



## **REPORT TO ULUNDI MUNICIPAL COUNCIL**

---

File Reference :  
Report Number:

Author : JH Mhlongo  
Designation : CFO

### **For consideration**

Management Committee  
Executive and Finance Committee  
Municipal Council

---

**SUBJECT: : MFMA SECTION 52 D REPORT – QUARTER 2 2024/2025 DATE:  
31 December 2024**

---

### **1. PURPOSE**

To inform the Council of the financial performance and position as required by Section 52(d) of the MFMA.

### **2. STRATEGIC OBJECTIVE**

To inform the Council of the financial performance and position as required by Section 52(d) of the MFMA.

### **3. LEGISLATION**

MFMA sec. 52(d)

### **4. BACKGROUND**

In terms of the section 52(d) of the Municipal Finance Management Act (Act No.58 of 2003) (MFMA), the mayor of a municipality must within 30 days of the end of each quarter submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality.

Furthermore in terms of section 11(4) (a) of the MFMA, the accounting officer must within 30 days after the end of each quarter table in the municipal council a consolidated report of all withdrawals made in terms of subsection 1(b) to (j) during that quarter.

This report is in terms of the above-mentioned sections of the MFMA and following herewith are the highlights for the 2<sup>nd</sup> quarter ending 31 December 2024.



## **5. Revenue**

The total revenue recognized for the quarter ending 31 December 2024 amounts to R334 081 000.00 against the year to date budgeted revenue figures of R252 107 000.00 This results in revenue figures being ahead of budget by R81 974 000.00 (75%) in the December due to the main contributing factors:

- Property Rates figures amounted to R110 249 000.00 against a year to date budget of R65 278 000.00.
- Electricity revenue figures amounted to R43 073 000 against a year to date budget of R48 834 000 this is because the Municipality is doing monthly meter auditing for electricity and its yielding positive result as the actual year to date and the budgeted amount is break even.
- Refuse revenue figures amounted to R 6 512 000.00 against a year to date budget of R5 759 000.00 resulting in refuse revenue figures being ahead of budget by R753 000.00.
- Fines revenue figures as at December amounts to R210 000 against a year to date budget of R500 000 resulting in fines revenue figures being below the budget by (R290 000).

## **6.Expenditure & Budget Control**

- The total expenditure as at December of 2024/2025 amounts to R279 609 000 (including non-cash items i.e. depreciation R26 639 000).

## **7.Consolidated income and expenditure report**



**KZN266 Ulundi - 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
<b>R thousands</b>										
<b>Revenue</b>										
<b>Exchange Revenue</b>										
Service charges - Electricity		76 580	97 667	-	7 518	43 073	48 834	(5 760)	-12%	97 667
Service charges - Water		-	-	-	-	-	-	-	-	-
Service charges - Waste Water Management		-	-	-	-	-	-	-	-	-
Service charges - Waste management		10 089	11 517	-	1 082	6 512	5 759	753	13%	11 517
Sale of Goods and Rendering of Services		542	607	-	29	436	303	133	44%	607
Agency services		1 554	2 500	-	120	819	1 250	(431)	-35%	2 500
Interest		-	-	-	-	-	-	-	-	-
Interest earned from Receivables		27	3 137	-	3	14	1 569	(1 555)	-99%	3 137
Interest from Current and Non Current Assets		2 318	2 100	-	123	959	1 050	-	-	2 100
Dividends		-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		1 129	1 400	-	64	512	700	(188)	-27%	1 400
Licence and permits		152	-	-	49	92	-	92	#DIV/0!	-
Operational Revenue		182	24 248	-	8	64	12 124	(12 060)	-99%	24 248
<b>Non-Exchange Revenue</b>										
Property rates		114 343	130 555	-	6 570	110 249	65 278	44 971	69%	130 555
Surcharges and Taxes		-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		257	1 000	-	34	210	500	(290)	-	1 000
Licence and permits		-	-	-	-	-	-	-	-	-
Transfers and subsidies - Operational		277 868	229 483	-	73 647	169 763	114 742	55 022	-	229 483
Interest		2 339	-	-	281	1 380	-	1 380	-	-
Fuel Levy		-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		2 637	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>490 018</b>	<b>504 215</b>	<b>-</b>	<b>89 529</b>	<b>334 081</b>	<b>252 107</b>	<b>81 974</b>	<b>33%</b>	<b>504 215</b>
<b>Expenditure By Type</b>										
Employee related costs		167 307	179 654	-	14 152	87 400	89 827	(2 428)	-3%	179 654
Remuneration of councillors		17 805	17 916	-	2 092	9 387	8 958	429	5%	17 916
Bulk purchases - electricity		133 592	153 581	-	10 856	85 908	76 791	9 118	-	153 581
Inventory consumed		8 716	6 183	-	111	3 798	3 568	230	-	6 183
Debt impairment		22 915	-	-	-	-	-	-	-	-
Depreciation and amortisation		85 747	58 139	-	-	26 639	29 070	(2 431)	-8%	58 139
Interest		2 312	1 200	-	1 265	5 341	600	4 741	790%	1 200
Contracted services		138 483	43 172	-	16 162	62 149	21 586	40 563	188%	43 172
Transfers and subsidies		286	-	-	-	-	-	-	-	-
Irrecoverable debts written off		1 691	(8 507)	-	-	11	15 330	(15 319)	-	(8 507)
Operational costs		46 141	55 481	-	6 287	25 614	27 740	(2 126)	-8%	55 481
Losses on Disposal of Assets		-	-	-	-	-	-	-	-	-
Other Losses		-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>624 997</b>	<b>506 819</b>	<b>-</b>	<b>50 924</b>	<b>306 247</b>	<b>273 470</b>	<b>32 778</b>	<b>12%</b>	<b>506 819</b>
<b>Surplus/(Deficit)</b>		<b>(134 979)</b>	<b>(2 605)</b>	<b>-</b>	<b>38 604</b>	<b>27 834</b>	<b>(21 362)</b>	<b>49 196</b>	<b>(0)</b>	<b>(2 605)</b>
Transfers and subsidies - capital (monetary allocations)		46 885	35 780	-	6 890	30 415	17 890	12 525	0	35 780
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>(88 094)</b>	<b>33 175</b>	<b>-</b>	<b>45 495</b>	<b>58 249</b>	<b>(3 472)</b>			<b>33 175</b>
Income Tax		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after income tax</b>		<b>(88 094)</b>	<b>33 175</b>	<b>-</b>	<b>45 495</b>	<b>58 249</b>	<b>(3 472)</b>			<b>33 175</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>(88 094)</b>	<b>33 175</b>	<b>-</b>	<b>45 495</b>	<b>58 249</b>	<b>(3 472)</b>			<b>33 175</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transactions		-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>		<b>(88 094)</b>	<b>33 175</b>	<b>-</b>	<b>45 495</b>	<b>58 249</b>	<b>(3 472)</b>			<b>33 175</b>

8. List of capital projects and expenditure as at 31 December 2024



<b>KZN266 Ulundi - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December</b>										
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
<b>R thousands</b>	1									
<b>Multi-Year expenditure appropriation</b>	2									
Vote 1 - Executive & Council		-	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		-	-	-	-	-	-	-	-	-
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		-	-	-	-	-	-	-	-	-
Vote 5 - Sport & Recreation		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		-	-	-	-	-	-	-	-	-
Vote 11 - Energy Sources		-	-	-	-	-	-	-	-	-
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-	-	-
<b>Total Capital Multi-year expenditure</b>	4,7	-	-	-	-	-	-	-	-	-
<b>Single Year expenditure appropriation</b>	2									
Vote 1 - Executive & Council		2 463	642	-	-	735	321	414	129%	642
Vote 2 - Finance and Admin		1 071	2 043	-	355	1 020	1 022	(2)	0%	2 043
Vote 3 - Internal Audit		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social Services		18 056	26 363	-	-	16 420	13 182	3 238	25%	26 363
Vote 5 - Sport & Recreation		14 538	5 879	-	2 934	4 860	2 940	1 921	65%	5 879
Vote 6 - Public Safety		391	-	-	226	226	-	226	#DIV/0!	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Health		-	-	-	-	-	-	-	-	-
Vote 9 - Planning & Development		-	-	-	-	-	-	-	-	-
Vote 10 - Road Transport		5 186	5 313	-	-	1 626	2 656	(1 030)	-39%	5 313
Vote 11 - Energy Sources		3 625	3 520	-	1 242	10 138	1 760	8 378	476%	3 520
Vote 12 - Waste Water Management		-	-	-	-	-	-	-	-	-
Vote 13 - Waste Management		-	-	-	-	-	-	-	-	-
Vote 14 - Other		-	-	-	-	-	-	-	-	-
Vote 15 - Finance and Admin2		-	-	-	-	-	-	-	-	-
<b>Total Capital single-year expenditure</b>	4	45 332	43 761	-	4 757	35 025	21 880	13 145	60%	43 761
<b>Total Capital Expenditure</b>		45 332	43 761	-	4 757	35 025	21 880	13 145	60%	43 761
<b>Capital Expenditure - Functional Classification</b>										
<b>Governance and administration</b>		1 677	2 043	-	355	1 020	1 022	(2)	0%	2 043
Executive and council		606	-	-	-	-	-	-	-	-
Finance and administration		1 071	2 043	-	355	1 020	1 022	(2)	0%	2 043
Internal audit		-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		34 843	32 884	-	3 160	22 241	16 442	5 799	35%	32 884
Community and social services		19 914	27 005	-	-	17 154	13 502	3 652	27%	27 005
Sport and recreation		14 538	5 879	-	2 934	4 860	2 940	1 921	65%	5 879
Public safety		391	-	-	226	226	-	226	#DIV/0!	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		5 186	5 313	-	-	1 626	2 656	(1 030)	-39%	5 313
Planning and development		-	-	-	-	-	-	-	-	-
Road transport		5 186	5 313	-	-	1 626	2 656	(1 030)	-39%	5 313
Environmental protection		-	-	-	-	-	-	-	-	-
<b>Trading services</b>		3 625	3 520	-	1 242	10 138	1 760	8 378	476%	3 520
Energy sources		3 625	3 520	-	1 242	10 138	1 760	8 378	476%	3 520
Water management		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional Classification</b>	3	45 332	43 761	-	4 757	35 025	21 880	13 145	60%	43 761
<b>Funded by:</b>										
National Government		40 391	37 491	-	2 934	23 641	18 745	4 895	26%	37 491
Provincial Government		-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>		40 391	37 491	-	2 934	23 641	18 745	4 895	26%	37 491
<b>Borrowing</b>	6	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		4 941	6 270	-	1 823	11 384	3 135	8 249	263%	6 270
<b>Total Capital Funding</b>		45 332	43 761	-	4 757	35 025	21 880	13 145	60%	43 761



9. Grant Spending for 2024/2025 financial year

**ULUNDI MUNICIPALITY GRANTS REPORTS AS AT 31 DECEMBER 2024**

NO.	GRANT NAME	AMOUNT RECEIVED	AMOUNT SPENT	BALANCE
1.	MIG- PROJECTS	R 35 780 000.00	R 30 414 902.41	R 5 365 097.59
2.	INEP- ELECTRIFICATION	R2 900 000.00	R 2 821 246.22	R 78 753.78
3.	FMG – CONDITIONAL	R 2 000 000.00	R 1 001 798.03	R 998 201.97
4.	EPWP - CONDITIONAL	R 1 693 000.00	R 2 420 000.00	-R 727 000.00
5.	PROVINCIALISATION OF LIBRARIES	R1 024 000.00	R 812 540.98	R 211 459.02
6.	COMMUNITY LIBRARIES	R1 079 000.00	R 671 809.30	R 407 190.7

**10. Cash and cash equivalents**

- Closing operating bank balance as at 31 December 2024 was R28 630 574.29

**11. Collection and Billing**

The total outstanding debtors as at the 31 December 2024 amount to R 242 769 349 average of 101.93% was achieved for the first quarter.

Months	Billing (R)	Receipts (R)	Collection %
July	R83 668 282.61	R12 508 066.14	14.95
August	R12 890 503.35	R7 128 816.08	55
September	R12 917 041.77	R30 458 301.77	235.85

KZN266 Ulundi - 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			
<b>R thousands</b>														
<b>Debtors Age Analysis By Income Source</b>														
Trade and Other Receivables from Exchange Transactions - Water	1200	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5 276	2 359	1 125	232	43	(93)	93	11 209	20 244	11 484	-	-	-
Receivables from Non-exchange Transactions - Property Rates	1400	6 004	3 412	2 974	2 498	2 680	47 809	6 922	117 417	189 717	177 327	-	-	-
Receivables from Exchange Transactions - Waste Water Management	1500	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivables from Exchange Transactions - Waste Management	1600	880	863	587	565	490	359	1 327	8 747	13 817	11 487	-	-	-
Receivables from Exchange Transactions - Property Rental Debtors	1700	41	34	29	26	26	28	64	322	569	465	-	-	-
Interest on Arrear Debtor Accounts	1810	284	308	274	306	240	1	1 321	18 747	21 480	20 614	-	-	-
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1900	-	-	-	-	-	-	-	(7)	(7)	(7)	-	-	-
<b>Total By Income Source</b>	<b>2000</b>	<b>12 486</b>	<b>6 976</b>	<b>4 989</b>	<b>3 627</b>	<b>3 478</b>	<b>48 103</b>	<b>9 726</b>	<b>156 434</b>	<b>245 819</b>	<b>221 369</b>	-	-	-
<b>2023/24 - totals only</b>														
<b>Debtors Age Analysis By Customer Group</b>														
Organs of State	2200	5 880	3 008	1 722	515	614	31 788	1 785	61 267	106 580	95 969	-	-	-
Commercial	2300	2 862	777	402	354	302	2 621	1 032	17 872	26 244	22 183	-	-	-
Households	2400	2 530	2 017	1 820	1 727	1 563	3 420	3 531	24 404	41 011	34 645	-	-	-
Other	2500	1 193	1 173	1 045	1 031	1 006	10 274	3 378	52 890	71 984	68 572	-	-	-
<b>Total By Customer Group</b>	<b>2600</b>	<b>12 486</b>	<b>6 976</b>	<b>4 989</b>	<b>3 627</b>	<b>3 478</b>	<b>48 103</b>	<b>9 726</b>	<b>156 434</b>	<b>245 819</b>	<b>221 369</b>	-	-	-

**12. Accounts Payable**

The municipality makes payments to creditors promptly with the exception of Eskom that has a payment plan in place.



**KZN266 Ulundi - 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	
<b>Creditors Age Analysis By Customer Type</b>											
Bulk Electricity	0100	13 749	14 038	13 942	18 207	22 585	21 593	95 542	53 454	253 110	253 110
Bulk Water	0200	-	-	-	-	-	-	-	-	-	-
PAYE deductions	0300	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	0400	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement deductions	0500	-	-	-	-	-	-	-	-	-	-
Loan repayments	0600	-	-	-	-	-	-	-	-	-	-
Trade Creditors	0700	-	-	-	-	-	-	-	-	-	-
Auditor General	0800	-	-	-	-	-	-	-	-	-	-
Other	0900	(670)	-	-	-	-	-	-	-	(670)	(670)
<b>Total By Customer Type</b>	<b>1000</b>	<b>13 080</b>	<b>14 038</b>	<b>13 942</b>	<b>18 207</b>	<b>22 585</b>	<b>21 593</b>	<b>95 542</b>	<b>53 454</b>	<b>252 441</b>	<b>252 441</b>