

**MANDENI MUNICIPALITY  
(KZN 291)  
mSCOA ADJUSTMENT BUDGET  
2024/25**



**MEDIUM TERM REVENUE AND  
EXPENDITURE FORECASTS**

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- **In the foyers of all municipal buildings**
- **All public libraries within the municipality**

**At [www.mandeni.gov.za](http://www.mandeni.gov.za)**

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## **Part 1 –mSCOA Adjustment Budget**

### **1.1 MAYOR’S REPORT – ADJUSTMENT BUDGET: 2024/25**

**SPEECH BY HIS WORSHIP, THE MAYOR CLLR TP MDLALOSE TABLING THE  
MSCOA ADJUSTED BUDGET AND SERVICE DELIVERY BUDGET AND  
IMPLEMENTATION PLAN/SCORECARDS FOR 2024/25 FINANCIAL YEAR AT  
COUNCIL MEETING HELD ON 27 FEBRUARY 2025 AT COUNCIL CHAMBER**

**PRESENTATION**

**OF:**

**2024/25 ADJUSTMENT BUDGET & ADJUSTED SDBIP**



**Honorable Speaker,  
Amakhosi Asendlunkulu  
Deputy Mayor  
Members of the Executive Committee  
Chairpersons of MPAC and Women’s Caucus  
Honorable Councilors  
Municipal Manager  
Senior Management, Managers and staff  
Various stakeholders and all protocol observed  
Members of Media**

Hon Speaker and Council, I wish to start by extending my heartfelt condolences to whole Council and the family of the late Hon Cllr Mabhida as we are convening Council for the first time after his unfortunate and unexpected departure from this world. One has witnessed with concern the crime statistics as recently issued by the Hon Minister of Policy, Hon Senzo Mchunu where the crime incidents of murder are on a rise especially in certain areas of KZN Province. The two recent incidents of murder that occurred on the 3<sup>rd</sup> of February 2025 where 4 people lost their lives and 4 injured in Sundumbili Township as a result of being shot by unknown people and the shooting of our Cllr on the 4<sup>th</sup> of February 2025 have instilled fear in the society at large about the issue of safety and security in Mandeni.

We must appreciate swift response by SAPS on these two incidents where it was reported that the perpetrators of the incidents in Sundumbili cornered by SAPS in Nanda Area where three of five were killed by the Police and the other two on the priority list of SAPS to be arrested. Also, the perpetrators involved on the killing of Hon Cllr Mabhida were arrested within few hours after having committed this crime and remain behind bars. We shall rally behind the affected families for the justice on the loss of lives to be served.

We shall ensure that rope in all stakeholders to deal with the issue of crime in Mandeni to avoid a situation similar to that of Inanda and surrounding areas where people are killed on a daily basis by the hooligans.

Hon Speaker and Council, I am presenting this proposed Budget Adjustment at a difficult time where the tabling of the National Budget Speech by the Hon Minister of Finance was postponed for various reasons, and this has implications on the new Financial Year budget preparation processes for Local Government. We are yet to receive DORA Allocation from the National fiscus for the 2025/26 Financial Year. Council will be embarking on its Mid-Term of Office Strategic Session Review during the first week of March 2025 and the unavailability of the information of budget allocations for 2025/26 through DORA may somehow restrict Council to craft conclusive priorities pending budget confirmation.

### **The South African economy and inflation targets**

Madam Speaker and Council, the GDP growth is projected to average 1.8 per cent from 2025 to 2027, up from 1.2 per cent in the preceding three years. The pace of growth is still being limited by persistent – though gradually easing – constraints, particularly in logistics infrastructure.

Faster growth depends largely on maintaining macroeconomic stability, the continued implementation of structural economic reforms, improving state capabilities and supporting higher infrastructure investment.

### **Annual Budget through an Adjustment Budget**

This document is tabled to Council for consideration and approval of the adjusted budget following detailed assessment of the performance of the municipality during the first half of the financial year taking to account the monthly statements referred to in section 71 and Section 72 (Mid-Year Budget Performance Assessment) of the MFMA, the municipality's service delivery performance as well as the past year's annual report.

Further the adjusted budget has also considered progress on spending against national and provincial grants, spending on infrastructure delivery and cash position as at mid-year.

## **FINANCIAL OVERVIEW 2024/2025**

### **5.1 REVENUE ADJUSTMENT BUDGET**

The total Revenue for 2024/25 has been increased from R447.1 million to R448.9 million with an adjusted budget of R1.8 million at 0.4 per cent. This proposed adjustment on the revenue is informed by the broken summary below:

- **Interest earned from receivables (Refuse and Electricity):** has been increased by R537 thousand to an adjusted budget of R1,5 million. Adjustment has been based on mid-year performance as it was noted that this item was understated during original budget.
- **Rental from Fixed Assets:** has been increased by R350 thousand to an adjusted budget of R724 thousand. Adjustment has been based on mid-year performance as it was noted that this item was understated.
- **Operational Revenue:** has been adjusted by R550 thousand to an adjusted budget of R1.8 million. Adjustment has considered these the two additional revenue sources which have been received by the municipality during 1st half of the financial year, these items were not considered in the original budget. Insurance refund of R400 thousand and LG SETA Funding of R150 thousand

- **Interest Earned on Non-Exchange Revenue (Property Rates):** has been adjusted by R332 thousand to an adjusted budget of R3.3 million which has considered performance as at mid-year for interest on Property Rates. This item appeared to be understated during original budget.
- Further to that it should be noted that the municipality has considered the approved rollovers that were not fully spent in the previous financial year by National Treasury and Provincial Treasury.
- These grants have been considered in the adjustment budget and aligned with the approved implementation plan as approved.
  - i). Municipal Infrastructure Grant (MIG) of **R5,377,560** and
  - ii). Title Deed Grant of **R3,442,801**

## **5.2 EXPENDITURE ADJUSTMENT BUDGET**

The total adjusted operating expenditure for the 2024/25 financial year has been appropriated at R468.4 million and translates into a deficit of R19,5 million, when compared to the 2024/25, Original operational expenditure has been increased by 5.6 per cent in the adjustment budget.

Deficit has considered budget provision for the following expenditure which are non-cash items as per Budget Regulation Standards:

- i). Depreciation and amortisation of R37.9 million.
- ii). Debt impairment of R30.3 million and,
- iii). Irrecoverable debt write-off for R6.3 million

Factors informing the need for expenditure adjustment are outlined below as follows:

- **Inventory consumed:** has increased by R516 thousand to an adjustment budget of R5,6 million. Contributing factor on these adjustments is the reprioritization of repairs and maintenance related projects to be implemented before year end.

- **Contracted Services:** has been increased by R11,7 million to an adjusted budget of R90,9 million. Adjustments have considered mid-year performance as we have noted that budget allocated will not be adequate to meet contractual commitments up until year end. Further to that these adjustments will ensure that the municipality prevents incurring unauthorised expenditure at year end.
  - i). Provision Security Service - R4.2 million
  - ii). Grass cutting in various wards - R3 million
  - iii). Landfill Site Disposal - R1.3 million (as per the new contract with Dolphin Coast)
  - iv). Prepaid metering system - R1.3 million (as per the new transversal contract)
  - v). Community Consultation Programs – R1.2 million
  - vi). And any other outsourced services by the municipality
- **Operational Cost:** has been increased by R12 million to an adjustment budget of R66.7 million, adjustment have considered performance as at mid-year and reprioritised projects applicable under this item, this will ensure that the municipality prevents incurring unauthorised expenditure at year end.
  - i). Fuel and Oil - R2 million
  - ii). Insurance Premium - R1.5 million
  - iii). Audit fees - R1.3 million
  - iv). Renewal of Licences – R1.5 million
  - v). And any other operational expenditure items

The overall **CAPITAL EXPENDITURE** has been increased by R6.2 million to adjusted budget of R133.8 million. Adjustment has considered MIG approved rollover of R5.3 million that was not fully spent in the previous financial year and reprioritisation of capital projects that are funded internally from cash backed reserves.

Further to that it should be noted that capital expenditure items are vatable therefore VAT of 15 per cent have been budgeted. Total Capital Budget inclusive of vat is R153.8 million and vat exclusive of R20.0 million.

Hon Speaker and Council, the approved SDBIP for 2024/25 remains with a total of 309 Key Performance Indicators since only three KPIs were removed from the original document and 3 new KPIs were added. Some KPIs were adjusted in terms of smartness; annual targets; types of Portfolio of Evidence to support achievements as well as quarterly targets for Quarter Three and Four. The adjusted Score Cards will be made available for public viewing and comments and copies to be placed at various Municipal buildings including Libraries for viewing and comments.

**In Conclusion:**

Hon Speaker and Council, I therefore recommend for the adoption of both the Municipal Adjustment MSCOA Budget and Service Delivery and Budget Implementation Plan for 2024/25 Financial Year as per recommendations on pages 14 to 15 for Budget Adjustment and as per recommendations on page 77 of our Agenda in relation to adjusted SDBIPs.

I thank you all.

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**CLLR TP MDLALOSE**

**THE MAYOR**

## 1.1 Council Resolutions

**Resolution No:C80**

**COUNCIL: 27/02/2025**

On the 27<sup>th</sup> of February 2025 the Council of Mandeni Municipality met at Mandeni Council Chamber to consider the Adjustment Budget of the municipality for the financial year 2024/25. The Council approved and adopted the following resolutions:

1. The Council of Mandeni Municipality, acting in terms of section 28 (2) of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
  - 1.1. The mSCOA Adjustment budget of the Municipality for the financial year 2024/25 and the multi-year and single- year capital appropriations as set out in the following tables of the budget document:
    - 1.1.1. Adjustments Budget Summary as contained in Table 2 on page 13;
    - 1.1.2. Adjustments Budget Financial Performance (revenue and expenditure by standard classification) as contained in Table 3 on page 22;
    - 1.1.3. Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) as contained in Table 4 on page 23.
    - 1.1.4. Adjustments Budget Financial Performance (revenue by source and expenditure by type) as contained in Table 5 on page 24; and
    - 1.1.5. Adjustments Multi-year and single-year capital appropriations by Municipal vote and standard classification and associated funding by source as contained in Table 6 on page 26.
  - 1.2. The Adjustments budget financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables of the budget document:
    - 1.2.1. Adjustments Budget Financial Position as contained in Table 7 on page 28;
    - 1.2.2. Adjustments Budget Cash Flows as contained in Table 8 on page 31;
    - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 9 on page 34;
    - 1.2.4. Assets management as contained in Table 10 on page 36; and
    - 1.2.5. Basic Service delivery measurement as contained in Table 11 on page 38
2. The Council acting in terms of 23(1)(b) of the MFMA has considered the 2024/25 Mid-year budget and performance assessment feedback report from the Provincial Treasury, and it has considered comments raised in the Adjustment Budget.

## **1.2 Executive Summary**

### **In terms of Section 28 of the MFMA \_Municipal Adjustment budget**

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low-to high priority programs so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No.129 and Provincial Treasury Circular PT/MF 06 of 2024-25 were considered during compilation of Adjustment Budget 2024/25 financial year.

The main challenges experienced during the compilation of 2024/25 & MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained electricity, roads and municipal infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Wage increases for municipal staff that continues to exceed consumer inflation, as well as the need to fill critical vacancies;
- The continued difficulty in collecting all that is due to the municipality by consumers: and Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the adjustment budget as part of the 2024/25 MTREF process.

The following budget principles and guidelines directly informed the compilation of the 2024/25 Adjustments Budget priorities and targets. Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals; The commitments made with Auditor General in maintaining the clean audit initiatives; The need to fulfill the municipal mandate on the provision of services on disaster management and public safety;

The mSCOA Regulations applied to all municipalities and municipal entities with effect from 1 July 2017. Mandeni municipality has compiled its 2024/25 MTREF Budget transacting across all the mSCOA seven segments in Version 6.8 as per MFMA Circular 129.

Furthermore, we have ensured seamless integration of the Integrated Development Plan (IDP), Service Delivery and Budget Implementation Plan (SDBIP) and Budget facilities into the core financial system as these documents create a point of departure for the transacting. Mandeni municipality has tabled its mSCOA Adjustment Budget & IDP for 2024/25 MTREF in an mSCOA classification framework and the data string (IDP and Budget) will be uploaded to the LG Database portal on the 27<sup>th</sup> of February 2025 immediately after tabling at a Council Meeting. The municipality has also ensured that our main core system (SAGE Evolution) and all subsystems are integrating seamlessly.

## **ADJUSTMENT BUDGET OVERVIEW**

- (1) A municipality may revise an approved annual budget through an adjustment budget.
- (2) An adjustment budget-
  - a) must adjust revenue and expenditure estimates downwards if there is material under-collection of revenue during the current year;
  - b) may appropriate additional revenues that have become available over and above those anticipated in the annual budget, but only to revise or accelerate spending programmes already budgeted for;
  - c) may, within a prescribed framework, authorise unforeseeable and unavoidable expenditure recommended by the mayor of the municipality;
  - d) may authorise the utilisation of projected savings in one vote towards spending under another vote;
  - e) may authorise the spending of funds that were unspent at the end of the past financial year where the under-spending could not reasonably have been foreseen at the time to include projected roll-overs when the annual budget for the current year was approved by council;
  - f) may correct any errors in the annual budget; and
  - g) may provide for any other expenditure within the prescribed framework.
- (3) An adjustment budget must be in a prescribed form.
- (4) Only the mayor may table an adjustments budget in the municipal council, but an adjustments budget in terms of subsection (2) (b) to (g) may only be tabled within any prescribed limitations as to timing or frequency.

The Adjustments Budget must be accompanied by the following in accordance with Section 28(5):

- "a) an explanation how the adjustments budget affects the annual budget;
- b) a motivation of any material changes to the annual budget;
- c) an explanation of the impact of any increased spending on the annual budget and the annual budgets for the next two financial years;
- and d) any other supporting documentation that may be prescribed."

An Adjustments Budget according to Section 28(3 and 6): "(3) An Adjustment Budget must be in a prescribed format (6) Municipal taxes and tariffs may not be increased during a financial year except when required in terms of a financial recovery plan - section 28(6)."

In view of the aforementioned, the following table is a consolidated overview of the proposed 2024/25 Medium-term Revenue and Expenditure Framework:

The following Table represents an Executive Summary for the 2024/25 Adjustment Budget.

Choose name from list - Table B1 Adjustments Budget Summary -											
Description	Budget Year 2024/25									Budget Year +1	Budget Year +2
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	1	2	3	4	5	6	7	8			
R thousands	A	A1	B	C	D	E	F	G	H		
<b>Financial Performance</b>											
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>447,101</b>	-	-	-	-	-	1,769	1,769	<b>448,870</b>	<b>453,053</b>	<b>462,498</b>
Employee costs	152,543	-	-	-	-	-	0	0	152,543	153,638	154,713
Remuneration of councillors	16,388	-	-	-	-	-	-	-	16,388	16,879	17,217
Depreciation & asset impairment	68,117	-	-	-	-	-	-	-	68,117	69,455	70,188
Finance charges	3,300	-	-	-	-	-	-	-	3,300	3,452	3,611
Inventory consumed and bulk purchase	62,984	-	-	-	-	-	516	516	63,500	64,022	67,049
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	140,286	-	-	-	-	-	24,287	24,287	164,572	141,893	146,812
<b>Total Expenditure</b>	<b>443,616</b>	-	-	-	-	-	<b>24,803</b>	<b>24,803</b>	<b>468,419</b>	<b>449,339</b>	<b>459,589</b>
<b>Surplus/(Deficit)</b>	<b>3,484</b>	-	-	-	-	-	(23,034)	(23,034)	(19,550)	3,714	2,909
Transfers and subsidies - capital (monetary allocations)	39,760	-	-	-	-	-	5,378	5,378	45,138	40,840	44,178
Transfers and subsidies - capital (in-kind)	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>43,244</b>	-	-	-	-	-	<b>(17,656)</b>	<b>(17,656)</b>	<b>25,588</b>	<b>44,553</b>	<b>47,087</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>43,244</b>	-	-	-	-	-	<b>(17,656)</b>	<b>(17,656)</b>	<b>25,588</b>	<b>44,553</b>	<b>47,087</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	<b>127,600</b>	-	-	-	-	-	6,229	6,229	133,829	70,121	53,416
Transfers recognised - capital	34,702	-	-	-	-	-	4,632	4,632	39,334	35,513	38,416
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	92,898	-	-	-	-	-	1,598	1,598	94,495	34,609	15,000
<b>Total sources of capital funds</b>	<b>127,600</b>	-	-	-	-	-	<b>6,229</b>	<b>6,229</b>	<b>133,829</b>	<b>70,121</b>	<b>53,416</b>

As can be seen from the table above, Total Operating Revenue has increased from R447.1 million to **R448.9 million** with an adjusted budget of R1.8 million at 0.4 per cent.

Total adjusted operating expenditure for the 2024/25 financial year has been appropriated at R468,4 million and translates into a deficit of **R19,5 million**, when compared to the 2024/25 Original Budget. Operational expenditure has been increased by 5,6 per cent to an adjustment budget of **R468.4 million**.

The capital budget has increased from R127.6 million to **R133.8 million** with an adjustment budget of R6.2 million.

## **2. ADJUSTMENT BUDGET GUIDELINES, ASSUMPTIONS AND PRIORITIES**

Mandeni Municipality continues with improving the quality of services provided to its citizens, its need to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with developmental backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have been made in balancing expenditures again realistically anticipated revenues.

### **3.1 Reason for reprioritization**

#### **3.1.1 Revenue**

**The budget has been adjusted as follows:**

#### **Exchange Revenue**

The total Revenue for 2024/25 has been increased from R447.1 million to R448.9 million with an adjusted budget of R1.8 million at 0.4 per cent. This proposed adjustment on the revenue is informed by the broken summary below:

- **Interest earned from receivables (Refuse and Electricity):** has been increased by R537 thousand to an adjusted budget of R1,5 million. Adjustment has been based on mid-year performance as it was noted that this item was understated during original budget.
- **Rental from Fixed Assets:** has been increased by R350 thousand to an adjusted budget of R724 thousand. Adjustment has been based on mid-year performance as it was noted that this item was understated.
- **Operational Revenue:** has been adjusted by R550 thousand to an adjusted budget of R1.8 million. Adjustment has considered these the two additional revenue sources which have been received by the municipality during 1st half of the financial year, these items were not considered in the original budget. Insurance refund of R400 thousand and LG SETA Funding of R150 thousand
- **Interest Earned on Non-Exchange Revenue (Property Rates):** has been adjusted by R332 thousand to an adjusted budget of R3.3 million which has considered performance as at mid-year for interest on Property Rates. This item appeared to be understated during original budget.

- Further to that it should be noted that the municipality has considered the approved rollovers that were not fully spent in the previous financial year by National Treasury and Provincial Treasury. These grants have been considered in the adjustment budget and aligned with the approved implementation plan as approved.

- iii). Municipal Infrastructure Grant (MIG) of **R5,377,560** and
- iv). Tittle Deed Grant of **R3,442,801**

### 3.1.2 Expenditure

The total adjusted operating expenditure for the 2024/25 financial year has been appropriated at R468.4 million and translates into a deficit of R19,5 million, when compared to the 2024/25, Original operational expenditure has been increased by 5.6 per cent in the adjustment budget.

Deficit has considered budget provision for the following expenditure which are non-cash items as per Budget Regulation Standards:

- iv). Depreciation and amortisation of R37.9 million.
- v). Debt impairment of R30.3 million and,
- vi). Irrecoverable debt write-off for R6.3 million

Factors informing the need for expenditure adjustment are outlined below as follows:

- **Inventory consumed:** has increased by R516 thousand to an adjustment budget of R5,6 million. Contributing factor on these adjustments is the reprioritization of repairs and maintenance related projects to be implemented before year end.
- **Contracted Services:** has been increased by R11,7 million to an adjusted budget of R90,9 million. Adjustments have considered mid-year performance as we have noted that budget allocated will not be adequate to meet contractual commitments up until year end. Further to that these adjustments will ensure that the municipality prevents incurring unauthorised expenditure at year end.

- vii). Provision Security Service - R4.2 million
- viii). Grass cutting in various wards - R3 million
- ix). Landfill Site Disposal - R1.3 million (as per the new contract with Dolphin Coast)
- x). Prepaid metering system - R1.3 million (as per the new transversal contract)
- xi). Community Consultation Programs – R1.2 million
- xii). And any other outsourced services by the municipality

- **Operational Cost:** has been increased by R12 million to an adjustment budget of R66.7 million, adjustment have considered performance as at mid-year and reprioritised projects applicable under this item, this will ensure that the municipality prevents incurring unauthorised expenditure at year end.

- vi). Fuel and Oil - R2 million
- vii). Insurance Premium - R1.5 million
- viii). Audit fees - R1.3 million

- ix). Renewal of Licences – R1.5 million
- x). And any other operational expenditure items

Budget allocated for this item has considered cost containment regulations that were issued on the 7th of June 2020

Furthermore, it should be noted that other expenditure exceeds the allocated norm of 10 per cent by 12.3 per cent, variance is due to critical operations by the municipality which needs to be prioritized as they contribute to improved service delivery, however this item will be regularly monitored so as to ensure realistic targets are met.

- **Losses on disposal of assets:** have been adjusted by R600 thousand, this adjustment has considered losses which are due to disposal of assets which have occurred as there will be a disposal of assets through an auction.

**Table 2 MBRR Table B1 - Budget Summary**

KZN291 Mandeni - Table B1 Adjustments Budget Summary - 28-02-2025											
Description	Budget Year 2024/25									Budget Year +1	Budget Year +2
	Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
	A	1 A1	2 B	3 C	4 D	5 E	6 F	7 G	8 H		
<b>R thousands</b>											
<b>Financial Performance</b>											
Property rates	62,237	-	-	-	-	-	-	-	62,237	65,099	69,094
Service charges	86,448	-	-	-	-	-	-	-	86,448	90,235	95,073
Investment revenue	28,000	-	-	-	-	-	-	-	28,000	28,840	29,705
Transfers recognised - operational	253,163	-	-	-	-	-	-	-	253,163	252,337	246,760
Other own revenue	17,254	-	-	-	-	-	1,769	1,769	19,023	16,541	21,866
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>447,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,769</b>	<b>1,769</b>	<b>448,870</b>	<b>453,053</b>	<b>462,498</b>
Employee costs	152,543	-	-	-	-	-	0	0	152,543	153,638	154,713
Remuneration of councillors	16,388	-	-	-	-	-	-	-	16,388	16,879	17,217
Depreciation & asset impairment	68,117	-	-	-	-	-	-	-	68,117	69,455	70,188
Finance charges	3,300	-	-	-	-	-	-	-	3,300	3,452	3,611
Inventory consumed and bulk purchase	62,984	-	-	-	-	-	516	516	63,500	64,022	67,049
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	140,286	-	-	-	-	-	24,287	24,287	164,572	141,893	146,812
<b>Total Expenditure</b>	<b>443,616</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,803</b>	<b>24,803</b>	<b>468,419</b>	<b>449,339</b>	<b>459,589</b>
<b>Surplus/(Deficit)</b>	<b>3,484</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23,034)</b>	<b>(23,034)</b>	<b>(19,550)</b>	<b>3,714</b>	<b>2,909</b>
Transfers and subsidies - capital (monetary allocations)	39,760	-	-	-	-	-	5,378	5,378	45,138	40,840	44,178
Transfers and subsidies - capital (in kind)	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>43,244</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,656)</b>	<b>(17,656)</b>	<b>25,588</b>	<b>44,553</b>	<b>47,087</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	<b>43,244</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(17,656)</b>	<b>(17,656)</b>	<b>25,588</b>	<b>44,553</b>	<b>47,087</b>
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>	127,600	-	-	-	-	-	6,229	6,229	133,829	70,121	53,416
Transfers recognised - capital	34,702	-	-	-	-	-	4,632	4,632	39,334	35,513	38,416
Borrowing	-	-	-	-	-	-	-	-	-	-	-
Internally generated funds	92,898	-	-	-	-	-	1,598	1,598	94,495	34,609	15,000
<b>Total sources of capital funds</b>	<b>127,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,229</b>	<b>6,229</b>	<b>133,829</b>	<b>70,121</b>	<b>53,416</b>
<b>Financial position</b>											
Total current assets	240,614	-	-	-	-	-	27,038	27,038	267,652	272,995	296,258
Total non current assets	692,232	-	-	-	-	-	116,717	116,717	808,949	705,634	690,039
Total current liabilities	55,157	-	-	-	-	-	28,975	28,975	84,132	46,190	48,306
Total non current liabilities	22,993	-	-	-	-	-	2,777	2,777	25,770	23,455	23,223
Community wealth/Equity	854,111	-	-	-	-	-	112,589	112,589	966,699	905,175	909,056
<b>Cash flows</b>											
Net cash from (used) operating	46,034	-	-	-	-	-	(8,561)	(8,561)	37,474	44,949	44,938
Net cash from (used) investing	(146,740)	-	-	-	-	-	(7,162)	(7,162)	(153,901)	(80,640)	(61,428)
Net cash from (used) financing	-	-	-	-	-	-	-	-	-	-	-
<b>Cash/cash equivalents at the year</b>	<b>82,718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,662</b>	<b>9,662</b>	<b>92,380</b>	<b>118,413</b>	<b>139,355</b>
<b>Cash backing/surplus reconciliation</b>											
Cash and investments available	78,954	-	-	-	-	-	13,254	13,254	92,208	115,976	136,805
Application of cash and investments	(50,581)	-	-	-	-	-	13,169	13,169	(37,412)	(52,750)	(55,597)
<b>Balance - surplus (shortfall)</b>	<b>129,535</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86</b>	<b>86</b>	<b>129,621</b>	<b>168,726</b>	<b>192,402</b>
<b>Asset Management</b>											
Asset register summary (WDV)	692,232	-	-	-	-	-	116,717	116,717	808,949	705,634	690,039
Depreciation	37,856	-	-	-	-	-	-	-	37,856	38,992	39,772
Renewal and Upgrading of Existing	75,573	-	-	-	-	-	(427)	(427)	75,146	35,513	38,416
Repairs and Maintenance	27,348	-	-	-	-	-	1,848	1,848	29,196	28,151	29,446
<b>Free services</b>											
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	944	-	-	-	-	-	-	-	14,354	15,014	15,704
<b>Households below minimum service level</b>											
Water:	-	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-	-

## **Explanatory notes to MBRR Table B1 - Budget Summary**

Table B1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).

The table provides an overview of the amounts approved by the Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

Financial management reforms emphasize the importance of the municipal budget being funded. This requires simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard.

The operating surplus/deficit (after Total Expenditure) is negative over the MTREF Capital expenditure is balanced by capital funding sources, of which Transfers recognized are reflected on the Financial Performance Budget.

Borrowing is incorporated in the net cash from financing on the Cash Flow Budget. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive and is improving indicates that the necessary cash resources are available to fund the Capital Budget.

The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2024/25, when a small surplus as reflected.

Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

As per table above

**Table 3 Adjustments Budget Financial Performance (standard classification)**

KZN291 Mandeni - Table B2 Adjustments Budget Financial Performance (functional classification) - 28-02-2025												Budget Year +1	Budget Year +2
Standard Description	Ref	Budget Year 2024/25									2025/26	2026/27	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		5	6	7	8	9	10	11	12				
R thousands	1, 4	A	A1	B	C	D	E	F	G	H			
<b>Revenue - Functional</b>													
<b>Governance and administration</b>		<b>340,236</b>	-	-	-	-	-	<b>732</b>	<b>732</b>	<b>340,968</b>	<b>344,018</b>	<b>343,192</b>	
Executive and council		8,038	-	-	-	-	-	-	-	8,038	8,356	8,700	
Finance and administration		332,198	-	-	-	-	-	732	732	332,930	335,662	334,492	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		<b>5,464</b>	-	-	-	-	-	<b>300</b>	<b>300</b>	<b>5,764</b>	<b>5,817</b>	<b>9,866</b>	
Community and social services		5,073	-	-	-	-	-	300	300	5,373	5,408	5,585	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	
Public safety		391	-	-	-	-	-	-	-	391	409	4,281	
Housing		-	-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		<b>45,527</b>	-	-	-	-	-	<b>5,578</b>	<b>5,578</b>	<b>51,104</b>	<b>45,720</b>	<b>49,360</b>	
Planning and development		41,542	-	-	-	-	-	5,578	5,578	47,120	43,451	46,986	
Road transport		3,985	-	-	-	-	-	-	-	3,985	2,269	2,374	
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	
<b>Trading services</b>		<b>95,634</b>	-	-	-	-	-	<b>537</b>	<b>537</b>	<b>96,171</b>	<b>98,337</b>	<b>104,259</b>	
Energy sources		80,675	-	-	-	-	-	67	67	80,743	82,690	87,890	
Water management		-	-	-	-	-	-	-	-	-	-	-	
Waste water management		-	-	-	-	-	-	-	-	-	-	-	
Waste management		14,958	-	-	-	-	-	470	470	15,428	15,647	16,369	
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total Revenue - Functional</b>	<b>2</b>	<b>486,861</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,147</b>	<b>7,147</b>	<b>494,007</b>	<b>493,892</b>	<b>506,676</b>	
<b>Expenditure - Functional</b>													
<b>Governance and administration</b>		<b>217,123</b>	-	-	-	-	-	<b>20,525</b>	<b>20,525</b>	<b>237,648</b>	<b>218,975</b>	<b>209,853</b>	
Executive and council		66,001	-	-	-	-	-	6,501	6,501	72,502	69,140	71,919	
Finance and administration		151,121	-	-	-	-	-	14,024	14,024	165,146	149,836	137,934	
Internal audit		-	-	-	-	-	-	-	-	-	-	-	
<b>Community and public safety</b>		<b>42,761</b>	-	-	-	-	-	<b>3,422</b>	<b>3,422</b>	<b>46,183</b>	<b>43,973</b>	<b>46,271</b>	
Community and social services		30,811	-	-	-	-	-	(359)	(359)	30,453	31,707	33,069	
Sport and recreation		10,030	-	-	-	-	-	3,684	3,684	13,714	10,258	11,102	
Public safety		1,890	-	-	-	-	-	(143)	(143)	1,747	1,976	2,067	
Housing		30	-	-	-	-	-	239	239	269	31	33	
Health		-	-	-	-	-	-	-	-	-	-	-	
<b>Economic and environmental services</b>		<b>83,202</b>	-	-	-	-	-	<b>(66)</b>	<b>(66)</b>	<b>83,136</b>	<b>84,377</b>	<b>87,081</b>	
Planning and development		25,716	-	-	-	-	-	(1,357)	(1,357)	24,359	24,533	25,718	
Road transport		53,423	-	-	-	-	-	1,230	1,230	54,653	55,594	56,917	
Environmental protection		4,063	-	-	-	-	-	61	61	4,124	4,250	4,445	
<b>Trading services</b>		<b>99,070</b>	-	-	-	-	-	<b>1,706</b>	<b>1,706</b>	<b>100,776</b>	<b>101,557</b>	<b>115,911</b>	
Energy sources		76,143	-	-	-	-	-	531	531	76,674	76,813	81,119	
Water management		-	-	-	-	-	-	-	-	-	-	-	
Waste water management		2,802	-	-	-	-	-	-	-	2,802	2,886	2,944	
Waste management		20,124	-	-	-	-	-	1,175	1,175	21,299	21,858	31,847	
<b>Other</b>		<b>876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>(200)</b>	<b>676</b>	<b>457</b>	<b>473</b>	
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>443,031</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,388</b>	<b>25,388</b>	<b>468,419</b>	<b>449,339</b>	<b>459,589</b>	
<b>Surplus/ (Deficit) for the year</b>		<b>43,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(18,242)</b>	<b>(18,242)</b>	<b>25,588</b>	<b>44,553</b>	<b>47,087</b>	

**Explanatory notes to MBRR Table B2 – Adjusted Budgeted Financial Performance (revenue and expenditure by standard classification)**

Table B2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 12 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enable the National Treasury to compile 'whole of government' reports.

Note the Total Revenue on this table includes capital revenues (Transfers recognized – capital) and so does not balance to the operating revenue shown on Table B4.

Note that as a general principle the revenues for the Trading Services should exceed their expenditures.

**Table 4 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote)**

KZN291 Mandeni - Table B3 Adjustments Budget Financial Performance (revenue and expenditure by municipal vote) - 28-02-2025												
Vote Description	Ref	Budget Year 2024/25								Budget Year +1	Budget Year +2	
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoi d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
[Insert departmental structure etc]		3	4	5	6	7	8	9	10			
R thousands		A	A1	B	C	D	E	F	G	H		
<b>Revenue by Vote</b>	1											
Vote 1 - Executive and council		8,038	–	–	–	–	–	–	8,038	8,356	8,700	
Vote 2 - Finance and administration		332,198	–	–	–	–	732	732	332,930	335,662	334,492	
Vote 3 - Internal audit		–	–	–	–	–	–	–	–	–	–	
Vote 4 - Community and social services		5,464	–	–	–	–	300	300	5,764	5,817	9,866	
Vote 5 - Sport and Recreation		–	–	–	–	–	–	–	–	–	–	
Vote 6 - Public safety		–	–	–	–	–	–	–	–	–	–	
Vote 7 - Housing		–	–	–	–	–	–	–	–	–	–	
Vote 8 - Planning and Development		41,542	–	–	–	–	5,578	5,578	47,120	43,451	46,986	
Vote 9 - Road transport		3,985	–	–	–	–	–	–	3,985	2,269	2,374	
Vote 10 - Energy sources		80,675	–	–	–	–	67	67	80,743	82,690	87,890	
Vote 11 - Waste Management		14,958	–	–	–	–	470	470	15,428	15,647	16,369	
Vote 12 - Environmental Protection		–	–	–	–	–	–	–	–	–	–	
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	
<b>Total Revenue by Vote</b>	2	<b>486,861</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>7,147</b>	<b>7,147</b>	<b>494,007</b>	<b>493,892</b>	<b>506,676</b>	
<b>Expenditure by Vote</b>	1											
Vote 1 - Executive and council		66,001	–	–	–	–	6,501	6,501	72,502	69,140	71,919	
Vote 2 - Finance and administration		151,121	–	–	–	–	14,024	14,024	165,146	149,836	137,934	
Vote 3 - Internal audit		–	–	–	–	–	–	–	–	–	–	
Vote 4 - Community and social services		30,811	–	–	–	–	(359)	(359)	30,453	31,707	33,069	
Vote 5 - Sport and Recreation		10,030	–	–	–	–	3,684	3,684	13,714	10,258	11,102	
Vote 6 - Public safety		1,890	–	–	–	–	(143)	(143)	1,747	1,976	2,067	
Vote 7 - Housing		30	–	–	–	–	239	239	269	31	33	
Vote 8 - Planning and Development		26,592	–	–	–	–	(1,557)	(1,557)	25,035	24,989	26,191	
Vote 9 - Road transport		56,225	–	–	–	–	1,230	1,230	57,456	58,481	59,862	
Vote 10 - Energy sources		76,143	–	–	–	–	531	531	76,674	76,813	81,119	
Vote 11 - Waste Management		20,124	–	–	–	–	1,175	1,175	21,299	21,858	31,847	
Vote 12 - Environmental Protection		4,063	–	–	–	–	61	61	4,124	4,250	4,445	
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–	
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–	
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–	
<b>Total Expenditure by Vote</b>	2	<b>443,031</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>25,388</b>	<b>25,388</b>	<b>468,419</b>	<b>449,339</b>	<b>459,589</b>	
<b>Surplus/ (Deficit) for the year</b>	2	<b>43,830</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(18,242)</b>	<b>(18,242)</b>	<b>25,588</b>	<b>44,553</b>	<b>47,087</b>	

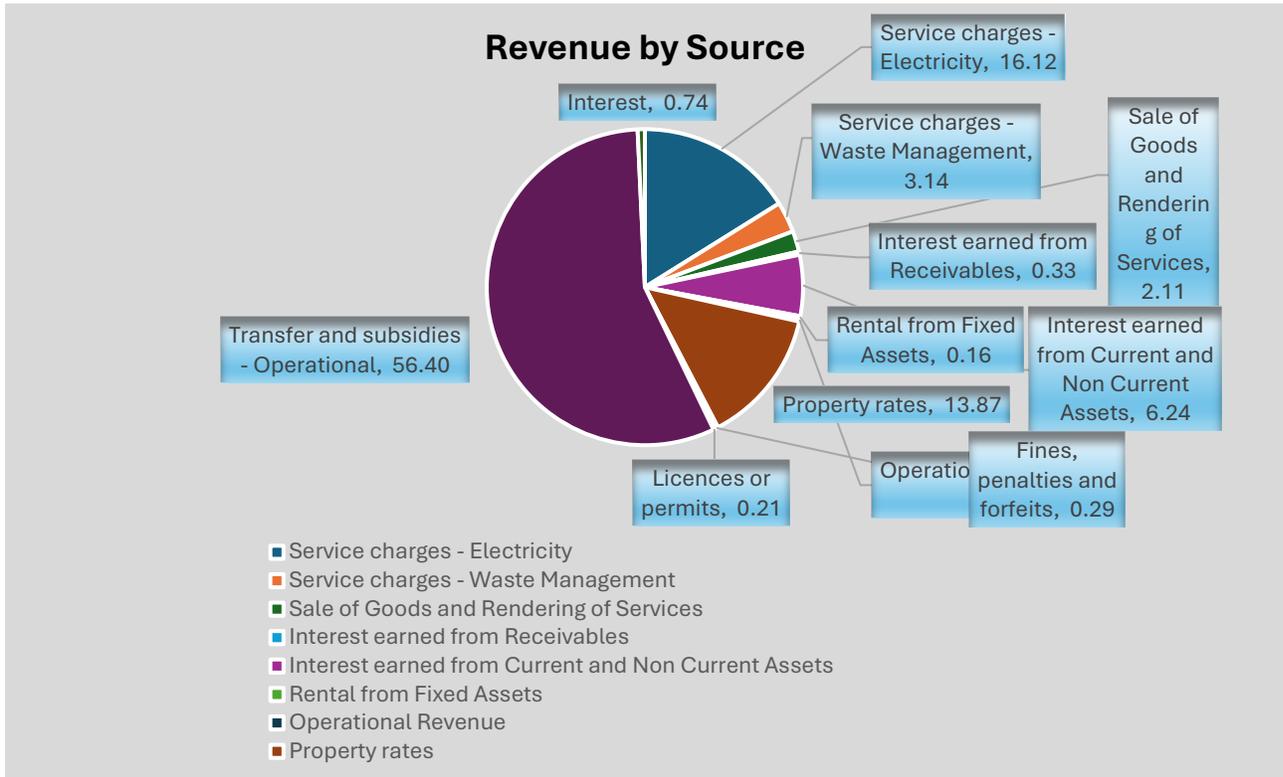
Explanatory notes to MBRR Table B3 – Adjusted Budgeted Financial Performance (revenue and expenditure by municipal vote).

Table B3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

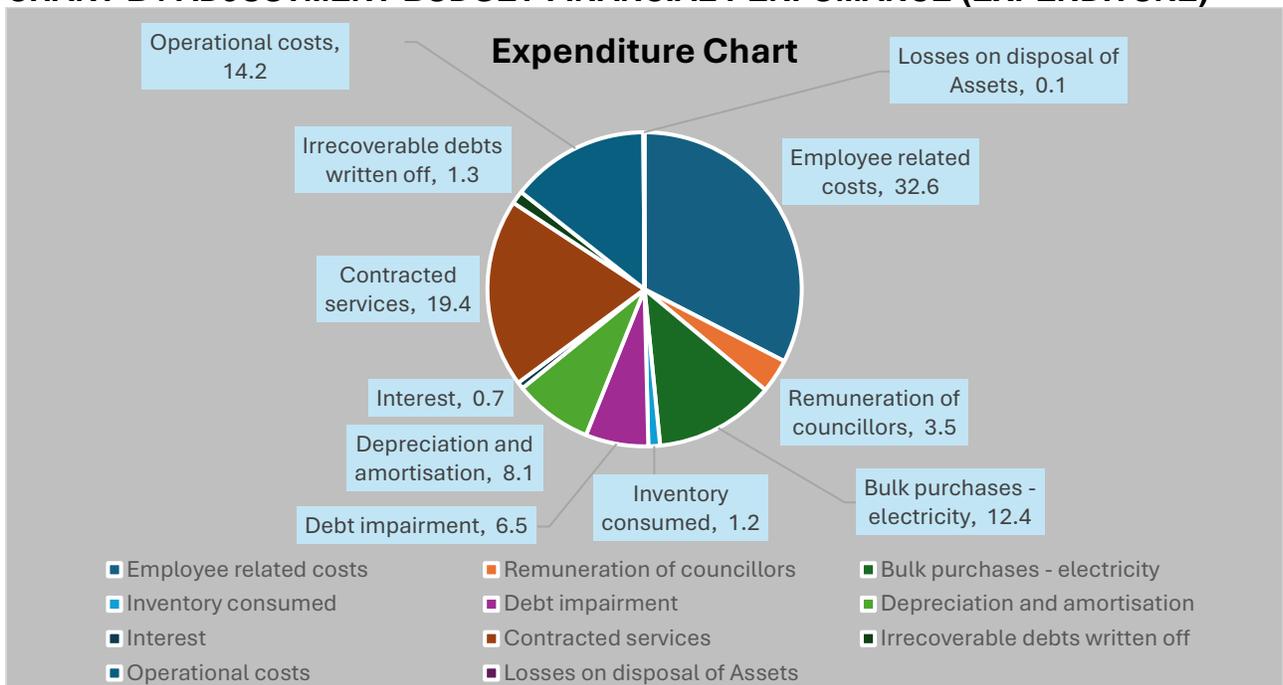
**Table 5 Adjustments Budget Financial Performance (revenue and expenditure)**

KZN291 Mandeni - Table B4 Adjustments Budget Financial Performance (revenue and expenditure) - 28-02-2025												
Description	Ref	Budget Year 2024/25									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoi d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3	4	5	6	7	8	9	10		
<b>R thousands</b>	1	A	A1	B	C	D	E	F	G	H		
<b>Revenue By Source</b>												
<b>Exchange Revenue</b>												
Service charges - Electricity	2	72 341	-	-	-	-	-	-	-	72 341	75 479	79 636
Service charges - Water	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Wat	2	-	-	-	-	-	-	-	-	-	-	-
Service charges - Waste Mar	2	14 106	-	-	-	-	-	-	-	14 106	14 756	15 436
Sale of Goods and Rendering of Servic		9 474	-	-	-	-	-	-	-	9 474	8 405	13 354
Agency services		-	-	-	-	-	-	-	-	-	-	-
Interest		-	-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		963	-	-	-	-	-	537	537	1 500	1 007	1 053
Interest earned from Current and Non		28 000	-	-	-	-	-	-	-	28 000	28 840	29 705
Dividends		-	-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		374	-	-	-	-	-	350	350	724	391	409
Licence and permits		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		1 200	-	-	-	-	-	550	550	1 750	1 254	1 313
<b>Non-Exchange Revenue</b>												
Property rates	2	62 237	-	-	-	-	-	-	-	62 237	65 099	69 094
Surcharges and Taxes		-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		1 310	-	-	-	-	-	-	-	1 310	1 371	1 434
Licences or permits		957	-	-	-	-	-	-	-	957	1 001	1 047
Transfer and subsidies - Operational		253 163	-	-	-	-	-	-	-	253 163	252 337	246 760
Interest		2 976	-	-	-	-	-	332	332	3 308	3 113	3 256
Fuel Levy		-	-	-	-	-	-	-	-	-	-	-
Operational Revenue		-	-	-	-	-	-	-	-	-	-	-
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	-
Other Gains		-	-	-	-	-	-	-	-	-	-	-
Discontinued Operations		-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>447 101</b>	-	-	-	-	-	<b>1 769</b>	<b>1 769</b>	<b>448 870</b>	<b>453 053</b>	<b>462 498</b>
<b>Expenditure By Type</b>												
Employee related costs		152 543	-	-	-	-	-	0	0	152 543	153 638	154 713
Remuneration of councillors		16 388	-	-	-	-	-	-	-	16 388	16 879	17 217
Bulk purchases - electricity		57 866	-	-	-	-	-	-	-	57 866	59 164	61 931
Inventory consumed		5 118	-	-	-	-	-	516	516	5 634	4 858	5 118
Debt impairment		30 261	-	-	-	-	-	-	-	30 261	30 463	30 416
Depreciation and amortisation		37 856	-	-	-	-	-	-	-	37 856	38 992	39 772
Interest		3 300	-	-	-	-	-	-	-	3 300	3 452	3 611
Contracted services		79 270	-	-	-	-	-	11 707	11 707	90 976	77 357	79 136
Transfers and subsidies		-	-	-	-	-	-	-	-	-	-	-
Irrecoverable debts written off		6 261	-	-	-	-	-	-	-	6 261	6 323	6 387
Operational costs		54 755	-	-	-	-	-	11 980	11 980	66 735	58 212	61 289
Losses on disposal of Assets		-	-	-	-	-	-	600	600	600	-	-
Other Losses		-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>443 616</b>	-	-	-	-	-	<b>24 803</b>	<b>24 803</b>	<b>468 419</b>	<b>449 339</b>	<b>459 589</b>
<b>Surplus/(Deficit)</b>		<b>3 484</b>	-	-	-	-	-	<b>(23 034)</b>	<b>(23 034)</b>	<b>(19 550)</b>	<b>3 714</b>	<b>2 909</b>
Transfers and subsidies - capital (monetary allocations)		39 760	-	-	-	-	-	5 378	5 378	45 138	40 840	44 178
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) before taxation</b>		<b>43 244</b>	-	-	-	-	-	<b>(17 656)</b>	<b>(17 656)</b>	<b>25 588</b>	<b>44 553</b>	<b>47 087</b>
Income Tax		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>		<b>43 244</b>	-	-	-	-	-	<b>(17 656)</b>	<b>(17 656)</b>	<b>25 588</b>	<b>44 553</b>	<b>47 087</b>
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	-
Share of Surplus/Deficit attributable to		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>		<b>43 244</b>	-	-	-	-	-	<b>(17 656)</b>	<b>(17 656)</b>	<b>25 588</b>	<b>44 553</b>	<b>47 087</b>
Share of Surplus/Deficit attributable to Associate		-	-	-	-	-	-	-	-	-	-	-
Intercompany/Parent subsidiary transa		-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/ (Deficit) for the year</b>	1	<b>43 244</b>	-	-	-	-	-	<b>(17 656)</b>	<b>(17 656)</b>	<b>25 588</b>	<b>44 553</b>	<b>47 087</b>

**CHART B4 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE (REVENUE)**



**CHART B4 ADJUSTMENT BUDGET FINANCIAL PERFORMANCE (EXPENDITURE)**



**Table 6 Adjustments Capital Expenditure Budget by vote and funding**

KZN291 Mandeni - Table B5 Adjustments Capital Expenditure Budget by vote and funding - 28-02-2025

Description	Ref	Budget Year 2024/25									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoi d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	5	6	7	8	9	10	11	12		
<b>R thousands</b>		A	A1	B	C	D	E	F	G	H		
<b>Capital expenditure - Vote</b>												
<b>Multi-year expenditure to be adjusted</b>	2											
Vote 1 - Executive and council		-	-	-	-	-	-	-	-	-	-	-
Vote 2 - Finance and administration		-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Internal audit		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and social services		-	-	-	-	-	-	-	-	-	-	-
Vote 5 - Sport and Recreation		-	-	-	-	-	-	-	-	-	-	-
Vote 6 - Public safety		-	-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		-	-	-	-	-	-	-	-	-	-	-
Vote 9 - Road transport		-	-	-	-	-	-	-	-	-	-	-
Vote 10 - Energy sources		-	-	-	-	-	-	-	-	-	-	-
Vote 11 - Waste Management		-	-	-	-	-	-	-	-	-	-	-
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	3	-	-	-	-	-	-	-	-	-	-	-
<b>Single-year expenditure to be adjusted</b>	2											
Vote 1 - Executive and council		5 870	-	-	-	-	-	5 562	5 562	11 431	20 000	15 000
Vote 2 - Finance and administration		8 557	-	-	-	-	-	5 059	5 059	13 616	-	-
Vote 3 - Internal audit		-	-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and social services		4 457	-	-	-	-	-	(349)	(349)	4 107	-	-
Vote 5 - Sport and Recreation		10 127	-	-	-	-	-	3 299	3 299	13 426	-	-
Vote 6 - Public safety		939	-	-	-	-	-	(87)	(87)	852	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-	-
Vote 8 - Planning and Development		12 191	-	-	-	-	-	(976)	(976)	11 215	10 870	-
Vote 9 - Road transport		79 535	-	-	-	-	-	(4 664)	(4 664)	74 871	39 252	38 416
Vote 10 - Energy sources		3 752	-	-	-	-	-	(1 574)	(1 574)	2 178	-	-
Vote 11 - Waste Management		2 174	-	-	-	-	-	(40)	(40)	2 134	-	-
Vote 12 - Environmental Protection		-	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>127 600</b>	-	-	-	-	-	<b>6 229</b>	<b>6 229</b>	<b>133 829</b>	<b>70 121</b>	<b>53 416</b>
<b>Total Capital Expenditure - Vote</b>		<b>127 600</b>	-	-	-	-	-	<b>6 229</b>	<b>6 229</b>	<b>133 829</b>	<b>70 121</b>	<b>53 416</b>
<b>Capital Expenditure - Functional</b>												
<b>Governance and administration</b>		<b>14 426</b>	-	-	-	-	-	<b>10 621</b>	<b>10 621</b>	<b>25 047</b>	<b>20 000</b>	<b>15 000</b>
Executive and council		5 870	-	-	-	-	-	5 562	5 562	11 431	20 000	15 000
Finance and administration		8 557	-	-	-	-	-	5 059	5 059	13 616	-	-
Internal audit		-	-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>15 522</b>	-	-	-	-	-	<b>2 863</b>	<b>2 863</b>	<b>18 385</b>	-	-
Community and social services		4 457	-	-	-	-	-	(349)	(349)	4 107	-	-
Sport and recreation		10 127	-	-	-	-	-	3 299	3 299	13 426	-	-
Public safety		939	-	-	-	-	-	(87)	(87)	852	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>		<b>91 726</b>	-	-	-	-	-	<b>(5 640)</b>	<b>(5 640)</b>	<b>86 085</b>	<b>50 121</b>	<b>38 416</b>
Planning and development		12 191	-	-	-	-	-	(976)	(976)	11 215	10 870	-
Road transport		79 535	-	-	-	-	-	(4 664)	(4 664)	74 871	39 252	38 416
Environmental protection		-	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>		<b>5 926</b>	-	-	-	-	-	<b>(1 614)</b>	<b>(1 614)</b>	<b>4 312</b>	-	-
Energy sources		3 752	-	-	-	-	-	(1 574)	(1 574)	2 178	-	-
Water management		-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-
Waste management		2 174	-	-	-	-	-	(40)	(40)	2 134	-	-
<b>Other</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Functional</b>	3	<b>127 600</b>	-	-	-	-	-	<b>6 229</b>	<b>6 229</b>	<b>133 829</b>	<b>70 121</b>	<b>53 416</b>
<b>Funded by:</b>												
National Government		33 963	-	-	-	-	-	4 666	4 666	38 629	35 513	38 416
Provincial Government		739	-	-	-	-	-	(35)	(35)	705	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind)		-	-	-	-	-	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	4	<b>34 702</b>	-	-	-	-	-	<b>4 632</b>	<b>4 632</b>	<b>39 334</b>	<b>35 513</b>	<b>38 416</b>
<b>Borrowing</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>		<b>92 898</b>	-	-	-	-	-	<b>1 598</b>	<b>1 598</b>	<b>94 495</b>	<b>34 609</b>	<b>15 000</b>
<b>Total Capital Funding</b>		<b>127 600</b>	-	-	-	-	-	<b>6 229</b>	<b>6 229</b>	<b>133 829</b>	<b>70 121</b>	<b>53 416</b>

## **Explanatory notes to Table B6 – Adjusted Budgeted Capital Expenditure by vote, standard classification and funding source.**

Table B5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

### **CAPITAL BUDGET**

**Capital expenditure:** -have been increased by R6.2 million to an adjusted budget of R133.8 million. Adjustment has considered the approved rollover for MIG funding and reprioritisation of capital projects funded through reserves.

Capital Budget funded by National and Provincial Government have been increased by R5.4 million to an adjustment budget of R45.1 million. Adjusted has considered the approved rollovers that were not fully spent in the previous financial year which have been approved by the National and Provincial Treasury.

- Municipal Infrastructure Grant (MIG) of **R5,377,560** and

The revised DORA has an impact on grant receipts and expenditure which have been considered in this adjustment budget. This review has an impact on revenue and expenditure as we have adjusted revenue and expenditure in the budget.

Capital Budget funded through National & Provincial Grants (MIG, and Library) of R39.3 million equates to 29.4 per cent.

Capital Budget funded from internally generated funds of R94.5 million equates to 70.6 per cent.

For 2024/25 Adjustment Budget an amount of R109.4 million have been appropriated for the development of infrastructure which represents 81.6 per cent of the total capital budget and they have been allocated the highest budget allocation.

Community assets have been allocated R4.7 million, which represents 3.5 per cent. Furthermore, Other Assets with adjustment of R19.7 million and represents 14.72 per cent.

## **CAPITAL EXPENDITURE FUNCTIONAL:**

**Governance and administration:** have been increased by R10.6 million to an adjustment budget of R25 million. Adjustment has considered the level of performance noted for extension of workshop; therefore, funds have been redirected to planning and development.

**Community and Public Safety:** have been increased by R2.8 million to an adjustment budget of R18.4 million, adjustments considered the rollover for MIG allocation.

**Economic and environmental services:** have reduced by R5.6 million to an adjusted budget of R86.1 million. Adjustment is due to reprioritization of capital projects that were identified on the MIG acceleration plan.

**Trading services:** have decreased by R1.6 million to an adjusted budget of R4.3 million.

**Table 7 Adjustment Budget Financial Position**

KZN291 Mandeni - Table B6 Adjustments Budget Financial Position - 28-02-2025

Description	Ref	Budget Year 2024/25									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoi d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>ASSETS</b>												
<b>Current assets</b>												
Cash and cash equivalents		78 954	-					13 254	13 254	92 208	115 976	136 805
Trade and other receivables from	1	33 169	-	-	-	-	-	(224)	(224)	32 945	33 260	24 875
Receivables from non-exchange	1	36 042	-	-	-	-	-	22 038	22 038	58 081	37 031	49 707
Current portion of non-current re	2	-	-	-	-	-	-	-	-	-	-	-
Inventory		38 984	-	-	-	-	-	2 506	2 506	41 490	41 359	41 035
VAT		53 465	-	-	-	-	-	(10 538)	(10 538)	42 927	45 369	43 836
Other current assets		-	-	-	-	-	-	-	-	-	-	-
<b>Total current assets</b>		<b>240 614</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27 038</b>	<b>27 038</b>	<b>267 652</b>	<b>272 995</b>	<b>296 258</b>
<b>Non current assets</b>												
Investments		-	-	-	-	-	-	-	-	-	-	-
Investment property		60 544	-	-	-	-	-	(18 631)	(18 631)	41 913	60 544	60 544
Property, plant and equipment	3	631 390	-	-	-	-	-	133 638	133 638	765 028	644 838	629 258
Biological assets		-	-	-	-	-	-	-	-	-	-	-
Living and non-living resources		-	-	-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-	-	-
Intangible assets		298	-	-	-	-	-	1 710	1 710	2 008	253	237
Trade and other receivables from excha		-	-	-	-	-	-	-	-	-	-	-
Non-current receivables from non-excha		-	-	-	-	-	-	-	-	-	-	-
Other non-current assets		-	-	-	-	-	-	-	-	-	-	-
<b>Total non current assets</b>		<b>692 232</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116 717</b>	<b>116 717</b>	<b>808 949</b>	<b>705 634</b>	<b>690 039</b>
<b>TOTAL ASSETS</b>		<b>932 846</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>143 755</b>	<b>143 755</b>	<b>1 076 601</b>	<b>978 630</b>	<b>986 297</b>
<b>LIABILITIES</b>												
<b>Current liabilities</b>												
Bank overdraft		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities		-	-	-	-	-	-	-	-	-	-	-
Consumer deposits		216	-	-	-	-	-	(55)	(55)	162	223	227
Trade and other payables from exchange		23 220	-	-	-	-	-	24 837	24 837	48 056	24 739	25 119
Trade and other payables from non-exch		8 284	-	-	-	-	-	(2 848)	(2 848)	5 436	-	-
Provisions		8 677	-	-	-	-	-	231	231	8 908	6 044	6 289
VAT		14 759	-	-	-	-	-	6 810	6 810	21 570	15 184	16 670
Other current liabilities		-	-	-	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>		<b>55 157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28 975</b>	<b>28 975</b>	<b>84 132</b>	<b>46 190</b>	<b>48 306</b>
<b>Non current liabilities</b>												
Borrowing	1	-	-	-	-	-	-	-	-	-	-	-
Provisions	1	-	-	-	-	-	-	-	-	-	-	-
Long term portion of trade payables		-	-	-	-	-	-	-	-	-	-	-
Other non-current liabilities		22 993	-	-	-	-	-	2 777	2 777	25 770	23 455	23 223
<b>Total non current liabilities</b>		<b>22 993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 777</b>	<b>2 777</b>	<b>25 770</b>	<b>23 455</b>	<b>23 223</b>
<b>TOTAL LIABILITIES</b>		<b>78 150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31 752</b>	<b>31 752</b>	<b>109 901</b>	<b>69 645</b>	<b>71 529</b>
<b>NET ASSETS</b>	2	<b>854 696</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112 003</b>	<b>112 003</b>	<b>966 699</b>	<b>908 984</b>	<b>914 768</b>
<b>COMMUNITY WEALTH/EQUITY</b>												
Accumulated Surplus/(Deficit)		852 024	-	-	-	-	-	112 541	112 541	964 566	902 927	906 743
Funds and Reserves		2 086	-	-	-	-	-	47	47	2 133	2 249	2 313
Other		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUIT</b>		<b>854 111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>112 589</b>	<b>112 589</b>	<b>966 699</b>	<b>905 175</b>	<b>909 056</b>

The adjustments will enhance the service delivery and budget implementation plan and long-term financial sustainability.

## **Explanatory notes to Table B6 – Adjustments Budgeted Financial Position**

1. Table B6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table B6 is supported by an extensive table of notes providing a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;
  - Consumer debtors;
  - Property, plant and equipment;
  - Trade and other payables;
  - Provisions non-current;
  - Changes in net assets; and
  - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition, the funding compliance assessment is informed directly by forecasting the statement of financial position.
6. Further to that Financial Position as per table B6 has considered the opening balance as per the audited AFS 2023-24 and movement of current financial year.

## Table 8 Adjustments Budget Cash Flows

KZN291 Mandeni - Table B7 Adjustments Budget Cash Flows - 28-02-2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unavoi. d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>												
<b>Receipts</b>												
Property rates		31 118	-					-	-	31 118	32 550	34 047
Service charges		75 777	-					-	-	75 777	79 083	83 373
Other revenue		4 674	-					20 137	20 137	24 811	4 889	9 555
Transfers and Subsidies - Operati	1	262 390	-					-	-	262 390	260 257	255 861
Transfers and Subsidies - Capital	1	39 760	-					5 378	5 378	45 138	40 840	44 178
Interest		28 000	-					-	-	28 000	28 840	29 705
Dividends		-	-					-	-	-	-	-
<b>Payments</b>												
Suppliers and employees		(392 386)	-					(34 075)	(34 075)	(426 461)	(398 059)	(408 170)
Finance charges		(3 300)	-					-	-	(3 300)	(3 452)	(3 611)
Transfers and Subsidies	1	-	-					-	-	-	-	-
<b>NET CASH FROM/(USED) OPERATING</b>		<b>46 034</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8 561)</b>	<b>(8 561)</b>	<b>37 474</b>	<b>44 949</b>	<b>44 938</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>												
<b>Receipts</b>												
Proceeds on disposal of PPE		-	-					-	-	-	-	-
Decrease (increase) in non-current rece		-	-					-	-	-	-	-
Decrease (increase) in non-current invest		-	-					-	-	-	-	-
<b>Payments</b>												
Capital assets		(146 740)	-					(7 162)	(7 162)	(153 901)	(80 640)	(61 428)
<b>NET CASH FROM/(USED) INVESTING</b>		<b>(146 740)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7 162)</b>	<b>(7 162)</b>	<b>(153 901)</b>	<b>(80 640)</b>	<b>(61 428)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>												
<b>Receipts</b>												
Short term loans		-	-					-	-	-	-	-
Borrowing long term/refinancing		-	-					-	-	-	-	-
Increase (decrease) in consumer depos		-	-					-	-	-	-	-
<b>Payments</b>												
Repayment of borrowing		-	-					-	-	-	-	-
<b>NET CASH FROM/(USED) FINANCING</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE/ (DECREASE) IN CASH</b>		<b>(100 705)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(15 722)</b>	<b>(15 722)</b>	<b>(116 428)</b>	<b>(35 691)</b>	<b>(16 490)</b>
Cash/cash equivalents at the year	2	183 424	-					25 384	25 384	208 808	154 104	155 845
Cash/cash equivalents at the year	2	82 718	-					9 662	9 662	92 380	118 413	139 355

## Explanatory notes to Table B8 - Budgeted Cash Flow Statement

### Receipts

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
2. Property Rates budget have remained with the same collection rate of 45 per cent of R31.1 million during an adjustment budget. This has been based on mid-year budget performance and impact on the implementation of credit control and debt collection policy.

3. Service Charges: electricity have remained with a budget of R68.7 million or 95 per cent of the electricity billing, the assumed collection rate will remain the same during adjustment budget which has been based on the actual performance during mid-year. Adjustment has considered electricity demand by Umngeni Water.

During the first half of the year, the finance team has been preoccupied with the preparation of the AFS as well as the Audit, some of the key elements of the Credit Control and Debt Management Policy have not been enforced optimally. We have already started with the vigorous implementation of the policy and this includes the Disconnection of Services, Continuous Meter Audit and institution of a Legal cycle for all debtors who are in errors for more than 120 days. The results we have seen thus far are positive and we are confident that we will be able to maintain the budgeted collection rate in this line item.

4. Service Charges: Refuse budget have remained the same at R7.1 million with a collection rate of 50 per cent. This has been based on midyear performance as we anticipate that this collection rate will be met at year end.
5. Rental of facilities and equipment the municipality anticipates a 100 per cent collection rate at R374 thousand for the utilization of the municipal properties.
6. Licenses and permits a 100 percent collection rate at R957 thousand has been applied based on mid-year performance and performance of the traffic department.
7. Other Revenue has been budgeted to collect 100 per cent at R43.9 million adjustment budget of all other revenue sources which agrees to B4 Fin Perf all the other revenue sources. Adjustment has considered the additional revenues received that were not budgeted for.
8. Transfers and Subsidies -Operational remains at R253.1
9. Transfers and Subsidies -Capital have been adjusted to R45.1 million with an adjustment of R5.4 million which is due to the approved rollover grant MIG and revised Dora.

### **Payments**

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

10. The municipality has increased payments from cash flow under suppliers and employees with R34 million to an adjusted budget of R426.4 million, which has been split in the following categories contracted Services and Other expenditure. Adjustment is due to reprioritization of expenditure and this expenditure is inclusive of VAT.

Further to those payments has also considered other cash flow payments of R17.8 million which has been based on outstanding creditors as per the audited AFS.

11. Finance charges have remained the same with a budget of R3.3 million, adjustment has considered prior year audited AFS for finance cost towards retirement benefit obligation.
12. Capital Payments have been increased by R6.2 million to R133.8 million which is inclusive of VAT with an adjustment of R4.6 million further to that this adjustment has considered the reduced MIG allocation and reallocation of capital projects. Adjustment in capital payments does not agree to B5 capex due to VAT exclusion in B5 of R20. million.

Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget.

13. Cash and cash equivalents at the beginning have been adjusted to R208.8 million to align with Audited AFS 2023/24 financial year.
14. Cash and cash equivalents have decreased by R15.7 million, to reconcile with the closing balance as at 30 June 2024 of R208.8 million. This has then resulted in closing the balance for 2024/25 of cash and cash equivalent is R92.3 million.

As part of the 2024/25 Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.

The 2024/25 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium term.

**Table 9 Cash Backed reserves/accumulated surplus reconciliation**

KZN291 Mandeni - Table B8 Cash backed reserves/accumulated surplus reconciliation - 28-02-2025

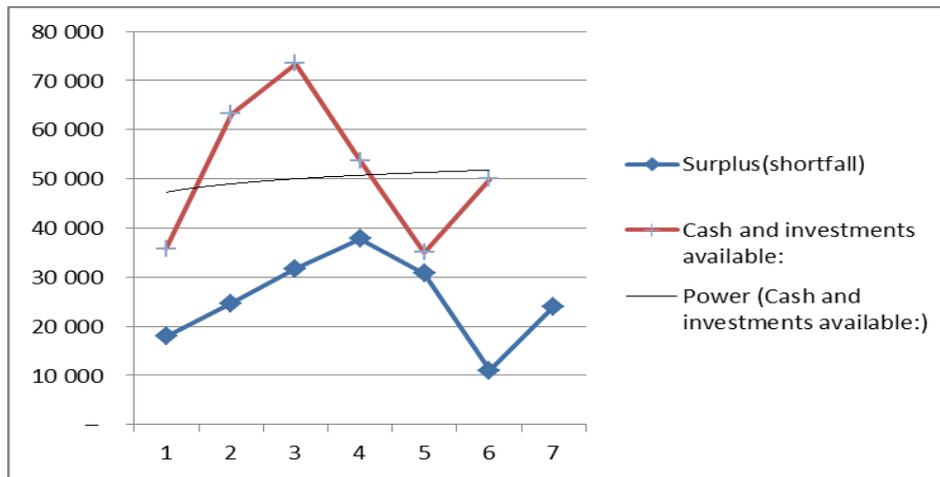
Description	Ref	Budget Year 2024/25									Budget Year +1	Budget Year +2
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	3 A1	4 B	5 C	6 D	7 E	8 F	9 G	10 H		
<b>R thousands</b>												
<b>Cash and investments available</b>												
Cash/cash equivalents at the year end	1	82 718	-	-	-	-	-	9 662	9 662	92 380	118 413	139 355
Other current investments > 90 days		(3 765)	-	-	-	-	-	3 593	3 593	(172)	(2 438)	(2 550)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-	-
<b>Cash and investments available:</b>		<b>78 954</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13 254</b>	<b>13 254</b>	<b>92 208</b>	<b>115 976</b>	<b>136 805</b>
<b>Applications of cash and investments</b>												
Unspent conditional transfers		8 284	-	-	-	-	-	(2 848)	(2 848)	5 436	-	-
Unspent borrowing												
Statutory requirements		(45 071)	-					17 050	17 050	(28 021)	(36 843)	(36 843)
Other working capital requirements	2	(23 693)	-					(2 175)	(2 175)	(25 868)	(24 199)	(27 111)
Other provisions		8 677	-					231	231	8 908	6 044	6 044
Long term investments committed		-	-					-	-	-	-	-
Reserves to be backed by cash/investments		2 086	-					47	47	2 133	2 249	2 313
<b>Total Application of cash and investments:</b>		<b>(49 718)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12 305</b>	<b>12 305</b>	<b>(37 412)</b>	<b>(52 750)</b>	<b>(55 597)</b>
<b>Surplus(shortfall)</b>		<b>128 671</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>949</b>	<b>949</b>	<b>129 621</b>	<b>168 726</b>	<b>192 402</b>

The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2024/25, when a small surplus is reflected.

From the above table the cash and investments available at the end of 2023/24 financial year was R128.7 million and it has increased to R129.6 million by 2024/25, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding.

Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. It can be concluded that the Municipality has a surplus against the cash backed and accumulated surpluses reconciliation. It needs to be noted that for all practical purposes the 2024/25 MTREF was funded when considering the funding requirements of section 18 and 19 of the MFMA.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven-year perspective.



### Notes to Table B8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality’s budget must be “funded”.
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the Adjustment budget is not appropriately funded.
5. Considering the requirements of section 18 of the MFMA, it can be concluded that the adopted 2024/25 MTREF was funded to the significant surplus of R129.6 million.
6. As part of the budgeting and planning guidelines that informed the compilation of the 2024/25 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
7. As can be seen the budget has been modelled to progressively move to a surplus of R129.6 million by 2024/25.

**Table 10 Asset Management**

KZN291 Mandeni - Table B9 Asset Management - 28-02-2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoi d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	A1	8 B	9 C	10 D	11 E	12 F	13 G	14 H		
<b>R thousands</b>												
<b>CAPITAL EXPENDITURE</b>												
<b>Total New Assets to be adjusted</b>	1	52 027	-	-	-	-	-	6 656	6 656	58 683	34 609	15 000
Roads Infrastructure		9 739	-	-	-	-	-	(4 107)	(4 107)	5 633	3 739	-
Electrical Infrastructure		2 713	-	-	-	-	-	(1 658)	(1 658)	1 055	-	-
Sanitation Infrastructure		70	-	-	-	-	-	(33)	(33)	36	-	-
Solid Waste Infrastructure		1 739	-	-	-	-	-	(179)	(179)	1 560	-	-
Coastal Infrastructure		217	-	-	-	-	-	(122)	(122)	96	-	-
Infrastructure		14 478	-	-	-	-	-	(6 099)	(6 099)	8 379	3 739	-
Community Facilities		6 870	-	-	-	-	-	3 104	3 104	9 974	10 870	-
Sport and Recreation Facilities		8 927	-	-	-	-	-	3 715	3 715	12 641	-	-
Community Assets		15 796	-	-	-	-	-	6 819	6 819	22 615	10 870	-
Operational Buildings		5 652	-	-	-	-	-	4 430	4 430	10 082	20 000	15 000
Other Assets	6	5 652	-	-	-	-	-	4 430	4 430	10 082	20 000	15 000
Computer Equipment		957	-	-	-	-	-	35	35	992	-	-
Furniture and Office Equipment		1 739	-	-	-	-	-	(52)	(52)	1 687	-	-
Machinery and Equipment		3 039	-	-	-	-	-	77	77	3 116	-	-
Transport Assets		10 365	-	-	-	-	-	1 447	1 447	11 812	-	-
<b>Total Renewal of Existing Assets to be adjusted</b>	2	29 348	-	-	-	-	-	(1 314)	(1 314)	28 034	-	-
Roads Infrastructure		26 304	-	-	-	-	-	425	425	26 730	-	-
Electrical Infrastructure		435	-	-	-	-	-	-	-	435	-	-
Infrastructure		26 739	-	-	-	-	-	425	425	27 165	-	-
Community Facilities		2 609	-	-	-	-	-	(1 739)	(1 739)	870	-	-
Community Assets		2 609	-	-	-	-	-	(1 739)	(1 739)	870	-	-
<b>Total Upgrading of Existing Assets to be adjusted</b>	2a	46 225	-	-	-	-	-	887	887	47 112	35 513	38 416
Roads Infrastructure		38 882	-	-	-	-	-	(548)	(548)	38 334	35 513	38 416
Electrical Infrastructure		430	-	-	-	-	-	-	-	430	-	-
Infrastructure		39 312	-	-	-	-	-	(548)	(548)	38 764	35 513	38 416
Community Facilities		174	-	-	-	-	-	(174)	(174)	-	-	-
Community Assets		174	-	-	-	-	-	(174)	(174)	-	-	-
Operational Buildings		6 087	-	-	-	-	-	1 043	1 043	7 130	-	-
Other Assets	6	6 087	-	-	-	-	-	1 043	1 043	7 130	-	-
Computer Equipment		652	-	-	-	-	-	565	565	1 217	-	-
<b>Total Capital Expenditure to be adjusted</b>	4	127 600	-	-	-	-	-	6 229	6 229	133 829	70 121	53 416
Roads Infrastructure		74 926	-	-	-	-	-	(4 229)	(4 229)	70 697	39 252	38 416
Electrical Infrastructure		3 578	-	-	-	-	-	(1 658)	(1 658)	1 920	-	-
Sanitation Infrastructure		70	-	-	-	-	-	(33)	(33)	36	-	-
Solid Waste Infrastructure		1 739	-	-	-	-	-	(179)	(179)	1 560	-	-
Coastal Infrastructure		217	-	-	-	-	-	(122)	(122)	96	-	-
Infrastructure		80 530	-	-	-	-	-	(6 222)	(6 222)	74 308	39 252	38 416
Community Facilities		9 652	-	-	-	-	-	1 191	1 191	10 843	10 870	-
Sport and Recreation Facilities		8 927	-	-	-	-	-	3 715	3 715	12 641	-	-
Community Assets		18 579	-	-	-	-	-	4 906	4 906	23 485	10 870	-
Operational Buildings		11 739	-	-	-	-	-	5 473	5 473	17 212	20 000	15 000
Other Assets		11 739	-	-	-	-	-	5 473	5 473	17 212	20 000	15 000
Computer Equipment		1 609	-	-	-	-	-	600	600	2 209	-	-
Furniture and Office Equipment		1 739	-	-	-	-	-	(52)	(52)	1 687	-	-
Machinery and Equipment		3 039	-	-	-	-	-	77	77	3 116	-	-
Transport Assets		10 365	-	-	-	-	-	1 447	1 447	11 812	-	-
<b>TOTAL CAPITAL EXPENDITURE to be adjusted</b>	4	127 600	-	-	-	-	-	6 229	6 229	133 829	70 121	53 416

<b>TOTAL CAPITAL EXPENDITURE to be</b>	4	<b>127 600</b>	-	-	-	-	-	<b>6 229</b>	<b>6 229</b>	<b>133 829</b>	<b>70 121</b>	<b>53 416</b>
<b>ASSET REGISTER SUMMARY - PPE (V</b>	5	<b>692 232</b>	-	-	-	-	-	<b>116 717</b>	<b>116 717</b>	<b>808 949</b>	<b>705 634</b>	<b>690 039</b>
<i>Roads Infrastructure</i>		346 021	-	-	-	-	-	19 897	19 897	365 917	341 174	350 404
<i>Storm water Infrastructure</i>		2 809	-	-	-	-	-	40 826	40 826	43 635	3 121	3 213
<i>Electrical Infrastructure</i>		4 918	-	-	-	-	-	9 711	9 711	14 629	1 918	1 910
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		70	-	-	-	-	-	(33)	(33)	36	-	-
<i>Solid Waste Infrastructure</i>		2 174	-	-	-	-	-	(40)	(40)	2 134	-	-
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastruc</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Infrastructure</i>		355 991	-	-	-	-	-	70 361	70 361	426 352	346 212	355 526
<i>Community Assets</i>		114 704	-	-	-	-	-	(2 113)	(2 113)	112 590	130 550	106 303
<i>Heritage Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Investment properties</i>		60 544	-	-	-	-	-	(18 631)	(18 631)	41 913	60 544	60 544
<i>Other Assets</i>		52 394	-	-	-	-	-	31 492	31 492	83 886	58 093	58 105
<i>Biological or Cultivated Assets</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Intangible Assets</i>		298	-	-	-	-	-	1 710	1 710	2 008	253	237
<i>Computer Equipment</i>		12 770	-	-	-	-	-	(7 553)	(7 553)	5 216	12 977	13 081
<i>Furniture and Office Equipment</i>		14 412	-	-	-	-	-	(9 482)	(9 482)	4 929	14 806	14 637
<i>Machinery and Equipment</i>		8 907	-	-	-	-	-	17 609	17 609	26 516	9 286	9 315
<i>Transport Assets</i>		38 230	-	-	-	-	-	15 310	15 310	53 540	38 930	38 307
<i>Land</i>		33 983	-	-	-	-	-	18 015	18 015	51 998	33 983	33 983
<i>Zoo's, Marine and Non-biological Animals</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Living Resources</i>		-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSET REGISTER SUMMARY</b>	5	<b>692 232</b>	-	-	-	-	-	<b>116 717</b>	<b>116 717</b>	<b>808 949</b>	<b>705 634</b>	<b>690 039</b>
<b>EXPENDITURE OTHER ITEMS</b>												
<b>Depreciation &amp; asset impairment</b>		37 856	-	-	-	-	-	-	-	37 856	38 992	39 772
<b>Repairs and Maintenance by asset cl</b>	3	<b>27 348</b>	-	-	-	-	-	<b>1 848</b>	<b>1 848</b>	<b>29 196</b>	<b>28 151</b>	<b>29 446</b>
<i>Roads Infrastructure</i>		8 548	-	-	-	-	-	-	-	8 548	8 941	9 352
<i>Storm water Infrastructure</i>		2 870	-	-	-	-	-	-	-	2 870	3 002	3 140
<i>Electrical Infrastructure</i>		3 000	-	-	-	-	-	(435)	(435)	2 565	3 138	3 282
<i>Water Supply Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Sanitation Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Solid Waste Infrastructure</i>		3 391	-	-	-	-	-	1 304	1 304	4 696	3 547	3 710
<i>Rail Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Coastal Infrastructure</i>		-	-	-	-	-	-	-	-	-	-	-
<i>Information and Communication Infrastruc</i>		696	-	-	-	-	-	-	-	696	728	761
<i>Infrastructure</i>		18 504	-	-	-	-	-	870	870	19 374	19 356	20 246
<i>Community Facilities</i>		174	-	-	-	-	-	(130)	(130)	43	182	190
<i>Sport and Recreation Facilities</i>		1 974	-	-	-	-	-	180	180	2 154	2 065	2 160
<b>Community Assets</b>		2 148	-	-	-	-	-	50	50	2 197	2 247	2 350
<b>Intangible Assets</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Computer Equipment</b>		348	-	-	-	-	-	(155)	(155)	193	364	381
<b>Furniture and Office Equipment</b>		-	-	-	-	-	-	-	-	-	-	-
<b>Machinery and Equipment</b>		6 348	-	-	-	-	-	1 084	1 084	7 432	6 185	6 470
<b>TOTAL EXPENDITURE OTHER ITEMS to be</b>		<b>65 204</b>	-	-	-	-	-	<b>1 848</b>	<b>1 848</b>	<b>67 052</b>	<b>67 143</b>	<b>69 217</b>
<i>Renewal and upgrading of Existing Assets</i>		59,2%	0,0%							56,2%	50,6%	71,9%
<i>Renewal and upgrading of Existing Assets</i>		199,6%	0,0%							198,5%	91,1%	96,6%
<i>R&amp;M as a % of PPE</i>		4,0%	0,0%							3,6%	4,0%	4,3%
<i>Renewal and upgrading and R&amp;M as a % o</i>		14,9%	0,0%							12,9%	9,0%	9,8%

## Explanatory notes to Table B9 - Asset Management

Table B9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.

### Table 11 Basic Service delivery measurement

KZN291 Mandeni - Supporting Table SB5 Adjustments Budget - social, economic and demographic statistics and assumptions - 28-02-2025												
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2021/22	2022/23	2023/24	Budget Year 2024/25	2024/25 Medium Term Revenue & Expenditure Framework		
						Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>												
Population						134	134	134	134	134	134	0
Females aged 5 - 14												
Males aged 5 - 14												
Females aged 15 - 34												
Males aged 15 - 34												
Unemployment						58	58	58	58	58	58	
<b>Monthly Household income ( no. of</b>	1, 12											
None						55 740	55 740	55 740	55 740	55 740	55 740	
R1 - R1 600						33 612	33 612	33 612	33 612	33 612	33 612	
R1 601 - R3 200						3 971	3 971	3 971	3 971	3 971	3 971	
R3 201 - R6 400						9 818	9 818	9 818	9 818	9 818	9 818	
R6 401 - R12 800						8 735	8 735	8 735	8 735	8 735	8 735	
R12 801 - R25 600						4 414	4 414	4 414	4 414	4 414	4 414	
R25 601 - R51 200						516	516	516	516	516	516	
R52 201 - R102 400						-	-	-	-	-	-	
R102 401 - R204 800						616	616	616	616	616	616	
R204 801 - R409 600						88	88	88	88	88	88	
R409 601 - R819 200						34	34	34	34	34	34	
> R819 200						28	28	28	28	28	28	
<b>Poverty profiles (no. of households)</b>												
< R2 060 per household per month	13					17270.00	17270.00	17270.00	17270.00	17270.00	17270.00	
Insert description	2											
<b>Household/demographics (000)</b>												
Number of people in municipal area						138	138	138	138	138	138	
Number of poor people in municipal area						66	66	66	66	66	66	
Number of households in municipal area						38	38	38	38	38	38	
Number of poor households in municipal area						25	25	25	25	25	25	
Definition of poor household (R per month)												
<b>Housing statistics</b>	3											
Formal						33 519	33 519	33 519	33 519	33 519	33 519	
Informal						4 716	4 716	4 716	4 716	4 716	4 716	
<b>Total number of households</b>						38 235	38 235	38 235	38 235	38 235	38 235	
Dwellings provided by municipality	4											
Dwellings provided by province/s												
Dwellings provided by private sector	5											
<b>Total new housing dwellings</b>												
<b>Economic</b>	6											
Inflation/inflation outlook (CPIx)												
Interest rate - borrowing												4.1%
Interest rate - investment												11.8%
Remuneration increases												
Consumption growth (electricity)												
Consumption growth (water)												
<b>Collection rates</b>	7											
Property tax/service charges						%	%	%	%	%	%	%
Rental of facilities & equipment						%	%	%	%	%	%	%
Interest - external investments						%	%	%	%	%	%	%
Interest - debtors						%	%	%	%	%	%	%
Revenue from agency services						%	%	%	%	%	%	%

Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

## **Part 2 – Supporting Documentation**

### **2.1 ADJUSTMENT TO BUDGET ASSUMPTION**

There were no adjustments to budget assumption.

### **2.2 ADJUSTMENTS TO BUDGET FUNDING**

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- Realistically anticipated revenues to be collected,
- Cash backed accumulated funds from previous year's surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in section.

This refers to the narrative summary of the impact of the adjustment budget on the funding of operation and capital expenditure for the municipality.

The adjustment budget is funded by realistically anticipated revenues. This then ensures the financial sustainability of the municipality that both operating and capital expenditure is funded appropriately.

### **2.3 ADJUSTMENT TO CAPITAL EXPENDITURE**

Capital expenditure: -have been increased by R6.2 million to an adjusted budget of R133.8 million. Adjustment has considered the approved rollover for MIG funding and reprioritization of capital projects funded through reserves.

Capital Budget funded by National and Provincial Government have been increased by R5.4 million to an adjustment budget of R45.1 million. Adjusted has considered the approved rollovers that were not fully spent in the previous financial year which have been approved by the National and Provincial Treasury.

- Municipal Infrastructure Grant (MIG) of R5,377,560 and

The revised DORA has an impact on grant receipts and expenditure which have been considered in this adjustment budget. This review has an impact on revenue and expenditure as we have adjusted revenue and expenditure in the budget.

Capital Budget funded from internally generated funds has been adjusted from R92.9 million to R94.5 million with a increase of R1.6 million at 1.5 per cent.

**Table 12 Supporting Table SB1- Budgeted Financial Performance**

KZN291 Mandeni - Supporting Table SB1 Supporting detail to 'Budgeted Financial Performance' - 28-02-2025

Description	Ref	Budget Year 2024/25									Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	6 A1	7 B	8 C	9 D	10 E	11 F	12 G	13 H		
R thousands												
<b>REVENUE ITEMS</b>												
<u>Non-exchange revenue by source</u>												
<b>Property rates</b>												
Total Property Rates		75 646	-						-	75 646	79 126	83 765
<i>Less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)</i>		13 409	-						-	13 409	14 026	14 671
<b>Net Property Rates</b>		<b>62 237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62 237</b>	<b>65 099</b>	<b>69 094</b>
<u>Exchange revenue service charges</u>												
<b>Service charges - Electricity</b>												
Total Service charges - Electricity		72 341	-						-	72 341	75 479	79 636
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>		-	-						-	-	-	-
<i>Less Cost of Free Basis Services (50 kwh per indigent household per month)</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Net Service charges - Electricity</b>		<b>72 341</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>72 341</b>	<b>75 479</b>	<b>79 636</b>
<b>Service charges - Waste Management</b>												
Total refuse removal revenue		15 050	-						-	15 050	15 744	16 469
Total landfill revenue		-	-						-	-	-	-
<i>Less Revenue Foregone (in excess of 50 kwh per indigent household per month)</i>		944	-						-	944	988	1 033
<i>Less Cost of Free Basis Services</i>		-	-	-	-	-	-	-	-	-	-	-
<b>Service charges - Waste Management</b>		<b>14 106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14 106</b>	<b>14 756</b>	<b>15 436</b>

<b>EXPENDITURE ITEMS</b>												
<b>Employee related costs</b>												
Basic Salaries and Wages		100 007	-					(907)	(907)	99 099	101 729	100 371
Pension and UIF Contributions		15 949	-					192	192	16 141	16 683	17 450
Medical Aid Contributions		6 222	-					725	725	6 947	6 508	6 808
Overtime		2 469	-					527	527	2 996	2 583	2 702
Performance Bonus		7 012	-				(1 270)	(1 270)	5 743	7 335	7 672	
Motor Vehicle Allowance		6 366	-					298	298	6 664	6 659	6 965
Cellphone Allowance		799	-					253	253	1 052	836	874
Housing Allowances		640	-					18	18	658	626	700
Other benefits and allowances		1 172	-					255	255	1 427	1 226	1 283
Payments in lieu of leave		2 718	-				(91)	(91)	2 627	2 843	2 973	
Long service awards		1 407	-					-	-	1 407	1 472	1 539
Post-retirement benefit obligations	4	7 782	-					-	-	7 782	5 140	5 377
<b>sub-total</b>		<b>152 543</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>152 543</b>	<b>153 638</b>	<b>154 713</b>
Less: Employees costs capitalised		-	-					-	-	-	-	-
<b>Total Employee related costs</b>	<b>1</b>	<b>152 543</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>	<b>152 543</b>	<b>153 638</b>	<b>154 713</b>
<b>Depreciation and amortisation</b>												
Depreciation of Property, Plant & Equipment		37 492	-					-	-	37 492	38 617	39 389
Lease amortisation		364	-					-	-	364	375	382
Capital asset impairment		-	-					-	-	-	-	-
<b>Total Depreciation and amortisation</b>	<b>1</b>	<b>37 856</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37 856</b>	<b>38 992</b>	<b>39 772</b>
<b>Bulk purchases</b>												
Electricity Bulk Purchases		57 866	-					-	-	57 866	59 164	61 931
Water Bulk Purchases		-	-					-	-	-	-	-
<b>Total bulk purchases</b>	<b>1</b>	<b>57 866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57 866</b>	<b>59 164</b>	<b>61 931</b>
<b>Contracted services</b>												
Outsourced Services		29 811	-					9 186	9 186	38 997	27 820	26 640
Consultants and Professional Services		6 303	-					92	92	6 395	6 820	7 157
Contractors		43 156	-					2 429	2 429	45 585	42 717	45 339
<b>Total contracted services</b>		<b>79 270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 707</b>	<b>11 707</b>	<b>90 976</b>	<b>77 357</b>	<b>79 136</b>
<b>Operational Costs</b>												
Collection costs		1 739	-					1 150	1 150	2 889	1 819	1 903
Contributions to 'other' provisions		-	-					-	-	-	-	-
Audit fees		2 174	-					1 254	1 254	3 428	2 274	2 379
Other Operational Costs		50 842	-					9 576	9 576	60 418	54 119	57 007
<b>Total Other Operational Costs</b>	<b>1</b>	<b>54 755</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 980</b>	<b>11 980</b>	<b>66 735</b>	<b>58 212</b>	<b>61 289</b>
<b>Repairs and Maintenance</b>												
Employee related costs	14	-	-					-	-	-	-	-
Inventory Consumed (Project Maintenance)		27 348	-					-	-	27 348	28 151	29 446
Contracted Services		-	-					-	-	-	-	-
Other Expenditure		-	-					-	-	-	-	-
<b>Total Repairs and Maintenance</b>	<b>15</b>	<b>27 348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27 348</b>	<b>28 151</b>	<b>29 446</b>
<b>Inventory Consumed</b>												
Inventory Consumed - Water		-	-					-	-	-	-	-
Inventory Consumed - Other		5 118	-					516	516	5 634	4 858	5 118
<b>Total Inventory Consumed &amp; Other</b>		<b>5 118</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>516</b>	<b>516</b>	<b>5 634</b>	<b>4 858</b>	<b>5 118</b>

**Table 13 Supporting Table SB2- Financial Position Budget**

KZN291 Mandeni - Supporting Table SB2 Supporting detail to 'Financial Position Budget' - 28-02-2025

Description	Ref	Budget Year 2024/25										Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoi d.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget	
		A	A1	B	C	D	E	F	G	H			
<b>R thousands</b>													
<b>ASSETS</b>													
<b>Trade and other receivables from exchange transactions</b>													
Electricity		23 548	-					711	711	24 259	23 649	24 472	
Water		-	-					-	-	-	-	-	
Waste		78 452	-					(2 931)	(2 931)	75 521	80 542	82 015	
Waste Water		852	-					470	470	1 322	891	932	
Other trade receivables from exchange transactions		4 337	-					(3 677)	(3 677)	660	4 920	5 422	
<b>Gross: Trade and other receivables</b>		<b>107 189</b>	-					<b>(5 427)</b>	<b>(5 427)</b>	<b>101 762</b>	<b>110 003</b>	<b>112 841</b>	
<b>Less: Impairment for debt</b>	1	<b>(74 020)</b>	-					<b>5 204</b>	<b>5 204</b>	<b>(68 817)</b>	<b>(76 742)</b>	<b>(87 966)</b>	
Impairment for Electricity		(4 163)	-					865	865	(3 298)	(4 326)	(4 326)	
Impairment for Water		-	-					-	-	-	-	-	
Impairment for Waste		(2 435)	-					(59 584)	(59 584)	(62 018)	(2 459)	(2 484)	
Impairment for Waste Water		-	-					-	-	-	-	-	
Impairment for other trade receivables		(67 422)	-					63 922	63 922	(3 500)	(70 025)	(81 157)	
<b>Total net Trade and other receivables</b>		<b>33 169</b>	-					<b>(224)</b>	<b>(224)</b>	<b>32 945</b>	<b>33 260</b>	<b>24 875</b>	
<b>Receivables from non-exchange transactions</b>													
Property rates		134 110	-					59 562	59 562	193 671	138 141	142 879	
Less: Impairment of Property rates		(103 609)	-					(34 528)	(34 528)	(138 137)	(106 837)	(99 048)	
<b>Net Property rates</b>		<b>30 501</b>	-					<b>25 033</b>	<b>25 033</b>	<b>55 534</b>	<b>31 304</b>	<b>43 831</b>	
Other receivables from non-exchange transactions		8 541	-					(3 116)	(3 116)	5 425	8 817	9 027	
Impairment for other receivables from non-exchange transactions		(2 999)	-					121	121	(2 878)	(3 089)	(3 151)	
<b>Net other receivables from non-exchange transactions</b>		<b>5 542</b>	-					<b>(2 995)</b>	<b>(2 995)</b>	<b>2 547</b>	<b>5 728</b>	<b>5 876</b>	
<b>Total net Receivables from non-exchange transactions</b>		<b>36 042</b>	-					<b>22 038</b>	<b>22 038</b>	<b>58 081</b>	<b>37 031</b>	<b>49 707</b>	
<b>Consumables</b>													
<b>Standard Rated</b>													
<b>Opening Balance</b>		553	-					252	252	804	(1 058)	(1 727)	
Acquisitions		476	-					-	-	476	490	510	
Issues	13	(1 164)	-					(1 174)	(1 174)	(2 338)	(1 159)	(1 210)	
Adjustments	14	-	-					-	-	-	-	-	
Write-offs	15	-	-					-	-	-	-	-	
<b>Closing balance - Consumables Standard Rated</b>		<b>(136)</b>	-					<b>(922)</b>	<b>(922)</b>	<b>(1 058)</b>	<b>(1 727)</b>	<b>(2 427)</b>	
<b>Zero Rated</b>													
<b>Materials and Supplies</b>													
<b>Opening Balance</b>		121	-					65	65	186	804	1 342	
Acquisitions		3 915	-					-	-	3 915	4 237	4 283	
Issues	13	(3 955)	-					658	658	(3 297)	(3 699)	(3 908)	
Adjustments	14	-	-					-	-	-	-	-	
Write-offs	15	-	-					-	-	-	-	-	
<b>Closing balance - Materials and Supplies</b>		<b>81</b>	-					<b>723</b>	<b>723</b>	<b>804</b>	<b>1 342</b>	<b>1 717</b>	
<b>Land</b>													
<b>Opening Balance</b>		39 038	-					2 706	2 706	41 744	41 744	41 744	
Acquisitions		-	-					-	-	-	-	-	
Sales		-	-					-	-	-	-	-	
Adjustments		-	-					-	-	-	-	-	
Correction of Prior period errors		-	-					-	-	-	-	-	
Transfers		-	-					-	-	-	-	-	
<b>Closing Balance - Land</b>		<b>39 038</b>	-					<b>2 706</b>	<b>2 706</b>	<b>41 744</b>	<b>41 744</b>	<b>41 744</b>	
<b>Closing Balance - Inventory &amp; Consumables</b>		<b>38 984</b>	-					<b>2 506</b>	<b>2 506</b>	<b>41 490</b>	<b>41 359</b>	<b>41 035</b>	
<b>Property, plant &amp; equipment</b>													
PPE at cost/valuation (excl. finance leases)		864 990	-					224 551	224 551	1 089 542	906 051	892 980	
Leases recognised as PPE	2	-	-					-	-	-	-	-	
Less: Accumulated depreciation		(233 600)	-					(90 913)	(90 913)	(324 513)	(261 213)	(263 721)	
<b>Total Property, plant &amp; equipment</b>	1	<b>631 390</b>	-					<b>133 638</b>	<b>133 638</b>	<b>765 028</b>	<b>644 838</b>	<b>629 258</b>	
<b>LIABILITIES</b>													
<b>Current liabilities - Financial liabilities</b>													
Short term loans (other than bank overdrafts)		-	-					-	-	-	-	-	
Current portion of long-term liabilities		-	-					-	-	-	-	-	
<b>Total Current liabilities - Financial liabilities</b>		<b>-</b>	<b>-</b>					<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Trade and other payables</b>													
Trade and other payables from exchange transactions		23 220	-					24 837	24 837	48 056	24 739	25 119	
Other trade payables from exchange transactions		-	-					-	-	-	-	-	
Trade payables from Non-exchange transactions		8 284	-					(2 848)	(2 848)	5 436	-	-	
Trade payables from Non-exchange transactions		-	-					-	-	-	-	-	
VAT		14 759	-					6 810	6 810	21 570	15 184	16 670	
<b>Total Trade and other payables</b>	1	<b>46 263</b>	-					<b>28 799</b>	<b>28 799</b>	<b>75 062</b>	<b>39 923</b>	<b>41 789</b>	
<b>Non current liabilities - Financial liabilities</b>													
Borrowing	3	-	-					-	-	-	-	-	
Other financial liabilities		-	-					-	-	-	-	-	
<b>Provisions - non current</b>													
Retirement benefits		22 993	-					2 777	2 777	25 770	23 455	23 223	
Refuse landfill site rehabilitation		-	-					-	-	-	-	-	
Other		-	-					-	-	-	-	-	
<b>Total Provisions - non current</b>		<b>22 993</b>	-					<b>2 777</b>	<b>2 777</b>	<b>25 770</b>	<b>23 455</b>	<b>23 223</b>	
<b>CHANGES IN NET ASSETS</b>													
<b>Accumulated surplus/(Deficit)</b>													
Accumulated surplus/(Deficit) - opening		808 780	-					130 197	130 197	938 978	858 373	859 656	
GRAP adjustments		-	-					-	-	-	-	-	
Restated balance		808 780	-					130 197	130 197	938 978	858 373	859 656	
Surplus/(Deficit)		43 244	-					(17 656)	(17 656)	25 588	44 553	47 087	
<b>Accumulated Surplus/(Deficit)</b>	1	<b>852 024</b>	-					<b>112 541</b>	<b>112 541</b>	<b>964 566</b>	<b>902 927</b>	<b>906 743</b>	
<b>Reserves</b>													
Housing Development Fund		2 086	-					47	47	2 133	2 249	2 313	
<b>Total Reserves</b>	2	<b>2 086</b>	-					<b>47</b>	<b>47</b>	<b>2 133</b>	<b>2 249</b>	<b>2 313</b>	
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	2	<b>854 111</b>	-					<b>112 589</b>	<b>112 589</b>	<b>966 699</b>	<b>905 175</b>	<b>909 056</b>	

**Table 14 Supporting Table SB4- Adjustments to Budgeted performance indicators**

KZN291 Mandeni - Supporting Table SB4 Adjustments to budgeted performance indicators and benchmarks - 28-02-2025									
Description of financial indicator	Basis of calculation	2021/22	2022/23	2023/24	Budget Year 2024/25			Budget Year +1 2025/26	Budget Year +2 2026/27
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>Borrowing Management</b>									
Credit Rating	Short term/long term rating								
Capital Charges to Operating Exp	Interest & Principal Paid /Operating Expenditure				6,8%	0,0%	6,5%	6,8%	6,6%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue				0,0%	0,0%	0,0%	0,0%	0,0%
Borrowed funding of 'own' capital	Borrowing/Capital expenditure excl. transfers and grants				0,0%	0,0%	0,0%	0,0%	0,0%
<b>Safety of Capital</b>									
Gearing	Long Term Borrowing/ Funds & Reserves				0,0%	0,0%	0,0%	0,0%	0,0%
<b>Liquidity</b>									
Current Ratio	Current assets/current liabilities				436,2%	0,0%	318,1%	591,0%	613,3%
Current Ratio adjusted for aged d	Current assets/current liabilities less debtors > 90 days/current liabilities				436,2%	0,0%	0,0%	0,0%	0,0%
Liquidity Ratio	Monetary Assets/Current Liabilities				2,1	0,0	1,8	3,3	3,9
<b>Revenue Management</b>									
Annual Debtors Collection Rate (F	Last 12 Mths Receipts/ Last 12 Mths Billing								
Current Debtors Collection Rate	(Cash receipts % of Ratepayer & Other revenue)								
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue				49,7%	0,0%	48,4%	48,0%	47,6%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				0,0%	0,0%	0,0%	0,0%	0,0%
<b>Creditors Management</b>									
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))								
Creditors to Cash and Investments					55,9%	0,0%	81,3%	33,7%	30,0%
<b>Other Indicators</b>									
Electricity Distribution Losses (2)	Total Volume Losses (kW)								
	Total Volume Losses (kW) non technical								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Water Volumes :System input	Bulk Purchase								
	Water treatment works								
	Natural sources								
Water Distribution Losses (2)	Total Volume Losses (kℓ)								
	Total Cost of Losses (Rand '000)								
	% Volume (units purchased and generated less units sold)/units purchased and generated								
Employee costs	Employee costs/(Total Revenue - capital revenue)				34,1%	0,0%	34,0%	33,9%	33,5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)								
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)				6,1%	0,0%	6,5%	6,2%	6,4%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)				7,9%	0,0%	8,0%	7,8%	7,7%
<b>IDP regulation financial viability indicators</b>									
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within f				1467,7%	0,0%	1473,5%	1489,5%	1520,6%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services				7,4%	0,0%	7,3%	7,3%	5,4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure				0,0	0,0	0,0	0,0	0,0

**Table 15 Supporting Table SB6- Adjustment Budget- Funding Measurement**

KZN291 Mandeni - Supporting Table SB6 Adjustments Budget - funding measurement - 28-02-2025

Description	Ref	MFMA section	2021/2	2022/2	2023/2	Medium Term Revenue and Expenditure Framework				
			Audit ed Outcome	Audit ed Outcome	Audit ed Outcome	Original Budget	Prior Adjusted	Adjusted Budget	Budget Year +1 2025/26	Budget Year +2 2026/27
<b>R thousands</b>										
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	1	18(1)b				82 718	–	92 380	118 413	139 355
Cash + investments at the yr end less applications - R	2	18(1)b				128 671	–	129 621	168 726	192 402
Cash year end/monthly employee/supplier payments	3	18(1)b				–	–	–	–	–
Surplus/(Deficit) excluding depreciation offsets: R'000	4	18(1)				43 244	–	–	–	–
Service charge rev % change - macro CPIX target ex	5	18(1)a,(2)				0,0%	0,0%	0,0%	0,0%	0,0%
Cash receipts % of Ratepayer & Other revenue	6	18(1)a,(2)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Debt impairment expense as a % of total billable rever	7	18(1)a,(2)				30,5%	0,0%	30,2%	30,1%	29,3%
Capital payments % of capital expenditure	8	18(1)c;19				115,0%	0,0%	0,0%	0,0%	0,0%
Borrowing receipts % of capital expenditure (excl. tran	9	18(1)c				0,0%	0,0%	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	10	18(1)a				0,0%	0,0%	0,0%	0,0%	0,0%
Current consumer debtors % change - incr(decr)	11	18(1)a							-22,8%	1,5%
Long term receivables % change - incr(decr)	12	18(1)a							-48,5%	1,5%
R&M % of Property Plant & Equipment	13	20(1)(vi)				4,0%	0,0%	3,6%	4,0%	4,3%
Asset renewal % of capital budget	14	20(1)(vi)				23,0%	0,0%	20,9%	0,0%	0,0%

**Table 16 Supporting Table SB7- Adjustment Budget- Transfers and grant receipts**

KZN291 Mandeni - Supporting Table SB7 Adjustments Budget - transfers and grant receipts - 28-02-2025

Description	Ref	Budget Year 2024/25						Budget Year +1 2025/26	Budget Year +2 2026/27	
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	
		7	8	9	10	11	12			
R thousands		A	A1	B	C	D	E	F		
<b>RECEIPTS:</b>	1, 2									
<b>Operating Transfers and Grants</b>										
<b>National Government:</b>		249 394	-	-	-	-	-	249 394	247 404	241 672
EPWP Incentive	-	1 815	-	-	-	-	-	1 815	-	-
Finance Management	-	1 800	-	-	-	-	-	1 800	1 900	2 000
Local Government Equitable Share	-	243 588	-	-	-	-	-	243 588	243 355	237 347
Municipal Infrastructure Grant	-	2 191	-	-	-	-	-	2 191	2 149	2 325
<b>Provincial Government:</b>		4 619	-	-	-	-	-	4 619	4 933	5 088
KwaZulu-Natal_Capacity Building a	-	4 619	-	-	-	-	-	4 619	4 933	5 088
	4									
	5									
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	6	254 013	-	-	-	-	-	254 013	252 337	246 760
<b>Capital Transfers and Grants</b>										
<b>National Government:</b>		38 910	-	-	5 378	-	5 378	44 288	40 840	44 178
Municipal Infrastructure Grant (MI)	-	38 910	-	-	5 378	-	5 378	44 288	40 840	44 178
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
<b>Total Capital Transfers and Grants</b>	6	38 910	-	-	5 378	-	5 378	44 288	40 840	44 178
<b>TOTAL RECEIPTS OF TRANSFERS &amp;</b>		292 923	-	-	5 378	-	5 378	298 301	293 177	290 938

**Table 17 Supporting Table SB8- Adjustment Budget- Transfers and grant expenditure**

KZN291 Mandeni - Supporting Table SB8 Adjustments Budget - expenditure on transfers and grant programme - 28-02-2025

Description	Ref	Budget Year 2024/25							Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F		
<b>R thousands</b>										
<b>EXPENDITURE ON TRANSFERS AND GRANT</b>	1									
<b>Operating expenditure of Transfers and Grants</b>										
<b>National Government:</b>		5 806	-	-	-	-	-	5 806	4 049	4 325
Expanded Public Works Programme Integrated G	-	1 815	-	-	-	-	-	1 815	-	-
Local Government Financial Management Grant	-	1 800	-	-	-	-	-	1 800	1 900	2 000
Municipal Infrastructure Grant	-	2 191	-	-	-	-	-	2 191	2 149	2 325
0										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
0		-	-	-	-	-	-	-	-	-
0										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
	-									
<b>Total operating expenditure of Transfers and Grants</b>		5 806	-	-	-	-	-	5 806	4 049	4 325
<b>Capital expenditure of Transfers and Grants</b>										
<b>National Government:</b>		38 910	-	-	-	-	-	44 288	40 840	44 178
Municipal Infrastructure Grant	-	38 910	-	-	-	-	-	44 288	40 840	44 178
	-	-	-	-	-	-	-	-	-	-
0										
0										
<b>Provincial Government:</b>		-	-	-	-	-	-	-	-	-
	-									
0										
<b>District Municipality:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
0										
<b>Other grant providers:</b>		-	-	-	-	-	-	-	-	-
[insert description]										
0										
<b>Total capital expenditure of Transfers and Grants</b>		38 910	-	-	-	-	-	44 288	40 840	44 178
<b>Total capital expenditure of Transfers and Grants</b>		44 716	-	-	-	-	-	50 094	44 889	48 503

**Table 18 Supporting Table SB9- Adjustment Budget- Reconciliation of Transfers**

February 2025

**KZN291 Mandeni - Supporting Table SB9 Adjustments Budget - reconciliation of transfers, grant receipts, and unspent funds - 28-02-2025**

Description	Ref	Budget Year 2024/25						Budget Year +1 2025/26	Budget Year +2 2026/27
		Original Budget	Prior Adjusted	Multi-year capital	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget	Adjusted Budget
		A	2 A1	3 B	4 C	5 D	6 E	7 F	
<b>R thousands</b>									
<b>Operating transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		(249 394)	-	-	-	-	-	(249 394)	(247 404)
Repayment of grants									
<b>Conditions met - transferred to revenue</b>		<b>(255 199)</b>	-	-	-	-	-	<b>(255 199)</b>	<b>(251 454)</b>
Conditions still to be met - transferred to liabilities		5 806	-	-	-	-	-	5 806	4 049
<b>Provincial Government:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		(4 619)	-	-	-	-	-	(4 619)	(4 933)
<b>Conditions met - transferred to revenue</b>		<b>(4 619)</b>	-	-	-	-	-	<b>(4 619)</b>	<b>(4 933)</b>
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>		<b>(259 818)</b>	-	-	-	-	-	<b>(259 818)</b>	<b>(256 387)</b>
<b>Total operating transfers and grants - CTBM</b>	2	<b>5 806</b>	-	-	-	-	-	<b>5 806</b>	<b>4 049</b>
<b>Capital transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		(38 910)	-	-	(5 378)	-	(5 378)	(44 288)	(40 840)
<b>Conditions met - transferred to revenue</b>		<b>(77 821)</b>	-	-	<b>(5 378)</b>	-	<b>(5 378)</b>	<b>(83 198)</b>	<b>(81 679)</b>
Conditions still to be met - transferred to liabilities		38 910	-	-	-	-	-	38 910	40 840
<b>Provincial Government:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year							-	-	
Current year receipts		-	-	-	-	-	-	-	-
<b>Conditions met - transferred to revenue</b>		-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities		-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>		<b>(77 821)</b>	-	-	<b>(5 378)</b>	-	<b>(5 378)</b>	<b>(83 198)</b>	<b>(81 679)</b>
<b>Total capital transfers and grants - CTBM</b>		<b>38 910</b>	-	-	-	-	-	<b>38 910</b>	<b>40 840</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>		<b>(337 639)</b>	-	-	<b>(5 378)</b>	-	<b>(5 378)</b>	<b>(343 017)</b>	<b>(338 066)</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>		<b>44 716</b>	-	-	-	-	-	<b>44 716</b>	<b>44 889</b>

**Table 19 Supporting Table SB11- Adjustment Budget- Councilor and staff benefits**

KZN291 Mandeni - Supporting Table SB11 Adjustments Budget - councillor and staff benefits - 28-02-2025

Summary of remuneration	Ref	Budget Year 2024/25										% change
		Original Budget	Prior Adjusted	Accum. Funds	Multi-year capital	Unfore. Unavoid.	Nat. or Prov. Govt	Other Adjusts.	Total Adjusts.	Adjusted Budget		
		A	A1	B	C	D	E	F	G	H		
<b>R thousands</b>												
<b>Councillors (Political Office Bearers plus Other)</b>												
Basic Salaries and Wages		13 768	-					-	-	13 768	0,0%	
Pension and UIF Contributions		-	-					-	-	-		
Medical Aid Contributions		-	-					-	-	-		
Motor Vehicle Allowance		675	-					-	-	675	0,0%	
Cellphone Allowance		1 687	-					-	-	1 687		
Housing Allowances		258	-					-	-	258		
Other benefits and allowances		-	-					-	-	-		
<b>Sub Total - Councillors</b>		<b>16 388</b>	<b>-</b>					<b>-</b>	<b>-</b>	<b>16 388</b>	<b>0,0%</b>	
<b>% increase</b>			<b>(0)</b>							<b>-</b>		
<b>Senior Managers of the Municipality</b>												
Basic Salaries and Wages		5 876	-					(322)	(322)	5 555	-5,5%	
Pension and UIF Contributions		11	-					(1)	(1)	10	-11,5%	
Medical Aid Contributions		42	-					103	103	145	243,2%	
Overtime		-	-					-	-	-		
Performance Bonus		499	-					(119)	(119)	380		
Motor Vehicle Allowance		871	-					(5)	(5)	866	-0,6%	
Cellphone Allowance		195	-					73	73	268	37,2%	
Housing Allowances		278	-					-	-	278		
Other benefits and allowances		286	-					154	154	440		
Payments in lieu of leave		-	-					-	-	-		
Long service awards		-	-					-	-	-		
Post-retirement benefit obligations	5	3 736	-					-	-	3 736	0,0%	
Entertainment		-	-					-	-	-		
Scarcity		-	-					-	-	-		
Acting and post related allowance		-	-					-	-	-		
In kind benefits		-	-					-	-	-		
<b>Sub Total - Senior Managers of Municipality</b>		<b>11 794</b>	<b>-</b>					<b>(117)</b>	<b>(117)</b>	<b>11 677</b>	<b>-1,0%</b>	
<b>% increase</b>			<b>(0)</b>							<b>(0)</b>		
<b>Other Municipal Staff</b>												
Basic Salaries and Wages		94 130	-					(586)	(586)	93 544	-0,6%	
Pension and UIF Contributions		15 938	-					193	193	16 131	1,2%	
Medical Aid Contributions		6 180	-					622	622	6 801	10,1%	
Overtime		2 469	-					527	527	2 996	21,3%	
Performance Bonus		6 513	-					(1 151)	(1 151)	5 362		
Motor Vehicle Allowance		5 495	-					303	303	5 798	5,5%	
Cellphone Allowance		604	-					181	181	784	29,9%	
Housing Allowances		362	-					18	18	380		
Other benefits and allowances		887	-					101	101	988		
Payments in lieu of leave		2 718	-					(91)	(91)	2 627	-3,3%	
Long service awards		1 407	-					-	-	1 407	0,0%	
Post-retirement benefit obligations	5	4 047	-					-	-	4 047	0,0%	
Entertainment		-	-					-	-	-		
Scarcity		-	-					-	-	-		
Acting and post related allowance		-	-					-	-	-		
In kind benefits		-	-					-	-	-		
<b>Sub Total - Other Municipal Staff</b>		<b>140 748</b>	<b>-</b>					<b>117</b>	<b>117</b>	<b>140 866</b>	<b>0,1%</b>	
<b>% increase</b>												
<b>Total Parent Municipality</b>		<b>168 930</b>	<b>-</b>					<b>0</b>	<b>0</b>	<b>168 930</b>	<b>0,0%</b>	
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>		<b>168 930</b>	<b>-</b>					<b>0</b>	<b>0</b>	<b>168 930</b>	<b>0,0%</b>	
<b>% increase</b>												
<b>TOTAL MANAGERS AND STAFF</b>		<b>152 543</b>	<b>-</b>					<b>0</b>	<b>0</b>	<b>152 543</b>	<b>0,0%</b>	

**Table 20 Supporting Table SB14- Adjustment Budget- Monthly revenue and expenditure**

KZN291 Mandeni - Supporting Table SB14 Adjustments Budget - monthly revenue and expenditure - 28-02-2025

Description	Ref	Budget Year 2024/25													Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Full year budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget
<b>R thousands</b>																	
<b>Revenue By Source</b>																	
<b>Exchange Revenue</b>																	
Service charges - Electricity		5 885	7 534	6 238	4 671	4 991	5 501	6 028	6 028	6 028	6 028	6 028	7 380	72 341	72 341	75 479	79 636
Service charges - Water		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - Waste Water Management		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - Waste Management		1 104	1 092	1 078	1 095	1 123	1 104	1 176	1 176	1 176	1 176	1 176	1 632	14 106	14 106	14 756	15 436
Sale of Goods and Rendering of Services		1 591	98	35	41	36	107	790	790	790	790	790	790	9 474	9 474	8 405	13 354
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interest earned from Receivables		117	118	119	121	123	124	125	125	125	125	125	153	1 500	1 500	1 007	1 053
Interest earned from Current and Non Current		2 082	489	350	311	311	1 421	2 333	2 333	2 333	2 333	2 333	11 370	28 000	28 000	28 840	29 705
Dividends		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rent on Land		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Rental from Fixed Assets		52	50	39	96	58	42	60	60	60	60	60	85	724	724	391	409
Licence and permits		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Operational Revenue		86	8	9	46	417	6	146	146	146	146	146	449	1 750	1 750	1 254	1 313
<b>Non-Exchange Revenue</b>																	
Property rates		1	34 148	3 304	3 281	3 281	3 285	5 186	5 186	5 186	5 186	5 186	(10 995)	62 237	62 237	65 099	69 094
Surcharges and Taxes		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		7	6	9	12	6	4	109	109	109	109	109	721	1 310	1 310	1 371	1 434
Licences or permits		58	71	61	74	122	114	80	80	80	80	80	57	957	957	1 001	1 047
Transfer and subsidies - Operational		102 205	896	876	1 039	52 315	82 100	21 097	21 097	21 097	21 097	21 097	(91 754)	253 163	253 163	252 337	246 760
Interest		274	270	257	309	307	309	276	276	276	276	276	204	3 308	3 308	3 113	3 256
Fuel Levy		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Operational Revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Gains on disposal of Assets		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Gains		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Discontinued Operations		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Revenue</b>		<b>9 327</b>	<b>44 780</b>	<b>12 376</b>	<b>11 097</b>	<b>63 088</b>	<b>94 119</b>	<b>37 406</b>	<b>37 406</b>	<b>37 406</b>	<b>37 406</b>	<b>37 406</b>	<b>(80 699)</b>	<b>118 421</b>	<b>448 870</b>	<b>453 053</b>	<b>462 498</b>
<b>Expenditure By Type</b>																	
Employee related costs		10 438	10 898	11 296	13 212	11 808	12 005	12 712	12 712	12 712	12 712	12 712	19 326	152 543	152 543	153 638	154 713
Remuneration of councillors		1 178	1 214	1 228	1 214	1 768	1 246	1 366	1 366	1 366	1 366	1 366	1 712	16 388	16 388	16 879	17 217
Bulk purchases - electricity		4 822	13 030	4 822	9 942	4 311	4 337	4 822	4 822	4 822	4 822	4 822	(7 510)	57 866	57 866	59 164	61 931
Inventory consumed		176	27	314	771	773	538	470	470	470	470	470	688	5 634	5 634	4 858	5 118
Debt impairment		2 522	2 522	2 522	2 522	2 522	15 130	2 522	2 522	2 522	2 522	2 522	(10 087)	30 261	30 261	30 463	30 416
Depreciation and amortisation		3 155	5 865	2 843	2 950	2 910	2 978	3 155	3 155	3 155	3 155	3 155	1 382	37 856	37 856	38 992	39 772
Interest		275	275	275	0	275	275	275	275	275	275	275	550	3 300	3 300	3 452	3 611
Contracted services		3 882	5 661	5 083	5 203	8 394	9 092	7 581	7 581	7 581	7 581	7 581	15 755	90 976	90 976	77 357	79 136
Transfers and subsidies		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Irrecoverable debts written off		522	522	522	522	522	3 130	522	522	522	522	522	(2 087)	6 261	6 261	6 323	6 387
Operational costs		7 045	4 089	4 854	4 647	4 475	12 738	5 561	5 561	5 561	5 561	5 561	1 081	66 735	66 735	58 212	61 289
Losses on disposal of Assets		50	50	50	50	50	50	50	50	50	50	50	50	600	600	—	—
Other Losses		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Expenditure</b>		<b>34 065</b>	<b>44 152</b>	<b>33 808</b>	<b>41 032</b>	<b>37 807</b>	<b>61 521</b>	<b>39 035</b>	<b>39 035</b>	<b>39 035</b>	<b>39 035</b>	<b>39 035</b>	<b>20 859</b>	<b>401 084</b>	<b>468 419</b>	<b>449 339</b>	<b>459 589</b>
<b>Surplus/(Deficit)</b>																	
Transfers and subsidies - capital (monetary allocations)		(24 738)	628	(21 433)	(29 935)	25 282	32 598	(1 629)	(1 629)	(1 629)	(1 629)	(1 629)	(101 558)	(282 663)	(19 550)	3 714	2 909
Transfers and subsidies - capital (in-kind - all)		816	1 115	3 151	2 690	1 860	1 860	3 761	3 761	3 761	3 761	3 761	14 839	45 138	40 840	44 178	—
<b>Surplus/(Deficit) after capital transfers &amp; c</b>		<b>(23 922)</b>	<b>1 743</b>	<b>(18 281)</b>	<b>(27 245)</b>	<b>27 141</b>	<b>34 457</b>	<b>2 132</b>	<b>2 132</b>	<b>2 132</b>	<b>2 132</b>	<b>2 132</b>	<b>(86 719)</b>	<b>(282 663)</b>	<b>25 588</b>	<b>44 553</b>	<b>47 087</b>

**Table 21 Supporting Table SB15- Adjustment Budget- Monthly Cash Flow**

KZN291 Mandeni - Supporting Table SB15 Adjustments Budget - monthly cash flow - 28-02-2025															Medium Term Revenue and			
Monthly cash flows	Ref	Budget Year 2024/25												Full year budget	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27	
		July	August	Sept.	October	November	December	January	February	March	April	May	June					
		Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget	Adjusted Budget		Adjusted Budget	Adjusted Budget	Adjusted Budget	
<b>R thousands</b>																		
<b>Cash Receipts By Source</b>																		
Property rates	1	66 828	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	2 593	(61 641)	31 118	31 118	32 550	34 047
Service charges - electricity revenue		5 727	5 727	5 727	5 727	5 727	5 727	5 727	5 727	5 727	5 727	5 727	5 727	5 727	68 724	68 724	71 705	75 654
Service charges - water revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - sanitation revenue		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Service charges - refuse		588	588	588	588	588	588	588	588	588	588	588	588	7 053	7 053	7 378	7 718	
Rental of facilities and equipment		61	61	61	61	61	61	61	61	61	61	61	61	729	729	366	383	
Interest earned - external investments		1 055	489	349	311	314	434	2 333	2 333	2 333	2 333	2 333	2 333	13 382	28 000	28 000	28 840	29 705
Interest earned - outstanding debtors		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dividends received		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Fines, penalties and forfeits		1	1	7	6	1	3	6	6	6	6	6	6	25	76	76	80	83
Licences and permits		92	92	92	92	92	92	92	92	92	92	92	92	92	1 100	1 100	1 151	1 204
Agency services		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and Subsidies - Operational		103 826	21 866	21 866	21 866	51 537	111 196	21 866	21 866	21 866	21 866	21 866	21 866	(179 096)	262 390	262 390	260 257	255 861
Other revenue		1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	1 909	22 906	22 906	3 293	7 885	
<b>Cash Receipts by Source</b>		<b>180 085</b>	<b>33 326</b>	<b>33 191</b>	<b>33 152</b>	<b>62 820</b>	<b>122 602</b>	<b>35 175</b>	<b>35 175</b>	<b>35 175</b>	<b>35 175</b>	<b>35 175</b>	<b>35 175</b>	<b>(218 954)</b>	<b>422 097</b>	<b>422 097</b>	<b>405 620</b>	<b>412 541</b>
<b>Other Cash Flows by Source</b>																		
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		13 602	0	0	8 023	3 761	16 908	3 761	3 761	3 761	3 761	3 761	3 761	(15 964)	45 138	45 138	40 840	44 178
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Proceeds on Disposal of Fixed and Intang		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Short term loans		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Borrowing long term/refinancing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Increase (decrease) in consumer deposits		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current receive		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Decrease (increase) in non-current invest		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total Cash Receipts by Source</b>		<b>193 687</b>	<b>33 326</b>	<b>33 191</b>	<b>41 175</b>	<b>66 582</b>	<b>139 510</b>	<b>38 936</b>	<b>38 936</b>	<b>38 936</b>	<b>38 936</b>	<b>38 936</b>	<b>38 936</b>	<b>(234 918)</b>	<b>467 235</b>	<b>467 235</b>	<b>446 459</b>	<b>456 718</b>
<b>Cash Payments by Type</b>																		
Employee related costs		6 708	6 828	7 123	8 541	7 943	7 681	12 717	12 717	12 717	12 717	12 717	12 717	44 198	152 609	152 609	153 638	154 713
Remuneration of councillors		1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	1 366	16 388	16 388	16 879	17 217
Finance charges		275	275	275	275	275	275	275	275	275	275	275	275	3 300	3 300	3 452	3 611	
Bulk purchases - Electricity	2	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	5 545	66 545	66 545	68 038	71 221	
Acquisitions - water & other invento	3	420	420	420	420	420	420	420	420	420	420	420	420	5 041	5 041	5 429	5 505	
Contracted services		8 972	8 972	8 972	8 972	8 972	8 972	8 972	8 972	8 972	8 972	8 972	8 972	—	107 662	88 479	90 447	
Transfers and grants - other municipalities		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Transfers and grants - other		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other expenditure		37 026	29 139	17 977	28 501	37 189	50 855	6 518	6 518	6 518	6 518	6 518	6 518	(155 061)	78 215	78 215	65 595	69 067
<b>Cash Payments by Type</b>		<b>60 311</b>	<b>52 545</b>	<b>41 677</b>	<b>53 620</b>	<b>61 710</b>	<b>75 114</b>	<b>35 813</b>	<b>35 813</b>	<b>35 813</b>	<b>35 813</b>	<b>35 813</b>	<b>35 813</b>	<b>(94 285)</b>	<b>322 099</b>	<b>429 761</b>	<b>401 510</b>	<b>411 781</b>
<b>Other Cash Flows/Payments by Type</b>																		
Capital assets		12 825	12 825	12 825	12 825	12 825	6 720	12 825	12 825	12 825	12 825	12 825	12 825	18 930	153 901	153 901	80 640	61 428
Repayment of borrowing		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other Cash Flows/Payments		—	35	—	—	361	348	—	—	—	—	—	—	(744)	—	—	—	—
<b>Total Cash Payments by Type</b>		<b>73 137</b>	<b>65 405</b>	<b>54 503</b>	<b>66 445</b>	<b>74 896</b>	<b>82 182</b>	<b>48 639</b>	<b>48 639</b>	<b>48 639</b>	<b>48 639</b>	<b>48 639</b>	<b>48 639</b>	<b>(76 098)</b>	<b>476 000</b>	<b>583 662</b>	<b>482 150</b>	<b>473 209</b>
<b>NET INCREASE/(DECREASE) IN CASH H</b>		<b>120 550</b>	<b>(32 079)</b>	<b>(21 311)</b>	<b>(25 270)</b>	<b>(8 314)</b>	<b>57 328</b>	<b>(9 702)</b>	<b>(9 702)</b>	<b>(9 702)</b>	<b>(9 702)</b>	<b>(9 702)</b>	<b>(9 702)</b>	<b>(158 820)</b>	<b>(8 766)</b>	<b>(116 428)</b>	<b>(35 691)</b>	<b>(16 490)</b>
Cash/cash equivalents at the month/year		208 808	329 358	297 279	275 968	250 698	242 384	299 711	290 009	280 307	270 604	260 902	251 200	251 200	208 808	92 380	56 689	56 689
Cash/cash equivalents at the month/year		329 358	297 279	275 968	250 698	242 384	299 711	290 009	280 307	270 604	260 902	251 200	92 380	92 380	92 380	56 689	40 199	40 199

## 2.8 Municipal Manager's quality certificate

I S.G. Khuzwayo, Municipal Manager of Mandeni Municipality,

hereby certify that the Adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the:

- **mSCOA Adjustment Budget and supporting documents are consistent with the Integrated Development Plan of the municipality.**

Print Name    Mr. S.G. Khuzwayo

Municipal manager of Mandeni Municipality (KZN 291)

Signature\_\_\_\_\_

Date           27<sup>th</sup> February 2025

