	009905161	Mandeni	49 TROGON	WYNNE	RATES/ELECTRICITY	R9 838.86
26	009910391	Mandeni	5 ALOE	MNGADI	RATES/ELECTRICITY	R6 085.24
27	008907042	Mandeni	5 DUBE	RADEBE	RATES/ELECTRICITY	R139 798.46
28	009902501	Mandeni	53 GREIG	NTULI	RATES/ELECTRICITY	R5 845.17
29	009300531	Mandeni	57 PATRYS	MINNIE	RATES/ELECTRICITY	R7 603.28
31	008300671	Mandeni	6 IMPALA	SOKHULU	RATES/ELECTRICITY	R47 919.54
32	009701611	Mandeni	6 ORIBI	LN, XUE	RATES/ELECTRICITY	R51 646.60
33	009909122	Mandeni	7 DUBE	VENTER	RATES/ELECTRICITY	R6 097.81
34	009908621	Mandeni	8 INYATHI	BISSESAR	RATES/ELECTRICITY	R5 517.26
35	009600421	Mandeni	8 SPRINGBOK	ZULU	RATES/ELECTRICITY	R7 244.20
36	009908211	Mandeni	82 PATRYS	GUMEDE	RATES/ELECTRICITY	R66 640.89
37	009910561	Mandeni	9 ALOE	MKUZO	RATES/ELECTRICITY	R9 334.52
39	009900611	Mandeni	9 RICHARDS	NAIDOO	RATES/ELECTRICITY	R20 036.14
40	006609661	Mandeni	11 MIMOSA	ZULU	RATES/ELECTRICITY	R14 758.38
41	009902161	Mandeni	19 FRYE ROAD	SHANGE	RATES/ELECTRICITY	R38 203.81
42	009903711	Mandeni	21 TROGON	MTHEMBU	RATES/ELECTRICITY	R45 139.05
43	008400651	Mandeni	15 ORIBI	MOONSAMY	RATES/ELECTRICITY	R12 167.94
44	009909512	Mandeni	20 UMDONI	BUSANE	RATES/ELECTRICITY	R30 329.41
45	009908471	Mandeni	38 INYATHI	SUKLAL	RATES/ELECTRICITY	R17 501.88
46	009909461	Mandeni	15 UMDONI	CELE	RATES/ELECTRICITY	R9 925.31
47	009401981	Mandeni	32 INYATHI	MTHEMBU	RATES/ELECTRICITY	R4 807.83
48	007900391	Mandeni	5 KUDU RD	MLABA	RATES/ELECTRICITY	R16 502.11
49	009907801	Mandeni	14 KUDU	SITHOLE	RATES/ELECTRICITY	R26 117.73
50	009903001	Mandeni	17 TALBOT	DUBE	RATES/ELECTRICITY	R22 774.31
51	008004671	Mandeni	13 IMPUNZI	MAKHOBHA	RATES/ELECTRICITY	R23 024.85
52	009910291	Mandeni	46 ACACIA	VAN RENSBURG	RATES/ELECTRICITY	R90 550.96
53	009400951	Mandeni	6 DUIKER	PATEL	RATES/ELECTRICITY	R15 904.00
						R1 175 386.69

Figure 9

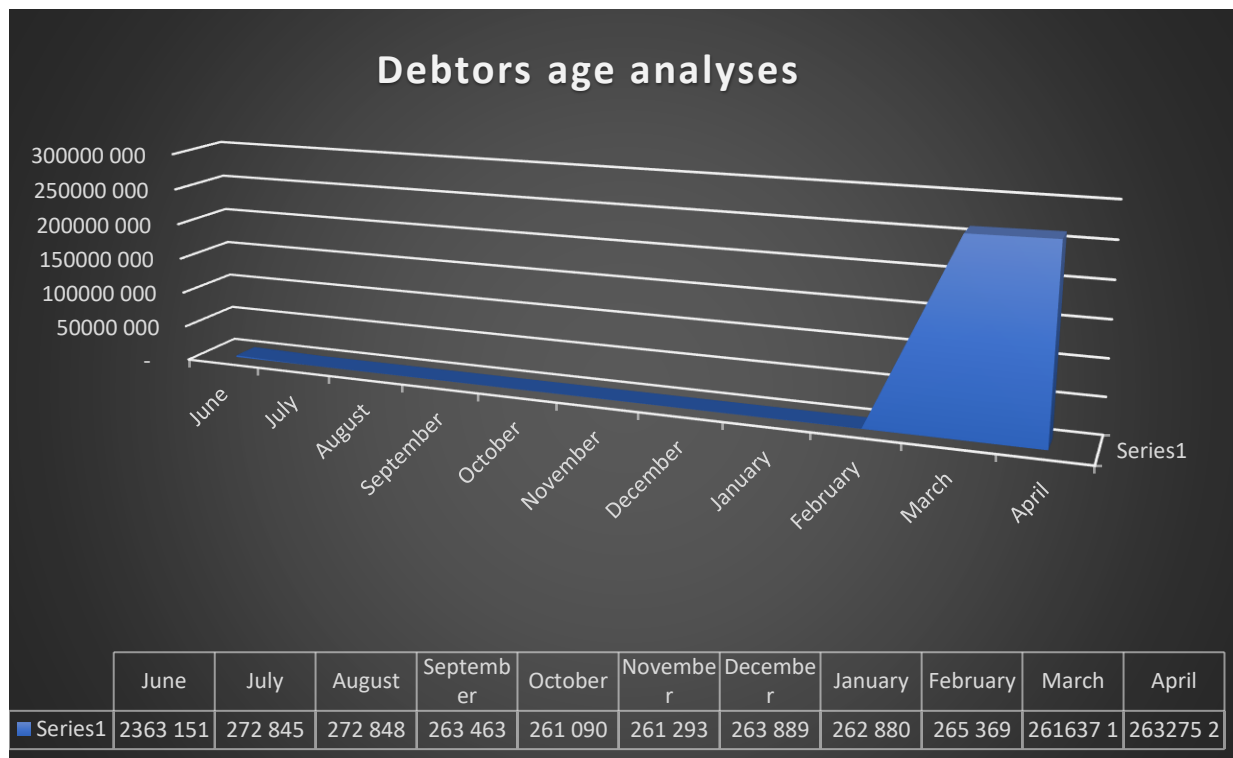
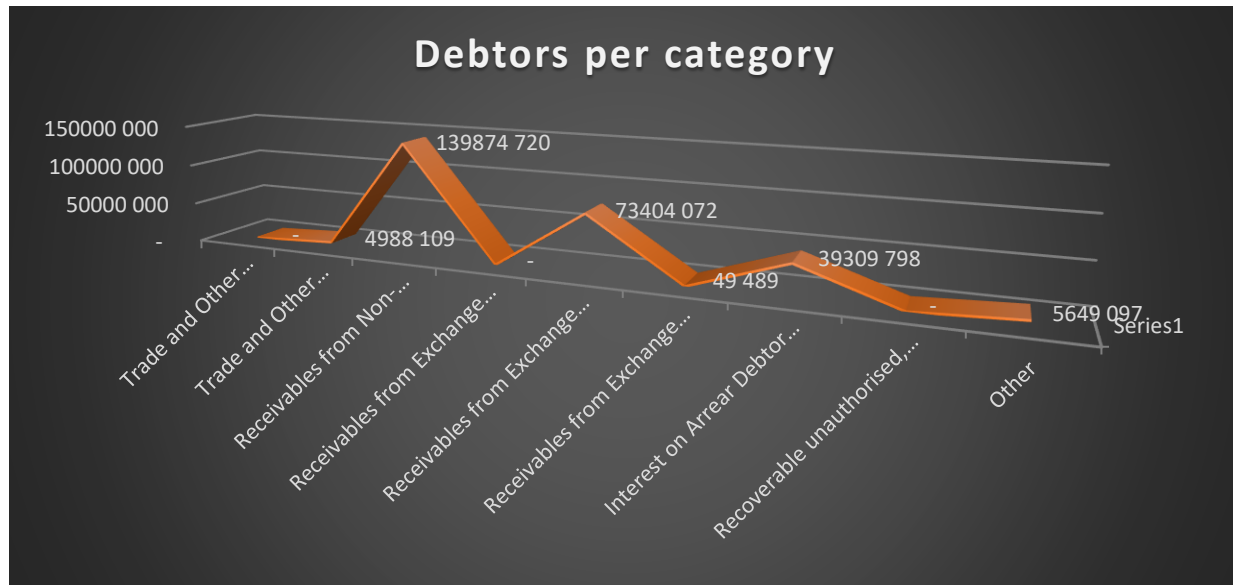
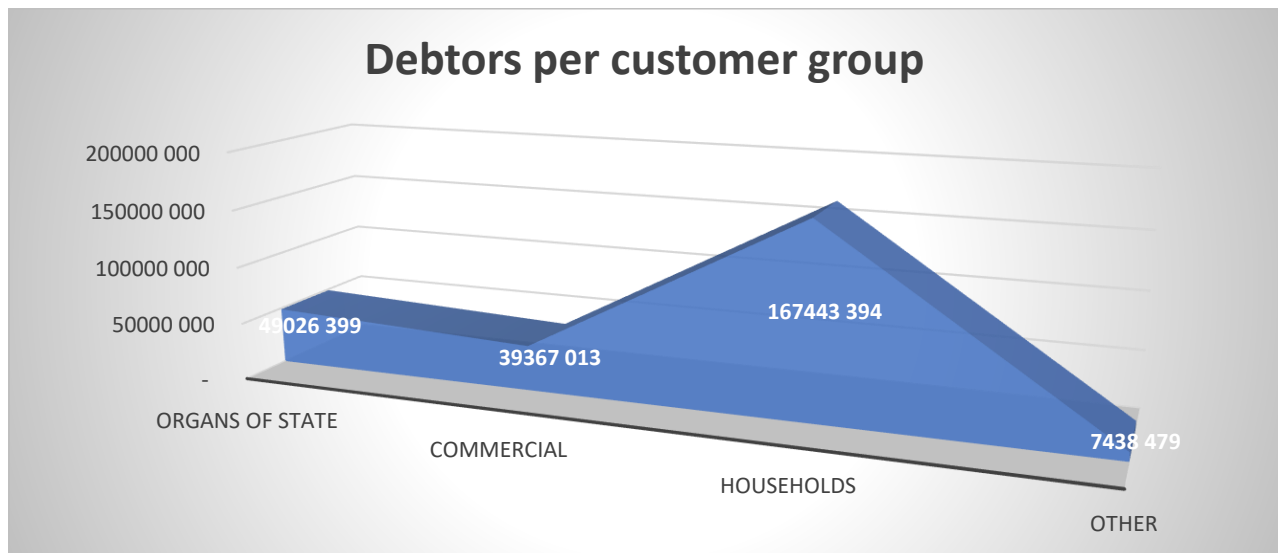


Figure 10



The municipal debtors have reduced from R263,5 million to R261,6 million that is from July 2024 until 30th April 2025. This increase is between Household debtors of 65% and it is followed by Organs of State by 17 % and Business Commercial is 16% and lastly the other debtors with a percentage of 2%.

- **Total Outstanding Debtors from April 2025**



Councilors and Employees in Arrear

- Debt outstanding on Councilors as at April is R16,228
- Staff Accounts in arrears as at April is R 240,147.20

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 - M10 April											Prior year totals for chart
Description	NT Code	Budget Year 2024/25									
		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 deduction	0500	—	—	—	—	—	—	—	—	—	—
Loan repayments	0600	—	—	—	—	—	—	—	—	—	—
Trade Creditors	0700	—	—	—	—	—	—	—	—	—	—
Auditor General	0800	—	—	—	—	—	—	—	—	—	—
Other	0900	921	20	—	—	—	—	—	—	940	940
Total By Customer Type	1000	921	20	—	—	—	—	—	—	940	940

- Creditors aged is R940thousand as of 30th April 2025. (Age analysis listing attached)
- 95% 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:

Top 10 Creditors (APRIL 2025)

Name	Amount
ESKOM HOLDING	R 5 040 194.11
EMALANGENI	R 679 908.54
DCLM	R 297 204.16
BAMBHANANI ENTERPRISE	R 144 689.73
MALUTHULI TRADING	R 283 314.00
EZAMALUNQA	R 1 485 682.00
NJOMISA BOEDERY	R 44 903.91
CITY OF CHOICE	R 111 693.36
ILEMBE MUNICIPALITY	R 100 272.66
CCG SYSTEMS	R 722 759.35

5. MONTHLY BUDGET STATEMENT - FINANCIAL POSITION

Table C6 displays the financial position of the municipality as at 30th April 2025

KZN291 Mandeni - Table C6 Monthly Budget Statement - Financial Position - M10 April						
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	95 107	204 977	78 954
Trade and other receivables from exchange transactions		57 057	33 169	32 945	46 019	33 169
Receivables from non-exchange transactions		13 127	36 042	58 081	36 732	36 042
Current portion of non-current receivables		–	–	–	–	–
Inventory		42 734	38 984	41 490	42 816	38 984
VAT		7 677	53 465	42 217	4 059	53 465
Other current assets		225	–	–	225	–
Total current assets		329 657	240 614	269 840	334 829	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	767 014	732 231	631 390
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		2 372	298	2 008	2 303	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	810 934	776 447	692 232
TOTAL ASSETS		1 043 233	932 846	1 080 774	1 111 276	932 846
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		6 043	–	–	5 673	–
Consumer deposits		170	216	(162)	191	216
Trade and other payables from exchange transactions		54 641	23 220	(48 056)	25 782	23 220
Trade and other payables from non-exchange transactions		9 028	8 284	(8 334)	26 343	8 284
Provision		4 572	8 677	(8 908)	4 572	8 677
VAT		6 698	14 759	(20 562)	8 097	14 759
Other current liabilities		–	–	–	–	–
Total current liabilities		81 153	55 157	(86 022)	70 656	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	(60 252)	91 727	78 150
NET ASSETS	2	941 010	854 696	1 141 026	1 019 549	854 696
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		738 338	852 610	938 978	816 876	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	941 111	1 019 549	854 696

RATIOS FOR THE MONTH

Current ratio: The municipality's current assets are (5) times that of current liabilities.

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 4.74:0.21c 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, R4.74c

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 76%.

Collection days: 811 days it takes the municipality to collect outstanding debt.

Cost coverage: on average the municipality has sustained its existence for the period of 10 months without any grant funding.

Debtors collection rate: as at 9th month is 76%

	4.74
Current Assets	334 828 778
Current Liabilities	70 656 485

	76%
Gross Debtors closing balance	263 395 404.00
Gross Debtors opening balance	236 985 481.35
Bad debts written Off	
Billed Revenue	111 684 321.24

	0%
Consumer Debtors Bad debts written off	
Consumer Debtors Current bad debt Provision	15 130 435.00

	811 days
Gross debtors	263 395 404.00
Bad debts Provision	15 130 435.00
Billed Revenue	111 684 321.24

	0%
PPE, Investment Property and Intangible Impairment	-
PPE at carrying value	725 736 192
Investment at carrying value	41 913 000
Intangible Assets at carrying value	2 309 633

	2%
Total Repairs and Maintenance Expenditure	17 014 000
PPE at carrying value	732 231 000
Investment Property at Carrying value	41 913 000

	5 Month
Cash and cash equivalents	4 317 569
Unspent Conditional Grants	26 322 881
Overdraft	-
Short Term Investments	200 652 051
Total Annual Operational Expenditure	461 700 014

	88%
Cash and cash Equivalents	4 317 569
Bank Overdraft	-
Short Term Investment	200 652 051
Long Term Investment	-
Unspent Grants	26 322 881
Net Assets	1 019 548 645
Share Premium	
Share Capital	
Revaluation Reserve	
Fair Value Adjustment Reserve	
Accumulated Surplus	816 876 322

6. MONTHLY BUDGET STATEMENT -CASH FLOW

Table C7 below display the Cash Flow Statement for the period ending 30th April 2025

KZN291 Mandeni - Table C7 Monthly Budget Statement - Cash Flow - M10 April										
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		(40 544)	31 118	31 118	3 057	40 079	25 932	14 147	55%	31 118
Service charges		(61 601)	75 777	75 777	5 005	60 913	63 148	(2 235)	-4%	75 777
Other revenue		16 188	4 674	24 811	522	4 217	21 338	(17 121)	-80%	4 674
Transfers and Subsidies - Operational		457 666	262 390	254 663	21 782	254 813	214 719	40 094	19%	262 390
Transfers and Subsidies - Capital		102 800	39 760	50 319	-	44 942	41 933	3 009	7%	39 760
Interest		31 127	28 000	28 000	1 705	19 464	23 333	(3 869)	-17%	28 000
Dividends		-	-	-	-	-	-	-		-
Payments										
Suppliers and employees		(463 749)	(392 386)	(418 734)	(25 256)	(322 225)	(321 631)	595	0%	(392 386)
Finance charges		-	(3 300)	(3 300)	-	-	(2 750)	(2 750)	100%	(3 300)
Transfers and Subsidies		-	-	-	-	-	-	-		-
NET CASH FROM/(USED) OPERATING ACTIVITIES		41 887	46 034	42 655	6 815	102 202	66 022	(36 179)	-55%	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)	(156 184)	(10 862)	(106 033)	(130 156)	(24 123)	19%	(146 740)
NET CASH FROM/(USED) INVESTING ACTIVITIES		535 861	(146 740)	(156 184)	(10 862)	(106 033)	(130 156)	(24 123)	19%	(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		577 748	(100 705)	(113 529)	(4 047)	(3 831)	(64 133)			-
Cash/cash equivalents at beginning:		(132 013)	(183 424)	(208 808)	-	208 808	(208 808)			208 808
Cash/cash equivalents at month/year end:		445 736	(284 129)	(322 337)		204 977	(272 941)			-

As per the pre-audited Annual Financial Statements (AFS), the cash and cash equivalents at the beginning of the 2023/24 financial year amounted to R208.8 million. As of 30 April 2025, this balance decreased to R205 million, reflecting a net decrease of -R3.8 million. This outcome is unexpected, as the municipality typically experiences a net increase in cash flows.

Table C7 provides a projection of the anticipated cash inflows and outflows, illustrating the cash flow patterns likely to result from the implementation of the approved budget.


Revenue -Receipts

- The property collection rate to date is 117% or R60.6million of the billed revenue as at April 2025. More sites have been discovered and subsequently linked to the supplementary valuation roll to ensure accurate property assessments.
- Service Charges: Electricity and Refuse is 81% or R64.4million of billed revenue as at April 2025.
- Other Revenue collected to date is R6.3million over a Budget of R6.7million which gives a collection of 69% in 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 April totals R24.3million.
- Government grants received YTD total of R44.9million as at 30th April 2025.
- Interest earned on external investments amounts to R15.3 million in comparison with the year-to-date budget of R23.3million which is an under performance of 53%.

Payments


- Suppliers and employees for cash outflows of R322.2 million. The total payment for suppliers and employees is noted the same as there are payments from the INEP and Title deed.
- Finance charges reflect under performance by 100 percent or R2.8million against YTD actual of R0. Usually, this votes interest is allocated in January and at year end.
- Capital Assets of R 9.4million for the month of April 2025 shows an under-performance of 19% as at April 2025.

6.1. BANK RECONCILIATION STATEMENT AS AT APRIL 2025

<div>  <div>Mandeni Municipality</div> </div>			
BANK RECONCILIATION STATEMENT FOR APRIL 2025			
Main Account :52940480587			
Opening FNB Bank Balance as on APRIL 2025	8 999 551.28	8 999 551.28	
PLUS: Deposits Banked	10 053 725.24		
PLUS: Interest received	23 087.91		
PLUS: Transfers In	26 213 285.00		
PLUS:Interest received From Call 1	282 355.16		
PLUS:Unpaid	57 778.42		
PLUS: MATURED INVESTMENTS	-		
PLUS: SARS REFUND	2 165 544.98		
PLUS: GRANTS RECEIVED	-		
Total Deposits	38 795 776.71	38 795 776.71	
Less:Total payments	- 43 477 758.87	- 43 477 758.87	
LESS: EFT Payments	- 42 436 760.44		
LESS: Bank Charges	- 22 945.53		
LESS: Transfers Out	-		
LESS: NEW INVESTMENTS	-		
LESS: Debit Orders	- 1 018 052.90		
Closing FNB Bank Balance as on 30 APRIL 2025		4 317 569.12	
Cashbook Reconciliation for 30 APRIL 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	- 2 112 252 018.86		
OPENING BALANCE 1/07/2024-INTEREST	593 200.30		
OPENING BALANCE-1/7/2024 -BANK CHARGES	- 1 380 300.52		
TOTAL OPENING BALANCE 1/07/2024	9 350 047.69		
Cashbook Balance as on 1 APRIL 2025-D0001/IA09567/F0001/X049/R0099/001/FIN	635 648 055.43		
Less:Cashbook Balance as on 1 APRIL 2025-D0001/IA09850/F0001/X049/R0099/001/FIN	(636 131 894.20)		
Corrections to be made (JNL CR)	- 13 007.88		
Corrections to be made (JNL DR)	3 570.00		
PLUS: Deposits Banked for APRIL 2025	10 111 503.66		
LESS: EFT Payments for APRIL 2025	- 42 436 760.44		
Plus MARCH 2025 outstanding (reconciled)	510.00		
Less: Bank Charges to date	- 234 597.76		
PLUS: Grant received	-		
Less : New investment	-		
Less: Payments not yet paid during APRIL 2025	-		
PLUS: Interest received to date	377 034.94		
PLUS:Interest received From Call 1-APRIL 2025	282 355.16		
PLUS MATURED INVESTMENT	-		
PLUS :SARS REFUND	2 165 544.98		
PLUS :TRANSFER IN	26 213 285.00		
LESS:TRANSFER OUT	-		
LESS: Debit Orders for -APRIL 2025	- 1 018 052.90		
Closing Cashbook Balance as on 30 APRIL 2025	4 317 593.68	4 317 593.68	
Reconciling Items	Amount		
ADD: Journal Debits - on Cashbook not on Bank Statement	0.00		
ADJUSTED MONTH END CASHBOOK BALANCE- 30 APRIL 2025		4 317 593.68	
MONTH END BALANCE PER BANK STATEMENT- 30 APRIL 2025		4 317 569.12	
DIFFERENCE		24.56	

6.2. MONTHLY BUDGET STATEMENT- INVESTMENT PORTFOLIO

The following information presents the short-term investments balances broken down per investment type as of 30 APRIL 2025

<div>  INVESTMENT REGISTER FOR APRIL 2025 </div>									
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
			2025/04/01					2025/04/30	
		%	R	R	R	R	R	R	R
call 1-internal grant	61294217372	7.20	57 627 458.99	-	21 782 355.16	282 355.16	-	36 127 458.99	2 404 489.86
Call account 2 - HOUSING	62028673219	7.20	2 193 513.19	-	-	12 016.25	-	2 205 529.44	22 816.19
Call account 3-MIG	62812286400	7.20	20 362 495.96	-	3 451 644.44	98 874.14		17 009 725.66	792 262.12
Call account 5-TMT	62113325882	7.20	527 151.00	-	-	2 887.76	23.70	530 015.06	25 655.92
Call account 6-INEP	62527527462	7.20	1 503 387.52		-	8 235.68	-	1 511 623.20	66 621.30
Call account 7-AR	62538203449	7.20	4 962 609.35		524 665.41	26 215.92	-	4 464 159.86	266 821.66
Call account 8-Title Deed	62812286963	7.20	4 290 052.84		379 418.00	22 252.95	-	3 932 887.79	236 683.59
Call account 9-Disaster Recovery	63048438097	7.20	5 200 700.21	-	357 557.15	27 507.65	-	4 870 650.71	35 368.17
ABSA BANK	208168-2978	9.78	100 000 000.00			1 125 369.86		100 000 000.00	8 199 123.28
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	-		-	-		-	763 298.63
ABSA BANK	20-8187-5210	8.09	-	30 000 000.00				30 000 000.00	285 920.54
FNB-MAIN BANK	52940480587					23 087.91			346 713.21
TOTAL			196 667 369.06	30 000 000.00	(26 495 640.16)	1 628 803.28	(23.70)	200 652 050.71	17 128 290.14

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

KZN291 Mandeni - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April										
Summary of Employee and Councillor remuneration	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	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 378	13 768	13 768	1 059	10 991	11 473	(482)	-4%	13 768
Pension and UIF Contributions		—	—	—	—	—	—	—	—	—
Medical Aid Contributions		—	—	—	—	—	—	—	—	—
Motor Vehicle Allowance		528	675	675	37	375	562	(187)	-33%	675
Cellphone Allowance		1 491	1 687	1 687	124	1 241	1 406	(164)	-12%	1 687
Housing Allowances		167	258	258	11	105	215	(110)	-51%	258
Other benefits and allowances		—	—	—	—	—	—	—	—	—
Sub Total - Councillors		14 564	16 388	16 388	1 232	12 713	13 656	(944)	-7%	16 388
% increase	4		12.5%	12.5%						12.5%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		3 865	5 876	5 555	461	3 951	4 629	(678)	-15%	5 876
Pension and UIF Contributions		1	11	10	—	—	8	(8)	-100%	11
Medical Aid Contributions		163	42	145	25	222	121	101	84%	42
Overtime		—	—	—	—	—	—	—	—	—
Performance Bonus		380	499	380	570	570	317	253	80%	499
Motor Vehicle Allowance		716	871	866	60	596	721	(125)	-17%	871
Cellphone Allowance		272	195	268	29	285	223	62	28%	195
Housing Allowances		114	278	278	14	142	232	(90)	-39%	278
Other benefits and allowances		347	286	440	40	401	366	35	10%	286
Payments in lieu of leave		—	—	—	—	—	—	—	—	—
Long service awards		—	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	2	5 131	3 736	3 736	—	—	3 113	(3 113)	-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	1 199	6 169	9 731	(3 562)	-37%	11 794
% increase	4		7.3%	6.3%						7.3%
Other Municipal Staff										
Basic Salaries and Wages		83 417	94 130	93 544	8 575	82 101	77 954	4 147	5%	94 130
Pension and UIF Contributions		13 566	15 938	16 131	1 437	13 103	13 442	(340)	-3%	15 938
Medical Aid Contributions		6 332	6 180	6 801	689	6 368	5 668	701	12%	6 180
Overtime		3 361	2 469	2 996	416	3 172	2 496	675	27%	2 469
Performance Bonus		6 601	6 513	5 362	668	5 780	4 469	1 311	29%	6 513
Motor Vehicle Allowance		4 751	5 495	5 798	428	4 154	4 832	(678)	-14%	5 495
Cellphone Allowance		617	604	784	66	627	654	(27)	-4%	604
Housing Allowances		315	362	380	28	284	317	(33)	-10%	362
Other benefits and allowances		983	887	988	235	1 732	823	909	110%	887
Payments in lieu of leave		3 462	2 718	2 627	—	187	2 189	(2 002)	-91%	2 718
Long service awards		355	1 407	1 407	93	419	1 172	(753)	-64%	1 407
Post-retirement benefit obligations	2	(1 041)	4 047	4 047	—	—	3 372	(3 372)	-100%	4 047
Entertainment		—	—	—	—	—	—	—	—	—
Scarcity		—	—	—	—	—	—	—	—	—
Acting and post related allowance		—	—	—	—	—	—	—	—	—
In kind benefits		—	—	—	—	—	—	—	—	—
Sub Total - Other Municipal Staff		122 720	140 748	140 866	12 635	117 927	117 388	539	0%	140 748
% increase	4		14.7%	14.8%						14.7%
Total Parent Municipality		148 273	168 930	168 930	15 065	136 809	140 775	(3 967)	-3%	168 930

8. External Loan
NONE

9. Performance Indicators

KZN291 Mandeni - Supporting Table SC2 Monthly Budget Statement - performance indicators - M10 April							
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%	8.9%	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%	-3.3%	7.7%	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%	-313.7%	473.9%	436.2%
Liquidity Ratio	Monetary Assets/Current Liabilities		257.3%	143.1%	-110.6%	290.1%	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%	34.5%	31.0%	34.1%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		4.3%	5.3%	5.5%	4.3%	5.3%
Interest & Depreciation	I&D/Total Revenue - capital revenue		8.0%	9.2%	9.3%	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 **April 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 **21 May 2025**