

UBUNTU LOCAL MUNICIPALITY

Ubuntu Municipality



*menswaardigheid • hoop • erfenis
ubuntu • ithemba • izithethe
humanity • hope • heritage*

SECTION 71 SEPTEMBER 2024

DISTRIBUTION:

Executive Mayor: **Mrs C Jantjies**

Municipal Manager: **Mr. LS Itumeleng**

Chief Financial Officer: **Vacant**

Sector Departments: **National and Provincial Departments**

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PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING SEPTEMBER 2024

TO: THE EXECUTIVE MAYOR

FROM: THE DIRECTORATE: FINANCIAL SERVICES: BUDGET & TREASURY OFFICE

MUNICIPAL FINANCE MANAGEMENT ACT (MFMA): SECTION 71: IN-YEAR MONTHLY BUDGET STATEMENT FOR THE PERIOD ENDING JULY 2024

● 1. Purpose

The purpose of this report is to comply with section 71 of the MFMA and the requirements as promulgated in the Government Gazette No 32141 of 17 June 2009 by the submission of a monthly budget statement to the Executive Mayor, National and Provincial Treasuries containing prescribed financial performance particulars for that reporting month and for the financial year up to the end of that month, as legislated.

The municipality is aware of the critical importance of having a minimum 3 month's cash coverage as a directive and required norm from National Treasury. This has been the focus of the municipality for the past months in ensuring that Ubuntu Local Municipality recovers fully to ensure its sustainability and financial viability. Consistent actions will have to be undertaken to realize this target and Council's buy-in be secured to turn the municipality around. The municipality's main goal is to remain positive and committed in stabilizing the financial state of the municipality, improving its cash position and improving on the quality-of-service delivery.

In order for the municipality to thrive, overall performance must improve, the quality of services rendered should also improve, accountability be enforced, which must be complimented by strict consequence management. Consideration should be given to the service delivery and financial implications of all decisions taken. In executing their responsibilities, municipal officials must ensure that acts, regulations and policies are adhered to diligently, consistently and fairly. The municipality should enhance revenue collection and ensure that operational and capital funds are spent well for the purposes budgeted for.

● 2. Background

Section 71 of the MFMA and in terms of Government Notice No. 32141 dated 17 June 2009, regarding the “Local Government: Municipal Finance Management Act 2003 and the Municipal Budget and Reporting Regulations” necessitates those specific financial particulars be reported on and in the format prescribed, hence this report to meet legislative compliance. ‘The monthly budget statement of a municipality must be in the format specified in Schedule C and include all the required Tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act’. Further, Section 71 of the MFMA requires that, “the accounting officer of a municipality must not later than 10 working days after the end of each month submit to the Mayor of the municipality, and the relevant national and provincial treasuries, a statement in the prescribed format on the state of the municipality’s budget reflecting certain particulars for that month and for the financial year up to end of that month”. For the reporting period ending 30 September 2024, the 10-working day reporting period expires on the 12 October 2024. The National Treasury will use the data collected from the mSCOA data strings which must be submitted before or on the 12 October 2024.

● 3. Executive summary

The Statement of Financial Performance shown in Annexure A, Table C4, is prepared on the prescribed monthly C-schedules, detailing Revenue by source and Expenditure by type. The consolidated summary of the financial performance is indicated in Table 1 and 2 below:

Description R'000	YTD Budget Sept. 2024	YTD Actual Sept. 2024	Variance Favourable (Unfavourable)	%YTD Actual vs YTD Budget
Total Revenue (excl. Capital transfers and contributions)	34 346	44 447	(10 101)	-23%
Total Revenue (incl. Capital transfers and contributions)	34 346	44 447	(10 101)	-23%
Total Operational Expenditure	32 611	44 392	(11 781)	27%

3.1 Revenue by source Q01

Property rates

The Municipality levied property rates to the total amount R1 310 966,00.

Electricity service revenue

- o Total electricity sales amounted to R3 778 783,00.

Water service revenue

- o Water service charges at R3 000 821,00.

Sanitation service charges

- o Sewer revenue totalled of R379 854,00.

Refuse removal service charges.

- o Refuse service charges at R882 721,00

Operating Expenditure by type

Description R'000	Original Budget	YTD Actual Sept. 2024	Variance Favourable (Unfavourable)	%YTD Actual vs Original Budget	%Variance Favourable (Unfavourable) Ideal IYM%- 8.33%
Total Revenue (excl. Capital transfers and contributions)	177 790	44 447	(10 101)	-23%	34 346
Total Revenue (incl. Capital transfers and contributions)	177 790	44 447	(10 101)	-23%	34 346
Total Operational Expenditure	177 570	32 611	44 392	(11 781)	-27%

Employee Related Cost

- o Employee Related costs for Q01 2024 were R10 324 340,98

Bulk Purchases

- o There are R 481 147,00 water bulk purchases and there was R9 606 487,98 electricity bulk purchases for Q01 of 2025

Other Materials (Repairs and Maintenance)

- o There were R 18 909,00 Vehicle repairs and maintenance for Q01 2024

Contracted Services

- o Contracted services for the month of September 2024 amounted to R 3 695 329,05.

Other Expenditures

- o other expenditures for August 2024 amounted to R 1 637 110,00

● 4. Budget performance overview

4.1 Operating Revenue by Source

NC071 Ubuntu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		19 601	26 284	-	1 088	3 779	6 571	(2 792)	-42%	26 284
Service charges - Water		12 248	18 063	-	(8)	3 001	4 516	(1 515)	-34%	18 063
Service charges - Waste Water Management		4 427	4 714	-	38	740	1 179	(439)	-37%	4 714
Service charges - Waste management		5 012	5 765	-	-	883	1 441	(559)	-39%	5 765
Sale of Goods and Rendering of Services		33	91	-	32	35	23	12	52%	91
Agency services		534	893	-	15	82	223	(142)	-63%	893
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 873	9 196	-	-	1 110	2 299	(1 189)	-52%	9 196
Interest from Current and Non Current Assets		2 009	1 635	-	175	628	409	219	54%	1 635
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		92	441	-	0	15	110	(95)	-86%	441
Rental from Fixed Assets		422	586	-	-	1	147	(146)	-99%	586
Licence and permits		205	488	-	59	109	122	(13)	-11%	488
Operational Revenue		298	2 245	-	-	13	561	(548)	-98%	2 245
Non-Exchange Revenue										
Property rates		21 793	28 734	-	(115)	1 311	7 183	(5 872)	-82%	28 734
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		4	20 639	-	0	0	5 160	(5 159)	-100%	20 639
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		60 533	58 016	-	255	22 084	14 504	7 580	52%	58 016
Interest		2 654	-	-	-	557	-	557	#DIV/0!	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		686	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		137 423	177 790	-	1 539	34 346	44 447	(10 101)	-23%	177 790

Comparison YTD Actual against YTD Budget

Exchange Revenue

Service charges - Electricity is showing a un-favourable variance of -42%. The over-statement of the services charges for electricity is caused by non-collection of electricity revenue in Eskom supplied areas.

Service charges - Water is showing an un-favourable variance of 34% due to water losses experience as a result of ageing infrastructure and lack of smart meters to restrict legislated quantities for indigent customers.

Service charges - Waste Water Management shows an un-favourable variance o

4.2 Operating Expenditure by Type

NC071 Ubuntu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Q1 First Quarter

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 By Type										
Employee related costs		35 788	53 930	-	3 615	10 324	13 482	(3 158)	-23%	53 930
Remuneration of councillors		5 081	4 864	-	415	1 251	1 216	36	3%	4 864
Bulk purchases - electricity		25 230	22 970	-	2 652	9 606	5 742	3 864	67%	22 970
Inventory consumed		2 908	3 404	-	322	711	851	(139)	-16%	3 404
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		18 546	27 518	-	-	-	6 880	(6 880)	-100%	27 518
Interest		3 093	5 779	-	39	269	1 445	(1 176)	-81%	5 779
Contracted services		12 918	18 282	-	1 819	3 695	4 571	(875)	-19%	18 282
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		30 478	21 200	-	-	-	5 300	(5 300)	-100%	21 200
Operational costs		31 205	19 624	-	4 328	6 753	4 906	1 847	38%	19 624
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		(925)	-	-	-	-	-	-	-	-
Total Expenditure		164 321	177 570	-	13 190	32 611	44 392	(11 781)	-27%	177 570
Surplus/(Deficit)		(26 898)	220	-	(11 651)	1 735	55	1 680	0	220
Transfers and subsidies - capital (monetary allocations)		32 748	30 872	-	-	-	7 718	(7 718)	(0)	30 872
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092

Comparison of YTD Actual to YTD Budget

Total operating expenditure to date amounts R 32 610 927.77 for the first Quarter of 2024/25 FY, compared to the budgeted amount of R44 392 000,00.

- ❖ The above is reflected by under-spending on Employee related cost by (23%), R10,324m was incurred whilst R13,382m was budgeted for the 1st quarter;
- ❖ Overspending of 67% on bulk electricity purchases is reflected by budget of R5,742m and actual spending of R9,606m,
- ❖ An under-expenditure on inventory consumed came to (16%), with actual spending at R711k and budgeted for R851k,
- ❖ A journal for Depreciation and amortisation was not processed for the period resulting in a 100% variance since an amount of R6,880m was budgeted for the period,
- ❖ Interest was over-budgeted for at R1,445m for the period resulting in a variance of 81% due to a lower actual expenditure of R269k,

- ❖ Contracted services were over-budgeted for at R4,571m whilst actual figure came to R3,695m, showing a variance of 19% favourable,
- ❖ A journal for Irrecoverable debts written-off for the period was not processed resulting in a 100% variance since an amount of R5,300m for was budgeted for,
- ❖ Over-expenditure was incurred as it relates to Operational Expenses amounting to R6,753m when it was budgeted for at R4,906m resulting in a variance of 38%.

Comments

- ❖ Management commitment is required to enable an accurate and complete explanations of the variances observed,
- ❖ Management should make a commitment to correct errors in the report, including processing required journals and noting areas which are over- and under-spending,
- ❖ Bulk purchases of Water is not explicitly reflected in the report to enable easy reading by the user of the financial information contained.
- ❖

4.3Capital expenditure

NC071 Ubuntu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Q1 First Quarter

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									
Multi-Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		66	-	-	-	-	-	-	-	-
Vote 2 - Financial Services Directorate		-	-	-	-	-	-	-	-	-
Vote 3 - Corporate & Community Services		-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure & Planning		30 248	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital Multi-year expenditure	4,7	30 314	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Single Year expenditure appropriation	2									
Vote 1 - Office of the Municipal Manager		404	-	-	-	-	-	-	-	-
Vote 2 - Financial Services Directorate		(25)	-	-	-	-	-	-	-	-
Vote 3 - Corporate & Community Services		-	-	-	-	-	-	-	-	-
Vote 4 - Infrastructure & Planning		-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-
Vote 6 - Executive and Council		-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Capital single-year expenditure	4	379	-	-	-	-	-	-	-	-
Total Capital Expenditure		30 693	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Capital Expenditure - Functional Classification										
Governance and administration		445	-	-	-	-	-	-	-	-
Executive and council		470	-	-	-	-	-	-	-	-
Finance and administration		(25)	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		30 248	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Energy sources		2 609	-	-	-	-	-	-	-	-
Water management		27 639	5 137	-	-	-	1 284	(1 284)	-100%	5 137
Waste water management		-	25 735	-	1 316	7 196	6 434	762	12%	25 735
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	30 693	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Funded by:										
National Government		30 248	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-
Transfers recognised - capital		30 248	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		445	-	-	-	-	-	-	-	-
Total Capital Funding		30 693	30 872	-	1 316	7 196	7 718	(522)	-7%	30 872

The report on Capital Expenditure reflects 2 projects budgeted for the year, which amounts to R30,8m under the directorate of Infrastructure and Planning, being R5,137m for Water Management and R25,7m for Waste Water management.

- ❖ No expenditure was incurred for the Water Management project budgeted for at R1,284m for the period, resulting in a variance of 100%,
- ❖ An amount of R7,196m was spent for the Waste Water Management, the project was budgeted to spend R6,434m for the period resulting in a variance of 12%.

4.4 Cash flows

Collection Rate Assessment					
Aggregate Collection	Summary - Quarter 1				Q1
	Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation	13 889 674	12 537 402	1 352 273	90%	90%
2.Collection <u>excl Eskom supplied areas</u>	4 571 977	2 440 610	2 131 367	53%	53%
3.Collection: Property Rates	1 263 189	7 800 944	(6 537 755)	618%	618%
4.Total average collection: Electricity (Municipal supplied areas)	3 394 933	1 526 211	1 868 722	45%	45%
5.Total average collection: Water	4 275 859	1 238 684	3 037 175	29%	29%
6.Total average collection: Wastewater	1 042 296	252 317	789 978	24%	24%
7.Total average collection: Refuse	1 320 788	553 189	767 598	42%	42%
8.Total average collection: Interest	2 592 610	1 166 056	1 426 554	45%	0%

The table above is a summary of the 1st quarter collection on service charges

- Water- 45%
- Waste water 29%
- Refuse 24%
- Electricity 618% for all supplied demarcations

- Collection rate per ward

Complete This Section			Quarter 1 Performance Per Ward				
Services	Electricity Supplier	Ward Name & Number	Billing	Collection	R - Billing not collected	% Collection	Q1
Property Rates Tax	Mun Supplied	Ward 1 - Lynwood Manor	367 580	916 057	(548 477)	249%	249%
Electricity			1 420 245	277 670	1 142 575	20%	20%
Water			525 763	259 969	265 794	49%	49%
Refuse			157 328	78 720	78 608	50%	50%
Waste Water			175 927	48 727	127 200	28%	28%
Interest			413 013	103 794	309 219	25%	25%
Property Rates Tax	Eskom supplied	Ward 2 - Glenstatmia	98 028	691 948	(593 920)	706%	706%
Electricity			21 973	1 279	20 694	6%	6%
Water			973 349	188 828	784 521	19%	19%
Refuse			399 659	137 574	262 085	34%	34%
Waste Water			386 098	55 738	330 360	14%	14%
Interest			713 753	83 057	630 696	12%	12%
Property Rates Tax	Mun Supplied	Ward 3 - Hatfield	112 245	83 402	28 843	74%	74%
Electricity			693 277	391 954	301 323	57%	57%
Water			38 611	128 846	(90 234)	334%	334%
Refuse			156 769	53 910	102 859	34%	34%
Waste Water			157 745	49 848	107 897	32%	32%
Interest			353 474	47 713	305 761	13%	13%
Property Rates Tax			123 773	148 602	(24 829)	120%	120%
Electricity			248 031	93 584	154 448	38%	38%
Water			680 101	287 815	392 286	42%	42%
Refuse			261 556	96 279	165 277	37%	37%
Waste Water			154 508	43 935	110 572	28%	28%
Interest			397 153	41 785	355 367	11%	11%
Property Rates Tax			436 528	4 767 257	(4 330 729)	1092%	1092%
Electricity			821 929	547 754	274 175	67%	67%
Water			1 811 032	286 288	1 524 744	16%	16%
Refuse			207 660	140 394	67 265	68%	68%
Waste Water			88 102	32 624	55 479	37%	37%
Interest			561 867	802 273	(240 406)	143%	143%
Property Rates Tax			125 035	1 193 678	(1 068 642)	955%	955%
Electricity			189 477	213 969	(24 492)	113%	113%
Water			247 003	86 938	160 065	35%	35%
Refuse			137 816	46 311	91 505	34%	34%
Waste Water			79 916	21 446	58 470	27%	27%
Interest			153 350	87 435	65 916	57%	57%

The Challenges on the cashflow is due to late and non-payments of consumers. The Credit control policy is being implemented to cut the services for the non-paying consumers and departments and only restored when a payment is received or an arranged

● 5. In-year budget statement tables

NC071 Ubuntu - Table C6 Monthly Budget Statement - Financial Position - Q1 First Quarter

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		13 377	32 259	–	27 711	32 259
Trade and other receivables from exchange transactions		13 549	50 679	–	40 392	50 679
Receivables from non-exchange transactions		5 609	100	–	5 581	100
Current portion of non-current receivables		–	–	–	–	–
Inventory		157	86	–	129	86
VAT		21 183	7 173	–	23 573	7 173
Other current assets		395	76	–	480	76
Total current assets		54 270	90 372	–	97 867	90 372
Non current assets						
Investments		–	–	–	–	–
Investment property		60 576	50 234	–	66 060	50 234
Property, plant and equipment		552 211	595 179	–	577 365	595 179
Biological assets		–	–	–	–	–
Living and non-living resources		–	–	–	–	–
Heritage assets		–	–	–	–	–
Intangible assets		(2)	56	–	13	56
Trade and other receivables from exchange transactions		–	–	–	–	–
Non-current receivables from non-exchange transactions		–	–	–	–	–
Other non-current assets		–	–	–	–	–
Total non current assets		612 784	645 470	–	643 438	645 470
TOTAL ASSETS		667 054	735 842	–	741 305	735 842
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	245	–	–	245
Consumer deposits		128	93	–	133	93
Trade and other payables from exchange transactions		124 648	41 238	–	124 234	41 238
Trade and other payables from non-exchange transactions		6 874	11 652	–	19 286	11 652
Provision		5 250	8 101	–	5 213	8 101
VAT		9 463	–	–	10 743	–
Other current liabilities		109	–	–	116	–
Total current liabilities		146 472	61 328	–	159 725	61 328
Non current liabilities						
Financial liabilities		–	113	–	–	113
Provision		15 622	6 210	–	14 941	6 210
Long term portion of trade payables		–	89 117	–	–	89 117
Other non-current liabilities		4 219	4 647	–	5 091	4 647
Total non current liabilities		19 841	100 087	–	20 032	100 087
TOTAL LIABILITIES		166 313	161 414	–	179 756	161 414
NET ASSETS	2	500 741	574 428	–	561 549	574 428
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		500 741	574 428	–	561 549	574 428
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	500 741	574 428	–	561 549	574 428

PART 2: SUPPORTING DOCUMENTATION

● 6. Debtors' Analysis

NC071 Ubuntu - Supporting Table SC3 Monthly Budget Statement - aged debtors - Q1 First Quarter

Description	NT Code	Budget Year 2024/25										Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days		
R thousands													
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	1 485	2 447	1 347	983	1 186	1 079	926	65 811	75 263	69 984	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	982	590	638	336	324	258	288	12 785	16 202	13 991	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	224	273	1 274	1 145	1 114	1 225	1 083	50 761	57 100	55 328	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	453	445	414	406	404	400	397	28 062	30 979	29 668	-	-
Receivables from Exchange Transactions - Waste Management	1600	524	509	478	464	462	451	445	31 284	34 617	33 106	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	53	46	46	45	44	44	44	2 372	2 694	2 549	-	-
Interest on Arrear Debtors Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	7	1	1	0	0	0	0	98	108	99	-	-
Total By Income Source	2000	3 728	4 311	4 197	3 378	3 534	3 458	3 182	191 174	216 962	204 725	-	-
2023/24 - totals only		10414347	10824139	8325872	8625761	3698602	3580200	3545163	153184190	202 398	172 834	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	596	524	1 016	857	858	892	848	34 041	39 632	37 496	-	-
Commercial	2300	473	1 589	636	378	398	350	295	9 355	13 473	10 775	-	-
Households	2400	2 425	1 955	2 230	1 905	2 038	1 983	1 821	132 540	146 898	140 287	-	-
Other	2500	235	243	315	239	239	233	218	15 238	16 959	16 167	-	-
Total By Customer Group	2600	3 728	4 311	4 197	3 378	3 534	3 458	3 182	191 174	216 962	204 725	-	-

Measures implemented to reduce outstanding debt and time-frame

Category	Measures	Time frame
Organs of State	<ul style="list-style-type: none"> ● Seek meetings with management of organs of state owing the municipality to make payment arrangements, ● Communicate amount owed and arrangements entered into to the provincial and national treasuries, and COGHSTA and Salga for intervention and support, ● Arrange monthly standing meetings with state owned entities' management to discuss progress on the account, challenges and successes, 	2 nd Quarter 2024/25 FY 2 nd Quarter 2024/25 FY Monthly commencing November 2024
Commercial	<ul style="list-style-type: none"> ● Reinforce the list and contact details of commercial organizations doing business within the municipal boundaries, 	November 2024 2 nd Quarter 2024/25 FY

	<ul style="list-style-type: none"> ● Organise meetings to discuss statuses of the accounts of commercial entities within the municipality, ● The meetings will be held per commercial entity at a time. No matters of one commercial entity will be exposed to other commercial entities within the municipal area, ● Establish a working relationship with officials responsible for handling accounts at commercial entities, 	<p>2nd Quarter 2024/25 FY</p> <p>Monthly</p>
Households	<ul style="list-style-type: none"> ● Credit control measures are being executed relating to households that are in arrears, by cutting off their supplies, ● Encourage customers to enter into arrangements with the municipality in respect of their arrears, ● Consider Extended Service Package (ESP) for pensioners and poor residents who cannot afford the services due to lack of financial muscles. 	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>

Review of the Indigent register

- ❖ Ubuntu Local Municipality has a dedicated official, who amongst other responsibility, is required to update the Indigent register on a continuous basis,
- ❖ The supervisor reviews the register on a monthly basis to confirm accuracy and completeness,
- ❖ A standardised process exists and is communicated accordingly to residents for the registration of indigents in the register,

● 7. Creditors' Analysis

NC071 Ubuntu - Supporting Table SC4 Monthly Budget Statement - aged creditors - Q1 First Quarter

Description	NT Code	Budget Year 2024/25								Total	Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year		
R thousands											
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	2 594	73	14	7	1	-	6 373	86 650	95 711	97 664
Bulk Water	0200	161	209	114	-	-	-	-	-	484	399
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	299	-	-	-	-	-	-	-	299	257
Loan repayments	0600	-	-	-	-	-	-	-	17	17	17
Trade Creditors	0700	1 846	345	556	1 959	509	6	171	322	5 714	8 071
Auditor General	0800	924	422	71	-	5	230	3 359	8 299	13 310	9 467
Other	0900	347	345	-	-	-	-	-	104	796	119
Medical Aid deductions										-	-
Total By Customer Type	1000	6 171	1 394	754	1 965	515	236	9 903	95 393	116 332	115 994

- The Eskom data strings reconcile with INVOICE
- The Municipality has paid the ESKOM and the proof of payments have been uploaded on the Go-Muni
- For Quarter 1 the Municipality has paid Eskom Bulk R7 748 203.99A

● 8. Investment portfolio analysis

NC071 Ubuntu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Q1 First Quarter

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
		Yrs/Months												
R thousands														
Municipality														
2 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	222	1	-	-	223
3 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	33 536	42	(5 625)	-	27 953
4 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	10 753	54	(3 205)	-	7 602
5 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	1 630	9	-	-	1 639
6 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	248	1	(79)	-	170
7 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	73	4	-	-	77
8 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	3 307	13	(1 524)	-	1 797
9 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	178	-	-	-	178
10 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	4 065	8	(1 513)	-	2 560
11 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	(680)	-	-	-	(680)
12 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	2 404	24	-	-	2 428
13 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	4 246	17	(614)	-	3 649
Municipality sub-total										59 981	175	(12 559)	-	47 596
Entities														
														-
														-
														-
														-
														-
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									59 981	175	(12 559)	-	47 596

The Municipality currently has call account investments in one bank- FNB which a primary bank account

- ❖ Account number-54062338032
- ❖ Period of investment- Investments are on ongoing and call accounts
- ❖ Interest rates-

INVESTMENT	INTEREST RATE
Library	6.4 %
IOT	6.25%
Own Funds	6.25%
Retention	6.4%
WSIG	6.4
EPWP	6%
ESKOM	6.4%

FMG	6.25%
MIG	6.4%
Electrical Grant	6.4%

9. Allocation and grant receipts and expenditure

NC071 Ubuntu - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Q1 First Quarter

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:		3 878	4 100	–	–	3 200	1 025	2 175	212.2%	4 100
Expanded Public Works Programme Integrated Grant		978	1 200	–	–	300	300	–		1 200
Local Government Financial Management Grant		2 900	2 900	–	–	2 900	725	2 175	300.0%	2 900
	3									
Other transfers and grants [insert description]										
Provincial Government:		–	–	–	–	–	–	–		–
	4									
Other transfers and grants [insert description]										
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		1 460	1 527	–	–	–	382	(382)	-100.0%	1 527
Northern Cape Arts and Cultural		1 460	1 527	–	–	–	382	(382)	-100.0%	1 527
Total Operating Transfers and Grants	5	5 338	5 627	–	–	3 200	1 407	1 793	127.5%	5 627
Capital Transfers and Grants										
National Government:		35 349	30 872	–	–	12 979	7 718	5 261	68.2%	30 872
Energy Efficiency and Demand Side Management Grant		–	–	–	–	–	–	–		–
Integrated National Electrification Programme Grant		3 000	–	–	–	–	–	–		–
Municipal Infrastructure Grant		23 899	10 872	–	–	2 979	2 718	261	9.6%	10 872
Water Services Infrastructure Grant		8 450	20 000	–	–	10 000	5 000	5 000	100.0%	20 000
Other capital transfers [insert description]										
Provincial Government:		–	–	–	–	–	–	–		–
[insert description]										
District Municipality:		–	–	–	–	–	–	–		–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–		–
[insert description]										
Total Capital Transfers and Grants	5	35 349	30 872	–	–	12 979	7 718	5 261	68.2%	30 872
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	40 687	36 499	–	–	16 179	9 125	7 054	77.3%	36 499

GL	Received YTD	Grant balance prior to spending	Spent YTD	Over (+) or Under (-)
Description	2024/25	2024/25	2023/24	
PROJECT NAT/TREASURY;	2 900 000.00	2 900 000.00	1 515 128.92	52.2%
WSIG GRANT EXPENDITURE	10 000 000.00	10 000 000.00	6 514 148.35	65.1%
ELEKTRIFISERI VAN ERWE UITBR	0.00	0.00	0.00	#DIV/0!
Upgrading of Telemetry System	2 979 000.00	2 979 000.00	2 375 305.75	79.7%
EPWP PROJEK;	300 000.00	300 000.00	249 478.50	83.2%
PROJECT LIBRARY;	758 000.00	758 000.00	340 456.94	44.9%
RECEIVABLE N/T/E/S GRANT	21 829 000.00	21 829 000.00	15 704 646.53	71.9%

The Municipality has currently received the following Grants to date

- FMG-R2 900 000, The grant is used for paying intern's salaries, asset register, maintenance of financial system and internal auditing. To date the Municipality is at 52% spending
- MIG-2 979 000
- Equitable Share- The Municipality has received R 21 829 000 of the grant to date and is currently at 70% spending to date
- WSIG-R10 000 000
- EPWP- R3000 000- The grant is used for the EPWP employee's salaries, resources and skills. The grant is currently at 83% spending

● 10. Councillor and board member allowances and employee benefits

NC071 Ubuntu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Q1 First Quarter

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		A	B	C						D
Councillors (Political Office Bearers plus Other)	1									
Basic Salaries and Wages		3 318	3 746	-	264	783	937	(154)	-16%	3 746
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		368	360	-	30	98	90	8	9%	360
Cellphone Allowance		505	517	-	43	129	129	-	-	517
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		889	240	-	78	241	60	181	302%	240
Sub Total - Councillors		5 081	4 864	-	415	1 251	1 216	36	3%	4 864
% increase	4		-4.3%							-4.3%
Senior Managers of the Municipality	3									
Basic Salaries and Wages		1 535	3 855	-	242	596	964	(368)	-38%	3 855
Pension and UIF Contributions		215	583	-	12	36	146	(110)	-75%	583
Medical Aid Contributions		8	63	-	4	13	16	(3)	-19%	63
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		314	-	-	13	38	-	38	#DIV/0!	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		4	2	-	0	1	0	1	129%	2
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	2	-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		195	385	-	9	28	96	(69)	-71%	385
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 272	4 888	-	280	711	1 222	(511)	-42%	4 888
% increase	4		115.2%							115.2%
Other Municipal Staff										
Basic Salaries and Wages		25 203	36 229	-	2 720	7 648	9 057	(1 409)	-16%	36 229
Pension and UIF Contributions		4 566	7 518	-	335	953	1 880	(927)	-49%	7 518
Medical Aid Contributions		522	946	-	33	100	237	(137)	-58%	946
Overtime		945	392	-	73	228	98	130	133%	392
Performance Bonus		2 066	3 249	-	132	407	812	(406)	-50%	3 249
Motor Vehicle Allowance		118	192	-	13	39	48	(9)	-19%	192
Cellphone Allowance		4	4	-	0	1	1	(0)	-6%	4
Housing Allowances		52	289	-	7	19	72	(53)	-74%	289
Other benefits and allowances		15	194	-	1	3	49	(45)	-94%	194
Payments in lieu of leave		6	-	-	-	23	-	23	#DIV/0!	-
Long service awards		217	-	-	16	182	-	182	#DIV/0!	-
Post-retirement benefit obligations	2	(255)	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		57	28	-	5	12	7	5	66%	28
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		33 516	49 041	-	3 335	9 613	12 260	(2 647)	-22%	49 041
% increase	4		46.3%							46.3%
Total Parent Municipality		40 868	58 793	-	4 030	11 576	14 698	(3 123)	-21%	58 793
TOTAL SALARY, ALLOWANCES & BENEFITS		40 868	58 793	-	4 030	11 576	14 698	(3 123)	-21%	58 793
% increase	4		43.9%							43.9%
TOTAL MANAGERS AND STAFF		35 788	53 930	-	3 615	10 324	13 482	(3 158)	-23%	53 930

Councillor benefits

Remuneration of councillors should be corrected from Salaries and Wages to Other benefits and allowances.

Please provide information in relation to Motor Vehicles Allowances for councillors. A figure of R90 000 for the past 3 months was disclosed. Other benefits and allowances were incurred to the tune of R241 000,00 whilst only R60 000,00 was budgeted for, showing an un-favourable variance of 302%.

Senior Managers' benefits

Salaries and Wages reveals actual expenditure of R596 000,00 when it was budgeted for at R964 000,00 showing a favourable variance of 38%. Pension and UIF Contributions however reveals a variance of 75% with actual expenditure of R36 000,00 compared with R146 000,00 budgeted.

No budget was provided for Motor Vehicle Allowance but an expenditure of R38 000,00 was incurred to to-date

• 11. Material variances to the service delivery and budget implementation plan

1. WSIG expenditure-R 6 514 148,35 which is more than 65% of what the Municipality has received to date on the following projects
 - a. BM Infrastructure- Upgrading of Richmond sports and recreational facility ground(Consultant)
 - b. Contractor- Upgrading of Richmond sports and recreational facility ground(Consultant)
 - c. Consultant-Victoria West upgrading of water project
 - d. Upgrading of underground water supply phase 2

2. MIG expenditure -R 2 375 305,75 which is R79% of the R2 979 000 the Municipality has received to date to AGISA Consulting for Upgrading Existing oxidation pond and sewer pump station phase 1 project

• 12. Capital programme performance

Description	2024/25	2024/25	
WSIG GRANT EXPENDITURE	10 000 000.00	6 514 148.35	65.1%
Upgrading of Telemetry System	2 979 000.00	2 375 305.75	79.7%

● 13. Other supporting documents.

NC071 Ubuntu - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Q1 First Quarter

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:		102 720	118 045	-	8 902	17 767	29 511	(11 744)	-39.8%	118 045
Equitable Share		99 757	113 837	-	8 795	17 177	28 459	(11 282)	-39.6%	113 837
Expanded Public Works Programme Integrated Grant		995	1 005	-	86	280	251	29	11.4%	1 005
Local Government Financial Management Grant		1 968	3 203	-	22	310	801	(491)	-61.3%	3 203
								-		
Other transfers and grants [insert description]								-		
Provincial Government:		25	32	-	-	-	8	(8)	-100.0%	32
Specify (Add grant description)		25	32	-	-	-	8	(8)	-100.0%	32
								-		
Other transfers and grants [insert description]								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
[insert description]								-		
Other grant providers:		1 295	1 546	-	151	478	386	92	23.8%	1 546
Northern Cape Arts and Cultural		1 295	1 546	-	151	478	386	92	23.8%	1 546
Northern Cape Arts and Cultural								-		
Total operating expenditure of Transfers and Grants:		104 040	119 623	-	9 053	18 245	29 906	(11 660)	-39.0%	119 623
Capital expenditure of Transfers and Grants										
National Government:		30 248	30 872	-	1 316	7 196	30 872	(23 676)	-76.7%	7 718
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-		-
Integrated National Electrification Programme Grant		2 609	-	-	-	-	-	-		-
Municipal Infrastructure Grant		20 549	10 872	-	1 316	2 065	10 872	(8 807)	-81.0%	2 718
Water Services Infrastructure Grant		7 091	20 000	-	-	5 130	20 000	(14 870)	-74.3%	5 000
								-		
Other capital transfers [insert description]								-		
Provincial Government:		-	-	-	-	-	-	-		-
								-		
District Municipality:		-	-	-	-	-	-	-		-
								-		
Other grant providers:		-	-	-	-	-	-	-		-
								-		
Total capital expenditure of Transfers and Grants		30 248	30 872	-	1 316	7 196	30 872	(23 676)	-76.7%	7 718
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		134 288	150 495	-	10 369	25 441	60 778	(35 336)	-58.1%	127 341

● 14. Conclusion

The municipality's main source of revenue stems from rendering of basic services to in the 3 (three) towns it services. Ubuntu Local Municipality has a poor payment culture which needs to be addressed with urgency. Awareness on the importance of paying municipal accounts remains a crucial aspect in improving the payment culture in our community, which will result in better service delivery to the residents of Ubuntu Local Municipality. Educating the community about their municipal accounts and ensuring that credit control is implemented will ensure that we decrease this outstanding debt. Being financially sustainable and viable is a goal we have to achieve in this lifetime.

In the 24/25 financial year the municipality remains committed to this objective, to ensure creditors are paid within 30 days. We need to start prioritising expenditure and reduce the nice to have expenditure. Expenditure should be incurred in a manner where service delivery is prioritised.

The funding plan is being implement as well as payment arrangements.

● 15. Annexure A: C-schedules

NC071 Ubuntu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M03 September

Description	Ref	Budget Year 2024/25								
		2023/24 Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands										
Revenue										
Exchange Revenue										
Service charges - Electricity		19 601	26 284	-	1 088	3 779	6 571	(2 792)	-42%	26 284
Service charges - Water		12 248	18 063	-	(8)	3 001	4 516	(1 515)	-34%	18 063
Service charges - Waste Water Management		4 427	4 714	-	38	740	1 179	(439)	-37%	4 714
Service charges - Waste management		5 012	5 765	-	-	883	1 441	(559)	-39%	5 765
Sale of Goods and Rendering of Services		33	91	-	32	35	23	12	52%	91
Agency services		534	893	-	15	82	223	(142)	-63%	893
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 873	9 196	-	-	1 110	2 299	(1 189)	-52%	9 196
Interest from Current and Non Current Assets		2 009	1 635	-	175	628	409	219	54%	1 635
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		92	441	-	0	15	110	(95)	-86%	441
Rental from Fixed Assets		422	586	-	-	1	147	(146)	-99%	586
Licence and permits		205	488	-	59	109	122	(13)	-11%	488
Operational Revenue		298	2 245	-	-	13	561	(548)	-98%	2 245
Non-Exchange Revenue										
Property rates		21 793	28 734	-	(115)	1 311	7 183	(5 872)	-82%	28 734
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		4	20 639	-	0	0	5 160	(5 159)	-100%	20 639
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		60 533	58 016	-	255	22 084	14 504	7 580	52%	58 016
Interest		2 654	-	-	-	557	-	557	#DIV/0!	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		686	-	-	-	-	-	-	-	-
Discontinued Operations										
Total Revenue (excluding capital transfers and contributions)		137 423	177 790	-	1 539	34 346	44 447	(10 101)	-23%	177 790
Expenditure By Type										
Employee related costs		35 788	53 930	-	3 615	10 324	13 482	(3 158)	-23%	53 930
Remuneration of councillors		5 081	4 864	-	415	1 251	1 216	36	3%	4 864
Bulk purchases - electricity		25 230	22 970	-	2 652	9 606	5 742	3 864	67%	22 970
Inventory consumed		2 908	3 404	-	322	711	851	(139)	-16%	3 404
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		18 546	27 518	-	-	-	6 880	(6 880)	-100%	27 518
Interest		3 093	5 779	-	39	269	1 445	(1 176)	-81%	5 779
Contracted services		12 918	18 282	-	1 819	3 695	4 571	(875)	-19%	18 282
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		30 478	21 200	-	-	-	5 300	(5 300)	-100%	21 200
Operational costs		31 205	19 624	-	4 328	6 753	4 906	1 847	38%	19 624
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		(925)	-	-	-	-	-	-	-	-
Total Expenditure		164 321	177 570	-	13 190	32 611	44 392	(11 781)	-27%	177 570
Surplus/(Deficit)		(26 898)	220	-	(11 651)	1 735	55	1 680	0	220
Transfers and subsidies - capital (monetary allocations)		32 748	30 872	-	-	-	7 718	(7 718)	(0)	30 872
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		5 851	31 092	-	(11 651)	1 735	7 773	(6 038)	(0)	31 092

● **17. Municipal Manager's quality certification**

Municipal manager's quality certification

QUALITY CERTIFICATE

I, L Itumeleng as the Municipal Manager of **Ubuntu Municipality**,

hereby certify that –

(Mark as appropriate)

The monthly budget statements. Sec.71

The quarterly report on the implementation of the budget and financial state of the municipality. Sec.52 (d)

The mid-year budget and performance assessment. Sec.72

For Q01 of **2023/24 financial year** has been prepared in terms of Local Government Municipal Finance Management Act (56/2003) Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 May 2009

It should be however noted that these figures have been extracted from the financial system EMS with alterations, some discrepancies or deviations may exist due to data migration and integration of FMS and EMS financial systems. The Sebata EMS system is non-compliant with MSCOA regulations.

Municipal Manager of **Ubuntu Local Municipality (NC071)**

Signature _____

Date _____