

UBUNTU LOCAL MUNICIPALITY

Ubuntu Municipality



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

SECTION 52(d) DECEMBER 2024

- DISTRIBUTION:
- Executive Mayor: **Mrs C Jantjies**
- Municipal Manager: **Mrs LS Itumeleng**
- Chief Financial Officer: **Vacant**
- Sector Departments: **National and Provincial Departments**
- **Uploaded to the National Treasury Go-Muni portal**

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PART 1: IN-YEAR REPORT FOR THE PERIOD ENDING NOVEMBER 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 December 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 Dec 2024	YTD Actual Dec. 2024	Variance Favourable (Unfavourable)	%YTD Actual vs YTD Budget
Total Revenue (excl. Capital transfers and contributions)	52 795	88 895	(36 100)	-41%
Total Revenue (incl. Capital transfers and contributions)	52 795	88 895	(36 100)	-41%
Total Operational Expenditure	53 325	88 785	(35 460)	-40%

3.1 Revenue by source Q02

Property rates

The Municipality levied property rates to the total amount R 4 983 409

Electricity service revenue

- o Total electricity sales amounted to R8 188 803,00.

Water service revenue

- o Water service charges at R6 556 447,00

Sanitation service charges

- o Sewer revenue totalled of R2 129 128.

Refuse removal service charges.

- o Refuse service charges at R 2 676 453

Operating Expenditure by type

Description R'000	Original Budget	YTD Actual Dec2024	Variance Favourable (Unfavourable)	%YTD Actual vs Original Budget
Total Revenue (excl. Capital transfers and contributions)	177 790	52 799	88 895	41%
Total Revenue (incl. Capital transfers and contributions)	177 790	52 799	88 895	41%
Total Operational Expenditure	177 570	57 565	88 785	31%

Employee Related Cost

- o Employee Related costs for Q02 2025 were R20 168 161,00.

Bulk Purchases

- o There are R 166 868,45 water bulk purchases and there was R14 950 990,00 electricity bulk purchases for M06 of 2025

Other Materials (Repairs and Maintenance and General repairs and maintenance)

- o There were R 114 781 vehicle repairs and maintenance for December 2024

Contracted Services

- o Contracted services for the month of Q02 2024 amounted to R 6 478 593,00.

Other Expenditures

- o other expenditures for November 2024 amounted to R 756 285

● 4. Budget performance overview

4.1 Operating Revenue by Source

NC071 Ubuntu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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		19 607	26 284	–	1 453	8 189	13 142	(4 953)	-38%	26 284
Service charges - Water		12 925	18 063	–	1 141	6 556	9 031	(2 475)	-27%	18 063
Service charges - Waste Water Management		5 948	4 714	–	355	2 129	2 357	(228)	-10%	4 714
Service charges - Waste management		6 605	5 765	–	454	2 676	2 883	(206)	-7%	5 765
Sale of Goods and Rendering of Services		33	91	–	1	42	46	(3)	-7%	91
Agency services		534	893	–	8	113	447	(333)	-75%	893
Interest		–	–	–	–	–	–	–	–	–
Interest earned from Receivables		6 873	9 196	–	593	3 437	4 598	(1 161)	-25%	9 196
Interest from Current and Non Current Assets		2 009	1 635	–	–	775	818	(43)	-5%	1 635
Dividends		–	–	–	–	–	–	–	–	–
Rent on Land		92	441	–	7	48	221	(173)	-78%	441
Rental from Fixed Assets		422	586	–	0	2	293	(291)	-99%	586
Licence and permits		205	488	–	5	132	244	(112)	-46%	488
Operational Revenue		298	2 245	–	0	35	1 123	(1 088)	-97%	2 245
Non-Exchange Revenue										
Property rates		21 793	28 734	–	(3 751)	4 893	14 367	(9 473)	-66%	28 734
Surcharges and Taxes		–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		18 788	20 639	–	–	1	10 319	(10 319)	-100%	20 639
Licence and permits		–	–	–	–	–	–	–	–	–
Transfers and subsidies - Operational		64 031	58 016	–	–	22 088	29 008	(6 920)	-24%	58 016
Interest		2 654	–	–	276	1 679	–	1 679	#DIV/0!	–
Fuel Levy		–	–	–	–	–	–	–	–	–
Operational Revenue		–	–	–	–	–	–	–	–	–
Gains on disposal of Assets		–	–	–	–	–	–	–	–	–
Other Gains		723	–	–	–	–	–	–	–	–
Discontinued Operations		–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		163 540	177 790	–	543	52 795	88 895	(36 100)	-41%	177 790

Comparison YTD Actual against YTD Budget

Exchange Revenue

Service charges - Electricity is showing an un-favourable variance of -38%. 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 27% 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

4.2 Operating Expenditure by Type

NC071 Ubuntu - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December

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	–	3 484	20 168	26 965	(6 797)	-25%	53 930
Remuneration of councillors		5 081	4 864	–	618	2 704	2 432	272	11%	4 864
Bulk purchases - electricity		25 230	22 970	–	1 673	14 951	11 485	3 466	30%	22 970
Inventory consumed		2 908	3 404	–	145	1 158	1 702	(544)	-32%	3 404
Debt impairment		–	–	–	–	–	–	–	–	–
Depreciation and amortisation		18 546	27 518	–	–	–	13 759	(13 759)	-100%	27 518
Interest		10 568	5 779	–	102	457	2 890	(2 433)	-84%	5 779
Contracted services		12 890	18 282	–	352	6 479	9 141	(2 662)	-29%	18 282
Transfers and subsidies		–	–	–	–	–	–	–	–	–
Irrecoverable debts written off		30 478	21 200	–	–	–	10 600	(10 600)	-100%	21 200
Operational costs		27 447	19 624	–	1 267	11 649	9 812	1 837	19%	19 624
Losses on Disposal of Assets		–	–	–	–	–	–	–	–	–
Other Losses		(925)	–	–	–	–	–	–	–	–
Total Expenditure		168 010	177 570	–	7 639	57 565	88 785	(31 220)	-35%	177 570
Surplus/(Deficit)		(4 470)	220	–	(7 092)	(4 765)	110	(4 875)	(0)	220
Transfers and subsidies - capital (monetary allocations)		32 748	30 872	–	–	–	15 436	(15 436)	(0)	30 872
Transfers and subsidies - capital (in-kind)		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		28 279	31 092	–	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092
Income Tax		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		28 279	31 092	–	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		28 279	31 092	–	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092
Share of Surplus/Deficit attributable to Associate		–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–
Surplus/ (Deficit) for the year		28 279	31 092	–	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092

Comparison of YTD Actual to YTD Budget

Total operating expenditure to date amounts R 53 325m for Q02 of 2024/25 FY

- ❖ The Employee related costs incurred for Q02 were R16 685m.
- ❖ Bulk electricity for Q02 amounts to R14 951m,overspending of 30% when we compare the YTD budget of R 11 485m.
- ❖ Contracted services were over-budgeted for at R6 479 for Q02.

4.3 Capital expenditure

NC071 Ubuntu - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December

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		-	-	-	-	361	-	361	#DIV/0!	-
Vote 4 - Infrastructure & Planning		30 234	30 872	-	-	10 559	15 436	(4 877)	-32%	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	30 300	30 872	-	-	10 920	15 436	(4 516)	-29%	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		30 679	30 872	-	-	10 920	15 436	(4 516)	-29%	30 872
Capital Expenditure - Functional Classification										
Governance and administration		445	-	-	-	-	-	-	-	-
Executive and council		470	-	-	-	-	-	-	-	-
Finance and administration		(25)	-	-	-	-	-	-	-	-
Internal audit		-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	361	-	361	#DIV/0!	-
Community and social services		-	-	-	-	361	-	361	#DIV/0!	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		30 234	30 872	-	-	10 559	15 436	(4 877)	-32%	30 872
Energy sources		2 609	-	-	-	-	-	-	-	-
Water management		27 625	5 137	-	-	709	2 569	(1 860)	-72%	5 137
Waste water management		-	25 735	-	-	9 851	12 867	(3 017)	-23%	25 735
Waste management		-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional Classification	3	30 679	30 872	-	-	10 920	15 436	(4 516)	-29%	30 872
Funded by:										
National Government		30 234	30 872	-	-	10 920	15 436	(4 516)	-29%	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		30 234	30 872	-	-	10 920	15 436	(4 516)	-29%	30 872
Borrowing	6	-	-	-	-	-	-	-	-	-
Internally generated funds		445	-	-	-	-	-	-	-	-
Total Capital Funding		30 679	30 872	-	-	10 920	15 436	(4 516)	-29%	30 872

4.4 Cash flows

Collection Rate Assessment						
Total Aggregate Collection	Click to view/close months	Summary - Quarter 2				Q2
		Billing	Collection	R - Billing not collected	% Collection	
1.Collection for whole demarcation		14 622 636	9 284 077	5 338 558	63%	63%
2.Collection <u>excl Eskom supplied areas</u>		5 420 968	3 550 766	1 870 202	66%	66%
3.Collection: Property Rates		3 717 488	2 631 829	1 085 659	71%	71%
4.Total average collection: Electricity (Municipal supplied areas)		3 288 042	2 084 889	1 203 153	63%	63%
5.Total average collection: Water		2 846 038	1 826 074	1 019 964	64%	64%
6.Total average collection: Wastewater		1 075 169	855 133	220 036	80%	80%
7.Total average collection: Refuse		1 309 332	847 725	461 606	65%	65%
8. 7.Total average collection: Interest		2 386 567	1 038 426	1 348 141	44%	44%

The table above is a summary of the 2nd quarter collection on service charges

- Water- 64%
- Waste water 80%
- Refuse 65%
- Property Rates 71%
- Electricity 63%

- Collection rate per ward

Complete This Section	Quarter 2 Performance Per Ward				
	Billing	Collection	R - Billing not collected	% Collection	Q2
Services					
Property Rates Tax	1 040 494	686 719	353 775	66%	66%
Electricity	718 663	427 849	290 814	60%	60%
Water	489 245	361 469	127 776	74%	74%
Refuse	177 761	149 062	28 700	84%	84%
Waste Water	184 395	138 602	45 793	75%	75%
Interest	404 339	234 951	169 388	58%	58%
Property Rates Tax	538 622	463 833	74 789	86%	86%
Electricity	21 847	38 150	(16 303)	175%	175%
Water	515 732	365 428	150 304	71%	71%
Refuse	385 434	230 045	155 388	60%	60%
Waste Water	376 201	357 612	18 588	95%	95%
Interest	530 494	213 376	317 118	40%	40%
Property Rates Tax	198 851	238 075	(39 224)	120%	120%
Electricity	1 040 938	650 032	390 906	62%	62%
Water	446 257	202 959	243 298	45%	45%
Refuse	182 802	137 424	45 377	75%	75%
Waste Water	175 050	148 039	27 011	85%	85%
Interest	362 175	175 586	186 589	48%	48%
Property Rates Tax	574 117	419 247	154 871	73%	73%
Electricity	215 988	108 510	107 478	50%	50%
Water	453 240	378 082	75 158	83%	83%
Refuse	198 475	121 635	76 840	61%	61%
Waste Water	155 526	104 409	51 117	67%	67%
Interest	407 193	145 045	262 148	36%	36%
Property Rates Tax	1 019 130	568 573	450 557	56%	56%
Electricity	728 345	586 588	141 757	81%	81%
Water	443 034	270 704	172 330	61%	61%
Refuse	215 189	145 850	69 340	68%	68%
Waste Water	91 803	50 163	41 640	55%	55%
Interest	530 988	194 173	336 816	37%	37%
Property Rates Tax	346 274	255 382	90 892	74%	74%
Electricity	562 262	273 761	288 501	49%	49%
Water	498 530	247 432	251 098	50%	50%
Refuse	149 671	63 709	85 962	43%	43%
Waste Water	92 195	56 308	35 888	61%	61%
Interest	151 377	75 295	76 082	50%	50%

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 - M06 December

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	–	28 909	32 259
Trade and other receivables from exchange transactions		13 549	50 679	–	47 093	50 679
Receivables from non-exchange transactions		5 609	100	–	4 155	100
Current portion of non-current receivables		–	–	–	–	–
Inventory		185	86	–	129	86
VAT		21 197	7 173	–	23 700	7 173
Other current assets		395	76	–	480	76
Total current assets		54 312	90 372	–	104 466	90 372
Non current assets						
Investments		–	–	–	–	–
Investment property		68 170	50 234	–	66 060	50 234
Property, plant and equipment		552 197	595 179	–	581 089	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		620 364	645 470	–	647 162	645 470
TOTAL ASSETS		674 677	735 842	–	751 628	735 842
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Financial liabilities		–	245	–	–	245
Consumer deposits		128	93	–	143	93
Trade and other payables from exchange transactions		111 447	41 238	–	128 899	41 238
Trade and other payables from non-exchange transactions		6 874	11 652	–	28 401	11 652
Provision		5 250	8 101	–	5 213	8 101
VAT		9 463	–	–	12 575	–
Other current liabilities		109	–	–	116	–
Total current liabilities		133 271	61 328	–	175 347	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		153 112	161 414	–	195 378	161 414
NET ASSETS	2	521 565	574 428	–	556 250	574 428
COMMUNITY WEALTH/EQUITY						
Accumulated surplus/(deficit)		521 565	574 428	–	556 250	574 428
Reserves and funds		–	–	–	–	–
Other		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	521 565	574 428	–	556 250	574 428

PART 2: SUPPORTING DOCUMENTATION

● 6. Debtors' Analysis

NC071 Ubuntu - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December

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	2 820	1 249	1 129	1 136	2 292	1 294	946	68 492	79 358	74 160	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	1 592	629	623	625	389	541	279	13 409	18 087	15 243	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	6 622	1 596	196	185	226	1 058	892	45 090	55 865	47 451	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	949	446	444	437	434	405	402	29 136	32 654	30 814	-	-
Receivables from Exchange Transactions - Waste Management	1600	1 151	515	506	495	486	459	451	32 437	36 500	34 328	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	101	46	41	35	35	34	34	2 437	2 763	2 575	-	-
Interest on Arrear Debtor Accounts	1810	-	-	-	-	-	-	-	-	-	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	20	1	8	0	1	1	0	98	129	100	-	-
Total By Income Source	2000	13 256	4 481	2 946	2 915	3 862	3 792	3 003	191 100	225 355	204 672	-	-
2023/24 - totals only		8609247	3622222	4104932	4795454	10541149	7979498	8433958	160440851	208 527	192 191	0	0
Debtors Age Analysis By Customer Group													
Organs of State	2200	2 898	1 177	363	333	347	818	628	28 666	35 230	30 792	-	-
Commercial	2300	4 146	507	395	277	1 477	513	300	9 887	17 503	12 454	-	-
Households	2400	5 246	2 387	1 813	2 083	1 806	2 151	1 842	136 743	154 071	144 625	-	-
Other	2500	965	409	375	222	231	311	234	15 804	18 550	16 801	-	-
Total By Customer Group	2600	13 256	4 481	2 946	2 915	3 862	3 792	3 003	191 100	225 355	204 672	-	-

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, 	3 rd Quarter 2024/25 FY 3 rd Quarter 2024/25 FY Monthly commencing January 2025

	<ul style="list-style-type: none"> ● Arrange monthly standing meetings with state owned entities' management to discuss progress on the account, challenges and successes, 	
Commercial	<ul style="list-style-type: none"> ● Reinforce the list and contact details of commercial organizations doing business within the municipal boundaries, ● 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>3rd Quarter 2024/25 FY</p> <p>3rd 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 - M06 December

Description	NT Code	Budget Year 2024/25									Prior year totals for chart (same period)
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total	
Creditors Age Analysis By Customer Type											
Bulk Electricity	0100	1 957	1 964	1 940	–	73	14	1 963	90 983	98 893	95 087
Bulk Water	0200	–	166	–	–	209	114	–	–	489	218
PAYE deductions	0300	–	–	–	–	–	–	–	–	–	–
VAT (output less input)	0400	–	–	–	–	–	–	–	–	–	–
Pensions / Retirement deductions	0500	–	300	–	–	–	–	–	–	300	249
Loan repayments	0600	–	–	–	–	–	–	–	17	17	17
Trade Creditors	0700	384	998	1 276	377	22	346	2 075	452	5 931	3 984
Auditor General	0800	804	–	1 656	924	422	71	3 293	8 601	15 770	9 921
Other	0900	–	344	–	347	345	–	–	109	1 144	131
Medical Aid deductions										–	–
Total By Customer Type	1000	3 145	3 772	4 872	1 647	1 072	544	7 330	100 162	122 544	109 609

- 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 up until M04

● 8. Investment portfolio analysis

NC071 Ubuntu - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

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	986	-	-	-	986
3 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	22 117	-	-	-	22 117
4 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	6 344	-	-	-	6 344
5 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	1 647	-	-	-	1 647
6 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	76	-	-	-	76
7 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	1 091	-	-	-	1 091
8 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	1 260	-	-	-	1 260
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	4 929	-	-	-	4 929
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	2 452	-	-	-	2 452
13 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	3 665	-	-	-	3 665
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	4 929	-	-	-	4 929
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	2 452	-	-	-	2 452
13 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	3 665	-	-	-	3 665
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	2 560	9	-	2 361	4 929
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	2 428	24	-	-	2 452
13 Other		23 M	Call Account	No	Fixed	0.01	0		30/06/2030	3 649	15	-	-	3 665
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										72 956	98	(2 128)	2 361	73 287
Entities														
Entities sub-total										-	-	-	-	-
TOTAL INVESTMENTS AND INTEREST	2									72 956	98	(2 128)	2 361	73 287

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

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

<u>INVESTMENT</u>	<u>INTEREST RATE</u>
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 SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

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:		113 994	118 045	-	1 231	29 012	59 022	(30 010)	-50.8%	118 045
Equitable Share		111 030	113 837	-	1 219	28 184	56 918	(28 735)	-50.5%	113 837
Expanded Public Works Programme Integrated Grant		995	1 005	-	12	501	502	(1)	-0.3%	1 005
Local Government Financial Management Grant		1 968	3 203	-	-	327	1 602	(1 274)	-79.6%	3 203
Other transfers and grants [insert description]										
Provincial Government:		25	32	-	-	-	16	(16)	-100.0%	32
Specify (Add grant description)		25	32	-	-	-	16	(16)	-100.0%	32
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		1 295	1 546	-	-	747	773	(26)	-3.4%	1 546
Northern Cape Arts and Cultural		1 295	1 546	-	-	747	773	(26)	-3.4%	1 546
<i>Northern Cape Arts and Cultural</i>										
Total operating expenditure of Transfers and Grants:		115 313	119 623	-	1 231	29 759	59 811	(30 052)	-50.2%	119 623
Capital expenditure of Transfers and Grants										
National Government:		30 234	30 872	-	-	10 920	15 436	(4 516)	-29.3%	30 872
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		2 609	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		20 535	10 872	-	-	2 426	5 436	(3 010)	-55.4%	10 872
Water Services Infrastructure Grant		7 091	20 000	-	-	8 494	10 000	(1 506)	-15.1%	20 000
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
Other transfers and grants [insert description]										
Total capital expenditure of Transfers and Grants		30 234	30 872	-	-	10 920	15 436	(4 516)	-29.3%	30 872
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		145 547	150 495	-	1 231	40 679	75 247	(34 568)	-45.9%	150 495

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 59% spending
- MIG- is at 47% spending to date
- Equitable Share- The Municipality has received R 21 829 000 of the grant to date and is currently at 62% spending of the R39 179 000.00 that the Municipality has received to date.

- WSIG- is currently on 72% spending to date
- EPWP- The grant is used for the EPWP employee's salaries, resources and skills. The grant is currently at 62% spending out of the R840 000.00 that the Municipality has received to date.

● **10. Councillor and board member allowances and employee benefits**

NC071 Ubuntu - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December

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)										
Basic Salaries and Wages		3 318	3 746	-	458	1 768	1 873	(105)	-6%	3 746
Pension and UIF Contributions		-	-	-	-	-	-	-	-	-
Medical Aid Contributions		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		368	360	-	30	189	180	9	5%	360
Cellphone Allowance		505	517	-	43	259	259	-	-	517
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		889	240	-	86	488	120	368	306%	240
Sub Total - Councillors		5 081	4 864	-	618	2 704	2 432	272	11%	4 864
% increase	4		-4.3%							-4.3%
Senior Managers of the Municipality										
Basic Salaries and Wages		1 535	3 855	-	169	1 062	1 928	(865)	-45%	3 855
Pension and UIF Contributions		215	583	-	12	72	291	(219)	-75%	583
Medical Aid Contributions		8	63	-	4	25	32	(6)	-19%	63
Overtime		-	-	-	-	-	-	-	-	-
Performance Bonus		-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance		314	-	-	13	75	-	75	#DIV/0!	-
Cellphone Allowance		-	-	-	-	-	-	-	-	-
Housing Allowances		-	-	-	-	-	-	-	-	-
Other benefits and allowances		4	2	-	0	2	1	1	127%	2
Payments in lieu of leave		-	-	-	-	-	-	-	-	-
Long service awards		-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations		-	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		195	385	-	9	56	193	(137)	-71%	385
Acting and post related allowance		-	-	-	-	-	-	-	-	-
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality		2 272	4 888	-	207	1 293	2 444	(1 152)	-47%	4 888
% increase	4		115.2%							115.2%
Other Municipal Staff										
Basic Salaries and Wages		25 203	36 229	-	2 725	15 224	18 115	(2 891)	-16%	36 229
Pension and UIF Contributions		4 566	7 518	-	333	1 948	3 759	(1 811)	-48%	7 518
Medical Aid Contributions		522	946	-	33	200	473	(274)	-58%	946
Overtime		945	392	-	69	465	196	269	137%	392
Performance Bonus		2 066	3 249	-	87	685	1 624	(940)	-58%	3 249
Motor Vehicle Allowance		118	192	-	13	78	96	(18)	-19%	192
Cellphone Allowance		4	4	-	0	2	2	(0)	-6%	4
Housing Allowances		52	289	-	8	40	144	(104)	-72%	289
Other benefits and allowances		15	194	-	5	10	97	(87)	-90%	194
Payments in lieu of leave		6	-	-	-	23	-	23	#DIV/0!	-
Long service awards		217	-	-	-	182	-	182	#DIV/0!	-
Post-retirement benefit obligations		(255)	-	-	-	-	-	-	-	-
Entertainment		-	-	-	-	-	-	-	-	-
Scarcity		-	-	-	-	-	-	-	-	-
Acting and post related allowance		57	28	-	3	19	14	5	37%	28
In kind benefits		-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff		33 516	49 041	-	3 276	18 876	24 521	(5 645)	-23%	49 041
% increase	4		46.3%							46.3%
Total Parent Municipality		40 868	58 793	-	4 101	22 872	29 397	(6 525)	-22%	58 793
TOTAL SALARY, ALLOWANCES & BENEFITS		40 868	58 793	-	4 101	22 872	29 397	(6 525)	-22%	58 793
% increase	4		43.9%							43.9%
TOTAL MANAGERS AND STAFF		35 788	53 930	-	3 484	20 168	26 965	(6 797)	-25%	53 930

Senior Managers' benefits

Salaries and Wages reveals actual expenditure of R1 062 301 for Q02 2024/25 FY
Pension and UIF Contributions however reveals an actual expenditure of R1 948m for Q02

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

1. WSIG expenditure-R 11 528 881.74 which is 72% 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 R4 026 280.17 which is 46% of the R 8 664000 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

Grant	DoRA Allocation		GL	Received YTD	Spent YTD
		2024/25	Description	2024/25	2023/24
WSIG	R	20 000 000.00	WSIG GRANT EXPENDITURE	16 000 000.00	11 528 881.74
INEP	R	-	ELEKTRIFISERI VAN ERWE UITBR	0.00	0.00
MIG	R	10 872 000.00	Upgrading of Telemetry System	8 664 000.00	4 026 280.17

● 13. Other supporting documents.

NC071 Ubuntu - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December

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:		113 994	118 045	-	1 231	29 012	59 022	(30 010)	-50.8%	118 045
Equitable Share		111 030	113 837	-	1 219	28 184	56 918	(28 735)	-50.5%	113 837
Expanded Public Works Programme Integrated Grant		995	1 005	-	12	501	502	(1)	-0.3%	1 005
Local Government Financial Management Grant		1 968	3 203	-	-	327	1 602	(1 274)	-79.6%	3 203
Other transfers and grants [insert description]										
Provincial Government:		25	32	-	-	-	16	(16)	-100.0%	32
Specify (Add grant description)		25	32	-	-	-	16	(16)	-100.0%	32
Other transfers and grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		1 295	1 546	-	-	747	773	(26)	-3.4%	1 546
Northern Cape Arts and Cultural		1 295	1 546	-	-	747	773	(26)	-3.4%	1 546
Northern Cape Arts and Cultural										
Total operating expenditure of Transfers and Grants:		115 313	119 623	-	1 231	29 759	59 811	(30 052)	-50.2%	119 623
Capital expenditure of Transfers and Grants										
National Government:		30 234	30 872	-	-	10 920	15 436	(4 516)	-29.3%	30 872
Energy Efficiency and Demand Side Management Grant		-	-	-	-	-	-	-	-	-
Integrated National Electrification Programme Grant		2 609	-	-	-	-	-	-	-	-
Municipal Infrastructure Grant		20 535	10 872	-	-	2 426	5 436	(3 010)	-55.4%	10 872
Water Services Infrastructure Grant		7 091	20 000	-	-	8 494	10 000	(1 506)	-15.1%	20 000
Other capital transfers [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
District Municipality:		-	-	-	-	-	-	-	-	-
Other grant providers:		-	-	-	-	-	-	-	-	-
Total capital expenditure of Transfers and Grants		30 234	30 872	-	-	10 920	15 436	(4 516)	-29.3%	30 872
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		145 547	150 495	-	1 231	40 679	75 247	(34 568)	-45.9%	150 495

● 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) - M06 December

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		19 607	26 284	-	1 456	8 192	13 142	(4 950)	-38%	26 284
Service charges - Water		12 925	18 063	-	1 141	6 556	9 031	(2 475)	-27%	18 063
Service charges - Waste Water Management		5 948	4 714	-	356	2 130	2 357	(227)	-10%	4 714
Service charges - Waste management		6 605	5 765	-	454	2 676	2 883	(206)	-7%	5 765
Sale of Goods and Rendering of Services		33	91	-	2	43	46	(3)	-7%	91
Agency services		534	893	-	8	113	447	(333)	-75%	893
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		6 873	9 196	-	593	3 437	4 598	(1 161)	-25%	9 196
Interest from Current and Non Current Assets		2 009	1 635	-	-	775	818	(43)	-5%	1 635
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		92	441	-	7	48	221	(173)	-78%	441
Rental from Fixed Assets		422	586	-	0	2	293	(291)	-99%	586
Licence and permits		205	488	-	5	132	244	(112)	-46%	488
Operational Revenue		298	2 245	-	0	35	1 123	(1 088)	-97%	2 245
Non-Exchange Revenue										
Property rates		21 793	28 734	-	(3 751)	4 893	14 367	(9 473)	-66%	28 734
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		18 788	20 639	-	-	1	10 319	(10 319)	-100%	20 639
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		64 031	58 016	-	-	22 088	29 008	(6 920)	-24%	58 016
Interest		2 654	-	-	276	1 679	-	1 679	#DIV/0!	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-
Other Gains		723	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and contributions)		163 540	177 790	-	547	52 799	88 895	(36 096)	-41%	177 790
Expenditure By Type										
Employee related costs		35 788	53 930	-	3 484	20 168	26 965	(6 797)	-25%	53 930
Remuneration of councillors		5 081	4 864	-	618	2 704	2 432	272	11%	4 864
Bulk purchases - electricity		25 230	22 970	-	1 673	14 951	11 485	3 466	30%	22 970
Inventory consumed		2 908	3 404	-	145	1 158	1 702	(544)	-32%	3 404
Debt impairment		-	-	-	-	-	-	-	-	-
Depreciation and amortisation		18 546	27 518	-	-	-	13 759	(13 759)	-100%	27 518
Interest		10 568	5 779	-	102	457	2 890	(2 433)	-84%	5 779
Contracted services		12 890	18 282	-	352	6 479	9 141	(2 662)	-29%	18 282
Transfers and subsidies		-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		30 478	21 200	-	-	-	10 600	(10 600)	-100%	21 200
Operational costs		27 447	19 624	-	1 267	11 649	9 812	1 837	19%	19 624
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		(925)	-	-	-	-	-	-	-	-
Total Expenditure		168 010	177 570	-	7 639	57 565	88 785	(31 220)	-35%	177 570
Surplus/(Deficit)										
Transfers and subsidies - capital (monetary allocations)		(4 470)	220	-	(7 092)	(4 765)	110	(4 875)	(0)	220
Transfers and subsidies - capital (in-kind)		32 748	30 872	-	-	-	15 436	(15 436)	(0)	30 872
Surplus/(Deficit) after capital transfers & contributions		28 279	31 092	-	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092
Income Tax		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after income tax		28 279	31 092	-	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality		28 279	31 092	-	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
Surplus/ (Deficit) for the year		28 279	31 092	-	(7 092)	(4 765)	15 546	(20 311)	(0)	31 092

• 17. Municipal Manager's quality certification

Section11 –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 Q02 of **2024/25 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 _____